



AGENDA

CITY COMMISSION OF THE CITY OF WARRENTON
REGULAR MEETING
February 14, 2023 – 6:00 P.M.
Warrenton City Commission Chambers – 225 South Main Avenue
Warrenton, OR 97146

Public Meetings will also be audio and video live streamed. Go to <https://www.ci.warrenton.or.us/administration/page/live-stream-public-meetings> for connection instructions.

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **CONSENT CALENDAR**

- A. City Commission Meeting Minutes – 1.24.23
- B. Monthly Finance Report – December 2022
- C. Liquor License Application – Mod Pizza

Items on the Consent Calendar have previously been discussed and/or are considered routine. Approval of the Consent Calendar requires a motion, a second, and no discussion, unless requested by a member of the City Commission.

4. **COMMISSIONER REPORTS**

5. **PUBLIC COMMENT**

At this time, anyone wishing to address the City Commission concerning items of interest may do so. The person addressing the Commission must complete a Public Comment Card and submit it to the City Recorder prior to the meeting. All remarks will be addressed to the whole City Commission and limited to 3 minutes per person. Public Comments may also be submitted by email to the City Recorder, at cityrecorder@ci.warrenton.or.us, no later than 4:00 p.m. the day of the meeting. The Commission reserves the right to delay any action, if required, until such time as they are fully informed on a matter.

6. **PUBLIC HEARINGS**

- A. Proposed Sale of Property – Head Start

7. **BUSINESS ITEMS**

A. Consideration of Audit Report – FYE June 2022

B. Consideration to Place the Library Levy on the May Ballot (Resolution No. 2639)

C. Consideration of Seafarers Park Annexation and Urban Growth Boundary

8. **DISCUSSION ITEMS** - None

9. **GOOD OF THE ORDER**

10. **EXECUTIVE SESSION**

11. **ADJOURNMENT**

Warrenton City Hall is accessible to the disabled. An interpreter for the hearing impaired may be requested under the terms of ORS 192.630 by contacting Dawne Shaw, City Recorder, at 503-861-0823 at least 48 hours in advance of the meeting so appropriate assistance can be provided.

MINUTES
 Warrenton City Commission
 January 24, 2023
 6:00 p.m.
 Warrenton City Hall - Commission Chambers
 225 S. Main
 Warrenton, OR 97146

Mayor Pro Tem Baldwin called the meeting to order at 6:05 p.m. and led the public in the Pledge of Allegiance.

Commissioners Present: Mayor Pro Tem Mark Baldwin, Tom Dyer, Gerald Poe, and Paul Mitchell

Excused: Mayor Henry Balensifer

Staff Present: City Manager Esther Moberg, Police Chief Mathew Workman, Fire Chef Brian Alsbury, Library Administrative Assistant Cass Williams, Public Works Engineer Technician Trisha Hayrynen (via Zoom), Public Works Utility Worker Jim McCarthy, Public Works Utility Worker Mike Ulness, and City Recorder Dawne Shaw

CONSENT CALENDAR

- A. City Commission Work Session Minutes – 01.06.23
- B. City Commission Meeting Minutes – 1.10.23
- C. Warrenton Community Library Board Meeting Minutes – 12.14.22
- D. Police Department Monthly Report – December 2022
- E. Police Department Statistics Review – 2022

City Recorder Dawne Shaw noted there are updates to consent items D and E; Chief Workman explained the updated statistics and the reasoning for the revision. He submitted updated reports for the record.

Commissioner Poe made the motion to approve the consent calendar as presented with the amended minutes. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Mayor Pro Tem Baldwin reviewed a request from the County for a letter of support of their Resolution regarding homeless funding. He stated the Governor passed an allotment with the idea that more allotments would be passed. Now to be considered for the allotment, the State has said it is the county's job to put forth their request. The county is asking for the city's support for their request for the homeless funding process. Discussion continued. Mayor Pro Tem Baldwin requested to add it as Business Item 7-H; there were no objections.

COMMISSIONER REPORTS

Commissioner Poe noted that CREST requested him to be treasurer, and that he accepted.

Commissioner Mitchell noted he just left CEDR meeting and gave a brief update, noting that the biggest needs in the county right now are help with homelessness and unemployment.

Mayor Pro Tem Baldwin read a Proclamation, declaring February 2023 as Love your Library month.

PUBLIC COMMENT

Dave Zunkel spoke in regard to the library. He stated he is the Vice Chair of the Friends of the Library group. He stated the Friends and the Library Board urge the commission to support the recommendation of the levy. The recommendation is to keep the levy stable for the time being, for there to be no increase in taxes for the community that is already struggling.

PUBLIC HEARINGS – None

BUSINESS ITEMS

Community Library Advisory Board Chair, Kelsey Balensifer (via Zoom) presented the board's recommendation for the upcoming five-year local option levy to fund library operations. She spoke of the levy that failed on the November ballot. She noted this levy is the sole source of funding for the library. Ms. Balensifer stated the board is recommending continuing at the current rate of \$0.33 per \$1,000 of assessed value. She requested the Commission approve moving forward with placing it on the May Ballot. Commissioner Dyer stated he was extremely disappointed when it did not pass in November. Commissioner Mitchell noted that he believes a library is what makes a city, a city, and that without one it would be a great loss to our city. Commissioner Poe also commented on how many people he sees benefiting from the library, especially the population with lower income. Mayor Pro Tem Baldwin agreed with all the comments.

Commissioner Mitchell made the motion to accept the recommendation. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

City Manager Moberg presented Ordinance No. 1260 for its second reading and adoption.

Commissioner Poe made the motion to conduct the second reading, by title only, of Ordinance No. 1260; Renaming a Portion of SE 19th Street in Section 27 of the City of Warrenton. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Mayor Pro Tem Baldwin conducted the second reading, by title only, of Ordinance No. 1260.

Commissioner Poe made the motion to adopt Ordinance No. 1260.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Fire Chief Brian Alsbury requested to declare Rescue Vehicle 2751 as surplus. He noted the vehicle is older and is no longer usable, and the cost of maintaining the vehicle is becoming absurd. He would like to put it on an auction site to get rid of it.

Commissioner Dyer made the motion to declare R2751 as surplus and sell via WMC 3.28.080. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

MINUTES

Warrenton City Commission

Regular Meeting – 1.24.23

Page: 2

City Manager Moberg presented Resolution No. 2637 for its adoption, noting the first reading was held at the Commission's last meeting.

Commissioner Dyer made the motion to conduct the second reading, by title only, of Resolution No. 2637; Adopting Construction Review fees; Establishing February 24, 2023, as the Effective Date. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Commissioner Dyer made the motion to adopt Resolution No. 2637. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Public Works Engineer Technician Trisha Hayrynen (via Zoom) discussed a Request for Qualifications for the Hammond Transmission Waterline Project. Stating they want to hire a consulting engineering firm to help them with all the documents to get the project out to bid.

Commissioner Dyer made the motion to approve advertising the Request for Qualifications for the engineering design services of the Hammond Waterline Project. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Public Works Engineer Technician Trisha Hayrynen discussed a Request for Qualifications for the Raw Waterline Replacement Project (RP-2). She noted that this is segment two of the waterline replacement project that will consist of eight segments.

Commissioner Poe made the motion to approve advertising the Request for Qualifications for the engineering design services of the Raw Waterline Replacement Project (RP-2). Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

City Manager Moberg stated the City has received a request for a Community Center fee waiver for their annual Deep Sea Fishermen Benefit Fund event. Brief discussion followed.

Commissioner Dyer made the motion to pay the Deep-Sea Fishermen Benefit Fund fees for two days rental of Community Center from the City Commission's training fund. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

Discussed continued on a letter of support for the County's resolution to Governor Kotek regarding homeless funding. The Commission was in agreement to draft the letter of support.

Commissioner Mitchell made the motion to authorize the City Manager to draft a letter of support to Governor Kotek. Motion was seconded and passed unanimously.

Baldwin – aye; Dyer – aye; Poe – aye; Mitchell – aye

DISCUSSION ITEMS

Police Chief Workman discussed city code and ordinances updates as outlined in a previous work session. He reviewed the proposed changes. Commissioner Mitchell asked about licensing/permits – Chief responded. Chief Workman continued his review of the code revisions. Discussion and review continued. Chief noted his next step is to review with legal counsel and then return with an ordinance.

City Manager Moberg gave a summary of the January 6, 2023 work session on City land inventories and land leases. In the meeting they went over land and building inventory, potential for sale in the future, future needs of city departments and existing landlord tenant leases. She stated her next steps would include: getting appraisal and assessments to bring her findings back to the commission; updating leases for tenants; and further assessments on several properties and bring back what she has to the commission for further direction.

GOOD OF THE ORDER

Commissioner Dyer is grateful for working with people that are objective and open minded.

City Manager Moberg appreciated the Proclamation; noted that Love your Library banners are coming along with notices on water bills. She also noted Joshua Saranpaa the incoming Library Director is in attendance tonight. His start date is February 21. She lastly noted Greg Shafer will be starting as the Interim Public Works Director on February 1.

There being no further business, Mayor Pro Tem Baldwin adjourned the meeting at 7:08 p.m.

Respectfully prepared and submitted by Brittney Johnson, Deputy City Recorder.

APPROVED:

ATTEST:

Henry A. Balensifer III, Mayor

Dawne Shaw, CMC, City Recorder

Volume 16, Issue 6

**Monthly Finance Report
December 2022**

February 14, 2023

Economic Indicators

Department Statistics

Current and Pending Projects

	Current	1 year ago			
◆ Interest Rates:			◆ Utility Bills mailed	3,292	◆ ARPA Funding (next report due April 30, 2023)
LGIP :	3.04%	.45%	◆ New Service Connections	0	◆ Urban Renewal Annual Report (published before March 1, 2023)
Prime Rate:	7.50%	3.25%	◆ Reminder Letters	327	◆ 2024-2029 Capital Improvement Program (Work session April 11, 2023)
◆ CPI-U change:	6.5%	7.0%	◆ Door Hangers	69	◆ 2023-2024 Budget Preparation (Budget Committee Meeting May 13, 2023)
◆ Unemployment Rates:			◆ Water Service Discontinued	8	◆ Audit Report for FY 06/30/22—extension approved to 1/31/23
Clatsop County:	4.7%	4.7%	◆ Counter payments	396	
Oregon:	4.5%	4.2%	◆ Mail payments	1,073	
U.S.:	3.5%	3.9%	◆ Auto Pay Customers/pmts	690	
			◆ Online (Web) payments	1,284	
			◆ Checks issued	322	

Financial Narrative as of December 31, 2022

Note: Revenues and expenses should track at 6/12 or 50% of the budget.

General Fund: Year to date revenues amount to \$3,032,457, which is 53.3% of the budget, compared to the prior year amount of \$2,804,277, which was 61.4% of the budget and are up by \$228,180. Increases are shown in property tax, city franchise fees, state revenue sharing, police charges, fire charges, housing rehab loans, interest, leases, proceeds from sale of assets, and transfers from other funds and are offset by decreases in, franchise fees, transient room taxes, municipal court, planning fees and miscellaneous.

Expenses year to date amount to \$2,733,710, which is 43.5% of the budget, compared to the prior year amount of \$2,343,346, which was 46% of the budget. All departments are tracking at or under budget.

WBL: Business license revenue amounts to \$81,473, compared to \$59,770 at this time last year, a difference of \$21,703. A rate increase was implemented this fiscal year. Year to date licenses issued is 731 compared to 678 at this time last year.

Building Department: Permit revenues this month amount to \$5,781 and \$157,539 year to date, which is 51.6% of the budgeted amount. Last year to date permit revenue was \$91,838, 28.1% of the budget.

State Tax Street: State gas taxes received this month amount to \$43,422 for

fuel sold in November and \$210,025 year to date. City fuels taxes received this month amount to \$31,622 for fuel sold in October and are \$138,165 year to date. Total gas taxes received year to date are \$348,190 compared to \$302,756 at this time last year.

Warrenton Marina: Total revenues to date are \$620,119, 86.5% of the budgeted amount, compared to the prior year amount of \$597,797, which was 94.2% of the budgeted amount. There is \$30,590 in moorage receivables outstanding.

Hammond Marina: Total revenues to date are \$392,427, 102.1% of the budgeted amount, compared to the prior year amount of \$404,598, which was 115.1% of the budgeted amount. There is \$590 in moorage receivables outstanding.

Of the total outstanding receivables:

\$7,945 (25.5%) is current,

\$4,184 (13.4%) is 30-60 days past due,

\$3,381 (10.8%) is 60-90 days past due and

\$15,670 (50.3%) is over 90 days past due.

Water Fund: Utility fees charged this month are \$166,522 and \$88,436, and \$1,430,858 and \$1,006,730 year to date for in-city and out-city respectively and totals \$2,437,588 and is 59.7% of the budget. Last year at this time, year to

date fees were \$1,374,774 and \$909,589, for in-city and out-city, respectively and totaled \$2,284,363 .

Sewer Fund: Utility fees charged this month are \$220,681 and \$1,366,665 year to date, which is 50.3% of the budget. Last year at this time, year to date fees were \$1,305,315. Shoreline Sanitary fees year to date are \$70,447. Total revenues year to date are \$1,529,959 compared to \$1,405,809 at this time last year.

Storm Sewer: Utility fees (20% of sewer fees) this month are \$44,131 and \$271,106 year to date and is 50.3% of the budget. Last year to date revenues were \$261,038 which was 53.4% of the budget.

Sanitation Fund: Service fees charged this month for garbage and recycling were \$88,734 and \$19,144, and \$536,684 and \$114,910, year to date, and are 44% and 50.7% of the budget respectively.

Community Center Fund: Rental revenue year to date is \$13,677 and is 97.7% of the budget. Last year to date revenue was \$8,648, which was 66.5% of the budget. The annual Breakfast with Santa event was our most successful and brought in \$5,565 for the Center.

Financial data as of December, 2022

	General Fund			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	2,294,183	1,885,860	1,100,000	171.44
Plus: Revenues	440,612	3,032,457	5,691,876	53.28
Less: Expenditures				
Municipal Court	12,827	78,008	188,871	41.30
Admin/Comm/Fin(ACF)	133,740	659,757	1,385,311	47.63
Planning	22,366	145,460	439,126	33.12
Police	191,230	980,467	2,189,639	44.78
Fire	153,490	494,972	1,034,854	47.83
Parks	7,366	44,561	160,746	27.72
Transfers	29,169	330,485	891,451	37.07
Total Expenditures	550,188	2,733,710	6,289,998	43.46
Ending Fund Balance	2,184,607	2,184,607	501,878	435.29

(see details of revenue, page 4)

	WBL			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	112,981	68,931	59,000	116.83
Plus: Revenues	880	82,568	61,350	134.59
Less: Expenditures	753	38,391	66,307	57.90
Ending Fund Balance	113,108	113,108	54,043	209.29

	Building Department			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	710,774	736,201	640,000	115.03
Plus: Revenues	7,700	166,484	309,088	53.86
Less: Expenditures	59,411	243,622	455,954	53.43
Ending Fund Balance	659,063	659,063	493,134	133.65

	State Tax Street			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	3,277,162	2,778,651	2,100,000	132.32
Plus: Revenues	83,725	757,002	2,738,420	27.64
Less: Expenditures	632,764	807,530	4,739,670	17.04
Ending Fund Balance	2,728,123	2,728,123	98,750	2,762.66

	Warrenton Marina			
	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	641,874	323,922	300,000	107.97
Plus: Revenues	20,433	620,119	716,879	86.50
Less: Expenditures	47,867	329,601	818,225	40.28
Ending Fund Balance	614,440	614,440	198,654	309.30

Financial data as of December 2022, continued

	Hammond Marina				Water Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	432,992	206,211	290,000	71.11	3,345,102	1,878,545	2,000,000	93.93
Plus: Revenues	9,567	392,427	384,552	102.05	280,565	2,553,403	6,708,062	38.06
Less: Expenditures	26,660	182,739	534,261	34.20	697,218	1,503,499	7,747,678	19.41
Ending Fund Balance	<u>415,899</u>	<u>415,899</u>	<u>140,291</u>	<u>296.45</u>	<u>2,928,449</u>	<u>2,928,449</u>	<u>960,384</u>	<u>304.92</u>

	Sewer Fund				Storm Sewer			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	3,471,364	2,978,750	2,700,000	110.32	1,811,896	1,661,698	1,500,000	110.78
Plus: Revenues	253,979	1,529,959	2,904,261	52.68	48,750	289,584	844,912	34.27
Less: Expenditures	233,978	1,017,344	4,748,317	21.43	14,647	105,283	1,947,361	5.41
Ending Fund Balance	<u>3,491,365</u>	<u>3,491,365</u>	<u>855,944</u>	<u>407.90</u>	<u>1,845,999</u>	<u>1,845,999</u>	<u>397,551</u>	<u>464.34</u>

	Sanitation Fund				Community Center			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	593,853	504,966	445,000	113.48	27,037	21,718	18,500	117.39
Plus: Revenues	109,736	664,546	1,449,344	45.85	6,953	20,293	18,800	107.94
Less: Expenditures	67,591	533,514	1,633,871	32.65	2,367	10,388	29,096	35.70
Ending Fund Balance	<u>635,998</u>	<u>635,998</u>	<u>260,473</u>	<u>244.17</u>	<u>31,623</u>	<u>31,623</u>	<u>8,204</u>	<u>385.46</u>

	Library				Warrenton Urban Renewal Agency Capital Projects Fund			
	Current Month	Year to Date	Budget	% of Budget	Current Month	Year to Date	Budget	% of Budget
Beginning Fund Balance	251,629	162,397	160,000	101.50	8,732	9,011	12,184	73.96
Plus: Revenues	29,401	246,191	254,179	96.86	306	121,243	6,141,636	1.97
Less: Expenditures	11,062	138,620	303,013	45.75	-	121,216	6,153,820	1.97
Ending Fund Balance	<u>269,968</u>	<u>269,968</u>	<u>111,166</u>	<u>242.85</u>	<u>9,038</u>	<u>9,038</u>	<u>-</u>	<u>-</u>

Financial data as of December 2022, continued

(\$) Cash Balances as of December 31, 2022

General Fund	2,546,637	Warrenton Marina	592,553	Storm Sewer	1,794,700
WBL	112,944	Hammond Marina	422,297	Sanitation Fund	522,162
Building Department	698,362	Water Fund	2,704,670	Community Center	33,063
State Tax Street	2,891,164	Sewer Fund	3,264,413	Library	270,198

Warrenton Urban Renewal Agency

Capital Projects	14,571
Debt Service	3,300,433

General Fund Revenues	Collection Frequency	2022-2023 Budget	Actual as a % of Current Budget	Collections/Accruals Year to date		(over) under budget
				December 2022	December 2021	
Property taxes-current	AP	1,229,211	99.44	1,222,284	1,144,958	6,927
Property taxes-prior	AP	30,000	85.38	25,613	12,457	4,387
County land sales	A	-	0.00	-	-	-
Franchise fees	MAQ	612,000	34.74	212,620	213,880	399,380
COW - franchise fees	M	330,319	49.89	164,797	160,015	165,522
Transient room tax	Q	622,492	49.35	307,223	312,901	315,269
Liquor licenses	A	575	4.35	25	-	550
State revenue sharing	MQ	195,819	32.28	63,219	58,032	132,600
Municipal court	M	128,700	28.58	36,786	59,527	91,914
Planning Fees	I	110,500	24.95	27,570	37,119	82,930
Police charges	I	18,000	76.13	13,704	8,080	4,296
Fire charges	SM	112,329	16.93	19,013	900	93,316
Park charges	I	-	0.00	865	655	-
Housing rehab loan payments	I	-	0.00	9,032	-	-
Miscellaneous	I	3,000	374.13	11,224	14,166	(8,224)
Interest	M	8,000	344.83	27,586	3,828	(19,586)
Lease receipts	M	220,002	51.79	113,931	113,841	106,071
Proceeds from sale of assets	I	-	0.00	6,127	-	(6,127)
Grants	I	-	0.00	-	-	-
Sub-total		3,620,947	62.46	2,261,619	2,140,359	1,359,328
Transfers from other funds	I	685,618	0.00	111,081	-	574,537
Overhead	M	1,385,311	47.63	659,757	663,918	725,554
Total revenues		5,691,876	53.28	3,032,457	2,804,277	2,659,419

- M - monthly
- Q - quarterly
- SM - Semi-annual in November then monthly
- AP - As paid by taxpayer beginning in November
- MAQ - Century Link, NW Nat & Charter-quarterly, all others monthly
- S - semi-annual
- I - intermittently
- MQ - Monthly, cigarette and liquor and Quarterly, revenue sharing
- R - renewals due in July and new licenses intermittently
- A - annual

Note: Budget columns do not include contingencies as a separate line item but are included in the ending fund balance. Unless the Commission authorizes the use of contingency, these amounts should roll over to the following year beginning fund balance. For budget details, please refer to the City of Warrenton Adopted Budget for fiscal year ending June 30, 2023. Budget amounts reflect budget adjustments approved by the Commission during the fiscal year. Information and data presented in this report is unaudited.



**WARRENTON POLICE DEPARTMENT
OFFICE MEMORANDUM**



TO: DAWNE SHAW, CITY RECORDER

FROM: MATHEW J. WORKMAN, CHIEF OF POLICE

DATE: FEBRUARY 7, 2023

SUBJECT: OLCC LICENSE APPLICATION

CC:

I have reviewed the new application for an OLCC Liquor license for the MOD SUPER FAST PIZZA, LLC. I find nothing that would preclude the approval of this application by the City.



OREGON LIQUOR & CANNABIS COMMISSION

LIQUOR LICENSE APPLICATION

Instructions

1. **Complete and sign** this application.
2. Prior to submitting this application to the OLCC, send the completed application to **the local government for the premises address** to obtain a recommendation.
 - If the premises street address is within a city's limits, the local government is the city.
 - If the premises street address is not within a city's limits, the local government is the county.
3. Collect the application from the local government **after** the recommendation has been provided.
4. **Email the application that contains the local government recommendation** to OLCC.LiquorLicenseApplication@Oregon.Gov.
5. **Do not** include any license fees with your application packet (fees will be collected at a later time). *When it's time to pay the license fee you must pay the full yearly fee for the current license year (the license fee will not be prorated). If you pay in the last quarter of your license year you must also pay the yearly fee for the next license year.*

License Request Options - Please see the general definitions of the license request options below:

- **New Outlet:** The licensing of a business that does not currently hold an active liquor license.
- **Change of Ownership:** The request to completely change the licensee of record at a licensed business.
- **Greater Privilege:** The request to replace a Limited On-Premises sales license with a Full On-Premises sales license.
- **Lesser Privilege:** The request to replace a Full On-Premises sales license with a Limited On-Premises sales license.
- **Additional Privilege:** The licensee currently holds an active liquor license at the premises and that same licensee would like to request to add an **additional** different liquor license type at that same premises location.

Additional Information

Applicant Identification: Please review [OAR 845-006-0301](#) for the definitions of "applicant" and "licensee" and [OAR 845-005-0311](#) to confirm that all individuals or entities with an ownership interest (other than a waivable ownership interest, per [OAR 845-005-0311\[6\]](#)) in the business have been identified as license applicants on this document. If you have a question about whether an individual or entity needs to be listed as an applicant for the license, discuss this with the OLCC staff person assigned to your application.

Premises Address: This is the physical location of the business and where the liquor license will be posted.

Applicant Signature(s): Each individual listed in the [applicant information box](#) on page 2 (entity or individuals applying for the license) must sign the application.

If an applicant listed in the applicant information box on page 2 is an entity (such as a corporation or limited liability company), at least one individual who is authorized to sign for the entity must sign the application.

Applicant/Licensee Representative(s): In order to make changes to a license or application or to receive information about a license or application by someone other than the applicant/licensee you must:

- Complete the below [Authorized Representative](#) area on page 2 as the applicant/licensee and/or
- Provide a Power of Attorney document showing the permissions allowable on the behalf of the applicant/licensee with this submission

Please note that applicants/licensees are responsible for all information provided on this form, even if an authorized representative or individual with authority signs on behalf of the applicant.

For help with this application or any related documents or processes, email olcc.alcohollicensing@oregon.gov.

LIQUOR LICENSE APPLICATION

Page 1 of 4

Check the appropriate license request option:

New Outlet | Change of Ownership | Greater Privilege | Lesser Privilege | Additional Privilege

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

- Off Premises
- Warehouse
- Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

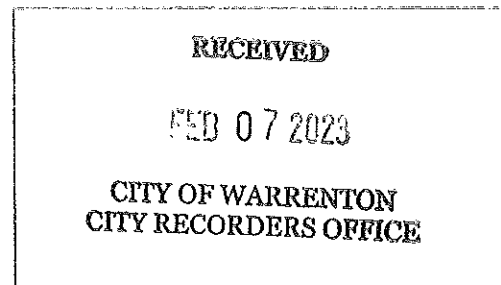
Local Governing Body: After providing your recommendation, return this application to the applicant.

LOCAL GOVERNING BODY USE ONLY

City/County name:

Date application received:

Optional: Date Stamp



- Recommend this license be granted
- Recommend this license be denied

Printed Name

Date

LIQUOR LICENSE APPLICATION

Page 2 of 4

APPLICANT INFORMATION

Identify the applicants applying for the license. This is the entity (example: corporation or LLC) or individual(s) applying for the license. Please add an additional page if more space is needed.

Name of entity or individual applicant #1: MOD SUPER FAST PIZZA, LLC	Name of entity or individual applicant #2:
Name of entity or individual applicant #3:	Name of entity or individual applicant #4:

BUSINESS INFORMATION

Trade Name of the Business (name customers will see):

MOD PIZZA

Premises street address (The physical location of the business and where the liquor license will be posted):

145 South Hwy 101, Suite (TBD)

City: Warrenton	Zip Code: 97146	County: Clatsop
---------------------------	---------------------------	---------------------------

Business phone number: 425-256-7625	Business email: licensing@modpizza.com
---	--

Business mailing address (where we will send any items by mail as described in [OAR 845-004-0065\(1\)](#)):

PO Box 6939

City: Bellevue	State: WA	Zip Code: 98008
--------------------------	---------------------	---------------------------

Does the business address currently have an OLCC liquor license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Does the business address currently have an OLCC marijuana license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	---

AUTHORIZED REPRESENTATIVE – A liquor applicant or licensee may give a representative authorization to make changes to the license or application on behalf of the licensee or to receive information about a license or application.

I give permission for the below named representative to:

- Make changes regarding this license/application on my behalf.
- Receive information about the status of this application, including information about pending compliance action or communications between OLCC and the licensee/applicant.

Representative Name:
Jill Miller - Paralegal

Phone number: 206-757-8819	Email: jillmiller@dwt.com
--------------------------------------	-------------------------------------

Mailing address:
920 Fifth Ave Suite 3300

City: Seattle	State: WA	Zip Code: 98104
-------------------------	---------------------	---------------------------

LIQUOR LICENSE APPLICATION

Page 3 of 4

APPLICATION CONTACT INFORMATION – Provide the point of contact for this application. If this individual is not an applicant or licensee, the Authorized Representative section must be filled in and the appropriate permission(s) must be selected.

Application Contact Name:

Jill Miller

Phone number:

206-757-8819

Email:

jillmiller@dwt.com

TERMS

- “Real property” means the real estate (land) and generally whatever is erected or affixed to the land (for example, the building) at the business address.
- “Common area” is a privately owned area where two or more parties (property tenants) have permission to use the area in common. Examples include the walking areas between stores at a shopping center, lobbies, hallways, patios, parking lots, etc. An area’s designation as a “common area” is typically identified in the lease or rental agreement.

ATTESTATION – OWNERSHIP AND CONTROL OF THE BUSINESS AND PREMISES

- Each applicant listed in the “Application Information” section of this form has read and understands OAR 845-005-0311 and attests that:
 1. At least one applicant listed in the “Application Information” section of this form has the legal right to occupy and control the real property proposed to be licensed as shown by a property deed, lease, rental agreement, or similar document.
 2. No person not listed as an applicant in the “Application Information” section of this form has an ownership interest in the business proposed to be licensed, unless the person qualifies to have that ownership interest waived under OAR 845-005-0311.
 3. The licensed premises at the premises street address proposed to be licensed either:
 - a. Does not include any common areas; or
 - b. Does include one or more common areas; however, only the applicant(s) have the exclusive right to engage in alcohol sales and service in the area to be included as part of the licensed premises.
 - In this circumstance, the applicant(s) acknowledges responsibility for ensuring compliance with liquor laws within and in the immediate vicinity of the licensed premises, including in portions of the premises that are situated in “common areas” and that this requirement applies at all times, even when the business is closed.
 4. The licensed premises at the premises street address either:
 - a. Has no area on property controlled by a public entity (like a city, county, or state); or
 - b. Has one or more areas on property controlled by a public entity (like a city, county, or state) and the public entity has given at least one of the applicant(s) permission to exercise the privileges of the license in the area.

LIQUOR LICENSE APPLICATION

Page 4 of 4

• Each applicant listed in the “Application Information” section of this form has read and understands OAR 845-006-0362 and attests that:

1. Upon licensure, each licensee is responsible for the conduct of others on the licensed premises, including in outdoor areas.
2. The licensed premises will be controlled to promote public safety and prevent problems and violations, with particular emphasis on preventing minors from obtaining or consuming alcoholic beverages, preventing over-service of alcoholic beverages, preventing open containers of alcoholic beverages from leaving the licensed premises unless allowed by OLCC rules, and preventing noisy, disorderly, and unlawful activity on the licensed premises.

I attest that all answers on all forms and documents, and all information provided to the OLCC as a part of this application, are true and complete.

