



**City of Sutherlin  
Council Meeting  
Monday, December 11, 2023  
Civic Auditorium – 7:00 p.m.**

**AGENDA**

**Mayor Michelle Sumner**  
Council President Hamilton  
Councilors Dagel, Groussman, Smalley, Whitaker, and Woods

- 1. CALL TO ORDER / FLAG SALUTE**
- 2. ROLL CALL**
- 3. INTRODUCTION OF MEDIA**
- 4. PUBLIC COMMENT**

[The purpose of citizen comment is to allow citizens to present information regarding agenda items only. A time limit of three minutes per citizen shall apply.]

**5. PRESENTATIONS**

- a. Audit Report
- b. SDC Annual Report
- c. Urban Renewal Activities Report
- d. ODOT Exit 136 Dakota Street Proposal

**6. CONSENT AGENDA**

- a. November 13, 2023 – Meeting Minutes

**7. PUBLIC HEARING**

- a. Plan Amendment/Zone Change

**8. COUNCIL BUSINESS**

- a. Ordinance - Plan Amendment/Zone Change (first reading, title only)
- b. Ordinance – Amending SMC Chapter 8.26 – Regulating Outdoor Burning (first reading, title only)
- c. Resolution 2023.14 – Fire Apparatus Acceptance

**9. REPORTS/DISCUSSIONS**

- a. Housing & Homeless Task Force

**10. CITY MANAGER REPORT (verbal)**

**11. CITY COUNCIL COMMENT**

**12. PUBLIC COMMENT**

[The purpose of citizen comment is to allow citizens to present information regarding items off the agenda. A time limit of three minutes per citizen shall apply.]

**13. ADJOURN**

*Members of the audience who wish to address the Council will be invited to do so. Speakers must use the microphone stating their name and address prior to addressing the Council.*

**Join Zoom Meeting**

<https://us06web.zoom.us/j/85869299380?pwd=BF0P29gwmcngVNzPCch5ytXqeOt1FF.1>

*If you have a disability that requires special materials, service, or assistance, please call 541.459.2857 at least 48 hours prior to the meeting to arrange for accommodations.*



# **Call to Order & Flag Salute**





# ROLL CALL





# **INTRODUCTION OF MEDIA**





# **PUBLIC COMMENT**

**Agenda Items only**





# **PRESENTATIONS**





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## City of Sutherlin

STAFF REPORT					
<b>Re: 2023 Audit</b>				<b>Meeting Date:</b>	12/11/23
<b>Purpose:</b>	Action Item <input type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
<b>Submitted By: Tami Trowbridge, Finance Director</b>				City Manager Review <input checked="" type="checkbox"/>	
<b>Attachments: 2023 Communication to the Governing Body, 2023 Financial Report, Audit Summary</b>					

### WHAT IS BEING ASKED OF COUNCIL?

No action is being asked of Council at this time. This report is to update the council as to the final status of the annual audit for the 2022-2023 fiscal year. Attached is a summary of the audit by Kenny Allen, CPA who is the managing auditor on the city audit team for Pauly, Rogers and Co., P.C.

### EXPLANATION

Staff has reviewed the final Financial Report for the year ended June 30, 2023 and is pleased to report that the city earned an unqualified opinion on the City's financial statements which is commonly referred to as a "clean" audit; meaning that the auditors have issued an opinion with no reservations. Some highlights of the audit are:

From the Communication to the Governing Body letter:

- Audit opinion letter – an unqualified opinion on the City's financial statements has been issued. This means we have given a "clean" opinion with no reservations. (P. 2)
- State minimum standards for audits – There were three instances where expenditures exceeded appropriations as described on page 15 of the financial statements and commented on in Management's Discussion & Analysis page m.
- Qualitative Aspects of Accounting Practices – The disclosures in the financial statements are neutral, consistent, and clear. (P. 2)
- Difficulties Encountered in Performing the Audit – We encountered no significant difficulties in dealing with management in performing and completing our audit. (P. 3)
- Corrected and Uncorrected Misstatements – There were uncorrected misstatements noted during the audit and discussed with management. (P. 3). These are adjustments that only appear on the full-accrual government-wide statements, due to changes in GASB rules and in that context, are not considered material.
- Disagreements with Management – We are pleased to report that no such disagreements arose during the audit. (P. 3)

- Supplementary Information within Documents Containing Audited Financial Statements – the information is appropriate and complete in relation to our audit of the financial statements. (P. 4)
- Other Information in Documents Containing Audited Financial Statements – Our results noted no material inconsistencies or misstatements of facts. (P. 4)
- The financial affairs have been professionally conducted. The accounting records were in good condition... (P. 4)

#### From the Financial Report

- Note 2. DEPOSITS AND INVESTMENTS – Custodial Credit Risk – Investments – None of the City’s investments have custodial credit risk. (P. 20)
- Note 6. DEFINED BENEFIT PENSION PLAN – This note provides a large amount of information regarding the Oregon Public Employees Retirement plan and should be reviewed carefully. (P. 25-31)
- Note 7. OTHER POST-EMPLOYMENT BENEFIT PLAN-(RHIA) – This is a relatively new note which should be reviewed carefully. (p. 32-33)
- Note 11. OTHER POST-EMPLOYMENT BENEFITS (OPEB) - This too is a relatively new note which should be reviewed carefully. (p. 35-37)
- Note 13. RISK MANAGEMENT – Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. (P. 38)

#### From the Independent Auditors’ Report Required by Oregon State Requirements

- In connection with our testing, nothing came to our attention that caused us to believe the City of Sutherlin 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. (P. 71)

#### From the Independent Auditors’ Report on Grant Compliance Review

- Due to the receipt of Federal funds, via loan proceeds from Safe Drinking Water Fund for Water Treatment Plant at NonPareil , a special audit on grant compliance was necessary again this year. Pages 73-80 of the report disclose the findings of this audit.
- In our opinion, City of Sutherlin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023. (P. 76)

#### Subsequent Actions Taken by Staff Pertaining to the 2023 Audit

- Filed the report with the Oregon Department of Revenue, Division of Audits and paid the filing fee.
- Filed the report on the Municipal Securities Rulemaking Board’s (MSRB) web portal as part of our ongoing disclosure requirements with previously issued debt.
- Filed the report with Rural Development and DEQ as part of the annual reporting requirements for issued debt held by these entities.

<b>SUGGESTED MOTION(S)</b>
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N/A





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[www.paulyrogersandcocpas.com](http://www.paulyrogersandcocpas.com)

October 19, 2023

To the City Council  
City of Sutherlin

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 Sutherlin for the year ended June 30, 2023. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, 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 procedures 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
- federal, state and other agency rules and regulations related to expenditures of federal awards

#### **Our Responsibility under U.S. Generally Accepted Auditing Standards and the Uniform Guidance**

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. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

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. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of the basic financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB's Compliance Supplement applicable to each of the major federal programs for the purpose of expressing an opinion on compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on compliance with those requirements.

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 involved judgment about the number of transactions 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.

### **Results of Audit**

1. Audit opinion letter - an unmodified opinion on the City's financial statements has been issued. This means we have given a "clean" opinion with no reservations.
2. State minimum standards for audits – There were three instances where expenditures exceeded appropriations as described on page 15 of the financial statements.
3. Federal Awards - We found no issues of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the internal control system, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. 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, except for the implementation of GASB 96 Subscription-Based Information Technology Arrangements, 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. The most sensitive estimates affecting the financial statements were Management's estimate of Accounts Receivable, the Net Pension Asset, OPEB's 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 disclosures in the financial statements 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 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 the financial statements taken as a whole. There were uncorrected misstatements noted during the audit which were discussed with management.

*Disagreements with Management*

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

*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 City's financial statements or a determination of the type of auditor's 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 retention as the City's 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 within Documents Containing Audited Financial Statements*

With respect to the supplementary information accompanying the financial statements, 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 financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

*Other Information in Documents Containing Audited Financial Statements*

With respect to the other information accompanying the financial statements, we read the information to identify if any material inconsistencies or misstatement of facts existed with the audited financial statements. Our results noted no material inconsistencies or misstatement of facts.

The financial affairs have been professionally conducted. The accounting records were in good condition and we commend the staff for their assistance and support during the audit.

**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.

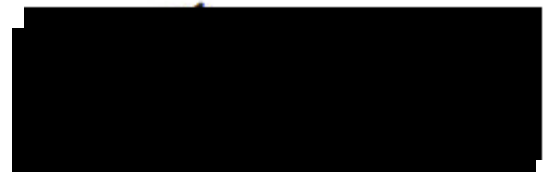
Pauly, Rogers and Co., P.C.

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 City Council and management of the City of Sutherlin and is not intended to be and should not be used by anyone other than these specified parties.



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

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2023**



**12700 SW 72<sup>nd</sup> Ave.**  
**Tigard, OR 97223**

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**FINANCIAL REPORT**

**WITH  
INDEPENDENT AUDITORS' REPORT  
FOR THE YEAR ENDED JUNE 30, 2023**

\*\*\*\*\*



**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**Mayor & City Council**

June 30, 2023

<b><u>Name</u></b>	<b><u>POSITION</u></b>	<b><u>TERM EXPIRES</u></b>
Michelle Sumner	Mayor	December 31, 2024
Debbie Hamilton	City Councilor	December 31, 2026
Larry Whitaker	City Councilor	December 31, 2024
Shawn Smalley	City Councilor	December 31, 2024
Lisa Woods	City Councilor	December 31, 2026
Joe Groussman	City Councilor	December 31, 2024
Gary Dagel	City Councilor	December 31, 2026

All council members will receive mail at the following address:

City of Sutherlin  
126 East Central Ave.  
Sutherlin, Oregon 97479

**ADMINISTRATION**

Jerry Gillham, City Manager  
Tami Trowbridge, Finance Director

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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October 19, 2023

To the City Council  
City of Sutherlin  
Sutherlin, 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 City of Sutherlin, 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 City of Sutherlin, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Sutherlin 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Sutherlin'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Sutherlin'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 Sutherlin'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, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are 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, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Information**

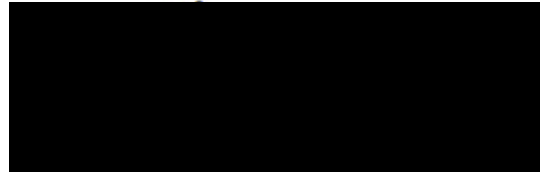
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include 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 *Government Auditing Standards*, we have also issued our report dated October 19, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 19, 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.



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

**CITY OF SUTHERLIN**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2023**

The management of the City of Sutherlin, Oregon presents this narrative overview and analysis to facilitate both a short and a long-term analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report.

**Financial Highlights**

- The City's total assets increased slightly from \$71,487,791 to \$71,827,962, or 0.5%. Capital assets, net of depreciation and related debt increased \$692,087, or 2.8%. Additionally, cash and investments increased \$955,020 from \$11,466,409 to \$12,421,429, or 8.4%.
- The City's total liabilities increased \$716,368 from \$37,713,976 to \$38,430,344, which is 1.9%. There were no loans finalized during this fiscal year, and only payments made on existing loans.
- The total net position of the City (assets minus liabilities) increased \$747,768 from \$33,475,747 to \$34,223,515, or 2.3%. Unrestricted net position ended the year at \$2,099,336, which was a decrease of 30.9%.
- The City's governmental funds reported combined ending balances of \$5,371,524, a decrease of \$557,927, or 9.4%. Of this amount \$1,609,856 is unassigned and available for spending at the government's discretion. This is a decrease of \$1,269,193, or 44.1% from the prior year. This is due in part to the loan to Urban Renewal.
- The General Fund's unassigned ending fund balance of \$2,195,733 represents 33.4% of total General Fund expenditures for the year. The prior year was 57.1%.

**Overview of the Financial Statements**

The City's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the basic financial statements.



***Government-wide financial statements.*** The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to 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 the net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period. Examples of such items include earned (assessed/levied), but uncollected property taxes, and earned, but unused compensated absences.

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

The governmental activities of the City include the following:

- General Government
- Public Safety
- Highways and Streets
- Culture and Recreation
- Tourism

The Business-type activities of the City include the following:

- Wastewater
- Water

The government-wide financial statements can be found on pages 2 through 3A in the basic financial statements section.

***Fund financial statements.*** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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 activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current 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 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 financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations can be found on pages four through seven in the basic financial statements.

The City maintains 14 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 those funds that are considered significant (major) to the City taken as a whole. These financial statements report two major funds: General and Street Construction. Data for the other 12 governmental funds are aggregated into a single column in the fund financials.

Summary fund data by fund-type for these non-major governmental funds is provided in the form of combining statements on pages 45 through 46a. Individual fund data for each of these non-major governmental funds is provided as supplementary information in the form of schedules of revenues, expenditures and changes in fund balance on pages 47 through 59.

In order to provide prudent and responsible control over city expenditures and revenues, the City adopts an annual budget for all governmental funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the other major funds as required supplementary information on pages 39 and 40. Budgetary comparisons for all other governmental funds have been provided as other supplementary information on pages 47 through 58.

The governmental fund financial statements can be found on pages 4 through 7 in the basic financial statements.

***Proprietary funds.*** Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City maintains two types of proprietary funds; namely, enterprise funds and internal service 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 its water utility and wastewater utility operations. The enterprise funds are reported separately in the proprietary fund financial statements in the basic financial statements and can be found on pages 8 through 10a.

Internal service funds act like a rental agency of personnel, equipment and materials to support the activities of other funds. Internal service funds are supported by direct charges to other funds and do not accrue a cash balance. The City uses an internal service fund to support the city building/facilities, streets/drainage, water, and wastewater activities. The internal service fund is reported separately in the proprietary fund financial statements in the basic financial statements and can be found on pages 8 through 10a.

In order to provide prudent and responsible control over City expenditures and revenues, the City adopts an annual budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the enterprise and internal service funds as other supplementary information on pages 41 through 44 and 63 through 68.

***Fiduciary funds.*** Fiduciary funds of the City are agency funds which hold assets on behalf of others. The City maintains one agency fund: Municipal Court.

Since the fund is held in trust for other parties, the City does not budget these funds. The funds are however audited and corresponding information on their activities can be found on pages 11 and 69.

***Notes to the basic financial statements.*** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them. The notes can be found on pages 12 through 36.

***Other supplementary information.*** The combining statements and schedules referred to earlier follow the notes in this report.

## **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$33,397,618 at the close of the most recent fiscal year.

The largest portion of the City's net position, 80.9% reflects its investment in capital assets (e.g., land and right of way, buildings, improvements, equipment, and infrastructure, net of accumulated depreciation), less any related debt used to acquire those assets that are 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 will not be used to liquidate these liabilities.

City of Sutherlin's Net Position						
	Governmental Activities		Business-Type Activities		Totals	
	2022	2023	2022	2023	2022	2023
Assets						
Current Assets	5,791,910	4,859,598	8,737,503	8,895,369	14,529,413	13,754,967
Noncurrent Assets	11,839,934	12,921,997	45,118,444	45,150,998	56,958,378	58,072,995
Total Assets	17,631,844	17,781,595	53,855,947	54,046,367	71,487,791	71,827,962
Deferred Outflows of Resources	2,547,625	2,434,918	-	-	2,547,625	2,434,918
Liabilities						
Current Liabilities	1,034,680	567,618	2,211,278	1,734,224	3,245,958	2,301,842
Other Liabilities	4,083,633	5,260,906	30,384,385	30,867,596	34,468,018	36,128,502
Total Liabilities	5,118,313	5,828,524	32,595,663	32,601,820	37,713,976	38,430,344
Deferred Inflows of Resources	2,845,693	1,609,021	-	-	2,845,693	1,609,021
Net Position						
Invested in Capital Assets,						
Net of Related Debt	11,240,619	12,396,097	13,795,443	13,332,052	25,036,062	25,728,149
Restricted	1,245,006	1,769,210	4,157,473	4,626,820	5,402,479	6,396,030
Unrestricted	(270,162)	(1,386,339)	3,307,368	3,485,675	3,037,206	2,099,336
Total Net Position	12,215,463	12,778,968	21,260,284	21,444,547	33,475,747	34,223,515

A portion of the City's assets represents resources that are subject to external restrictions on how they may be used. The remaining balance is the unrestricted net position of \$2,099,336 may be used to meet the government's ongoing obligations to citizens and creditors.

The City's current assets decreased by \$774,446 and the total noncurrent assets increased by \$1,114,617. The increase in Noncurrent Assets is largely due to the addition of capital assets in the Water and Wastewater section using loan proceeds, and Parks using ARPA and Grant resources.

Deferred Outflows of resources, pension and post-retirement related benefits, decreased by \$112,707 largely caused by the vacation payouts upon retirement. Deferred Inflows of Resources, pension and post-retirement related benefits, decreased significantly. For additional information regarding these line items, see notes 6 and 11 in the Notes to Basic Financial Statements.

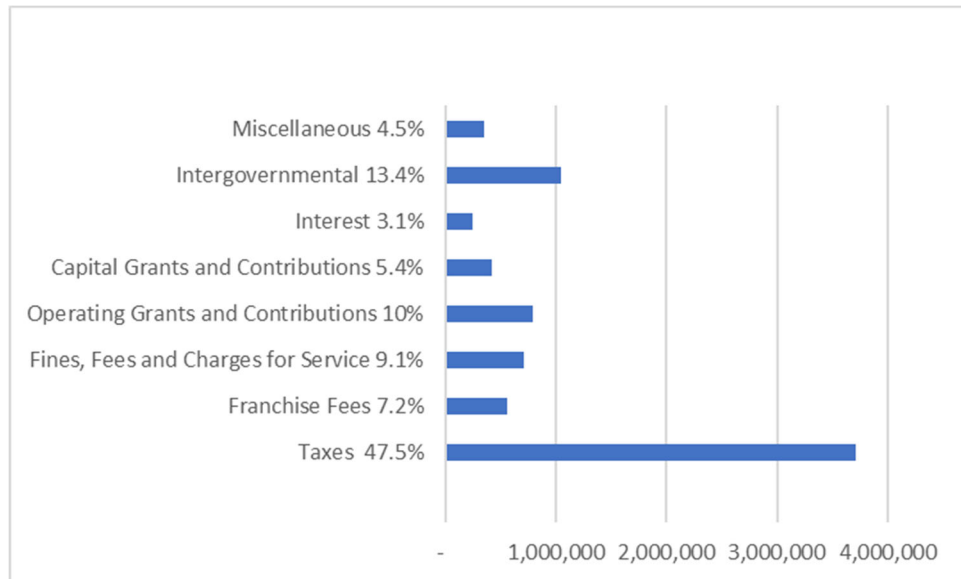
City of Sutherlin's Change in Net Position						
	Governmental Activities		Business-Type Activities		Totals	
Revenue:	2022	2023	2022	2023	2022	2023
Program						
Fines, Fees & Charges for Services	729,337	710,585	5,428,514	5,664,155	6,157,851	6,374,740
Operating Grants & Contributions	1,180,855	783,163	-	-	1,180,855	783,163
Capital Grants & Contributions	250,000	420,183	-	-	250,000	420,183
General					-	-
Property Taxes	3,505,930	3,715,489	-	-	3,505,930	3,715,489
Franchise Fees	495,804	560,233	-	-	495,804	560,233
Intergovernmental	828,651	987,512	-	-	828,651	987,512
Interest	(37,532)	234,997	32,920	190,149	(4,612)	425,146
Miscellaneous	410,843	349,857	507,800	7,799	918,643	357,656
Capital Contributions	-	-	-	-	-	-
Gain (loss) on Disposal	-	-	-	-	-	-
Total Revenues:	7,363,888	7,762,019	5,969,234	5,862,103	13,333,122	13,624,122
Expenses:						
General Government	2,317,516	2,635,782	-	-	2,317,516	2,635,782
Public Safety	4,064,071	4,553,399	-	-	4,064,071	4,553,399
Highway & Streets	270,571	303,172	-	-	270,571	303,172
Culture & Recreation	443,177	472,566	-	-	443,177	472,566
Tourism	126,217	190,562	-	-	126,217	190,562
Interest on Long Term Debt	59,530	15,050	-	-	59,530	15,050
Wastewater	-	-	2,135,905	2,778,092	2,135,905	2,778,092
Water	-	-	2,516,897	1,927,731	2,516,897	1,927,731
Ambulance	-	-	-	-	-	-
Total Expenses	7,281,082	8,170,531	4,652,802	4,705,823	11,933,884	12,876,354
Increase (decrease) in Net Position before Transfers	82,806	(408,512)	1,316,432	1,156,280	1,399,238	747,768
Transfers	762,729	972,017	(762,729)	(972,017)	-	-
Change in Net Position	845,535	563,505	553,703	184,263	1,399,238	747,768
Net Position July 1	11,369,928	12,215,463	20,706,581	21,260,284	32,076,509	33,475,747
Total Net Position	12,215,463	12,778,968	21,260,284	21,444,547	33,475,747	34,223,515

Expenses above include the indirect expenses as allocated in the Statement of Activities on page 3 and 3A of the basic financial statements.

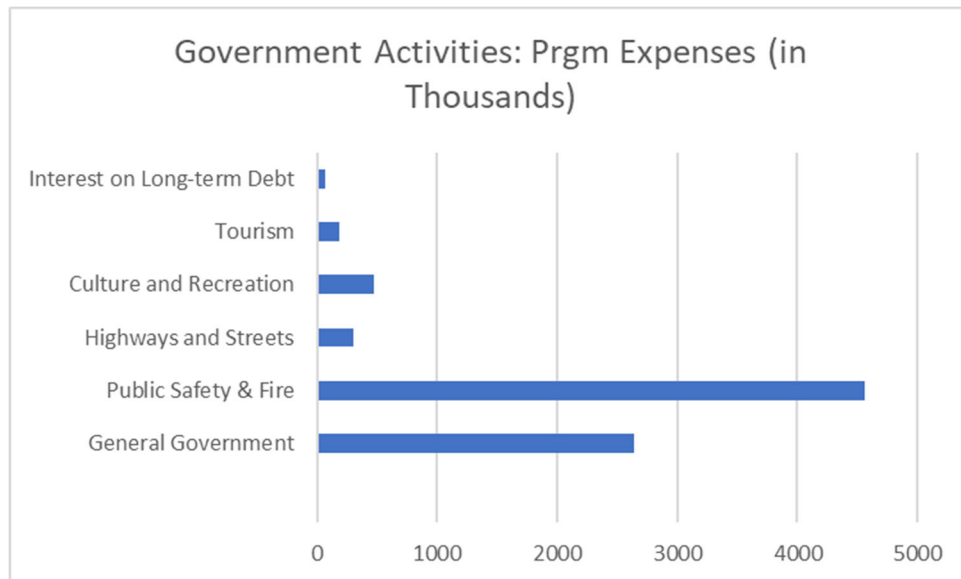
**Governmental activities.** Governmental-type activities increased the City's total net position by \$563,505. Total depreciation attributed to the governmental activities (primarily public safety vehicles and equipment) was \$764,761 as detailed on page 20 of the notes to basic financial statements.

The next chart shows the percent of the total for each source of revenue supporting governmental activities.

### Government Activities: Revenue by Source



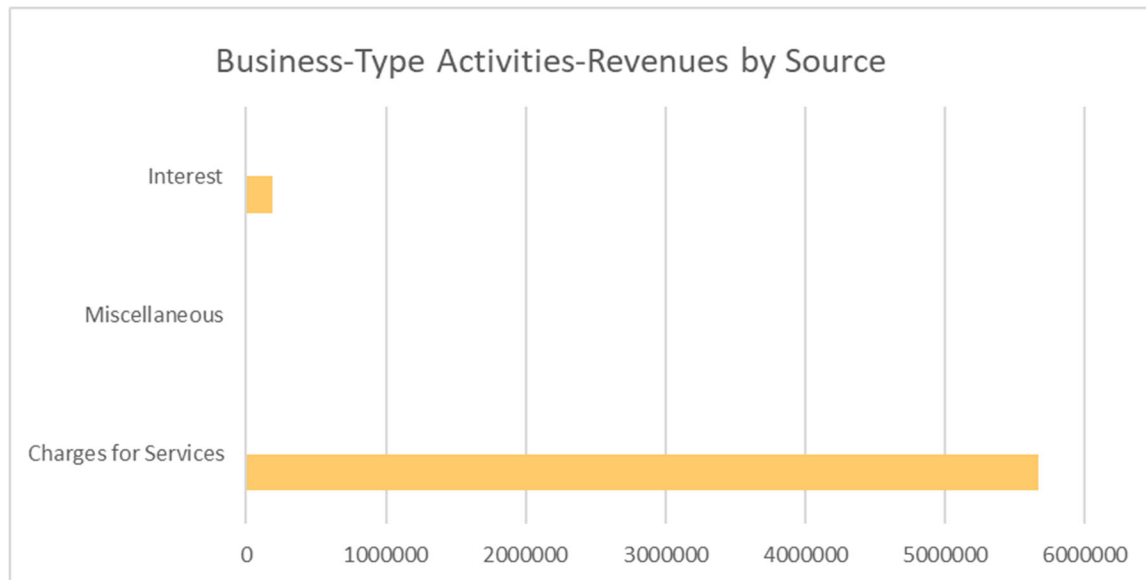
The next chart reflects program expenses for the individual governmental activities for the fiscal year, as a percentage of the General Fund expenses



**Business-type activities.** Business-type activities increased the City's net position by \$184,263. Total depreciation attributed to the business-type funds was \$1,641,658 as detailed on pages 20 and 21 of the notes to basic financial statements.

These business-type activities recover more costs through program revenues than governmental activities.

The following chart shows that nearly 100% of revenues for business-type activities, for the year, were generated by Charges for Services.



**Capital assets.** The City's investment in capital assets for its governmental and business-type activities amounted to \$56.96 million (net of accumulated depreciation) or an increase of \$1.543 million when compared to last year. This investment in capital assets includes land, right-of-way (included with land), construction in progress, infrastructure (water distribution lines, wastewater collection lines, pump stations, reservoirs, etc.), water rights (development of), buildings and plant (includes the water treatment plants and the wastewater treatment plant), and vehicles and equipment.

