

CITY OF COOS BAY
COOS COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2018



12700 SW 72nd Ave.
Tigard, OR 97223

CITY OF COOS BAY
COOS COUNTY, OREGON

For the Year Ended June 30, 2018

ANNUAL FINANCIAL REPORT

CITY OF COOS BAY
COOS COUNTY, OREGON

CITY COUNCIL

TERM EXPIRES

Joe Benetti, Mayor

November 2018

Jennifer Groth, President

November 2018

Lucinda DiNovo

November 2020

Drew Farmer

November 2020

Stephanie Kramer

November 2018

Stephanie Kilmer

November 2020

Philip Marler

November 2018

All council members receive mail at the address listed below.

ADMINISTRATION
Rodger Craddock, City Manager
City Hall
500 Central Avenue
Coos Bay, OR 97420

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COOS COUNTY, OREGON
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COOS COUNTY, OREGON
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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

November 29, 2018

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Coos Bay
Coos County, 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 Coos Bay as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the 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 did not audit the financial statements of Coos Bay-North Bend Water Board, which represent 19%, 19%, and 2%, respectively of the assets, net position and revenues of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Coos Bay-North Bend Water Board, is based solely on the report of the other auditors. 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 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 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 City of Coos Bay, as of June 30, 2018, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

The City adopted the provisions of GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for the year ended June 30, 2018. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplemental information, as listed in the table of contents, 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.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have 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 records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 29, 2018, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (Unaudited)

As management of the City of Coos Bay, Oregon, we offer the following narrative overview and analysis of the financial activities of the City of Coos Bay (the City) for the fiscal year ended June 30, 2018. Readers are encouraged to consider this overview and analysis in combination with the accompanying basic financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded liabilities at close of fiscal year by \$149,171,659 (net position), an increase of \$6,769,805 from June 30, 2017. Of this amount, \$22,888,281 (unrestricted net position) may be used to meet the government's ongoing obligations to the community and creditors.
- Net position decreased for governmental activities by \$1,542,207 or 1.29% from June 30, 2017. Net position increased for business activities by \$8,312,012, an increase of 35.74% from June 30, 2017. Governmental funds' net position decreased as a result of decreased current assets and increased current liabilities; business-type activities improved net position was based on increases in current assets.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$21,561,745, an increase of \$659,539 from the prior year. Approximately 38.51% of the total amount, \$8,302,946, is available for spending at the City's discretion through the budget process (committed, assigned, and unassigned fund balance).
- At the end of current fiscal year, the total assigned and unassigned fund balance in the General Fund was \$3,377,618 which was 35.00% of the total General Fund operating expenditures of \$9,650,579. This decrease in the June 30, 2018 fund balance available for expenditures is primarily due restatement of fund balance for unearned contract revenue.
- Total governmental activities debt decreased by \$2,440,851 or 9.28% during fiscal year 2018. The decrease was result of paying all required debt payments and new borrowing during the year (Urban Renewal Agency–Empire District loan with). Total business-type activities debt increased by \$14,062,607 or 91.96%. The increase in business-type activities was the result of continued draw down of the IFA #1 and IFA #2 loans from the State of Oregon for wastewater improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements themselves.

Government-wide Financial Statements. These statements are designed to provide readers with a broad overview of the City finances, in a manner similar to private-sector business. They are represented beginning on page 11 of this report. Summarized versions of these statements are included in this MD&A and can be found on pages 3 and 4.

The *Statement of Net Position*, page 11 of this report, presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the components as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the City's financial position.

The *Statement of Activities*, page 12 of this report, presents information showing how the City net position changed during the 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. This is the accrual basis of accounting. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e., uncollected property taxes and earned but unused leave).

Both 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 police, fire, library, parks, general administration, and public works and community development. The business-type activities of the City include wastewater and building codes.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following tables, graphs, and analysis discuss the financial position and changes to the financial position for the City as a whole as of and for the year ended June 30, 2018.

Net Position. As previously noted, net position may serve over time as a useful indicator of a government's financial position. The City's net position, the amount by which assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources, was \$149,171,659 at close of this fiscal year. This represented a \$6,970,094 or 4.90% increase in net position from the prior fiscal year.

City of Coos Bay's Net Position at June 30						
	Governmental Activities		Business-Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Current and Other Assets	\$ 30,370,472	\$ 31,107,823	\$ 10,440,134	\$ 18,186,282	\$ 40,810,606	\$ 49,294,105
Investment in Joint Venture	26,393,312	26,996,235	-	-	26,393,312	26,996,235
Capital Assets, net	84,382,613	82,836,284	29,010,789	44,573,676	113,393,402	127,409,960
Total Assets	<u>141,146,397</u>	<u>140,940,342</u>	<u>39,450,923</u>	<u>62,759,958</u>	<u>180,597,320</u>	<u>203,700,300</u>
Deferred Outflows of Resources	6,923,339	3,980,084	1,056,912	572,143	7,980,251	4,552,227
Long-term Liabilities Outstanding	25,200,904	22,872,786	15,227,842	29,290,449	40,428,746	52,163,235
Other Liabilities	2,953,340	3,505,882	1,904,507	2,339,469	4,857,847	5,845,351
Total Liabilities	<u>28,154,244</u>	<u>26,378,668</u>	<u>17,132,349</u>	<u>31,629,918</u>	<u>45,286,593</u>	<u>58,008,586</u>
Deferred Inflows of Resources	769,348	937,821	119,776	134,461	889,124	1,072,282
Net Position:						
Invested in Capital Assets, Net	75,263,393	73,937,808	15,775,437	16,904,862	91,038,830	90,842,670
Invested in Joint Venture	26,393,312	26,996,235	-	-	26,393,312	26,996,235
Restricted for Debt Service	5,149,930	5,660,101	-	-	5,149,930	5,660,101
Restricted for Capital Projects	1,024,577	924,837	-	-	1,024,577	924,837
Restricted for Other	1,658,444	1,859,535	-	-	1,658,444	1,859,535
Unrestricted	9,656,488	8,225,421	7,480,273	14,662,860	17,136,761	22,888,281
Total Net Position	<u>\$ 119,146,144</u>	<u>\$ 117,603,937</u>	<u>\$ 23,255,710</u>	<u>\$ 31,567,722</u>	<u>\$ 142,401,854</u>	<u>\$ 149,171,659</u>

The largest portion of the City's net position, \$90,842,670, reflects its net investment in capital assets. The City's asset category, investment in capital assets net of related debt, was used to acquire assets. This represents investment in land, infrastructure, and construction in progress, less accumulated depreciation and debt used to purchase those capital assets and was 60.90% of the total net position. The following table summarizes page 11, the detailed Statement of Net Position. The City's major assets are investment in infrastructure – the wastewater and stormwater systems of the treatment plants and collection/distribution facilities, and the street and sidewalk system. The City uses the capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay the debt must be provided from other resources since the capital assets themselves cannot be used to liquidate these liabilities.

The City's restricted net position totaled \$8,444,473 or 5.66% of the total net position representing resources that are subject to external restrictions on how they must be used. This represents an increase of \$611,522 in the City's restricted net position from June 30, 2017. The remaining balance of unrestricted net position, \$22,888,281, may be used to meet the City's ongoing obligations to the community and creditors.

Unrestricted net position for governmental activities totaled \$8,225,421 or 6.99% of the total net position for governmental activities. Business-type activities unrestricted net position totaled \$14,662,860 or

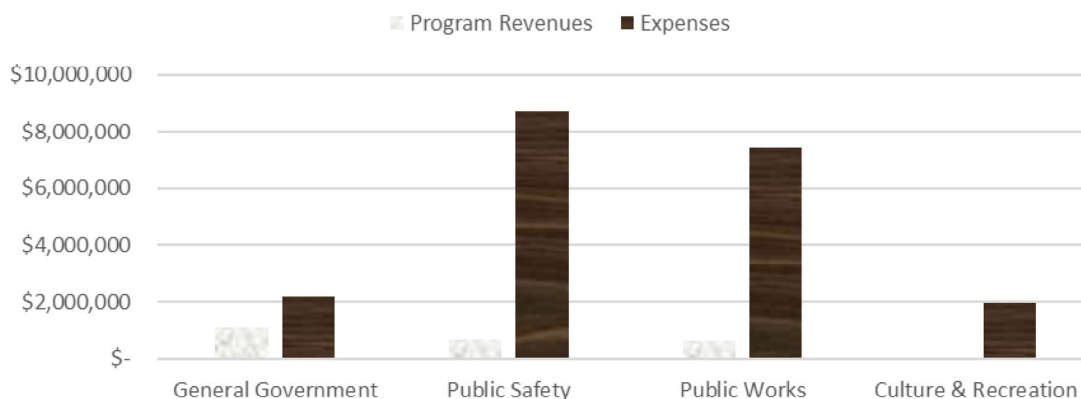
46.45% of the total net pension for business-type activities. At the end of fiscal year 2018, the City of Coos in total was able to report positive balances in all three categories of net position.

Changes in Net Position. Detail of the following summarized information can be found on pages 12 and 13, the Statement of Activities.

City of Coos Bay's Change in Net Position at June 30						
	Governmental Activities		Business-Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenues						
Program Revenues						
Charges for Services	\$ 1,478,968	\$ 1,099,275	\$ 5,791,532	\$ 6,168,860	\$ 7,270,500	\$ 7,268,135
Operating Grants & Contributions	706,436	666,990	-	-	706,436	666,990
Capital Grants & Contributions	35,000	598,836	-	-	35,000	598,836
General Revenues						
Property Taxes	7,610,052	8,252,379	-	-	7,610,052	8,252,379
Other Taxes	4,778,416	4,917,184	-	-	4,778,416	4,917,184
Intergovernmental	1,287,649	1,979,487	1,116,251	7,697,841	2,403,900	9,677,328
Gain (loss) on disposal of assets	(1,401)	-	-	-	(1,401)	-
Income-Invest in Jt Venture	523,486	702,819	-	-	523,486	702,819
Transfer	931,000	896,389	(931,000)	(910,351)	-	(13,962)
Investment Earnings	184,641	295,997	155,543	282,124	340,184	578,121
Miscellaneous Income	451,259	269,051	43,065	104,806	494,324	373,857
Total Revenues	17,985,506	19,678,407	6,175,391	13,343,280	24,160,897	33,021,687
Expenses						
General Government	2,251,902	2,194,879	-	-	2,251,902	2,194,879
Public Safety	8,323,651	8,744,380	-	-	8,323,651	8,744,380
Public Works	7,225,602	7,445,150	-	-	7,225,602	7,445,150
Culture & Recreation	1,883,510	1,956,530	-	-	1,883,510	1,956,530
Building Codes	-	-	364,457	351,515	364,457	351,515
Interest on Long-term Debt	648,466	622,511	-	-	648,466	622,511
Wastewater	-	-	5,094,675	4,679,753	5,094,675	4,679,753
Total Expenses	20,333,131	20,963,450	5,459,132	5,031,268	25,792,263	25,994,718
Change in Net Position	(2,347,625)	(1,285,043)	716,259	8,312,012	(1,631,366)	7,026,969
Net Position - Beginning (restated)	121,493,769	118,945,855	22,539,451	23,255,710	144,033,220	142,201,565
Prior Period Adjustment	-	(56,875)	-	-	-	(56,875)
Net Position - Ending	\$ 119,146,144	\$ 117,603,937	\$ 23,255,710	\$ 31,567,722	\$ 142,401,854	\$ 149,171,659

- Governmental activities decreased the City's net position by (\$1,542,207).

Program Revenues and Expenses Governmental Activities



- Business-type activities increased the City's net position by \$8,312,012. A rate increase of 6.4% for wastewater was implemented in 2017 which led to an overall increase in program revenue available to fund operating and maintenance costs as well as to build capacity for cash or debt funded infrastructure projects. Additionally, per City Charter, the City's building code program must be self-supporting through building permit fees. To ensure timely review of building plans, permit issuance, and building inspections, fees for building code related permits were increased 10% to support the additions of a fulltime and part-time building codes inspector.