Scott Svenson

_____ Print name	_____ Signature	_____ Date	_____ Atty. Bar Info (if applicable)
_____ Print name	_____ Signature	_____ Date	_____ Atty. Bar Info (if applicable)
_____ Print name	_____ Signature	_____ Date	_____ Atty. Bar Info (if applicable)
_____ Print name	_____ Signature	_____ Date	_____ Atty. Bar Info (if applicable)



OREGON LIQUOR CONTROL COMMISSION
INDIVIDUAL HISTORY FORM

PRINT FORM

RESET FORM

1. Name (Print):	Svenson Last	Scott First	Middle	
2. Other names used (maiden, other): N/A				
3. Do you have a Social Security Number (SSN) issued by the United States Social Security Administration? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If yes, you must list your SSN: ██████████				
<p>SOCIAL SECURITY NUMBER DISCLOSURE: As part of your application for an initial or renewal license, Federal and State laws require you to provide your Social Security Number (SSN) to the Oregon Liquor Control Commission (OLCC) for child support enforcement purposes (42 USC § 666(a)(13) & ORS 25.785). If you are an applicant or licensee and fail to provide your SSN, the OLCC may refuse to process your application. Your SSN will be used only for child support enforcement purposes unless you indicate below.</p> <p>Based on our authority under ORS 471.311 and OAR 845-005-0312(6), we are requesting your <u>voluntary consent</u> to use your SSN for the following administrative purposes only: to match your license application to your Alcohol Server Education records (where applicable), and to ensure your identity for criminal records checks. OLCC will not deny you any rights, benefits or privileges otherwise provided by law if you do not consent to use of your SSN for these administrative purposes (5 USC § 552(a)).</p>				
4. Do you consent to the OLCC's use of my SSN as described above? Check this box: <input checked="" type="checkbox"/>				
5. Date of Birth (DOB):	███ (mm)	███ (dd)	███ (yyyy)	
6. Driver License or State ID #: ██████████			7. State WA	
8. Contact Phone: 425-256-7625				
9. E-mail Address: licensing@modpizza.com				
10. Mailing Address:	PO Box 6939 (Number and Street)	Bellevue (City)	WA (State)	98008 (Zip Code)
11. In the past 10 years, have you been convicted of a felony or a misdemeanor in a U.S. state outside of Oregon? No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> (If yes, explain in the space provided, below) Unsure <input type="checkbox"/> Choose this option and provide an explanation if, for example: you were arrested or went to court, but are unsure of whether there was a conviction; you paid a fine or served probation or parole, but are unsure of whether there was a conviction; or if you know you had a conviction, but you are unsure of whether the conviction has been removed from your record, etc.				

XXXXXXXXXXXX

XXXX

XXXX

XXXX

XXXXXXXXXXXX



OREGON LIQUOR CONTROL COMMISSION
INDIVIDUAL HISTORY FORM

12. Do you, or any entity that you are a part of, **currently hold** or **have you previously held** a recreational marijuana license in Oregon? (Note: marijuana worker permits are not marijuana licenses.)

No Yes Please list licenses (and year(s) licensed) below Unsure Please include an explanation:

13. Do you, or any entity that you are a part of, hold an alcohol license in a U.S. state outside of Oregon?

No Yes Please list licenses (and year(s) licensed) below Unsure Please include an explanation:

Washington License 433116 Restaurant Beer and Wine License; Washington License 431468 Restaurant Beer and Wine License

Mod Pizza hold numerous alcohol licenses across the country. They are all retail licenses. Due to the size of this list, an entire copy is available upon request.

14. Do you or any entity that you are a part of, have any other liquor license applications pending with the OLCC?

No Yes Please list applications below Unsure Please include an explanation:

Limited on Premise Retail Application for 2275 NE 27th Suite C & D, McMinnville OR submitted to the OLCC via email on 4/5/22.

MOD Superfast Pizza LLC, DBA Mod Pizza
 Limited on Premise Retail Application for 2305 Suite 101 Ashland OR emailed to OLCC on 5/6/22

Limited on Premise Retail Application for 1176 NW Garden Valley Blvd, Roseburg OR emailed to OLCC on 5/6/22

You must sign your own form (electronic signature acceptable). Another individual, such as your attorney or an individual with power of attorney, **may not** sign your form.

Affirmation

Even if I receive assistance in completing this form, I affirm by my signature below, that my answers on this form are true and complete. I understand the OLCC will use the above information to check my records, including but not limited to my criminal history. I understand that if my answers are not true and complete, the OLCC may deny my license application.

Name (Print):	Svenson Last	Scott First	Middle
Signature:			Date: 5/5/2022

This box for OLCC use ONLY

_____ Does the individual currently hold, or has the individual previously held, an OLCC- issued liquor license?



OREGON LIQUOR CONTROL COMMISSION
INDIVIDUAL HISTORY FORM

PRINT FORM

RESET FORM

1. Name (Print):	Guenser Last	Joshua First	John Middle
2. Other names used (maiden, other): N/A			
3. Do you have a Social Security Number (SSN) issued by the United States Social Security Administration? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If yes, you must list your SSN: : ██████████			
<p>SOCIAL SECURITY NUMBER DISCLOSURE: As part of your application for an initial or renewal license, Federal and State laws require you to provide your Social Security Number (SSN) to the Oregon Liquor Control Commission (OLCC) for child support enforcement purposes (42 USC § 666(a)(13) & ORS 25.785). If you are an applicant or licensee and fail to provide your SSN, the OLCC may refuse to process your application. Your SSN will be used only for child support enforcement purposes unless you indicate below.</p> <p>Based on our authority under ORS 471.311 and OAR 845-005-0312(6), we are requesting your <u>voluntary consent</u> to use your SSN for the following administrative purposes only: to match your license application to your Alcohol Server Education records (where applicable), and to ensure your identity for criminal records checks. OLCC will not deny you any rights, benefits or privileges otherwise provided by law if you do not consent to use of your SSN for these administrative purposes (5 USC § 552(a)).</p>			
4. Do you consent to the OLCC's use of my SSN as described above? Check this box: <input checked="" type="checkbox"/>			
5. Date of Birth (DOB):	█ (mm)	█ (dd)	█ (yyyy)
6. Driver License or State ID # ██████████			7. State WASHINGTON
8. Contact Phone: 425-256-5104			
9. E-mail Address: licensing@modpizza.com			
10. Mailing Address:	PO Box 6939 (Number and Street)	Bellevue (City)	WA 98008 (State) (Zip Code)
11. In the past 10 years, have you been convicted of a felony or a misdemeanor in a U.S. state outside of Oregon? No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> (If yes, explain in the space provided, below) Unsure <input type="checkbox"/> Choose this option and provide an explanation if, for example: you were arrested or went to court, but are unsure of whether there was a conviction; you paid a fine or served probation or parole, but are unsure of whether there was a conviction; or if you know you had a conviction, but you are unsure of whether the conviction has been removed from your record, etc.			



OREGON LIQUOR CONTROL COMMISSION
INDIVIDUAL HISTORY FORM

12. Do you, or any entity that you are a part of, currently hold or have you previously held a recreational marijuana license in Oregon? (Note: marijuana worker permits are not marijuana licenses.)

No Yes Please list licenses (and year(s) licensed) below Unsure Please include an explanation:

13. Do you, or any entity that you are a part of, hold an alcohol license in a U.S. state outside of Oregon?

No Yes Please list licenses (and year(s) licensed) below Unsure Please include an explanation:

See above

14. Do you or any entity that you are a part of, have any other liquor license applications pending with the OLCC?

No Yes Please list applications below Unsure Please include an explanation:

Mod Super Fast Pizza LLC 2275 NE 27th Suite C & D McMinnville OR submitted via email to the OLCC on 4/5/22.

SEE ABOVE FOR ADDITIONAL LOCATIONS

You must sign your own form (electronic signature acceptable). Another individual, such as your attorney or an individual with power of attorney, **may not** sign your form.

Affirmation

Even if I receive assistance in completing this form, I affirm by my signature below, that my answers on this form are true and complete. I understand the OLCC will use the above information to check my records, including but not limited to my criminal history. I understand that if my answers are not true and complete, the OLCC may deny my license application.

Name (Print):	Guenser Last	Joshua First	John Middle
Signature:			Date: 5/5/2022

This box for OLCC use ONLY

_____ Does the individual currently hold, or has the individual previously held, an OLCC- issued liquor license?



Oregon Liquor Control Commission

LIMITED LIABILITY COMPANY (LLC) QUESTIONNAIRE

PRINT FORM

RESET FORM

LLC Name MOD SUPER FAST PIZZA, LLC

Trade Name of Business (Name Customers Will See) MOD PIZZA

The LLC named in this document is a (see page 1 for definitions): Manager-Managed LLC Member-Managed LLC

This section is ONLY for a manager-managed LLC. (Directions on page 1. You may include information on a separate sheet.)

Name of Managing Member (please print)	Name of Managing Member (please print)
Scott Svenson	Joshua Guenser

This section is for BOTH a manager-managed LLC and a member-managed LLC. (Directions on page 1. You may include information on a separate sheet.)

Name of Member (please print)	Percentage of issued membership held
MOD Super Fast Pizza Intermediate Holdings II, LLC	%100

This section is ONLY for an LLC with the listed officers. (Directions on page 1. You may include information on a separate sheet.)

Title	Name (please print)
President	
Secretary CEO	Scott Svenson
Treasurer CFO	Joshua Guenser
Vice president with responsibility over the operation of the business	

SERVER EDUCATION DESIGNEE (Directions on page 1)

Name (please print)	Date of Birth
TBD	

SIGNATURE (Directions on page 1)

NAME of Signing Person (please type or print) Scott Svenson

DATE 12/7/2022

SIGNATURE of signing person (may electronically sign) _____

This box for OLCC use ONLY

Only for an applicant of record: SOS Number _____ Current at time of issuing license (yes/no) _____

Does the entity hold, or has it ever held, an OLCC-issued liquor license? _____



LIMITED LIABILITY COMPANY (LLC) QUESTIONNAIRE

PRINT FORM

RESET FORM

LLC Name MOD Super Fast Pizza Intermediate Holdings II, LLC

Trade Name of Business (Name Customers Will See) MOD PIZZA

The LLC named in this document is a (see page 1 for definitions): Manager-Managed LLC Member-Managed LLC

This section is ONLY for a manager-managed LLC. (Directions on page 1. You may include information on a separate sheet.)

Name of Managing Member (please print)	Name of Managing Member (please print)
Scott Svenson	Josh Guenser

This section is for BOTH a manager-managed LLC and a member-managed LLC. (Directions on page 1. You may include information on a separate sheet.)

Name of Member (please print)	Percentage of issued membership held
MOD Super Fast Pizza Intermediate Holdings I, LLC	%100

This section is ONLY for an LLC with the listed officers. (Directions on page 1. You may include information on a separate sheet.)

Title	Name (please print)
President	
Secretary	
Treasurer	
Vice president with responsibility over the operation of the business	

SERVER EDUCATION DESIGNEE (Directions on page 1)

Name (please print)	Date of Birth
TBD	

SIGNATURE (Directions on page 1)

NAME of Signing Person (please type or print) Scott Svenson

DATE 12/7/2022

SIGNATURE of signing person (may electronically sign)

This box for OLCC use ONLY

Only for an applicant of record: SOS Number _____ Current at time of issuing license (yes/no) _____

Does the entity hold, or has it ever held, an OLCC-issued liquor license? _____



AGENDA MEMORANDUM

TO: The Warrenton City Commission
FROM: Dawne Shaw, City Recorder
DATE: February 14, 2023
SUBJ: PUBLIC HEARING AND RESOLUTION APPROVING THE SALE OF CERTAIN REAL PROPERTY – HEAD START

SUMMARY

At its January 10, 2023, meeting, the City Commission adopted Resolution No. 2638, declaring the Head Start property to have no real market value. This action was necessary due to the incorrect entity named on the November ballot measure. The next step to move forward with the transfer of the property to the correct entity, is to adopt a resolution to approve the sale to Community Action Team. Per ORS 221.725, there are certain requirements for a city to sell real property, including public notice and a public hearing. All notice requirements have been met, and Resolution No. 2640 is before you for its adoption.

RECOMMENDATION/SUGGESTED MOTION

Conduct the public hearing and then adopt Resolution No. 2640.

Suggested Motion: *"I move to adopt Resolution No. 2640; A Resolution Approving the Sale of Certain Real Property to Community Action Team Incorporated, of Columbia County, Oregon."*

ALTERNATIVE

None recommended

FISCAL IMPACT

Sale of Head Start property to CAT for the amount of \$1.00

Approved by City Manager:

A handwritten signature in blue ink, reading "Esther Moberg", is written over a horizontal line.

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

RESOLUTION NO. 2640

Introduced by All Commissioners

A RESOLUTION APPROVING THE SALE OF CERTAIN REAL PROPERTY TO COMMUNITY ACTION TEAM INCORPORATED OF COLUMBIA COUNTY, OREGON

WHEREAS, the City of Warrenton owns certain real property, commonly known as the Head Start building and located at 200 SW 3rd St., Warrenton, OR 97146, a legal description of which is attached hereto as Exhibit A (the Property); and

WHEREAS, the Property has been used as a Head Start facility since 1996; and

WHEREAS, ORS 221.725 sets forth certain requirements for a city desiring to sell real property, including public notice, a public hearing, and certain disclosures; and

WHEREAS, notice of the propose sale and public hearing was published in The Astorian on February 7, 2023, consistent with ORS 221.725; and

WHEREAS, the City Commission held a public hearing on this proposed sale on February 14, 2023, at which any resident of the city was given an opportunity to present written or oral testimony, consistent with ORS 221.725; and

WHEREAS, the nature of the proposed sale and the general terms thereof, and evidence of the market value of the Property, are described in this resolution and have been disclosed as required by ORS 221.725; and

WHEREAS, ORS 271.310 sets forth certain additional provisions relating to sale by a city of real property, including those relating to consideration being in the form of cash or real property, notice to the Oregon Department of Transportation (ODOT) in certain circumstances, and a finding that the public interest may be furthered by the sale; and

WHEREAS, the consideration for the proposed sale is cash, consistent with ORS 271.310; and

WHEREAS, notice was provided to ODOT on December 27, 2022 (acknowledged on January 3, 2023), consistent with ORS 271.310; and

WHEREAS, it appears to the City Commission that selling said Property to Community Action Team Incorporated of Columbia County, Oregon (CAT) is necessary or convenient in order to transfer ownership and responsibility for repairs and maintenance of the building and property to CAT, rather than continue City ownership of a building that has not been operated by the City for over 25 years; and

WHEREAS, after considering all of the information and testimony presented at the public hearing, it appears to the City Commission that the public interest may be furthered by the proposed sale; and

WHEREAS, on January 10, 2023, the City Commission approved Resolution No. 2638, finding that the Property has no real market value pursuant to Warrenton Municipal Code Section 3.40.020, and is therefore not subject to the requirements of City Charter Chapter XI;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Warrenton that:

City Manager Esther Moberg is hereby authorized to act on behalf of the City Commission and the City of Warrenton to execute a deed and take all other steps necessary and appropriate to effectuate a sale of the property described in Exhibit A, attached hereto and incorporated herein by reference, for consideration of cash in the amount of \$1 (one dollar), subject to a reversionary clause for the benefit of the City in the event the property is no longer used as a Head Start facility, and subject to an easement that would allow the City to use the parking lot on the property.

Adopted by the City Commission of the City of Warrenton this _____ day of _____ 2023.

This resolution shall take effect immediately upon its passage.

APPROVED

Henry A. Balensifer III, Mayor

ATTEST

Dawne Shaw, CMC, City Recorder

LEGAL DESCRIPTION**Property Line Adjustment****Tax Lot 81021BD04100, City of Warrenton, Oregon**

A tract of land located in the North one half and the Northwest one quarter of the Southeast one quarter of Section 21, Township 8 North, Range 10 West, Willamette Meridian, City of Warrenton, Clatsop County, Oregon, being a portion of that real property as described in Bargain and Sale Deed in Book 441, at page 629, Clatsop County records, being further described as follows:

All lots contained in Blocks 16, and 17, of "W. C. Smith's Warrenton", a duly recorded plat, Clatsop County, Oregon

TOGETHER WITH the following portions of Vacated S.W. Birch Avenue as described in City of Warrenton Ordinance 730-A recorded in Book 581, page 130, Clatsop County records, being those portions of said vacated street lying 40 feet east of Lots 1 through 6, Block 16, and those portions of said vacated street lying 40 feet west of Lots 11 through 16, Block 17, "W. C. Smith's Warrenton".

EXCEPTING THEREFROM Lots 1 through 10, Block 17, Lots 7 through 10, Block 16, and the East 45.56 feet of Lots 11 through 16, Block 17, of said "W. C. Smith's Warrenton" plat in Clatsop County, Oregon.

ALSO EXCEPTING THEREFROM the following portions of vacated streets as described in City of Warrenton Ordinance 730-A recorded in Book 581, page 130, Clatsop County records, being those portions of Vacated S.W. Birch Street lying west of Lots 9 and 10, Block 17, and lying east of Lots 7 and 8, Block 16, and those portions of Vacated S.W. 4th Street lying 30 feet south of Lots 8 and 9, Block 16, extended westerly 30 feet to the intersection of S.W. 4th Street S.W. Birch Court and continuing east to the intersection of S.W. Birch Avenue and S.W. 4th Street, and lying 30 feet south of Lots 9 and 10, Block 17 from the intersection of S.W. Birch Avenue and S.W. 4th Street east to the intersection of S.W. 4th Street and S.W. Alder Court, and those portions of Vacated S.W. Alder Court lying east of Lots 1 through 8, Block 17 from the intersection of S.W. 4th Street and S.W. Alder Court north to the south right of way line of S.W. 3rd Street, "W. C. Smith's Warrenton".

Containing 2.24 acres more or less.



**Finance Department
Agenda Memorandum**

To: The Honorable Mayor and Members of the Warrenton City Commission
From: April Clark
Finance Director
Date: February 14, 2023

Regarding – Audit for Fiscal Year Ending June 30, 2022

The financial Statements, for the City of Warrenton, for the period ending June 30, 2022 are attached.

Our auditor, Paul Nielson, of Isler, CPA will be here this evening to present the financial statements and the results of the audit.

Approved by City Manager: _____

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

CITY OF WARRENTON, OREGON
FINANCIAL STATEMENTS AND SUPPLEMENTAL
INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022
WITH
INDEPENDENT AUDITOR'S REPORT

CITY OF WARRENTON, OREGON

Financial Statements and Supplemental Information

For the Year Ended June 30, 2022

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CITY OF WARRENTON, OREGON

Financial Statements and Supplemental Information

For the Year Ended June 30, 2022

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CITY OF WARRENTON, OREGON

Financial Statements and Supplemental Information

For the Year Ended June 30, 2022

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INTRODUCTORY SECTION



CITY OF WARRENTON, OREGON

List of Elected and Appointed Officials

June 30, 2022

ELECTED OFFICIALS - CITY COMMISSION

Mayor	Henry Balensifer III
Position No. 1	Gerald Poe
Position No. 2	Mark Baldwin
Position No. 3	Tom M. Dyer
Position No. 4	Rick Newton

Mailing Address

PO Box 250
Warrenton, Oregon 97146

APPOINTED OFFICIALS

City Manager	Linda Engbretson
City Recorder	Dawne Shaw
City Attorney	Beery, Elsner & Hammond

Mailing Address

PO Box 250
Warrenton, Oregon 97146



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commission
City of Warrenton, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warrenton, Oregon ("City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Warrenton, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability, and the schedule of pension contributions be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund financial statements and other supplemental information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and other supplemental information are 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 combining and individual fund financial statements and other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Report on Other Legal and Regulatory Requirements

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

Isler CPA

By:



Paul R Nielson, CPA, a member of the firm

Eugene, Oregon

February 14, 2023



Management's Discussion and Analysis

As management of the City of Warrenton, Oregon, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our annual financial report.

Financial Highlights

The City's total assets and deferred outflows at June 30, 2022 were \$75,368,815.

The City's total liabilities and deferred inflows at June 30, 2022 were \$20,577,709.

The net position of the City at June 30, 2022 was \$54,791,106. Of this amount, \$15,333,702 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2022, the City's governmental funds reported combined ending fund balances of \$11,050,262.

At the end of the fiscal year, the City's total combined governmental funds had a restricted fund balance of \$8,483,497, a committed fund balance of \$96,274, an assigned fund balance of \$583,218, and an unassigned fund balance of \$1,885,860.

The General Fund's unassigned fund balance is \$1,885,860 at the end of the current fiscal year, or 41.7% of General Fund expenditures and transfers out.

Overview of Financial Statements

This discussion and analysis provided here are intended to serve as an introduction to the City's basic 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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

The governmental activities of the City include the following:

- General government
- Fire and emergency medical services
- Police
- Planning and development
- Library and culture
- Public works

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

- Water utilities
- Sewer utilities
- Sanitation utilities
- Marinas

The government-wide financial statements can be found in the basic financial statements as listed in the table of contents.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of 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 financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and 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.

The City of Warrenton maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is considered to be a major fund. Data from the remaining governmental funds (nonmajor governmental funds) are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Warrenton adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget. To demonstrate compliance, budgetary comparison statements for all of the governmental funds have been prepared and can be found in the basic financial statements and supplemental information as listed in the table of contents.

The basic governmental fund financial statements and respective reconciliation can also be found in the basic financial statements as listed in the table of contents.

Proprietary funds. Proprietary funds are used to account for activities where the emphasis is placed on net income determination. The City of Warrenton maintains two types of proprietary funds: enterprise and internal service funds. The City uses enterprise funds to account for its water, sewer and sanitation utilities, and marinas. The City uses an internal service fund to account for engineering services provided to other departments/funds within the City. The internal service fund activity is included with the business-type activities on the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, and Sanitation utilities, all of which are considered to be major funds of the City of Warrenton. The Marina funds are considered to be nonmajor funds.

The City also adopts an annual appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the enterprise funds as supplemental information, as listed in the table of contents. The proprietary fund financial statements can also be found in the basic financial statements as listed in the table of contents.

Notes to the basic financial statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found in the basic financial statements as listed in the table of contents.

Required Supplementary Information. Information regarding the City's share of the net pension liability and pension contributions can be found in the required supplementary information as listed in the table of contents.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$54,791,106 at the close of the most recent fiscal year.

By far, the largest portion of the City's net position, 55.2%, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, 16.8%, represents resources that are subject to external restrictions on how they may be used. The remaining portion represents 28.0% of total net position, and may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole and for its separate business-type activities. The governmental activities category, unrestricted net position, is reported as negative \$2,436,468. The negative balance in unrestricted net position is a result of the City issuing general obligation bonded debt for the Wastewater Treatment Facility (an asset in the Sewer Enterprise). The debt reduces unrestricted net position in the governmental activities column by \$2,307,397 while the related capital asset increases net investment in capital assets for business-type activities. In essence, the general government has taken on debt for the Sewer Utility.

City of Warrenton's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 14,498,513	\$ 10,430,319	\$ 21,157,489	\$ 18,632,067	\$ 35,656,002	\$ 29,062,386
Capital assets, net	12,321,633	12,005,818	25,067,716	25,861,453	37,389,349	37,867,271
Total assets	<u>26,820,146</u>	<u>22,436,137</u>	<u>46,225,205</u>	<u>44,493,520</u>	<u>73,045,351</u>	<u>66,929,657</u>
Deferred outflows	1,381,531	1,598,306	941,933	1,111,612	2,323,464	2,709,918
Noncurrent liabilities	6,498,494	9,424,756	6,781,372	8,946,642	13,279,866	18,371,398
Other liabilities	1,517,440	666,885	523,323	630,615	2,040,763	1,297,500
Total liabilities	<u>8,015,934</u>	<u>10,091,641</u>	<u>7,304,695</u>	<u>9,577,257</u>	<u>15,320,629</u>	<u>19,668,898</u>
Deferred inflows	3,769,478	198,964	1,487,602	138,379	5,257,080	337,343
Net position:						
Net investment in capital						
assets	10,224,868	9,571,536	20,040,493	20,120,723	30,265,361	29,692,259
Restricted	8,627,865	7,770,422	564,178	414,686	9,192,043	8,185,108
Unrestricted	(2,436,468)	(3,598,120)	17,770,170	15,354,087	15,333,702	11,755,967
Total net position	<u>\$ 16,416,265</u>	<u>\$ 13,743,838</u>	<u>\$ 38,374,841</u>	<u>\$ 35,889,496</u>	<u>\$ 54,791,106</u>	<u>\$ 49,633,334</u>

The City's net position increased by \$5,501,150 during the current fiscal year.

The City's total assets and deferred outflows at June 30, 2022 increased \$5,729,240 from \$69,639,575 to \$75,368,815, or 8.23% from the prior year. Cash increased by \$4,938,882, or 18.30% from the prior year. Receivables decreased by \$3,091, or 0.19% from the prior year. Capital assets, net, decreased by \$477,922, or 1.26%, from the prior year. The remaining current assets, prepayments, increased by \$1,528, or 72.90%, from the prior year.

The City's total liabilities and deferred inflows at June 30, 2022 increased by \$571,468, or 2.86%, from the prior year. Accounts payable and other current liabilities increased \$101,911, or 11.01%, from the prior year. Interest payable on long term debt decreased by \$16,108 or 17.67% from the prior year. The City's outstanding debt decreased \$1,513,463, or 13.47%.