City of Sutherlin's Capital Assets, Net Accumulated Depreciation						
	Governmental Activities		Business-Type Activities		Totals	
	2022	2023	2022	2023	2022	2023
Land	1,118,086	1,118,086	3,289,003	3,289,003	4,407,089	4,407,089
Construction in Progress	1,418,544	2,000,444	4,080,771	5,709,215	5,499,315	7,709,659
Water Rights	-	-	645,078	645,078	645,078	645,078
Infrastructure	6,762,297	7,228,464	36,478,004	34,925,071	43,240,301	42,153,535
Buildings and Plant	1,410,020	1,410,020	157,172	174,325	1,567,192	1,584,345
Vehicles and Equipment	1,130,987	1,130,987	468,415	503,724	1,599,402	1,634,711
Totals:	11,839,934	12,888,001	45,118,443	45,246,416	56,958,377	58,134,417

Major capital asset events during the fiscal year included the following:

- Ford's Pond Park Design & Construction (In Progress at Year-End)
- Nonpareil Water Treatment Plant Upgrade (In Progress at Year-End)
- New Holiday Decorations
- New Public Safety Equipment
- New Public Safety Vehicles
- Various Sidewalk Improvements

Additional information on the City's capital assets can be found in note three to the basic financial statements (pages 20 and 21).

**Long-term obligations.** At the end of the fiscal year, the City had total long-term obligations totaling \$27,249,654. Outstanding long-term obligations include: \$5,012,422 to be serviced by water user rates and connection fees, \$21,623,253 to be serviced by wastewater user rates and connection fees (all backed by the full faith and credit of the City), and \$399,685 in notes payable to be serviced by water and wastewater revenues. The remaining \$606,238 in long-term obligations, or 2.3% of the total long-term obligations, is to be paid by existing general government revenue sources.

City of Sutherlin's Long Term Obligations						
	Governmental Activities		Business-Type Activities		Totals	
	2022	2023	2022	2023	2022	2023
General Obligation Bonds	165,000	115,000	-	-	165,000	115,000
Revenue Bonds	-	-	4,910,325	4,685,610	4,910,325	4,685,610
Refunding Bonds	-	-	145,000	105,000	145,000	105,000
Note Payables	434,315	386,238	22,389,529	21,715,643	22,823,844	22,101,881
Capital Leases	-	-	-	-	-	-
Accum Compensated Absences	290,973	242,163	-	-	290,973	242,163
Totals:	890,288	743,401	27,444,854	26,506,253	28,335,142	27,249,654

The City's total long-term debt obligation decreased by \$1,085,488 from last fiscal year's ending balance. The decrease is due to payments made on debt. Accumulated compensated absences netted a decrease of \$48,810.

ORS 223.295 limits the amount of general obligation assessment bonded debt which a city may have outstanding at any one time to three percent (3.00%) of the Real Market Value of the City. The City had only the refunding bonds and the Library GO bond as outstanding bonded debt at June 30, 2023. The City's outstanding obligations subject to bonded debt limitations totalled \$220,000 or 1% of debt capacity.



City of Sutherlin's Remaining Debt Capacity		
Real Market Value (Fiscal Year 2022-23 Douglas County)		\$ 899,879,952
Debt Capacity (3% of RMV)		\$ 26,996,399
Outstanding Obligations		\$ 220,000
Remaining Debt Capacity		\$ 26,776,399

Additional information on the City's long-term obligations can be found in note 5 to the basic financial statements (see pages 21 through 23).

### Fund-based Financial Analysis

As previously discussed, 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, 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 fiscal year, the City's governmental funds reported combined ending fund balances of \$5,371,524, a decrease of \$557,927 in comparison with the prior year. 30% of this total amount, \$1,609,856, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance has some level of restrictions placed upon them, as follows:

- *Nonspendable fund balance* (amounts that are not in a spendable form or are required to be maintained intact) was \$115,995.
- *Restricted fund balance* (amounts constrained to specific purposes by their providers such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation) was \$1,769,210.
- *Committed fund balance* (amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint) was \$389,248.
- *Assigned fund balance* (amounts a government *intends* to use for a specific purpose) was \$1,487,215.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,195,733. As a measure of the

General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 27% of total General Fund expenditures.

The fund balance of the Street Construction fund increased by \$264,461 during the fiscal year.

Finally, the fund balance for all other governmental funds increased by \$196,661.

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

Unrestricted net position and that percent to total net position of each proprietary fund are as follows:

• Water	403,701	5.2%
• Wastewater	1,207,746	16.9%
• Water Construction Fund	0	0.0%
• Wastewater Construction Fund	0	0.0%
• Other Non-Major Funds	655,926	24.2%

Restrictions on net position exist in the first four funds above totaling \$2,569,758 all due to capital projects restrictions in the Water and Wastewater Construction Funds.

Restrictions on net position exist in the Other Non-Major Enterprise Funds totaling \$2,057,062; debt service and bond covenant restrictions make up this entire balance. These restrictions generally limit the use of monies in the funds to related activities.

Total business-type net position increased \$128,343 during the fiscal year.

Other factors concerning the finances of proprietary funds can be found in the previous discussion of the City's business-type activities.

## General Fund Budgetary Highlights

The difference between the original general fund budget and the final amended budget are highlighted below:

### Revenues:

- Because of the amount of Wildland Protection Grants and Fire Conflagration response opportunities which were unknown at the time of budget preparation, G.F. Revenue was increased by \$145,025.

### Expenditures:

#### a. General Fund: Fire Department

- i. At the time the budget was prepared, staff was unaware of the opportunities for additional staffing for Wildland Protection and Overtime for Conflagration responses and the additional costs associated with those. The budget for Fire Wages & Overtime was increased by \$137,300.
- ii. Increases to the Fire Dept fuel costs correspond to the additional crews for Wildland Protection as well as inflationary increases that were not foreseen when the budget was prepared. This budget item (Gas & Lubricants) was increased by \$3,500.
- iii. The addition of an emergency UTV and stretcher trailer was not proposed at the time the budget was being prepared but was a necessary purchase approved by the Council afterwards. This line item increased \$45,000.
- iv. The increase to the Fire Dept transfer to the Reserve Fund corresponded to the Equipment Reimbursement on the Conflagration efforts and was unforeseen when the budget was prepared. This Line Item increased \$23,620.

#### b. General Fund: Police Department

- i. The increase to the Police Dept Salaries & Wages Line Item are related to a retroactive pay issue that was unforeseeable at the time the budget was prepared. This line item increased \$44,100.
- ii. Increases to the Police Dept fuel costs correspond to inflationary increases that were not foreseen when the budget was prepared. This budget item (Gas & Lubricants) was increased by \$2,500.

#### c. General Fund: City Manager's Office

- i. At the time the budget was prepared, this budget was accurate. During the first 6 months of the fiscal year, 2 different appointments were made which would include additional travel and meeting hosting expenses. This budget category increased by \$2,450.

There were adjustments to the Tourism-Motel Tax Fund as well as Parks Construction and Water Reserve. Tourism and Parks Construction were adjusted because of additional Inflows and corresponding outflows necessary per the scope of the existing agreements. The adjustment to Water Reserve was for the purchase of a new vehicle for the department which was proposed and approved by Council during the fiscal year.

There were variations between the final amended budget and the actual year-end amounts in the General Fund; actual expenditures were \$270,481 less than budgeted. This was due to cost management in all departments. The \$2,617 (1.6%) that the City Manager's expense was over the budgeted amount had to do with the cost of health insurance and the H.S.A. benefit. Community Development was over their total budget by \$8,893 (1.8%) due to a long tenured employee retiring and the accompanying vacation accrual payout, which was significant and well as a promotion in that department which triggered a Comp time payout. In total, the City's Personnel Costs were \$160,617 under the projected budget amount. Also, the City Attorney's costs were over by \$1,402 (3.7%). There were several factors that caused the overage. First, there was a cost increase by the firm (related to ongoing inflation), the ASFCME union negotiations went on for longer than anticipated and there were several issues related to planning, ordinances and community development that needed legal advice.

Revenues were greater than the budgeted amount by \$254,038 or 4.2%. This was due to greater amounts received than anticipated in Interest, Fines & Penalties and Franchise Fees.

### **Economic Factors and Next Year's Budgets and Rates**

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The following are the major assumptions used in developing the FY 2023-2024 budget:

- Last fiscal year the increase in property taxes collected was 4.5% over the prior year but was still under the budgeted amount. Given the possible impact of the URA on the City tax receipts, we budgeted tax revenue for the 2023-2024 fiscal year at the same amount as 2022-2023.
- Cost of Living Adjustments (COLA) were calculated for all employees except the City Manager. Details are in the budget document itself.
- Water and wastewater rates were budgeted to increase by 6.1%, which is the annual CPI adjustment.
- Interest rates on investments are budgeted to average 3% during the fiscal year.

## **Requests for Information**

This financial report is designed to provide a general overview of the City's finances for those with an interest 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:

Tami Trowbridge  
Finance Director  
City of Sutherlin  
126 E. Central Ave.  
Sutherlin, OR 97479

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**  
**BASIC FINANCIAL STATEMENTS**

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**STATEMENT OF NET POSITION**  
**June 30, 2023**

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS TYPE	TOTAL
<b>ASSETS</b>			
Cash and Investments	\$ 5,431,966	\$ 6,989,463	\$ 12,421,429
Receivables	515,319	668,717	1,184,036
Prepays	130,615	18,887	149,502
Internal Balances	(1,218,302)	1,218,302	-
GASB 96 SBITA Assets, net of ammortization	24,662	-	24,662
Capital Assets not being depreciated	3,118,530	9,643,296	10,116,304
Capital Assets, net of accumulated depreciation	9,778,805	35,507,702	47,932,029
<b>Total Assets</b>	<b>17,781,595</b>	<b>54,046,367</b>	<b>71,827,962</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
OPEB Deferrals - Implicit Subsidy	76,130	-	76,130
Pension Related Deferrals - Oregon PERS	2,358,788	-	2,358,788
<b>Total Deferred Outflows</b>	<b>2,434,918</b>	<b>-</b>	<b>2,434,918</b>
<b>LIABILITIES</b>			
Accounts Payable	188,875	371,466	560,341
Accrued Expenses	23,320	-	23,320
Customer Deposits	-	79,685	79,685
Accrued Interest Payable	-	331,723	331,723
Accrued Compensated Absences	242,163	-	242,163
Noncurrent liabilities:			
Due Within One Year:			
GASB 96 SBITA Liability	9,406	-	9,406
Bonds and Notes Payable	103,854	951,350	1,055,204
Due In More Than One Year			
GASB 96 SBITA Liability	7,981	-	7,981
OPEB Liability	216,815	-	216,815
Net Pension Liability	4,638,726	-	4,638,726
Bonds and Notes Payable	397,384	30,867,596	31,264,980
<b>Total Liabilities</b>	<b>5,828,524</b>	<b>32,601,820</b>	<b>38,430,344</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
OPEB Deferrals - Implicit Subsidy	57,143	-	57,143
Pension Related Deferrals - Oregon PERS	1,551,878	-	1,551,878
<b>Total Deferred Inflows</b>	<b>1,609,021</b>	<b>-</b>	<b>1,609,021</b>
<b>NET POSITION:</b>			
Net Investment in			
Capital Assets	12,396,097	13,332,052	25,728,149
Restricted for:			
Bond Covenants	-	357,261	357,261
Debt Service	4,944	1,699,801	1,704,745
Capital Projects	1,764,266	2,569,758	4,334,024
Unrestricted	(1,386,339)	3,485,675	2,099,336
<b>Total Net Position</b>	<b>\$ 12,778,968</b>	<b>\$ 21,444,547</b>	<b>\$ 34,223,515</b>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN  
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
	Expenses			
Functions/Programs				
Governmental Activities				
General Government	\$ 2,635,782	\$ 33,885	\$ 245,715	\$ -
Public Safety & Fire	4,553,399	439,316	-	-
Highways and Streets	303,172	148,673	-	420,183
Culture and Recreation	472,566	88,711	537,448	-
Tourism	190,562	-	-	-
Interest on Long-term Debt	15,050	-	-	-
Total Governmental Activities	8,170,531	710,585	783,163	420,183
Business-Type Activities				
Wastewater	2,778,092	3,125,564	-	-
Water	1,927,731	2,538,591	-	-
Total Business Activities	4,705,823	5,664,155	-	-
Total Primary Government	\$ 12,876,354	\$ 6,374,740	\$ 783,163	\$ 420,183
General Revenues:				
Property Taxes				
Franchise Taxes				
Intergovernmental				
Miscellaneous				
Interest				
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.



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Net Revenues (Expenses) and Changes in Net Position

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Governmental Activities	Business-Type Activities	Total
\$ (2,356,182)	\$ -	\$ (2,356,182)
(4,114,083)	-	(4,114,083)
265,684	-	265,684
153,593	-	153,593
(190,562)	-	(190,562)
(15,050)	-	(15,050)
<u>(6,256,600)</u>	<u>-</u>	<u>(6,256,600)</u>
-	347,472	347,472
-	610,860	610,860
<u>-</u>	<u>958,332</u>	<u>958,332</u>
<u>(6,256,600)</u>	<u>958,332</u>	<u>(5,298,268)</u>
3,715,489	-	3,715,489
560,233	-	560,233
987,512	-	987,512
349,857	7,799	357,656
234,997	190,149	425,146
972,017	(972,017)	-
<u>6,820,105</u>	<u>(774,069)</u>	<u>6,046,036</u>
563,505	184,263	747,768
<u>12,215,463</u>	<u>21,260,284</u>	<u>33,475,747</u>
<u>\$ 12,778,968</u>	<u>\$ 21,444,547</u>	<u>\$ 34,223,515</u>

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2023**

	<u>GENERAL FUND</u>	<u>STREET CONSTRUCTION FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 3,057,884	\$ 319,395	\$ 1,816,857	\$ 5,194,136
Accounts Receivable	458,754	-	56,565	515,319
Due from Other Funds	577,808	-	-	577,808
Prepays	88,557	-	27,438	115,995
Total Assets	<u>\$ 4,183,003</u>	<u>\$ 319,395</u>	<u>\$ 1,900,860</u>	<u>\$ 6,403,258</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 149,203	\$ -	\$ 36,435	\$ 185,638
Due to Other Funds	-	-	577,808	577,808
Accrued Expenses	16,885	-	-	16,885
Total Liabilities	<u>166,088</u>	<u>-</u>	<u>614,243</u>	<u>780,331</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	246,074	-	5,329	251,403
Total Liabilities and Deferred Inflows	<u>412,162</u>	<u>-</u>	<u>619,572</u>	<u>1,031,734</u>
<b>Fund Balances:</b>				
Nonspendable	88,557	-	27,438	115,995
Restricted	-	319,395	1,449,815	1,769,210
Committed	-	-	389,248	389,248
Assigned	1,486,551	-	664	1,487,215
Unassigned	2,195,733	-	(585,877)	1,609,856
Total Fund Balances	<u>3,770,841</u>	<u>319,395</u>	<u>1,281,288</u>	<u>5,371,524</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 4,183,003</u>	<u>\$ 319,395</u>	<u>\$ 1,900,860</u>	<u>\$ 6,403,258</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO STATEMENT OF NET POSITION**  
**June 30, 2023**

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Explanation of certain differences between the governmental fund balance sheet  
and the government-wide statement of net position.

Fund Balances	\$ 5,371,524
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	12,897,335
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.	
Long-term Obligations	
GASB 96 SBITA Liabilities	(17,387)
Bonds and Notes Payable	(501,238)
Accrued Compensated absences	(242,163)
The Net Pension Asset (Liability) and OPEB Asset (Liability), and deferred inflows and outflows related to the Net Pension Asset (Liability) and OPEB Asset (Liability) is the difference between the total pension liability and assets set aside to pay benefits earned to past and current employees and beneficiaries	
OPEB liability and related deferred inflows and outflows	(197,828)
Net Pension Liability and related deferred inflows and outflows	(3,831,816)
GASB 96 SBITA Assets, net of ammortization	24,662
The internal service fund is not reported in the governmental funds but is included in the government-wide governmental activities.	
Net Position of internal service fund	242,778
Internal Balances relate to transactions that have occurred between the Governmental and Business-Type Activities at the Government-Wide level	
	(1,218,302)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
Unearned/Unavailable Revenue	251,403
Total Net Position	\$ 12,778,968

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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

	GENERAL FUND	STREET CONSTRUCTION FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
<b>REVENUES</b>				
Property Taxes	\$ 3,491,427	\$ -	\$ 178,518	\$ 3,669,945
Franchise Fees	560,233	-	-	560,233
System Development Charges	-	-	209,134	209,134
Assessments	-	-	252,399	252,399
Grants and Contributions	-	-	537,448	537,448
Licences, Permits and Fees	515	-	-	515
Fines and Forfeitures	133,256	-	-	133,256
Charges for Services	28,745	-	-	28,745
Intergovernmental	789,046	420,183	826,540	2,035,769
Interest, Gain on LGIP	183,989	5,853	50,996	240,838
Miscellaneous	114,054	-	-	114,054
Total Revenues	5,301,265	426,036	2,055,035	7,782,336
<b>EXPENDITURES</b>				
Current:				
General Government	2,107,829	-	180,437	2,288,266
Culture and Recreation	259,571	-	26,400	285,971
Tourism	-	-	162,429	162,429
Highways and Streets	-	-	108,205	108,205
Public Safety and Fire	3,881,182	-	-	3,881,182
Debt Service	-	-	178,968	178,968
Capital Outlay	327,901	269,075	1,502,167	2,099,143
Total Expenditures	6,576,483	269,075	2,158,606	9,004,164
Excess of Revenues Over, (Under) Expenditures	(1,275,218)	156,961	(103,571)	(1,221,828)
<b>OTHER FINANCING SOURCES, (USES)</b>				
GASB 96 SBITA	18,701	-	-	18,701
Transfers In	1,694,520	107,500	266,400	2,068,420
Transfers Out	(1,000,020)	-	(423,200)	(1,423,220)
Total Other Financing Sources, (Uses)	713,201	107,500	(156,800)	663,901
Net Change in Fund Balance	(562,017)	264,461	(260,371)	(557,927)
Beginning Fund Balance	4,332,858	54,934	1,541,659	5,929,451
Ending Fund Balance	\$ 3,770,841	\$ 319,395	\$ 1,281,288	\$ 5,371,524

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN**  
**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**

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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	\$	(557,927)
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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 in the current period.

Capital Outlay		1,822,162
Depreciation Expense		(764,761)

The Pension Expense and the changes in deferred inflows and outflows related to the Net Pension Asset (Liability) and OPEB Asset (Liability) represents the changes in Net Pension Asset (Liability) and OPEB Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.

OPEB		(6,142)
Net Pension Liability		(143,039)

Internal service funds are used by management to charge the costs of various function to the individual funds. The net revenue (expense) of the internal service fund is allocated between governmental and business-type activities.

		13,526
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Change in GASB 96 Net Position		7,255
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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		98,077
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The (increase)/decrease in the balance of accrued vacation time is a component of income on the Statement of Activities

		48,810
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Unearned/Unavailable Revenue		45,544
Change in Net Position	\$	<u>563,505</u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**STATEMENT OF PROPRIETARY NET POSITION  
June 30, 2023**

	WATER FUND	WASTEWATER FUND	WATER CONSTRUCTION FUND
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 374,409	\$ 1,214,438	\$ 1,868,506
Accounts Receivable, net	228,854	292,269	68,449
Accrued Interest	-	-	-
Prepays	-	-	-
Total Current Assets	603,263	1,506,707	1,936,955
Noncurrent Assets			
Capital Assets, Net	18,085,571	27,065,427	-
Total Noncurrent Assets	18,085,571	27,065,427	-
Total Assets	<u>\$ 18,688,834</u>	<u>\$ 28,572,134</u>	<u>\$ 1,936,955</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 41,562	\$ 45,553	\$ 282,978
Accrued Expenses	-	-	-
Customer Deposits	79,685	-	-
Accrued Interest Payable	78,315	253,408	-
Long Term Debt, Current Position	271,857	679,493	-
Total Current Liabilities	471,419	978,454	282,978
Long-term Liabilities			
Long Term Debt, Net of Current Position	10,452,943	20,414,653	-
Total Long-term Liabilities	10,452,943	20,414,653	-
Total Liabilities	<u>10,924,362</u>	<u>21,393,107</u>	<u>282,978</u>
<b>NET POSITION</b>			
Invested in Capital Assets, Net of Related Debt	7,360,771	5,971,281	-
Restricted for:			
Bond Covenants	-	-	-
Debt Services	-	-	-
Capital Projects	-	-	1,653,977
Unrestricted	403,701	1,207,746	-
Total Net Position	<u>7,764,472</u>	<u>7,179,027</u>	<u>1,653,977</u>
Total Liabilities and Fund Equity	<u>\$ 18,688,834</u>	<u>\$ 28,572,134</u>	<u>\$ 1,936,955</u>

The accompanying notes are an integral part of the basic financial statements.

WASTEWATER CONSTRUCTION FUND	OTHER NONMAJOR FUNDS	TOTAL	INTERNAL SERVICE FUND	
\$ 900,031	\$ 2,632,079	\$ 6,989,463	\$ 237,830	
15,750	63,000	668,322	-	
-	395	395	-	
-	18,887	18,887	14,620	
915,781	2,714,361	7,677,067	252,450	
-	-	45,150,998	-	
-	-	45,150,998	-	
\$ 915,781	\$ 2,714,361	\$ 52,828,065	\$ 252,450	
\$ -	\$ 1,373	\$ 371,466	\$ 3,237	
-	-	-	6,435	
-	-	79,685	-	
-	-	331,723	-	
-	-	951,350	-	
-	1,373	1,734,224	9,672	
-	-	30,867,596	-	
-	-	30,867,596	-	
-	1,373	32,601,820	9,672	
-	-	13,332,052	-	
-	357,261	357,261	-	
-	1,699,801	1,699,801	-	
915,781	-	2,569,758	-	
-	655,926	2,267,373	242,778	
915,781	2,712,988	20,226,245	242,778	
\$ 915,781	\$ 2,714,361	\$ 52,828,065	\$ 252,450	
Net Position Above			20,226,245	
Internal Service Activities related to Business Type:			1,218,302	
Total Net Position Business Type Activities			21,444,547	

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2023**

	WATER FUND	WASTEWATER FUND	WATER CONSTRUCTION FUND
OPERATING REVENUES			
Charges for Services	\$ 2,418,614	\$ 3,060,719	\$ -
Miscellaneous	-	7,800	-
Total Operating Revenues	2,418,614	3,068,519	-
OPERATING EXPENSES			
Personal Services	-	-	-
Materials and Services	489,717	614,145	-
Depreciation and Amortization	536,193	1,105,466	-
Total Operating Expenses	1,025,910	1,719,611	-
Operating Income -Loss	1,392,704	1,348,908	-
NONOPERATING REVENUES, (EXPENSES)			
Interest Income	19,800	42,528	45,307
Interest Expense	(166,295)	(446,584)	-
Total Nonoperating Revenues (Expenses)	(146,495)	(404,056)	45,307
Capital Contributions	155,427	1,513,852	(135,291)
Capital Contributions - System Development Charges	19,760	-	75,323
Transfers In	-	-	327,500
Transfers Out	(1,937,400)	(2,373,300)	-
Change in Net Position	(516,004)	85,404	312,839
Net Position (Deficit), Beginning of Year	8,280,476	7,093,623	1,341,138
Net Position (Deficit), end of year	\$ 7,764,472	\$ 7,179,027	\$ 1,653,977

The accompanying notes are an integral part of the basic financial statements



WASTEWATER CONSTRUCTION FUND	OTHER NONMAJOR FUNDS	TOTAL	INTERNAL SERVICE FUND
\$ -	\$ 24,894	\$ 5,504,227	\$ -
-	-	7,800	-
-	24,894	5,512,027	-
-	-	-	1,537,235
-	52,160	1,156,022	71,319
-	-	1,641,659	-
-	52,160	2,797,681	1,608,554
-	(27,266)	2,714,346	(1,608,554)
23,742	58,772	190,149	-
-	-	(612,879)	-
23,742	58,772	(422,730)	-
-	(1,533,988)	-	-
64,845	-	159,928	-
-	1,660,000	1,987,500	1,728,000
-	-	(4,310,700)	(50,000)
88,587	157,518	128,344	69,446
827,194	2,555,470	20,097,901	173,332
<u>\$ 915,781</u>	<u>\$ 2,712,988</u>	<u>\$ 20,226,245</u>	<u>\$ 242,778</u>

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Year Ended June 30, 2023**

	WATER FUND	WASTEWATER FUND	WATER CONSTRUCTION FUND
Cash Flows from Operating Activities:			
Cash Received from Customers	\$ 2,373,693	\$ 3,026,233	\$ 706,877
Cash Paid to Suppliers	(434,071)	(592,368)	(650,162)
Net Cash Provided (Used) by Operating Activities	1,939,622	2,433,865	56,715
Cash Flows from Noncapital Financing Activities:			
Miscellaneous	19,760	-	75,323
Interfund Loans	-	-	-
Transfers	(1,937,400)	(2,373,300)	327,500
Net Cash Provided (Used) by Noncapital Financing Activities	(1,917,640)	(2,373,300)	402,823
Cash Flows from Capital and Related Financing Activities:			
Loan Proceeds	-	-	1,497,838
Payments on Debt	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	1,497,838
Cash Flows from Investing Activities:			
Purchase of Capital Assets	(41,084)	-	(1,633,129)
Earnings on Investments	24,910	42,528	45,307
Net Increase (Decrease) in Cash and Cash Equivalents	5,808	103,093	369,554
Cash and Investments at Beginning of Year	368,601	1,111,345	1,498,952
Cash and Investments at End of Year	\$ 374,409	\$ 1,214,438	\$ 1,868,506
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income, (Loss)	\$ 1,392,704	\$ 1,348,908	\$ -
Noncash Items Included in Income:			
Depreciation	536,193	1,105,466	-
Decrease (Increase) in Accounts Receivable	(44,156)	(42,286)	706,877
Increase (Decrease) in Accounts Payable and Accrued Liabilities	55,646	21,777	(650,162)
Increase (Decrease) in Customer Deposits	(765)	-	-
Net Cash Provided (Used) by Operating Activities	\$ 1,939,622	\$ 2,433,865	\$ 56,715
Noncash Transactions:	155,427	1,513,852	(135,291)

All of the enterprise funds have their debt and capital assets purchased/paid for them. The funds recognized capital contributions on the Statement of Revenues and Expenses to account for this activity. See row above for amounts.

The accompanying notes are an integral part of the basic financial statements.