FUND FINANCIAL STATEMENTS

The Fund Financial Statements are presented beginning on page 14 of this report. A *fund* is a grouping of related accounts used to maintain control over resources 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. The Agency uses only one fund, which is categorized as a governmental fund. All of the funds of the City can be divided into two categories: governmental and proprietary funds.

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, which are on full accrual basis, 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, which is the modified accrual basis of accounting. Both the governmental funds balance sheet (page 14) and the governmental funds statement of revenues, expenditures and changes in fund balances (page 16) provide a reconciliation to the governmental activities portion of the government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of 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 maintained 29 governmental funds at current fiscal year end. 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, Jurisdictional Exchange Reserve, and Revenue Bond, all of which were considered to be major funds. Data from the other governmental funds is combined into a single aggregated presentation. Fund data for each of these non-major governmental funds is disclosed as supplementary information in the form of statements and schedules.

The City adopts an annual appropriated budget for its General Fund, along with all other funds. Budgetary comparisons statements are provided in the basic financial statements for the General Fund and Major Special Revenue Funds to demonstrate compliance with this budget. Budgetary comparisons for all other funds are provided as supplementary information.

Proprietary Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses three enterprise funds to account for its Wastewater Operations, Wastewater Capital Improvements, and Building Codes Funds, all of which are considered to be major funds of the City of Coos Bay. Proprietary fund financial statements provide the same type of information as government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 18-20 of this report.

NOTES TO THE FINANCIAL STATEMENTS

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 22 of this report.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes the Other Postemployment Benefits Plan Schedule of Funding Progress, the Schedule of Proportionate Share of Net Pension Liability (Asset) and the Schedule of Contributions related to that liability. This information can be found beginning on page 57 of this report.

SUPPLEMENTARY INFORMATION

Supplementary information includes the combining statements referred to earlier in connection with non-major governmental funds and other financial schedules. This information can be found beginning on page 60 of this report.

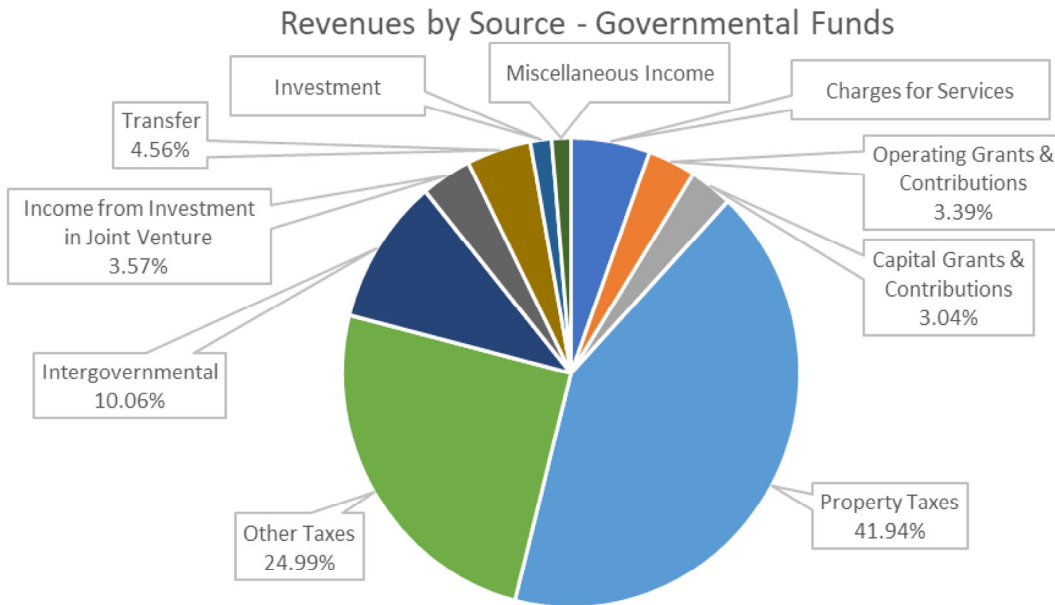
GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a brief discussion on financial highlights from the Fund Financial Statements.

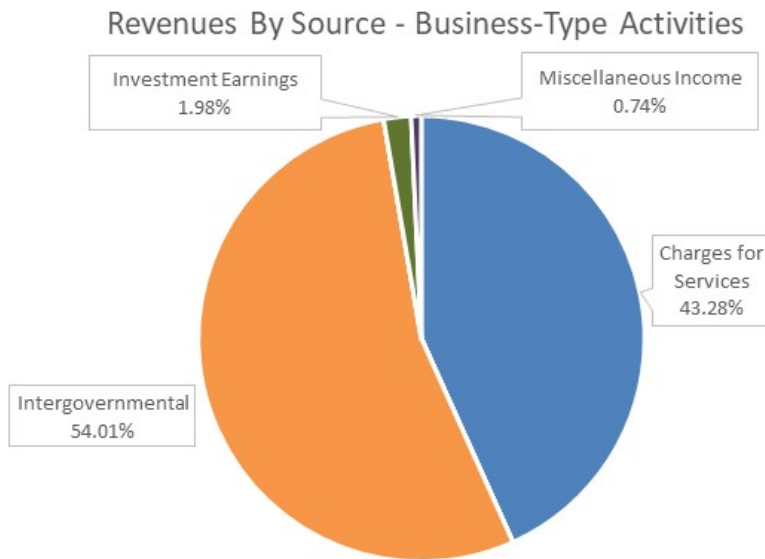
As of June 30, 2018, the City's Balance Sheet for Governmental Funds reported combined ending fund balances of \$21,561,745, an increase of \$659,539 over the prior fiscal year. Business-type Funds reported combined ending fund balances of \$31,567,722, an increase over the prior fiscal year of \$8,312,012.

	Changes in Fund Balance	
	Fiscal Year Ended June 30	
	<u>2017</u>	<u>2018</u>
Governmental Funds		
Major Funds		
General Fund	\$ 3,509,705	\$ 3,396,570
Jurisdictional Exchange Reserve	4,785,523	4,863,230
Revenue Bond	<u>4,594,589</u>	<u>5,268,292</u>
Total Major Funds	12,889,817	13,528,092
Non Major Funds	<u>8,012,389</u>	<u>8,033,653</u>
Total Governmental Funds	<u>\$ 20,902,206</u>	<u>\$ 21,561,745</u>
Business-Type Funds		
Major Proprietary Funds		
Wastewater Operations	\$ 31,335,879	\$ 53,570,394
Wastewater Capital Improvements	(8,078,385)	(22,047,873)
Building Codes	<u>(1,784)</u>	<u>45,201</u>
Total Business-Type Funds	<u>\$ 23,255,710</u>	<u>\$ 31,567,722</u>

The City's total property tax revenue (Schedule of Property Tax Transactions and Balances of Taxes Uncollected) as noted at the end of this audit, increased by \$642,237 due to an increase in taxable assessed values.



The business-type activities are wastewater (operations and capital improvements) and building codes. The primary source of revenue for wastewater operations is charges for services based on sewer user fees with the expenditures comprised of the daily operations. Loan and grant proceeds continue to be drawn down on the State of Oregon's Infrastructure Financing Authority and Department of Environmental Quality State Revolving Fund were the major financing component for wastewater system capital improvement projects this fiscal year. The only revenue source for the building codes division is charges for services based upon permit fees with the expenditures comprised of the daily operations of the permit center.



Capital Assets. The City's capital assets for the fiscal year ended June 30, 2018 totaled \$127,409,960, net of accumulated depreciation. This represents an increase from the prior fiscal year of \$14,016,560, a decrease of \$1,546,329 for governmental activities and increase of \$15,562,889 for business-type activities. The next decrease in governmental activities was a result of increased depreciation expense. Effective July 1, 2017 the City updated fixed asset and inventory thresholds: previously the City tracked inventory items ranging from \$500 - \$5,000 and assets with a value over \$5,000. Range for tracking inventory was increased to \$5,000 - \$10,000 and assets with a value over \$10,000. Major additions and to capital assets during the fiscal year included the following:

Governmental Activities

- Mingus Pool facility upgrade project.

- Eastside Fire Station roof replacement.
- Completion of the street reconstruction projects for Golden Avenue and Brule/Lindberg.
- Coos Bay Public Library website redesign.
- Vehicle purchases: Two (2) for the Police Department, one (1) for Public Works Administration, two (2) for Public Works Operations, and one (1) for the Library/Extended Service Office (ESO).

Business-Type Activities

- Completion of the Pump Station #1 replacement project.
- Replacement of the 6th Avenue storm culvert.
- Basin 4th-5th-6th, 4th and Highland, Empire Boulevard, and 2nd Street sewer improvement projects.

The following table provides a listing of the capital assets, net of accumulated depreciation.

	Governmental Activities		Business-Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Land and Assets not Depreciated	\$ 4,486,659	\$ 5,174,506	\$ -	\$ -	\$ 4,486,659	\$ 5,174,506
Land Improvements	767,818	712,508	687,656	687,471	1,455,474	1,399,979
Buildings and Improvements	14,665,747	14,874,194	-	-	14,665,747	14,874,194
Machinery and Equipment	493,983	368,391	953,072	862,889	1,447,055	1,231,280
Vehicles	981,597	907,419	448,106	409,786	1,429,703	1,317,205
Infrastructure - Streets	60,840,103	59,780,673	-	-	60,840,103	59,780,673
Plant & Systems	-	-	13,785,901	17,802,621	13,785,901	17,802,621
Intangibles	28,076	42,341	-	-	28,076	42,341
Construction in Progress	2,118,630	976,252	13,136,052	24,810,909	15,254,682	25,787,161
Total	\$ 84,382,613	\$ 82,836,284	\$ 29,010,787	\$ 44,573,676	\$ 113,393,400	\$ 127,409,960

Additional information regarding the City's capital assets can be found in Note 4 of the financial statements.

Long-term Liabilities. The City's total outstanding long-term debt was \$38,691,763 which was an increase of \$12,380,328 or 47% over the prior fiscal year. At June 30, 2018, the governmental and business-type long-term debt included loans to purchase property to construct the new Wastewater Treatment Plant No. 2 (IFA #1 and #2 through the State of Oregon, US Bank, and Oregon Department of Environmental Quality (DEQ) State Revolving Fund (SRF) and Sponsorship Option funds; loans to be paid by the City's joint venture, the Coos Bay-North Bend Water Board, to fund drinking water infrastructure upgrades and new construction; a General Obligation Bond for the construction of the new Fire Station in 2008; OPEB liability; bond premium; Empire Urban Renewal Agency serial bond to finance the acquisition of real property for the library site and repair the seawall contained within and located at the western terminus of the Newmark Avenue right-of-way; other debt obligation not included were two inter-fund loans and a loan for technology infrastructure upgrades. The Downtown Urban Renewal Agency paid off the 2009 bonds used to construct the Visitor Information Center.

Oregon Revised Statute 287A.050(2) limits the amount of general obligation debt a governmental entity may issue to three percent of the real market value of the taxable property within its boundary less existing outstanding general obligation debt. The 2017-18 real market value from the Coos County Summary of Assessment and Tax Roll, page 5, was \$1,361,377,143 and the three percent limit less the principal outstanding for the 2009 Fire Station general obligation bond would allow for additional general obligation debt of \$36,891,314.

This analysis also includes a copy of the Oregon State Treasury Overlapping Debt report as of June 30, 2018 for compliance with continuing debt disclosures for the FYE 16 \$3.2 million refunding of the Union Bank debt for the joint venture. Additional information regarding long-term debt can be found in Note 8 of the financial statements.