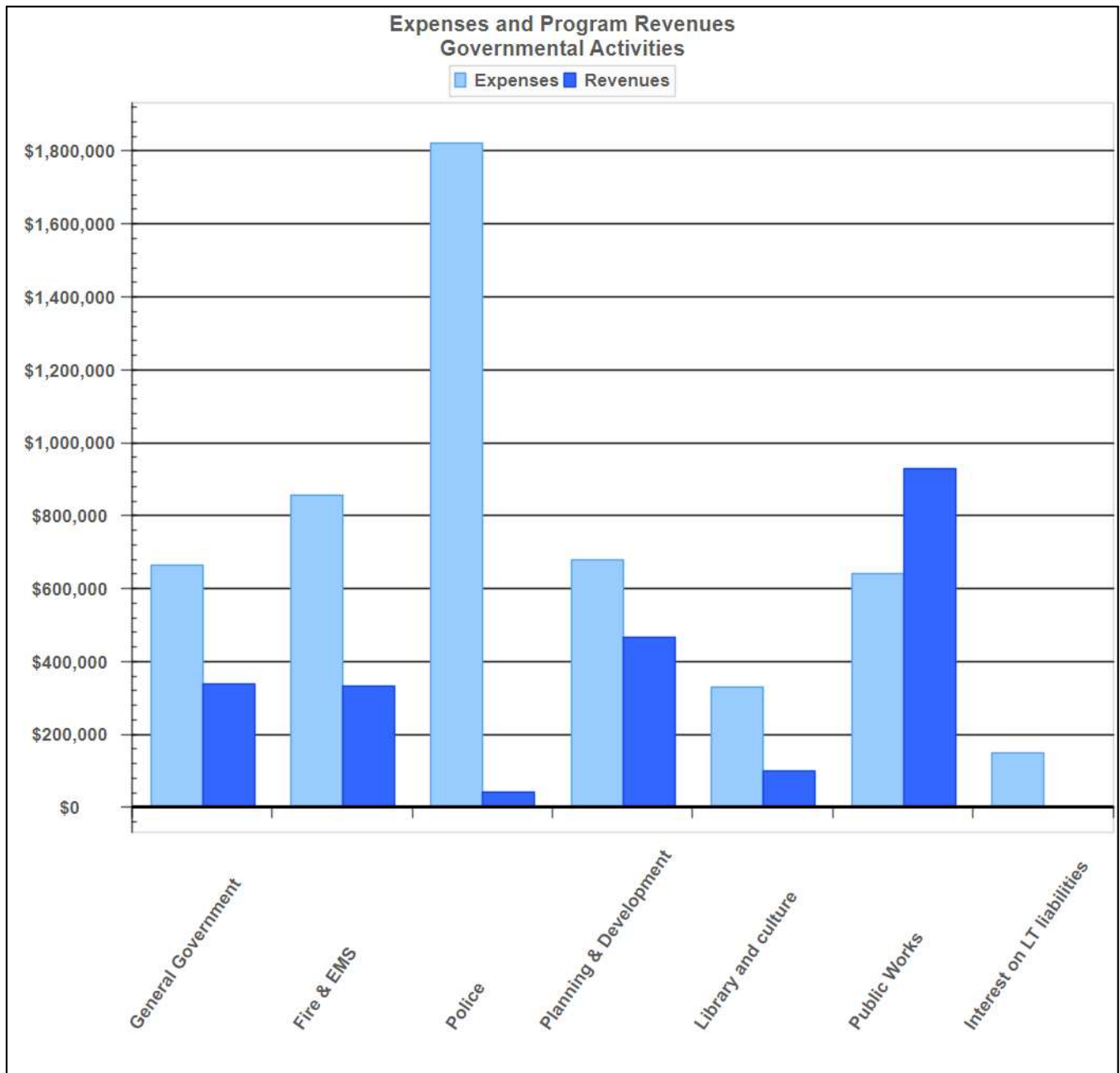
City of Warrenton's Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Fines, fees & charges for services	\$ 1,097,488	\$ 1,036,912	\$ 9,594,818	\$ 9,500,921	\$10,692,306	\$10,537,833
Operating grants & contributions	580,406	620,582	-	13,834	580,406	634,416
Capital grants & contributions	530,668	216,191	205,203	241,415	735,871	457,606
General revenues:						
Property taxes	2,987,338	2,790,625	-	-	2,987,338	2,790,625
Other taxes	1,307,408	1,187,824	229,977	160,903	1,537,385	1,348,727
Franchise fees	924,075	918,595	-	-	924,075	918,595
Unrestricted state revenue sharing	192,271	195,716	-	-	192,271	195,716
Gain on sale of assets	135,508	-	-	-	135,508	-
Unrestricted investment earnings	60,274	70,238	110,360	121,350	170,634	191,588
Total revenues	<u>7,815,436</u>	<u>7,036,683</u>	<u>10,140,358</u>	<u>10,038,423</u>	<u>17,955,794</u>	<u>17,075,106</u>
Expenses:						
General government	665,345	844,932	-	-	665,345	844,932
Fire & emergency medical services	855,101	1,012,786	-	-	855,101	1,012,786
Police	1,821,401	2,095,763	-	-	1,821,401	2,095,763
Planning and development	678,698	704,569	-	-	678,698	704,569
Library and cultural services	329,155	306,963	-	-	329,155	306,963
Public works	640,086	1,037,323	-	-	640,086	1,037,323
Interest on long-term liabilities	150,462	175,690	-	-	150,462	175,690
Water utility	-	-	2,457,043	2,497,761	2,457,043	2,497,761
Sewer utility	-	-	2,629,732	2,811,660	2,629,732	2,811,660
Sanitation utility	-	-	1,250,438	1,339,244	1,250,438	1,339,244
Marinas	-	-	977,183	1,000,986	977,183	1,000,986
Total expenses	<u>5,140,248</u>	<u>6,178,026</u>	<u>7,314,396</u>	<u>7,649,651</u>	<u>12,454,644</u>	<u>13,827,677</u>
Change in net position	2,675,188	858,657	2,825,962	2,388,772	5,501,150	3,247,429
Net position, July 1 as restates	<u>13,741,077</u>	<u>12,885,181</u>	<u>35,548,879</u>	<u>33,500,724</u>	<u>49,289,956</u>	<u>46,385,905</u>
Net position, June 30	<u>\$16,416,265</u>	<u>\$13,743,838</u>	<u>\$38,374,841</u>	<u>\$35,889,496</u>	<u>\$54,791,106</u>	<u>\$49,633,334</u>

Governmental activities. Governmental activities increased the City's net position by \$2,675,188. The primary elements of the change in total net position are as follows:

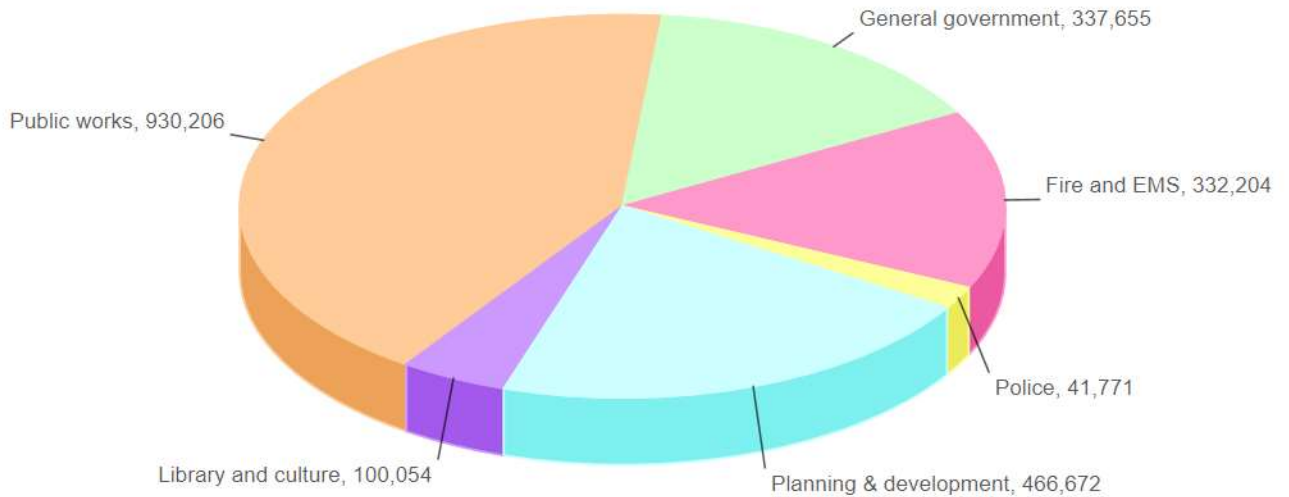
- Revenues overall increased \$778,753 as program revenues increased \$334,877 and general revenues increased \$443,876. The increase in program revenues relates to increased state gas taxes, capital grants for fire equipment and street projects. .
- The General Fund permanent rate tax and Police Department local option tax increased \$72,383, the Urban Renewal Agency's tax increased \$116,839 and the Library increased \$16,839, and taxes to pay debt decreased \$9,148.
- Franchise fees increased by \$5,480 during the year. This revenue can be cyclical due to weather conditions and demand for telecommunication services.
- Other taxes increased \$119,584 unrestricted state revenue sharing decreased \$3,445.
- Gain on sale of assets increased by \$135,508 from sale of property.
- Unrestricted investment earnings (interest from bank accounts) decreased by \$9,964 during the year.
- Interest expense on debt decreased \$25,228 from the prior year.
- Total expenses decreased by \$1,037,778. This decrease is mostly a result of decreased street maintenance , and decreases in administrative, police, and fire departments from the prior year.

The following graph summarizes the 2021-2022 governmental activity program revenues and corresponding expenses. The revenues shown total \$2,208,562, an increase from the prior year of \$334,877, are directly attributable to each activity (program revenues) and do not include property taxes, other taxes, franchise fees, unrestricted state revenue sharing, investment earnings, and other one-time or extraordinary revenue streams which are discretionary (general revenues). Discretionary revenues amount to \$5,606,874, an increase of \$443,876 from the prior year.



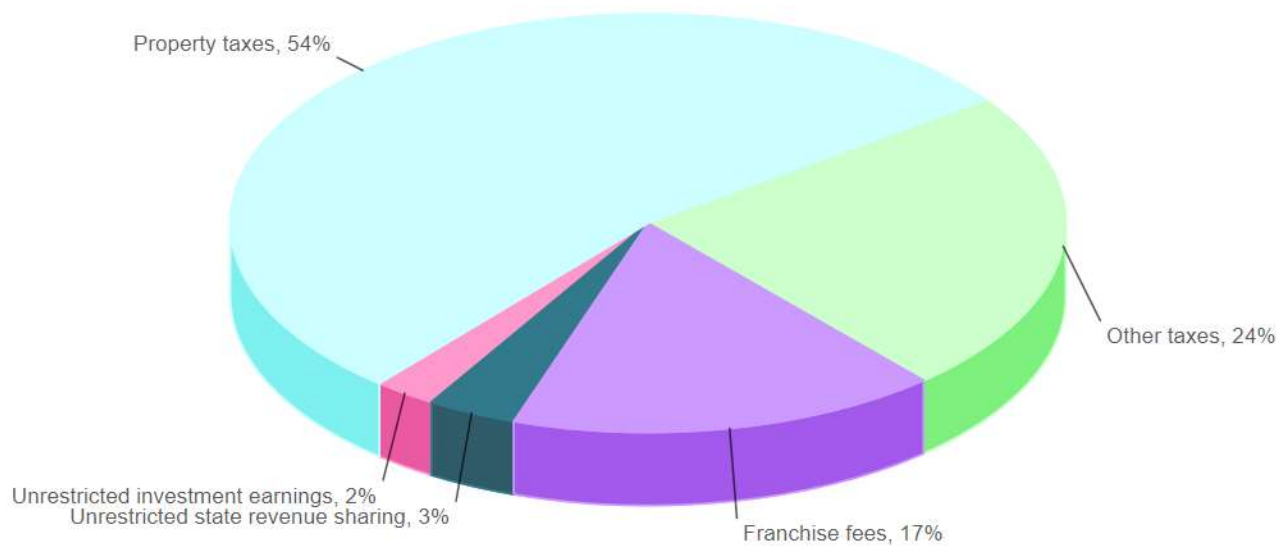
This next chart shows the total functional revenues for each program in the amount of \$2,208,562 by its source.

**Program Revenues by Source
Governmental Activities**



As the next chart reflects, most 2021-2022 governmental activities relied on general discretionary revenues to support the function. This graph shows total discretionary revenues in the amount of \$5,606,874 by percentage in each category

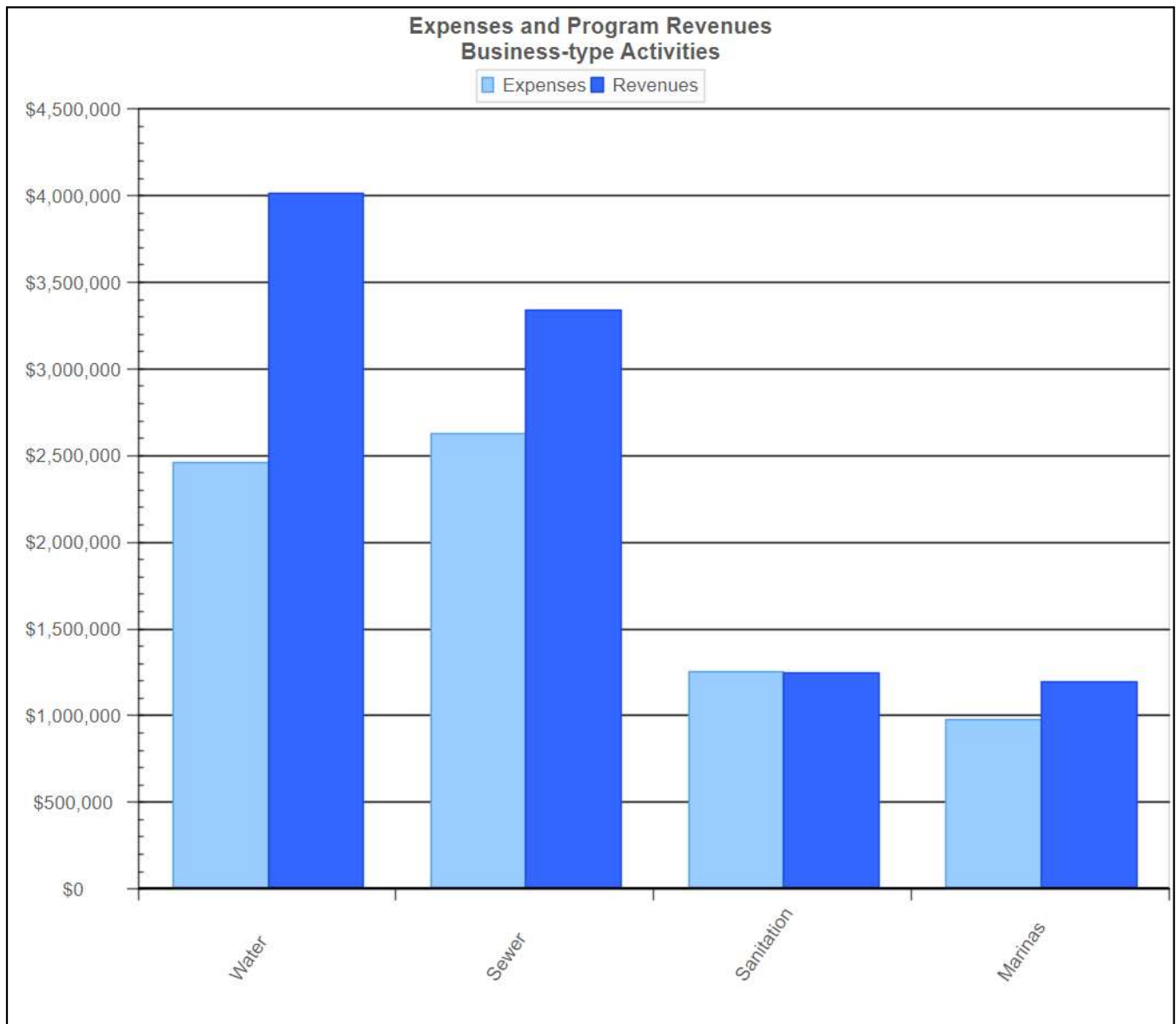
**Discretionary Revenues by Source
Governmental Activities**



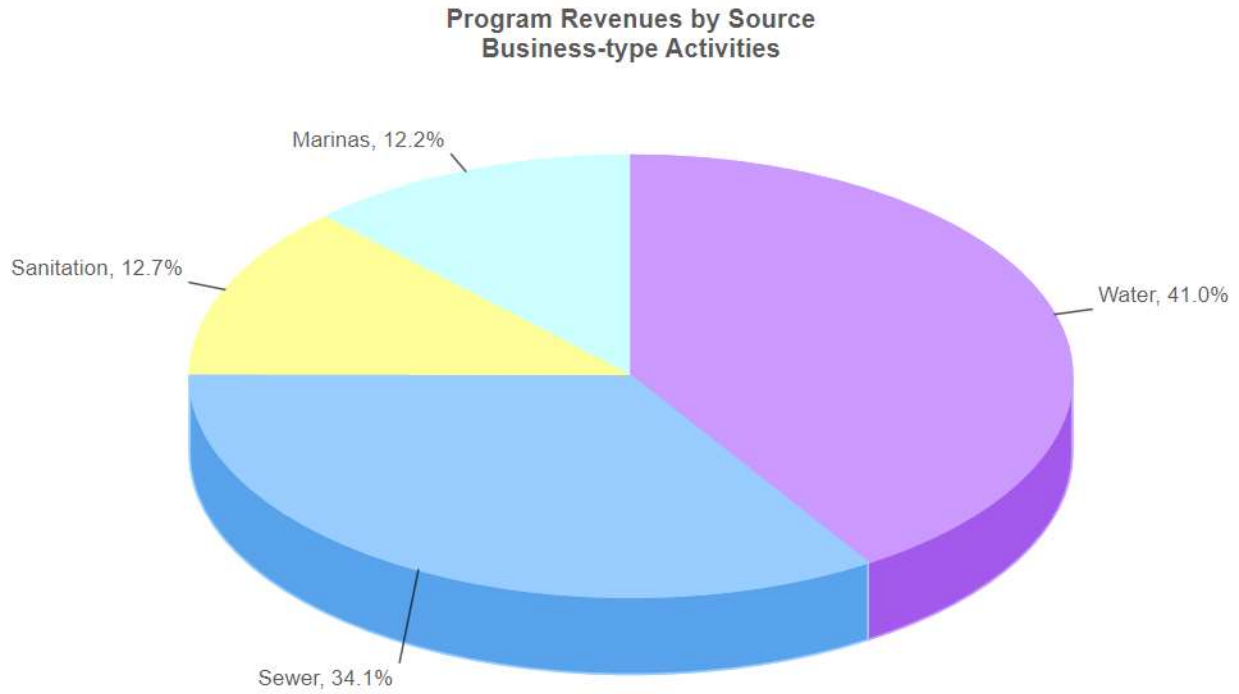
Business-type activities. Business-type activities increased the City’s net position by \$2,825,962. Key elements of this increase are as follows:

- Fines, fees, and charges for services had a net increase this year of \$93,897 from the prior year. Revenues decreased in the Water fund, this year by \$54,489, they decreased in the Sewer Fund by \$92,581, and increased in the Sanitation Fund by \$41,824, and the Marinas show increases of \$199,143. Gross water sales decreased by \$88,761, or 2.27%, from the prior year, as a result of water consumption decreases of approximately 16.8 million gallons.
- Combined operating and capital grants and contributions decreased this year by \$50,046 and are mostly due to higher water system development charges for large projects in the previous year.
- Unrestricted investment earnings (interest from bank accounts) decreased by \$10,990 during the year.
- Total business-type activity revenues increased by \$101,935.
- Total operating expenses decreased from the prior year in the amount of \$335,255.

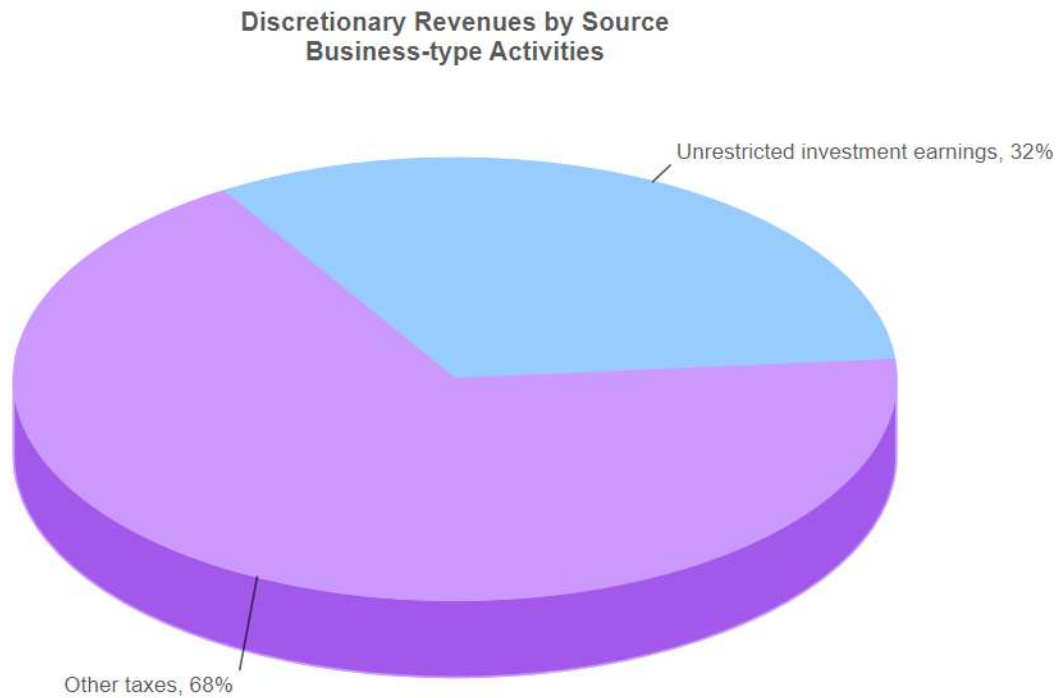
Business-type activities of the City of Warrenton are supported by charges for utility service, capital contributions, development fees, and other grants. The graph below summarizes the 2021-2022 expenses and revenues of those funds.



Total program revenues in the business-type activities of the City total \$9,800,021 as represented by the percentages in the chart below for 2021-2022.



In the following graph, discretionary revenues amount to \$340,337. Consisting of transient room tax dedicated to the Hammond Marina in the amount of \$229,977 and Unrestricted investment earnings of \$110,360



Financial Analysis of the Government's Funds

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

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$11,050,262, an increase of \$1,284,073 in comparison with the prior year. Approximately 17.1% of this amount (\$1,885,860) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either, *nonspendable, restricted, committed, or assigned* to indicate that it is 1) not in spendable form (\$1,413), 2) restricted for particular purposes (\$8,483,497), 3) committed for particular purposes (\$96,274), or 4) assigned for particular purposes (\$583,218).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance of the General Fund was \$1,885,860. This balance increased from the prior year, in the amount of \$418,470. As a measure of the General Fund's liquidity, it may be useful to compare the categories of restrictions placed on the fund balance to total fund expenditures. Total fund balance represents approximately 41.7% of total General Fund expenditures and transfers out.

The fund balance of the City's General Fund increased by \$418,470 during the current fiscal year. While revenues increased \$347,205, expenditures also increased by \$252,434. Key elements of the increase to fund balance are as follows:

- Taxes increased by \$125,213 during the year. Revenue in this category comes mostly from property taxes and land sales which increased by \$42,987 and transient room tax which increased by \$82,226.
- Franchise fees increased by \$5,479. This revenue stream can be quite cyclical.
- Intergovernmental receipts from Oregon state revenue sharing for cigarette, liquor and marijuana taxes and fees decreased by \$3,445.
- Charges for services increased by \$8,026. This increase is mainly from planning services.
- Lease receipts increased by \$7,638 due to scheduled increases per lease agreements
- Fines and fees from Municipal Court decreased by \$7,431.
- Investment (interest) earnings increased by \$3,295.
- Indirect cost allocations increased by \$156,829
- Expenditures and other financing sources and uses in the General Fund also increased \$353,034 from the prior year. The decrease in fire and emergency medical services (\$8,387) was offset by increases in general government (Administration, Commission, Finance and Municipal Court) (\$142,053), public works (\$28,681), police (\$74,214), planning & development (\$15,874) and transfers out (\$100,600).

The State Tax Street Fund has a total fund balance of \$2,778,651, all of which is restricted to road maintenance. The net increase in fund balance during the current year was \$170,372.

- Revenue, from all sources increased from the prior year by \$176,865. Increases in State and City fuel taxes of \$82,501 were offset by the decrease in investment income of \$5,003.
- Total expenses increased this year by \$52,933. Operational expenses decreased this year by \$382,127 and capital project costs this year increased by \$435,060.

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

Unrestricted net position of the Water, Sewer, and Sanitation utilities amount to \$16,412,570, and those for the marinas amount to \$1,359,530.

The total change in net position for all funds was \$2,831,036. Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

Budgetary Highlights

The Commission approved changes to the original budget of the Transient Room Fund for the fiscal year ended June 30, 2022.

An adjustment was approved and adopted in the Transient Room Tax Fund for pass through payments to increase both resources and appropriations to pass through an additional \$30,000 of transient room taxes collected from lodging operators to tourism related organizations and tourist facilities.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$37,389,349. This investment in capital assets includes land, buildings and improvements, furniture and equipment, heavy equipment, vehicles, facilities (utilities) and work in progress. Net capital assets decreased by \$477,922 during the year because capital asset additions of \$1,657,431 less current year depreciation, in the amount of \$2,135,348 net to the overall decrease of capital assets at the end of the year.

City of Warrenton's Capital Assets, Net of Accumulated Depreciation

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 2,405,574	\$ 2,410,432	\$ 422,041	\$ 422,041	\$ 2,827,615	\$ 2,832,473
Buildings	2,760,357	2,864,787	1,473,995	1,406,449	4,234,352	4,271,236
Equipment	1,696,556	1,581,002	674,382	819,809	2,370,938	2,400,811
Improvements	991,772	1,048,620	1,250,566	402,165	2,242,338	1,450,785
Facilities	-	-	20,708,139	21,914,164	20,708,139	21,914,164
Infrastructure	3,964,732	3,803,150	-	-	3,964,732	3,803,150
Right to use asset	20,940	-	-	-	20,940	-
Construction in progress	481,702	297,827	538,593	896,825	1,020,295	1,194,652
Total	<u>\$12,321,633</u>	<u>\$12,005,818</u>	<u>\$25,067,716</u>	<u>\$25,861,453</u>	<u>\$37,389,349</u>	<u>\$37,867,271</u>

Major capital asset additions during the current fiscal year included the following:

Equipment acquisitions amounted to a total of \$276,851 for a vehicle for the building inspector, a police patrol vehicle, self-contained breathing apparatus for the fire department, and an emergency response trailer for streets.

Major capital improvements were as follows:

- SW Alder 1st to 2nd Street in the amount of \$430,235.
- Hammond Marina Dredging Project in the amount of \$304,271.
- Safe Routes to School Grade School to Main Avenue in the amount of \$128,382.
- Replace Raw Water Pipe Downstream in the amount of \$111,695.
- SE Marlin & 101 Pump Station Upgrade in the amount of \$75,980.
- N Main/NW 7th Place Improvement in the amount of \$69,054.
- The Warrenton Urban Renewal Agency spent \$97,606 in capital improvements this year for the commercial work pier at the Warrenton Marina (\$68,775) food pod parking lot improvement (\$25,242), Downtown improvements (\$538) and Landscape Improvements (\$3,050).

Overall, these construction and equipment additions total \$1,494,074 and represent approximately 92% of the total additions.

Additional information regarding the City's capital assets can be found at Note III C.

Long-term Debt. At the end of the current fiscal year, the City had total long-term debt of \$9,408,786. Of this amount, \$5,027,222 is proprietary fund secured loans and \$4,112,322 represents outstanding bonded indebtedness. The bonded indebtedness represents debt backed by the full faith and credit of the government.

City of Warrenton's Outstanding Debt						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General obligation bonds	\$ 2,307,397	\$ 2,780,287	\$ -	\$ -	\$ 2,307,397	\$ 2,780,287
Tax increment financial bonds	1,804,925	2,102,201	-	-	1,804,925	2,102,201
Notes payable	269,242	332,081	5,027,222	5,740,730	5,296,464	6,072,811
Total	\$ 4,381,564	\$ 5,214,569	\$ 5,027,222	\$ 5,740,730	\$ 9,408,786	\$ 10,955,299

Additional information on the City of Warrenton’s long-term debt can be found in Note III F.

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 budget:

- A 3% increase in assessed property values resulting in the same increase in property tax revenue.
- Cost of living adjustment to wages of 5% for police association members and 2.5% for general union and non-union employees..
- A 4% increase in water utility, sewer utility and storm sewer rates.
- A return to normal for Transient Room Tax Collections following the Covid-19 Pandemic.
- Interest rates on money market and savings accounts are improving.
- Coronavirus State & Local Fiscal Recovery Funds will be utilized to provide government services.
- The City of Warrenton continues to purchase a catastrophic liability insurance policy to protect itself from unforeseen losses in excess of \$5 million.

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 directed to the following address:

April Clark
 Finance Director
 City of Warrenton
 P. O. Box 250
 Warrenton, OR 97146

BASIC FINANCIAL STATEMENTS



CITY OF WARRENTON

Statement of Net Position

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 11,850,133	\$ 20,072,620	\$ 31,922,753
Receivables	816,549	847,657	1,664,206
Leases receivable, current	207,780	46,451	254,231
Prepaid items	1,413	2,211	3,624
Noncurrent assets:			
Restricted cash	-	63,012	63,012
Lease receivable	1,622,638	125,538	1,748,176
Capital assets:			
Right to use asset	20,940	-	20,940
Nondepreciable assets	2,887,276	960,634	3,847,910
Depreciable assets, net	<u>9,413,417</u>	<u>24,107,082</u>	<u>33,520,499</u>
Total assets	26,820,146	46,225,205	73,045,351
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions	<u>1,381,531</u>	<u>941,933</u>	<u>2,323,464</u>
Total assets and deferred outflows	<u>28,201,677</u>	<u>47,167,138</u>	<u>75,368,815</u>
LIABILITIES			
Accounts payable	720,193	307,355	1,027,548
Accrued interest payable	12,187	62,850	75,037
Compensated absences	123,046	125,275	248,321
Unearned revenue	639,417	27,843	667,260
Noncurrent liabilities:			
Lease Liabilities, due in one year	22,597	-	22,597
Debt Due within one year	856,491	603,523	1,460,014
Debt Due in more than one year	3,525,073	4,734,521	8,259,594
Net pension liability	<u>2,116,930</u>	<u>1,443,328</u>	<u>3,560,258</u>
Total liabilities	8,015,934	7,304,695	15,320,629
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	1,939,060	1,322,056	3,261,116
Deferred Inflows -Leases Receivable	<u>1,830,418</u>	<u>165,546</u>	<u>1,995,964</u>
Total liabilities and deferred inflows	<u>11,785,412</u>	<u>8,792,297</u>	<u>20,577,709</u>
NET POSITION			
Net investment in capital assets	10,224,868	20,040,493	30,265,361
Restricted for:			
Debt service	3,190,040	63,012	3,253,052
Building inspection program	728,293	-	728,293
Road maintenance	2,880,995	-	2,880,995
Urban renewal improvements	9,011	-	9,011
Library and culture	169,353	-	169,353
Public works	221,864	-	221,864
System development	1,428,309	501,166	1,929,475
Unrestricted	<u>(2,436,468)</u>	<u>17,770,170</u>	<u>15,333,702</u>
Total net position	<u>\$ 16,416,265</u>	<u>\$ 38,374,841</u>	<u>\$ 54,791,106</u>

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

CITY OF WARRENTON

Statement of Activities

For the Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expense Allocation</u>	<u>Program Revenues</u>		
			<u>Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Governmental activities:					
General government	\$ 1,804,995	\$(1,139,650)	\$ 337,655	\$ -	\$ -
Fire and emergency medical services	767,454	87,647	171,252	-	160,952
Police	1,748,090	73,311	32,467	9,304	-
Planning and development	654,222	24,476	466,672	-	-
Library and culture	295,005	34,150	83,410	15,128	1,516
Public works	563,977	76,109	6,032	555,974	368,200
Interest on long-term liabilities	<u>150,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>5,984,205</u>	<u>(843,957)</u>	<u>1,097,488</u>	<u>580,406</u>	<u>530,668</u>
Business-type activities:					
Water utilities	2,144,100	312,943	3,941,066	-	74,598
Sewer utilities	2,307,697	322,035	3,264,723	-	72,619
Sanitation utilities	1,163,723	86,715	1,249,396	-	-
Marinas	<u>854,919</u>	<u>122,264</u>	<u>1,139,633</u>	<u>-</u>	<u>57,986</u>
Total business-type activities	<u>6,470,439</u>	<u>843,957</u>	<u>9,594,818</u>	<u>-</u>	<u>205,203</u>
Total activities	<u>\$12,454,644</u>	<u>\$ -</u>	<u>\$ 10,692,306</u>	<u>\$ 580,406</u>	<u>\$ 735,871</u>

General revenues:

 Taxes:

 Property taxes levied for general purpose

 Property taxes levied for debt service

 Other taxes

 Franchise fees

 Unrestricted state revenue sharing

 Gain on sale of assets

 Unrestricted investment earnings

 Total general revenues

Change in net position

Net position, beginning

Opening balance adjustment see note IV E

Net position, ending

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

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (327,690)	\$ -	\$ (327,690)
(522,897)	-	(522,897)
(1,779,630)	-	(1,779,630)
(212,026)	-	(212,026)
(229,101)	-	(229,101)
290,120	-	290,120
<u>(150,462)</u>	<u>-</u>	<u>(150,462)</u>
<u>(2,931,686)</u>	<u>-</u>	<u>(2,931,686)</u>
-	1,558,621	1,558,621
-	707,610	707,610
-	(1,042)	(1,042)
<u>-</u>	<u>220,436</u>	<u>220,436</u>
<u>-</u>	<u>2,485,625</u>	<u>2,485,625</u>
<u>(2,931,686)</u>	<u>2,485,625</u>	<u>(446,061)</u>
1,505,173	-	1,505,173
1,482,165	-	1,482,165
1,307,408	229,977	1,537,385
924,075	-	924,075
192,271	-	192,271
135,508	-	135,508
<u>60,274</u>	<u>110,360</u>	<u>170,634</u>
<u>5,606,874</u>	<u>340,337</u>	<u>5,947,211</u>
2,675,188	2,825,962	5,501,150
13,743,838	35,889,495	49,633,333
<u>(2,761)</u>	<u>(340,616)</u>	<u>(343,377)</u>
<u>\$ 16,416,265</u>	<u>\$ 38,374,841</u>	<u>\$ 54,791,106</u>

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

CITY OF WARRENTON
GOVERNMENTAL FUNDS

Balance Sheet
June 30, 2022

	General (001)	State Tax Street (040)	Grant (015)	Nonmajor Governmental Funds	Total
ASSETS					
Cash and cash equivalents	\$ 1,924,248	\$ 2,871,658	\$ 641,974	\$ 6,412,252	\$ 11,850,132
Receivables:					
Taxes	57,164	-	-	77,995	135,159
Accounts	289,201	-	-	85,508	374,709
Rehabilitation loans	48,462	-	-	-	48,462
Intergovernmental	40,577	107,508	-	-	148,085
Grants	-	-	1,008	-	1,008
Prepaid items	-	-	-	1,413	1,413
Leases Receivable	1,830,418	-	-	-	1,830,418
Total assets	\$ 4,190,070	\$ 2,979,166	\$ 642,982	\$ 6,577,168	\$ 14,389,386
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 382,020	\$ 200,515	\$ -	\$ 137,657	\$ 720,192
Unearned revenue	665	-	637,358	1,389	639,412
Total liabilities	382,685	200,515	637,358	139,046	1,359,604
Deferred Inflows of Resources:					
Unavailable revenues	91,107	-	-	57,995	149,102
Deferred Inflows -Leases Receivable	1,830,418	-	-	-	1,830,418
Total deferred Inflows of resources	1,921,525	-	-	57,995	1,979,520
Fund Balances:					
Nonspendable - Prepaid items	-	-	-	1,413	1,413
Restricted for:					
Road maintenance	-	2,778,651	-	-	2,778,651
Debt service	-	-	-	3,148,476	3,148,476
Library and culture	-	-	-	160,984	160,984
Public works	-	-	-	221,864	221,864
Urban renewal improvements	-	-	-	9,011	9,011
Building inspection program	-	-	-	736,202	736,202
System development	-	-	-	1,428,309	1,428,309
Committed to:					
Library and culture	-	-	-	90,650	90,650
Grant expenditures	-	-	5,624	-	5,624
Assigned to:					
Capital projects	-	-	-	583,218	583,218
Unassigned	1,885,860	-	-	-	1,885,860
Total fund balances	1,885,860	2,778,651	5,624	6,380,127	11,050,262
Total liabilities, deferred inflows of resources and fund balances	\$ 2,359,652	\$ 2,979,166	\$ 642,982	\$ 6,577,168	\$ 12,558,968

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

CITY OF WARRENTON

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2022

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

Fund balances - governmental funds		\$ 11,050,262
Receivables are not available to pay for current period expenditure	149,101	
Receivable for grant received after the available period	<u>109,126</u>	
		258,227

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds:

Nondepreciable assets	\$ 2,887,276	
Depreciable assets	9,413,416	
Right to use asset	<u>20,940</u>	
		12,321,632

Assets, liabilities, deferred inflows and deferred outflows related to the City's portion of the State-wide pension plan are not current resources or requirements and therefore are not reported in the funds:

Deferred outflows of resources related to pensions	1,381,531	
Net pension liability	(2,116,930)	
Deferred inflows of resources related to pensions	<u>(1,939,060)</u>	
		(2,674,459)

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:

Compensated absences	(123,047)	
Accrued interest payable	(12,188)	
Lease liability	(22,598)	
Long-term debt	<u>(4,381,564)</u>	
		<u>(4,539,397)</u>

Net position of governmental activities		<u><u>\$ 16,416,265</u></u>
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The accompanying notes are an integral part of these financial statements.