WASTEWATER CONSTRUCTION FUND	OTHER NONMAJOR FUNDS	TOTAL	INTERNAL SERVICE FUND
\$ 1 (792)	\$ 48,499 (48,186)	\$ 6,155,303 (1,725,579)	\$ 4,799 (1,607,583)
(791)	313	4,429,724	(1,602,784)
64,845	-	159,928	-
-	-	-	-
-	1,660,000	(2,323,200)	1,678,000
64,845	1,660,000	(2,163,272)	1,678,000
-	-	1,497,838	-
-	(1,533,988)	(1,533,988)	-
-	(1,533,988)	(36,150)	-
-	-	(1,674,213)	-
23,742	59,167	195,654	-
87,796	185,492	751,743	75,216
812,235	2,446,587	6,237,720	162,614
\$ 900,031	\$ 2,632,079	\$ 6,989,463	\$ 237,830
\$ -	\$ (27,266)	\$ 2,714,346	\$ (1,608,554)
-	-	1,641,659	-
1	2,601	623,037	4,799
(792)	24,978	(548,553)	971
-	-	(765)	-
\$ (791)	\$ 313	\$ 4,429,724	\$ (1,602,784)
-	(1,533,988)	-	-

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**STATEMENT OF FIDUCIARY ASSETS**  
**FIDUCIARY FUNDS**  
**June 30, 2023**

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	<u>Custodial</u>
ASSETS	
Cash and Cash Equivalents	\$ 27,116
Total Assets	<u>27,116</u>
LIABILITIES	
Accounts Payable	8,513
Amounts held in trust	<u>16,804</u>
Total Liabilities	<u>25,317</u>
Net Position	<u><u>\$ 1,799</u></u>

The accompanying notes are an integral part of the basic financial statements.

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**STATEMENT OF CHANGES INFIDUCIARY NET POSITION - CUSTODIAL**  
**For the Year Ended June 30, 2023**

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	<u>Custodial Funds</u>
<b>Additions</b>	
Fines, Penalties, Fees	<u>\$        55,500</u>
Total Additions	<u>55,500</u>
<b>Deductions:</b>	
Refunds	7,334
Miscellaneous	<u>33,796</u>
Total Deductions	<u>41,130</u>
Change in Net Position	14,370
Net Position - Beginning	<u>(12,571)</u>
Net Position - Ending	<u><u>\$        1,799</u></u>

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. ORGANIZATION (REPORTING ENTITY)**

The City was incorporated in 1911. Control of the City is vested in its mayor and council members who are elected to office by voters within the City. Administrative functions are delegated to individuals who report to and are responsible to the Mayor and Council. The chief administrative officer is the City Manager.

The accompanying financial statements present all activities, funds, and 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 includable component units.

Blended Component Unit – The Sutherlin 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. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING & 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING & FINANCIAL STATEMENT PRESENTATION**

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 basis of accounting described above is in accordance with accounting principles generally accepted in the United States of America.

The City reports the following major governmental funds:

General - accounts for all financial resources of the City, except those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees, and state shared revenues. Expenditures are primarily for general government operations, highways and streets, public safety, tourism, and culture and recreation.

Street Construction - accounts for the cost of construction of City streets and storm water drainage systems.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING & FINANCIAL STATEMENT PRESENTATION**

The City reports the following major proprietary funds:

Water – accounts for the operation of the water system.

Wastewater – accounts for the operation of the wastewater treatment plant and collection system.

Water Construction – accounts for the receipt and disbursement of funds for major replacement or additions to the water system infrastructure. The principal sources of revenues are transfers from the Water fund and water system development charges.

Wastewater Construction – accounts for the receipt and disbursement of funds for major replacement or additions to the wastewater system infrastructure. The principal sources of revenues are loan proceeds.

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

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

Debt service – accounts for repayment of principal and interest on its outstanding loan.

Capital projects – accounts for expenditures on major construction projects. The principal sources of revenues are proceeds from donations.

Enterprise – accounts for the operations of predominantly self-supporting activities. Enterprise funds account for services rendered to the public on a user charge basis, and internal service funds account for services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Custodial – accounts for resources received and held by the City in a fiduciary capacity. Disbursements from these funds are made in accordance with applicable legislative enactment.

**D. BUDGETS POLICIES AND BUDGETARY CONTROL**

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds except fiduciary 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.

Budget amounts shown in the basic financial statements have been revised since the original budget amounts were adopted. The City council must authorize all appropriation transfers and supplementary budgetary appropriations. The City's disbursements did not exceed appropriations except for the City Manager's Office in the General fund, the City Attorney in the General fund, and Planning in the General fund where disbursements exceeded appropriations by \$2,617, \$1,402, and \$8,893, respectively.



**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. COMPENSATED ABSENCES - SICK LEAVE**

The City has a policy which permits full-time employees to accumulate sick leave at the rate of one day per month up to 2,000 hours.

**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.

**I. 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J. 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.

**K. CAPITAL ASSETS**

Capital assets purchased or acquired are reported at historical cost or estimated historical cost. Contributed fixed assets are recorded at estimated fair market value 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. Assets (10-50), buildings (20-40), Improvements (4-10), Equipment (4-30), infrastructure (20-50) and Streets (20-50).

**L. FUND EQUITY**

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

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**L. FUND EQUITY (CONTINUED)**

- 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.

To preserve a sound financial system and to provide a stable financial base, the Council has adopted the following fund balance policy: The City shall strive to maintain the General Fund undesignated fund balance at 35% or four months of regular general fund operating expenditures. In enterprise funds, the City shall strive to maintain positive retained earnings positions to provide sufficient reserves for emergencies and revenue shortfalls. Specifically, in the Water and Sewer Enterprise Fund, an operating reserve will be established and maintained at 20 percent of the current year's budget appropriation for operation and maintenance, which is defined as the total budget less debt service and capital projects expenditures. The City shall not regularly maintain positive retained earnings in internal service funds. When an internal service fund builds up retained earnings, the City shall transfer it to other operating funds. The City shall maintain sufficient reserves in its debt service funds which shall equal or exceed the reserve fund balances required by bond ordinances.

**M. 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.

**N. 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**O. 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.

**P. 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.

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 bond covenants, debt service and capital projects.

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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**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 Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held.

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.

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.

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
State Treasurer's Investment Pool	\$ 11,936,138	\$ 11,936,138	\$ -	\$ -
Total	\$ 11,936,138	\$ 11,936,138	\$ -	\$ -

*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 any one 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**2. DEPOSITS AND INVESTMENTS (CONTINUED)**

*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 Depositary 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 \$537,694. Of these deposits, \$250,000 was covered by federal depository insurance. 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	\$ 575
Demand Deposits	511,832
Investments	11,936,138
Total Cash and Investments	<u>\$ 12,448,545</u>

Reported In:

Governmental Activities	\$ 5,431,966
Business-Type Activities	6,989,463
Fiduciary Fund	27,116
	<u>\$ 12,448,545</u>

**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
<b>Governmental Activities</b>				
Land*	\$ 1,118,086	\$ -	\$ -	\$ 1,118,086
Construction in Progress*	1,418,544	1,342,561	(760,661)	2,000,444
Infrastructure	106,516,950	902,317	-	107,419,267
Buildings and Improvements	4,333,138	4,151	-	4,337,289
Vehicles and Equipment	4,119,418	333,794	-	4,453,212
Total Capital Assets	<u>117,506,136</u>	<u>2,582,823</u>	<u>(760,661)</u>	<u>119,328,298</u>
<b>Accumulated Depreciation:</b>				
Infrastructure	99,754,653	436,150	-	100,190,803
Buildings and Improvements	2,923,118	119,334	-	3,042,452
Vehicles and Equipment	2,988,431	209,277	-	3,197,708
Total Accumulated Depreciation	<u>105,666,202</u>	<u>764,761</u>	<u>-</u>	<u>106,430,963</u>
Total Net Capital Assets	<u>\$ 11,839,934</u>			<u>\$ 12,897,335</u>

\*Non Depreciable Asset

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**3. CAPITAL ASSETS (CONTINUED)**

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

General Government	\$ 260,179
Public Safety	441,295
Highways and Streets	12,303
Culture and Recreation	32,515
Tourism	18,469
Total	<u>\$ 764,761</u>

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

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets not being depreciated				
Land	\$ 3,289,003	\$ -	\$ -	\$ 3,289,003
Construction in progress	4,080,771	1,628,444		5,709,215
Water Rights	645,078	-	-	645,078
Total capital assets not being depreciated	<u>8,014,852</u>	<u>1,628,444</u>	<u>-</u>	<u>9,643,296</u>
Capital assets being depreciated				
Infrastructure and plant	73,718,923	-	-	73,718,923
Buildings	320,988	-	-	320,988
Vehicles and equipment	893,923	45,769		939,692
Total capital assets being depreciated	<u>74,933,834</u>	<u>45,769</u>	<u>-</u>	<u>74,979,603</u>
	Beginning Balance	Additions	Deletions	Ending Balance
Less accumulated depreciation for:				
Infrastructure and Plant	37,240,919	1,552,933	-	38,793,852
Buildings	163,816	10,509	-	174,325
Vehicles and equipment	425,508	78,216	-	503,724
Total	<u>37,830,243</u>	<u>1,641,658</u>	<u>-</u>	<u>39,471,901</u>
Total capital assets being depreciated, net	<u>37,748,669</u>			<u>35,507,702</u>
<b>Total capital assets, net</b>	<u>\$ 45,118,443</u>			<u>\$ 45,150,998</u>

**4. RECEIVABLES**

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

Property Taxes	\$ 262,100
Accounts	400,813
Utility Accounts	521,123
	<u>\$ 1,184,036</u>

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. DEBT**

Transactions for governmental activities for the year ended June 30, 2023 were as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within One Year
General Obligation Bonds (original amount \$800,000, & 3-5% interest	\$ 165,000	-	50,000	115,000	\$ 55,000
Direct Borrowing:ODOT Note Payable \$505k, 1.61%	434,315	-	48,077	386,238	48,854
Compensated Absences	290,973	184,106	(232,916)	242,163	242,163
Total	<u>\$ 890,288</u>	<u>\$ -</u>	<u>\$ 105,260</u>	<u>\$ 792,211</u>	<u>\$ 394,827</u>

The GO Bonds have no significant default provisions. The ODOT note from direct borrowing contains a provision that in an event of default and the City is unable to make payment, outstanding amounts become immediately due. Another provision states that in the event of default, the State of Oregon may withhold the City's apportionment of the State Highway Fund revenue.

Governmental: 2005 GO Bonds			Direct Borrowing 2017 ODOT Note		
Year	Principal	Interest	Year	Principal	Interest
2023-2024	55,000	5,750	2023-2024	48,854	6,023
2024-2025	60,000	3,000	2024-2025	49,644	5,233
2025-2026	-	-	2025-2026	50,446	4,430
2026-2027	-	-	2026-2027	51,262	3,615
2027-2028	-	-	2027-2028	52,091	2,786
2028-2031	-	-	2028-2031	133,940	3,252
	<u>\$ 115,000</u>	<u>\$ 8,750</u>		<u>\$ 386,237</u>	<u>\$ 25,339</u>

Transactions for business-type activities for the year ended June 30, 2023 were as follows:



**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. DEBT (CONTINUED)**

	Beginning Balance	Additions	Deletions	Ending Balance	Due within One Year
<b><u>Revenue Bonds:</u></b>					
Water Revenue Series 2008 (original amount \$2,360,000, 3.75-5%)	\$ 920,000	\$ -	\$ 140,000	\$ 780,000	\$ 145,000
2012 Refunding Bonds (original amount \$795,000, 1.85-3.6%)	145,000	-	40,000	105,000	35,000
USDA Revenue Bonds (original \$4,601,000, 2.375%)	3,990,325	-	84,716	3,905,609	86,728
Total Revenue Bonds	<u>5,055,325</u>	<u>-</u>	<u>264,716</u>	<u>4,790,609</u>	<u>266,728</u>
<b><u>Direct Borrowings:</u></b>					
DEQ Bond (original \$18,500,000, 1.47%)	18,000,000	-	491,405	17,508,595	498,656
OECD (original amount \$779,697, 3-4.75%)	429,407	-	29,722	399,685	29,957
IFA Loan 2014 (original amount \$2,625,000, 2.67%)	1,905,797	-	94,375	1,811,422	96,894
IFA Loan 2019 (original amount \$345,772, 1%)	336,883	-	10,071	326,812	10,172
DEQ Loan 2019 (original amount \$1,717,456, 1.27%)	1,717,456	-	48,327	1,669,129	48,943
Total Direct Borrowings	<u>22,389,543</u>	<u>-</u>	<u>673,900</u>	<u>21,715,643</u>	<u>684,622</u>
Total	<u>\$ 27,444,868</u>	<u>\$ -</u>	<u>\$ 938,616</u>	<u>\$ 26,506,252</u>	<u>\$ 951,350</u>

The 2008 Water Revenue Bonds and the OECD Loan do not have significant default provisions. The 2012 Refunding Bonds contain a provision stating that in the event of default, the majority Owners of the Bonds may take whatever action at law or in equity to enforce the Financing Agreement or protect the rights of the Owner. However, upon default the unpaid principal components will not become immediately due and payable. The USDA Revenue Bonds contain a provision that in the event of default all Net Water Revenues of the City will be accounted for in an express trust for USDA. The USDA Bonds have a reserve requirement of \$17,949 per year to be transferred into the Water Debt Service Fund. The Fund balance in the Water Debt Service account is \$499,010, which is enough to cover the reserve requirement \$179,486 for this debt and other reserve requirements of \$177,775. The IFA loan contains a provision that states that in the event of default and the City is unable to make payment, all amounts outstanding become immediately due and repayment of all associated grants and interest on those grants is required. Both the DEQ bond and DEQ loan contain a provision that all amounts outstanding become immediately due in the event of default. Also, DEQ may notify the Oregon State Treasurer to withhold any amounts otherwise due to the City from the State of Oregon.

2008 Water Revenue Bonds			2012 Refunding Bonds	
Year	Principal	Interest	Principal	Interest
2023-2024	\$ 145,000	\$ 32,176	\$ 35,000	\$ 3,150
2024-2025	150,000	26,194	35,000	1,890
2025-2026	155,000	20,006	35,000	630
2026-2027	160,000	13,613	-	-
2026-2027	170,000	7,013	-	-
	<u>\$ 780,000</u>	<u>\$ 99,002</u>	<u>\$ 105,000</u>	<u>\$ 5,670</u>

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**5. DEBT (CONTINUED)**

Year	2009 OECDD Loan (Refinanced 2018)		2014 IFA Loan		2019 IFA Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2023-2024	\$ 29,957	\$ 19,841	\$ 96,894	\$ 48,365	\$ 10,172	\$ 3,268
2024-2025	35,156	18,393	99,481	45,778	10,274	3,166
2025-2026	35,413	16,635	102,138	43,122	10,376	3,064
2026-2027	30,698	14,851	104,865	40,395	10,480	2,960
2027-2028	30,983	13,316	107,665	37,595	10,585	2,855
2028-2033	194,555	40,441	583,009	143,287	54,533	12,666
2033-2038	42,923	2,126	665,111	61,187	57,315	9,885
2038-2043	-	-	52,259	1,395	60,239	6,961
2043-2048	-	-	-	-	63,311	3,888
2048-2053	-	-	-	-	39,527	793
	<u>\$ 399,685</u>	<u>\$ 125,603</u>	<u>\$ 1,811,422</u>	<u>\$ 421,124</u>	<u>\$ 326,812</u>	<u>\$ 49,506</u>

	2013 USDA Revenue Bonds		DEQ Bond		DEQ Loan	
	Principal	Interest	Principal	Interest	Principal	Interest
2023-2024	\$ 86,728	\$ 92,758	\$ 498,656	\$ 255,550	\$ 48,943	\$ 21,043
2024-2025	88,788	90,698	506,013	248,193	49,567	20,419
2025-2026	90,896	88,590	513,478	240,728	50,198	19,788
2026-2027	93,055	86,431	521,056	233,150	50,837	19,149
2027-2028	95,265	84,221	528,742	225,464	51,485	18,501
2028-2033	511,358	386,072	2,763,055	1,007,975	267,433	82,497
2033-2038	575,035	322,395	2,972,988	798,042	284,909	65,021
2038-2043	646,642	250,788	3,198,872	572,158	303,528	46,402
2043-2048	727,165	170,265	3,441,921	329,109	323,360	26,570
2048-2053	817,716	79,714	2,563,814	75,930	238,869	6,105
2053-2054	172,961	4,108	-	-	-	-
	<u>\$ 3,905,609</u>	<u>\$ 1,656,040</u>	<u>\$ 17,508,595</u>	<u>\$ 3,986,299</u>	<u>\$ 1,669,129</u>	<u>\$ 325,495</u>

The City entered into a loan agreement with Oregon Infrastructure Finance Authority of the Business Development Department (OBDD) to fund water treatment plant improvements (Nonpareil). The total amount to be received is \$5,473,565 at an interest rate of 1.00%. At June 30, 2023 the City has drawn down \$5,312,694, no amortization schedule has been set yet, all of the balance is classified as due in more than one year. The OBDD loan contains a provision that all amounts outstanding become immediately due in the event of default.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**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.
  - 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**6. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

- 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.  
*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 \$663,315 excluding amounts to fund employer specific liabilities. In addition approximately \$205,964 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 \$4,638,726 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 .03 percent and .028 percent, respectively. Pension expense for the year ended June 30, 2023 was \$143,039.

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 20.05%
- (2) OPSRP general services – 14.86%
- (3) OPSRP Police and Fire – 19.22%

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**6. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 225,173	\$ 28,928
Changes in assumptions	727,841	6,650
Net difference between projected and actual earnings on pension plan investments	-	829,315
Net changes in proportionate share	742,459	-
Differences between contributions and proportionate share of contributions	-	686,985
Subtotal - Amortized Deferrals (below)	1,695,473	1,551,878
Contributions subsequent to measuring date	663,315	-
Deferred outflow (inflow) of resources	<u>\$ 2,358,788</u>	<u>\$ 1,551,878</u>

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	\$ 117,786
2025	(18,432)
2026	(317,208)
2027	374,728
2028	(13,279)
Thereafter	-
Total	<u>\$ 143,595</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 accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**6. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**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:**

<b>Asset Class/Strategy</b>	<b>Low Range</b>	<b>High Range</b>	<b>OIC Target</b>
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 SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**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.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Compound Annual (Geometric) Return</b>
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>		<i>2.40%</i>

*(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, a reduction approved by the Board from 7.20 percent in the prior fiscal year. 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.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**6. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Proportionate share of the net pension liability	\$ 8,226,380	\$ 4,638,726	\$ 1,636,026

**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



**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**6. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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.

*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 made \$100,709 of 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

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**7. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)**

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.

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 \$469, \$489 and \$277, respectively, which equaled the required contributions each year.

At June 30, 2023, the City's net OPEB liability/(asset) and deferred inflows and outflows were not considered significant by management and were not accrued on the government wide statements.

**8. INTERFUND BALANCES**

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:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 1,694,520	\$ (1,000,020)
Street Construction	107,500	-
Other Governmental	266,400	(423,200)
Water	-	(1,937,400)
Wastewater	-	(2,373,300)
Water Construction	327,500	-
Other Business Type	1,660,000	-
Internal Service	<u>1,728,000</u>	<u>(50,000)</u>
Total	<u>\$ 5,783,920</u>	<u>\$ (5,783,920)</u>

Please note that the "Internal Balances" noted on the Statement of Net Position is not an interfund balance, but a representation over time that represents the amount of use the internal service fund allocates to the governmental and business type activities.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**8. INTERFUND BALANCES (CONTINUED)**

Fund	Due To	Due From
General Fund	\$ -	\$ 577,808
Parks Construction Fund	197,918	-
Debt Service URA	379,890	-
	<u>\$ 577,808</u>	<u>\$ 577,808</u>

**9. FUND BALANCE CONSTRAINTS**

The specific purposes for each of the categories of fund balance as of June 30, 2023 are as follows:

Fund Balances:	General Fund	Street Construction Fund	Other Governmental Funds	Total
<b><u>Nonspendable:</u></b>				
Prepays	\$ 88,557	\$ -	\$ 27,438	\$ 115,995
<b><u>Restricted:</u></b>				
Street Maintenance	-	319,395	688,206	1,007,601
System Development Charges	-	-	639,741	639,741
Urban Renewal	-	-	116,924	116,924
Debt Payments	-	-	4,944	4,944
	-	319,395	1,449,815	1,769,210
<b><u>Committed to:</u></b>				
Tourism	-	-	389,248	389,248
	-	-	389,248	389,248
<b><u>Assigned to:</u></b>				
Bicycle Paths	27,964	-	-	27,964
Fire Reserve	644,634	-	-	644,634
Police Reserve	302,108	-	-	302,108
Public Works Operations Reserve	208,207	-	-	208,207
Park Facilities Reserve	303,638	-	-	303,638
Library	-	-	664	664
	1,486,551	-	664	1,487,215
<b><u>Unassigned:</u></b>	2,195,733	-	(585,877)	1,609,856
<b>Total Fund Balances</b>	<u>\$ 3,770,841</u>	<u>\$ 319,395</u>	<u>\$ 1,281,288</u>	<u>\$ 5,371,524</u>

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**10. TAX ABATEMENTS**

As of June 30, 2023, the City provides tax abatements through one significant program: Enterprise Zone, ORS 285C.175.

The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction. For the fiscal year ended June 30, 2023, the City abated property taxes totaling \$145,596 under this program.

**11. 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, 2023.

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 on the Pub-210 General and Safety Employee Healthy Retiree mortality tables, sex distinct for member and dependents. 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 SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

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**11. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

Health Care Cost Trend 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%
2031-20065	4.25%
2066-2071	4.00%
2072	3.75%

Dental: 1.75% for 2022, 4.00% per year thereafter

Health care cost trend affects both the projected health care costs as well as the projected health care

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

Mortality Pub-2010 General and Safety Employee and Healthy Retiree tables, sex distinct for members and dependents, with a one-year setback for male general service employees and female safety employees.

Disability Not used

Withdrawal Based on Oregon PERS assumptions. Annual rates are based on employment classification, gender, and duration from hire date.

Retirement Based on Oregon PERS assumptions. Annual rates are based on age, Tier/OPSRP, duration of service, and employment classification.

**Changes in the Net OPEB Liability**

<b>Total OPEB Liability at June 30, 2022</b>	<b>\$ 200,992</b>
<b>Changes for the year:</b>	
Service cost	21,357
Interest	4,708
Changes in benefit terms	-
Economic/demographic gains or losses	38,769
Changes of assumptions or other input	(40,215)
Benefit payments	(8,796)
<b>Balance as of June 30, 2023</b>	<b><u>\$ 216,815</u></b>

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**11. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

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 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Total OPEB Liability	\$ 232,602	\$ 216,815	\$ 202,185

	1% Decrease Healthcare	Current Trend Rate Healthcare	1% Increase Healthcare
Total OPEB Liability	\$ 194,642	\$ 216,815	\$ 243,129

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	\$ (8,622)	\$ 54,178
Changes in assumptions or other input	(48,521)	3,229
Benefit Payments	-	18,723
Deferred outflow (inflow) of resources	<u>\$ (57,143)</u>	<u>\$ 76,130</u>

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2024	\$ (1,200)
2025	(1,200)
2026	(1,200)
2027	(383)
2028	2,086
Thereafter	2,161
Total	<u>\$ 264</u>

**12. DEFICIT FUND BALANCES**

The ending fund balance of the Parks Construction Fund as of June 30, 2023 was negative \$205,987. The deficit was the result of a timing difference between an expenditure and receipt of reimbursement. A transfer has been budgeted in 2023-2024 to eliminate the deficit balance.

**CITY OF SUTHERLIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**June 30, 2023**

**13. 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.

**14. SUBSCRIPTIONS PAYABLE**

For the year ended 6/30/2023, 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 07/01/2022, Sutherlin, OR entered into a 36 month subscription for the use of Everbridge. An initial subscription liability was recorded in the amount of \$5,185.18. As of 06/30/2023, the value of the subscription liability is \$3,394.96. Sutherlin, OR is required to make annual fixed payments of \$1,800.00. The subscription has an interest rate of 4.0%. The value of the right to use asset as of 06/30/2023 of \$5,369.18 with accumulated amortization of \$1,789.73 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Sutherlin, OR entered into a 24 month subscription for the use of Revize. An initial subscription liability was recorded in the amount of \$3,527.96. As of 06/30/2023, the value of the subscription liability is \$1,731.88. Sutherlin, OR is required to make annual fixed payments of \$1,800.00. The subscription has an interest rate of 4.0%. The value of the right to use asset as of 06/30/2023 of \$3,527.96 with accumulated amortization of \$1,763.98 is included with Software on the Subscription Class activities table found below.

On 02/15/2023, Sutherlin, OR entered into a 36 month subscription for the use of IWorQ. An initial subscription liability was recorded in the amount of \$18,701.43. As of 06/30/2023, the value of the subscription liability is \$12,259.61. Sutherlin, OR is required to make annual fixed payments of \$6,500.00. The subscription has an interest rate of 4.0000%. The value of the right to use asset as of 06/30/2023 of \$22,101.43 with accumulated amortization of \$2,783.14 is included with Software on the Subscription Class activities table found below.

**Amount of Subscription Assets by Major Classes of Underlying Asset**

Asset Class	As of Fiscal Year-end		
	Subscription Asset Value	Accumulated Amortization	Net Asset Value
Software	\$ 30,999	\$ 6,337	\$ 24,662
Total Subscriptions	\$ 30,999	\$ 6,337	\$ 24,662

**Principal and Interest Requirements to Maturity**

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2024	\$ 9,406	\$ 694	\$ 10,100
2025	7,981	319	8,300
Total	\$ 17,387	\$ 1,013	\$ 18,400

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION  
For the Year Ended June 30, 2023**

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

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	0.03 %	\$ 4,638,726	\$ 3,547,995	131%	84.5 %
2022	0.02	3,381,403	3,156,424	107%	87.6
2021	0.02	5,713,874	3,300,218	173	75.8
2020	0.02	4,044,479	2,957,914	137	80.2
2019	0.02	3,269,663	2,715,431	120	82.1
2018	0.02	2,424,799	2,649,160	91	83.1
2017	0.02	2,930,363	2,477,286	118	80.5
2016	0.02	1,190,449	2,268,510	52	91.9
2015	0.02	(385,502)	2,224,914	(17)	103.6
2014	0.02	867,896	2,156,450	39	92.0

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.