Outstanding Debt
Fiscal Year Ended June 30

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
OPEB Liability	\$ 595,587	\$ 686,642	\$ -	\$ -	\$ 595,587	\$ 686,642
Bond Premium	80,177	71,859	-	-	80,177	71,859
General Obligations	4,265,000	3,950,000	-	-	4,265,000	3,950,000
Revenue Bonds/Secured Loans	3,530,960	3,841,642	-	-	3,530,960	3,841,642
Revenue Secured Loans	81,099	76,510	-	-	81,099	76,510
Business Loans/Notes Payable	4,523,259	3,936,834	13,235,352	27,668,814	17,758,611	31,605,648
Total	\$13,076,081	\$12,563,485	\$ 13,235,352	\$27,668,814	\$26,311,433	\$40,232,299

BUDGETARY HIGHLIGHTS

The following factors currently affect the City of Coos Bay and were considered in developing the 2018–2019 fiscal year budget. Like all cities in Oregon, the City is operating under Measure 50, the ad valorem tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues the City could anticipate in future years to a maximum of three percent, with permitted allowances for increasing valuations based on new construction. No substantive changes to the basic provisions of Measure 50 have been enacted during subsequent Oregon Legislative sessions.

- The adopted General Fund budget for fiscal year ended June 30, 2018 totaled \$12,894,158; final amended budget was \$13,171,611, of which \$12,009,573 or 83% was expended. The amendments to the adopted budget during the year appropriated grant funds, additional electricity franchise fees for street improvements, and additional expenditures due to attrition.
- It should be noted the City implemented GASB Statement No. 75 for Other Post Employment Benefits (OPEB) which resulted in restatement of the net position for fiscal year ended 2018 in the amount of (\$200,289). Additionally, there was a prior period adjustment in the amount of (\$56,875) to the General Fund to account for revenue that was unearned.
- The City Council budgeted a 6.4% wastewater sewer rate increase for fiscal year 2018 pursuant to the June 2009 rate study plan.
- The City's permanent tax rate continues at \$6.3643.
- The ending fund balances at June 30, 2018 for the following funds fell short of budgeted carryover for fiscal year ending 2019: General Fund (\$202,053), Street Improvement (\$245,813), Fire Station Reserve (\$21,992), Major Capital Reserve (\$19,358), and Jurisdictional Exchange Reserve (\$30,219). Expenditures were reduced to offset the deficiencies. FY 19/20 carryover shortage in the General Fund (GF) is attributed unanticipated retirements of police and fire personnel whose salaries and benefits were 100% allocated to the GF. The remaining carryover shortages were attributed to early completion of projects that were budgeted to end in fiscal year 2019. The City Council will continue to look for ways to reduce costs or find other revenue sources to help offset increasing costs for personnel and infrastructure improvements.

ECONOMIC FACTORS

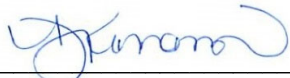
- The passage of local and state taxes on marijuana provided an additional resource for the General Fund; through resolution 50% of revenue received was passed on to the SCINT (South Coast Interagency Narcotics Team) to help fund the agency's ongoing operations.
- The Coos Bay City Council identified economic development as a priority, specifically tourism, as an important sector of the city economy. At close of the fiscal year, the City collected a 7% transit room tax for hotel/motel stays less than 30 days, of which 2% of the 7% was distributed to the Coos Bay-North Bend Visitor Convention Bureau (VCB) and the remaining 5% was retained in the City's Hotel/Motel Fund. Effective November 1, 2018 the VCB's distribution will be increased to 3.5% with the City retaining the remainder 3.5% of the transit room tax.
- On May 15, 2018, Coos Bay residents voted and approved a City Charter to remove the majority vote of the electorate requirement for the issuance of revenue bonds. Revenue bonds are paid back from a

specific source of revenue, rather than from the general fund or a tax increase. An example would be paying for sewer improvements based upon revenue to the City's wastewater fund.

- The PERS pension rates for the State of Oregon's upcoming 2019-2021 biennium increased an average of 27.41% over the current PERS rates: Tiers 1 and 2, 24.50%; OPSRP General Service 13.41%; and OPSRP Police/Fire 18.04%.
- The collective bargaining agreement (CBA) for the Coos Bay Police Officers Association (CBPOA) labor union was renegotiated prior to the June 30, 2018 expiration. The CBA for the American Federation of State, County, and Municipal Employees (AFSCME) labor contract will expire June 30, 2019.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Coos Bay's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Coos Bay Finance Director at 500 Central Avenue, Coos Bay, Oregon, 97420. Financial Statements for the City of Coos Bay are available online at <http://coosbay.org/departments/finance>.



Amy Kinnaman
City of Coos Bay
Acting Finance Director

CITY OF COOS BAY
COOS COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**STATEMENT OF NET POSITION
June 30, 2018**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 21,295,244	\$ 8,596,816	\$ 29,892,060
Receivables (Net of Allowance For Uncollectible)	2,631,404	9,451,380	12,082,784
Prepays	13,474	138,086	151,560
Supply Inventory	852	-	852
Investment in Joint Venture	26,996,235	-	26,996,235
Capital Assets:			
Capital Assets, Non-Depreciable	6,150,758	24,810,909	30,961,667
Capital Assets, Net of Depreciation	76,685,526	19,762,767	96,448,293
Noncurrent Assets:			
Note Receivable - Due Within One Year	643,778	-	643,778
Note Receivable - Due in More Than One Year	6,523,071	-	6,523,071
Total Assets	<u>140,940,342</u>	<u>62,759,958</u>	<u>203,700,300</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Deferral	3,828,954	572,143	4,401,097
OPEB Related Deferral	33,404	-	33,404
Deferred Charge on Refunding	117,726	-	117,726
Total Deferred Outflows of Resources	<u>3,980,084</u>	<u>572,143</u>	<u>4,552,227</u>
LIABILITIES			
Accounts Payable	1,062,063	2,062,806	3,124,869
Payroll and Payroll Taxes Payable	265,767	-	265,767
Interest Payable	86,077	-	86,077
Accrued Compensated Absences	1,113,790	211,663	1,325,453
Noncurrent Liabilities:			
Due Within One Year:			
Revenue Secured Loans Payable	334,818	65,000	399,818
Bonds Payable	385,000	-	385,000
Note Payable	258,097	-	258,097
Due in More Than One Year:			
Proportionate Share of Net Pension Liability	11,287,484	1,686,635	12,974,119
Revenue Secured Loans Payable	3,583,334	27,603,814	31,187,148
Bonds Payable	3,565,000	-	3,565,000
Note Payable	3,678,737	-	3,678,737
OPEB Obligation	686,642	-	686,642
Bond Premium	71,859	-	71,859
Total Liabilities	<u>26,378,668</u>	<u>31,629,918</u>	<u>58,008,586</u>
DEFERRED INFLOWS OF RESOURCES			
Net Deferred Pension Asset	899,856	134,461	1,034,317
OPEB Deferred	37,965	-	37,965
Total Deferred Inflows of Resources	<u>937,821</u>	<u>134,461</u>	<u>1,072,282</u>
NET POSITION			
Net Investment in Capital Assets	73,937,808	16,904,862	90,842,670
Invested in Joint Venture-Unrestricted	26,996,235	-	26,996,235
Restricted for:			
Capital Projects	924,837	-	924,837
Debt Services	5,660,101	-	5,660,101
Services and Contributions	1,859,535	-	1,859,535
Unrestricted	8,225,421	14,662,860	22,888,281
Total Net Position	<u>\$ 117,603,937</u>	<u>\$ 31,567,722</u>	<u>\$ 149,171,659</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Government				
Governmental Activities				
General Government	\$ 2,194,879	\$ 291,670	\$ 588,047	\$ -
Public Safety	8,744,380	613,683	29,805	-
Public Works	7,445,150	157,098	16,942	598,836
Culture and Recreation	1,956,530	36,824	32,196	-
Interest on Long-term Debt	622,511	-	-	-
Total Governmental Activities	20,963,450	1,099,275	666,990	598,836
Business-Type Activities				
Wastewater	4,679,753	5,784,224	-	-
Building Codes	351,515	384,636	-	-
Total Business-Type Activities	5,031,268	6,168,860	-	-
Total Government	\$ 25,994,718	\$ 7,268,135	\$ 666,990	\$ 598,836

General Revenues

Taxes:

Property

Transient Occupancy

Other Taxes

Intergovernmental

Franchise Fees

Gain (Loss) on Joint Venture

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - beginning of year - RESTATED

Prior Period Adjustment

Net Position - end of year

See accompanying notes to basic financial statements

**Net Revenue (Expenses) and
Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ (1,315,162)	\$ -	\$ (1,315,162)
(8,100,892)	-	(8,100,892)
(6,672,274)	-	(6,672,274)
(1,887,510)	-	(1,887,510)
(622,511)	-	(622,511)
<u>(18,598,349)</u>	<u>-</u>	<u>(18,598,349)</u>
-	1,104,471	1,104,471
-	33,121	33,121
<u>-</u>	<u>1,137,592</u>	<u>1,137,592</u>
<u>(18,598,349)</u>	<u>1,137,592</u>	<u>(17,460,757)</u>
8,252,379	-	8,252,379
685,204	-	685,204
2,169,877	-	2,169,877
1,979,487	7,697,841	9,677,328
2,062,103	-	2,062,103
702,819	-	702,819
295,997	282,124	578,121
269,051	104,806	373,857
896,389	(910,351)	(13,962)
<u>17,313,306</u>	<u>7,174,420</u>	<u>24,487,726</u>
(1,285,043)	8,312,012	7,026,969
118,945,855	23,255,710	142,201,565
<u>(56,875)</u>	<u>-</u>	<u>(56,875)</u>
<u>\$ 117,603,937</u>	<u>\$ 31,567,722</u>	<u>\$ 149,171,659</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018**

	GENERAL	JURISDICTIONAL EXCHANGE RESERVE	REVENUE BOND	OTHER GOVERNMENTAL	TOTAL
ASSETS:					
Cash and Investments	\$ 3,417,787	\$ 4,921,722	\$ 5,268,292	\$ 7,687,443	\$ 21,295,244
Inventory	852	-	-	-	852
Receivables, Net					
Taxes	564,456	-	-	211,912	776,368
Accounts	409,004	-	-	1,022,558	1,431,562
Assessments	379,971	-	-	43,503	423,474
Interfund Receivable	58,492	-	-	240,000	298,492
Prepaid Expenses	7,394	-	-	6,080	13,474
Total Assets	<u>\$ 4,837,956</u>	<u>\$ 4,921,722</u>	<u>\$ 5,268,292</u>	<u>\$ 9,211,496</u>	<u>\$ 24,239,466</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:					
Liabilities:					
Accounts Payable	\$ 100,524	\$ -	\$ -	\$ 961,539	\$ 1,062,063
Payroll and Payroll Taxes Payable	265,767	-	-	-	265,767
Interfund Payable	240,000	58,492	-	-	298,492
Total Liabilities	<u>606,291</u>	<u>58,492</u>	<u>-</u>	<u>961,539</u>	<u>1,626,322</u>
Deferred Inflows of Resources:					
Unavailable Revenue-Property Taxes	455,124	-	-	47,390	502,514
Unavailable Revenue-Special Assessments	379,971	-	-	168,914	548,885
Total Deferred Inflows of Resources	<u>835,095</u>	<u>-</u>	<u>-</u>	<u>216,304</u>	<u>1,051,399</u>
Fund Balance:					
Fund Balances:					
Nonspendable	8,246	4,800,000	-	6,080	4,814,326
Restricted	10,706	-	5,268,292	3,165,475	8,444,473
Assigned	767,638	63,230	-	4,862,098	5,692,966
Unassigned	2,609,980	-	-	-	2,609,980
Total Fund Balance	<u>3,396,570</u>	<u>4,863,230</u>	<u>5,268,292</u>	<u>8,033,653</u>	<u>21,561,745</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 4,837,956</u>	<u>\$ 4,921,722</u>	<u>\$ 5,268,292</u>	<u>\$ 9,211,496</u>	<u>\$ 24,239,466</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2018**