CITY OF WARRENTON

GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	General (001)	State Tax Street (040)	Grant (015)	Nonmajor Governmental Funds	Total
Revenues:					
Taxes	\$ 1,891,607	\$ 358,658	\$ -	\$ 2,008,264	\$ 4,258,529
Franchise fees	924,075	-	-	-	924,075
Licenses and permits	575	-	-	431,250	431,825
Intergovernmental	192,271	476,151	9,304	160,952	838,678
Charges for services	270,398	-	-	14,525	284,923
Lease receipts	227,021	-	-	-	227,021
Fines and forfeits	102,086	-	-	402	102,488
Investment earnings	10,660	14,445	-	35,169	60,274
Donations	12	79,811	-	78,812	158,635
Indirect cost allocation	1,165,525	-	-	-	1,165,525
Other revenue	155,309	5,212	-	31,076	191,597
Total revenues	<u>4,939,539</u>	<u>934,277</u>	<u>9,304</u>	<u>2,760,450</u>	<u>8,643,570</u>
Expenditures:					
Current:					
General government	1,292,556	-	-	359,617	1,652,173
Fire and emergency medical services	784,237	-	-	-	784,237
Police	1,826,795	-	9,304	-	1,836,099
Planning and development	232,998	-	-	453,882	686,880
Library and culture	-	-	-	311,554	311,554
Public works	141,671	331,860	-	-	473,531
Debt service:					
Principal retirement	62,839	-	-	770,166	833,005
Interest expense	9,195	-	-	143,758	152,953
Capital outlay	-	457,270	-	368,702	825,972
Total expenditures	<u>4,350,291</u>	<u>789,130</u>	<u>9,304</u>	<u>2,407,679</u>	<u>7,556,404</u>
Excess (deficiency) of revenues over (under) expenditures	<u>589,248</u>	<u>145,147</u>	<u>-</u>	<u>352,771</u>	<u>1,087,166</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	301,235	301,235
Transfers out	(170,778)	-	-	(130,457)	(301,235)
Capital contributions	-	25,225	-	171,682	196,907
Total other financing sources (uses)	<u>(170,778)</u>	<u>25,225</u>	<u>-</u>	<u>342,460</u>	<u>196,907</u>
Net change in fund balances	418,470	170,372	-	695,231	1,284,073
Fund Balances:					
Beginning of year	<u>1,467,390</u>	<u>2,608,279</u>	<u>5,624</u>	<u>5,684,896</u>	<u>9,766,189</u>
End of year	<u>\$ 1,885,860</u>	<u>\$ 2,778,651</u>	<u>\$ 5,624</u>	<u>\$ 6,380,127</u>	<u>\$ 11,050,262</u>

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

CITY OF WARRENTON

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

June 30, 2022

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

Net change in fund balances - governmental funds		\$ 1,284,073
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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.

Change in unavailable revenues	3,216	
Receivable for grant received after the available period	109,126	
Net Change in lease receivable and deferred inflows related to leases	<u>(1,662)</u>	
		110,680

Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlays over their estimated useful lives as depreciation expense.

Expenditures for capital assets	\$ 823,890	
Current year depreciation	<u>(526,251)</u>	
		297,639

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Change in:		
Compensated absences	10,913	
Accrued interest payable	2,492	
Expenses related to pension obligations	<u>136,386</u>	
		149,791

Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as other financing sources. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Position.

Repayment of long-term debt	<u>833,005</u>	
		<u>833,005</u>

Change in net position of governmental activities		<u>\$ 2,675,188</u>
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The accompanying notes are an integral part of these financial statements.

CITY OF WARRENTON

General Fund

Statement of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance
Resources:				
Beginning fund balance	\$ 875,000	\$ 875,000	\$ 1,467,390	\$ 592,390
Taxes	1,733,282	1,733,282	1,891,607	158,325
Franchise fees	891,269	891,269	924,075	32,806
Licenses and permits	500	500	575	75
Intergovernmental	170,653	170,653	192,271	21,618
Charges for services	190,130	190,130	270,398	80,268
Lease receipts	222,761	222,761	227,021	4,260
Fines and forfeits	127,800	127,800	102,086	(25,714)
Investment earnings	8,000	8,000	10,660	2,660
Donations	-	-	12	12
Indirect cost allocation	1,223,114	1,223,114	1,165,525	(57,589)
Other revenue	2,000	2,000	155,308	153,308
	<u>\$ 5,444,509</u>	<u>\$ 5,444,509</u>	<u>\$ 6,406,928</u>	<u>\$ 962,419</u>
Total resources				
Requirements				
Municipal Court	\$ 187,431	\$ 187,431	\$ 127,031	\$ 60,400
Administration/Commission	1,223,114	1,223,114	1,165,525	57,589
Community Development	287,914	287,914	232,998	54,916
Police	2,098,395	2,098,395	1,826,795	271,600
Fire	944,476	944,476	856,271	88,205
Parks	186,654	186,654	141,671	44,983
Contingency	254,938	254,938	-	254,938
Transfers	170,778	170,778	170,778	-
Total department requirements	5,353,700	5,353,700	4,521,069	832,631
Ending fund balance	90,809	90,809	1,885,860	(1,795,051)
	<u>\$ 5,444,509</u>	<u>\$ 5,444,509</u>	<u>\$ 6,406,929</u>	<u>\$ (962,420)</u>
Total requirements				

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

CITY OF WARRENTON

State Tax Street Fund

Statement of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 1,900,000	\$ 1,900,000	\$ 2,608,279	\$ 708,279
Taxes	361,000	361,000	358,658	(2,342)
Intergovernmental	999,063	999,063	476,151	(522,912)
Investment earnings	20,000	20,000	14,445	(5,555)
Donations	-	-	79,811	79,811
Capital contributions	-	-	25,225	25,225
Other revenue	-	-	5,212	5,212
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total resources	<u>\$ 3,280,063</u>	<u>\$ 3,280,063</u>	<u>\$ 3,567,781</u>	<u>\$ 287,718</u>
 Requirements:				
Public Works:				
Personal services	\$ 167,894	\$ 167,894	\$ 127,096	\$ 40,798
Materials and services	744,215	744,215	204,764	539,451
Capital outlay	<u>2,071,350</u>	<u>2,071,350</u>	<u>457,270</u>	<u>1,614,080</u>
Total department expenditures	2,983,459	2,983,459	789,130	2,194,329
Contingency	<u>200,000</u>	-	-	-
Total expenditures	3,183,459	2,983,459	789,130	2,194,329
Ending fund balance	<u>96,604</u>	<u>96,604</u>	<u>2,778,651</u>	<u>(2,682,047)</u>
Total requirements	<u>\$ 3,280,063</u>	<u>\$ 3,080,063</u>	<u>\$ 3,567,781</u>	<u>\$ (487,718)</u>

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

CITY OF WARRENTON

Grant Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 4,698	\$ 4,698	\$ 5,624	\$ 926
Intergovernmental	170,227	170,227	9,304	(160,923)
Donations	<u>300</u>	<u>300</u>	<u>-</u>	<u>(300)</u>
Total resources	<u>\$ 175,225</u>	<u>\$ 175,225</u>	<u>\$ 14,928</u>	<u>\$ (160,297)</u>
Requirements:				
Police Department	\$ 18,921	\$ 18,921	\$ 9,304	\$ 9,617
Fire Department	144,325	144,325	-	144,325
Admin Department	<u>9,000</u>	<u>9,000</u>	<u>-</u>	<u>9,000</u>
Total expenditures	172,246	172,246	9,304	162,942
Ending fund balance	<u>2,979</u>	<u>-</u>	<u>5,624</u>	<u>(5,624)</u>
Total requirements	<u>\$ 175,225</u>	<u>\$ 172,246</u>	<u>\$ 14,928</u>	<u>\$ 157,318</u>

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

CITY OF WARRENTON

PROPRIETARY FUNDS

Statement of Net Position

June 30, 2022

	Business-type Activities - Enterprise Funds				Total	Business-type
	Water Enterprise Fund	Sewer Enterprise Fund	Sanitation Enterprise Fund	Nonmajor Enterprise Funds		Engineering Internal Service Fund (042)
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 8,180,547	\$ 9,449,181	\$ 756,361	\$ 1,682,095	\$20,068,184	\$ 4,436
Accounts receivable	303,236	315,349	121,765	23,166	763,516	-
Intergovernmental receivables	-	-	-	79,600	79,600	-
Other receivables	1,909	2,632	-	-	4,541	-
Lease Receivable, Current	-	-	-	46,451	46,451	-
Prepaid expenses	942	862	407	-	2,211	-
Total current assets	<u>8,486,634</u>	<u>9,768,024</u>	<u>878,533</u>	<u>1,831,312</u>	<u>20,964,503</u>	<u>4,436</u>
Noncurrent assets:						
Restricted cash	-	63,012	-	-	63,012	-
Lease Receivable, less current portion	-	-	-	125,538	125,538	-
Capital assets:						
Nondepreciable assets	472,482	194,172	29,669	264,311	960,634	-
Depreciable assets, net	<u>12,580,946</u>	<u>8,934,763</u>	<u>470,196</u>	<u>2,121,177</u>	<u>24,107,082</u>	-
Total noncurrent assets	<u>13,053,428</u>	<u>9,191,947</u>	<u>499,865</u>	<u>2,511,026</u>	<u>25,256,266</u>	-
Total assets	<u>21,540,062</u>	<u>18,959,971</u>	<u>1,378,398</u>	<u>4,342,338</u>	<u>46,220,769</u>	<u>4,436</u>
DEFERRED OUTFLOWS OF RESOURCES						
Related to pensions	<u>309,486</u>	<u>352,468</u>	<u>99,445</u>	<u>178,675</u>	<u>940,074</u>	<u>1,859</u>
LIABILITIES						
Current liabilities:						
Accounts payable	81,957	118,574	84,172	22,483	307,186	169
Accrued interest payable	51,826	11,024	-	-	62,850	-
Compensated absences	33,539	47,371	6,207	35,559	122,676	2,599
Unearned revenue	-	-	-	27,843	27,843	-
Loans payable - current	449,731	142,142	-	-	591,873	-
Landfill postclosure care - current	-	-	11,650	-	11,650	-
Total current liabilities	<u>617,053</u>	<u>319,111</u>	<u>102,029</u>	<u>85,885</u>	<u>1,124,078</u>	<u>2,768</u>
Noncurrent liabilities:						
Loans payable	3,021,482	1,413,868	-	-	4,435,350	-
Landfill postclosure care liability	-	-	299,171	-	299,171	-
Net pension liability	<u>474,226</u>	<u>540,091</u>	<u>152,379</u>	<u>273,784</u>	<u>1,440,480</u>	<u>2,848</u>
Total liabilities	<u>4,112,761</u>	<u>2,273,070</u>	<u>553,579</u>	<u>359,669</u>	<u>7,299,079</u>	<u>5,616</u>
DEFERRED INFLOWS OF RESOURCES						
Related to pensions	434,380	494,712	139,575	250,780	1,319,447	2,609
Deferred Inflows -Leases Receivable	-	-	-	165,546	165,546	-
Total deferred Inflows of resources	<u>434,380</u>	<u>494,712</u>	<u>139,575</u>	<u>416,326</u>	<u>1,484,993</u>	-
NET POSITION						
Net investment in capital assets	9,582,215	7,572,925	499,865	2,385,488	20,040,493	-
Restricted for debt service	-	63,012	-	-	63,012	-
Restricted for system development	230,434	270,732	-	-	501,166	-
Unrestricted	<u>7,489,758</u>	<u>8,637,988</u>	<u>284,824</u>	<u>1,359,530</u>	<u>17,772,100</u>	<u>(1,930)</u>
Total net position	<u>\$17,302,407</u>	<u>\$16,544,657</u>	<u>\$ 784,689</u>	<u>\$ 3,745,018</u>	<u>\$38,376,771</u>	<u>\$ (1,930)</u>

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

CITY OF WARRENTON

Reconciliation of the Statement of Net Position of Enterprise Funds to the Statement of Net Position

June 30, 2022

Amounts reported for business-type activities in the statement of net position are different because:

Net position - enterprise funds	\$ 38,376,771
Internal service funds are used by management to charge the cost of engineering to individual funds. The assets, deferred outflows of resources, liabilities and deferred inflows of resources of the internal service fund are included in business-type activities in the statement of net position.	<u>(1,930)</u>
Net position of business-type activities	<u>\$ 38,374,841</u>

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

CITY OF WARRENTON

PROPRIETARY FUNDS

Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Business-type Activities
	Water Enterprise Fund	Sewer Enterprise Fund	Sanitation Enterprise Fund	Nonmajor Enterprise Funds	Total	Engineering Internal Service Fund (042)
Operating Revenues:						
Charges for services	\$ 3,926,543	\$ 3,246,352	\$ 1,247,017	\$ 1,083,382	\$ 9,503,294	\$ 88,883
Lease receipts	-	-	-	44,820	44,820	-
Other revenue	14,523	18,371	2,379	11,431	46,704	-
Total operating revenues	<u>3,941,066</u>	<u>3,264,723</u>	<u>1,249,396</u>	<u>1,139,633</u>	<u>9,594,818</u>	<u>88,883</u>
Operating Expenses:						
Payroll and payroll benefits	829,632	837,907	229,973	550,298	2,447,810	93,249
Contracted services	124,123	185,894	746,830	14,038	1,070,885	563
Utilities and telephone	114,227	164,991	5,826	122,726	407,770	-
Repairs and maintenance	256,458	280,869	30,660	100,422	668,409	-
Other operating expenses	254,246	232,853	101,545	60,943	649,587	145
Overhead cost allocation	126,846	130,531	35,149	49,557	342,083	-
Depreciation	650,788	755,811	100,455	79,199	1,586,253	-
Total operating expenses	<u>2,356,320</u>	<u>2,588,856</u>	<u>1,250,438</u>	<u>977,183</u>	<u>7,172,797</u>	<u>93,957</u>
Operating income (loss)	<u>1,584,746</u>	<u>675,867</u>	<u>(1,042)</u>	<u>162,450</u>	<u>2,422,021</u>	<u>(5,074)</u>
Nonoperating Revenues (Expenses):						
Investment earnings	41,240	49,057	3,271	16,792	110,360	-
Taxes	-	-	-	229,977	229,977	-
Intergovernmental	-	-	-	57,986	57,986	-
Interest expense	(98,186)	(38,339)	-	-	(136,525)	-
Total nonoperating revenues (expenses)	<u>(56,946)</u>	<u>10,718</u>	<u>3,271</u>	<u>304,755</u>	<u>261,798</u>	<u>-</u>
Income (loss) before contributions	1,527,800	686,585	2,229	467,205	2,683,819	(5,074)
Capital contributions	<u>74,598</u>	<u>72,619</u>	<u>-</u>	<u>-</u>	<u>147,217</u>	<u>-</u>
Change in net position	1,602,398	759,204	2,229	467,205	2,831,036	(5,074)
Net Position:						
Beginning of year	15,936,421	15,873,590	804,021	3,272,319	35,886,351	3,144
Opening balance adjustment see note IV E	<u>(236,412)</u>	<u>(88,137)</u>	<u>(21,561)</u>	<u>5,494</u>	<u>(340,616)</u>	<u>-</u>
End of year	<u>\$17,302,407</u>	<u>\$16,544,657</u>	<u>\$ 784,689</u>	<u>\$ 3,745,018</u>	<u>\$38,376,771</u>	<u>\$ (1,930)</u>

Reconciliation of the Statement of Revenues, Expenses, and Changes in Net Position of Enterprise Funds to the Statement of Activities

Amounts reported for business-type activities in the statement of activities are different because:

Change in net position - enterprise funds	\$ 2,831,036
The internal service fund is used by management to charge the cost of engineering services to individual funds. The net revenue is reported with business-type activities in the statement of activities	<u>(5,074)</u>
Change in net position of business-type activities	<u>\$ 2,825,962</u>

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

CITY OF WARRENTON

PROPRIETARY FUNDS

Statement of Cash Flows

For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Business-type Activities
	Water Enterprise Fund	Sewer Enterprise Fund	Sanitation Enterprise Fund	Nonmajor Enterprise Funds	Total	Engineering Internal Service Fund (042)
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 4,011,962	\$ 3,272,634	\$ 1,246,557	\$ 1,137,037	\$ 9,668,190	\$ -
Receipts from interfund charges	-	-	-	-	-	88,883
Payments to suppliers and contractors	(734,929)	(914,840)	(807,573)	(420,500)	(2,877,842)	(572)
Payments to employees	(710,173)	(634,138)	(254,528)	(491,319)	(2,090,158)	(89,411)
Payments for interfund services	(312,943)	(322,035)	(86,715)	(78,440)	(800,133)	-
Net cash provided by (used in) operating	<u>2,253,917</u>	<u>1,401,621</u>	<u>97,741</u>	<u>146,778</u>	<u>3,900,057</u>	<u>(1,100)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Taxes collected	-	-	-	229,977	229,977	-
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>229,977</u>	<u>229,977</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Intergovernmental capital grants	-	-	-	44,681	44,681	-
Capital contributions	74,598	72,619	-	-	147,217	-
Acquisition and construction of capital assets	(112,485)	(324,831)	-	(355,104)	(792,420)	-
Principal paid on debt	(575,336)	(138,171)	-	-	(713,507)	-
Interest paid on debt	(110,487)	(39,654)	-	-	(150,141)	-
Net cash used in capital and related financing activities	<u>(723,710)</u>	<u>(430,037)</u>	<u>-</u>	<u>(310,423)</u>	<u>(1,464,170)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and dividends received	<u>41,240</u>	<u>49,057</u>	<u>3,271</u>	<u>16,792</u>	<u>110,360</u>	<u>-</u>
Net change in cash and cash equivalents	1,571,447	1,020,641	101,012	83,124	2,776,224	(1,100)
Cash and cash equivalents:						
Beginning of year	<u>6,609,100</u>	<u>8,491,552</u>	<u>655,348</u>	<u>1,598,971</u>	<u>17,354,971</u>	<u>5,536</u>
End of year	<u>\$ 8,180,547</u>	<u>\$ 9,512,193</u>	<u>\$ 756,360</u>	<u>\$ 1,682,095</u>	<u>\$ 20,131,195</u>	<u>\$ 4,436</u>
Cash and cash equivalents are reported on the Statement of Net Position as follows:						
Cash and cash equivalents	\$ 8,180,547	\$ 9,449,181	\$ 756,361	\$ 1,682,095	\$ 20,068,184	\$ 4,436
Restricted cash	-	63,012	-	-	63,012	-
	<u>\$ 8,180,547</u>	<u>\$ 9,512,193</u>	<u>\$ 756,361</u>	<u>\$ 1,682,095</u>	<u>\$ 20,131,196</u>	<u>\$ 4,436</u>

Continued on next page

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

PROPRIETARY FUNDS

Statement of Cash Flows, Continued

For the Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds					Business-type
	Water Enterprise Fund	Sewer Enterprise Fund	Sanitation Enterprise Fund	Nonmajor Enterprise Funds	Total	Engineering Internal Service Fund (042)
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 1,584,746	\$ 675,867	\$ (1,042)	\$ 162,450	\$ 2,422,021	\$ (5,074)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation	650,788	755,811	100,455	79,199	1,586,253	-
Pension adjustments	72,784	(6,315)	(22,902)	100,755	144,322	3,598
(Increase) decrease in assets:						
Receivables	7,003	26,694	(2,837)	7,384	38,244	-
Inventory	2,893	88,137	21,561	-	112,591	-
Prepaid expenses	787	(44)	(110)	492	1,125	-
Increase (decrease) in liabilities:						
Accounts payable	(3,709)	(50,188)	(7,217)	8,103	(53,011)	136
Compensated absences	(98)	580	(1,653)	5,024	3,853	240
Unearned revenue	-	(785)	-	14,621	13,836	-
Landfill postclosure care liability	-	-	33,048	-	33,048	-
Net cash provided by (used in) operating activities	<u>\$ 2,315,194</u>	<u>\$ 1,489,757</u>	<u>\$ 119,303</u>	<u>\$ 378,028</u>	<u>\$ 4,302,282</u>	<u>\$ (1,100)</u>

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

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies

A. Reporting Entity

The City of Warrenton, Oregon ("City") is a municipal corporation incorporated on February 11, 1899. The City operates under a council-city manager form of government. The governing body (City Commission) consists of five elected members who serve four-year terms. The City Manager administers policies and coordinates the activities of the City. The City Manager reports to, and is responsible to the City Commission. The heads of various departments, formed to provide various services, are under the direct supervision of the City Manager.

The City has the authority to levy taxes on property within the city for basic services and for payment of general obligation bonds. It has exercised that authority for several years.

Blended component unit. The Warrenton Urban Renewal Agency ("Agency") serves all citizens of the City and is governed by a Board comprised of members of the City Commission. The Agency was formed by the City to implement various public improvement programs in the revitalization plan of the City. Projects are funded through tax increment dollars. Separate financial statements for the Agency can be obtained from the City.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements display information about the reporting government as a whole. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the statement of net position and the statement of activities.

The statement of activities demonstrates the degree to which the direct and allocated indirect expenses of a given function or program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or program. *Indirect expenses* are those costs, usually administrative in nature, that support all City functions, programs, and enable direct services to be provided. *Program revenues* include 1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. 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. Nonmajor funds are aggregated in a single column on these statements.

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

The government-wide and proprietary funds financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded 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.

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

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies, Continued

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all of the financial operations of the City except those required to be accounted for in another fund. Principal sources of revenue are property taxes, licenses and permits, state and county shared revenues and charges for administrative services from other funds. Primary expenditures are for general government and police and fire protection.

The *State Tax Street Fund* accounts for funds provided by the Oregon State Department of Transportation and State Highway Trust Fund that are set aside for bicycle lanes, pedestrian paths, street maintenance and repair, and street lighting. The fund also accounts for the City fuel tax.

The *Grant Fund* accounts for grants received from a variety of sources.

Additionally, the City reports the following nonmajor funds within the governmental fund type:

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes.

Debt service funds account for the servicing of general long-term debt. Revenue sources are property taxes levied for general obligation bonds and other general governmental revenues.

Capital project funds account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by business-type or proprietary funds).

The City reports the following major proprietary funds:

The *Water Enterprise Fund* (a combination of the operating, system development, and capital reserve funds) accounts for the costs of operating the water system of the City and paying for its costs and renovation. User fees provide revenue.

The *Sewer Enterprise Fund* (a combination of the operating, system development, capital reserve, storm sewer, and storm sewer system development funds) accounts for the costs of operating the sewer and storm facilities. User fees provide the revenue.

The *Sanitation Enterprise Fund* (a combination of the operating and capital reserve funds) accounts for the costs of providing trash removal services. User fees provide the revenue.

Additionally, the City reports the *Engineering Internal Service Fund* to account for the cost of providing engineering services to other departments of the City. Internal user fees provide revenue to the fund.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's enterprise funds and various other functions of the City. The City allocates charges as reimbursement for services provided by the general fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These charges are included in direct program expenses.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies, Continued

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

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. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits, and investments in the State of Oregon Local Government Investment Pool ("LGIP").

State statutes authorize the City to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

2. Receivables and Payables

Service and property taxes receivables that meet the measurable and available criteria for revenue recognition are accrued as revenue in the governmental funds financial statements. Receivables in the government-wide and proprietary fund financial statements are accrued as revenue when earned. In governmental funds, any revenues not meeting the revenue recognition criteria are offset by unavailable revenue accounts.

Special assessments receivable in the governmental funds and proprietary funds are recognized at the time the property owners are assessed for property improvements. In governmental funds special assessments receivable are offset by unavailable revenue accounts and, accordingly, have not been recognized as revenue.

Property taxes are levied and become a lien on July 1st. Property taxes are assessed in October and tax payments are due November 15th of the same year. Under the partial payment schedule, the first one-third of taxes are due November 15th of the same year, the second one-third on February 15th, and the remaining one-third on May 15th. A three percent discount is allowed if full payment is made by November 15th and a two percent discount is allowed if two-thirds payment is made by November 15th. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of one percent per month. Property foreclosure proceedings are initiated four years after the due date.

Receivables for housing rehabilitation loans in the general fund are recognized at the time the loan is made. The loans receivable are offset by an unavailable revenue account and accordingly, have not been recognized as revenue in the governmental fund financial statements.

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

In the government-wide financial statements any residual balances outstanding between the governmental and business-type activities are reported as "internal balances."

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance, Continued

3. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Cash

Cash whose use is restricted for construction, debt service or by other agreement are segregated on the government-wide statement and the proprietary funds statement of net position and the governmental funds balance sheet.

5. Capital Assets

Capital assets, which include land, right-of-way (included with land), buildings, improvements, equipment, infrastructure, and other tangible assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life beyond a single reporting period. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of the donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

No depreciation is taken in the year the assets are acquired. Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Capital assets of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Parking and land improvements	10 - 50
Buildings	10 - 50
Equipment and vehicles	5 - 40
Dike and flood control	20 - 40
Infrastructure	20 - 25
Utility facilities	5 - 40

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government-wide statements and the enterprise funds report deferred outflows of resources related to pensions. A detailed description of deferred outflows related to pensions and how it is calculated can be found notes III G

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance, Continued

6. *Deferred Outflows/Inflows of Resources, Continued*

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, deferred inflows of resources, 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. The City reports two types of deferred inflows. Unavailable revenues, which arises only under a modified accrual basis of accounting, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, occupancy taxes, franchise fees and rehabilitation loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide statements and the enterprise funds report deferred inflows of resources related to pensions.