**SCHEDULE OF CONTRIBUTIONS**

	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	\$ 663,315	\$ 663,315	\$ -	\$ 3,748,550	17.7 %
2022	631,725	631,725	-	3,547,995	17.8
2021	463,725	463,725	-	3,156,424	14.7
2020	435,692	435,692	-	3,300,218	13.2
2019	249,946	249,946	-	2,957,914	8.5
2018	218,437	218,437	-	2,715,431	8.0
2017	168,464	168,464	-	2,649,160	6.4
2016	154,896	154,896	-	2,477,286	6.3
2015	153,399	153,399	-	2,268,510	6.9
2014	159,387	159,387	-	2,224,914	7.4

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 SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS  
For the Year Ended June 30, 2023**

	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
<b>Total Other Post Employment Benefits Liability at beginning of year</b>	<b>\$ 139,232</b>	<b>\$ 145,603</b>	<b>\$ 129,935</b>	<b>\$ 146,689</b>	<b>\$ 182,073</b>	<b>\$ 200,992</b>
<u>Changes for the year:</u>						
Service Cost	17,235	16,386	14,081	15,669	20,752	21,357
Interest	4,377	5,663	5,433	5,523	4,405	4,708
Changes in Benefit Terms	-	-	-	-	-	-
Differences between expected and actual experience	-	(18,647)	-	29,535	-	38,769
Changes in assumptions or other input	(9,403)	(11,409)	4,582	(6,164)	799	(40,215)
Benefit Payments	(5,838)	(7,661)	(7,342)	(9,179)	(7,037)	(8,796)
Net changes for the year	6,371	(15,668)	16,754	35,384	18,919	15,823
<b>Total Other Post Employment Benefits Liability at year end</b>	<b>\$ 145,603</b>	<b>\$ 129,935</b>	<b>\$ 146,689</b>	<b>\$ 182,073</b>	<b>\$ 200,992</b>	<b>\$ 216,815</b>
<b>Fiduciary Net Position - Beginning</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Contributions - Employer	5,838	7,661	7,342	9,179	7,037	8,796
Contributions - Employee	-	-	-	-	-	-
Net Investment Income	-	-	-	-	-	-
Benefit Payments	(5,838)	(7,661)	(7,342)	(9,179)	(7,037)	(8,796)
Administrative Expense	-	-	-	-	-	-
Net changes for the year	-	-	-	-	-	-
<b>Fiduciary Net Position - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Liability for Other Post Employment Benefits - End of Year</b>	<b>\$ 145,603</b>	<b>\$ 129,935</b>	<b>\$ 146,689</b>	<b>\$ 182,073</b>	<b>\$ 200,992</b>	<b>\$ 216,815</b>
Fiduciary Net Position as a percentage of the total Single Employer Pension Liability	0%	0%	0%	0%	0%	0%
Covered Payroll	\$ 2,732,858	\$ 2,965,721	\$ 3,176,337	\$ 3,156,424	\$ 3,547,995	\$ 3,748,550
Net Single Employer Pension Plan as a Percentage of Covered Payroll	5%	4%	5%	6%	6%	6%

**CITY OF SUTHERLIN  
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 POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Property Taxes	\$ 3,554,700	\$ 3,554,700	\$ 3,491,427	\$ (63,273)
Franchise Fees	472,725	472,725	560,233	87,508
Licences, Permits and Fees	-	-	515	515
Fines and Forfeitures	-	-	133,256	133,256
Charges for Services	33,500	33,500	28,745	(4,755)
Intergovernmental	578,686	723,711	782,070	58,359
Interest, Loss on LGIP	-	-	146,504	146,504
Miscellaneous	153,500	153,500	114,054	(39,446)
Total Revenues	<u>4,793,111</u>	<u>4,938,136</u>	<u>5,256,804</u>	<u>318,668</u>
EXPENDITURES				
City Manager's Office	166,850	169,300 (1)	171,917	(2,617)
City Attorney	38,400	38,400 (1)	39,802	(1,402)
Mayor & Council	5,550	5,550 (1)	3,024	2,526
Non-Departmental	393,450	393,450 (1) (2)	440,665	(47,215)
City Recorder/HR	289,770	289,770 (1)	278,484	11,286
Municipal Court	223,900	223,900 (1)	200,639	23,261
Finance	486,950	486,950 (1)	469,783	17,167
Planning	504,650	504,650 (1)	513,543	(8,893)
Police	2,622,600	2,669,200 (1)	2,499,811	169,389
Parks/Facilities	267,970	267,970 (1)	259,571	8,399
Fire	1,294,150	1,479,950 (1)	1,381,371	98,579
Contingency	200,000	86,555 (1)	-	86,555
Total Expenditures	<u>6,494,240</u>	<u>6,615,645</u>	<u>6,258,610</u>	<u>357,035</u>
Excess of Revenues Over, (Under) Expenditures	(1,701,129)	(1,677,509)	(1,001,806)	675,703
OTHER FINANCING SOURCES, (USES)				
GASB 96 SBITA	-	-	18,701	18,701
Loan to URA	(250,000)	(340,000) (1)	(379,890)	(39,890)
Transfers Out	(1,161,400)	(1,185,020) (1)	(1,000,020)	185,000
Transfers In	1,195,900	1,535,900	1,195,900	(340,000)
Net Change in Fund Balance	(1,916,629)	(1,666,629)	(1,167,115)	499,514
Beginning Fund Balance	<u>3,158,000</u>	<u>3,158,000</u>	<u>3,071,515</u>	<u>(86,485)</u>
Ending Fund Balance	<u>\$ 1,241,371</u>	<u>\$ 1,491,371</u>	<u>\$ 1,904,400</u>	<u>\$ 413,029</u>
Reconciliation to GAAP Fund Balance:				
Interfund Loan			379,890	
Ending Fund Balances				
Bicycle / Footpath Fund			27,964	
Police Reserve			302,108	
Public Works Operations Reserve			208,207	
Fire Reserve Fund			644,634	
Parks Facilities Reserve Fund			303,638	
			<u>\$ 3,770,841</u>	

(1) Appropriation Level

(2) Appropriation includes transfers out which was under budget by \$180,000, so no overexpenditure

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>STREET CONSTRUCTION FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
Intergovernmental	\$ 550,000	\$ 550,000	\$ 420,183	\$ (129,817)
Interest	125	125	5,853	\$ 5,728
Total Revenues	<u>550,125</u>	<u>550,125</u>	<u>426,036</u>	<u>(124,089)</u>
<b>EXPENDITURES</b>				
Capital Outlay	550,000	550,000 (1)	269,075	280,925
Contingency	<u>9,125</u>	<u>9,125 (1)</u>	<u>-</u>	<u>9,125</u>
Total Expenditures	<u>559,125</u>	<u>559,125</u>	<u>269,075</u>	<u>290,050</u>
Excess of Revenues Over, (Under) Expenditures	(9,000)	(9,000)	156,961	165,961
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	<u>-</u>	<u>-</u>	<u>107,500</u>	<u>107,500</u>
Total Other Financing Sources, (Uses)	-	-	107,500	107,500
Net Change in Fund Balance	(9,000)	(9,000)	264,461	273,461
Beginning Fund Balance	<u>9,000</u>	<u>9,000</u>	<u>54,934</u>	<u>45,934</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,395</u>	<u>\$ 319,395</u>

(1) Appropriation Level

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>WATER OPERATIONS FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
Charges for Services	\$ 2,472,000	\$ 2,472,000	\$ 2,415,172	\$ (56,828)
System Development Charges		-	19,760	19,760
Interest	<u>3,000</u>	<u>3,000</u>	<u>19,800</u>	<u>16,800</u>
Total Revenues	<u>2,475,000</u>	<u>2,475,000</u>	<u>2,454,732</u>	<u>(20,268)</u>
<b>EXPENDITURES</b>				
Materials and Services	527,550	527,550 (1)	498,903	28,647
Capital Outlay	3,000	3,000 (1)	-	3,000
Contingency	<u>504,050</u>	<u>504,050</u> (1)	<u>-</u>	<u>504,050</u>
Total Expenditures	<u>1,034,600</u>	<u>1,034,600</u>	<u>498,903</u>	<u>504,050</u>
Excess of Revenues Over, (Under) Expenditures	<u>1,440,400</u>	<u>1,440,400</u>	<u>1,955,829</u>	<u>515,429</u>
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers Out	<u>(1,937,400)</u>	<u>(1,937,400)</u> (1)	<u>(1,937,400)</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>(1,937,400)</u>	<u>(1,937,400)</u>	<u>(1,937,400)</u>	<u>-</u>
Net Change in Fund Balance	(497,000)	(497,000)	18,429	515,429
Beginning Fund Balance	<u>497,000</u>	<u>497,000</u>	<u>424,818</u>	<u>(72,182)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>443,247</u>	<u>\$ 443,247</u>
<b>Reconciling Items:</b>				
Capital Assets, Net			18,085,571	
Deferred Revenue			38,769	
Accrued Interest			(78,315)	
Long-Term Obligations			<u>(10,724,800)</u>	
Net Position			<u>\$ 7,764,472</u>	

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

WASTEWATER OPERATIONS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 3,039,300	\$ 3,039,300	\$ 3,059,634	\$ 20,334
Interest	3,500	3,500	42,528	39,028
Miscellaneous	-	-	7,800	7,800
Total Revenues	3,042,800	3,042,800	3,109,962	67,162
EXPENDITURES				
Materials and Services	649,600	649,600 (1)	614,145	35,455
Contingency	1,389,900	1,389,900 (1)	-	1,389,900
Total Expenditures	2,039,500	2,039,500	614,145	1,425,355
Excess of Revenues over Expenditures	1,003,300	1,003,300	2,495,817	(1,358,193)
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(2,373,300)	(2,373,300) (1)	(2,373,300)	-
Total Other Financing Sources	(2,373,300)	(2,373,300)	(2,373,300)	-
Net Change in Fund Balance	(1,370,000)	(1,370,000)	122,517	67,162
Beginning Fund Balance	1,370,000	1,370,000	1,292,526	(77,474)
Ending Fund Balance	\$ -	\$ -	\$ 1,415,043	\$ 1,415,043

Reconciling Items:

Capital Assets, Net	27,065,427
Deferred Revenue	46,111
Accrued Interest	(253,408)
Long-Term Obligations	(21,094,146)
Net Position	\$ 7,179,027

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

WATER CONSTRUCTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
System Development Charges	\$ 60,000	\$ 60,000	\$ 75,323	\$ 15,323
Intergovernmental	380,000	380,000	-	(380,000)
Interest	4,000	4,000	45,307	41,307
Total Revenues	444,000	444,000	120,630	(323,370)
EXPENDITURES				
Capital Outlay	4,459,000	4,459,000 (1)	1,633,129	2,825,871
Contingency	793,000	793,000 (1)	-	793,000
Total Expenditures	5,252,000	5,252,000	1,633,129	3,618,871
Excess of Revenues Over, (Under) Expenditures	(4,808,000)	(4,808,000)	(1,512,499)	3,295,501
OTHER FINANCING SOURCES, (USES)				
Debt Proceeds	3,770,000	3,770,000	1,497,838	(2,272,162)
Transfers In	405,000	405,000	327,500	(77,500)
Net Change in Fund Balance	(633,000)	(633,000)	312,839	945,839
Beginning Fund Balance	633,000	633,000	1,341,138	708,138
Ending Fund Balance	\$ -	\$ -	\$ 1,653,977	\$ 1,653,977

(1) Appropriation Level



**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

WASTEWATER CONSTRUCTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
System Development Charges	\$ 5,000	\$ 5,000	\$ 64,845	\$ 59,845
Interest	2,000	2,000	23,742	21,742
Total Revenues	7,000	7,000	88,587	81,587
EXPENDITURES				
Capital Outlay	-	- (1)	-	-
Contingency	844,000	844,000 (1)	-	844,000
Total Expenditures	844,000	844,000	-	844,000
Excess of Revenues Over, (Under) Expenditures	(837,000)	(837,000)	88,587	925,587
OTHER FINANCING SOURCES, (USES)				
Transfers In		-	-	-
Net Change in Fund Balance	(837,000)	(837,000)	88,587	925,587
Beginning Fund Balance	837,000	837,000	827,194	(9,806)
Ending Fund Balance	\$ -	\$ -	\$ 915,781	\$ 915,781

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**COMBINING BALANCE SHEET -  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2023**

	STATE GAS TAX FUND	STREET SDC FUND	TOURISM MOTEL TAX	LIBRARY BOARD FUND
<b>ASSETS</b>				
Cash and Equivalents	\$ 694,012	\$ 639,741	\$ 361,129	\$ 664
Prepays	27,438	-	-	-
Accounts Receivable	-	-	28,154	-
Total Assets	<u>\$ 721,450</u>	<u>\$ 639,741</u>	<u>\$ 389,283</u>	<u>\$ 664</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 5,806	\$ -	\$ 35	\$ -
Due to Other Funds	-	-	-	-
Deferred Revenue	-	-	-	-
Total Liabilities	<u>5,806</u>	<u>-</u>	<u>35</u>	<u>-</u>
<b>FUND BALANCES</b>				
Unspendable	27,438	-	-	-
Restricted	688,206	639,741	-	-
Committed	-	-	389,248	-
Assigned	-	-	-	664
Unassigned	-	-	-	-
Total Fund Balances	<u>715,644</u>	<u>639,741</u>	<u>389,248</u>	<u>664</u>
Total Liabilities and Fund Balances	<u>\$ 721,450</u>	<u>\$ 639,741</u>	<u>\$ 389,283</u>	<u>\$ 664</u>

DEBT SERVICE LIBRARY GO BOND FUND	CAPITAL PROJECTS FUNDS		URBAN RENEWAL		TOTAL
	PARKS CONSTRUCTION FUND		GENERAL	DEBT SERVICE	
			URA FUND	URA FUND	
\$ 4,944	\$ -	\$ -	\$ 116,367	\$ 1,816,857	
-	-	-	-	27,438	
5,329	22,525	-	557	56,565	
<u>\$ 10,273</u>	<u>\$ 22,525</u>	<u>\$ -</u>	<u>\$ 116,924</u>	<u>\$ 1,900,860</u>	
\$ -	\$ 30,594	\$ -	\$ -	\$ 36,435	
-	197,918	-	-	197,918	
5,329	-	-	-	5,329	
<u>5,329</u>	<u>228,512</u>	<u>-</u>	<u>-</u>	<u>239,682</u>	
-	-	-	-	27,438	
4,944	-	-	116,924	1,449,815	
-	-	-	-	389,248	
-	-	-	-	664	
-	(205,987)	-	-	(205,987)	
<u>4,944</u>	<u>(205,987)</u>	<u>-</u>	<u>116,924</u>	<u>1,661,178</u>	
<u>\$ 10,273</u>	<u>\$ 22,525</u>	<u>\$ -</u>	<u>\$ 116,924</u>	<u>\$ 1,900,860</u>	

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

	STATE GAS TAX FUND	STREET SDC FUND	TOURISM MOTEL TAX	LIBRARY BOARD FUND	DEBT SERVICE LIBRARY GO BOND FUND
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 61,500
System Development Charges	-	120,423	-	-	-
Assessments	-	-	252,399	-	-
Grants and Contributions	-	-	-	-	-
Intergovernmental	826,540	-	-	-	-
Interest	20,522	15,105	10,527	-	6
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ 847,062</u>	<u>\$ 135,528</u>	<u>\$ 262,926</u>	<u>\$ -</u>	<u>\$ 61,506</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	-	-	-	-
Culture and Recreation	-	-	-	26,400	-
Tourism	-	-	162,429	-	-
Highways and Streets	108,205	-	-	-	-
Capital Outlay	250,715	-	-	-	-
Debt Service	54,877	-	-	-	58,250
Total Expenditures	<u>413,797</u>	<u>-</u>	<u>162,429</u>	<u>26,400</u>	<u>58,250</u>
Excess of Revenues Over, (Under) Expenditures	433,265	135,528	100,497	(26,400)	3,256
<b>OTHER FINANCING SOURCES, (USES)</b>					
Proceeds from Line of Credit	-	-	-	-	-
Transfers In	-	-	-	26,400	-
Transfers Out	(368,300)	-	(54,900)	-	-
Total Other Financing Sources, (Uses)	<u>(368,300)</u>	<u>-</u>	<u>(54,900)</u>	<u>26,400</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	64,965	135,528	45,597	-	3,256
BEGINNING FUND BALANCES	<u>650,679</u>	<u>504,213</u>	<u>343,651</u>	<u>664</u>	<u>1,688</u>
ENDING FUND BALANCES	<u>\$ 715,644</u>	<u>\$ 639,741</u>	<u>\$ 389,248</u>	<u>\$ 664</u>	<u>\$ 4,944</u>

CAPITAL PROJECTS FUNDS	URBAN RENEWAL		
	GENERAL	DEBT SERVICE	TOTAL
	URA	URA	
	FUND	FUND	
\$ -	\$ -	\$ 117,018	\$ 178,518
88,711	-	-	209,134
-	-	-	252,399
454,756	82,692	-	537,448
-	-	-	826,540
-	-	4,816	50,976
-	-	-	-
<u>\$ 543,467</u>	<u>\$ 82,692</u>	<u>\$ 121,834</u>	<u>\$ 2,055,015</u>
-	180,437	-	180,437
-	-	-	26,400
-	-	-	162,429
-	-	-	108,205
969,307	282,145	-	1,502,167
-	-	65,841	178,968
-	-	-	-
<u>969,307</u>	<u>462,582</u>	<u>65,841</u>	<u>2,158,606</u>
(425,840)	(379,890)	55,993	(103,591)
-	379,890	-	379,890
240,000	-	-	266,400
-	-	-	(423,200)
<u>240,000</u>	<u>379,890</u>	<u>-</u>	<u>223,090</u>
(185,840)	-	55,993	119,499
(20,147)	-	60,931	1,541,679
-	-	-	-
<u>\$ (205,987)</u>	<u>\$ -</u>	<u>\$ 116,924</u>	<u>\$ 1,661,178</u>
Reconciliation to GAAP Fund Balance:			
Interfund Loan			(379,890)
			<u>\$ 1,281,288</u>

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>STATE GAS TAX FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 700,000	\$ 700,000	\$ 826,540	\$ 126,540
Charges for Service	-	-	-	-
Interest	1,800	1,800	20,522	18,722
Total Revenues	701,800	701,800	847,062	145,262
EXPENDITURES				
Materials and Services	201,500	201,500 (1)	108,205	93,295
Capital Outlay	380,000	380,000 (1)	250,715	129,285
Debt Service	54,900	54,900 (1)	54,877	23
Contingency	4,100	4,100 (1)	-	4,100
Total Expenditures	640,500	640,500	413,797	226,703
Excess of Revenues Over, (Under) Expenditures	61,300	61,300	433,265	371,965
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(368,300)	(368,300) (1)	(368,300)	-
Net Change in Fund Balance	(307,000)	(307,000)	64,965	371,965
Beginning Fund Balance	307,000	307,000	650,679	343,679
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 715,644</u>	<u>\$ 715,644</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

STREET SDC SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
System Development Charges	\$ 50,000	\$ 50,000	\$ 120,423	\$ 70,423
Interest	2,000	2,000	15,105	13,105
Total Revenues	52,000	52,000	135,528	83,528
EXPENDITURES				
Contingency	529,000	529,000 (1)	-	529,000
Total Expenditures	529,000	529,000	-	529,000
Net Change in Fund Balance	(477,000)	(477,000)	135,528	612,528
Beginning Fund Balance	477,000	477,000	504,213	27,213
Ending Fund Balance	\$ -	\$ -	\$ 639,741	\$ 639,741

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>TOURISM - MOTEL TAX FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
Assessments	\$ 185,000	\$ 185,000	\$ 252,399	\$ 67,399
Interest	1,100	1,100	10,527	9,427
Total Revenues	186,100	186,100	262,926	76,826
<b>EXPENDITURES</b>				
Materials and Services	116,075	166,455 (1)	162,429	4,026
Contingency	287,125	236,745 (1)	-	236,745
Total Expenditures	403,200	403,200	162,429	240,771
Excess of Revenues Over, (Under) Expenditures	(217,100)	(217,100)	100,497	317,597
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers Out	(54,900)	(54,900) (1)	(54,900)	-
Net Change in Fund Balance	(272,000)	(272,000)	45,597	317,597
Beginning Fund Balance	272,000	272,000	343,651	71,651
Ending Fund Balance	\$ -	\$ -	\$ 389,248	\$ 389,248

(1) Appropriation Level



**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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

<u>LIBRARY BOARD FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
Interest	\$ 10	\$ 10	\$ -	\$ (10)
Total Revenues	<u>10</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
<b>EXPENDITURES</b>				
Materials and Services	26,400	26,400 (1)	26,400	-
Contingency	<u>710</u>	<u>710 (1)</u>	<u>-</u>	<u>710</u>
Total Expenditures	<u>27,110</u>	<u>27,110</u>	<u>26,400</u>	<u>710</u>
Excess of Revenues Over, (Under) Expenditures	(27,100)	(27,100)	(26,400)	700
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	<u>26,400</u>	<u>26,400</u>	<u>26,400</u>	<u>-</u>
Net Change in Fund Balance	(700)	(700)	-	700
Beginning Fund Balance	<u>700</u>	<u>700</u>	<u>664</u>	<u>(36)</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 664</u></u>	<u><u>\$ 664</u></u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

	<u>LIBRARY GO BOND FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Property Taxes	\$ 61,500	\$ 61,500	\$ 61,500	\$ -
Interest	-	-	6	6
Total Revenues	<u>61,500</u>	<u>61,500</u>	<u>61,506</u>	<u>6</u>
EXPENDITURES				
Debt Service	<u>58,250</u>	<u>58,250</u> (1)	<u>58,250</u>	<u>-</u>
Total Expenditures	<u>58,250</u>	<u>58,250</u>	<u>58,250</u>	<u>-</u>
Net Change in Fund Balance	3,250	3,250	3,256	6
Beginning Fund Balance	<u>1,000</u>	<u>1,000</u>	<u>1,688</u>	<u>688</u>
Ending Fund Balance	<u>\$ 4,250</u>	<u>\$ 4,250</u>	<u>\$ 4,944</u>	<u>\$ 694</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>PARKS CONSTRUCTION FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
<b>REVENUES</b>				
System Development Charges	\$ 15,000	\$ 15,000	\$ 88,711	\$ 73,711
Grants and Contributions	550,000	1,100,000	454,756	(645,244)
Interest	800	800	-	(800)
Total Revenues	<u>565,800</u>	<u>1,115,800</u>	<u>543,467</u>	<u>(572,333)</u>
<b>EXPENDITURES</b>				
Capital Outlay	750,000	1,300,000 (1)	969,307	330,693
Contingency	<u>224,800</u>	<u>224,800 (1)</u>	<u>-</u>	<u>224,800</u>
Total Expenditures	<u>974,800</u>	<u>1,524,800</u>	<u>969,307</u>	<u>555,493</u>
Excess of Revenues Over, (Under) Expenditures	(409,000)	(409,000)	(425,840)	(16,840)
<b>OTHER FINANCING SOURCES, (USES)</b>				
Transfers In	<u>240,000</u>	<u>240,000 (1)</u>	<u>240,000</u>	<u>-</u>
Net Change in Fund Balance	(169,000)	(169,000)	(185,840)	(16,840)
Beginning Fund Balance	<u>169,000</u>	<u>169,000</u>	<u>(20,147)</u>	<u>(189,147)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (205,987)</u>	<u>\$ (205,987)</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>BICYCLE FOOTPATH FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 7,000	\$ 7,000	\$ 6,976	\$ (24)
Interest	75	75	578	503
Total Revenues	<u>7,075</u>	<u>7,075</u>	<u>7,554</u>	<u>479</u>
EXPENDITURES				
Contingency	<u>34,075</u>	<u>34,075</u> (1)	<u>-</u>	<u>34,075</u>
Total Expenditures	<u>34,075</u>	<u>34,075</u>	<u>-</u>	<u>34,075</u>
Net Change in Fund Balance	(27,000)	(27,000)	7,554	34,554
Beginning Fund Balance	<u>27,000</u>	<u>27,000</u>	<u>20,410</u>	<u>(6,590)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,964</u>	<u>\$ 27,964</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>POLICE RESERVE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interest	\$ 1,000	\$ 1,000	\$ 9,174	\$ 8,174
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>9,174</u>	<u>8,174</u>
EXPENDITURES				
Capital Outlay	277,700	277,700 (1)	263,391	14,309
Contingency	<u>219,300</u>	<u>219,300 (1)</u>	<u>-</u>	<u>219,300</u>
Total Expenditures	<u>497,000</u>	<u>497,000</u>	<u>263,391</u>	<u>233,609</u>
Excess of Revenues Over, (Under) Expenditures	(496,000)	(496,000)	(254,217)	241,783
OTHER FINANCING SOURCES, (USES)				
Transfers In	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>
Net Change in Fund Balance	(316,000)	(316,000)	(74,217)	241,783
Beginning Fund Balance	<u>316,000</u>	<u>316,000</u>	<u>376,325</u>	<u>60,325</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 302,108</u>	<u>\$ 302,108</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

	<u>FIRE RESERVE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$	\$	\$	\$
Interest	1,400	-	-	-
	<u>1,400</u>	<u>1,400</u>	<u>14,849</u>	<u>13,449</u>
Total Revenues	<u>1,400</u>	<u>1,400</u>	<u>14,849</u>	<u>13,449</u>
EXPENDITURES				
Capital Outlay	-	-	-	-
Contingency	607,400	(1) 607,400	(1) -	607,400
	<u>607,400</u>	<u>607,400</u>	<u>-</u>	<u>607,400</u>
Total Expenditures	<u>607,400</u>	<u>607,400</u>	<u>-</u>	<u>607,400</u>
Excess of Revenues Over, (Under) Expenditures	(606,000)	(606,000)	14,849	620,849
OTHER FINANCING SOURCES, (USES)				
Transfers In	165,000	165,000	188,620	23,620
	<u>165,000</u>	<u>165,000</u>	<u>188,620</u>	<u>23,620</u>
Net Change in Fund Balance	(441,000)	(441,000)	203,469	644,469
Beginning Fund Balance	441,000	441,000	441,165	165
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 644,634</u>	<u>\$ 644,634</u>

(1) Appropriation Level

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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

**PUBLIC WORKS OPERATIONS RESERVE FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interest	<u>320</u>	<u>320</u>	<u>5,657</u>	<u>5,337</u>
Total Revenues	<u>320</u>	<u>320</u>	<u>5,657</u>	<u>5,337</u>
EXPENDITURES				
Capital Outlay	86,500	86,500 (1)	42,723	43,777
Contingency	<u>158,820</u>	<u>158,820 (1)</u>	<u>-</u>	<u>158,820</u>
Total Expenditures	<u>245,320</u>	<u>245,320</u>	<u>42,723</u>	<u>202,597</u>
Excess of Revenues Over, (Under) Expenditures	(245,000)	(245,000)	(37,066)	207,934
OTHER FINANCING SOURCES, (USES)				
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net Change in Fund Balance	(195,000)	(195,000)	12,934	207,934
Beginning Fund Balance	<u>195,000</u>	<u>195,000</u>	<u>195,273</u>	<u>273</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,207</u>	<u>\$ 208,207</u>