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

Fund Balances		\$	21,561,745
<p>The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the City as a whole.</p>			
Net Capital Assets			82,836,284
<p>Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.</p>			
General Obligation Bonds	\$	(3,950,000)	
Revenue Loans		(3,918,152)	
Bond Premium		(71,859)	
Notes and Contracts Payable		(3,936,834)	
Debt Issuance Difference		117,726	
Accrued Interest		(86,077)	
Net Adjustment		<u> </u>	(11,845,196)
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>			
Accrued Compensated Absences			(1,113,790)
OPEB Obligation is not reported as a liability in the Governmental Funds Balance Sheet			(686,642)
OPEB Related Deferrals			33,404
OPEB Deferred			(37,965)
Net Pension Liability			(11,287,484)
Pension Related Deferrals			3,828,954
Net Deferred Pension Asset			(899,856)
<p>Other long-term assets are not available to pay for current-period expenditures and therefore are considered unavailable in the funds.</p>			
Unavailable Revenue			1,051,399
Joint Venture Note Receivable			7,166,849
Joint Venture Equity Investment			<u>26,996,235</u>
Total Net Position		<u>\$</u>	<u>117,603,937</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018**

	GENERAL	JURISDICTIONAL EXCHANGE RESERVE	REVENUE BOND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Property Taxes	\$ 5,843,221	\$ -	\$ -	\$ 2,409,158	\$ 8,252,379
Other Taxes	-	-	-	2,855,081	2,855,081
Franchise Fees	2,062,103	-	-	-	2,062,103
Licenses and Permits	159,881	-	-	-	159,881
Intergovernmental	612,980	9,886	823,009	1,520,900	2,966,775
Grants	56,251	-	-	558,298	614,549
Other-Timber Sales	-	-	-	108,753	108,753
Charges for Services	848,953	-	-	21,972	870,925
Charges for Use of Money and Property	150,852	84,643	-	146,273	381,768
Fines and Forfeitures	71,647	-	-	-	71,647
Miscellaneous	136,702	-	-	194,358	331,060
Total Revenues	<u>9,942,590</u>	<u>94,529</u>	<u>823,009</u>	<u>7,814,793</u>	<u>18,674,921</u>
EXPENDITURES					
Current:					
General Government	1,295,977	-	-	484,569	1,780,546
Public Safety	7,498,682	-	-	182,149	7,680,831
Public Works	855,920	15,912	-	2,301,901	3,173,733
Culture and Recreation	-	-	-	1,744,678	1,744,678
Capital Outlay	-	-	-	3,295,510	3,295,510
Debt Service:					
Principal Retirement	-	-	745,964	657,159	1,403,123
Interest and Fiscal Charges	-	910	317,731	182,542	501,183
Total Expenditures	<u>9,650,579</u>	<u>16,822</u>	<u>1,063,695</u>	<u>8,848,508</u>	<u>19,579,604</u>
Excess of Revenues Over, (Under) Expenditures	292,011	77,707	(240,686)	(1,033,715)	(904,683)
OTHER FINANCING SOURCES (USES)					
Sale of Capital Assets	32,385	-	-	7,380	39,765
Debt Proceeds	-	-	-	684,000	684,000
Transfers In	76,370	-	914,389	3,186,823	4,177,582
Transfers Out	(495,589)	-	-	(2,785,604)	(3,281,193)
Insurance Recovery	944	-	-	-	944
Du Jour Financing - URA	1,901,023	-	-	1,863,404	3,764,427
Du Jour Financing - URA	(1,863,404)	-	-	(1,901,024)	(3,764,428)
Total Other Financing Sources, (Uses)	<u>(348,271)</u>	<u>-</u>	<u>914,389</u>	<u>1,054,979</u>	<u>1,621,097</u>
Net Change in Fund Balance	(56,260)	77,707	673,703	21,264	716,414
FUND BALANCE - BEGINNING OF YEAR					
	3,509,705	4,785,523	4,594,589	8,012,389	20,902,206
Prior Period Adjustment	<u>(56,875)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(56,875)</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,396,570</u>	<u>\$ 4,863,230</u>	<u>\$ 5,268,292</u>	<u>\$ 8,033,653</u>	<u>\$ 21,561,745</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS - TO
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018**

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities

Excess of Revenues over Expenditures \$ 716,414

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capitalized Additions	\$	3,374,584	
Capital Asset Deletions		(307,780)	
Depreciation Expense		<u>(4,613,133)</u>	
Net Adjustment			(1,546,329)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. This adjustment combines the net changes in liability balances.

Amortization of Bond Issue Difference	\$	(16,818)	
Amortization of Bond Premium/Discount		8,318	
GO Bonds, Notes and Contracts Payable		1,279,333	
Debt Issuance		(684,000)	
Accrued Compensated Absences		(1,760)	
Net Pension Asset Changes		(1,162,094)	
OPEB Obligation		<u>4,777</u>	
Net Adjustment			(572,244)

Under the accrual basis of accounting, interest on long-term debt is accrued when payments are not due until after year end.

Accrued Interest 10,962

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

Assessments Receivable 24,299

The payments from joint ventures are recorded in the governmental funds as revenue because they provide current financial resources. In the Statement of Activities, the payments reduce the receivable from the joint venture.

Decrease in Joint Venture Receivable			(620,964)
Gain (Loss) from Joint Venture			<u>702,819</u>

Change in Net Position \$ (1,285,043)

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
ASSETS				
Current Assets				
Cash and Investments	\$ 1,984,832	\$ 6,363,324	\$ 248,660	\$ 8,596,816
Receivables				
Accounts Receivable, Net	8,413,162	1,020,460	17,758	9,451,380
Prepaid Expenses	137,950	-	136	138,086
Capital Assets, Non-Depreciable	24,810,909	-	-	24,810,909
Capital Assets, Net of Depreciation	19,762,767	-	-	19,762,767
Total Assets	55,109,620	7,383,784	266,554	62,759,958
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Deferrals	484,121	-	88,022	572,143
Total Deferred Outflows of Resources	484,121	-	88,022	572,143
LIABILITIES				
Current Liabilities				
Accounts Payable and Accrued Liabilities	50,123	2,005,089	7,594	2,062,806
Accrued Compensated Absences	190,050	-	21,613	211,663
Noncurrent Liabilities:				
Due within one year	-	65,000	-	65,000
Due in more than one year:				
Proportionate Share of Net Pension Liability	1,427,153	-	259,482	1,686,635
Revenue Secured Loan	242,246	27,361,568	-	27,603,814
Total Liabilities	1,909,572	29,431,657	288,689	31,629,918
DEFERRED INFLOWS OF RESOURCES				
Net Deferred Pension Asset	113,775	-	20,686	134,461
Total Deferred Outflows of Resources	113,775	-	20,686	134,461
NET POSITION				
Net Investment in Capital Assets	44,331,430	-	-	44,331,430
Unrestricted	9,238,964	(22,047,873)	45,201	(12,763,708)
Total Net Position	\$ 53,570,394	\$ (22,047,873)	\$ 45,201	\$ 31,567,722

See accompanying notes to basic financial statements

CITY OF COOS BAY
COOS COUNTY, OREGON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2018

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
OPERATING REVENUES				
Licenses and Permits	\$ 10,535	\$ -	\$ 384,636	\$ 395,171
Intergovernmental	7,121,427	546,450	29,964	7,697,841
Charges for Services	5,773,689	-	-	5,773,689
Total Operating Revenues	<u>12,905,651</u>	<u>546,450</u>	<u>414,600</u>	<u>13,866,701</u>
OPERATING EXPENSES				
Personnel Services	1,483,239	-	301,524	1,784,763
Materials and Services	2,468,768	-	49,991	2,518,759
Depreciation Expense	727,746	-	-	727,746
Total Operating Expenses	<u>4,679,753</u>	<u>-</u>	<u>351,515</u>	<u>5,031,268</u>
Income, (Loss) From Operations	8,225,898	546,450	63,085	8,835,433
NON-OPERATING REVENUES (EXPENSES)				
Interest on Investments	38,883	239,394	3,847	282,124
Other Revenue, (Expenses)	6,259	98,494	53	104,806
Total Non-Operating Revenues	<u>45,142</u>	<u>337,888</u>	<u>3,900</u>	<u>386,930</u>
Income, (Loss) Before Contributions and Transfers	8,271,040	884,338	66,985	9,222,363
CONTRIBUTIONS AND TRANSFERS				
Capital Contributions	16,304,595	(16,304,595)	-	-
Sale of Capital Assets	(13,962)	-	-	(13,962)
Transfers In	-	1,450,769	-	1,450,769
Transfers Out	(2,327,158)	-	(20,000)	(2,347,158)
Total Contributions and Transfers	<u>13,963,475</u>	<u>(14,853,826)</u>	<u>(20,000)</u>	<u>(910,351)</u>
Change in Net Position	22,234,515	(13,969,488)	46,985	8,312,012
Beginning Net Position	<u>31,335,879</u>	<u>(8,078,385)</u>	<u>(1,784)</u>	<u>23,255,710</u>
Ending Net Position	<u>\$ 53,570,394</u>	<u>\$ (22,047,873)</u>	<u>\$ 45,201</u>	<u>\$ 31,567,722</u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2018**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	\$ 6,175,490	\$ 1,748,354	\$ 396,906	\$ 8,320,750
Payments to Suppliers	(2,569,786)	366,622	(47,521)	(2,250,685)
Payments to Employees	(1,321,971)	-	(303,086)	(1,625,057)
Net Cash Provided by Operating Activities	<u>2,283,733</u>	<u>2,114,976</u>	<u>46,299</u>	<u>4,445,008</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from Other Funds	-	1,450,769	-	1,450,769
Transfers to Other Funds	(2,327,158)	-	(20,000)	(2,347,158)
Net Cash Provided by Noncapital Financing Activities	<u>(2,327,158)</u>	<u>1,450,769</u>	<u>(20,000)</u>	<u>(896,389)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions	-	(16,304,595)	-	(16,304,595)
Sale of Capital Assets	13,962	-	-	13,962
Long Term Debt Issuance	138,329	14,295,133	-	14,433,462
Other Revenue, (Expenses)	(7,703)	98,494	53	90,844
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>144,588</u>	<u>(1,910,968)</u>	<u>53</u>	<u>(1,766,327)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments	38,883	239,394	3,847	282,124
Net Increase, (Decrease) in Cash and Cash Equivalents	140,046	1,894,171	30,199	2,064,416
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>1,844,786</u>	<u>4,469,153</u>	<u>218,461</u>	<u>6,532,400</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,984,832</u>	<u>\$ 6,363,324</u>	<u>\$ 248,660</u>	<u>\$ 8,596,816</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income	\$ 8,225,898	\$ 546,450	\$ 63,085	\$ 8,835,433
Adjustments				
Depreciation/Amortization	727,746	-	-	727,746
(Increase), Decrease in Accounts Receivable	(6,730,161)	1,201,904	(17,758)	(5,546,015)
(Increase), Decrease in Prepaids	(135,781)	-	64	(135,717)
Increase (Decrease) in Accrued Vacation	28,682	-	2,425	31,107
Increase, (Decrease) in Pension items	132,586	-	(3,987)	128,599
Increase, (Decrease) in Accounts Payable/Accrued Liabilities	34,763	366,622	2,470	403,855
Net Cash From Operations	<u>\$ 2,283,733</u>	<u>\$ 2,114,976</u>	<u>\$ 46,299</u>	<u>\$ 4,445,008</u>

See accompanying notes to basic financial statements

CITY OF COOS BAY
COOS COUNTY, OREGON

STATEMENT OF FIDUCIARY FUNDS - NET POSITION
AGENCY FUND
June 30, 2018

	<u>AGENCY FUND</u> <u>VISITOR AND CONVENTION</u> <u>BUREAU</u>
ASSETS:	
Cash and Investments	\$ <u>545,386</u>
Total Assets	<u>545,386</u>
LIABILITIES:	
Due to Other Agency	<u>545,386</u>
NET POSITION:	
Total Net Position	
Unrestricted	<u><u>\$ -</u></u>

See accompanying notes to basic financial statements

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Coos Bay, Oregon, have been prepared in conformity with accounting principles generally accepted in the United State of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

THE FINANCIAL REPORTING ENTITY

The City of Coos Bay is a municipal corporation, incorporated in 1874 under the name of Marshfield. In 1944, the residents voted to change the name to Coos Bay. The City presently operates under a charter, which was approved by the voters. The Charter provides for a Council-Manager form of government and provides such services as are authorized by the Charter. The City is governed by a mayor and an elected six member council. Appointed officers provided by the Charter are the City Manager, Finance Director/Recorder and City Attorney.