A detailed description of inflows of resources related to pensions and leases receivable and how they are calculated can be found notes III G and III E

7. *Compensated Absences*

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation payable and accrued comp-time are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The compensated absences liability is extinguished by the fund in which the liability is incurred.

8. *Long-Term Obligations*

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

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

9. *Pensions*

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

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note I - Summary of Significant Accounting Policies, Continued

D. Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balance, Continued

10. Net Position Flow Assumptions

Sometimes the City will fund outlays for a particular resource from both restricted (e.g., restricted bond or grant proceeds) 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 the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

11. Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

12. Fund Balance Policies

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The fund balance classifications are:

Nonspendable - resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for sale.

Restricted - constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grants, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - the City Commission passes an ordinance that places specific constraints on how the resources may be used. The City Commission can modify or rescind the ordinance at any time through passage of an additional ordinance.

Assigned - resources that are constrained by the City's intent to use them for a specific purpose, but are neither restricted, nor committed. Intent is expressed when the City Commission approves which resources should be "reserved" during the adoption of the annual budget.

Unassigned - resources that have not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

13. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note II - Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 - Local Budget Law).

A budget is prepared by the City Manager in the early winter preceding the fiscal year the budget will be used. The City is required to budget for all funds. The City's budget is prepared for each fund on the modified accrual basis of accounting. The budget committee, with public input, deliberates and approves the budget for transmittal to the City Commission in early spring. After public notices and a hearing, the final budget is adopted, appropriations made, and a tax levy declared no later than June 30.

The City Commission resolution adopting the budget and authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriation. The level of control for all City funds is by department, debt service, interfund transfers, and contingency. The level of control for the Warrenton Urban Renewal Agency funds is by materials and services, capital outlay, debt service, interfund transfers, and contingency. Appropriations lapse as of year-end.

Expenditures cannot legally exceed appropriations except in the case of grants which could not be estimated at the time of budget adoption. Supplemental appropriations and appropriation transfers may occur with notice and City Commission action.

Note III - Detailed Notes On All Funds

A. Deposits and Investments

The City maintains a cash and investment pool for its cash and cash equivalents in which each fund participates. Cash and investments comprise the following:

Petty cash	\$ 1,200
Deposits with financial institutions	1,726,872
State of Oregon Local Government Investment Pool	<u>30,257,693</u>
Total	<u>\$ 31,985,765</u>

Cash and investments are reflected in the government-wide Statement of Net Position as follows:

Cash and cash equivalents	\$ 31,922,753
Restricted cash	<u>63,012</u>
Total	<u>\$ 31,985,765</u>

Deposits. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program ("PFCP") of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of 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 State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

A. Deposits and Investments, Continued

Custodial Credit Risk. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At June 30, 2022, the City's deposits were covered and collateralized by federal depository insurance and the PFCP.

Credit Risk - Investments. The City has no investment policy for credit risk, but in practice follows state statutes which authorize the City to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers acceptances, certain commercial papers and the State Treasurer's Investment Pool, among others. The LGIP is not rated by a national rating service.

Interest Rate Risk. The City does not have a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates. The weighted-average maturity of LGIP is less than one year.

B. Receivables and Deferred Inflows of Resources

Housing rehabilitation loans

The City has lent money to qualifying property owners through a federally funded low-income housing rehabilitation program. The loans are non interest-bearing and become a lien against the property, payable upon sale of the property or death of the owner.

Unavailable revenues

At the end of the current fiscal year, the components of unavailable revenue reported in the governmental funds were as follows:

	General Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Total
Property taxes receivable	\$ 42,645	\$ 7,974	\$ 50,021	\$ 100,640
Rehabilitation loans	48,462	-	-	48,462
Total unavailable revenues	\$ 91,107	\$ 7,974	\$ 50,021	\$ 149,102

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

C. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,410,432	\$ -	\$ (4,858)	\$ -	\$ 2,405,574
Construction in progress	<u>297,827</u>	<u>243,680</u>	<u>(59,805)</u>	<u>-</u>	<u>481,702</u>
Total capital assets, not being depreciated	<u>2,708,259</u>	<u>243,680</u>	<u>(64,663)</u>	<u>-</u>	<u>2,887,276</u>
Capital assets, being depreciated:					
Parking and land improvements	1,696,743	3,050	-	-	1,699,793
Buildings	4,751,719	-	-	-	4,751,719
Equipment and vehicles	3,502,841	276,871	(5,800)	-	3,773,912
Infrastructure	<u>6,132,598</u>	<u>362,188</u>	<u>-</u>	<u>-</u>	<u>6,494,786</u>
Total capital assets, being depreciated	<u>16,083,901</u>	<u>642,109</u>	<u>(5,800)</u>	<u>-</u>	<u>16,720,210</u>
Less accumulated depreciation for:					
Parking and land improvements	(648,123)	(59,898)	-	-	(708,021)
Buildings	(1,886,932)	(104,430)	-	-	(1,991,362)
Equipment and vehicles	(1,921,839)	(161,317)	5,800	-	(2,077,356)
Infrastructure	<u>(2,329,448)</u>	<u>(200,606)</u>	<u>-</u>	<u>-</u>	<u>(2,530,054)</u>
Total accumulated depreciation	<u>(6,786,342)</u>	<u>(526,251)</u>	<u>5,800</u>	<u>-</u>	<u>(7,306,793)</u>
Total capital assets, being depreciated, net	<u>9,297,559</u>	<u>115,858</u>	<u>-</u>	<u>-</u>	<u>9,413,417</u>
Governmental activities capital assets, net	<u>\$ 12,005,818</u>	<u>\$ 359,538</u>	<u>\$ (64,663)</u>	<u>\$ -</u>	<u>\$ 12,300,693</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

C. Capital Assets, Continued

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 422,041	\$ -	\$ -	\$ -	\$ 422,041
Construction in progress	<u>896,825</u>	<u>262,005</u>	<u>(620,237)</u>	<u>-</u>	<u>538,593</u>
Total capital assets, not being depreciated	<u>1,318,866</u>	<u>262,005</u>	<u>(620,237)</u>	<u>-</u>	<u>960,634</u>
Capital assets, being depreciated:					
Parking areas	927,187	868,552	(280,418)	-	1,515,321
Buildings	2,763,021	134,003	-	-	2,897,024
Equipment and vehicles	5,322,397	-	-	-	5,322,397
Utility facilities	<u>44,373,209</u>	<u>148,192</u>	<u>-</u>	<u>-</u>	<u>44,521,401</u>
Total capital assets, being depreciated	<u>53,385,814</u>	<u>1,150,747</u>	<u>(280,418)</u>	<u>-</u>	<u>54,256,143</u>
Less accumulated depreciation for:					
Parking areas	(525,022)	(20,151)	280,418	-	(264,755)
Buildings	(1,356,572)	(66,457)	-	-	(1,423,029)
Equipment and vehicles	(4,502,588)	(145,427)	-	-	(4,648,015)
Utility facilities	<u>(22,459,045)</u>	<u>(1,354,217)</u>	<u>-</u>	<u>-</u>	<u>(23,813,262)</u>
Total accumulated depreciation	<u>(28,843,227)</u>	<u>(1,586,252)</u>	<u>280,418</u>	<u>-</u>	<u>(30,149,061)</u>
Total capital assets, being depreciated, net	<u>24,542,587</u>	<u>(435,505)</u>	<u>-</u>	<u>-</u>	<u>24,107,082</u>
Business-type activities capital assets, net	<u>\$ 25,861,453</u>	<u>\$ (173,500)</u>	<u>\$ (620,237)</u>	<u>\$ -</u>	<u>\$ 25,067,716</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

C. Capital Assets, Continued

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

Governmental activities:	
General government	\$ 184,445
Fire and emergency medical services	100,169
Police	47,891
Library and culture	22,036
Public works	<u>171,710</u>
Total depreciation expense - governmental activities	<u>\$ 526,251</u>
Business-type activities:	
Water utilities	\$ 650,788
Sewer utilities	755,811
Sanitation utilities	100,455
Marinas	<u>79,199</u>
Total depreciation expense - business-type activities	<u>\$ 1,586,253</u>

D. Interfund Receivables, Payables, and Transfers

During the year ended June 30, 2022 the general fund transferred \$170,778 to nonmajor governmental funds. Interfund transfers were used to provide funds for contribute towards the cost of capital projects, and to provide operational resources.

During the year ended June 30, 2022 \$130,457 was transferred within nonmajor governmental funds for debt capital expenditures.

E. Leases payable

The City leases a building as a lessee for use by the Library

The value of the right to use asset is as follows::

	Governmental
	Activities
Building	\$ 138,966
Less: Accumulated Depreciation	<u>(118,026)</u>
Total	<u>\$ 20,940</u>

The future lease payments under the capital lease at June 30, 2022, are as follows:

<u>Year Ending June 30,</u>	<u>Present Value</u>	<u>Interest</u>	<u>Total</u>
2023	<u>\$ 22,597</u>	<u>\$ 2,423</u>	<u>\$ 25,020</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

F. Long-Term Debt

Long-term liability activity for the year ended June 30, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
General obligation bonds payable	\$ 2,780,287	\$ -	\$ (472,890)	\$ 2,307,397	\$ 486,895
Direct Borrowings:					
Tax increment financial bonds	2,102,201	-	(297,276)	1,804,925	305,017
Notes/loans payable	<u>332,081</u>	<u>-</u>	<u>(62,839)</u>	<u>269,242</u>	<u>64,579</u>
Total long-term debt	5,214,569	-	(833,005)	4,381,564	856,491
Net pension liability	4,210,187	-	(2,093,257)	2,116,930	-
Compensated absences	<u>133,959</u>	<u>123,046</u>	<u>(133,959)</u>	<u>123,046</u>	<u>123,046</u>
Governmental activities long-term liabilities	<u>\$ 9,558,715</u>	<u>\$ 123,046</u>	<u>\$ (3,060,221)</u>	<u>\$ 6,621,540</u>	<u>\$ 979,537</u>
Business-Type Activities:					
Loans payable - direct borrowings	\$ 5,740,730	\$ -	\$ (713,508)	\$ 5,027,222	\$ 591,873
Landfill postclosure care (see note IV.D.)	<u>277,772</u>	<u>57,786</u>	<u>(24,738)</u>	<u>310,820</u>	<u>11,650</u>
Total noncurrent liabilities	6,018,502	57,786	(738,246)	5,338,042	603,523
Net pension liability	2,928,140	-	-	2,928,140	-
Compensated absences	<u>121,222</u>	<u>125,275</u>	<u>(121,222)</u>	<u>125,275</u>	<u>125,275</u>
Business-type activities long-term liabilities	<u>\$ 9,067,864</u>	<u>\$ 183,061</u>	<u>\$ (859,468)</u>	<u>\$ 8,391,457</u>	<u>\$ 728,798</u>

General obligation bonds outstanding at June 30, 2022 were as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Governmental Activities</u>
The general obligation bonds series 2007 in the original amount of \$8,079,696 were facilities bonds. The bonds were authorized by taxpayers in November 2006 to finance improvements to the wastewater treatment and disposal system of the City. These general obligation bonds are direct obligations and pledge the full faith and credit of the City. The Wastewater Treatment GO Bond fund is used to liquidate these bonds. Final maturity of these 20-year bonds is December 1, 2026.	2.94% plus 0.5% annual fee	\$ 2,307,397
Total general obligation bonds outstanding		2,307,397
Less current portion		<u>(486,895)</u>
Long-term portion		<u>\$ 1,820,502</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

F. Long-Term Debt, Continued

Tax increment financial bonds outstanding at June 30, 2022 were as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Governmental Activities</u>
The urban renewal bond series 2012, in the original amount of \$1,640,000, was used to finance urban renewal projects. This tax increment financing is secured by assignment of incremental tax revenues. The Warrenton Urban Renewal Agency Debt Service fund is used to liquidate these bonds. The bond matures on June 15, 2027.	3.75%	\$ 649,788
The urban renewal bond series 2016, in the original amount of \$2,200,000, was used to finance urban renewal projects. This tax increment financing is secured by assignment of incremental tax revenues. The Warrenton Urban Renewal Agency Debt Service fund is used to liquidate these bonds. The bond matures on June 1, 2028.	1.86%	<u>1,155,137</u>
Total debt outstanding		1,804,925
Less current portion		<u>(305,017)</u>
Long-term portion		<u>\$ 1,499,908</u>

If an event of default occurs on any of the direct borrowings Columbia Bank (Bank) may exercise any remedy available at law or in equity under the provisions of the Master Resolution. If an event of default occurs due to nonpayment of principal, interest, fees or other amounts when due, or failure to maintain the tax-exempt status of the obligation, then the Bank may increase the interest rate to 8.75% on the series 2012 bonds or 5% on the series 2016 bonds.

Notes/loans outstanding at June 30, 2022 were as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
The Full Faith and Credit Note, Series 2015, in the original amount of \$621,771, was used as a deposit on the purchase of an aerial fire truck that was purchased in FY2017. The General fund is used to liquidate this note. The loan is secured by Warrenton Fiber Revenues and matures on December 29, 2025. If an event of default occurs, the interest rate on the note shall be equal to the 10-year US Treasury rate plus 2%.	2.7690%	\$ 269,243	\$ -
The Oregon Economic Development Department loan G99001A Bond in the original amount of \$3,165,000 was used in the water enterprise for equipment and facilities. The loan matures on December 1, 2023 and is secured by water facilities.	5.16%	-	420,198
The Oregon Economic Development Department loan S99005 in the original amount of \$2,000,000 was used in the water enterprise for equipment and facilities. The loan matures on December 1, 2021 and is secured by water facilities.	4.1%	-	-

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

F. Long-Term Debt, Continued

<u>Purpose</u>	<u>Interest Rates</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
The Oregon Economic Development Department loan G99001B in the original amount of \$300,000 was used in the water enterprise for equipment and facilities. The loan matures on December 1, 2024 and is secured by water facilities.	5.16%	\$ -	\$ 93,227
The Oregon Economic Development Department loan S02011 in the original amount of \$2,657,000 was used in the water enterprise for equipment and facilities. The loan matures on December 1, 2031 and is secured by water facilities.	1.0%	-	975,109
The Oregon Infrastructure Finance Authority loan SZ9012 was issued in the original amount up to \$5,399,048 and was used in the design and construction of a new covered-water reservoir. \$2,699,524 of the loan was forgiven upon completion of the project and was recognized as a capital contribution in 2013. The loan matures on December 1, 2033 and is secured by the net revenues of the water fund.	3.0%	-	1,638,717
The Oregon Infrastructure Finance Authority loan S17016 was issued in the original amount up to \$1,100,000 and was used to replace manual-read water meters with radio-read water meters. \$629,708 of the loan was forgiven upon completion of the project and was recognized as a capital contribution in 2019. The loan matures on December 1, 2037 and is secured by the net revenues of the water fund.	1.0%	-	343,962
The Oregon Economic Development Department loan Y04001 in the original amount of \$506,000 was used in the sewer enterprise for equipment and facilities. The loan matures on December 1, 2024 and is secured by sewer and general revenues.	4.62%	-	107,804
The Oregon Department of Environmental Quality loan R94942 in the original amount of \$1,200,000 was used in the sewer enterprise for biosolids removal. The loan matures on June 1, 2025 and is secured by sewer revenues.	2.91% plus 0.5% annual fee	-	196,168
The Oregon Department of Environmental Quality loan R94945 was issued in the original amount up to \$1,920,304 and was used to make upgrades to the wastewater treatment plant. DEQ forgave \$500,000 of the loan during the year ended June 30, 2018. The loan matures on February 1, 2048 and is secured by sewer revenues.	1.45% plus 0.5% annual fee	-	1,231,566

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

F. Long-Term Debt, Continued

Purpose	Interest Rates	Governmental Activities	Business-Type Activities
The Oregon Infrastructure Finance Authority loan V16013 was issued in the original amount up to \$35,000 and was used to complete an inflow and infiltration reduction study for the wastewater system. The loan matures on December 1, 2025 and the City pledges its full faith and credit.	1.69%	\$ -	\$ 20,473
Total notes/loans outstanding		269,243	5,027,224
Less current portion		<u>(64,579)</u>	<u>(591,873)</u>
Long-term portion		<u>\$ 204,664</u>	<u>\$ 4,435,351</u>

Loan covenants require the City to establish reserves as follows:

	Business-Type Activities
Oregon Department of Environmental Quality:	
Loan R94942	\$ 34,553
Loan R94945	<u>28,459</u>
Total	<u>\$ 63,012</u>

The reserves are reported as restricted cash on the statement of net position.

Upon the event of default on loans with the Oregon Economic Development Department or Oregon Infrastructure Finance Authority, the State may pursue any or all of the remedies set forth in the agreement or available at law or in equity. Such remedies may include, but are not limited to, termination of the contract, acceleration of the contract, return of the grant/loan funds, payment of amounts earned from the investment of the proceeds of the loan, declaration of the City's ineligibility to receive future lottery funded awards, withholding pursuant to ORS 285B.599, ORS 285A.213(6), or OAR 123-049-0040 of other State funds due to the Borrower, foreclosing liens or security interest and exercising any remedy listed in OAR 123-049-0040.

Annual debt service requirements to maturity for long-term debt at June 30, 2022 are as follows:

Year Ending	Governmental Activities				Business-Type Activities	
	GO Bonds		Direct Borrowings		Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
June 30,						
2023	\$ 486,895	\$ 74,614	\$ 375,649	\$ 52,454	\$ 591,873	\$ 124,400
2024	501,315	57,723	379,352	42,698	613,238	103,590
2025	516,162	40,333	389,392	32,659	407,103	81,853
2026	531,449	22,427	399,723	22,326	308,684	71,803
2027	271,576	3,992	338,324	15,685	310,018	64,951
2028 - 2032	-	-	191,727	2,743	1,535,318	228,180
2033 - 2037	-	-	-	-	661,753	87,451
2038 - 2042	-	-	-	-	272,669	45,364
2043 - 2047	-	-	-	-	270,151	19,809
2048 - 2052	-	-	-	-	56,415	756
Total	<u>\$ 2,307,397</u>	<u>\$ 199,089</u>	<u>\$ 2,074,167</u>	<u>\$ 168,565</u>	<u>\$ 5,027,222</u>	<u>\$ 828,157</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS) a cost-sharing multiple-employer defined benefit pension plan. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A. Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Pension Program, established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003. OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at:

http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx

Benefits Provided

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

Pension Benefits

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

Death Benefits

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

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

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.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, Continued

Benefit Changes

After retirement, members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.0 percent. The COLA for creditable service after October 2013 is calculated at 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

2. OPSRP Pension Program (OPSRP DB)

Pension Benefits.

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

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

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.0 percent. The COLA for creditable service after October 2013 is calculated at 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, Continued

3. OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

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

Upon retirement, a member of the OPSRP Individual Account Program (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.

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

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. This 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. The rates based on a percentage of payroll, first became effective July 1, 2020. Employer contributions for the year ended June 30, 2022 were \$859,769 excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2022 were 25.72 percent for Tier One/Tier Two General Service Member, 25.72 percent for Tier One/Tier Two Police and Fire, 20.03 percent for OPSRP Pension Program General Services, 24.39 percent for OPSRP Police and Fire members and 6 percent for OPSRP Individual Account Program.

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

At June 30, 2022 the City reported a liability of \$3,560,258 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the City's proportion was 0.02975192 percent, which was a changed from its proportion measured as of June 30, 2020 of 0.03270945 percent.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, Continued

For the year ended June 30, 2022 the City recognized pension expense of \$1,082,160. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 333,263	\$ -
Change in assumptions	891,240	9,370
Net difference between projected and actual earnings on pension plan investments	-	2,635,631
Changes in proportionate share	360,610	540,872
Differences between City contributions and proportionate share of contributions	<u>42,100</u>	<u>75,243</u>
Subtotal before post-measurement date contributions	1,627,213	3,261,116
City contributions subsequent to the measurement date	<u>696,251</u>	<u>-</u>
Total	<u>\$ 2,323,464</u>	<u>\$ 3,261,116</u>

Deferred outflows of resources related to pensions of \$696,251 resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Net deferred outflows (inflows) of resources of \$1,633,903 will be recognized in pension expense as follows:

Year Ended June 30,		
2023	\$	294,226
2024		296,734
2025		384,269
2026		702,517
2027		<u>(43,843)</u>
Total	\$	<u>1,633,903</u>

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, Continued

Actuarial Methods and Assumptions:

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2019
Measurement Date	June 30, 2021
Experience Study Report	2018, published July 24, 2019
Actuarial Cost Method	Entry Age normal
Actuarial Assumptions:	
Inflation Rate	2.40 percent
Discount Rate	6.90 percent
Project Salary Increases	3.40% overall payroll growth; salaries for individuals are assumed to grow at 3.40% plus assumed rates of merit/longevity increases based on service Mortality Healthy retirees and beneficiaries:
Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and Graded COLA (1.25%/0.015%) in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Date Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>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.</p> <p>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.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2018 Experience Study which reviewed experience for the four-year period ending on December 31, 2018.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, 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 May 2019 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. 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. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

<http://www.oregon.gov/pers/Documents/Financials/CAFR/2020-CAFR.pdf>

Depletion Date Projection

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

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

PERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.

The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.

GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is PERS' independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

Discount Rate

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note III - Detailed Notes On All Funds, Continued

G. Pension Plans, Continued

Rate

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

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
Proportionate Share of Net Pension Liability	\$ 6,991,494	\$ 3,560,258	\$ 689,558

Pension Plan Fiduciary Net Position

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

Note IV - Other Information

A. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. In 1981, the League of Oregon Cities joined together with the Association of Oregon Cities to form City County Insurance Services ("CCIS"), a public entity risk pool currently operating a common risk management and insurance program. The City pays an annual premium to CCIS for insurance coverage. Based on the experience of the City and CCIS, the City may be liable for an additional premium of up to 20% of its initial premium or it may receive a refund. The City has not had to pay an additional premium. Predetermined limits and deductible amounts are stated in the policy. Settled claims have not exceeded commercial insurance coverage in any of the past three years.

B. Contingencies Under Grant Provisions

Under terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under terms of the grants. Such audits could lead to reimbursement to the grantor agencies. The City believes disallowances, if any, will be immaterial.

C. Contingent Liabilities

The City is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations and capital projects. Management intends to contest these matters and does not believe their ultimate resolution will have a material effect upon the City's financial position, results of operations, or cash flows.

CITY OF WARRENTON

Notes to the Financial Statements

June 30, 2022

Note IV - Other Information, Continued

D. Postclosure Landfill Care

The Municipal Solid Waste Landfill ("MSWLF") ceased accepting solid waste in the fall of 1985 and final cover was applied subsequently in conformity with state regulations. The landfill closure permit for the MSWLF was renewed by the Oregon Department of Environmental Quality on February 20, 1997. State and federal laws and regulations require the City to perform certain maintenance and monitoring functions at the site.

The City has recorded a liability for the estimated costs of landfill postclosure care. Annually, the City evaluates the liability by examining the estimated costs needed to perform the postclosure care over the next 20 years and adjusts the liability accordingly. During the year ended June 30, 2022 the City's estimated liability changed as follows:

	Landfill postclosure care liability
	<u> </u>
Balance at June 30, 2021	\$ 277,772
Change in estimate	57,786
Maintenance costs paid in 2022	<u>(24,738)</u>
Balance at June 30, 2022	<u>\$ 310,820</u>

All current year changes in the liability are included in contracted services in the Sanitation Enterprise Fund. The estimated future costs to maintain and monitor the landfill may change due to one or more of the following factors: inflation, deflation, changes in technology or changes to applicable laws or regulations.

E. Prior Period Adjustment

In Fiscal Year 2022, the City changed to the consumption method for inventory and supplies. The City also implemented new accounting policies required under GASB 87 Leases. The table below adjusts net position as of June 30, 2021 to account for these changes

<u>Opinion Unit</u>	<u>Beginning Net Position</u>	<u>Record lease receivable and related deferred inflow of resource</u>	<u>Record inventory items purchased in prior years</u>	<u>Restated Net Position</u>
Governmental Activities	\$ 13,743,838	\$ (2,761)	\$ -	\$ 13,741,077
Water Enterprise	15,936,421	-	(236,412)	15,700,009
Sewer Enterprise	15,873,590	-	(88,138)	15,785,452
Sanitation Enterprise	804,022	-	(21,562)	782,460
Nonmajor Enterprise Funds	3,272,319	5,494	-	3,277,813



REQUIRED SUPPLEMENTARY INFORMATION



CITY OF WARRENTON

Required Supplementary Information

June 30, 2022

Schedule of the Proportionate Share of the Net Pension Liability

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability (asset)	0.02975192 %	0.03270945 %	0.02871178 %	0.03023090 %	0.03216011 %	0.03340720 %	0.03518114 %	0.03043630 %
Proportionate share of the net pension liability (asset)	\$ 3,560,258	\$ 7,138,327	\$ 4,966,450	\$ 4,579,583	\$ 4,335,195	\$ 5,015,196	\$ 2,019,912	\$ (689,903)
Covered payroll	\$ 3,496,251	\$ 3,397,193	\$ 3,370,391	\$ 3,172,039	\$ 3,074,084	\$ 3,036,331	\$ 2,744,201	\$ 2,594,589
Proportionate share of the pension liability (asset) as a percentage of its covered employee payroll	101.83 %	210.12 %	147.36 %	144.37 %	141.02 %	165.17 %	73.61 %	(26.59)%
Plan net position as a percentage of the total pension liability	52.3 %	75.8 %	80.2 %	82.1 %	83.1 %	80.5 %	91.9 %	103.6 %

Schedule of Pension Contributions

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 859,769	\$ 814,318	\$ 856,834	\$ 728,293	\$ 650,268	\$ 557,802	\$ 545,611	\$ 475,054
Contributions in relation to the contractually required contribution	<u>859,769</u>	<u>814,318</u>	<u>856,834</u>	<u>728,293</u>	<u>650,268</u>	<u>557,802</u>	<u>545,611</u>	<u>475,054</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 3,496,251	\$ 3,496,251	\$ 3,397,193	\$ 3,370,391	\$ 3,172,039	\$ 3,074,084	\$ 3,036,331	\$ 2,744,201
Contributions as a percentage of covered employee payroll	24.59 %	23.29 %	25.22 %	21.61 %	20.50 %	18.15 %	17.97 %	17.31 %

CITY OF WARRENTON

Notes to Required Supplementary Information

June 30, 2022

Note I - Measurement Period

Amounts presented are for the measurement period, which for FY 2021 is July 1, 2020 - June 30, 2021.

Note II - Changes in Benefit Terms

The 2013 Oregon Legislature made a series of changes to PERS that lowered projected future benefit payments from the System. These changes included reductions to future Cost of Living Adjustments (COLA) made through Senate Bills 822 and 861. Senate Bill 822 also required the contribution rates scheduled to be in effect from July 2013 to June 2015 to be reduced. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future System Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the total pension liability as of June 30, 2015 compared to June 30, 2014 total pension liability.

Note III - Changes in Assumptions

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

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



CITY OF WARRENTON

Nonmajor Governmental Funds

Combining Balance Sheet

June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
ASSETS				
Cash and cash equivalents	\$ 1,248,408	\$ 3,131,246	\$ 2,032,598	\$ 6,412,252
Receivables:				
Taxes	10,744	67,251	-	77,995
Accounts	85,508	-	-	85,508
Prepaid items	<u>1,413</u>	<u>-</u>	<u>-</u>	<u>1,413</u>
Total assets	<u>\$ 1,346,073</u>	<u>\$ 3,198,497</u>	<u>\$ 2,032,598</u>	<u>\$ 6,577,168</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 125,597	\$ -	\$ 12,060	\$ 137,657
Deferred revenue	<u>1,389</u>	<u>-</u>	<u>-</u>	<u>1,389</u>
Total liabilities	<u>126,986</u>	<u>-</u>	<u>12,060</u>	<u>139,046</u>
Deferred Inflows of Resources:				
Unavailable revenues	<u>7,974</u>	<u>50,021</u>	<u>-</u>	<u>57,995</u>
Fund Balances:				
Nonspendable - Prepaid items	1,413	-	-	1,413
Restricted for:				
Debt service	-	3,148,476	-	3,148,476
Library and culture	160,984	-	-	160,984
Public works	221,864	-	-	221,864
Urban renewal improvements	-	-	9,011	9,011
Building inspection program	736,202	-	-	736,202
System development	-	-	1,428,309	1,428,309
Committed to:				
Library and culture	90,650	-	-	90,650
Assigned to:				
Capital projects	<u>-</u>	<u>-</u>	<u>583,218</u>	<u>583,218</u>
Total fund balances	<u>1,211,113</u>	<u>3,148,476</u>	<u>2,020,538</u>	<u>6,380,127</u>
 Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,346,073</u>	<u>\$ 3,198,497</u>	<u>\$ 2,032,598</u>	<u>\$ 6,577,168</u>

CITY OF WARRENTON

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues:				
Taxes	\$ 543,757	\$ 1,464,507	\$ -	\$ 2,008,264
Licenses and permits	431,250	-	-	431,250
Intergovernmental	-	-	160,952	160,952
Charges for services	14,525	-	-	14,525
Fines and forfeits	402	-	-	402
Investment earnings	6,680	18,353	10,136	35,169
Donations	78,812	-	-	78,812
Other revenue	5,342	-	25,734	31,076
Total revenues	<u>1,080,768</u>	<u>1,482,860</u>	<u>196,822</u>	<u>2,760,450</u>
Expenditures:				
Current:				
General government	304,359	-	55,258	359,617
Planning and development	453,882	-	-	453,882
Library and culture	308,263	-	3,291	311,554
Debt service:				
Principal retirement	-	770,166	-	770,166
Interest expense	-	143,758	-	143,758
Capital outlay	29,449	-	339,253	368,702
Total expenditures	<u>1,095,953</u>	<u>913,924</u>	<u>397,802</u>	<u>2,407,679</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,185)</u>	<u>568,936</u>	<u>(200,980)</u>	<u>352,771</u>
Other Financing Sources (Uses):				
Transfers in	-	-	301,235	301,235
Transfers out	(11,000)	(119,457)	-	(130,457)
Capital contributions	-	-	171,682	171,682
Total other financing sources (uses)	<u>(11,000)</u>	<u>(119,457)</u>	<u>472,917</u>	<u>342,460</u>
Net change in fund balances	(26,185)	449,479	271,937	695,231
Fund Balances:				
Beginning of year	1,237,298	2,698,997	1,748,601	5,684,896
End of year	<u>\$ 1,211,113</u>	<u>\$ 3,148,476</u>	<u>\$ 2,020,538</u>	<u>\$ 6,380,127</u>

NONMAJOR SPECIAL REVENUES FUNDS

Special Revenue Funds account for revenues derived from specific tax or other earmarked revenue sources, including federal and state grant awards, which are restricted to finance particular functions or activities. Funds included in this fund category are:

Community Center Fund - Accounts for the operational activities of the Community Center.