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

PARKS/FACILITIES RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ -	\$ -	\$ 7,227	\$ 7,227
Intergovernmental	2,000	2,000	-	(2,000)
Miscellaneous	800	800	-	(800)
Total Revenues	2,800	2,800	7,227	4,427
EXPENDITURES				
Capital Outlay	60,000	60,000 (1)	11,759	48,241
Contingency	130,800	130,800 (1)	-	130,800
Total Expenditures	190,800	190,800	11,759	179,041
Excess of Revenues Over, (Under) Expenditures	(188,000)	(188,000)	(4,532)	183,468
OTHER FINANCING SOURCES, (USES)				
Transfers In	80,000	80,000	80,000	-
Net Change in Fund Balance	(108,000)	(108,000)	75,468	183,468
Beginning Fund Balance	108,000	108,000	228,170	120,170
Ending Fund Balance	\$ -	\$ -	\$ 303,638	\$ 303,638

(1) Appropriation Level



**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

URBAN RENEWAL AGENCY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Grants	\$ -	\$ 200,000	\$ 82,692	\$ (117,308)
Total Revenues	-	200,000	82,692	(117,308)
EXPENDITURES				
Materials and Services	\$ 110,000	\$ 320,000 (1)	\$ 180,437	\$ 139,563
Capital Outlay	175,000	405,000 (1)	282,145	122,855
Contingency	-	- (1)	-	-
Total Expenditures	285,000	725,000	462,582	262,418
Excess of Revenues Over, (Under) Expenditures	(285,000)	(525,000)	(379,890)	145,110
OTHER FINANCING SOURCES, (USES)				
Proceeds from Line of Credit	285,000	590,000	379,890	(210,110)
Net Change in Fund Balance	-	65,000	-	(65,000)
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ 65,000	\$ -	\$ (65,000)

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

<u>URA DEBT SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Taxes	\$ 109,000	\$ 109,000	\$ 117,018	\$ 8,018
Interest	<u>750</u>	<u>750</u>	<u>4,816</u>	<u>4,066</u>
Total Revenues	<u>109,750</u>	<u>109,750</u>	<u>121,834</u>	<u>12,084</u>
EXPENDITURES				
Debt Service	\$ 75,000	\$ 75,000 (1)	\$ 65,841	\$ 9,159
Contingency	<u>89,250</u>	<u>89,250 (1)</u>	<u>-</u>	<u>89,250</u>
Total Expenditures	<u>164,250</u>	<u>164,250</u>	<u>65,841</u>	<u>98,409</u>
Net Change in Fund Balance	(54,500)	(54,500)	55,993	110,493
Beginning Fund Balance	<u>54,500</u>	<u>54,500</u>	<u>60,931</u>	<u>6,431</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,924</u>	<u>\$ 116,924</u>

(1) Appropriation Level

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**COMBINING STATEMENT OF NET POSITION -**  
**NONMAJOR ENTERPRISE FUNDS**

**June 30, 2023**

	WATER RESERVE FUND	WASTEWATER RESERVE FUND	KNOLLS ESTATE STEP SURCHARGE FUND
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 306,569	\$ 248,067	\$ 102,663
Accounts Receivable	-	-	-
Accured Interest	-	-	-
Prepays	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u><u>\$ 306,569</u></u>	<u><u>\$ 248,067</u></u>	<u><u>\$ 102,663</u></u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,373</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,373</u>
<b>NET POSITION</b>			
Restricted for Bond Covenant	-	-	-
Restricted for Debt Service	-	-	-
Unrestricted	<u>306,569</u>	<u>248,067</u>	<u>101,290</u>
Total Net Position	<u>306,569</u>	<u>248,067</u>	<u>101,290</u>
Total Liabilities and Net Position	<u><u>\$ 306,569</u></u>	<u><u>\$ 248,067</u></u>	<u><u>\$ 102,663</u></u>

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WATER DEBT SERVICE FUND	WASTEWATER DEBT SERVICE FUND	TOTAL
\$ 480,123	\$ 1,494,657	\$ 2,632,079
-	63,000	63,000
-	395	395
18,887	-	18,887
<u>\$ 499,010</u>	<u>\$ 1,558,052</u>	<u>\$ 2,714,361</u>
\$ -	\$ -	\$ 1,373
-	-	1,373
357,261	-	357,261
141,749	1,558,052	1,699,801
-	-	655,926
<u>499,010</u>	<u>1,558,052</u>	<u>2,712,988</u>
<u>\$ 499,010</u>	<u>\$ 1,558,052</u>	<u>\$ 2,714,361</u>

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION - NONMAJOR ENTERPRISE FUNDS**  
**For the Year Ended June 30, 2023**

	WATER RESERVE FUND	WASTEWATER RESERVE FUND	KNOLLS ESTATE STEP SURCHARGE FUND
OPERATING REVENUES			
Charges for Services	\$ -	\$ -	\$ 24,894
OPERATING EXPENSES			
Materials and Services	45,769	-	6,391
Operating income (loss)	(45,769)	-	18,503
NONOPERATING REVENUES (EXPENSES)			
Interest	8,908	5,336	2,619
Debt Service	-	-	-
Transfers In	-	100,000	-
Miscellaneous	-	-	-
Total Nonoperating Revenues (Expenses)	8,908	105,336	2,619
Change in Net Position	(36,861)	105,336	21,122
Beginning Net Position	343,430	142,731	80,168
Ending Net Position	\$ 306,569	\$ 248,067	\$ 101,290

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WATER DEBT SERVICE FUND	WASTEWATER DEBT SERVICE FUND	TOTAL
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,894</u>
<u>-</u>	<u>-</u>	<u>52,160</u>
<u>-</u>	<u>-</u>	<u>(27,266)</u>
9,706	32,203	58,772
(421,550)	(1,112,438)	(1,533,988)
460,000	1,100,000	1,660,000
<u>-</u>	<u>-</u>	<u>-</u>
<u>48,156</u>	<u>19,765</u>	<u>184,784</u>
48,156	19,765	157,518
<u>450,854</u>	<u>1,538,287</u>	<u>2,555,470</u>
<u>\$ 499,010</u>	<u>\$ 1,558,052</u>	<u>\$ 2,712,988</u>

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
For the Year Ended June 30, 2023**

	WATER RESERVE FUND	WASTEWATER RESERVE FUND	KNOLLS ESTATE STEP SURCHARGE FUND
Cash Flows from Operating Activities:			
Cash from Customers	\$ -	\$ -	\$ 24,894
Cash paid to Suppliers	(45,769)	-	(5,018)
Cash flow from Operations	(45,769)	-	19,876
Cash Flows from Investing Activities:			
Earnings on Investments and Other	8,908	5,336	2,619
Cash Flows from Noncapital Financing Activities:			
Transfers	-	100,000	-
Cash flow from Noncapital Financing	-	100,000	-
Cash Flows from Capital and Related Financing Activities:			
Payments on long term debt	-	-	-
Cash flow from Capital Financing	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(36,861)	105,336	22,495
Cash and Cash Equivalents, Beginning	343,430	142,731	80,168
Cash and Cash Equivalents, Ending	\$ 306,569	\$ 248,067	\$ 102,663
Reconciliation of Operating Income to			
Net Cash Provided by Operating Activities			
Operating Income, (Loss)	\$ (45,769)	\$ -	\$ 18,503
Noncash Items Included in Income:			
(Increase), Decrease in Assets	-	-	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities	-	-	1,373
Net Cash Provided (Used) by Operating Activities	\$ (45,769)	\$ -	\$ 19,876

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WATER DEBT SERVICE FUND	WASTEWATER DEBT SERVICE FUND	TOTAL
\$ -	\$ 23,605	\$ 48,499
2,601	-	(48,186)
2,601	23,605	313
9,706	32,598	59,167
460,000	1,100,000	1,660,000
460,000	1,100,000	1,660,000
(421,550)	(1,112,438)	(1,533,988)
(421,550)	(1,112,438)	(1,533,988)
50,757	43,765	185,492
429,366	1,450,892	2,446,587
<u>\$ 480,123</u>	<u>\$ 1,494,657</u>	<u>\$ 2,632,079</u>
\$ -	\$ -	\$ (27,266)
2,601	-	2,601
-	23,605	24,978
<u>\$ 2,601</u>	<u>\$ 23,605</u>	<u>\$ 313</u>



**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

WATER RESERVE FUND  
A NONMAJOR ENTERPRISE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 1,300	\$ 1,300	\$ 8,908	\$ 7,608
Total Revenues	1,300	1,300	8,908	7,608
EXPENDITURES				
Capital Outlay	40,000	46,000 (1)	45,769	231
Contingency	304,300	298,300 (1)	-	298,300
Total Expenditures	344,300	344,300	45,769	298,531
Excess of Revenues Over, (Under) Expenditures	(343,000)	(343,000)	(36,861)	306,139
Net Change in Fund Balance	(343,000)	(343,000)	(36,861)	306,139
Beginning Fund Balance	343,000	343,000	343,430	430
Ending Fund Balance	\$ -	\$ -	\$ 306,569	\$ 306,569

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

PUBLIC WORKS WASTEWATER RESERVE FUND  
A NONMAJOR ENTERPRISE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 800	\$ 800	\$ 5,336	\$ 4,536
Total Revenues	800	800	5,336	4,536
EXPENDITURES				
Capital Outlay	105,000	105,000 (1)	-	105,000
Contingency	138,800	138,800 (1)	-	138,800
Total Expenditures	243,800	243,800	-	243,800
Excess of Revenues Over, (Under) Expenditures	(243,000)	(243,000)	5,336	248,336
OTHER FINANCING SOURCES, (USES)				
Transfers In	100,000	100,000	100,000	-
Net Change in Fund Balance	(143,000)	(143,000)	105,336	248,336
Beginning Fund Balance	143,000	143,000	142,731	(269)
Ending Fund Balance	\$ -	\$ -	\$ 248,067	\$ 248,067

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

KNOLLS ESTATE STEP SURCHARGE FUND  
A NONMAJOR ENTERPRISE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for Services	\$ 20,000	\$ 20,000	\$ 24,894	\$ 4,894
Interest	300	300	2,619	2,319
Total Revenues	20,300	20,300	27,513	7,213
EXPENDITURES				
Materials and Services	25,000	25,000 (1)	6,391	18,609
Contingency	71,300	71,300 (1)	-	71,300
Total Expenditures	96,300	96,300	6,391	89,909
Net Change in Fund Balance	(76,000)	(76,000)	21,122	97,122
Beginning Fund Balance	76,000	76,000	80,168	4,168
Ending Fund Balance	\$ -	\$ -	\$ 101,290	\$ 101,290

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

WATER DEBT SERVICE FUND  
A NONMAJOR ENTERPRISE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 1,800	\$ 1,800	\$ 9,706	\$ 7,906
Total Revenues	1,800	1,800	9,706	7,906
EXPENDITURES				
Debt Service	421,791	421,791 (1)	421,550	241
Contingency	138,539	138,539 (1)	-	138,539
Total Expenditures	560,330	560,330	421,550	138,780
Excess of Revenues Over, (Under) Expenditures	(558,530)	(558,530)	(411,844)	146,686
OTHER FINANCING SOURCES, (USES)				
Transfers In	460,000	460,000	460,000	-
Net Change in Fund Balance	(98,530)	(98,530)	48,156	146,686
Beginning Fund Balance	451,000	451,000	450,854	(146)
Ending Fund Balance	\$ 352,470	\$ 352,470	\$ 499,010	\$ 146,540

(1) Appropriation Level

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

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

WASTEWATER DEBT SERVICE FUND  
A NONMAJOR ENTERPRISE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Assessments	\$ 24,000	\$ 24,000	\$ 48,395	\$ 24,395
Interest	9,400	9,400	32,203	22,803
Total Revenues	33,400	33,400	80,598	47,198
EXPENDITURES				
Debt Service	1,112,439	1,112,439 (1)	1,112,438	1
Contingency	1,449,961	1,449,961 (1)	-	1,449,961
Total Expenditures	2,562,400	2,562,400	1,112,438	1,449,962
Excess of Revenues Over, (Under) Expenditures	(2,529,000)	(2,529,000)	(1,031,840)	1,497,160
OTHER FINANCING SOURCES, (USES)				
Transfers In	1,100,000	1,100,000	1,100,000	-
Net Change in Fund Balance	(1,429,000)	(1,429,000)	68,160	1,497,160
Beginning Fund Balance	1,429,000	1,429,000	1,426,892	(2,108)
Ending Fund Balance	\$ -	\$ -	\$ 1,495,052	\$ 1,495,052

Reconciliation to GAAP:

Deferred Revenue \$ 63,000

GAAP Net Position \$ 1,558,052

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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

PUBLIC WORKS OPERATIONS FUND - INTERNAL SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Interest	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Total Revenues	1,000	1,000	-	(1,000)
EXPENDITURES				
Personnel Services	\$ 1,636,600	\$ 1,636,600	(1) \$ 1,537,235	\$ 99,365
Materials and Services	97,850	97,850	(1) 71,319	26,531
Contingency	90,550	90,550	(1) -	90,550
Total Expenditures	1,825,000	1,825,000	1,608,554	216,446
Excess of Revenues Over, (Under) Expenditures	(1,824,000)	(1,824,000)	(1,608,554)	215,446
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(50,000)	(50,000)	(1) (50,000)	-
Transfers In	1,728,000	1,728,000	1,728,000	-
Net Change in Fund Balance	(146,000)	(146,000)	69,446	215,446
Beginning Fund Balance	146,000	146,000	173,332	27,332
Ending Fund Balance	\$ -	\$ -	\$ 242,778	\$ 242,778

(1) Appropriation Level

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

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



**PAULY, ROGERS AND CO., P.C.**  
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October 19, 2023

### **Independent Auditors' Report Required by Oregon State Requirements**

We have audited the basic financial statements of the City of Sutherlin as of and for the year ended June 30, 2023, and have issued our report thereon dated October 19, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

### **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.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the City of Sutherlin 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 as follows:

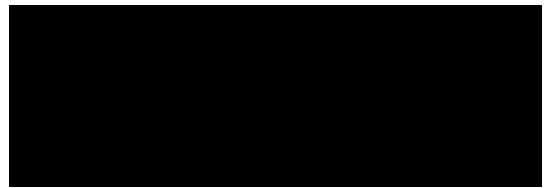
1. Expenditures of the various funds were within authorized appropriations, except as noted on page 15.



**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.



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

**CITY OF SUTHERLIN**  
**DOUGLAS COUNTY, OREGON**

**GRANT COMPLIANCE REVIEW**

**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended June 30, 2023**

	Pass Through Organization	CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Pass Through to Subrecipients
US DEPARTMENT OF AGRICULTURE						
Capitalization Grants for Drinking Water						
State Revolving Funds	Oregon DEQ	66.468	S19026	04/01/2021- 08/31/2023 (1)	1,618,169	-
Total Capitalization Grants for Drinking Water State Revolving Funds					1,618,169	-
US DEPARTMENT OF TRANSPORTATION						
Recreational Trails Program	Oregon Parks and Recreation Department	20.219	RT20-007	07/01/2022- 06/30/2023	78,657	-
TOTAL FEDERAL FINANCIAL EXPENDITURES					\$ 1,696,826	\$ -

(1) This amount is included in the total loan drawn downs from OBDD (See page 23)



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October 19, 2023

To the Mayor and City Council  
City of Sutherlin, Oregon

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Sutherlin 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, and have issued our report thereon dated October 19, 2023.

**Report on Internal Control over Financial Reporting**

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

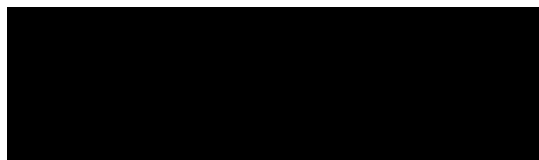
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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



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



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October 19, 2023

To the Mayor and City Council  
City of Sutherlin, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited City of Sutherlin's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Sutherlin complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Sutherlin and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its federal programs.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

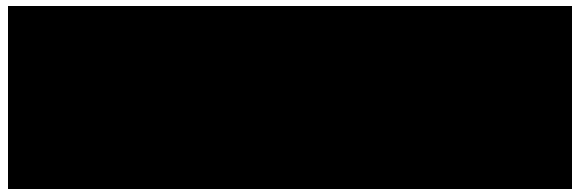
### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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



**CITY OF SUTHERLIN  
DOUGLAS COUNTY, OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*For the Year Ended June 30, 2023*

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiency(s) identified that are not considered  
to be material weaknesses? ☐ yes ☒ none  
reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Any GAGAS audit findings disclosed that are required to be reported  
in accordance with section 515(d)(2) of the Uniform Guidance? ☐ yes ☒ no

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiency(s) identified that are not considered  
to be material weaknesses? ☐ yes ☒ none  
reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in  
accordance with section 200.516(a) of the Uniform Guidance? ☐ yes ☒ no

**IDENTIFICATION OF MAJOR PROGRAMS**

**CFDA NUMBER    NAME OF FEDERAL PROGRAM CLUSTER**

66.468                      Clean Water State Revolving Funds

Dollar threshold used to distinguish between type A and type B  
programs: \$750,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

**CITY OF SUTHERLIN  
DOUGLAS COUNTY OREGON  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

***For the Year Ended June 30, 2023***

---

**SECTION II – FINANCIAL STATEMENT FINDINGS**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES**

**1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance.

**3. FEDERAL LOAN PROGRAMS**

The federal loan programs listed subsequently are administered directly by the entity and balances and transactions relating to the programs are included in the entity's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the schedule. The balance of loans outstanding as of June 30, 2023 consists of:

<u>CFDA</u> <u>Number</u>	<u>Program Name</u>	<u>Outstanding</u> <u>Balance at 6/30/23</u>
66.458	Clean Water State Revolving Funds	\$17,508,595
66.458	Clean Water State Revolving Funds	\$1,669,129
66.468	Drinking Water State Revolving Funds	\$5,312,694
66.468	Drinking Water State Revolving Funds	\$326,812



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## City of Sutherlin

STAFF REPORT					
<b>Re: SDC Annual Summary Report-2023</b>				<b>Meeting Date:</b>	<b>Dec. 11, 2023</b>
<b>Purpose:</b>	Action Item <input type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input checked="" type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
<b>Submitted By:</b> Tami Trowbridge, Finance Director				<b>City Manager Review</b>	<input checked="" type="checkbox"/>
<b>Attachments:</b> SDC Annual Report					

### WHAT IS BEING ASKED OF COUNCIL?

As this is only an informational report, no action is being asked of Council.

### EXPLANATION

ORS 223.311 states that "The local government shall provide an annual accounting for system development charges showing the total amount of system development charge revenues collected for each system and the projects that were funded in the previous fiscal year". The attached report is meant to satisfy the requirements of ORS 223.311.

ORS 223.229 (2) & (3) distinguishes between Improvement SDCs and Reimbursement SDCs. Currently the City of Sutherlin only charges for Improvement SDCs which are to be used for future capital improvements to the City. Reimbursement SDCs are repayments for capital improvements already completed.

### OPTIONS

N/A

### SUGGESTED MOTION(S)

N/A

## System Development Charges

### Annual Report



In accordance with ORS 223.311 the City shall provide an annual accounting of revenue collected and amount spent on each project funded in whole or in part by SDC revenue.

#### For FY 2022-2023 the following was recognized:

##### Street SDC

Improvement SDC Balance 07/01/2022:	430,567
Reimbursement SDC Balance 07/01/2022:	-
Revenue:	
Improvement SDC	130,293
Reimbursement SDC	-
Expenditures:	
Improvement SDC Projects	
Valentine Upgrades	
Reimbursement SDC Projects	-
Improvement balance 06/30/2023:	560,860
Reimbursement balance 06/30/2023:	-

##### Storm SDC

Improvement SDC Balance 07/01/2022:	73,645
Revenue:	
Improvement SDC	5,235
Expenditures:	
Improvement SDC Projects	
Improvement balance 06/30/2023:	78,880

##### Parks SDC

Improvement SDC Balance 07/01/2022:	169,174
Reimbursement SDC Balance 07/01/2022:	-
Revenue:	
Improvement SDC	88,711
Reimbursement SDC	-
Expenditures:	
Improvement SDC Projects	-
Reimbursement SDC Projects	-
Improvement balance 06/30/2023:	257,885
Reimbursement balance 06/30/2023:	-



## System Development Charges

### Annual Report; Continued

#### Water SDC

Improvement SDC Balance 07/01/2022:	160,206
Reimbursement SDC Balance 07/01/2022:	-
Revenue:	
Improvement SDC	75,323
Reimbursement SDC	-
Expenditures:	
Improvement SDC Projects	
Valentine Water Line, Schoon Mt. Reservoir	
Reimbursement SDC Projects	-
Improvement balance 06/30/2023:	235,529
Reimbursement balance 06/30/2023:	-

#### Wastewater SDC

Improvement SDC Balance 07/01/2022:	135,994
Reimbursement SDC Balance 07/01/2022:	-
Revenue:	
Improvement SDC	64,845
Reimbursement SDC	-
Expenditures:	
Improvement SDC Projects	
Wastewater Treatment Plant Upgrade	
Reimbursement SDC Projects	-
Improvement balance 06/30/2023:	200,839
Reimbursement balance 06/30/2023:	-



# **Urban Renewal Activities Report**





# **ODOT Exit 136 Transportation Proposal**





# CONSENT AGENDA





**CITY OF SUTHERLIN**  
**City Council Meeting**  
**Civic Auditorium**  
**Monday, November 13, 2023 – 7:00pm**

**COUNCIL MEMBERS:**

Gary Dagel, Joe Groussman, Debbie Hamilton, Shawn Smalley, Larry Whitaker, and Lisa Woods

**MAYOR:** Michelle Sumner

**CITY STAFF:** City Manager, Jerry Gillham

City Recorder, Melanie Masterfield

Finance Director, Tami Trowbridge

Finance & Administrative Asst., Lindsay Priest

Public Works Director, Aaron Swan

Community Development Director, Kristi Gilbert

Police Captain, Kurt Sorenson

Fire Chief, Mike Lane

Livability Services Director/Library Director, Pat Lynch

City Attorney, Chad Jacobs (via Zoom)

**Audience:** Kristine Godbey, Dan Bartram, Chris Owens, Wayne & Michelle Ellsworth, Dani Vallotten, Karl Klese, Anita & Brent Huntsaker, Mike & Karen Meier, Bud Terry, Genevieve Lister, Dianne Good, Terry Brock, Barbara Irons, Gary Fadness, Del Rae Bodine, Heidi Gamboa, Maryanne Anderson, Sherman Hong, Carol Wilson, Bruce Pettengill, John Day, Kim & Darwyn Eder, Jim & Beth Houseman, David Mansfield, Kerry Miller, Sheri Esterbrook, Valerie Shepherd, Jessica Batchelor, Leon Reyes, John & Joan Herman, Gail Kuntz, Kevin Kline, Kathy & Ralph McManis, Bob Moczonski, Gene Coufal, Angie Wallis, Lynda Whitaker, Anthony Rosa

**Via Zoom:** Catherine Paul, Jack Strong, Larry Bahr, Peter Duncan, Scott Carroll, Chelsea, Eileen Smalley

Meeting called to order by Mayor Sumner at 7:00 p.m.

**Flag Salute:**

**Roll Call:** All present

**Introduction of Media:** None

**\*\*Mayor Sumner made an announcement for Zoom attendees\*\***

**PUBLIC COMMENT (agenda items only)**

- City Council and staff heard testimony from the following community members regarding Hastings Village: Dani Vallotten, Karen Meier, Maryann Anderson, Kevin Kline, Mike Meier, Valerie Shepherd, Gene Coufal, Terry Brock, Dan Bartram, and Gary Fadness.

**PRESENTATION**

- **Homeless Response Team & Umpqua Heart Progress Update**
  - Livability Services Director, Pat Lynch, outlined the city's landscape with housing and homelessness. The City has designated a place for homeless individuals to be and is working on a plan to help those wanting to get out of homelessness. Hastings Village is a homegrown solution made possible by the City and incredible volunteers/nonprofit organizations. Funds are being sought after; however, no funds have been received to date.
  - Police Captain, Kurt Sorenson, spoke of the minimal police calls and police presence needed at Hastings Village. Problems do arise; however, they are easily managed. The Police Department has a good line of communication with the residents.
  - Umpqua Heart President, Wayne Ellsworth, provided details of the clean up process at Hastings Village and moving forward. Once a camp resident enters a program of care, they become eligible to live in a micro-

shelter. Services are being offered on a weekly basis to camp residents: substance abuse, therapy, peer support, harm reduction, case management, etc. A portable shower unit and transportation are now available.

## **CONSENT AGENDA**

### **• October 9, 2023 Minutes – Regular Meeting**

**MOTION** made by Councilor Hamilton to approve Consent Agenda as presented; second by Councilor Whitaker.

Discussion: None

In favor: Councilors Dagel, Whitaker, Smalley, Groussman, Hamilton, Woods, and Mayor Sumner

Opposed: None

Motion carried unanimously.

## **COUNCIL BUSINESS**

### **• Seismic Grant Award**

Staff Report – Community Development Director, Kristi Gilbert – The City was awarded grants for seismic rehabilitation at Sutherlin Fire Station #1 in the amount of \$2,492,700 and Sutherlin Police Department in the amount of \$2,479,180.

Request for Proposals (RFP) were advertised and the City received two proposals. The review committee recommended awarding the contract to ZCS Engineering & Architecture. The scope of work will consist of Engineering, Architectural, and Construction Management Services for both stations.

**MOTION** made by Councilor Whitaker to approve Seismic Grant Award to ZCS Engineering & Architecture in the amount of and not to exceed \$354,700 and in the amount of and not to exceed \$357,300 for Engineering, Architecture, and Construction Management Services as presented; second by Councilor Groussman.

Discussion: None

In Favor: Councilors Dagel, Whitaker, Smalley, Groussman, Hamilton, Woods, and Mayor Sumner

Opposed: None

Motion carried unanimously.

### **• Liquor Application Approval**

Staff Report – Police Captain, Kurt Sorenson – This application is for a change of ownership from Smitty's to Center Market #45. The Police Department has found no information that would be viewed as disqualifying by OLCC.

**MOTION** made by Councilor Hamilton to approve Liquor Application to Center Market #45 as presented; second by Councilor Whitaker.

Discussion: None

In Favor: Councilors Dagel, Whitaker, Smalley, Groussman, Hamilton, and Mayor Sumner

Opposed: Councilor Woods

Motion carried.

## **REPORTS (verbal)**

### **• League of Oregon Cities Conference (LOC)**

Councilor Woods – LOC is a great conference to see what's going on around the state. There were many opportunities to participate in seminars discussing a variety of topics.

Mayor Sumner – Homelessness is not only a state problem but a national problem. There were many discussions with different cities and their processes. Expressed appreciation of success for Sutherlin's plan.