Accounting principles generally accepted in the United States of America require that these financial statements represent the City (the primary government) and all component units, if any. Component units, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 61, are separate organizations that are included in the City of Coos Bay's reporting entity because of the significance of their operational or financial relationships with the City.

Based on the above criteria, the following is a brief description of the component unit included in the City's reporting entity:

The Urban Renewal Agency of the City of Coos Bay was formed in December, 1966 to have urban renewal authority under Oregon law. Urban Renewal Agency of the City of Coos Bay has planning and economic development programs that focus on a downtown section of the City, and an Empire section of the City. The primary purpose of the Coos Bay Urban Renewal Agency is to revitalize the commercial area of the City and to attract new businesses and jobs. Receipts are primarily from property taxes. Disbursements are made for planning, economic development, and capital projects.

Although it is legally separate from the City, because of the significance of its financial relationship with the City, the Urban Renewal Agency of the City of Coos Bay is reported as if it were part of the reporting entity. The Agency is reported as a blended component unit in these financial statements. Separate financial statements for the Urban Renewal Agency of the City of Coos Bay may be obtained from the City administrative offices at Coos Bay City Hall.

The Coos Bay-North Bend Water Board (Note 11) was established by an intergovernmental agreement, authorized by State statutes, to operate a water board for the mutual advantage of the City of Coos Bay and the City of North Bend. The City of Coos Bay has a 50% equity interest in the Water Board and appoints two of its council members to the Board. The Water Board is presented as a Joint Venture Investment in the Government-Wide Financial Statements.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Entity excluded from the reporting entity:

The Coos Bay/North Bend Visitor and Convention Bureau is not a component unit of the City of Coos Bay because it is a separate legal entity and does not have a significant financial relationship with the City. Cash and investments are commingled with City accounts for bookkeeping purposes only.

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities and component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. 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 and other charges between the sewer function and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

The statement of activities demonstrates the degree to which the direct expenses of a given function (i.e., general government, public safety, public works, etc.) is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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. Each fund is considered to be a separate accounting entity. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 (i.e. susceptible to accrual). 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 revenues are considered 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, claims, and judgments are recorded only when payment is due.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual if collected within 60 days of fiscal year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received.

There are the following *major governmental funds*:

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

Jurisdictional Exchange Reserve Fund – This fund is used to accumulate resources from an intergovernmental agreement with the Oregon Department of Transportation, along with interest earned thereon, for the City's authority to regulate and maintain certain highways within its jurisdiction.

Revenue Bond Fund – This fund accounts for debt service.

There are the following *non-major governmental funds*:

Special Revenue Funds – These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds – These funds are used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Debt Service Funds – These funds account for principal and interest payments on general obligation bonds. The primary sources of revenue are property taxes and intergovernmental revenues.

There are the following *major proprietary funds*:

Wastewater Fund – This fund is used to account for the operations of the wastewater treatment facilities. The principle revenue is charges for services.

Wastewater Improvement Fund– This fund is used to accumulate resources of major wastewater equipment purchases. The primary sources of revenue are earnings on investments, operating transfers, and loan proceeds.

Building Codes Fund – This fund is used to account for building and mechanical permits along with plan check fees.

There is the following *agency fund*:

Agency Fund – This fund is used to accumulate and hold monies for the Coos Bay/North Bend Visitor and Convention Bureau.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation.

For net position, when both restricted and unrestricted resources are available for use, it is the policy to use restricted resources first, then unrestricted resources as they are needed.

BUDGETS

A budget is prepared for all funds, in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exceptions that capital outlay expenditures are expensed when purchased, depreciation is not calculated, inventories of supplies are budgeted as expenditures when purchased, debt is recorded as revenue when received and an expenditure when paid, OPEB obligation are recorded when paid instead of when incurred, and tax revenues are not recorded as revenue until received. The Council begins its budget process early in each fiscal year with the establishment of the Budget Committee. Recommendations are developed through late winter with the Budget Committee approving the budget in early spring. Public notices of the budget hearing are published generally in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS (CONTINUED)

Expenditure budgets are appropriated at the following levels for each fund other than the General Fund and the Wastewater Fund:

LEVEL OF CONTROL

Personnel Services	Interfund Transfers
Materials and Services	Debt Service
Capital Outlay	Operating Contingency
Du Jour Financing	

The General Fund and the Wastewater Fund is appropriated at the department level along with transfers and contingencies. Expenditures cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Council approves them due to a need which exists which was not determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budget amount and appropriation transfers. All expenditures were within appropriations for year ended June 30, 2018.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Deposits and Investments

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, and cash and investments in the Local Governmental Investment Pool. Investments, including equity in pooled cash and investments, are stated at fair value.

Fair Value Inputs and Methodologies and Hierarchy

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

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/ from other funds” (i.e., the current portion of inter fund 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.”

Property taxes receivable that are collected within 60 days after year-end are considered measurable and available and, therefore, are recognized as revenue. The remaining balance is recorded as unavailable revenue because it is not deemed necessary, as uncollectible taxes become a lien on the property. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the government-wide statement of net position. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of an allowance for uncollectibles.

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.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Buildings and improvements	10-50 years
Improvements other than buildings	10-50 years
Machinery and equipment	5-20 years
Vehicles	5-20 years
Utility systems	10-40 years
Infrastructure – streets	20-40 years
Intangible assets	15-20 years

Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Supply Inventories

Inventories purchased are valued at cost (first-in, first-out method). Inventory is recorded as expenditures when consumed in the government-wide statements and expensed when purchased in the fund statements.

Retirement Plans

Substantially all of the City’s employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS’s fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

Compensated Absences

It is the policy to permit employees to accumulate earned but unused vacation, compensatory, and sick leave benefits. Vacation accrual is limited based on the nonrepresented employees’ personnel directives and the various union contracts. Any vacation accrual balances in excess of these limits will be forfeited. Accumulated vested vacation, compensatory, and sick pay is accrued as it is earned in the proprietary fund financial statements and the government-wide financial statements. Both the current and long-term liabilities are recorded. Government fund types recognize the expenditure when benefits are paid. Upon retirement an employee with ten or more years of service in a specific department shall be paid a percentage of their unused sick leave into a deferred compensation plan. The percentage shall be equal to the completed years of service.

CITY OF COOS BAY
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-term Obligations

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

In the governmental fund-type financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized 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.

Net Position/Fund Balance

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories.

Invested in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

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

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories, prepaid items and a nonspendable jurisdictional exchange deposit.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position/Fund Balance (Continued)

- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The City Manager and Finance Director have the authority to classify portions of ending fund balances as assigned.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The following order of spending regarding fund balance categories is used: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred inflows and 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 has a deferred outflow for deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The government also has a deferred outflow for pension related deferrals.

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 governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The statement of net position reports a deferred inflow called Net Deferred Pension Asset. This amount is equal to the difference between actuarially projected investment earnings and actual investment earnings, less contributions that the City paid to PERS during 2017-2018.

2. CASH AND INVESTMENTS

The cash management policies are governed by state statutes. Statutes authorize investment in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

A cash pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Cash and Investments (recorded at cost) consisted of:

Deposist with Financial Institutions:

Petty Cash	\$ 740
Demand Deposits	485,667
Investments	<u>29,951,039</u>

Total Cash and Investments \$ 30,437,446

Reconciliation of Cash Reported in:

Governmental Funds	\$ 21,295,244
Business Type Funds	8,596,816
Agency Fund	<u>545,386</u>

Total Cash and Investments \$ 30,437,446

Deposits

Deposits with financial institutions consist of bank demand deposits. The total bank balance per the bank statements for all pooled cash is \$1,080,304. This balance includes cash belonging to the Urban Renewal Agency and the Visitor and Convention Bureau that is all held in the City's name for collateral purposes. Of these deposits, \$250,000 was covered by Federal Depository Insurance, and the remaining was deposited at an approved depository as prescribed by the Oregon State Treasurer.

The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Effective July 1, 2008, state statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295.001 to 295.108. As long as the bank depository has entered into an agreement (ORS 295.008(2)(b)) and has deposited securities pursuant to state statutes (ORS 295.015(1)), there may now be on deposit at any one bank depository and its branches, a sum in excess of the amount insured by the Federal Deposit Insurance Corporation.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2018, none of the bank balance was exposed to custodial credit risk because it was unsecured or collateralized.

Investments

State statutes authorize investment 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.

CITY OF COOS BAY
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2018, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-19
State Treasurer's Investment Pool	<u>\$ 29,951,039</u>	<u>\$ 29,951,039</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 29,951,039</u>	<u>\$ 29,951,039</u>	<u>\$ -</u>	<u>\$ -</u>

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB), which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2018. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2018, the fair value of the position in the LGIP approximates the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

The Oregon Short-Term Fund Board, established by the Oregon Legislature, advises the Oregon Investment Council and the Oregon State Treasury in the management and investments of the LGIP.

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity beyond three months.

Custodial Credit Risk

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration Risk

Concentration risk is the risk of loss due to a large portion of investments with a single issuer. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2018, all percentage restrictions were complied with. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. Amounts in the State Treasurer's Local Government Investment Pool are not required by law to be collateralized. State statutes do not limit the percentage of investments in this instrument.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

3. ACCRUED VACATION

The governmental funds compensated absences balances at June 30, 2018 and 2017 are \$1,113,790, and \$1,112,030. The business type funds compensated absences balances at June 30, 2018 and 2017 are \$211,663 and \$180,556.

<u>Compensated Absences</u>	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental	\$ 1,112,030	\$ 1,760	\$ -	\$ 1,113,790
Business Type	180,556	31,107	-	211,663
Total	\$ 1,292,586	\$ 32,867	\$ -	\$ 1,325,453

4. CAPITAL ASSETS

Capital asset activity for governmental activities of the primary government for the year ended June 30, 2018 was as follows:

<u>Description</u>	<u>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u>			
	<u>June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2018</u>
Capital assets not being depreciated				
Land	\$ 3,920,068	\$ 676,347	\$ (288,178)	\$ 4,308,237
Museum art works collection	854,769	11,500	-	866,269
Construction In Progress	2,118,630	720,430	(1,862,808)	976,252
Total Capital Assets not being depreciated	<u>6,893,467</u>	<u>1,408,277</u>	<u>(2,150,986)</u>	<u>6,150,758</u>
Other Capital Assets				
Land and Improvements	2,258,428	288,178	-	2,546,606
Buildings and Improvements	19,654,392	667,921	-	20,322,313
Machinery and Equipment	2,560,502	-	(36,512)	2,523,990
Vehicles	3,789,638	145,504	(129,233)	3,805,909
Intangibles	55,521	18,900	-	74,421
Infrastructure - streets	152,761,770	2,708,612	-	155,470,382
Total other Capital Assets	<u>181,080,251</u>	<u>3,829,115</u>	<u>(165,745)</u>	<u>184,743,621</u>
Less Accumulated Depreciation				
Land Improvements	1,778,787	55,311	-	1,834,098
Buildings and Improvements	4,988,644	459,475	-	5,448,119
Machinery & Equipment	2,066,520	115,613	(26,534)	2,155,599
Vehicles	2,808,041	210,058	(119,609)	2,898,490
Intangibles	27,445	4,635	-	32,080
Infrastructure - streets	91,921,668	3,768,041	-	95,689,709
Total Accumulated Depreciation	<u>103,591,105</u>	<u>4,613,133</u>	<u>(146,143)</u>	<u>108,058,095</u>
Total Governmental Activities	<u>\$ 84,382,613</u>	<u>\$ 624,259</u>	<u>\$ (2,170,588)</u>	<u>\$ 82,836,284</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