Warrenton Business License Fund - Accounts for revenues from the sale of business licenses. The goal of the WBL fund is to enhance the economy and livability within the City by providing funds for programs and projects such as nuisance abatement, beautification of the City, grants to Main Street programs for funding events, festivals and projects, assisting with public safety programs and equipment purchases, and other similar tasks and projects as recommended and approved by City Commission.

Library Fund - Accounts for the operational activity of the library.

Building Department Fund - Accounts for the activities of the Building Division, which is responsible for the enforcement of building, plumbing, mechanical, fire and life safety codes of the State of Oregon.

Transient Room Tax Fund - Accounts for transient room tax to be expended on police, first response medical assistance and infrastructure usage by tourists and other short term visitors, as well as to provide funds for tourist promotion.

Quincy Robinson Park Trust Fund - Accounts for the establishment and maintenance of public parks.

CITY OF WARRENTON

Nonmajor Special Revenues Funds

Combining Balance Sheet

June 30, 2022

	<u>Community Center (005)</u>	<u>Warrenton Business License (006)</u>	<u>Library (020)</u>	<u>Building Department (021)</u>
ASSETS				
Cash and cash equivalents	\$ 25,285	\$ 69,463	\$ 160,025	\$ 769,062
Receivables:				
Taxes	-	-	10,744	-
Accounts	-	-	-	-
Prepaid items	-	-	1,413	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 25,285</u>	<u>\$ 69,463</u>	<u>\$ 172,182</u>	<u>\$ 769,062</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,177	\$ 532	\$ 1,811	\$ 32,860
Unearned revenue	1,389	-	-	-
Total liabilities	<u>3,566</u>	<u>532</u>	<u>1,811</u>	<u>32,860</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	7,974	-
Fund Balances:				
Nonspendable - Prepaid items	-	-	1,413	-
Restricted for:				
Library and culture	-	-	160,984	-
Public works	-	-	-	-
Building inspection program	-	-	-	736,202
Committed to:				
Library and culture	21,719	68,931	-	-
Total fund balances	<u>21,719</u>	<u>68,931</u>	<u>162,397</u>	<u>736,202</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 25,285</u>	 <u>\$ 69,463</u>	 <u>\$ 172,182</u>	 <u>\$ 769,062</u>

Transient Room Tax (024)	Quincy Robinson Park Trust (065)	Total Nonmajor Special Revenues Funds
\$ 2,709	\$ 221,864	\$ 1,248,408
-	-	10,744
85,508	-	85,508
-	-	1,413
<u>\$ 88,217</u>	<u>\$ 221,864</u>	<u>\$ 1,346,073</u>
\$ 88,217	\$ -	\$ 125,597
-	-	1,389
<u>88,217</u>	<u>-</u>	<u>126,986</u>
-	-	7,974
-	-	1,413
-	-	160,984
-	221,864	221,864
-	-	736,202
-	-	90,650
<u>-</u>	<u>221,864</u>	<u>1,211,113</u>
<u>\$ 88,217</u>	<u>\$ 221,864</u>	<u>\$ 1,346,073</u>

CITY OF WARRENTON

Nonmajor Special Revenues Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	<u>Community Center (005)</u>	<u>Warrenton Business License (006)</u>	<u>Library (020)</u>	<u>Building Department (021)</u>
Revenues:				
Taxes	\$ -	\$ -	\$ 239,398	\$ -
Licenses and permits	-	63,665	-	367,585
Charges for services	14,525	-	-	-
Fines and forfeits	-	-	402	-
Investment earnings	122	406	940	4,277
Donations	9,327	-	5,801	-
Other revenue	120	-	4,699	523
	<u>24,094</u>	<u>64,071</u>	<u>251,240</u>	<u>372,385</u>
Total revenues				
Expenditures:				
Current:				
General government	-	-	-	-
Planning and development	-	-	-	453,882
Library and culture	18,132	38,579	251,552	-
Capital outlay	-	-	-	29,449
	<u>18,132</u>	<u>38,579</u>	<u>251,552</u>	<u>483,331</u>
Total expenditures				
Excess (deficiency) of revenues over (under) expenditures	5,962	25,492	(312)	(110,946)
Other Financing Sources (Uses):				
Transfers out	<u>(1,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,962	15,492	(312)	(110,946)
Fund Balances:				
Beginning of year	<u>16,757</u>	<u>53,439</u>	<u>162,709</u>	<u>847,148</u>
End of year	<u>\$ 21,719</u>	<u>\$ 68,931</u>	<u>\$ 162,397</u>	<u>\$ 736,202</u>

Transient Room Tax (024)	Quincy Robinson Park Trust (065)	Total Nonmajor Special Revenues Funds
\$ 304,359	\$ -	\$ 543,757
-	-	431,250
-	-	14,525
-	-	402
-	935	6,680
-	63,684	78,812
-	-	5,342
<u>304,359</u>	<u>64,619</u>	<u>1,080,768</u>
304,359	-	304,359
-	-	453,882
-	-	308,263
-	-	29,449
<u>304,359</u>	<u>-</u>	<u>1,095,953</u>
-	64,619	(15,185)
-	-	(11,000)
-	64,619	(26,185)
-	157,245	1,237,298
<u>\$ -</u>	<u>\$ 221,864</u>	<u>\$ 1,211,113</u>

CITY OF WARRENTON

Community Center Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance
Resources:				
Beginning fund balance	\$ 15,000	\$ 15,000	\$ 16,757	\$ 1,757
Charges for services	13,400	13,400	14,525	1,125
Investment earnings	200	200	122	(78)
Donations	3,000	3,000	9,327	6,327
Other revenue	-	-	120	120
	<u>31,600</u>	<u>31,600</u>	<u>40,851</u>	<u>9,251</u>
Total resources	<u>\$ 31,600</u>	<u>\$ 31,600</u>	<u>\$ 40,851</u>	<u>\$ 9,251</u>
Requirements:				
Community Center:				
Personal services	\$ 8,366	\$ 8,366	\$ 7,397	\$ 969
Materials and services	15,405	15,405	10,735	4,670
Total department expenditures	23,771	23,771	18,132	5,639
Contingency	1,500	1,500	-	1,500
Transfers out	1,000	1,000	1,000	-
Total expenditures	26,271	26,271	19,132	7,139
Ending fund balance	5,329	-	21,718	(21,718)
	<u>31,600</u>	<u>26,271</u>	<u>40,850</u>	<u>(14,579)</u>
Total requirements	<u>\$ 31,600</u>	<u>\$ 26,271</u>	<u>\$ 40,850</u>	<u>\$ (14,579)</u>

CITY OF WARRENTON

Warrenton Business License Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 40,000	\$ 40,000	\$ 53,439	\$ 13,439
Licenses and permits	59,000	59,000	63,665	4,665
Investment earnings	<u>500</u>	<u>500</u>	<u>406</u>	<u>(94)</u>
Total resources	<u>\$ 99,500</u>	<u>\$ 99,500</u>	<u>\$ 117,510</u>	<u>\$ 18,010</u>
Requirements:				
WBL Program:				
Personal services	\$ 6,154	\$ 6,154	\$ 6,030	\$ 124
Materials and services	<u>60,937</u>	<u>60,937</u>	<u>32,549</u>	<u>28,388</u>
Total department expenditures	67,091	67,091	38,579	28,512
Contingency	5,000	-	-	-
Transfers out	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>(10,000)</u>
Total expenditures	82,091	67,091	48,579	18,512
Ending fund balance	<u>17,409</u>	<u>-</u>	<u>68,931</u>	<u>(68,931)</u>
Total requirements	<u>\$ 99,500</u>	<u>\$ 67,091</u>	<u>\$ 117,510</u>	<u>\$ (50,419)</u>

CITY OF WARRENTON

Library Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 168,000	\$ 168,000	\$ 162,709	\$ (5,291)
Taxes	228,475	228,475	239,398	10,923
Fines and forfeits	250	250	402	152
Investment earnings	1,000	1,000	940	(60)
Donations	10,578	10,578	5,801	(4,777)
Other revenue	<u>3,200</u>	<u>3,200</u>	<u>4,698</u>	<u>1,498</u>
Total resources	<u>\$ 411,503</u>	<u>\$ 411,503</u>	<u>\$ 413,948</u>	<u>\$ 2,445</u>
 Requirements:				
Library:				
Personal services	\$ 191,905	\$ 191,905	\$ 161,734	\$ 30,171
Materials and services	<u>91,572</u>	<u>91,572</u>	<u>89,818</u>	<u>1,754</u>
Total department expenditures	283,477	283,477	251,552	31,925
Contingency	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Total expenditures	308,477	308,477	251,552	56,925
Ending fund balance	<u>103,026</u>	<u>-</u>	<u>162,397</u>	<u>(162,397)</u>
Total requirements	<u>\$ 411,503</u>	<u>\$ 308,477</u>	<u>\$ 413,949</u>	<u>\$ (105,472)</u>

CITY OF WARRENTON

Building Department Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 840,000	\$ 840,000	\$ 847,148	\$ 7,148
Licenses and permits	327,361	327,361	367,585	40,224
Investment earnings	5,000	5,000	4,277	(723)
Other revenue	<u>-</u>	<u>-</u>	<u>523</u>	<u>523</u>
Total resources	<u>\$ 1,172,361</u>	<u>\$ 1,172,361</u>	<u>\$ 1,219,533</u>	<u>\$ 47,172</u>
Requirements:				
Building Department:				
Personal services	\$ 296,128	\$ 296,128	\$ 299,228	\$ (3,100)
Materials and services	160,017	160,017	154,654	5,363
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>29,449</u>	<u>5,551</u>
Total department expenditures	491,145	491,145	483,331	7,814
Contingency	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Total expenditures	571,145	571,145	483,331	87,814
Ending fund balance	<u>601,216</u>	<u>-</u>	<u>736,201</u>	<u>(736,201)</u>
Total requirements	<u>\$ 1,172,361</u>	<u>\$ 571,145</u>	<u>\$ 1,219,532</u>	<u>\$ (648,387)</u>

CITY OF WARRENTON

Transient Room Tax Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Taxes	<u>320,000</u>	<u>320,000</u>	<u>304,359</u>	<u>(15,641)</u>
Total resources	<u>\$ 320,000</u>	<u>\$ 320,000</u>	<u>\$ 304,359</u>	<u>\$ (15,641)</u>
Requirements:				
Transient Room Tax Program:				
Materials and services	\$ 320,000	\$ 320,000	\$ 304,359	\$ 15,641
Ending fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total requirements	<u>\$ 320,000</u>	<u>\$ 320,000</u>	<u>\$ 304,359</u>	<u>\$ 15,641</u>

CITY OF WARRENTON

Quincy Robinson Park Trust Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 127,000	\$ 127,000	\$ 157,245	\$ 30,245
Investment earnings	700	700	935	235
Donations	<u>45,000</u>	<u>45,000</u>	<u>63,684</u>	<u>18,684</u>
Total resources	<u>\$ 172,700</u>	<u>\$ 172,700</u>	<u>\$ 221,864</u>	<u>\$ 49,164</u>
Requirements:				
Parks Department:				
Capital outlay	\$ 123,000	\$ 123,000	\$ -	\$ 123,000
Ending fund balance	<u>49,700</u>	<u>-</u>	<u>221,864</u>	<u>(221,864)</u>
Total requirements	<u>\$ 172,700</u>	<u>\$ 123,000</u>	<u>\$ 221,864</u>	<u>\$ (98,864)</u>

NONMAJOR DEBT SERVICE FUND

Debt Service Funds account for the accumulation of resources for and payment of general long-term debt principal and interest. Funds included in this category are:

Wastewater Treatment GO Bond Fund - Accounts for the payment of principal and interest on the general obligation bonds approved by voters on November 7, 2006 for the construction of the wastewater treatment facility.

Warrenton Urban Renewal Agency Debt Service Fund - Accounts for the payment of principal and interest on the debt related to improvements of the downtown area funded through the Warrenton Urban Renewal Agency.

Warrenton Urban Renewal Agency Debt Reserve Fund - Accounts for funds set aside for the payment of principal and interest on the debt related to improvements of the downtown area funded through the Warrenton Urban Renewal Agency.



CITY OF WARRENTON

Nonmajor Debt Service Fund

Combining Balance Sheet

June 30, 2022

	Wastewater Treatment GO Bond (059)	Warrenton Urban Renewal Agency Debt Service (300)	Warrenton Urban Renewal Agency Debt Reserve (400)	Total Nonmajor Debt Service Fund
ASSETS				
Cash and cash equivalents	\$ 95,826	\$ 2,685,403	\$ 350,017	\$ 3,131,246
Receivables:				
Taxes	<u>26,784</u>	<u>40,467</u>	<u>-</u>	<u>67,251</u>
Total assets	<u>\$ 122,610</u>	<u>\$ 2,725,870</u>	<u>\$ 350,017</u>	<u>\$ 3,198,497</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Deferred Inflows of Resources:				
Unavailable revenues	\$ 19,984	\$ 30,037	\$ -	\$ 50,021
Fund Balances:				
Restricted for:				
Debt service	<u>102,626</u>	<u>2,695,833</u>	<u>350,017</u>	<u>3,148,476</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 122,610</u>	<u>\$ 2,725,870</u>	<u>\$ 350,017</u>	<u>\$ 3,198,497</u>

CITY OF WARRENTON

Nonmajor Debt Service Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	<u>Wastewater Treatment GO Bond (059)</u>	<u>Warrenton Urban Renewal Agency Debt Service (300)</u>	<u>Warrenton Urban Renewal Agency Debt Reserve (400)</u>	<u>Total Nonmajor Special Revenues Funds</u>
Revenues:				
Taxes	\$ 558,759	\$ 905,748	\$ -	\$ 1,464,507
Investment earnings	<u>1,608</u>	<u>16,745</u>	<u>-</u>	<u>18,353</u>
Total revenues	<u>560,367</u>	<u>922,493</u>	<u>-</u>	<u>1,482,860</u>
Expenditures:				
Debt service:				
Principal retirement	472,890	297,276	-	770,166
Interest expense	<u>91,018</u>	<u>52,740</u>	<u>-</u>	<u>143,758</u>
Total expenditures	<u>563,908</u>	<u>350,016</u>	<u>-</u>	<u>913,924</u>
Excess (deficiency) of revenues over (under) expenditures	(3,541)	572,477	-	568,936
Other Financing Sources (Uses):				
Transfers out	<u>-</u>	<u>(119,457)</u>	<u>-</u>	<u>(119,457)</u>
Net change in fund balances	(3,541)	453,020	-	449,479
Fund Balances:				
Beginning of year	106,167	2,242,813	350,017	2,698,997
End of year	<u>\$ 102,626</u>	<u>\$ 2,695,833</u>	<u>\$ 350,017</u>	<u>\$ 3,148,476</u>

CITY OF WARRENTON

Wastewater Treatment GO Bond Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 74,000	\$ 74,000	\$ 106,167	\$ 32,167
Taxes	533,421	533,421	558,759	25,338
Investment earnings	<u>1,600</u>	<u>1,600</u>	<u>1,609</u>	<u>9</u>
Total resources	<u>\$ 609,021</u>	<u>\$ 609,021</u>	<u>\$ 666,535</u>	<u>\$ 57,514</u>
Requirements:				
Debt service	\$ 563,908	\$ 563,908	\$ 563,908	\$ -
Ending fund balance	<u>45,113</u>	<u>45,113</u>	<u>102,626</u>	<u>(57,513)</u>
Total requirements	<u>\$ 609,021</u>	<u>\$ 609,021</u>	<u>\$ 666,534</u>	<u>\$ (57,513)</u>

CITY OF WARRENTON

Warrenton Urban Renewal Agency Debt Service Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 2,089,327	\$ 2,089,327	\$ 2,242,813	\$ 153,486
Taxes	898,301	898,301	905,748	7,447
Investment earnings	18,000	18,000	16,746	(1,254)
Total resources	<u>\$ 3,005,628</u>	<u>\$ 3,005,628</u>	<u>\$ 3,165,307</u>	<u>\$ 159,679</u>
Requirements:				
Debt service	\$ 550,017	\$ 550,017	\$ 350,016	\$ 200,001
Transfers out	<u>2,100,000</u>	<u>2,100,000</u>	<u>119,457</u>	<u>1,980,543</u>
Total expenditures	2,650,017	2,650,017	469,473	2,180,544
Ending fund balance	<u>355,611</u>	<u>355,611</u>	<u>2,695,833</u>	<u>(2,340,222)</u>
Total requirements	<u>\$ 3,005,628</u>	<u>\$ 3,005,628</u>	<u>\$ 3,165,306</u>	<u>\$ (159,678)</u>

CITY OF WARRENTON

Warrenton Urban Renewal Agency Debt Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 350,017	\$ 350,017	\$ 350,017	\$ -
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>
Total resources	<u>\$ 550,017</u>	<u>\$ 550,017</u>	<u>\$ 350,017</u>	<u>\$ (200,000)</u>
Requirements:				
Debt service	\$ 550,017	\$ 550,017	\$ -	\$ 550,017
Ending fund balance	<u>-</u>	<u>-</u>	<u>350,017</u>	<u>(350,017)</u>
Total requirements	<u>\$ 550,017</u>	<u>\$ 550,017</u>	<u>\$ 350,017</u>	<u>\$ 200,000</u>



NONMAJOR CAPITAL PROJECTS FUND

Capital Project Funds are used to account for the acquisition or construction of major capital facilities. Funds included in this category are:

Parks System Development Charges Fund - Accounts for fees on new construction that are used for capital projects and improvements made necessary by the increased usage of infrastructure caused by development within the community.

Community Center Capital Reserve Fund - Accumulates resources from the operational surplus of the Community Center Fund for the financing of services, projects, property, and equipment purchases.

Facilities Maintenance Fund - Accumulates money for financing the costs of major maintenance and capital improvements of the Municipal Building, Head Start Building, and Park Facilities.

Streets System Development Charges Fund - Accounts for fees on new construction that are used for capital projects and improvements made necessary by the increased usage of infrastructure caused by development within the community.

Police Vehicle Replacement Fund - Accumulates money for financing the costs of police vehicles.

Fire Apparatus Replacement Fund - Accumulates money for financing the costs of fire apparatus.

Tansy Point Dock Capital Reserve Fund - Accumulates money for financing the costs of major maintenance and capital improvements to the Tansy Point Dock.

Warrenton Urban Renewal Agency Capital Projects Fund - Accounts for the property tax revenue collected and improvements to the downtown area completed through the Warrenton Urban Renewal Agency.

CITY OF WARRENTON

Nonmajor Capital Projects Fund

Combining Balance Sheet

June 30, 2022

	<u>Parks System Development Charges (003)</u>	<u>Community Center Capital Reserve (004)</u>	<u>Facilities Maintenance (035)</u>	<u>Streets System Development Charges (041)</u>
ASSETS				
Cash and cash equivalents	\$ 214,135	\$ 6,812	\$ 112,903	\$ 1,216,418
Total assets	<u>\$ 214,135</u>	<u>\$ 6,812</u>	<u>\$ 112,903</u>	<u>\$ 1,216,418</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,244	\$ -	\$ 4,743	\$ -
Fund Balances:				
Restricted for:				
Urban renewal improvements	-	-	-	-
System development	211,891	-	-	1,216,418
Assigned to:				
Capital projects	<u>-</u>	<u>6,812</u>	<u>108,160</u>	<u>-</u>
Total fund balances	<u>211,891</u>	<u>6,812</u>	<u>108,160</u>	<u>1,216,418</u>
 Total liabilities, deferred inflows of resources and fund balances	<u>\$ 214,135</u>	<u>\$ 6,812</u>	<u>\$ 112,903</u>	<u>\$ 1,216,418</u>

<u>Police Vehicle Replacement (070)</u>	<u>Fire Apparatus Replacement (071)</u>	<u>Tansy Point Dock Capital Reserve (072)</u>	<u>Warrenton Urban Renewal Agency Capital Projects (200)</u>	<u>Total Nonmajor Capital Projects Fund</u>
<u>\$ 95,459</u>	<u>\$ 159,065</u>	<u>\$ 213,722</u>	<u>\$ 14,084</u>	<u>\$ 2,032,598</u>
<u>\$ 95,459</u>	<u>\$ 159,065</u>	<u>\$ 213,722</u>	<u>\$ 14,084</u>	<u>\$ 2,032,598</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,073</u>	<u>\$ 12,060</u>
-	-	-	9,011	9,011
-	-	-	-	1,428,309
<u>95,459</u>	<u>159,065</u>	<u>213,722</u>	<u>-</u>	<u>583,218</u>
<u>95,459</u>	<u>159,065</u>	<u>213,722</u>	<u>9,011</u>	<u>2,020,538</u>
<u>\$ 95,459</u>	<u>\$ 159,065</u>	<u>\$ 213,722</u>	<u>\$ 14,084</u>	<u>\$ 2,032,598</u>

CITY OF WARRENTON

Nonmajor Capital Projects Fund

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended June 30, 2022

	<u>Parks System Development Charges (003)</u>	<u>Community Center Capital Reserve (004)</u>	<u>Facilities Maintenance (035)</u>	<u>Streets System Development Charges (041)</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment earnings	1,059	-	517	6,208
Other revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,059</u>	<u>-</u>	<u>517</u>	<u>6,208</u>
Expenditures:				
Current:				
General government	-	-	28,995	-
Library and culture	-	3,291	-	-
Capital outlay	<u>2,244</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>2,244</u>	<u>3,291</u>	<u>28,995</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(1,185)	(3,291)	(28,478)	6,208
Other Financing Sources (Uses):				
Transfers in	-	1,000	50,000	-
Capital contributions	<u>32,643</u>	<u>1,516</u>	<u>-</u>	<u>137,523</u>
Net change in fund balances	31,458	(775)	21,522	143,731
Fund Balances:				
Beginning of year	<u>180,433</u>	<u>7,587</u>	<u>86,638</u>	<u>1,072,687</u>
End of year	<u>\$ 211,891</u>	<u>\$ 6,812</u>	<u>\$ 108,160</u>	<u>\$ 1,216,418</u>

Police Vehicle Replacement (070)	Fire Apparatus Replacement (071)	Tansy Point Dock Capital Reserve (072)	Warrenton Urban Renewal Agency Capital Projects (200)	Total Nonmajor Capital Projects Fund
\$ -	\$ 160,952	\$ -	\$ -	\$ 160,952
458	735	1,136	23	10,136
-	25,509	-	225	25,734
<u>458</u>	<u>187,196</u>	<u>1,136</u>	<u>248</u>	<u>196,822</u>
-	-	-	26,263	55,258
-	-	-	-	3,291
<u>52,417</u>	<u>186,986</u>	<u>-</u>	<u>97,606</u>	<u>339,253</u>
<u>52,417</u>	<u>186,986</u>	<u>-</u>	<u>123,869</u>	<u>397,802</u>
(51,959)	210	1,136	(123,621)	(200,980)
80,000	30,000	20,778	119,457	301,235
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>171,682</u>
28,041	30,210	21,914	(4,164)	271,937
<u>67,418</u>	<u>128,855</u>	<u>191,808</u>	<u>13,175</u>	<u>1,748,601</u>
<u>\$ 95,459</u>	<u>\$ 159,065</u>	<u>\$ 213,722</u>	<u>\$ 9,011</u>	<u>\$ 2,020,538</u>

CITY OF WARRENTON

Parks System Development Charges Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 178,187	\$ 178,187	\$ 180,433	\$ 2,246
Investment earnings	1,100	1,100	1,059	(41)
Capital contributions	<u>12,000</u>	<u>12,000</u>	<u>32,643</u>	<u>20,643</u>
Total resources	<u>\$ 191,287</u>	<u>\$ 191,287</u>	<u>\$ 214,135</u>	<u>\$ 22,848</u>
Requirements:				
Capital outlay	\$ 40,000	\$ 40,000	\$ 2,244	\$ 37,756
Ending fund balance	<u>\$ 151,287</u>	<u>\$ 151,287</u>	<u>\$ 211,891</u>	<u>\$ (60,604)</u>
Total requirements	<u>\$ 191,287</u>	<u>\$ 191,287</u>	<u>\$ 214,135</u>	<u>\$ (22,848)</u>

CITY OF WARRENTON

Community Center Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources				
Beginning fund balance	\$ 7,587	\$ 7,587	\$ 7,587	\$ -
Capital contributions	-	-	1,516	1,516
Transfers in	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total resources	<u>\$ 8,587</u>	<u>\$ 8,587</u>	<u>\$ 10,103</u>	<u>\$ 1,516</u>
Requirements:				
Community Center:				
Materials and services	\$ 8,587	\$ 8,587	\$ 3,291	\$ 5,296
Ending fund balance	<u>-</u>	<u>-</u>	<u>6,812</u>	<u>(6,812)</u>
Total requirements	<u>\$ 8,587</u>	<u>\$ 8,587</u>	<u>\$ 10,103</u>	<u>\$ (1,516)</u>

CITY OF WARRENTON

Facilities Maintenance Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 75,000	\$ 75,000	\$ 86,638	\$ 11,638
Investment earnings	500	500	517	17
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total resources	<u>\$ 125,500</u>	<u>\$ 125,500</u>	<u>\$ 137,155</u>	<u>\$ 11,655</u>
Requirements:				
Facilities Maintenance:				
Materials and services	\$ 63,670	\$ 63,670	\$ 28,995	\$ 34,675
Contingency	<u>51,830</u>	<u>51,830</u>	<u>-</u>	<u>51,830</u>
Total expenditures	115,500	115,500	28,995	86,505
Ending fund balance	<u>10,000</u>	<u>10,000</u>	<u>108,160</u>	<u>(98,160)</u>
Total requirements	<u>\$ 125,500</u>	<u>\$ 125,500</u>	<u>\$ 137,155</u>	<u>\$ (11,655)</u>

CITY OF WARRENTON

Streets System Development Charges Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 1,070,400	\$ 1,070,400	\$ 1,072,687	\$ 2,287
Investment earnings	6,500	6,500	6,208	(292)
Capital contributions	<u>170,000</u>	<u>170,000</u>	<u>137,523</u>	<u>(32,477)</u>
Total resources	<u>\$ 1,246,900</u>	<u>\$ 1,246,900</u>	<u>\$ 1,216,418</u>	<u>\$ (30,482)</u>
Requirements:				
Ending fund balance	<u>\$ 1,246,900</u>	<u>\$ 1,246,900</u>	<u>\$ 1,216,418</u>	<u>\$ 30,482</u>
Total requirements	<u>\$ 1,246,900</u>	<u>\$ 1,246,900</u>	<u>\$ 1,216,418</u>	<u>\$ 30,482</u>

CITY OF WARRENTON

Police Vehicle Replacement Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 67,282	\$ 67,282	\$ 67,418	\$ 136
Investment earnings	-	-	457	457
Transfers in	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total resources	<u>\$ 147,282</u>	<u>\$ 147,282</u>	<u>\$ 147,875</u>	<u>\$ 593</u>
 Requirements:				
Police Department:				
Capital outlay	\$ 118,000	\$ 118,000	\$ 52,417	\$ 65,583
Ending fund balance	<u>29,282</u>	<u>29,282</u>	<u>95,459</u>	<u>(66,177)</u>
Total requirements	<u>\$ 147,282</u>	<u>\$ 147,282</u>	<u>\$ 147,876</u>	<u>\$ (594)</u>

CITY OF WARRENTON

Fire Apparatus Replacement Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 113,500	\$ 113,500	\$ 128,855	\$ 15,355
Intergovernmental	618,450	618,450	160,952	(457,498)
Investment earnings	500	500	735	235
Other revenue	-	-	25,509	25,509
Transfers in	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total resources	<u>\$ 762,450</u>	<u>\$ 762,450</u>	<u>\$ 346,051</u>	<u>\$ (416,399)</u>
Requirements:				
Fire Department:				
Capital outlay	\$ 713,000	\$ 713,000	\$ 186,986	\$ 526,014
Ending fund balance	<u>49,450</u>	<u>49,450</u>	<u>159,065</u>	<u>(109,615)</u>
Total requirements	<u>\$ 762,450</u>	<u>\$ 762,450</u>	<u>\$ 346,051</u>	<u>\$ 416,399</u>

CITY OF WARRENTON

Tansy Point Dock Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 191,802	\$ 191,802	\$ 191,808	\$ 6
Investment earnings	1,000	1,000	1,136	136
Transfers in	<u>20,778</u>	<u>20,778</u>	<u>20,778</u>	<u>-</u>
Total resources	<u>\$ 213,580</u>	<u>\$ 213,580</u>	<u>\$ 213,722</u>	<u>\$ 142</u>
Requirements:				
Administration:				
Capital outlay	\$ 213,580	\$ 213,580	\$ -	\$ 213,580
Ending fund balance	<u>-</u>	<u>-</u>	<u>213,722</u>	<u>(213,722)</u>
Total requirements	<u>\$ 213,580</u>	<u>\$ 213,580</u>	<u>\$ 213,722</u>	<u>\$ (142)</u>

CITY OF WARRENTON

Warrenton Urban Renewal Agency Capital Projects Fund

Statement of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 16,220	\$ 16,220	\$ 13,175	\$ (3,045)
Investment earnings	-	-	23	23
Other revenue	-	-	225	225
Transfers in	1,900,000	1,900,000	119,457	(1,780,543)
Loan proceeds	<u>4,281,812</u>	<u>4,281,812</u>	<u>-</u>	<u>(4,281,812)</u>
Total resources	<u>\$ 6,198,032</u>	<u>\$ 6,198,032</u>	<u>\$ 132,880</u>	<u>\$ (6,065,152)</u>
Requirements:				
Materials and services	\$ 144,000	\$ 144,000	\$ 26,263	\$ 117,737
Capital outlay	<u>6,054,032</u>	<u>6,054,032</u>	<u>97,606</u>	<u>5,956,426</u>
Total expenditures	6,198,032	6,198,032	123,869	6,074,163
Ending fund balance	<u>-</u>	<u>-</u>	<u>9,011</u>	<u>(9,011)</u>
Total requirements	<u>\$ 6,198,032</u>	<u>\$ 6,198,032</u>	<u>\$ 132,880</u>	<u>\$ 6,065,152</u>



ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs of providing services are financed or recovered primarily through user charges. Funds included in this category are:

Water Operating Fund - Accounts for the operation, maintenance, and improvements of the water treatment, transmission and distribution systems.