### **• Ford's Pond Construction Update**

Gilbert – Construction made great progress over the summer. Improvements include:

- Excavating
- Grading
- Construction of pavilions
- Restrooms
- ADA access ramps
- Sidewalks
- Concrete seating area

- Raised planters
- Playground equipment
- Bottle filling station
- Wetland mitigation (removal of blackberry islands)

Unfortunately, due to construction and irrigation disconnection, some vegetation was lost. During the winter construction, the playground site will be closed with barricades and signs posted. The two northern restrooms will be open for use and maintained by city staff. Due to multiple delays, construction will re-commence in spring 2024 with an estimated project completion by July 2024.

Friends of Ford's Pond President, Jim Houseman, handed City Council and staff an outline of Capital Improvement Grants received (totaling \$3,200,072). Asked for city resources to help maintain the grounds.

- Councilor Whitaker – What is the purpose of Friends of Ford's Pond? *The mission is to assist the city in the development and maintenance of Ford's Pond property and provide environmental education to the public.*

### **CITY MANAGER REPORT (verbal)**

- Jerry Gillham presented Council with a Memorandum of Agreement (MOA) for the new partnership between the City and Sutherlin Area Chamber of Commerce to create a new committee.

### **CITY COUNCIL COMMENT**

#### **Councilor Dagel**

- Questions asked by the audience deserve to be answered.
- The City needs to create a committee that will generate solutions for homelessness.

#### **Councilor Whitaker**

- City staff, Wayne, and volunteers are doing what is required by the 9<sup>th</sup> Circuit Court. Appreciates the camp for providing homeless individuals a place to go.

#### **Councilor Smalley**

- Supports Hastings Village and appreciates the residents coming to Council meetings.

#### **Councilor Groussman**

- Nothing to report.

#### **Councilor Hamilton**

- Agrees with Councilor Whitaker. Suggested everyone come together to create a solution.
- Thanked Wayne for all his hard work.
- Thanked the village residents for attending Council meetings.
- Thanked the Lions Club for putting the flags up along Central Ave. for Veterans Day.
- Thanked the veterans.

#### **Councilor Woods**

- Thanked the veterans.
- This community needs to come together and have meaningful conversations to help those experiencing homelessness and houselessness.
- Thanked the village residents for attending Council meetings.

#### **Mayor Sumner**

- Thanked the audience for their input.
- Appreciative of Hastings Village.
- Liked the audience comment about people with trade skills in the community helping our villagers.
- December 2<sup>nd</sup> Coffee with the Mayor will be cancelled. Next one will be January 6, 2024.

### **PUBLIC COMMENT (Off Agenda Items)**

- Karen Meier, expressed concern for several people living in one house.

- Bruce Pettengill, willing to help village residents that want it. Expressed dislike for how the City is spending funds.

\*\*Mayor announced that Council will recess into Executive Session called under ORS 192.660(2)(i) – Performance evaluations of public officers and employees, to review and evaluate the job performance of a chief executive officer, other officers, employees, and staff, if the person whose performance is being reviewed and evaluated does not request an open hearing. Representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience are asked to leave the room.

**EXECUTIVE SESSION:**

Executive Session called to order at 8:40 p.m.

Executive Session adjourned at 9:01 p.m.

**Council reconvened regular session.**

**MOTION** made by Councilor Whitaker to approve City Manager contract effective January 1, 2024 and ending December 31, 2025 as presented; second by Councilor Woods.

Discussion: None

In favor: Councilors Dagel, Whitaker, Smalley, Groussman, Hamilton, Woods, and Mayor Sumner

Opposed: None

Motion carried unanimously.

**ADJOURNMENT**

With no further business, meeting adjourned at 9:05 p.m.

Approved:

\_\_\_\_\_  
Jerry Gillham, City Manager

Respectfully submitted by,

\_\_\_\_\_  
Melanie Masterfield, City Recorder, CMC

\_\_\_\_\_  
Michelle Sumner, Mayor



# **PUBLIC HEARING**





126 E. Central Avenue  
Sutherlin, OR 97479  
541-459-2857  
Fax: 541-459-9363  
[www.ci.sutherlin.or.us](http://www.ci.sutherlin.or.us)

## City of Sutherlin

STAFF REPORT					
<b>Re: Public Hearing</b> - Plan Amendment & Zone Change (Sam Robinson, et/al), Planning File No. 23-S010				Meeting Date:	12/11/2023
<b>Purpose:</b>	Action Item <input type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input checked="" type="checkbox"/>	Update <input type="checkbox"/>
<b>Submitted By:</b> Jamie Fugate, City Planner and Kristi Gilbert, Community Development Director				City Manager Review	<input type="checkbox"/>
<b>Attachments:</b>	Public Hearing Notice (including maps), Legal Description and Planning Commission Staff Report				

### WHAT IS BEING ASKED OF COUNCIL?

The Council will conduct a public hearing and receive written and oral testimony from parties in favor and/or opposition, as well as neutral comments for the above referenced application.

### EXPLANATION

First evidentiary public hearing was held before the Planning Commission on October 17, 2023. Planning Commission declared parties and received written and oral testimony to this action. The public hearing was followed by a unanimous vote of the Commission to recommend that Council approve requested plan amendment (from Low Density Hillside to Medium Density) and zone change (from Residential Hillside to Medium Density Residential), subject to reported findings of fact. Notice of the public hearing before Council was provided at least 20 days prior to the hearing, as required to Section 4.2.150.G of the Sutherlin Development Code. The subject 3.81 acre property is located on Fir Grove Lane, and is described as Tax Lots 201, 300 and 400 all in Section 19C, T25S, R5W, W.M.; Property ID Nos. R46993, R47000 and R47007.

### OPTIONS

1. Close the public hearing, or
2. Make a motion.

### SUGGESTED MOTION(S)

Not Applicable.





# City of Sutherlin

Community Development  
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Sutherlin, OR 97479  
(541) 459-2856  
Fax (541) 459-9363  
[www.ci.sutherlin.or.us](http://www.ci.sutherlin.or.us)

## NOTICE OF PUBLIC HEARING PLAN AMENDMENT & ZONE CHANGE – 842; 880; 940 FIR GROVE LANE

Date of Notice: November 17, 2023

**NOTICE IS HEREBY GIVEN** that the Sutherlin City Council will conduct a public hearing on **Monday, December 11, 2023 at 7:00 p.m.** in the Sutherlin Civic Auditorium, 175 E. Everett Street. The purpose of the public hearing is to take public testimony, either written or oral, while considering the following land use applications:

**SAM ROBINSON, ET/AL**, request for a Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zone Map Change from (RH) Residential Hillside to (R-2) Medium Density Residential on a 3.81 acre property located on the east side of Fir Grove Lane and inside the City of Sutherlin. The subject property is described as Tax Lot(s) 201, 300 and 400 in Section 19C, T25S, R5W, W.M., and Property I.D. Nos. R46993, R47000 and R47007.  
**PLANNING DEPARTMENT FILE NO. 23-S010.**

The application is being processed as a Type IV procedure, governed by the applicable Statewide Planning Goals and Oregon Administrative Rules, the Sutherlin Comprehensive Plan and Sections 4.8 and 4.11 of the Sutherlin Development Code. During the public hearing, the City Council will review the above-referenced application for conformance with the applicable criteria. The Sutherlin Planning Commission conducted a public hearing to review the above-referenced application on October 17, 2023 for conformance with the applicable criteria, and moved to forward a favorable recommendation to City Council to approve the request. On December 11, 2023, the City Council will conduct a public hearing to consider the proposed request and, after the public hearing, will make a decision on the matter.

Pursuant to Sections 4.2.150.G of the Sutherlin Development Code, notice of this Type IV land use action before the City Council has been mailed to the applicant and property owners of the subject property, those persons or agencies who provided testimony during the Planning Commission proceedings, and those persons who requested notice of the Planning Commission recommendation. Written statements must contain the name, address and telephone number of the person filing the statement; how the person qualifies as a party; comments the party wishes to make concerning the application, and whether the person desires to appear and be heard at the hearing. Written statements must be filed with the Community Development Department, 126 E. Central Avenue, Sutherlin, Oregon, 97479, no later than 5:00 p.m. on December 4, 2023.

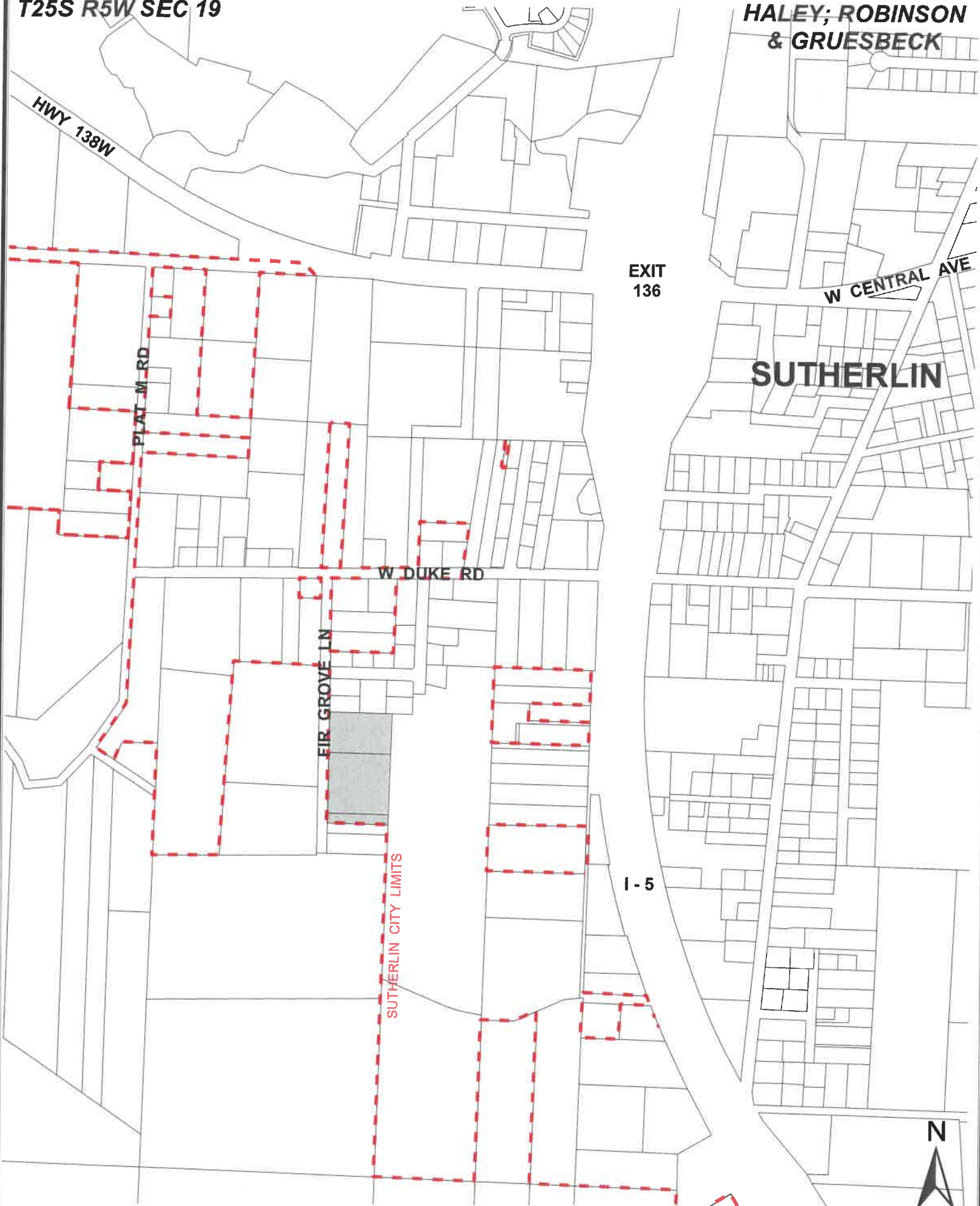
The public hearing will include presentations of the City staff and the applicant. Parties in support, opposition or with neutral comments will then be heard, as well as rebuttal by the applicant. Failure of an issue to be raised at the hearing, whether in writing or by oral testimony, or failure to provide statements or evidence in sufficient specificity to afford the City Council and parties an opportunity to respond to the issue, will preclude an appeal on that issue and may thereafter bar any legal standing in the event of an appeal.

A copy of the application and supporting documents and evidence, and the applicable criteria are available for inspection at no cost and copies can be provided at reasonable cost. The City Council staff report will be available for inspection at no cost at least seven days prior to the hearing and copies can be provided at reasonable cost. For more information on this application, please contact the Community Development Department at 541-459-2856 during normal business hours.

**VICINITY MAP**  
**T25S R5W SEC 19**

**STAFF EXHIBIT 7**

**23-S010**  
**HALEY; ROBINSON**  
**& GRUESBECK**





**FIR GROVE LN**

**JASWANT AVE**

PAUL &  
PARDUE

SRIKUREJA LIVING  
TRUST DATED  
5/27/2015

SRIKUREJA  
LIVING TRUST

SRIKUREJA LIVING  
TRUST DATED  
5/27/2015

SRIKUREJA LIVING  
TRUST DATED  
5/27/2015

RESNER

ROBINSON LIVING TRUST  
DATED 5/8/2017

**HALEY;  
ROBINSON &  
GRUESBECK**

BAY & BAY

TIMS

TIMS

**SUTHERLIN CITY LIMITS**

**APPLICANT'S EXHIBIT MAP**  
**T25S R5W SEC 19**

**23-S010**  
**ROBINSON; HALEY**  
**& GRUESBECK**

JASWANT AVE

FIR GROVE LN

AREA OF PROPOSED  
PLAN AMENDMENT  
& ZONE CHANGE

SUTHERLIN CITY LIMITS

## **EXHIBIT “A”**

### **Legal Description**

Lots 7-11 and part of lot 12 of A Plat of Fir Grove Tracts (Vol 9, Pg 20), records of Douglas County, Oregon.



# City of Sutherlin

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October 10, 2023

## STAFF REPORT

TO: Sutherlin Planning Commission

FROM: Jamie Fugate, City Planner

RE: **SAM ROBINSON, ET/AL**, request for a Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zone Map Change from (RH) Residential Hillside to (R-2) Medium Density Residential on a 3.81 acre property located on the east side of Fir Grove Lane and inside the City of Sutherlin. The subject property is described as Tax Lot(s) 201, 300 and 400 in Section 19C, T25S, R5W, W.M., and Property I.D. Nos. R46993, R47000 and R47007. **PLANNING DEPARTMENT FILE NO. 23-S010.**

## STAFF EXHIBITS

1. Notice of Public Hearing
2. DLCD Notice of Proposed Amendment with email of submittal
3. Copy of legal notice posted in the *News Review*
4. Property Owners within 100 Feet
5. Staff Report with Responses attached
6. Comprehensive Plan & Zone Change applications and attachments
7. Vicinity Map
8. Assessor Map
9. Comprehensive Plan Map
10. Zoning Map
11. Aerial Map

## INTRODUCTION

The applicant, Sam Robinson, et/al, is requesting a Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zone Map Change from (RH) Residential Hillside to (R-2) Medium Density Residential on a 3.81 acre property.

This staff report concerns a proposed Plan Amendment and Zone Change. Current law requires Planning Commission and City Council approval of any amendment to the Sutherlin Comprehensive Plan and Zoning Maps. The property owners request a Plan Amendment and Zone Change from a Low Density Hillside (RLH) plan designation to a Medium Density (RM) plan designation together with a change of current zoning from Residential Hillside (RH) to (R-2) Medium Density Residential on a total of 3.81 acres to allow for future development of multifamily (3 or 4 dwellings) and single family dwelling units. The subject property proposed for amendment is located directly off Fir Grove Lane, south of its intersection with Jaswant Avenue. The subject property is described as Tax Lot(s) 201, 300 and 400 all in Section 19C, T25S, R05W, W.M.; Property ID No(s). R46993, R47000 and R47007. The subject property is owned by the applicant, along with Adam and Nanette Haley and Kenneth and Yvonne Gruesbeck, who are making this request.

During the public hearing on October 17, 2023, the Planning Commission will accept public testimony and make a recommendation to City Council on the application after the public hearing. As part of the hearing, the Planning Commission will review the applicant's request for compliance with the Statewide Planning Goals and the general goals and policies of the Sutherlin Comprehensive Plan and the applicable criteria of the Sutherlin Development Code (SDC) and adopt Findings of Fact.

After the public hearing, the Planning Commission must make a written recommendation and forward it to the City Council in the form of a Findings of Fact and Decision document, which justifies its decision and recommendation. The Council will consider the Commission's recommendation, hold a public hearing, and make a decision to grant, amend or deny the request.

### **PROCEDURAL FINDINGS OF FACT**

1. The Comprehensive Plan Map Amendment and Zone Map Change applications were filed with the City on August 17, 2023, and were deemed complete on August 21, 2023.
2. DLCD Notice of Proposed Amendment was electronically submitted to the Department of Land Conservation and Development on September 11, 2023, which was at least 35 days prior to the first evidentiary public hearing to be held on October 17, 2023.
3. Pursuant to Sections 4.2.140.C and 4.2.150.D, notice of the public hearing was given by publication in the News Review on September 29, 2023, which was at least fourteen (14) days prior to the date of the public hearing.
4. Notice of a Public Hearing on the applications for the Comprehensive Plan Map Amendment and Zone Map Change before the Planning Commission was given in accordance with Sections 4.2.140.C and 4.2.150.D. Notice was sent to affected property owners of record within 100 feet of the subject property, service providers, and governmental agencies on September 25, 2023.
  - a. Kathy Wall, Senior Planner with Douglas County Planning Department, replied to the notice of public hearing that the DC Planning Department has no concerns or comments related to this request.
  - b. Mathew Hogan, Fair Housing Council of Oregon submitted an email stating that they would like to obtain the staff report and all corresponding attachments for 23-S010 when available.

We will be reviewing the staff report predominantly for Statewide Planning Goal 10 compliance.

- c. At the time of the mailing of this staff report, no other written comments or remonstrances have been received.
5. Present Situation: Tax Lot 201 is developed with a manufactured home and accessory buildings, tax lot 300 has a single family dwelling under construction and tax lot 400 has an existing accessory building.
6. Plan Designation: Low Density Hillside. The applicant is requesting a plan map amendment to the Medium Density plan designation.
7. Zone Designation: Residential Hillside (RH). The applicant is requesting a zone map amendment to the Medium Density Residential (R-2) zoning designation.
8. Public Water: Currently, tax lot 201 is served by an existing well. Plans have been submitted (and approved) for the extension of the existing water main to serve the subject properties.
9. Sanitary Sewer: Currently, tax lot 201 is served by an existing septic system. Plans have been submitted (and approved) for the extension of the existing sanitary sewer main to serve the subject properties.
10. Transportation System: Fir Grove Lane where it fronts the subject property is designated a local access road under the jurisdiction of Douglas County's Land Use and Development Ordinance.
11. Overlay: A portion of the subject property may contain wetlands, per the Department of State Lands (DSL) wetlands mapping.

**Finding:** The procedural findings noted above are adequate to support the Planning Commission's recommendation on the requested Comprehensive Plan Map Amendment and Zone Map Change.

### **APPLICABLE CRITERIA & FINDINGS**

Pursuant to Section 4.11.110.C of the Sutherlin Development Code, the proposed amendment to the land use plan's text or map must be (1) consistent to the applicable statewide planning goals as adopted by the Land Conservation and Development Commission (LCDC), and (2) consistent with the remainder of the comprehensive plan, including inventory documents and facility plans incorporated therein.

Based upon the application materials and information submitted by the applicant and other evidence provided, staff presents the following findings to address the applicable criteria:

### **CONSISTENCY WITH THE STATEWIDE PLANNING GOALS**

1. **Goal 1- Citizen Involvement:** To provide for widespread public involvement in the planning process, so citizens can be involved in all phases of the planning process and to allow citizens the

opportunity to review and comment on proposed changes to comprehensive land use plans prior to any formal public hearing to consider the proposed changes.

**Finding:** Statewide Planning Goal 1 requires cities and counties to create and use a citizen involvement process designed to include affected area residents in planning activities and decision-making. Since acknowledgement of the City's Comprehensive Plan, the Sutherlin Planning Commission has been responsible for ensuring continued citizen involvement in planning matters and land use decisions. On September 25, 2023, City staff mailed copies of a Notice of Public Hearing to all owners of property within 100 feet of the subject property. The same notice was published in the News-Review, a local newspaper of general circulation, on September 29, 2023. Written evidence relied on by the land use decision-making bodies (i.e. the applications and supporting material) was available for public review at Sutherlin City Hall at least seven days prior to the first public hearing. These various forms of individual and public notice assure that local citizens have an opportunity to become informed about, and participate in, the public hearing process. The requested plan amendment and zone change are being processed in a manner that assures full compliance with Statewide Goal No. 1.

2. **Goal 2- Land Use Planning:** To establish a land use planning process and policy framework as a basis for all decisions and actions related to land use and to ensure a factual base for such decisions and actions.

**Finding:** Sutherlin's acknowledged Comprehensive Plan and implementing ordinances provide a State-approved process for land use decision making, and a policy framework derived from a proper factual base. The City's Comprehensive Plan and implementing ordinances provide the local criteria by which applicant's amendment request must be evaluated in light of relevant Findings of Fact. The requested plan amendment and zone change are complying with the requirements of Statewide Goal No. 2.

3. **Goal 3- Agricultural Lands:** To preserve, protect and maintain agricultural lands.

**Finding:** Previous legislative determination by the City of Sutherlin via the adoption of the Comprehensive Plan and when the subject property was annexed into the city limits as residential hillside zone, not agricultural. The Statewide Agricultural Goal is not applicable to this proposed comprehensive plan and zone map change request.

4. **Goal 4- Forest Lands:** To conserve forest lands for forest by maintaining the forest land base and to protect the state's forest economy by making possible economically efficient forest practices that assure the continuous growing and harvesting of forest tree species as the leading use on forest land....

**Finding:** There has previously been a legislative determination by the City of Sutherlin via adoption of the Comprehensive Plan and during the annexation process, the subject property is not forest land. This finding is validated by the fact that the site is irrevocably committed to urban use, and by the fact that the site is within the city limits of Sutherlin and the urban growth boundary. Statewide Planning Goal No. 4 is not applicable to this proposed plan amendment and zone change.

5. **Goal 5- Open Spaces, Scenic and Historic Area, and Natural Resources:** To conserve open space and protect natural and scenic resources.

**Finding:** As outlined within the applicant's submitted supporting documentation, the subject property has not been included in any inventory of needed open space or scenic areas, nor has it been identified in the Comprehensive Plan as having any historic or cultural resources which need to be preserved and/or protected. Further, the property will be developed to protect any significant natural resources in accordance with the provisions of the Comprehensive Plan. Based on the foregoing findings, the requested plan amendment and zone change will not conflict with any identified Goal 5 resources.

6. **Goal 6- Air, Water and Land Resource Quality:** To maintain and improve the quality of air, water and land resources of the state.

**Finding:** Statewide Planning Goal 6 requires that air, land and water resources of the state be maintained and improved by assuring that future development, in conjunction with existing development, does not violate applicable state and federal environmental quality standards, and does not exceed the carrying capacity of local air sheds, degrade land resources or threaten the availability of such resources. and process discharges from future development combined with that of existing development do not violate State or Federal environmental quality regulations. There has been a previous legislative determination by the City of Sutherlin that development of the subject property with urban uses will not result in degradation of air, water and land resources within the Sutherlin urban area or the state of Oregon. The subject property is situated in an area where the full range of urban services is available, including public water, public sewer and storm drainage systems (either above or in ground).

The proposed R-2 zoning is an acknowledgement of the existing development pattern near the subject property and surrounding area and its suitability for residential zoning due to its proximity to other R-1 zoned property and the clear need for more housing units as demonstrated in the housing needs analysis. Furthermore, the City of Sutherlin has sufficient regulatory measures in place to ensure that subsequent development of the site with urban uses will not result in deleterious or unanticipated impacts on the air, water and land resources of the urban area. The requested amendment is being evaluated in a manner that assures compliance with Statewide Goal No. 6.

7. **Goal 7- Areas Subject to Natural Disasters and Hazards:** To protect life and property from natural disasters and hazards.

**Finding:** The subject property has not been identified in any inventory of areas which have the likely potential to be subjected to natural disasters and hazards. The location of the site puts it well above any identified flood plain and any danger of flooding. The property proposed for amendment is generally flat or gently sloping on its northern portion increasing in slope to and through its south boundary. The land is similar in topography to adjoining and nearby properties that are already planned and zoned for the similar uses as contemplated by applicant.

The City of Sutherlin has adopted specific review and development standards for all properties within the city to ensure that their development and use does not pose a hazard to life and property. Any subsequent development of the subject property will be subject to such review and will be required to fully comply with all applicable development regulations. The requested amendment will not conflict with the purpose and intent of Statewide Goal No. 7.



8. **Goal 8- Recreational Needs:** To satisfy the recreational needs of the citizens of the State and visitors and, where appropriate, to provide for the siting of necessary recreation facilities including destination resorts.

**Finding:** The subject property has not been designated by the City of Sutherlin as land needed for recreational needs of the citizens of, or visitors to, the state of Oregon. Identified recreational needs have been provided for on other sites within the Sutherlin urban area. The proposed amendment will not conflict with Statewide Goal No. 8.

9. **Goal 9- Economic Development:** To provide adequate opportunities throughout the State for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

**Finding:** The subject properties are currently inside the city limits and planned and zoned for residential development. The conversion of this property to a higher density plan will have a positive impact on the current need for housing developments and will not impact the current commercial and industrial lands within the city.

Commercial and industrial zoning have been applied to other lands containing existing commercial and industrial uses, as well as to an appropriate amount of undeveloped land that is intended to accommodate future commercial and industrial development within the Sutherlin urban area. The Sutherlin Urban Area Comprehensive Plan contains specific policies to ensure that opportunities for economic development are enhanced in the Sutherlin urban area. The proposed plan amendment will not conflict with the Statewide Economic Development Goal.

10. **Goal 10- Housing:** To provide for the housing needs of citizens of the State.

**Finding:** The primary purpose of Goal 10, within the context of amending the Comprehensive Plan, is to ensure that sufficient buildable land is available to allow for the full range of housing needs within the urban area and to avoid creating shortages of residential land which could artificially restrict market choices in housing type, price range or location. The subject property is currently planned Low Density Hillside and is zoned RH. The current plan designation for area proposed for amendment allows up to 3 dwelling units per acre under its current plan designation. Applicant is requesting the RM plan which provides for up to 12 dwelling units per acre. The proposed plan amendment and zone change, and subsequent development of the site with either single family, duplex or multiple family (3-4) units will enhance the present inventory of developable residential land, and will, therefore, increase potential future opportunities to provide additional higher-density housing.