4. CAPITAL ASSETS (CONTINUED)

Depreciation Expense for governmental activities is charged to functions as follows:

<u>Function</u>	<u>Governmental Funds</u>
General Government	\$ 132,798
Public Safety	263,315
Public Works	4,132,633
Culture and Recreation	<u>84,387</u>
Total	<u>\$ 4,613,133</u>

Capital asset activity for business type activities for the year ended June 30, 2018 was as follows:

<u>Description</u>	<u>BUSINESS TYPE ACTIVITIES</u>			
	<u>June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2018</u>
Capital assets not being depreciated				
Construction in Progress	\$ 13,136,052	\$ 13,935,628	\$ (2,260,771)	\$ 24,810,909
Total Capital Assets not being depreciated	<u>13,136,052</u>	<u>13,935,628</u>	<u>(2,260,771)</u>	<u>24,810,909</u>
Other Capital Assets - Wastewater				
Land and Improvements	2,576,662	-	-	2,576,662
Machinery & Equipment	4,033,403	12,861	(65,324)	3,980,940
Vehicles	1,339,790	34,455	-	1,374,245
Plant and System	24,285,293	4,582,422	(81,907)	28,785,808
Total other Capital Assets	<u>32,235,148</u>	<u>4,629,738</u>	<u>(147,231)</u>	<u>36,717,655</u>
Less Accumulated Depreciation				
Land and Improvements	1,889,005	186	-	1,889,191
Machinery & Equipment	3,080,329	93,531	(55,809)	3,118,051
Vehicles	891,684	72,775	-	964,459
Plant and System	10,499,393	561,254	(77,460)	10,983,187
Total Accumulated Depreciation	<u>16,360,411</u>	<u>727,746</u>	<u>(133,269)</u>	<u>16,954,888</u>
Total Business Type Activities	<u>\$ 29,010,789</u>	<u>\$ 17,837,620</u>	<u>\$ (2,274,733)</u>	<u>\$ 44,573,676</u>

Depreciation expense for business type activities is charged to functions as follows:

<u>Function</u>	<u>Business Type Funds</u>
Wastewater	<u>\$ 727,746</u>
Total	<u>\$ 727,746</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<http://www.oregon.gov/pers/documents/financials/CAFR/2017-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a) **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i) **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
- ii) **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii) **Disability Benefits.** A member with 10 or more years of creditable service who becomes disable from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv) **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

- b) **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i) **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and Fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General Service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii) **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii) **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv) **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2018 was \$1,139,525, excluding amounts to fund employer specific liabilities. In addition approximately \$419,638 in employee contributions were paid or picked up by the City in fiscal 2018. At June 30, 2018, the City reported a net pension liability of \$12,974,119 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2015. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2017, the City's proportion was .096 percent. Pension expense for the year ended June 30, 2018 was \$1,290,694.

The rates in effect for the year ended June 30, 2018 were:

- (1) Tier 1/Tier 2 – 19.21%
- (2) OPSRP General Services – 8.02%
- (3) OPSRP Police and Fire – 12.79%

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 627,434	\$ -
Changes in assumptions	2,364,951	-
Net difference between projected and actual earnings on pension plan investments	133,664	-
Net changes in proportionate share	135,523	696,568
Differences between City contributions and proportionate share of contributions	-	337,749
Subtotal - Amortized Deferrals (below)	<u>3,261,572</u>	<u>1,034,317</u>
City contributions subsequent to measuring date	<u>1,139,525</u>	-
Deferred outflow (inflow) of resources	<u>\$ 4,401,097</u>	<u>\$ 1,034,317</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2019.

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

<u>Year ending June 30,</u>	<u>Amount</u>
2017	\$ 338,417
2018	1,407,521
2019	916,953
2020	(427,671)
2021	(7,966)
Thereafter	-
Total	<u>\$ 2,227,254</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 16, 2018. Oregon PERS produces an independently audited CAFR which can be found at:

<http://www.oregon.gov/pers/documents/financials/CAFR/2017-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2017 through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

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

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2015 rolled forward to June 30, 2017
Experience Study Report	2014, Published September 23, 2015
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.50 percent
Projected salary increase	3.5 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (70% for males and 95% for females) of the RP-2000 sex-distinct, generational per scale BB, disabled mortality table.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2015 Experience Study which is reviewed for the four-year period ended December 31, 2015.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100%

(Source: June 30, 2017 PERS CAFR; p. 92)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

Asset Class	Target	Compound Annual Return (Geometric)
Core Fixed Income	8.00%	4.00%
Short-Term Bonds	8.00%	3.61%
Bank/Leveraged Loans	3.00%	5.42%
High Yield Bonds	1.00%	6.20%
Large/Mid Cap US Equities	15.75%	6.70%
Small Cap US Equities	1.31%	6.99%
Micro Cap US Equities	1.31%	7.01%
Developed Foreign Equities	13.13%	6.73%
Emerging Market Equities	4.12%	7.25%
Non-US Small Cap Equities	1.88%	7.22%
Private Equity	17.50%	7.97%
Real Estate (Property)	10.00%	5.84%
Real Estate (REITS)	2.50%	6.69%
Hedge Fund of Funds - Diversified	2.50%	4.64%
Hedge Fund - Event-driven	0.63%	6.72%
Timber	1.88%	5.85%
Farmland	1.88%	6.37%
Infrastructure	3.75%	7.13%
Commodities	1.88%	4.58%
<i>Assumed Inflation - Mean</i>		<i>2.50%</i>

(Source: June 30, 2017 PERS CAFR; p. 69)

Discount Rate – The discount rate used to measure the total pension liability was 7.50 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.50 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 (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
City's proportionate share of the net pension liability	\$ 5,334,607	\$ 12,974,119	\$ 22,110,267

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

At its July 28, 2017 meeting, the PERS Board lowered the assumed rate to 7.2 percent. For member transactions, this rate will take effect January 1, 2018. The current assumed rate is 7.5 percent and has been in effect for member transactions since January 1, 2016.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

The City pays six (6) percent of the employees covered payroll on behalf of the employees. The City did not make any optional contributions to member IAP accounts for the year ended June 30, 2018.

Retirement Health Insurance Account

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the City contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

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

Participating cities are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.50% of annual covered OPERF payroll and 0.43% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City's contributions to

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. EMPLOYEE RETIREMENT PLAN (CONTINUED)

RHIA for the years ended June 30, 2016, 2017 and 2018 were \$3,228, \$2,939 and \$2,435, respectively, which equaled the required contributions each year.

Actuarial Methods and Assumptions:

Assets are valued at their market value. Gains and losses between odd-year valuations are amortized as a level percentage of combined valuation payroll over 20 years from the odd-year valuation in which they are first recognized. The assumed rate of return on investments is 7.5% compounded annually. The assumed consumer price inflation rate used is 2.5% per year.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

6. DEFERRED COMPENSATION

Four deferred compensation trust plans are offered to employees and were created in accordance with Internal Revenue Code Section 457. The trusts hold the assets for the exclusive benefits of plan participants and their beneficiaries.

7. POST EMPLOYEMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Plan Description: The City operates a single-employer retiree benefit plan that provides postemployment health, dental and vision insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. All classes of employee are eligible to continue coverage upon retirement. Qualified spouses, domestic partners, and children may qualify for coverage. Coverage for retirees and eligible dependents continues until Medicare eligibility for each individual (or until dependent children become ineligible).

Benefits and eligibility for members are established through the collective bargaining agreements. The post-retirement healthcare plan is established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the City's implicit employer contribution. The City did not establish an irrevocable trust (or equivalent arrangement) to account for the plan

Funding Policy: The benefits from this program are paid by the City on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is not obligation on the part of the City to fund these benefits in advance.

Actuarial Methods and Assumptions: The City engaged an actuary to perform an evaluation as of July 1, 2016 using entry age normal, level percent of salary Actuarial Cost Method. The Single Employer Pension Plan liability was determined using the following actuarial assumptions, applied to all periods including the measurement:

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) CONTINUED)

Discount Rate per year	3.58%
General Inflation Rate per year	2.50%
Salary Scale per year	3.50%

Health Care Cost Trend – Premium increase of 7.0% in the first year. In future years, the medical and vision cost trend varies between 7.5% and 5% until 2020. Then the trend settles to an ultimate rate of 5%. Dental costs will increase 4.5% in all future years.

Mortality rates were based on the RP=2000 Active/Healthy Annuitant Mortality Table for males and females, as appropriate, set back one year for males. Mortality is projected on a generational basis using Scale BB for males and females..

Turnover rates were based on percentages developed for the valuation of benefits under Oregon PERS and vary by years of service.

Disability rates were based on the percentages developed for the valuation benefits under Oregon PERS and vary by employee age.

Retirement rates were calculated based on age and years of service with the assumption that 60% are to remain enrolled and 50% of retirees electing coverage will cover a spouse as well.

The projection of benefits for financial reporting purpose does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Changes in Medical Benefit OPEB Liability:

Balance at June 30, 2017	\$	695,980
Changes for the Year:		
Service Cost		40,285
Interest		20,597
Changes of Benefit Terms		-
Differences Between Expected and Actual Experience		-
Changes of Assumptions or Other Input		(42,895)
Benefit Payments		<u>(27,325)</u>
Net Changes for the Year		(9,338)
Total OPEB Liability at June 30, 2018	\$	<u><u>686,642</u></u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

7. POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) CONTINUED)

Sensitivity of the Net Other Post-Employment Benefit Liability to Changes in Discount and Trend Rates: The following presents the other post-employment benefit liability (NOL), calculated using the discount rate of 3.58 percent, as well as what the liability would be if it was calculated using a discount rate 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

June 30, 2018	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 746,842	\$ 686,642	\$ 631,133

The following presents the other post-employment benefit liability (NOL), calculated using trend rate of 7.0 percent graded down to 6.0 percent, as well as what the liability would be if it was calculated using a trend rate 1-percentage-point lower or 1-percentage-point higher than the current rate:

June 30, 2018	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 611,450	\$ 686,642	\$ 774,875

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	(37,965)
Net difference between projected and actual earnings on pension plan investments	-	-
Net changes in proportionate share	-	-
Differences between City contributions and proportionate share of contributions	33,404	-
Deferred outflow (inflow) of resources	<u>\$ 33,404</u>	<u>\$ (37,965)</u>

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

<u>Year ending June 30,</u>	<u>Amount</u>
2019	\$ (4,930)
2020	(4,930)
2021	(4,930)
2022	(4,930)
2023	(4,930)
Thereafter	<u>(13,315)</u>
Total	<u>\$ (37,965)</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT

There is long term debt associated with governmental and business type activities.

Governmental Activities

Revenue Secured Bond:

In November 2016, \$3,200,000 in Refunding Bonds were issued, the proceeds of which were utilized to refund the 2006 water secured bonds. These water bonds, although general obligation bonds of the City, are a primary obligation of the Coos Bay-North Bend Water Board, and are being retired from revenues turned over by that agency. The refunding reduced total debt payments by \$296,673. The Water Board, by resolution, is pledged to establish, maintain and collect rates and charges for water service that will produce sufficient revenue, after deducting the expenses for operation and maintenance, to meet principal and interest payments when due.