Water System Development - Accounts for fees on new construction that are used for capital projects and improvements made necessary by the increased usage of infrastructure caused by development.

Water Capital Reserve Fund - Accumulates money for major maintenance and capital improvement projects.

Sewer Operating Fund - Accounts for the operation, maintenance, and improvements of the sewer system.

Sewer System Development - Accounts for fees on new construction that are used for capital projects and improvements made necessary by the increased usage of infrastructure caused by development.

Sewer Capital Reserve Fund - Accumulates money for major maintenance and capital improvement projects.

Storm Sewer Operating Fund - Accounts for the storm sewer surcharge on all sewer bills and is used to expand and improve storm drainage systems.

Storm System Development Charges Fund - Accounts for fees on new construction that are used for capital projects and improvements made necessary by the increased usage of infrastructure caused by development within the community.

Sanitation Operating Fund - Accounts for the operations of the residential and commercial trash collection unit.

Sanitation Capital Reserve Fund - Accumulates money for major maintenance and capital improvement projects.

Warrenton Marina Fund - Accounts for the operation, maintenance and improvements of the Marina.

Warrenton Marina Capital Reserve Fund - Accumulates money for major maintenance and capital improvement projects.

Hammond Marina Fund - Accounts for the operation, maintenance and improvements of the Marina.

Hammond Marina Capital Reserve Fund - Accumulates money for major maintenance and capital improvement projects.



CITY OF WARRENTON

Water Enterprise

Combining Statement of Net Position

June 30, 2022

	Operating (025)	System Development (026)	Capital Reserve (029)	Total Water Enterprise
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,637,479	\$ 229,025	\$ 6,314,043	\$ 8,180,547
Accounts receivable	303,236	-	-	303,236
Other receivables	500	1,409	-	1,909
Prepaid expenses	942	-	-	942
Total current assets	<u>1,942,157</u>	<u>230,434</u>	<u>6,314,043</u>	<u>8,486,634</u>
Noncurrent assets:				
Capital assets:				
Nondepreciable assets	472,482	-	-	472,482
Depreciable assets, net	12,580,946	-	-	12,580,946
Total noncurrent assets	<u>13,053,428</u>	<u>-</u>	<u>-</u>	<u>13,053,428</u>
Total assets	<u>14,995,585</u>	<u>230,434</u>	<u>6,314,043</u>	<u>21,540,062</u>
DEFERRED OUTFLOWS OF RESOURCES				
related to pensions	<u>309,486</u>	<u>-</u>	<u>-</u>	<u>309,486</u>
LIABILITIES				
Current liabilities:				
Accounts payable	63,612	-	18,345	81,957
Accrued interest payable	51,826	-	-	51,826
Compensated absences	33,539	-	-	33,539
Loans payable - current	449,731	-	-	449,731
Total current liabilities	<u>598,708</u>	<u>-</u>	<u>18,345</u>	<u>617,053</u>
Noncurrent liabilities:				
Loans payable	3,021,482	-	-	3,021,482
Net pension liability	474,226	-	-	474,226
Total liabilities	<u>4,094,416</u>	<u>-</u>	<u>18,345</u>	<u>4,112,761</u>
DEFERRED INFLOWS OF RESOURCES				
related to pensions	<u>434,380</u>	<u>-</u>	<u>-</u>	<u>434,380</u>
NET POSITION				
Net investment in capital assets	9,582,215	-	-	9,582,215
Restricted for system development	-	230,434	-	230,434
Unrestricted	1,194,060	-	6,295,698	7,489,758
Total net position	<u>\$ 10,776,275</u>	<u>\$ 230,434</u>	<u>\$ 6,295,698</u>	<u>\$ 17,302,407</u>

CITY OF WARRENTON

Water Enterprise

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	Operating (025)	System Development (026)	Capital Reserve (029)	Total Water Enterprise
Operating Revenues:				
Charges for services	\$ 3,926,543	\$ -	\$ -	\$ 3,926,543
Other revenue	14,523	-	-	14,523
Total operating revenues	<u>3,941,066</u>	<u>-</u>	<u>-</u>	<u>3,941,066</u>
Operating Expenses:				
Payroll and payroll benefits	829,632	-	-	829,632
Contracted services	119,129	-	4,994	124,123
Utilities and telephone	114,227	-	-	114,227
Repairs and maintenance	256,458	-	-	256,458
Other operating expenses	254,246	-	-	254,246
Overhead cost allocation	126,846	-	-	126,846
Depreciation	650,788	-	-	650,788
Total operating expenses	<u>2,351,326</u>	<u>-</u>	<u>4,994</u>	<u>2,356,320</u>
Operating income (loss)	<u>1,589,740</u>	<u>-</u>	<u>(4,994)</u>	<u>1,584,746</u>
Nonoperating Revenues (Expenses):				
Investment earnings	40,215	1,025	-	41,240
Interest expense	(98,186)	-	-	(98,186)
Total nonoperating revenues (expenses)	<u>(57,971)</u>	<u>1,025</u>	<u>-</u>	<u>(56,946)</u>
Income (loss) before contributions	1,531,769	1,025	(4,994)	1,527,800
Capital contributions	-	74,598	-	74,598
Capital transfers, net	112,485	-	(112,485)	-
Net transfers within enterprise	<u>(2,750,000)</u>	<u>-</u>	<u>2,750,000</u>	<u>-</u>
Change in net position	(1,105,746)	75,623	2,632,521	1,602,398
Net Position:				
Beginning of year	12,118,433	154,811	3,663,177	15,936,421
Restatement of beginning balance	(236,412)	-	-	(236,412)
End of year	<u>\$ 10,776,275</u>	<u>\$ 230,434</u>	<u>\$ 6,295,698</u>	<u>\$ 17,302,407</u>

CITY OF WARRENTON

Sewer Enterprise

Combining Statement of Net Position

June 30, 2022

	<u>Operating (030)</u>	<u>System Development (036)</u>	<u>Capital Reserve (038)</u>	<u>Storm (028)</u>	<u>Storm System Development Charges (051)</u>	<u>Total Sewer Enterprise</u>
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 2,711,391	\$ 174,158	\$ 4,847,435	\$ 1,619,623	\$ 96,574	\$ 9,449,181
Accounts receivable	265,495	-	-	49,854	-	315,349
Other receivables	2,632	-	-	-	-	2,632
Prepaid expenses	771	-	-	91	-	862
Total current assets	<u>2,980,289</u>	<u>174,158</u>	<u>4,847,435</u>	<u>1,669,568</u>	<u>96,574</u>	<u>9,768,024</u>
Noncurrent assets:						
Restricted cash	63,012	-	-	-	-	63,012
Capital assets:						
Nondepreciable assets	145,269	-	-	48,903	-	194,172
Depreciable assets, net	<u>8,355,330</u>	<u>-</u>	<u>-</u>	<u>579,433</u>	<u>-</u>	<u>8,934,763</u>
Total noncurrent assets	<u>8,563,611</u>	<u>-</u>	<u>-</u>	<u>628,336</u>	<u>-</u>	<u>9,191,947</u>
Total assets	<u>11,543,900</u>	<u>174,158</u>	<u>4,847,435</u>	<u>2,297,904</u>	<u>96,574</u>	<u>18,959,971</u>
DEFERRED OUTFLOWS OF RESOURCES						
related to pensions	<u>316,688</u>	<u>-</u>	<u>-</u>	<u>35,780</u>	<u>-</u>	<u>352,468</u>
LIABILITIES						
Current liabilities:						
Accounts payable	64,551	-	46,153	7,870	-	118,574
Accrued interest payable	11,024	-	-	-	-	11,024
Compensated absences	43,070	-	-	4,301	-	47,371
Loans payable - current	<u>142,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>142,142</u>
Total current liabilities	<u>260,787</u>	<u>-</u>	<u>46,153</u>	<u>12,171</u>	<u>-</u>	<u>319,111</u>
Noncurrent liabilities:						
Loans payable	1,413,868	-	-	-	-	1,413,868
Net pension liability	<u>485,263</u>	<u>-</u>	<u>-</u>	<u>54,828</u>	<u>-</u>	<u>540,091</u>
Total liabilities	<u>2,159,918</u>	<u>-</u>	<u>46,153</u>	<u>66,999</u>	<u>-</u>	<u>2,273,070</u>
DEFERRED INFLOWS OF RESOURCES						
related to pensions	<u>444,491</u>	<u>-</u>	<u>-</u>	<u>50,221</u>	<u>-</u>	<u>494,712</u>
NET POSITION						
Net investment in capital assets	6,944,589	-	-	628,336	-	7,572,925
Restricted for debt service	63,012	-	-	-	-	63,012
Restricted for system development	-	174,158	-	-	96,574	270,732
Unrestricted	<u>2,248,578</u>	<u>-</u>	<u>4,801,282</u>	<u>1,588,128</u>	<u>-</u>	<u>8,637,988</u>
Total net position	<u>\$ 9,256,179</u>	<u>\$ 174,158</u>	<u>\$ 4,801,282</u>	<u>\$ 2,216,464</u>	<u>\$ 96,574</u>	<u>\$ 16,544,657</u>

CITY OF WARRENTON

Sewer Enterprise

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	<u>Operating (030)</u>	<u>System Development (036)</u>	<u>Capital Reserve (038)</u>	<u>Storm (028)</u>	<u>Storm System Development Charges (051)</u>	<u>Total Sewer Enterprise</u>
Operating Revenues:						
Charges for services	\$ 2,734,115	\$ -	\$ -	\$ 512,237	\$ -	\$ 3,246,352
Other revenue	<u>13,587</u>	<u>-</u>	<u>-</u>	<u>4,784</u>	<u>-</u>	<u>18,371</u>
Total operating revenues	<u>2,747,702</u>	<u>-</u>	<u>-</u>	<u>517,021</u>	<u>-</u>	<u>3,264,723</u>
Operating Expenses:						
Payroll and payroll benefits	755,332	-	-	82,575	-	837,907
Contracted services	155,601	-	-	30,293	-	185,894
Utilities and telephone	153,552	-	-	11,439	-	164,991
Repairs and maintenance	226,759	-	-	54,110	-	280,869
Other operating expenses	223,627	-	-	9,226	-	232,853
Overhead cost allocation	121,319	-	-	9,212	-	130,531
Depreciation	<u>705,035</u>	<u>-</u>	<u>-</u>	<u>50,776</u>	<u>-</u>	<u>755,811</u>
Total operating expenses	<u>2,341,225</u>	<u>-</u>	<u>-</u>	<u>247,631</u>	<u>-</u>	<u>2,588,856</u>
Operating income (loss)	<u>406,477</u>	<u>-</u>	<u>-</u>	<u>269,390</u>	<u>-</u>	<u>675,867</u>
Nonoperating Revenues (Expenses):						
Investment earnings	39,401	755	-	8,406	495	49,057
Interest expense	<u>(38,339)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(38,339)</u>
Total nonoperating revenues (expenses)	<u>1,062</u>	<u>755</u>	<u>-</u>	<u>8,406</u>	<u>495</u>	<u>10,718</u>
Income (loss) before contributions	407,539	755	-	277,796	495	686,585
Capital contributions	-	60,509	-	-	12,110	72,619
Capital transfers, net	172,844	-	(172,844)	-	-	-
Net transfers within enterprise	<u>(1,000,000)</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	(419,617)	61,264	827,156	277,796	12,605	759,204
Net Position:						
Beginning of year	9,760,197	112,894	3,974,126	1,942,404	83,969	15,873,590
Restatement of beginning balancer	<u>(84,401)</u>	<u>-</u>	<u>-</u>	<u>(3,736)</u>	<u>-</u>	<u>(88,137)</u>
End of year	<u>\$ 9,256,179</u>	<u>\$ 174,158</u>	<u>\$ 4,801,282</u>	<u>\$ 2,216,464</u>	<u>\$ 96,574</u>	<u>\$ 16,544,657</u>

CITY OF WARRENTON
Sanitation Enterprise
Combining Statement of Net Position
June 30, 2022

	<u>Operating (032)</u>	<u>Capital Reserve (034)</u>	<u>Total Sanitation Enterprise</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 466,967	\$ 289,394	\$ 756,361
Accounts receivable	121,765	-	121,765
Prepaid expenses	407	-	407
Total current assets	<u>589,139</u>	<u>289,394</u>	<u>878,533</u>
Noncurrent assets:			
Capital assets:			
Nondepreciable assets	29,669	-	29,669
Depreciable assets, net	<u>470,196</u>	<u>-</u>	<u>470,196</u>
Total noncurrent assets	<u>499,865</u>	<u>-</u>	<u>499,865</u>
Total assets	<u>1,089,004</u>	<u>289,394</u>	<u>1,378,398</u>
DEFERRED OUTFLOWS OF RESOURCES			
related to pensions	<u>99,445</u>	<u>-</u>	<u>99,445</u>
LIABILITIES			
Current liabilities:			
Accounts payable	84,172	-	84,172
Compensated absences	6,207	-	6,207
Landfill postclosure care - current	<u>11,650</u>	<u>-</u>	<u>11,650</u>
Total current liabilities	102,029	-	102,029
Noncurrent liabilities:			
Landfill postclosure care liability	299,171	-	299,171
Net pension liability	<u>152,379</u>	<u>-</u>	<u>152,379</u>
Total liabilities	<u>553,579</u>	<u>-</u>	<u>553,579</u>
DEFERRED INFLOWS OF RESOURCES			
related to pensions	<u>139,575</u>	<u>-</u>	<u>139,575</u>
NET POSITION			
Net investment in capital assets	499,865	-	499,865
Unrestricted	<u>(4,570)</u>	<u>289,394</u>	<u>284,824</u>
Total net position	<u>\$ 495,295</u>	<u>\$ 289,394</u>	<u>\$ 784,689</u>

CITY OF WARRENTON

Sanitation Enterprise

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	Operating (032)	Capital Reserve (034)	Total Sanitation Enterprise
Operating Revenues:			
Charges for services	\$ 1,247,017	\$ -	\$ 1,247,017
Other revenue	2,379	-	2,379
Total operating revenues	<u>1,249,396</u>	<u>-</u>	<u>1,249,396</u>
Operating Expenses:			
Payroll and payroll benefits	229,973	-	229,973
Contracted services	746,830	-	746,830
Utilities and telephone	5,826	-	5,826
Repairs and maintenance	30,660	-	30,660
Other operating expenses	101,545	-	101,545
Overhead cost allocation	35,149	-	35,149
Depreciation	100,455	-	100,455
Total operating expenses	<u>1,250,438</u>	<u>-</u>	<u>1,250,438</u>
Operating income (loss)	<u>(1,042)</u>	<u>-</u>	<u>(1,042)</u>
Nonoperating Revenues (Expenses):			
Investment earnings	3,271	-	3,271
Total nonoperating revenues (expenses)	<u>3,271</u>	<u>-</u>	<u>3,271</u>
Income (loss) before contributions	2,229	-	2,229
Capital transfers, net	96	(96)	-
Net transfers within enterprise	<u>(35,000)</u>	<u>35,000</u>	<u>-</u>
Change in net position	(32,675)	34,904	2,229
Net Position:			
Beginning of year	549,531	254,490	804,021
Restatement of beginning balancer	<u>(21,561)</u>	<u>-</u>	<u>(21,561)</u>
End of year	<u>\$ 495,295</u>	<u>\$ 289,394</u>	<u>\$ 784,689</u>

CITY OF WARRENTON
Nonmajor Enterprise Funds
Combining Statement of Net Position
June 30, 2022

	Warrenton Marina (010)	Warrenton Marina Capital Reserve (012)	Hammond Marina (011)	Hammond Marina Capital Reserve (013)	Total Nonmajor Enterprise Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 338,287	\$ 463,868	\$ 216,907	\$ 663,033	\$ 1,682,095
Accounts receivable	19,536	-	3,630	-	23,166
Intergovernmental receivables	-	-	-	79,600	79,600
Lease Receivable, Current	30,000	-	16,451	-	46,451
Total current assets	<u>387,823</u>	<u>463,868</u>	<u>236,988</u>	<u>742,633</u>	<u>1,831,312</u>
Noncurrent assets:					
Lease Receivable	125,538	-	-	-	125,538
Capital assets:					
Nondepreciable assets	97,703	-	166,608	-	264,311
Depreciable assets, net	157,266	-	1,963,911	-	2,121,177
Total noncurrent assets	<u>380,507</u>	<u>-</u>	<u>2,130,519</u>	<u>-</u>	<u>2,511,026</u>
Total assets	<u>768,330</u>	<u>463,868</u>	<u>2,367,507</u>	<u>742,633</u>	<u>4,342,338</u>
DEFERRED OUTFLOWS OF RESOURCES					
related to pensions	<u>114,547</u>	<u>-</u>	<u>64,128</u>	<u>-</u>	<u>178,675</u>
LIABILITIES					
Current liabilities:					
Accounts payable	11,554	611	10,318	-	22,483
Compensated absences	22,709	-	12,850	-	35,559
Unearned revenue	23,836	-	4,007	-	27,843
Total current liabilities	58,099	611	27,175	-	85,885
Noncurrent liabilities:					
Net pension liability	<u>175,521</u>	<u>-</u>	<u>98,263</u>	<u>-</u>	<u>273,784</u>
Total liabilities	<u>233,620</u>	<u>611</u>	<u>125,438</u>	<u>-</u>	<u>359,669</u>
DEFERRED INFLOWS OF RESOURCES					
related to pensions	160,773	-	90,007	-	250,780
Deferred Inflows -Leases Receivable	<u>151,353</u>	<u>-</u>	<u>14,193</u>	<u>-</u>	<u>165,546</u>
Total deferred Inflows of resources	<u>312,126</u>	<u>-</u>	<u>104,200</u>	<u>-</u>	<u>416,326</u>
NET POSITION					
Net investment in capital assets Unrestricted	254,969	-	2,130,519	-	2,385,488
	<u>82,162</u>	<u>463,257</u>	<u>71,478</u>	<u>742,633</u>	<u>1,359,530</u>
Total net position	<u>\$ 337,131</u>	<u>\$ 463,257</u>	<u>\$ 2,201,997</u>	<u>\$ 742,633</u>	<u>\$ 3,745,018</u>

CITY OF WARRENTON

Nonmajor Enterprise Funds

Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Year Ended June 30, 2022

	<u>Warrenton Marina (010)</u>	<u>Warrenton Marina Capital Reserve (012)</u>	<u>Hammond Marina (011)</u>	<u>Hammond Marina Capital Reserve (013)</u>	<u>Total Nonmajor Enterprise Funds</u>
Operating Revenues:					
Charges for services	\$ 681,185	\$ -	\$ 402,197	\$ -	\$ 1,083,382
Lease receipts	30,913	-	13,907	-	44,820
Other revenue	8,033	-	3,398	-	11,431
Total operating revenues	<u>720,131</u>	<u>-</u>	<u>419,502</u>	<u>-</u>	<u>1,139,633</u>
Operating Expenses:					
Payroll and payroll benefits	366,579	-	183,719	-	550,298
Contracted services	6,067	-	7,971	-	14,038
Utilities and telephone	83,759	-	38,967	-	122,726
Repairs and maintenance	52,381	-	48,041	-	100,422
Other operating expenses	33,181	-	27,762	-	60,943
Overhead cost allocation	31,794	-	17,763	-	49,557
Depreciation	23,911	-	55,288	-	79,199
Total operating expenses	<u>597,672</u>	<u>-</u>	<u>379,511</u>	<u>-</u>	<u>977,183</u>
Operating income (loss)	<u>122,459</u>	<u>-</u>	<u>39,991</u>	<u>-</u>	<u>162,450</u>
Nonoperating Revenues (Expenses):					
Investment earnings	10,102	-	6,690	-	16,792
Taxes	-	-	-	229,977	229,977
Intergovernmental	-	-	-	57,986	57,986
Total nonoperating revenues (expenses)	<u>10,102</u>	<u>-</u>	<u>6,690</u>	<u>287,963</u>	<u>304,755</u>
Income (loss) before contributions	132,561	-	46,681	287,963	467,205
Capital transfers, net	38,918	(38,918)	316,188	(316,188)	-
Net transfers within enterprise	<u>(100,000)</u>	<u>100,000</u>	<u>(100,000)</u>	<u>100,000</u>	<u>-</u>
Change in net position	71,479	61,082	262,869	71,775	467,205
Net Position:					
Beginning of year	262,416	402,175	1,936,870	670,858	3,272,319
Restatement of beginning balance	3,236	-	2,258	-	5,494
End of year	<u>\$ 337,131</u>	<u>\$ 463,257</u>	<u>\$ 2,201,997</u>	<u>\$ 742,633</u>	<u>\$ 3,745,018</u>

CITY OF WARRENTON

Water Operating Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 2,900,000	\$ 2,900,000	\$ 3,336,675	\$ 436,675
Charges for services	3,955,947	3,955,947	3,926,544	(29,403)
Investment earnings	35,000	35,000	40,215	5,215
Other revenue	1,500	1,500	14,523	13,023
Loan proceeds	<u>2,500,000</u>	<u>2,500,000</u>	<u>-</u>	<u>(2,500,000)</u>
Total resources	<u>\$ 9,392,447</u>	<u>\$ 9,392,447</u>	<u>\$ 7,317,957</u>	<u>\$ (2,074,490)</u>
Requirements:				
Public Works:				
Personal services	\$ 1,129,276	\$ 1,129,276	\$ 896,270	\$ 233,006
Materials and services	<u>1,360,601</u>	<u>1,360,601</u>	<u>1,107,318</u>	<u>253,283</u>
Total department expenditures	2,489,877	2,489,877	2,003,588	486,289
Debt service	685,825	685,825	685,823	2
Contingency	500,000	500,000	-	500,000
Transfers out	<u>5,250,000</u>	<u>5,250,000</u>	<u>2,750,000</u>	<u>2,500,000</u>
Total expenditures	8,925,702	8,925,702	5,439,411	3,486,291
Ending fund balance	<u>466,745</u>	<u>466,745</u>	<u>1,878,545</u>	<u>(1,411,800)</u>
Total requirements	<u>\$ 9,392,447</u>	<u>\$ 9,392,447</u>	<u>\$ 7,317,956</u>	<u>\$ 2,074,491</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 1,878,545	
Capital assets			13,053,428	
Deferred outflows of resources related to pensions			309,486	
Accrued interest payable			(51,826)	
Compensated absences			(33,539)	
Net pension liability			(474,226)	
Loans payable			(3,471,213)	
Deferred inflow of resources related to pensions			<u>(434,380)</u>	
Ending net position - GAAP basis			<u>\$ 10,776,275</u>	

CITY OF WARRENTON

Water System Development

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 128,140	\$ 128,140	\$ 154,811	\$ 26,671
Investment earnings	800	800	1,025	225
Capital contributions	<u>104,000</u>	<u>104,000</u>	<u>74,598</u>	<u>(29,402)</u>
Total resources	<u>\$ 232,940</u>	<u>\$ 232,940</u>	<u>\$ 230,434</u>	<u>\$ (2,506)</u>
Requirements:				
Ending fund balance	<u>232,940</u>	<u>232,940</u>	<u>230,434</u>	<u>2,506</u>
Total requirements	<u>\$ 232,940</u>	<u>\$ 232,940</u>	<u>\$ 230,434</u>	<u>\$ 2,506</u>

CITY OF WARRENTON

Water Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 2,900,000	\$ 2,900,000	\$ 3,663,177	\$ 763,177
Transfers in	<u>5,250,000</u>	<u>5,250,000</u>	<u>2,750,000</u>	<u>(2,500,000)</u>
Total resources	<u>\$ 8,150,000</u>	<u>\$ 8,150,000</u>	<u>\$ 6,413,177</u>	<u>\$ (1,736,823)</u>
Requirements:				
Public Works:				
Capital outlay	\$ 4,128,600	\$ 4,128,600	\$ 117,478	\$ 4,011,122
Ending fund balance	<u>4,021,400</u>	<u>4,021,400</u>	<u>6,295,699</u>	<u>(2,274,299)</u>
Total requirements	<u>\$ 8,150,000</u>	<u>\$ 8,150,000</u>	<u>\$ 6,413,177</u>	<u>\$ 1,736,823</u>
Reconciliation to GAAP Basis:				
Ending fund balance			6,295,699	
GAAP Net Position - end of year			<u>\$ 6,295,699</u>	

CITY OF WARRENTON

Sewer Operating Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 3,000,000	\$ 3,000,000	\$ 3,110,781	\$ 110,781
Charges for services	2,713,900	2,713,900	2,734,115	20,215
Investment earnings	40,000	40,000	39,401	(599)
Other revenue	<u>-</u>	<u>-</u>	<u>13,587</u>	<u>13,587</u>
Total resources	<u>\$ 5,753,900</u>	<u>\$ 5,753,900</u>	<u>\$ 5,897,884</u>	<u>\$ 143,984</u>
Requirements:				
Public Works::				
Personal services	\$ 1,080,463	\$ 1,080,463	\$ 776,049	\$ 304,414
Materials and services	<u>2,650,517</u>	<u>2,650,517</u>	<u>965,260</u>	<u>1,685,257</u>
Total department expenditures	3,730,980	3,730,980	1,741,309	1,989,671
Debt service	177,826	177,826	177,826	-
Contingency	530,103	530,103	-	530,103
Transfers out	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Total expenditures	5,438,909	5,438,909	2,919,135	2,519,774
Ending fund balance	<u>314,991</u>	<u>314,991</u>	<u>2,978,750</u>	<u>(2,663,759)</u>
Total requirements	<u>\$ 5,753,900</u>	<u>\$ 5,753,900</u>	<u>\$ 5,897,885</u>	<u>\$ (143,985)</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 2,978,750	
Depreciable assets, net			8,500,599	
Deferred outflows of resources related to pensions			316,688	
Accrued interest payable			(11,024)	
Compensated absences			(43,070)	
Net pension liability			(485,263)	
Loans payable			(1,556,010)	
Deferred inflow of resources related to pensions			<u>(444,491)</u>	
Ending net position - GAAP basis			<u>\$ 9,256,179</u>	

CITY OF WARRENTON

Sewer System Development

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 108,000	\$ 108,000	\$ 112,894	\$ 4,894
Investment earnings	650	-	755	755
Capital contributions	<u>60,000</u>	<u>-</u>	<u>60,509</u>	<u>60,509</u>
Total resources	<u>\$ 168,650</u>	<u>\$ 108,000</u>	<u>\$ 174,158</u>	<u>\$ 66,158</u>
Requirements:				
Ending fund balance	<u>\$ 168,650</u>	<u>\$ 168,650</u>	<u>\$ 174,158</u>	<u>\$ (5,508)</u>
Total requirements	<u>\$ 168,650</u>	<u>\$ 168,650</u>	<u>\$ 174,158</u>	<u>\$ (5,508)</u>

CITY OF WARRENTON

Sewer Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 3,600,000	\$ 3,600,000	\$ 3,974,126	\$ 374,126
Transfers in	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Total resources	<u>\$ 4,600,000</u>	<u>\$ 4,600,000</u>	<u>\$ 4,974,126</u>	<u>\$ 374,126</u>
Requirements:				
Public Works:				
Capital outlay	\$ 555,650	\$ 555,650	\$ 172,844	\$ 382,806
Ending fund balance	<u>4,044,350</u>	<u>4,044,350</u>	<u>4,801,283</u>	<u>(756,933)</u>
Total requirements	<u>\$ 4,600,000</u>	<u>\$ 4,600,000</u>	<u>\$ 4,974,127</u>	<u>\$ (374,127)</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			<u>\$ 4,801,283</u>	
GAAP Net Position - end of year			<u>\$ 4,801,283</u>	