**Finding:** The proposal submitted would allow the property to be zoned at a higher density. Thus, allowing for an increase in housing inventory within the city limits and help with the need for available residential land and housing opportunities. This proposed plan amendment and zone change is consistent with Goal 10, and will promote both purpose and intent of the Statewide Housing Goal.

11. **Goal 11- Public Facilities and Services:** To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban and rural development.

**Finding:** The subject properties are within the Sutherlin urban area, which public facilities and services are provided by the City of Sutherlin, Douglas County and several special districts. Policies concerning the coordination, timing and location of public facilities and services in the urban area are contained within the Public Facilities and Land Use Elements of the Comprehensive Plan. Specific measures intended to implement these policies are contained in various inter-governmental agreements, including the Sutherlin/Douglas County Urban Growth Management Agreement.

The City maintains an existing 8-inch sewer main that runs along Jaswant Avenue just north of the property. The applicant has consulted with the City regarding the of sanitary sewer service from the proposed extension of the existing main to the subject property for the type of development contemplated. The City indicates that sewer service is available to the subject property with the cost of extending new service into the site being applicant's/developers responsibility.

Water service to the subject site is provided by the City of Sutherlin via an existing 8-inch main in Jaswant Avenue. Applicant/developer will extend water service to the subject property at the time of development and will coordinate water improvements with the City of Sutherlin to assure proper location for installing a service line sufficient to serve the contemplated residential development.

The existing facilities are sized to provide the property with a supply of water that is adequate for anticipated residential service and for fire protection. Fire protection service is provided by the City of Sutherlin Fire Department. An existing fire hydrant is located on Jaswant Avenue just north of applicant's property. A new hydrant will be required in proximity to the subject property at the time of development. Police services in the area are provided by the City of Sutherlin Police Department. Street maintenance, storm drainage and street lighting in the area are also provided by the City of Sutherlin and Douglas County. The design and installation of onsite storm drainage facilities, if required, will be the responsibility of applicant/developer at the time of development. Plans for the installation of these and any other on-site and off-site facilities will be subject to review and approval of the City of Sutherlin, Douglas County and any other agency having jurisdiction over public facilities and services in the area.

**Finding:** On the basis of the foregoing facts, the requested plan amendment and zone change will not adversely impact the present or future provision of public facilities and services in the area. The full range of urban services appropriate for the subject property's proposed residential designation is available and can be provided in a timely, orderly and efficient manner consistent with the purpose and intent of Statewide Goal No. 11. This conclusion is based on consideration of the existing public service delivery systems and plans that are in place in the area to ensure coordination of the types, locations and delivery of the public facilities and services needed to support existing and proposed land uses in the area.

12. **Goal 12- Transportation:** To provide and encourage a safe, convenient and economic transportation system.

**Finding:** As previously noted, the subject property has frontage along Fir Grove Lane which is improved to a gravel surface with no curbs, gutters or sidewalks. Fir Grove Lane is classified as a local access road under the jurisdiction of Douglas County and is not maintained by Douglas County. Estimates of the average number of daily vehicle trips generated by a specific land use can be obtained from a number of reliable sources. One of the commonly referenced sources for such data is Trip Generation, published by the Institute of Transportation Engineers (ITE). Average daily trip generation rates published by ITE are based primarily on field data obtained from direct observation of actual land use activities. Trip generation rates

are reported as an average of vehicle counts taken at numerous sites having the same classification of land use. Trip generation rates are often broken down into specific time frames, such as “Average Daily Trips (ADT)”, “Average Peak Hour Trips”, and “AM and PM Peak Hour Trips”. For most land use activities, including both multi-family residential and duplexes uses, ITE defines an “average daily trip” as a one-way vehicular movement between a single origin and a single destination.

Based on the functional classification and existing service levels of adjacent and nearby transportation facilities, the proposed plan amendment and zone change will be consistent with the identified function, capacity, and level of service of those facilities. Nevertheless, specific transportation-related policies and development standards are included with the City of Sutherlin Comprehensive Plan, as well as the City’s zoning code to ensure that the statewide transportation goal is implemented on a site-specific basis at the time of development.

**Finding:** The applicant’s proposed zone change from RH to R-2 on the subject site will facilitate construction of additional residential housing units as set forth on the conceptual site plan included in the submitted supporting documents (See Figure 1) within the application considering the existing dwelling potential in comparison to the future potential under the proposed plan and zone. The subject site proposed for amendment will accommodate up to eight additional residential units considering site conditions and limitations. At the present time, public roads in the area are adequate to accommodate both existing traffic and potential future traffic volumes likely to be generated as a consequence of the requested plan amendment and zone change. No special traffic controls or other mitigation measures will be required due to the relatively low volume of traffic associated with the requested plan amendment and zone change until development of the subject property. As development occurs, road improvements to Douglas County, as well as city standards and requirements will be required, allowing for safe travel and connectivity to nearby roadways.

**Finding:** As outlined within the applicant’s proposal and submitted materials, considering that there will be limited increase in potential traffic levels as a result of the proposed amendment, will not result in a change in the functional classification of existing or planned transportation facilities serving the area, nor will it result in changes to existing development standards or alter the functional classification of existing or planned transportation facilities. Neither will it allow types of levels of land uses which would result in levels of travel or access which are inconsistent with the functional classification of near-by transportation facilities, or otherwise reduce the level of service of existing and planned transportation facilities below minimum acceptable levels. The proposed plan amendment and zone change will not conflict with the Statewide Transportation Goal. Compliance with the intent of Goal 12 will be assured through the application of specific local policies and standards at the time specific development plans for the subject property are formulated and submitted for review and approval.

13. **Goal 13- Energy Conservation:** To conserve energy.

**Finding:** The statewide energy conservation goal is intended to assure that land and uses developed on land are managed and controlled to maximize the conservation of all forms of energy, based upon sound economic principles. The subject property is situated within the established urban area where its subsequent development will promote the efficient energy-related use of existing and planned transportation facilities. Major public facilities and services are immediately available to the site, thus reducing the energy-related inefficiencies associated with extending such services beyond existing urban development. Furthermore, specific energy conservation policies and development standards are included within the Sutherlin Urban

Area Comprehensive Plan and the City's zoning code to ensure that the statewide energy conservation goal is implemented on a site-specific basis at the time the property is developed. The proposed plan amendment and zone change will not conflict with the Statewide Energy Conservation Goal No. 13.

14. **Goal 14- Urbanization:** To provide for an orderly and efficient transition from rural to urban land use.

**Finding:** The subject properties, including adjacent properties to the east and south are located within the Sutherlin Urban Growth Boundary (UGB). Urbanization goal requires that land to be within the UGB and shall be considered available over time for urban uses. Inclusion of the property within the UGB and city limits demonstrates the City's legislative intent to allow urban development to occur on the proposed sites. The proposed plan amendment and zone change will have no effect on the present status of the UGB, nor will it conflict with the purpose and intent of statewide planning Goal 14.

## **CONSISTENCY WITH SUTHERLIN COMPREHENSIVE PLAN POLICIES FOR COMPREHENSIVE PLAN AMENDMENTS**

### **Plan Amendment Criteria No. 2 – Conformance with the Comprehensive Plan**

The Sutherlin Urban Area Comprehensive Plan contains policy statements which are intended to provide the City with direction when considering a proposal to amend the Plan. Written policies that are applicable to the proposed plan amendment and zone change are contained in various elements of the Plan document, including the Natural Resources Element, the Public Facilities Element, the Housing Element, the Transportation Element, and the Land Use Element. The following proposed findings address each of the Plan policies that are applicable to this plan amendment and zone change request:

### **HOUSING POLICIES**

B. GOAL: To enable all members of the community to live in housing appropriate to their needs.

Housing Policy No. 2 - *Encourage innovative designs for various types of multi-family housing in order to meet the diverse needs of smaller households such as those of the elderly and young families.*

**Finding:** The subject property is situated within a mix of residential zoned properties as outlined within this staff report. The requested plan amendment and zone change would allow for a higher density and increased housing opportunities within the proposed R-2 zone.

C. GOAL: To locate future housing so that available land is both used efficiently and developed for a high degree of livability.

Housing Policy No. 1 - *Encourage infilling of the existing residential areas by incentives for new construction in already-serviced areas.*

**Finding:** The proposed amendment will promote efficient development of the property by using the existing public access, facilities and services that already exist in the area. The proposed use of the property for increased density residential housing is consistent with the established uses on the surrounding properties and the character of other existing urban residential uses. Public facilities, including sewer, water and storm drainage, are currently under construction and being installed to adequately serve the property.

The site will be developed in a manner that fully conforms to the applicable development standards for residential uses, including access and internal circulation, signage, lighting, buffering and landscaping. Conceptual site development plans are submitted with this application for the future residential development. The site plan review process at the time of development will assure that the subject property will be developed in the manner represented by the plan amendment and zone change applications and will further assure that development of the site will fully comply with all applicable development standards.

## **PUBLIC FACILITIES POLICIES**

A. GOAL: To provide efficient public facilities and services in an orderly, planned manner so as to meet the needs of Sutherlin's residents and businesses.

Public Facilities and Services Policy No. 1 - *The city shall ensure that appropriate support systems are installed prior to or concurrent with the development of a particular area. Costs of constructing water and sewer ties to new developments shall be borne by the developer.*

**Finding:** City water, sewer, storm water, transportation and fire hydrant will need to be install to serve the subject properties, the construction to city standards are the responsibility of the property owner(s)/developer. The applicant has submitted engineered plans for the proposed infrastructure to the city and also submitted a drainage assessment to demonstrate consistency with the drainage requirements with the applications supporting documents.

Public Facilities Policy No. 12 - *The city shall provide sewer and water service to areas within the Urban Growth Boundary.*

**Finding:** As noted previously, the subject property has city water and sewer available. Existing water and sanitary sewer are located within the right-of-way of Jaswant Avenue, to the north. These improvements, meeting city standards will need to be extended to serve the subject properties.

Public Facilities Policy No. 14 - *Ensure that as new development occurs, public facilities and services to support the development are available or will be available within a reasonable time.*

**Finding:** The subject properties have public water and sanitary sewer available, the property owner(s)/developer are currently working towards getting the needed public utilities installed to the site and available for necessary development.

C: GOAL: To conserve energy resources and encourage utilization of renewable energy resources.

Public Facilities and Services Policy No. 8 - *Redevelopment of large lots and infilling and development of undersized lots will be encouraged where appropriate.*

**Finding:** The applicant is proposing through the plan amendment and zone change applications a higher density zone, which would facilitate the development of the 3.81 acres, utilizing renewable energy resources as available.

## TRANSPORTATION POLICIES (set out in Public Facilities element)

B. GOAL: To provide and encourage a safe, convenient, aesthetic, and economical transportation system.

Transportation Development Policy No. 1 - *Encourage the expansion of the street improvement program and also coordinate the program with the future street plan, and thus ensure that those streets that have been designated to carry high volumes of traffic (arterials and collectors) are in satisfactory and safe condition.*

**Finding:** As previously noted, the subject property has access via Fir Grove Lane which is improved to a gravel surface with no curbs, gutters or sidewalks. Fir Grove Lane is classified as a local access road under the jurisdiction of Douglas County and is not maintained by Douglas County. As development occurs, the property owner(s)/developer will be required to improve a portion of Fir Grove Lane, providing curb, gutters and sidewalks to allow for safe and economical transportation. The interior circulation plan for the proposed residential units will connect to the public street system at points of access to the property as directed by the City which connections will be improved in accordance with City design standards and requirements.

## SECTION 4.8 ZONING DISTRICT MAP AMENDMENTS

**4.8.100 Purpose.** The purpose of this section is to provide standards and procedures for legislative and quasi-judicial amendments to the zoning district map. These will be referred to as “zoning map amendments.” Map amendments may be necessary from time to time to reflect changing community conditions, needs and desires, to correct mistakes, or to address changes in the law.

**4.8.110 Criteria for Amendment.** The planning commission shall approve, approve with conditions or deny an application for a quasi-zoning map amendment based on all of the following criteria:

1. *Demonstration of compliance with all applicable comprehensive plan policies and map designations. Where this criterion cannot be met, a comprehensive plan amendment shall be a prerequisite to approval;*

**Finding:** The proposed zone map amendment is being reviewed in conjunction with a comprehensive plan amendment to change the subject 3.81 acres from low density hillside to medium density. As outlined and addressed previous findings within the document, the applicant’s proposal is consistent with all the applicable comprehensive plan policies and implementing ordinances.

2. *Demonstration that the most intense uses and density that would be allowed, outright in the proposed zone, considering the sites characteristics, can be served through the orderly extension of urban facilities and services, including a demonstration of consistency with OAR 660-012-0060; and*

**Finding:** The application and supporting documents outlines how the requested proposal to medium density will allow the construction of duplex units or multifamily dwellings (3 or 4 dwellings) on the units of land under the applicable criteria set out immediately above as a permitted use under the R-2 zone. The subject property can be served through the orderly extension of urban services and is consist with OAR 660-012-0060. Public utilities (i.e. water and sanitary sewer) are located within the existing right-of-way of Jaswant Avenue.

3. *Evidence of change in the neighborhood or community, or a mistake or inconsistency between the comprehensive plan or zoning district map regarding the subject property which warrants the amendment.*

**Finding:** The requested application is not the result of a mistake or inconsistency between the comprehensive plan or zoning district map. The subject property was recently annexed into Sutherlin city limits, concurrently with an urban growth boundary expansion. When the subject property was considered for the UGB Exchange and annexation into the city limits, the majority of lands considered were residentially zoned and the exchange would be a like for like designation of residential zones. Thus, resulting in the subject properties being zoned residential hillside.

## **SECTION 4.11 AMENDMENTS TO THE SUTHERLIN DEVELOPMENT CODE AND LAND USE PLANS**

**4.11.100 Purpose and Applicability.** These regulations provide the procedures and criteria the city will follow when it considers making an amendment to the city's development code or a land use plan, including amendments to the comprehensive plan text or map, annexations and amendments to the urban growth boundary.

**4.11.110 Approval Criteria.** The planning commission's recommendation and the city council's decision shall be based on the following approval criteria.

1. *For a proposed amendment to the city's development code, the proposed amendment is consistent with applicable provisions of the comprehensive plan, including inventory documents and facility plans incorporated therein.*

**Finding:** As outlined and addressed in previous findings within the document, the applicant's proposal is consistent with all the applicable comprehensive plan policies, including inventory documents and implementing ordinances.

2. *For a proposed amendment to a land use plan's text or map:*
  - a. *The proposed amendment is consistent with applicable statewide planning goals as adopted by the Land Conservation and Development Commission; and*
  - b. *The proposed amendment is consistent with the remainder of the comprehensive plan, including inventory documents and facility plans incorporated therein.*

**Criteria A:** The proposed amendment is consistent with applicable statewide planning goals as adopted by the Land Conservation and Development Commission.

**Finding:** Findings for the statewide planning goals adopted by Department of Land and Conservation and Development (DLCD) are addressed on an individual basis in previous section of this document. Each of the applicable goals contains findings of compliance, and no exceptions to those goals are proposed. The Plan Amendment and Zone Change satisfy the statewide planning goals.

**Criteria B:** The proposed amendment is consistent with the remainder of the comprehensive plan, including inventory documents and facility plans incorporated therein.

**Finding:** As stated throughout this staff report document and outlined within the findings, the proposed amendment is consistent with the necessary comprehensive plan, including inventory documents and facility plans.

## **CONCLUSION**

City Staff recommends that the Planning Commission forward a recommendation for approval to the Sutherlin City Council of the requested Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zone Map Change from (RH) Residential Hillside to (R-2) Medium Density Residential on the subject 3.81 acre properties.

## **DECISION OPTIONS**

Based on the applicant's findings, the City Staff Report and the testimony and evidence provided during the public hearing, the Planning Commission can move to either:

1. Close the public hearing and, after deliberating on the matter, pass a motion to **recommend** to the City Council **approval** of the requested Comprehensive Plan Map and Zoning Map Amendments on the subject 3.81 acre properties; or
2. Close the public hearing and, after deliberating on the matter, pass a motion to **recommend** to the City Council approval of the requested Comprehensive Plan Map and Zoning Map amendments with specified **conditions**; or
3. Pass a motion to **continue the public hearing** to a specified date and time, or to close the public hearing and to leave the record open to a specified date and time for submittal of additional evidence and rebuttal; or
4. Close the public hearing and, after deliberating on the matter, pass a motion to **recommend denial** of the requested Comprehensive Plan Map and Zoning Map amendments on the grounds that the proposal does not satisfy the applicable approval criteria.

N:\Planning\2023 Land Use\23-S010 ROBINSON PA ZC\23-S010\_Robinson\_PAZC\_PC staff report.docx





# **COUNCIL BUSINESS**





126 E. Central Avenue  
Sutherlin, OR 97479  
541-459-2857  
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[www.ci.sutherlin.or.us](http://www.ci.sutherlin.or.us)

## City of Sutherlin

STAFF REPORT					
<b>Re: Ordinance --</b> Plan Amendment and Zone Change (Robinson, et/al), Planning File No. 23-S010				Meeting Date:	12/11/2023
<b>Purpose:</b>	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
<b>Submitted By:</b> Jamie Fugate, City Planner and Kristi Gilbert, Community Development Director				City Manager Review	<input type="checkbox"/>
<b>Attachments:</b> Ordinance with Exhibits A (Legal Description), B (Maps) & C (Findings of Fact)					

### WHAT IS BEING ASKED OF COUNCIL?

Consider approval of first reading of Ordinance for Sam Robinson, et/al Plan Amendment and Zone Change (Planning File No. 23-S010).

### EXPLANATION

This ordinance would formally approve the plan map (from Low Density Hillside to Medium Density) and zoning map (from Residential Hillside to Medium Density Residential) amendment requested by the property owners. The subject 3.81 acre property is located on Fir Grove Lane and is described as Tax Lots 201, 300 and 400 all in Sec 16CC, T25S, R5W, W.M.; Property ID Nos. R46993, R47000 and R47007.

The application received recommendation for approval from the Planning Commission after a public hearing held October 17, 2023. A second public hearing was held before City Council prior to the reading of this ordinance.

### OPTIONS

1. Approve the first reading of Ordinance (Sam Robinson, et/al) as presented;
2. Approve the first reading of Ordinance (Sam Robison, et/al) with amendments; or
3. Not approve the first reading of said Ordinance.

### SUGGESTED MOTION(S)

#### Motion to

1. Approve the first reading of Ordinance (Sam Robinson, et/al) as presented;
2. Approve the first reading of Ordinance (Sam Robinson et/al) with amendments; or
3. Not approve the first reading of said Ordinance.



# City of Sutherlin

*Administration*  
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Sutherlin, OR 97479  
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[www.cityofsutherlin.com](http://www.cityofsutherlin.com)

## NOTICE OF ORDINANCE ENACTMENT

### ORDINANCE NO.

**AN ORDINANCE AMENDING THE CITY OF SUTHERLIN COMPREHENSIVE PLAN MAP AND ZONING MAP TO AMEND THE COMPREHENSIVE PLAN MAP FROM LOW DENSITY HILLSIDE TO MEDIUM DENSITY, CONCURRENT WITH A ZONING MAP CHANGE FROM (RH) RESIDENTIAL HILLSIDE TO (R-2) MEDIUM DENSITY RESIDENTIAL. PROPERTY DESCRIBED AS TAX LOT(S) 201, 300 AND 400 IN SECTION 19C OF T25S, R05W, W.M. THE SUBJECT 3.81 ACRE PROPERTY LOCATED AT 842; 880; 940 FIR GROVE LANE AND DESCRIBED HERIN.**

**THIS ORDINANCE WILL BE CONSIDERED BY COUNCIL AT THE REGULAR COUNCIL MEETING OF**

**FIRST READING: MONDAY, DECEMBER 11, 2023 @ 7PM**

**SECOND READING (if first reading approved):**

**MONDAY, JANUARY 8, 2024 @ 7PM**

**CIVIC AUDITORIUM - 175 E. EVERETT AVENUE**

Questions or copies of this Ordinance may be viewed by interested persons at the office of City Recorder, 126 E. Central Avenue, Sutherlin, Oregon, between the hours of 9:00 a.m. and 5:00 p.m., weekdays. A copy of this Ordinance may be purchased by interested persons for a sum determined to cover the City's expense for providing the copy.

Pursuant to Section 30 (b) (c) of the Sutherlin City Charter, this notice has been posted at the following locations: Sutherlin City Hall; Sutherlin Post Office; Sutherlin Visitor's Center and the City's website, [www.cityofsutherlin.com](http://www.cityofsutherlin.com).

Posted this day, December 1, 2023  
By Melanie Masterfield  
City Recorder

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING THE CITY OF SUTHERLIN COMPREHENSIVE PLAN MAP AND ZONING MAP TO AMEND THE COMPREHENSIVE PLAN MAP FROM LOW DENSITY HILLSIDE TO MEDIUM DENSITY, CONCURRENT WITH A ZONING MAP CHANGE FROM RESIDENTIAL HILLSIDE (RH) TO MEDIUM DENSITY RESIDENTIAL (R-2) FOR PROPERTY DESCRIBED AS TAX LOTS 201, 300 AND 400 IN SECTION 19C OF T25S, R05W. THE SUBJECT 3.81 ACRE PROPERTIES IS LOCATED ADDRESSED AS 842, 880 AND 940 FIR GROVE LANE AND DESCRIBED HEREIN.**

**The City Council of the City of Sutherlin finds that:**

**A.** Sam Robinson, et/al submitted application(s) for a Comprehensive Plan Map and Zoning Map amendments to amend the existing Comprehensive Plan and Zoning designations for property identified within Douglas County Assessor Records as Tax Lots 201, 300 and 400 in Section 19C of Township 25 South, Range 5 West. The subject property is further described in Exhibit A attached hereto and incorporated herein.

**B.** The Sutherlin Planning Commission held a properly noticed public hearing on October 17, 2023 to consider the applicant's request. Following the public hearing, the Planning Commission passed a motion to recommend that the City Council approve the proposed Comprehensive Plan Map and Zoning Map amendments.

**C.** Pursuant to Section 4.2.150.G of the Sutherlin Development Code, notice of a public hearing before the City Council was given, and the public hearing on the requested Comprehensive Plan Map and Zoning Map amendments was conducted on December 11, 2023.

**D.** The proposed amendments to the Sutherlin Comprehensive Plan Map and the Sutherlin Zoning Map to implement the requested zone changes are found to be consistent with the Statewide Planning Goals and in conformance with the Sutherlin Comprehensive Plan. The City Council also finds that the site is suitable to the proposed zone with respect to the public health, safety, and welfare of the surrounding area. The findings supporting these decisions are attached as Exhibit B hereto.

**THE CITY OF SUTHERLIN ORDAINS AS FOLLOWS:**

**Section 1.** The Sutherlin Comprehensive Plan Map is hereby amended to change the Comprehensive Plan designation of the real property identified as all or a portion of Tax Lots 201, 300 and 400 in Section 19C of Township 25 South, Range 5 West, and more particularly described and depicted in Exhibit A.

**Section 2.** The Sutherlin Zoning Map is hereby amended to reconfigure the zoning designations of the real property identified as all or a portion of Tax Lots 201, 300 and 400 in Section 19C of Township 25 South, Range 5 West, more particularly described and depicted in Exhibit A.

**Section 3.** The City Council adopts the Findings of Fact and Decision Document (Exhibit B) as their own and the Sutherlin Comprehensive Plan Map and the Sutherlin Zoning Map shall be revised to depict the adopted amendments.

**PASSED BY THE COUNCIL ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023.**

**APPROVED BY THE MAYOR ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2023.**

\_\_\_\_\_  
Michelle Sumner, Mayor

**ATTEST:**

\_\_\_\_\_  
Melanie Masterfield, CMC, City Recorder

## **EXHIBIT “A”**

### **Legal Description**

Lots 7-11 and part of lot 12 of A Plat of Fir Grove Tracts (Vol 9, Pg 20), records of Douglas County, Oregon.

JASWANT AVE

FIR GROVE LN

AREA OF PROPOSED  
PLAN AMENDMENT  
& ZONE CHANGE

SUTHERLIN CITY LIMITS

## BEFORE THE PLANNING COMMISSION OF THE CITY OF SUTHERLIN

IN THE MATTER of a request for a Plan Map	]	<b>FINDINGS OF FACT AND DECISION</b>
Amendment and Zone Map Change for 3.81	]	Applicant: Sam Robinson, et/al
acre subject properties located on the east side	]	Subject: Plan Amendment and Zone Change
of Fir Grove Lane and identified by the Douglas	]	File No.: 23-S010
County Assessor as T25S, R5W, S19C, Tax	]	
Lots 201, 300 & 400, Property ID No's.	]	
R46993, R47000 and R47007	]	

### PROCEDURAL FINDINGS OF FACT

1. The Comprehensive Plan Map Amendment and Zone Map Change applications were filed with the City on August 17, 2023 and were deemed complete on August 21, 2023.
2. DLCD Notice of Proposed Amendment was submitted electronically to the Department of Land Conservation and Development on September 11, 2023 which was at least 35 days prior to the first evidentiary public hearing on October 17, 2023. DLCD did not provide comments on the applications.
3. Pursuant to Sections 4.2.140.C and 4.2.150.D of the Sutherlin Development Code, notice of the public hearing was given by publication in the *News Review* on September 29, 2023, which was at least fourteen (14) days prior to the date of the public hearing.
4. Notice of a Public Hearing on an application for the Comprehensive Plan Map Amendment and Zone Map Change before the Planning Commission was given in accordance with Sections 4.2.140.C and 4.2.150.D. Notice was sent to affected property owners of record within 100 feet of the subject properties, service providers, and governmental agencies on September 25, 2023. Two (2) written comments were received.
5. The Planning Commission held a public hearing on this matter on October 17, 2023.
6. At the public hearing on October 17, 2023, there were no declarations of ex parte contact or other conflicts of interest made by the Planning Commission. No objections were raised and the Commission was qualified to hear the matter.
7. The Planning Commission declared the following as parties to the hearing:
  - a. Kathy Wall, Douglas County Planning Department
  - b. Mathew Hogan, Fair Housing Council of Oregon
  - c. Mark Garrett, applicant's representative
8. Reference was made to the October 10, 2023 Staff Report, and findings of fact addressing conformance to the applicable criteria of the Statewide Planning Goals, the applicable goals and policies of the Sutherlin Comprehensive Plan, and the applicable criteria of the Sutherlin Development Code.
9. Planning Staff presented the Staff Report dated October 10, 2023 and entered Staff Exhibits 1-11 into the record.