The future requirements for amortization of this November 2016 Revenue Secured Bond debt are as follows:

Fiscal Year	Issue of November 2016		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 385,000	\$ 46,157	\$ 431,157
2019-2020	390,000	39,375	429,375
2020-2021	395,000	32,506	427,506
2021-2022	405,000	25,506	430,506
2022-2023	410,000	18,375	428,375
2024-2027	845,000	14,832	859,832
Total	<u>\$ 2,830,000</u>	<u>\$ 176,751</u>	<u>\$ 3,006,751</u>

Interest rate: 1.75%

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Revenue Secured Loan:

On June 14, 2005, the Water Board secured a revenue loan with O.E.C.D.D. in the amount of \$125,000. The loan is a primary obligation of the City, for its portion of the water line Bay Crossing Project construction to be paid over 25 years at 4.97% annual interest. The Water Board, by resolution, is pledged to establish, maintain, and collect rates and charges for water service that will produce sufficient revenue to meet principal and interest payments when due. The future requirements for amortization of this revenue secured loan are as follows:

Fiscal Year	Issue of June 14, 2005		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 4,818	\$ 3,802	\$ 8,620
2019-2020	5,057	3,563	8,620
2020-2021	5,309	3,312	8,621
2021-2022	5,572	3,048	8,620
2022-2023	5,849	2,771	8,620
2024-2028	33,906	9,194	43,100
2029-2032	<u>15,999</u>	<u>1,202</u>	<u>17,201</u>
Total	<u>\$ 76,510</u>	<u>\$ 26,892</u>	<u>\$ 103,402</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

General Obligation 2009 Fire Station Bond:

In April 2009, \$6,900,000 in general obligation bonds were issued which will be used to finance the building of the new fire station. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of April 15, 2009		
	Principal	Interest	Total
2018-2019	\$ 330,000	\$ 162,150	\$ 492,150
2019-2020	340,000	148,950	488,950
2020-2021	355,000	135,350	490,350
2021-2022	370,000	121,150	491,150
2022-2023	385,000	106,350	491,350
2024-2028	2,170,000	283,582	2,453,582
Total	<u>\$ 3,950,000</u>	<u>\$ 957,532</u>	<u>\$ 4,907,532</u>

Interest rate: 3.0 - 4.375% fixed annual rate.

Economic Development Loan:

During 2009-10, the Water Board, a City of Coos Bay Joint Venture, began a project to increase the capacity of the Pony Creek water treatment plant from 8 MGD to 12 MGD. Engineering began in 2009-10 and construction began in 2010-11, continuing into 2012-13. The cities of Coos Bay and North Bend each borrowed approximately \$5 million dollars on the Water Board's behalf to finance the project. The Water Board will pledge its revenue stream to the two cities for repayment of the debt when it is due. Debt repayment will begin on December 1st of the year in which the project is completed. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of December 1, 2013		
	Principal	Interest	Total
2018-2019	\$ 214,918	\$ 133,712	\$ 348,630
2019-2020	222,225	126,404	348,629
2020-2021	229,781	118,849	348,630
2021-2022	237,593	111,036	348,629
2022-2023	245,672	102,958	348,630
2024-2028	1,359,477	383,671	1,743,148
2029-2033	1,423,031	136,301	1,559,332
Total	<u>\$ 3,932,697</u>	<u>\$ 1,112,931</u>	<u>\$ 5,045,628</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

URA Empire Banner Bank Bond:

\$1,435,000 (maximum) of urban renewal debt service bonds were issued on June 29, 2018, which are payable from tax increment revenues from the Empire Urban Renewal Area. As of June 30, 2018, \$684,000 of the debt had been drawn down. Payment terms will become available when the City has drawn down all of the debt.

URA Downtown Bond: \$1,402,000 of urban renewal debt service bonds were issued on August 28, 2009, which are payable from the tax increment revenues from the Downtown Urban Renewal Area. The Bond was paid off in the current year.

OTIB #0059 Water Board Loan: At March 31, 2016, a \$404,000 loan was received for construction of water mains in South Empire Boulevard. The loan is payable over ten years at a fixed interest rate of 1.34%. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of March 31, 2016		
	Principal	Interest	Total
2018-2019	\$ 39,042	\$ 4,260	\$ 43,302
2019-2020	39,567	3,735	43,302
2020-2021	40,099	3,203	43,302
2021-2022	40,638	2,664	43,302
2022-2023	41,185	2,118	43,303
2024-2028	127,111	3,001	130,112
Total	\$ 327,642	\$ 18,981	\$ 346,623

City Tech Loan with Executech: At May 12, 2016, a \$31,021 loan was received for the purchase of information technology infrastructure at City Hall. The loan is payable over 30 months at a fixed interest rate of 0%. Management has elected not to impute interest as it would be insignificant. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of May 12, 2016		
	Principal	Interest	Total
2018-2019	\$ 4,137	\$ -	\$ 4,137
Total	\$ 4,137	\$ -	\$ 4,137

Interest Rate: Fixed annual rate of 0.0%

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Business Type Activities

Land purchase loan: At October 31, 2011, a \$650,000 loan was received for the purchase of land. The loan is payable over ten years at a fixed interest rate of 3.12%. The future requirements for amortization of the debt service payments are as follows:

<u>Fiscal Year</u>	<u>Issue of October 2011</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 65,000	\$ 5,070	\$ 70,070
2019-2020	65,000	3,042	68,042
2020-2021	43,494	1,014	44,508
Total	<u>\$ 173,494</u>	<u>\$ 9,126</u>	<u>\$ 182,620</u>

Business Type Loans: Payment terms are not yet available for the IFA Wastewater Loans and the Oregon DEQ SRF Wastewater Loan.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Changes in Long-Term Liabilities: During the year ended June 30, 2018, the following changes occurred in long-term liabilities:

Governmental Activities:	<u>Balance 7/1/2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2018</u>	<u>Due in One Year</u>
Revenue Bonds:					
Water Bonds					
June 14, 2005 (refunding)	\$ 81,099	\$ -	\$ (4,589)	\$ 76,510	\$ 4,818
GO Fire Station April 15, 2009	4,265,000	-	(315,000)	3,950,000	330,000
Revenue Secured Bond:					
Novemberr 2016 (refunding)	3,200,000	-	(370,000)	2,830,000	385,000
Economic Development Loan June 30, 2011	4,140,548	-	(207,851)	3,932,697	214,918
URA Banner Bank Loan	-	684,000	-	684,000	-
URA Downtown Series 8/28/09	330,961	-	(330,961)	-	-
City Tech Loan with Executec 2016	16,545	-	(12,408)	4,137	4,137
OTIB #0059 Water Board Loan	366,166	-	(38,524)	327,642	39,042
Bond Premium	80,177	-	(8,318)	71,859	-
Total	<u>\$ 12,480,496</u>	<u>\$ 684,000</u>	<u>\$ (1,287,651)</u>	<u>\$ 11,876,845</u>	<u>\$ 977,915</u>
	<u>Balance 7/1/2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 6/30/2018</u>	<u>Due in One Year</u>
Business-Type Activities					
IFA Wastewater Loan 2012	\$ 3,341,505	\$ 164,327	\$ -	\$ 3,505,832	\$ -
IFA Wastewater Loan 2013	3,193,818	1,755,354	-	4,949,172	-
OR DEQ SRF Wastewater Loan	6,461,535	11,722,244	-	18,183,779	-
OR DEQ SRF R2001 Wastewater Loan	-	856,537	-	856,537	-
Land Purchase Loan	238,494	-	(65,000)	173,494	65,000
Total	<u>\$ 13,235,352</u>	<u>\$ 14,498,462</u>	<u>\$ (65,000)</u>	<u>\$ 27,668,814</u>	<u>\$ 65,000</u>

CITY OF COOS BAY
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. PROPERTY TAX LIMITATIONS

The State of Oregon has a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

An additional limit reduces the amount of operating property tax revenues available. This reduction was accomplished by rolling property values for 1997-98 back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

10. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

11. INVESTMENT IN JOINT VENTURE

Pursuant to an intergovernmental agreement authorized by state statutes, the City of Coos Bay joined with the City of North Bend to establish and operate a Water Board for the mutual advantage of the two governments. The City of Coos Bay's share of assets, liabilities, and fund equity is 50 percent. Following is a summary of the most recent audited financial information as of, and for the year ended June 30, 2018:

Cash and investments	\$ 4,641,182
Other assets	<u>66,650,679</u>
Total assets	<u>71,291,861</u>
Deferred outflows of resources	<u>259,568</u>
Total assets and deferred outflows	<u>\$ 71,551,429</u>
Total liabilities and deferred inflows	\$ 17,558,960
Total equity	<u>53,992,469</u>
Total liabilities and equity	<u>\$ 71,551,429</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

11. INVESTMENT IN JOINT VENTURE (CONTINUED)

Changes in the investment in the joint venture are as follows:

<u>Balance</u> <u>July 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2018</u>
\$ 26,293,416	\$ 702,819	\$ -	\$ 26,996,235

An investment in joint venture in the amount of \$26,996,235 million was booked as an asset (Investment in Joint Venture) in Fiscal Year 2018, for the 50% equity interest that the City of Coos Bay has in the Coos Bay/North Bend Water Board. The Coos Bay/North Bend Water Board issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Coos Bay/North Bend Water Board, P.O. Box 539, Coos Bay, OR 97420 or by calling (541) 267-3128.

12. RELATED PARTY TRANSACTIONS

All sewer service charges are billed by the Water Board as an accommodation for the Cities of Coos Bay and North Bend, Oregon, and collections thereon are remitted to the cities, less a handling fee, for providing these services. During the year ended June 30, 2018, the Water Board remitted \$5,703,221 to the City of Coos Bay, Oregon, which included sewer user fee revenues, alum sludge disposal fees, and interest earnings, net of the handling fee of \$70,585.

13. NOTES RECEIVABLE

There is a note receivable carried on the statement of net position. The note is the result of an agreement between the City and the Water Board wherein the City obtained a loan on behalf of the Water Board. The amount receivable by the City as of June 30, 2018 is \$7,166,849. This includes the 2005, 2006 and 2016 refunding issues as well as the OTIB Loan. The Water Board also pays the interest on these issues (see footnote 8).

14. TRANSFERS

Transfers made during the year are summarized as follows:

<u>Fund:</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Governmental Funds:		
General	\$ 76,370	\$ 495,589
Revenue Bond	914,389	-
Other Governmental	3,186,823	2,785,604
	<u>4,177,582</u>	<u>3,281,193</u>
Business Type Funds	<u>1,450,769</u>	<u>2,347,158</u>
Total Transfers	<u>\$ 5,628,351</u>	<u>\$ 5,628,351</u>

CITY OF COOS BAY
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

14. TRANSFERS (CONTINUED)

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

15. INTERFUND LOANS

A \$600,000 loan was issued in July of 2011 from URA Downtown Capital Fund to the General Fund. The loan is payable over 10 years at an interest rate of 1%. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of July 2011		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 60,000	\$ 2,400	\$ 62,400
2019-2020	60,000	1,800	61,800
2020-2021	60,000	1,200	61,200
2021-2022	<u>60,000</u>	<u>600</u>	<u>60,600</u>
Total	<u>\$ 240,000</u>	<u>\$ 6,000</u>	<u>\$ 246,000</u>

Interest rate: 1% fixed annual rate.