CITY OF WARRENTON

Storm Sewer Operating Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 1,300,000	\$ 1,300,000	\$ 1,473,868	\$ 173,868
Charges for services	489,220	489,220	512,237	23,017
Investment earnings	6,000	6,000	8,406	2,406
Other revenue	<u>-</u>	<u>-</u>	<u>4,785</u>	<u>4,785</u>
Total resources	<u>\$ 1,795,220</u>	<u>\$ 1,795,220</u>	<u>\$ 1,999,296</u>	<u>\$ 204,076</u>
Requirements:				
Storm Sewer Department:				
Personal services	\$ 84,605	\$ 84,605	\$ 67,592	\$ 17,013
Materials and services	296,166	296,166	113,744	182,422
Capital outlay	<u>801,450</u>	<u>801,450</u>	<u>156,262</u>	<u>645,188</u>
Total department expenditures	1,182,221	1,182,221	337,598	844,623
Contingency	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>90,000</u>
Total expenditures	1,272,221	1,272,221	337,598	934,623
Ending fund balance	<u>522,999</u>	<u>522,999</u>	<u>1,661,698</u>	<u>(1,138,699)</u>
Total requirements	<u>\$ 1,795,220</u>	<u>\$ 1,795,220</u>	<u>\$ 1,999,296</u>	<u>\$ (204,076)</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 1,661,698	
Depreciable assets, net			628,336	
Deferred outflows of resources related to pensions			35,780	
Compensated absences			(4,301)	
Net pension liability			(54,828)	
Deferred inflow of resources related to pensions			<u>(50,221)</u>	
Ending net position - GAAP basis			<u>\$ 2,216,464</u>	

CITY OF WARRENTON

Storm System Development Charges Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 82,000	\$ 82,000	\$ 83,969	\$ 1,969
Investment earnings	500	500	495	(5)
Capital contributions	<u>25,000</u>	<u>25,000</u>	<u>12,110</u>	<u>(12,890)</u>
Total resources	<u>\$ 107,500</u>	<u>\$ 107,500</u>	<u>\$ 96,574</u>	<u>\$ (10,926)</u>
Requirements:				
Ending fund balance	<u>\$ 107,500</u>	<u>\$ 107,500</u>	<u>\$ 96,574</u>	<u>\$ 10,926</u>
Total requirements	<u>\$ 107,500</u>	<u>\$ 107,500</u>	<u>\$ 96,574</u>	<u>\$ 10,926</u>

CITY OF WARRENTON

Sanitation Operating Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 425,000	\$ 425,000	\$ 450,351	\$ 25,351
Charges for services	1,161,092	1,161,092	1,247,017	85,925
Investment earnings	4,000	4,000	3,271	(729)
Other revenue	<u>-</u>	<u>-</u>	<u>2,379</u>	<u>2,379</u>
Total resources	<u>\$ 1,590,092</u>	<u>\$ 1,590,092</u>	<u>\$ 1,703,018</u>	<u>\$ 112,926</u>
Requirements:				
Public works:				
Personal services	\$ 317,761	\$ 317,761	\$ 254,528	\$ 63,233
Materials and services	<u>978,718</u>	<u>978,718</u>	<u>908,523</u>	<u>70,195</u>
Total department expenditures	1,296,479	1,296,479	1,163,051	133,428
Contingency	67,800	67,800	-	67,800
Transfers out	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total expenditures	1,399,279	1,399,279	1,198,051	201,228
Ending fund balance	<u>190,813</u>	<u>190,813</u>	<u>504,966</u>	<u>(314,153)</u>
Total requirements	<u>\$ 1,590,092</u>	<u>\$ 1,590,092</u>	<u>\$ 1,703,017</u>	<u>\$ (112,925)</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 504,966	
Depreciable assets, net			499,865	
Deferred outflows of resources related to pensions			99,445	
Compensated absences			(6,207)	
Net pension liability			(152,379)	
Landfill postclosure care liability			(310,820)	
Deferred inflow of resources related to pensions			<u>(139,575)</u>	
Ending net position - GAAP basis			<u>\$ 495,295</u>	

CITY OF WARRENTON

Sanitation Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 240,000	\$ 240,000	\$ 254,490	\$ 14,490
Transfers in	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total resources	<u>\$ 275,000</u>	<u>\$ 275,000</u>	<u>\$ 289,490</u>	<u>\$ 14,490</u>
Requirements:				
Public Works:				
Capital outlay	\$ 34,950	\$ 34,950	\$ 96	\$ 34,854
Ending fund balance	<u>240,050</u>	<u>240,050</u>	<u>289,394</u>	<u>(49,344)</u>
Total requirements	<u>\$ 275,000</u>	<u>\$ 275,000</u>	<u>\$ 289,490</u>	<u>\$ (14,490)</u>

CITY OF WARRENTON

Warrenton Marina Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance
Resources:				
Beginning fund balance	\$ 265,000	\$ 265,000	\$ 266,345	\$ 1,345
Charges for services	596,500	596,500	682,439	85,939
Lease receipts	29,538	29,538	29,965	427
Investment earnings	5,000	5,000	10,102	5,102
Other revenue	<u>3,500</u>	<u>3,500</u>	<u>8,033</u>	<u>4,533</u>
Total resources	<u>\$ 899,538</u>	<u>\$ 899,538</u>	<u>\$ 996,884</u>	<u>\$ 97,346</u>
Requirements:				
Marinas:				
Personal services	\$ 413,405	\$ 413,405	\$ 365,781	\$ 47,624
Materials and services	<u>228,239</u>	<u>228,239</u>	<u>207,182</u>	<u>21,057</u>
Total department expenditures	641,644	641,644	572,963	68,681
Contingency	110,000	110,000	-	110,000
Transfers out	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total expenditures	851,644	851,644	672,963	178,681
Ending fund balance	<u>47,894</u>	<u>47,894</u>	<u>323,922</u>	<u>(276,028)</u>
Total requirements	<u>\$ 899,538</u>	<u>\$ 899,538</u>	<u>\$ 996,885</u>	<u>\$ (97,347)</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 323,922	
Allowance for doubtful accounts			(1,489)	
Depreciable assets, net			254,969	
Deferred outflows of resources related to pensions			114,547	
Leases receivable			155,538	
Compensated absences			(22,709)	
Net pension liability			(175,521)	
Deferred inflow of resources related to leases			(151,353)	
Deferred inflow of resources related to pensions			<u>(160,773)</u>	
Ending net position - GAAP basis			<u>\$ 337,131</u>	

CITY OF WARRENTON

Warrenton Marina Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 402,175	\$ 402,175	\$ 402,175	\$ -
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total resources	<u>\$ 502,175</u>	<u>\$ 502,175</u>	<u>\$ 502,175</u>	<u>\$ -</u>
Requirements:				
Capital outlay	\$ 385,000	\$ 385,000	\$ 38,918	\$ 346,082
Ending fund balance	<u>117,175</u>	<u>117,175</u>	<u>463,258</u>	<u>(346,083)</u>
Total requirements	<u>\$ 502,175</u>	<u>\$ 502,175</u>	<u>\$ 502,176</u>	<u>\$ (1)</u>
Reconciliation to GAAP Basis:				
Ending fund balance			\$ 463,258	
GAAP Net Position - end of year			<u>\$ 463,258</u>	

CITY OF WARRENTON

Hammond Marina Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 250,000	\$ 250,000	\$ 239,353	\$ (10,647)
Charges for services	326,000	326,000	402,197	76,197
Lease receipts	13,548	13,548	13,908	360
Investment earnings	9,000	9,000	6,690	(2,310)
Other revenue	<u>3,000</u>	<u>3,000</u>	<u>3,398</u>	<u>398</u>
Total resources	<u>\$ 601,548</u>	<u>\$ 601,548</u>	<u>\$ 665,546</u>	<u>\$ 63,998</u>

Resources:				
Marinas:				
Personal services	\$ 240,570	\$ 240,570	\$ 218,830	\$ 21,740
Materials and services	<u>143,082</u>	<u>143,082</u>	<u>140,505</u>	<u>2,577</u>
Total department expenditures	383,652	383,652	359,335	24,317
Contingency	80,000	80,000	-	80,000
Transfers out	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>
Total expenditures	563,652	463,652	459,335	4,317
Ending fund balance	<u>37,896</u>	<u>37,896</u>	<u>206,211</u>	<u>(168,315)</u>
Total requirements	<u>\$ 601,548</u>	<u>\$ 501,548</u>	<u>\$ 665,546</u>	<u>\$ (163,998)</u>

Reconciliation to GAAP Basis:	
Ending fund balance - budget basis	\$ 206,211
Depreciable assets, net	2,130,520
Deferred outflows of resources related to pensions	64,128
Leases Receivable	16,451
Compensated absences	(12,850)
Net pension liability	(98,263)
Deferred Inflows -Leases Receivable	(14,193)
Deferred inflow of resources related to pensions	<u>(90,007)</u>
Ending net position - GAAP basis	<u>\$ 2,201,997</u>

CITY OF WARRENTON

Hammond Marina Capital Reserve Fund

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 650,000	\$ 650,000	\$ 670,858	\$ 20,858
Taxes	150,000	150,000	229,977	79,977
Intergovernmental	40,000	40,000	57,986	17,986
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total resources	<u>\$ 940,000</u>	<u>\$ 940,000</u>	<u>\$ 1,058,821</u>	<u>\$ 118,821</u>
Requirements:				
Marinas:				
Capital outlay	\$ 398,000	\$ 398,000	\$ 316,188	\$ 81,812
Ending fund balance	<u>542,000</u>	<u>542,000</u>	<u>742,633</u>	<u>(200,633)</u>
Total requirements	<u>\$ 940,000</u>	<u>\$ 940,000</u>	<u>\$ 1,058,821</u>	<u>\$ (118,821)</u>

INTERNAL SERVICE FUND

Internal Service Funds are used to report activity that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or other governments, on a cost reimbursement basis. Funds included in this category are:

Engineer ISF - The City began using an in-house engineer in 2016. The costs associated with the engineer are accumulated in this fund and reimbursed by the appropriate departments and projects.



CITY OF WARRENTON

Engineer ISF

Schedule of Resources and Requirements
Budget and Actual (Budgetary Basis)

For the Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Resources:				
Beginning fund balance	\$ 5,406	\$ 5,406	\$ 5,503	\$ 97
Charges for services	<u>127,428</u>	<u>127,428</u>	<u>88,883</u>	<u>(38,545)</u>
Total resources	<u>\$ 132,834</u>	<u>\$ 132,834</u>	<u>\$ 94,386</u>	<u>\$ (38,448)</u>
Requirements:				
Engineering Department:				
Personal services	\$ 125,634	\$ 125,634	\$ 89,411	\$ 36,223
Materials and services	<u>7,200</u>	<u>7,200</u>	<u>708</u>	<u>6,492</u>
Total department expenditures	132,834	132,834	90,119	42,715
Ending fund balance	<u>-</u>	<u>-</u>	<u>4,267</u>	<u>(4,267)</u>
Total requirements	<u>\$ 132,834</u>	<u>\$ 132,834</u>	<u>\$ 94,386</u>	<u>\$ 38,448</u>
Reconciliation to GAAP Basis:				
Ending fund balance - budget basis			\$ 4,267	
Deferred outflows of resources			1,859	
Compensated absences			(2,599)	
Net pension liability			(2,848)	
Deferred inflow of resources			<u>(2,609)</u>	
Ending net position - GAAP basis			<u>\$ (1,930)</u>	



COMPLIANCE SECTION



COMMENTS AND DISCLOSURES OF INDEPENDENT
AUDITOR REQUIRED BY STATE STATUE

Honorable Mayor and City Commission
City of Warrenton, Oregon

We have audited the basic financial statements of the City of Warrenton, Oregon ("City") as of and for the year ended June 30, 2022, and have issued our report thereon dated February 14, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

OAR 162-10-0230 Internal Control

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

This report is intended for the information of the City Commission and the Secretary of State Division of Audits of the State of Oregon. However, this report is a matter of public record and is not intended to be and should not be used by anyone other than these parties.

Isler CPA

By

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive style with a long, sweeping tail on the letter 'n'.

Paul R Nielson, CPA, a member of the firm

Eugene, Oregon

February 14, 2023



AGENDA MEMORANDUM

TO: The Warrenton City Commission
 FROM: Dawne Shaw, City Recorder
 DATE: February 14, 2023
 SUBJ: Consideration to Place the Library Levy on the May Ballot (Resolution No. 2639)

SUMMARY

The City Commission approved the recommendation of the Warrenton Community Library Board on January 24th to bring forward the library levy on the May ballot at the current rate of the levy at .33 per \$1,000. It is also the recommendation of City staff that the City Commission put on the May ballot the Warrenton Community Library levy at the current rate of .33 per \$1,000. The goal is to keep the Warrenton Community Library open at its current rate of service.

RECOMMENDATION/SUGGESTED MOTION

"I move to adopt Resolution No. 2639; Authorizing an Election on May 16, 2023 and adopting the Ballot title: RENEWAL OF LOCAL OPTION LEVY TO CONTINUE CITY LIBRARY SERVICES."

ALTERNATIVE

Other action as deemed appropriate by the City Commission

FISCAL IMPACT

Without the levy, library operations will cease as of June 30, 2023.

Approved by City Manager: _____

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.

RESOLUTION NO. 2639

Introduced by: All Commissioners

AUTHORIZING AN ELECTION ON MAY 16, 2023, IN THE CITY OF WARRENTON FOR THE PURPOSE OF VOTING ON A FIVE-YEAR LOCAL OPTION SERIAL LEVY TO FUND THE OPERATIONS OF THE CITY OF WARRENTON COMMUNITY LIBRARY FOR FISCAL YEARS 2023/2024 THRU 2027/2028.

The Warrenton City Commission resolves as follows:

SECTION 1. That an election be held on May 16, 2023, for the purpose of voting on a local option serial levy for library operations. The local option serial levy will be a five-year levy of \$ 0.33 per \$1,000 of assessed property value and, over the five-year period, it is estimated that a total of \$1,351.994 will be raised and expended for the purpose of funding library operations.

SECTION 2. The ballot title, submitted directly to the people, shall be as follows:

CAPTION: RENEWAL OF LOCAL OPTION LEVY TO CONTINUE CITY LIBRARY SERVICES

QUESTION: Shall Warrenton keep its library open by levying \$0.33 per \$1,000 of assessed value for library operations for five years beginning FY 2023-2024? This measure maintains current local option taxes.

SUMMARY: Measure renews a library operating levy that expires June 30, 2023. The renewal supports existing library hours, library programs including children's reading programs, homework and learning support, job seeker assistance, and programs and services for all ages, with a focus on school age children, for the City of Warrenton Community Library. The levy provides 100% of total library funding. The City Library will close if the operating levy fails.

It is estimated that this tax will raise \$254,654 in FY 2023-2024 \$262,294 in FY 2024-2025; \$270,163 in FY 2025-2026; \$278,268 in FY 2026-2027; and \$286,616 in FY 2027-2028; for a total of \$1,351,994 over the five-year period. A home with an assessed value of \$250,000 will pay a total of \$82.50 per year.

SECTION 3: The City Elections Officer is hereby directed to give notice of said elections, as required by law.

SECTION 4: This resolution shall take effect immediately upon its passage.

ADOPTED by the City Commission of the City of Warrenton this 14th day of February 2023.

APPROVED

ATTEST

Henry A. Balensifer III, Mayor

Dawne Shaw, CMC, City Recorder



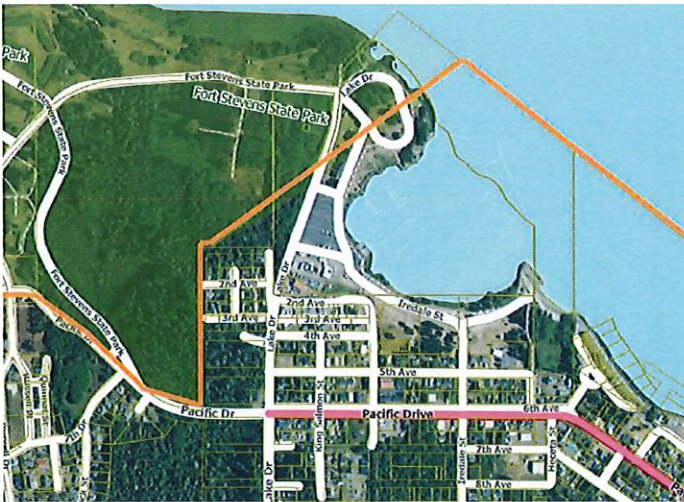
AGENDA MEMORANDUM

TO: The Warrenton City Commission
 FROM: Jay Blake, Planning Director *Jay Blake*
 DATE: February 14, 2023
 SUBJ: Seafarers Park Annexation and Urban Growth Boundary

BACKGROUND:

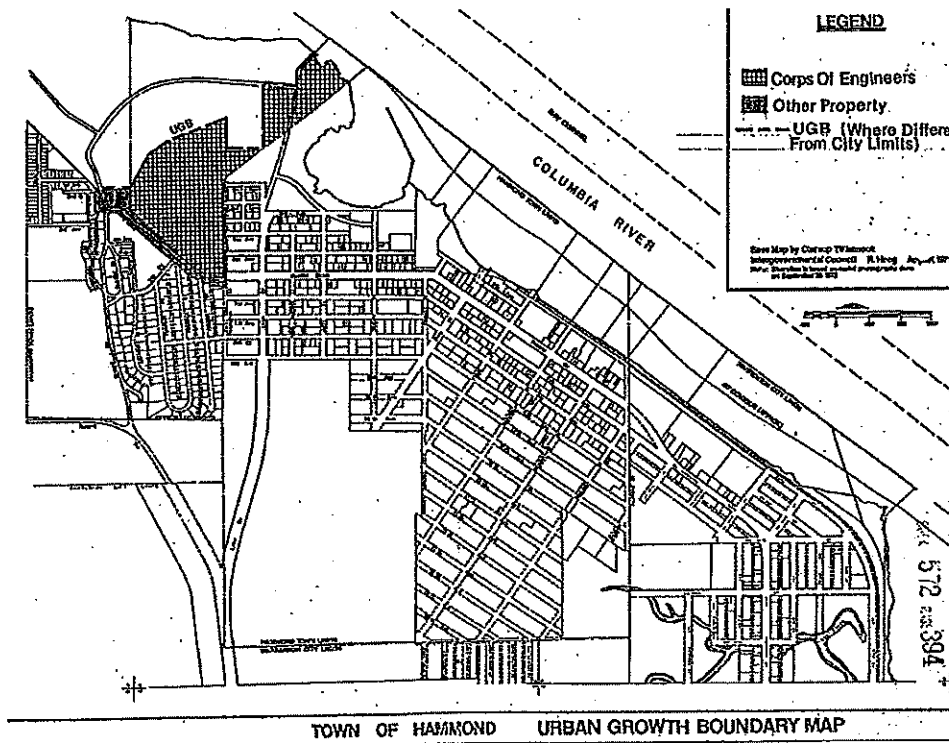
The UGB is established as part of a municipality's comprehensive plan. Warrenton's Plan was most recently adopted in 2009 with several amendments and updates over the past fourteen (14) years. However, the UGB has remained constant since the merger between the Town of Hammond and City of Warrenton in 1991.

The 1991 merger resulted in the city boundary in the Hammond Marina vicinity as shown below.

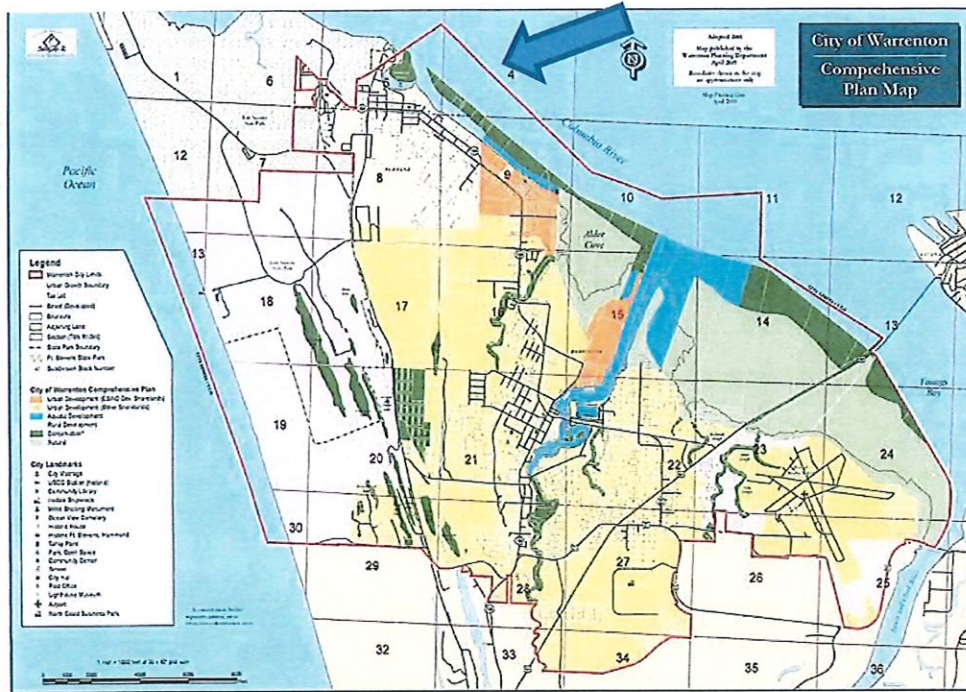


Current municipal boundary in Hammond Marina Area

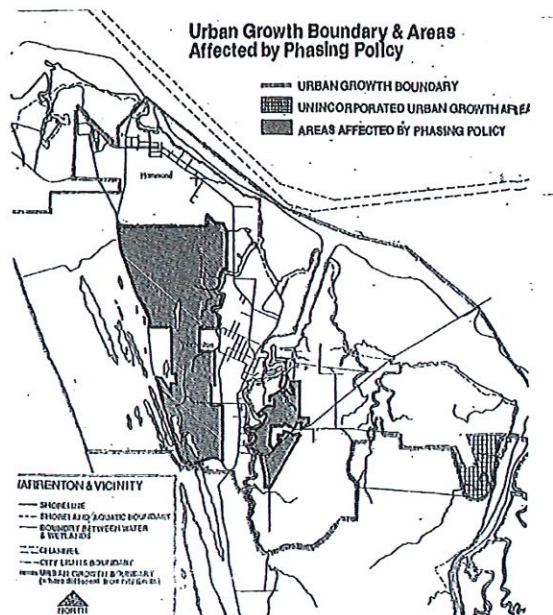
Prior to the merger, the Town of Hammond approved Comprehensive Plan included two tracts of land in their UGB but were outside of the city limits. The westerly tract was part of Fort Steven State Park and Warrenton Hammond School District property and was planned for additional recreational uses at a more urban level. The northerly tract was owned by the United States Army Corps of Engineers and was part of the recreational uses surrounding the Hammond boat basin (marina). The northerly tract is currently owned by the City of Warrenton and is the primary subject for this analysis.



The adopted Warrenton Comprehensive Plan was approved by the City of Warrenton and reviewed by the Oregon Department of Land Conservation and Development in 2011. The Comprehensive Plan map, first adopted in 2005 shows only part of the previously approved UGB outside of the city limits. The document indicates the land use as Urban Development (Other Shorelands) for the northerly tract. The final approved Warrenton Comprehensive Plan Map did not include the westerly tract. No reference is made to either of the tracts in the text of the plan.



Page 2, Article 2 (Community Development) Warrenton Comprehensive Plan



Page 3, Article 2 (Community Development) Warrenton Comprehensive Plan

Seafarers Park and Marina Enforcement:

The Town of Hammond and later the City of Warrenton leased the marina and adjacent lands from the Army Corps of Engineers (ACE). It included areas for parking, camping and the area known as Seafarers Park. The City of Warrenton later completed the purchase of the northerly tract from the ACE, yet a portion of

the Seafarers Park remains located outside of the Warrenton city limits and outside of the UGB.

Because of difficult police enforcement issues in portions of Seafarers Park, campground area and the marina, city staff requests that the Commission initiate the process to add the property to the city limits.

Commission Action Requested

There are two parts to this request.

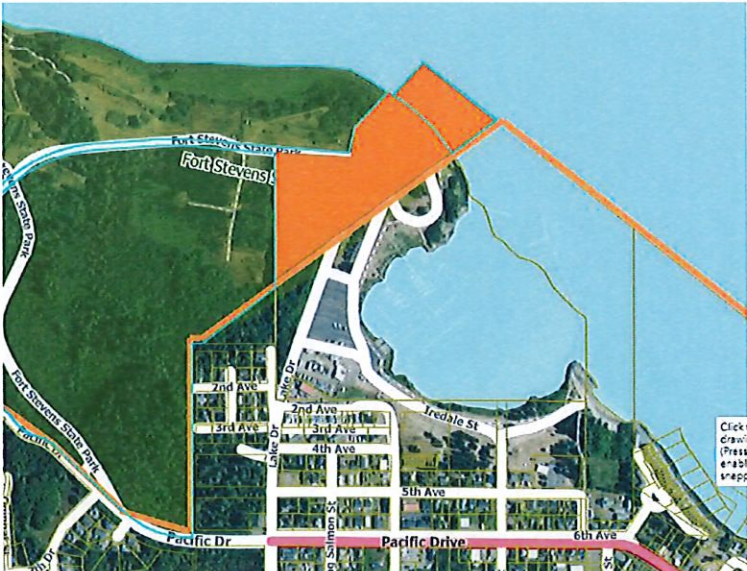
First, the City Commission must formally request that the land owned by the City of Warrenton that currently lies outside of the city limits be added to the municipal boundary. Legal staff prepared direction for the annexation process. As outlined in the Warrenton Municipal Code, Section 16.208.020, Annexation is a Type IV process.

Motion:

I move that the City Commission submit a request for annexation of property adjacent to Seafarers Park and the Hammond Marina currently owned by the City of Warrenton that lies outside of the city of Warrenton municipal boundary.

Alternative Action:

The City Commission can table the item for further research or discussion.



Land Owned by the City of Warrenton outside of City boundary and Urban Growth Boundary

Staff will prepare and process necessary application for annexation of the City-owned tract of land that is outside of the city limits.

The second part of this request is to request staff prepare the necessary documents to amend the City of Warrenton Comprehensive Plan to include areas that were part of the Town of Hammond UGB area to the City of Warrenton UGB map.

Motion:

I move that the City staff prepare the necessary documents for a Comprehensive Plan Amendment that incorporates the land shown on the Town of Hammond Comprehensive Plan as Urban Growth Boundary into the City of Warrenton Urban Growth Boundary.

Alternative Action:

The City Commission can table the item for further research or discussion.

Staff will present the findings and draft ordinance to the Planning Commission at the April 13, 2023 meeting and notify the Oregon Department of Land Conservation and Development in accordance with ORS requirements. The draft ordinance will be reviewed again by the City Commission at a meeting in April.

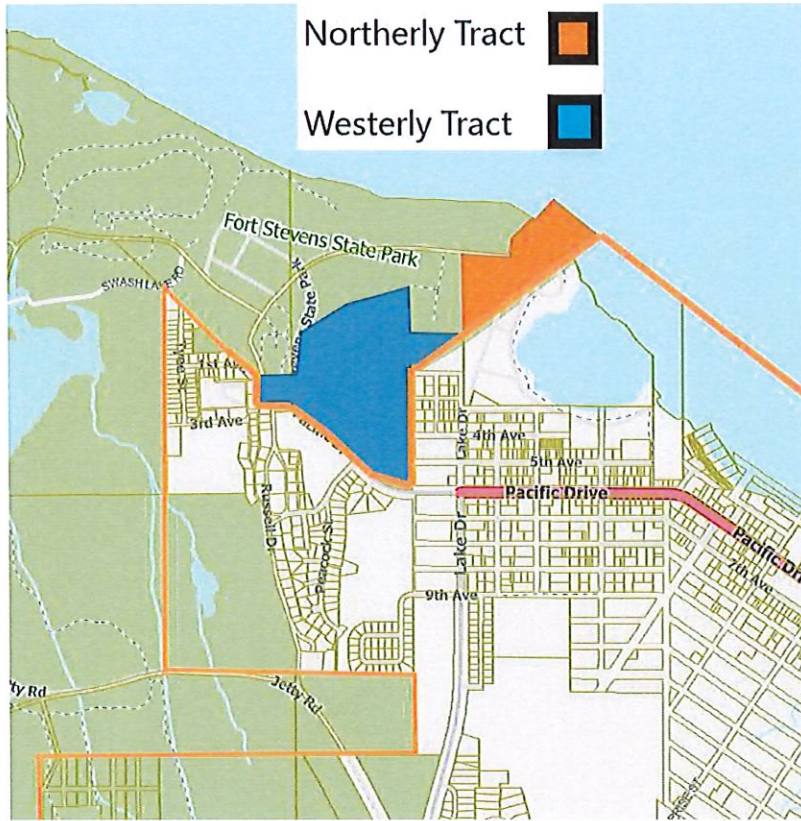
Proposed UGB Expansion Map

Northerly Tract (To be Annexed):

- Size: 13.9 acres (land)
- Current Ownership: City of Warrenton
- Current Use: Camping Park Access, Seafarers Park and Memorial
- Proposed Use: Marina Related Camping and Accessory Uses, Seafarers Park and Memorial
- Proposed Zoning: Recreational Commercial (Marina Use Area), Open Space Institutional (Seafarers Park and Memorial)

Westerly Tract (Not Annexed at this time):

- Size: 43.1 acres (land)
- Current Ownership: United States Government
- Current Use: Parkland
- Proposed Use: Parkland with potential for urban services
- Proposed Zoning: Urban Growth Area - Open Space Institutional



FISCAL IMPACT

Minimal costs associated with publication of necessary public hearings and mailed notifications.

Approved by City Manager: _____

A handwritten signature in blue ink, appearing to read 'Esther M. King', is written over the signature line.

All supporting documentation, i.e., maps, exhibits, etc., must be attached to this memorandum.