10. The representative for the applicant and titleholder, Mark Garrett, concurred with the Staff Report and asked for approval as submitted.
11. The Planning Commission provided an opportunity for clarifying oral testimony about the requested plan amendment and zone change. No persons were present.
12. The Planning Commission provided opportunity to receive clarifying questions and oral testimony from persons in favor and in opposition to the application. No persons were present.
13. The Planning Commission provided opportunity to receive clarifying questions and oral testimony in rebuttal to the application. No testimony was given.
14. The Planning Commission closed the public portion of the hearing and commenced discussion on the application.

### **FINDINGS OF FACT RELATED TO DECISION**

1. The Planning Commission expressed no objections to the proposed Comprehensive Plan Map and Zoning Map Amendments.

### **FINDINGS OF FACT**

Finding No. 1. The Planning Commission finds the subject properties are designated Low Density Hillside in the Sutherlin Comprehensive Plan and zoned Residential Hillside (RH) in the Sutherlin Development Code.

Finding No. 2. The Planning Commission adopts by reference the findings of the Staff Report dated October 10, 2023.

Finding No. 3. The Planning Commission finds, based upon the staff report, application materials and testimony provided, that the requested Comprehensive Plan Map amendment from Low Density Hillside to Medium Density and Zoning Map Amendment from Residential Hillside (RH) to Medium Density Residential (R-2) is consistent with the applicable Statewide Planning Goals, and that no exceptions to the goals were proposed.

Finding No. 4. The Planning Commission finds, based upon the staff report, application materials and the oral testimony provided, that the requested plan map and zoning map amendment is consistent with the applicable general goals and policies of the Sutherlin Comprehensive Plan and its implementing ordinances, including those related to Natural Features, Population, Air Water and Land Resource Quality, Natural Hazards, Recreational Needs, Economy, Housing, Public Facilities and Services, Transportation System, including Pedestrian and Bicycle Transportation, Energy Conservation and Land Use and Urbanization.

Finding No. 5. The Planning Commission finds, based upon the staff report, application materials and testimony provided, that the proposed amendment is consistent with the applicable criteria of Section 4.11 [Amendments] and Section 4.8 [Zoning Amendments] of the Sutherlin Development Code. The applicant has demonstrated consistency with the Comprehensive Plan, including inventory documents and facility plans. Public facilities and services are available, but currently do not serve the subject properties.

Finding No. 6. The Planning Commission further finds that the applicant has demonstrated that the most intense uses and density that would be allowed outright in the proposed R-2 zone, considering the existing residential development in the area, can be or are already served by the orderly extension of urban services, and that the proposed amendment is consistent with OAR 660-012-0060.

Finding No. 7. The Planning Commission finds that the proposed amendment from Low Density Hillside to Medium Density is not the result of a mistake or inconsistency, but will be consistent with the existing residential uses surrounding the subject properties.

## CONCLUSION

1. A motion was made by Commissioner Banducci to recommend approval and seconded by Commissioner Hogsett to approve the requested Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zoning Map Amendment from Residential Hillside (RH) to Medium Density Residential (R-2) on the 3.81 acre subject properties and forward the recommendation to City Council. The motion passed unanimously.
2. The Commission adopts the findings of the staff report in support of their decision.

NOW, THEREFORE, based upon the foregoing findings of fact and the oral testimony provided, the Sutherlin Planning Commission recommends to City Council the **ADOPTION** of the requested Comprehensive Plan Map Amendment from Low Density Hillside to Medium Density and Zoning Map Amendment from Residential Hillside (RH) to Medium Density Residential (R-2) on the subject 3.81 acre properties located on the east side of Fir Grove Lane.

DATED THE 21<sup>st</sup> DAY OF November, 2023.

*Norman Davidson*

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NORMAN DAVIDSON, CHAIR

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126 E. Central Avenue  
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## City of Sutherlin

STAFF REPORT					
<b>Re: Ordinance – Amending Chapter 8.26 of the Sutherlin Municipal Code – Regulating Outdoor Burning (first reading, title only)</b>				Meeting Date:	12/11/2023
<b>Purpose:</b>	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
<b>Submitted By: Mike Lane, Fire Chief</b>				City Manager Review	<input checked="" type="checkbox"/>
<b>Attachments:</b> Ordinance					

### WHAT IS BEING ASKED OF COUNCIL?

To approve an Ordinance - Amending SMC Chapter 8.26 - Regulating Outdoor Burning in the City of Sutherlin.

### EXPLANATION

Chapter 8.26 needs to be updated to bring it more in line with what is actually being enforced. Currently when DFPA starts fire season in the late spring, the Fire Department closes all outdoor yard debris burning in the City. Along with fire season declaration, DFPA imposes Public Use Restrictions regulating outdoor activities depending on fire danger levels. These PUR's are enforced in the City of Sutherlin.

During non-fire season residents are allowed to burn yard debris without a permit. At no time is the burning of trash or garbage allowed per 8.26.010. The use of "burn barrels" is strictly prohibited.

### OPTIONS

Option 1: Approve the first reading of Ordinance - Amending Chapter 8.26 of the Sutherlin Municipal Code - regulating outdoor burning.

Option 2: Not approve the first reading of Ordinance - Amending Chapter 8.26 of the Sutherlin Municipal Code - regulating outdoor burning.

### SUGGESTED MOTION(S)

Motion to approve the first reading of Ordinance - Amending Chapter 8.26 of the Sutherlin Municipal Code - regulating outdoor burning.



# City of Sutherlin

*Administration*  
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## NOTICE OF ORDINANCE ENACTMENT

ORDINANCE NO. \_\_\_\_

**AN ORDINANCE OF THE CITY OF SUTHERLIN AMENDING CHAPTER 8.26 OF THE SUTHERLIN MUNICIPAL CODE - REGULATING OUTDOOR BURNING.**

**THIS ORDINANCE WILL BE CONSIDERED BY COUNCIL AT THE REGULAR COUNCIL MEETING OF**

**FIRST READING: MONDAY, DECEMBER 11, 2023 @ 7PM**

**SECOND READING (if first reading approved):**

**MONDAY, JANUARY 8, 2024 @ 7PM**

**CIVIC AUDITORIUM - 175 E. EVERETT AVENUE**

Questions or copies of this Ordinance may be viewed by interested persons at the office of City Recorder, 126 E. Central Avenue, Sutherlin, Oregon, between the hours of 9:00 a.m. and 5:00 p.m., weekdays. A copy of this Ordinance may be purchased by interested persons for a sum determined to cover the City's expense for providing the copy.

Pursuant to Section 30 (b) (c) of the Sutherlin City Charter, this notice has been posted at the following locations: Sutherlin City Hall; Sutherlin Post Office; Sutherlin Library; Sutherlin Visitor's Center and the City's website, [www.cityofsutherlin.com](http://www.cityofsutherlin.com).

Posted this day, December 1, 2023  
By Melanie Masterfield  
City Recorder

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE OF THE CITY OF SUTHERLIN AMENDING CHAPTER 8.26 OF THE SUTHERLIN MUNICIPAL CODE – REGULATING OUTDOOR BURNING**

**WHEREAS**, the Sutherlin Fire Department desires to amend code language regulating outdoor burning as stated in Ordinance 1049; and

**WHEREAS**, the Sutherlin Fire Department and the City of Sutherlin believes unrestricted year-round outdoor open burning may be detrimental to the health, safety and welfare of the citizens of Sutherlin and the regulation thereof is both necessary and appropriate to promote the viability and quality of life in the Sutherlin community.

**NOW, THEREFORE, THE CITY OF SUTHERLIN ORDAINS AS FOLLOWS:**

**8.26.010 Year-Round Outdoor ~~Trash~~ Burning Ban**

**8.26.020 Outdoor Burning Seasonal Ban**

~~Unless exempted by this Chapter, no person shall cause or allow outdoor burning without a permit issued pursuant to this Chapter.~~

It is prohibited to start or maintain any outdoor fire during ~~non~~-fire season as determined by Douglas Forrest Protection Association (DFPA) of each calendar year. It is also prohibited to burn outdoors if the Oregon Department of Environmental Quality (DEQ) prohibits all or specific types of open burning for any reason, during any time of year.

During fire season, DFPA Public Use Restrictions will be followed and enforced within the city limits of Sutherlin.

**8.26.030 Yard Debris Burning Restrictions**

“Yard debris” is limited to wood, needle or leaf materials from trees, shrubs, or plants from the real property appurtenant to a dwelling of not more than four living units so long as such debris remains on the property of origin. Once yard debris is removed from the property of origin, it is no longer considered yard debris. Yard debris outdoor burning may be allowed during ~~non~~-fire season as determined by Douglas Forrest Protection Association (DFPA) of each calendar year, as long as the following conditions are met:

1. Yard debris only.
2. The burn will be supervised and constantly attended by an adult.
3. Burning will take place only when wind direction will not adversely affect visibility on roadways or downwind from occupancies.
4. Vegetation will be cleared a minimum of fifteen (15) feet around piles prior to burning.

Ordinance No.

5. Only one burn pile is allowed to burn at a time per property.
6. No utility lines are located overhead.
7. A garden hose is connected to a water supply and readily available to extinguish the fire.
8. No open flames on or within twenty-five (25) feet of any structure and/or within fifteen (15) feet from a fence.
9. The total fuel area is no more than four (4) feet in width by four (4) feet in length by four (4) feet in height.
10. The burning is ignited after 07:30 hours and extinguished two hours before sunset.
11. The use of “burn barrels” for burning yard debris is prohibited.

During non-fire season, burning of yard debris is allowed with no need for a written permit.

#### **8.26.040 Outdoor Burning Permits and Exemptions**

##### **A. Outdoor Burning Exempt from Bans.**

The following types of outdoor burning are allowed:

1. Open cooking fires, and fires contained in outdoor fireplace appliances specifically approved and listed for the use, if the following conditions are met:
  - a. The burn will be supervised and constantly attended by an adult.
  - b. Burning will take place only when wind direction will not adversely affect visibility on roadways or downwind from occupancies.
  - c. Vegetation will be cleared a minimum of fifteen (15) feet around piles prior to burning.
  - d. Only one cooking fire is allowed to burn at a time per property.
  - e. No utility lines are located overhead.
  - f. A garden hose is connected to a water supply and readily available to extinguish the fire.
  - g. No open flames on or within twenty-five (25) feet of any structure and/or within fifteen (15) feet from a fence.
  - h. The total fuel area is three (3) feet or less in diameter and two (2) feet or less in height.
  - i. During times of extreme fire danger and/or red flag warning from the National Weather Service, open cooking fires are banned.
2. Cooking in a barbecue grill or other similar enclosure specifically designed and listed for outdoor cooking. "Listed" means equipment or materials included on a list published by a nationally recognized testing laboratory, inspection agency or other organization concerned with product evaluation that maintains periodic inspection of production of listed equipment or materials, and whose listing states that equipment or materials meet nationally recognized standards and have been tested and found suitable for use in a specified manner.

Ordinance No.

- B. Outdoor Burning Allowed During the ~~Seasonal~~ Fire Season Burn Ban under 8.26.020 with a Permit.

A burn permit is required and may be issued by the Fire Chief or his/her designee for all outdoor bonfires, special events involving fire, and pyrotechnics and fireworks during the Fire Season Burn Ban.

1. Permit Investigation: Upon receipt of a burn permit application, the Fire Chief or his/her designee shall undertake whatever investigation the Fire Chief or his/her designee deems necessary. Based on this investigation, the Fire Chief or his/her designee may approve the permit.
2. Permit Standard: The Fire Chief or his/her designee shall issue the burn permit only when the Fire Chief or his/her designee determines the outdoor burning meets the requirements listed below, does not constitute a hazard and that reasonable steps will be taken to assure public safety. Such fires shall conform to the currently adopted Oregon Fire Code. Permits are issued for a specific time frame, normally not to exceed thirty (30) days.
3. Permit Extensions: When a permit has been issued and the burning is not completed due to restrictive weather conditions beyond the control of the permittee, and verified by the Fire Department, the permit may be extended as needed.
4. Permit Revocation: Permits will not be issued and issued permits will be revoked if burning includes burning of any other trash, garbage, construction debris, copper wire insulation removal, pallets or combustibles such as tires, building materials, flammable materials, household waste, paper, cardboard, clothing, plastic, diapers, Styrofoam or other noxious materials, or the burning of any other materials specifically prohibited by local, state or federal laws.
5. Bonfire and Special Event Fire Standards: Bonfires and special event fires require a burn permit and may be issued by the Fire Chief or his/her designee if the following conditions are met:
  - a. Burn site must be one hundred (100) feet or more away from all structures, public roads and fences.
  - b. The burn will be supervised and constantly attended by an adult.
  - c. Burning will take place only when wind direction will not adversely affect visibility on roadways or downwind from occupancies.
  - d. Vegetation will be cleared a minimum of one hundred (100) feet around piles prior to burning.
  - e. Only one bonfire fire is allowed to burn at a time per property.
  - f. No utility lines are located overhead.

- g. All required equipment and water supplies will be on site and operational for the duration of the burn.
- h. No open flames on or within one hundred (100) feet of any structure or fence.
- i. Bonfires and special event fires are limited to no more than eight (8) feet in width by eight (8) feet in length by eight (8) feet in height.
- j. The burn permit will be kept on the burn site while burning.
- k. Fire will be ignited after 0800 hours and extinguished by 1900 hours.
- l. All nighttime burns must be approved by the Fire Department.
- m. The permittee will take all reasonable precautions to control excessive visible emissions and odors from an open burn so as not to create a public nuisance.
- n. Creation of a public nuisance may result in revocation of the burning permit and possible enforcement action by the Sutherlin Police Department.

6. Firework and Pyrotechnics Permit Standards: Request for special events involving fireworks and/or pyrotechnics will be address on a case-by-case basis and ~~may~~ will require the approved permit from the Oregon State Fire Marshal's Office and/or required process.

#### **8.26.050 Burn Permit Application Requirement**

- 1. Burn permit applications can be obtained in person, and by appointment, at the Sutherlin Fire Department located at: 250 S. State Street
- 2. Burn permit applicants must provide a complete property owner address and the burn site address must be correctly identified.
- 3. Burn permit applicants will sign the application prior to the site inspection, confirming that all burning permit policy requirements have been met.
- 4. Burn permit inspections that do not meet established requirements within this policy will result in the denial of a permit.

#### **8.26.060 Fees**

There are no fees for burn permits in the City of Sutherlin.

#### **8.26.070 Enforcement**

Sutherlin Fire Department may inspect open burning by spot inspection, upon request or complaint. If no permit has been issued or burning is in violation of permit conditions or a nuisance is created, enforcement action may be taken.

#### **8.26.080. Violation –Penalties.**

A violation of any section of this chapter is punishable by fine not exceed one thousand dollars (\$1,000). In establishing the fine, the court shall consider if the violator has abated the nuisance.

Ordinance No.



**Section 2.** This ordinance being necessary for the immediate preservation of the public peace, health and safety.

**PASSED BY THE COUNCIL ON THE \_\_\_\_ DAY OF \_\_\_\_, 2023.**

**APPROVED BY THE MAYOR ON THIS \_\_\_\_ DAY OF \_\_\_\_, 2023.**

\_\_\_\_\_  
Michelle Sumner, Mayor

ATTEST:

\_\_\_\_\_  
Melanie Masterfield, City Recorder, CMC

Ordinance No.

# Douglas Forest Protective Association

## 2023 Public Use Restrictions



Public Use Restriction	Low	Moderate	High	Extreme
<b>Smoking</b> is prohibited while traveling, except in vehicles on improved roads, in boats on the water, and at other designated locations.	Prohibited at all times	Prohibited at all times	Prohibited at all times	Prohibited at all times
<b>Open fires are prohibited</b> , including campfires, charcoal fires, cooking fires, and warming fires, except at designated sites. Charcoal and pellet BBQs are allowed at residential home sites that are fully developed, landscaped, and maintained when used in a cleared area that is free of flammable vegetation. A charged garden hose or one 2 ½ pound or larger fire extinguisher must be immediately available. Portable cooking stoves using liquefied or bottled fuels are allowed elsewhere. The use of portable appliances such as camp stoves and fire pits using liquefied or bottled fuels are allowed in clear areas free of flammable vegetation. The following is required where open fires and appliances are allowed; one shovel and one gallon of water or one 2 ½ pound fire extinguisher.	Only at Designated Sites	Only at Designated Sites	Only at Designated Sites	Only at Designated Sites
<b>Electric fence controller</b> in use shall be listed by a nationally recognized testing laboratory or be certified by the Department of Consumer and Business Services and be operated in compliance with the manufacturer's instructions.	Restricted at all times	Restricted at all times	Restricted at all times	Restricted at all times
<b>Motor Vehicles</b> including motorcycles and all-terrain vehicles, are only allowed on improved roads free of flammable vegetation, except for the cultivation and harvest of agricultural crops. In addition, each passenger vehicle traveling on forestlands, except on state highways, county roads, and driveways must have an axe, a shovel and one gallon of water or a 2 ½ pound or larger ABC fire extinguisher. ATV's must have a 2 ½ pound or larger ABC fire extinguisher.	Off-road Driving Allowed with landowner permission	Restricted at all times	Restricted at all times	Restricted at all times
<b>Non-Industrial Power Saw Use:</b> When allowed, each saw being used must have a shovel and a fire extinguisher of at least 8 ounce capacity. A firewatch of at least one hour is required following the use of each saw.	Allowed All Day	Allowed Before 1 PM or After 8 PM	Allowed Before 10 AM or After 8 PM	Prohibited
<b>Cutting, Grinding, or Welding of Metal:</b> When allowed, is restricted to areas that are cleared of flammable materials and a charged garden hose or a 2 ½ pound or larger ABC fire extinguisher must be immediately available.	Allowed All Day	Allowed Before 1 PM or After 8 PM	Allowed Before 10 AM or After 8 PM	Prohibited
<b>Cutting, Trimming or Mowing of Dried, Cured Grass</b> The use of battery or electric string trimmers and the culture and harvest of agricultural crops is exempt from this requirement.	Allowed All Day	Allowed Before 1 PM or After 8 PM	Allowed Before 10 AM or After 8 PM	Prohibited
<b>Power Driven Machinery</b> not specifically mentioned above and used for any non-industrial improvement or development on private property is restricted. Each piece of equipment must have a shovel and a 2 ½ pound or larger ABC fire extinguisher. A one hour fire watch is required once work has completed for the day.	Allowed All Day	Allowed Before 1 PM or After 8 PM	Allowed Before 10 AM or After 8 PM	Prohibited
<b>Fireworks</b>	Prohibited at all times	Prohibited at all times	Prohibited at all times	Prohibited at all times
<b>Exploding Targets and Tracer Ammunition</b>	Prohibited at all times	Prohibited at all times	Prohibited at all times	Prohibited at all times
<b>Sky Lanterns</b>	Prohibited year-round	Prohibited year-round	Prohibited year-round	Prohibited year-round
<b>Debris Burning—including debris piles and burn barrels</b>	Prohibited at all times	Prohibited at all times	Prohibited at all times	Prohibited at all times



126 E. Central Avenue  
Sutherlin, OR 97479  
541-459-2856  
Fax: 541-459-9363  
[www.cityofsutherlin.com](http://www.cityofsutherlin.com)

## City of Sutherlin

STAFF REPORT					
Re: Resolution 2023.14 - Accepting Type 3 Heavy Brush from State of Oregon				Meeting Date:	12/11/2023
Purpose:	Action Item <input checked="" type="checkbox"/>	Workshop <input type="checkbox"/>	Report Only <input type="checkbox"/>	Discussion <input type="checkbox"/>	Update <input type="checkbox"/>
Submitted By: Mike Lane, Fire Chief				City Manager Review	<input checked="" type="checkbox"/>
Attachments: Resolution 2023.14					

### WHAT IS BEING ASKED OF COUNCIL?

To approve Resolution 2023.14 certifying Council's approval to accept a Type 3 Heavy Brush Fire Engine for use from the State of Oregon.

### EXPLANATION

The City of Sutherlin Fire Department applied for a grant through the State of Oregon Fire Marshal Office's Engine Program and was awarded a Type 3 Heavy Brush Engine to use for a term of three years. A condition of the contract is the Council must authorize the agreement by Resolution. Once the agreement is executed we anticipate delivery of the vehicle in early 2024.

### OPTIONS

Approve Resolution 2023.14 authorizing the agreement with the State of Oregon.

Not approve Resolution 2023.14 authorizing the agreement with the State of Oregon.

### SUGGESTED MOTION(S)

Approve Resolution 2023.14 authorizing the agreement with the State of Oregon to accept the use of a Type 3 Heavy Brush Engine for the term of three years.

**RESOLUTION NO. 2023.14**

**A RESOLUTION CERTIFYING THE COUNCIL’S APPROVAL TO ACCEPT A  
TYPE 3 HEAVY BRUSH FIRE ENGINE FROM THE STATE OF OREGON**

**WHEREAS**, the City of Sutherlin Fire Department (“City”) has a need for a Type 3 Heavy Brush Fire Engine and applied for a grant in 2022 through the State of Oregon Fire Marshal (OSFM) Engine Program and was awarded in April 2023; and

**WHEREAS**, the City will execute the contract with the State of Oregon to accept the use of this vehicle for a term of three (3) years with delivery in early 2024; and

**WHEREAS**, OSFM shall provide a reimbursement of eligible maintenance costs up to \$3,500.00 per year as outlined in Section A, 2 of Exhibit A; and

**WHEREAS**, the State of Oregon requires an Ordinance, Order, or Resolution by the Governing Body authorizing this agreement; and

**WHEREAS**, this resolution satisfies the requirements of the agreement with the OSFM; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council for the City of Sutherlin as follows:

**Section 1:** The City Council hereby approves the acceptance of the Type 3 Heavy Brush Engine from the State of Oregon.

**Section 2:** The City Manager is hereby directed to enter into this agreement.

**PASSED BY THE CITY COUNCIL ON THIS \_\_\_\_ DAY OF \_\_\_\_, 2023**

**APPROVED BY THE MAYOR ON THIS \_\_\_\_ DAY OF \_\_\_\_, 2023**

\_\_\_\_\_  
Michele Sumner, Mayor

ATTEST:

\_\_\_\_\_  
Melanie Masterfield, City Recorder, CMC

# ENGINE PROGRAM INTERGOVERNMENTAL AGREEMENT

Title: 2023 OSFM Engine Program

Agreement Number: \_\_\_\_\_

This agreement (“Agreement”) is made by the State of Oregon, acting by and through its Department of the State Fire Marshal (“OSFM” or “State”), and \_\_\_\_\_ (“Recipient”).<sup>1</sup>

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

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

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

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

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

## SECTION 1 - GRANT

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

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

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

## SECTION 2 - DISBURSEMENT

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

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

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

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

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

### SECTION 3 - RESERVED

RESERVED

### SECTION 4 – RECIPIENT’S REPRESENTATIONS AND WARRANTIES

Recipient represents and warrants to OSFM as follows:

A. Organization and Authority.

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

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

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

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

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



## SECTION 5 - COVENANTS OF RECIPIENT

Recipient covenants as follows:

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

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

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

## SECTION 6 - DEFAULTS

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

- A. A false or misleading representation made by or on behalf of Recipient in this Agreement or in any



document provided by Recipient related to this Agreement.

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

## SECTION 7 - REMEDIES

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

## SECTION 8 - MISCELLANEOUS

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

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

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

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

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

If to Recipient:

[Redacted recipient address block]

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

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

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

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

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

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

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

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

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

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

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO LEGAL SUFFICIENCY IN ACCORDANCE WITH ORS 291.047:**

Approved by e-mail dated 11/17/2023

Bryan Quesenberry

Assistant Attorney General

**EXHIBIT A –2023 OSFM ENGINE PROGRAM GUIDELINES**

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

DRAFT

**EXHIBIT B – APPARATUS DESCRIPTION**

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

Type of apparatus: Type 3 Engine

Approximate value of apparatus: \$390,000

DRAFT



# **REPORTS/ DISCUSSIONS**





# **Housing & Homeless Task Force**





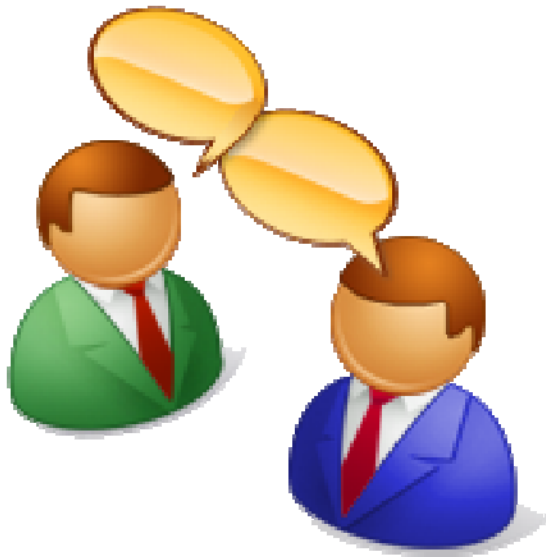
# **CITY MANAGER REPORT (verbal)**







# **COUNCIL COMMENTS**





# **PUBLIC COMMENT**





# ADJOURNMENT





# **FOR YOUR INFORMATION**



**PUBLIC NOTICE – CITY OF SUTHERLIN**

**CITY COUNCIL MEETING**

The December 11, 2023, City Council meeting will be held in Civic Auditorium at 175 E Everett at 7:00 p.m. The City has taken steps to utilize current technology in order to make meetings available to the public in compliance with ORS 192.670 – Meetings by Means of Telephone or Electronic Communication. The public is welcome to attend the meeting in person or join via Zoom.

City of Sutherlin is inviting you to a scheduled Zoom meeting.

Topic: City Council Meeting

Time: December 11, 2023 7:00 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us06web.zoom.us/j/85869299380?pwd=BF0P29gwmcngVNzPCch5ytXqeOt1FF.1>

Meeting ID: 858 6929 9380

Passcode: 637651

Find your local number: <https://us06web.zoom.us/u/kbNMsBUUJS>

## Melanie Masterfield

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**From:** Melanie Masterfield  
**Sent:** Wednesday, December 6, 2023 11:47 AM  
**To:** Ashley (ashley@bciradio.com); DC Commisioners (commissioners@co.douglas.or.us); Dennis Nakata; Erica Welch; Kyle-KQEN (KYLE@BCIRADIO.COM); Michael Salpino; News Desk (newsdesk@nrtoday.com); Register Guard (rgnews@registerguard.com); Roseburg Beacon (info@roseburgbeacon.com)  
**Subject:** Sutherlin City Council Meeting  
**Attachments:** 13. CC DEC 11.23 Meeting.pdf

Good morning. Attached is the agenda for Sutherlin City Council meeting on Monday, December 11, 2023



**Melanie Masterfield, CMC**  
*City Recorder/Community Engagement Manager*  
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