An \$118,094 loan was issued in 2013 from the General Fund to the Jurisdictional Exchange Fund. During the 2013-2014 year, \$58,155 additional loan proceeds were issued for a total liability of \$176,249. The loan is payable upon the extinguishment of the 2005 business loan, in equal amounts annually, at an interest rate of 1%. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of August 2012 through July 2013		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018-2019	\$ 30,191	\$ 610	\$ 30,801
2019-2020	<u>28,301</u>	<u>306</u>	<u>28,607</u>
Total	<u>\$ 58,492</u>	<u>\$ 916</u>	<u>\$ 59,408</u>

Interest rate: 1% fixed annual rate.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

16. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2018 are as follows:

Fund Balances:	General Fund	Jurisdictional Exchange Reserve	Revenue Bond	Non Major Funds	Total
<u>Nonspendable:</u>					
Prepaid Expenses	\$ 7,394	\$ -	\$ -	\$ 6,080	\$ 13,474
Inventory	852	-	-	-	852
Jurisdictional Exchange	-	4,800,000	-	-	4,800,000
Total	8,246	4,800,000	-	6,080	4,814,326
<u>Restricted:</u>					
Memorial Bricks	209	-	-	-	209
Police Reserves	1,517	-	-	-	1,517
DUII Impact Panel	6,771	-	-	-	6,771
Fire - BAH impact	2,169	-	-	-	2,169
Fire - Active Shooter Kit	40	-	-	-	40
Choshi Garden Foundation	-	-	-	1,221	1,221
911 Services	-	-	-	59,968	59,968
Debt Service	-	-	5,268,292	391,809	5,660,101
Library	-	-	-	1,463,846	1,463,846
Capital Projects	-	-	-	1,248,631	1,248,631
Total	10,706	-	5,268,292	3,165,475	8,444,473
<u>Assigned:</u>					
Range	11,367	-	-	-	11,367
Hotel/Motel Tax Fund	-	-	-	392,635	392,635
Unclaimed Property Liability	1,139	-	-	-	1,139
Rainy Day Reserve Fund	755,132	-	-	-	755,132
Jurisdictional Exchange	-	63,230	-	-	63,230
Capital Projects	-	-	-	4,469,463	4,469,463
Total	767,638	63,230	-	4,862,098	5,692,966
Unassigned:	2,609,980	-	-	-	2,609,980
Total Fund Balances	\$ 3,396,570	\$ 4,863,230	\$ 5,268,292	\$ 8,033,653	\$ 21,561,745

CITY OF COOS BAY
COOS COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

17. CONTINGENCIES

A number of federal and state assisted programs are participated in. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. Management believes that such disallowance, if any, will be immaterial.

18. NEGATIVE NET POSITION

The Wastewater Improvement Fund has a negative net position of (\$22,047,873). This is the result of capital construction and capital contributions to the Wastewater Fund as well as debt for capital assets held by the Wastewater Fund. The net position will become positive as more reimbursements are received for the project.

19. PRIOR PERIOD ADJUSTMENT AND RESTATEMENT

The City implemented GASB Statement No. 75 for Other Post Employment Benefits (OPEB) which resulted in a restatement of beginning net position for 2017-2018 in the amount of (\$200,289). In addition there was a prior period adjustment in the amount of (\$56,875) to the General Fund to account for contract revenue that was unearned.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

REQUIRED SUPPLEMENTAL INFORMATION

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY
For the Year Ended June 30, 2018**

Total OPEB Liability at June 30, 2017		\$	695,980
Changes for the year:			
Service Cost	\$	40,285	
Interest		20,597	
Changes of Benefit Terms		-	
Differences Between Expected and Actual Experience		-	
Changes of Assumptions or Other Input		(42,895)	
Benefit Payments		<u>(27,325)</u>	
Net changes for the year			(9,338)
Total OPEB Liability at June 30, 2018		<u>\$</u>	<u>686,642</u>
Covered Payroll			6,993,970
Total OPEB Liability as a Percentage of Covered Payroll			9.82%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The City implemented and GASB Statement No. 75 in the fiscal year ended June 30, 2018.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
For the Year Ended June 30, 2018**

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	Employer's proportion of the net pension liability (NPL) (a)	Employer's proportionate share of the net pension liability (NPL) (b)	Covered payroll (c)	NPL as a percentage of covered payroll (b/c)	Plan fiduciary net position as a percentage of the total pension liability
2018	0.096247 %	\$12,974,119	\$7,043,536	184%	83.1%
2017	0.101738 %	15,273,229	6,979,113	219%	80.5%
2016	0.109596 %	6,292,423	6,539,770	96%	91.9%
2015	0.095125 %	(2,156,209)	6,404,247	-34%	104%
2014	0.095125 %	4,854,360	6,449,947	75%	92%

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2018	\$1,019,229	\$1,019,229	\$0	\$6,993,970	14.57%
2017	873,648	873,648	0	7,043,536	12.40%
2016	1,001,449	1,001,449	0	6,979,113	14.35%
2015	730,435	730,435	0	6,539,770	11.17%
2014	727,026	727,026	0	6,404,247	11.08%

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

**CITY OF COOS BAY
COOS COUNTY, OREGON**

SUPPLEMENATARY INFORAMTION

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Property Taxes	\$ 5,494,721	\$ 5,494,721	\$ 5,843,221	\$ 348,500
Franchise Fees	1,996,484	2,096,484	2,062,103	(34,381)
Licenses and Permits	155,397	155,397	159,881	4,484
Intergovernmental	411,200	536,200	612,980	76,780
Grants	129,950	129,950	56,251	(73,699)
Charges For Services	836,850	836,850	848,953	12,103
Charges for Use of Money and Property	112,000	112,000	138,601	26,601
Fines and Forfeitures	66,100	66,100	71,647	5,547
Miscellaneous	47,000	47,000	106,592	59,592
Total Revenue	<u>9,249,702</u>	<u>9,474,702</u>	<u>9,900,229</u>	<u>425,527</u>
EXPENDITURES				
General Government	1,414,110	1,439,110 (1)	1,295,977	143,133
Public Safety	7,651,974	7,918,974 (1)	7,498,682	420,292
Public Works	921,738	954,123 (1)	855,920	98,203
Contingency	600,000	400,000 (1)	-	400,000
Total Expenditures	<u>10,587,822</u>	<u>10,712,207</u>	<u>9,650,579</u>	<u>1,061,628</u>
Excess of Revenues Over, (Under) Expenditures	(1,338,120)	(1,237,505)	249,650	1,487,155
OTHER FINANCING SOURCES, (USES)				
Transfers In	-	-	-	-
Transfers Out	(463,000)	(596,000) (1)	(495,589)	100,411
Sale of Capital Asset	-	32,385	32,385	-
Insurance Recovery	-	-	944	944
Du Jour Financing - URA In	1,880,955	1,901,023	1,901,023	-
Debt Service (Du Jour Financing - URA Out)	(1,843,336)	(1,863,404) (1)	(1,863,404)	-
Total Other Financing Sources, (Uses)	<u>(425,381)</u>	<u>(525,996)</u>	<u>(424,641)</u>	<u>101,355</u>
Net Change in Fund Balance	(1,763,501)	(1,763,501)	(174,991)	1,588,510
FUND BALANCE - BEGINNING OF YEAR	3,000,000	3,000,000	3,054,812	54,812
Prior Period Adjustment	-	-	(56,875)	(56,875)
FUND BALANCE - END OF YEAR	<u>\$ 1,236,499</u>	<u>\$ 1,236,499</u>	<u>\$ 2,822,946</u>	<u>\$ 1,586,447</u>

(1) Appropriation Level

Reconciliation to Governmental Balance Sheet Fund Balance

Ending Fund Balance - combined due to requirements of GASB 54

Rainy Day Reserve Fund 755,132

Interfund Loan Activity

Interfund Loan Receivable 58,492

Interfund Loan Payable (240,000)

GAAP General Fund Balance \$ 3,396,570

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

JURISDICTIONAL EXCHANGE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 30,000	\$ 30,000	\$ 84,643	\$ 54,643
State Revenue	-	-	9,886	9,886
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>94,529</u>	<u>64,529</u>
EXPENDITURES				
Public Works				
Materials and Services	20,713	20,713 (1)	15,912	4,801
Debt Service				
Principal Retirement	29,890	29,890 (2)	29,890	-
Interest and Fiscal Charges	910	910 (2)	910	-
Total Debt Service	<u>51,513</u>	<u>51,513 (1)</u>	<u>46,712</u>	<u>4,801</u>
Contingency	<u>35,000</u>	<u>35,000 (1)</u>	-	35,000
Total Expenditures	<u>86,513</u>	<u>86,513</u>	<u>46,712</u>	<u>39,801</u>
Net Change in Fund Balance	(56,513)	(56,513)	47,817	104,330
FUND BALANCE - BEGINNING OF YEAR	<u>4,856,513</u>	<u>4,856,513</u>	<u>4,873,905</u>	<u>17,392</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,800,000</u>	<u>\$ 4,800,000</u>	4,921,722	<u>\$ 121,722</u>
Reconciliation to Governmental Balance Sheet Fund Balance				
Interfund Loan activity				
Interfund Loan Payable			(58,492)	
GAAP Jurisdictional Exchange Reserve Fund Balance			<u>\$ 4,863,230</u>	

- (1) Appropriation Level
(2) Sum equals appropriation level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

<u>REVENUE BOND FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Intergovernmental				
CB-NB Water Board	\$ 833,600	\$ 833,600	\$ 823,009	\$ (10,591)
Total Revenues	<u>833,600</u>	<u>833,600</u>	<u>823,009</u>	<u>(10,591)</u>
EXPENDITURES				
Debt Service				
Principal	2,274,700	2,274,700 (2)	745,964	1,528,736
Interest	634,700	634,700 (2)	317,731	316,969
Contingency	1,899,074	1,899,074 (1)	-	1,899,074
Total Expenditures	<u>4,808,474</u>	<u>4,808,474</u>	<u>1,063,695</u>	<u>3,744,779</u>
Excess of Revenues Over, (Under) Expenditures	(3,974,874)	(3,974,874)	(240,686)	3,734,188
OTHER FINANCING SOURCES, (USES)				
Transfers In	914,389	914,389	914,389	-
Transfers Out	(725,000)	(725,000) (1)	-	725,000
Total Other Financing Sources, (Uses)	<u>189,389</u>	<u>189,389</u>	<u>914,389</u>	<u>725,000</u>
Net Change in Fund Balance	(3,785,485)	(3,785,485)	673,703	4,459,188
FUND BALANCE - BEGINNING OF YEAR	<u>4,439,119</u>	<u>4,439,119</u>	<u>4,594,589</u>	<u>155,470</u>
FUND BALANCE - END OF YEAR	<u>\$ 653,634</u>	<u>\$ 653,634</u>	<u>\$ 5,268,292</u>	<u>\$ 4,614,658</u>

(1) Appropriation Level

(2) Sum equals appropriation level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>WASTEWATER FUND</u>			VARIANCE TO FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Intergovernmental				
Charleston	\$ 336,000	\$ 336,000	\$ 178,290	\$ (157,710)
Bunker Hill	48,000	48,000	174,717	126,717
Total Intergovernmental	<u>384,000</u>	<u>384,000</u>	<u>353,007</u>	<u>(30,993)</u>
Charges for Services				
Sewer Permits	4,000	4,000	10,535	6,535
Sewer Use Fees	5,639,200	5,639,200	5,721,112	81,912
Recreational Vehicle Dump Fees	2,200	2,200	5,218	3,018
Alum Sludge Disposal Fees	45,000	45,000	47,359	2,359
Total Charges for Services	<u>5,690,400</u>	<u>5,690,400</u>	<u>5,784,224</u>	<u>93,824</u>
Charges for Use of Money and Property				
Interest on Investments	9,000	9,000	38,883	29,883
Miscellaneous	-	-	6,259	6,259
Total Revenues	<u>6,083,400</u>	<u>6,083,400</u>	<u>6,182,373</u>	<u>98,973</u>
EXPENDITURES				
Wastewater Collection and Treatment				
Personnel Services	1,527,767	1,527,767	1,321,971	205,796
Materials and Services	3,549,747	3,549,747	2,468,768	1,080,979
Total Wastewater Collection and Treatment	5,077,514	5,077,514 (1)	3,790,739	1,286,775
Contingency	1,267,014	1,267,014 (1)	-	1,267,014
Total Expenditures	<u>6,344,528</u>	<u>6,344,528</u>	<u>3,790,739</u>	<u>2,553,789</u>
Excess of Revenues Over, (Under) Expenditures	(261,128)	(261,128)	2,391,634	2,652,762
Other Financing Sources, (Uses)				
Loan Proceeds	127,908	127,908	138,329	10,421
Transfer In	725,000	725,000	-	(725,000)
Transfers Out	(2,327,158)	(2,327,158) (1)	(2,327,158)	-
Total Other Financing Sources, (Uses)	<u>(1,474,250)</u>	<u>(1,474,250)</u>	<u>(2,188,829)</u>	<u>(714,579)</u>
Net Change in Fund Balance	(1,735,378)	(1,735,378)	202,805	1,938,183
FUND BALANCE - BEGINNING OF YEAR	<u>1,735,378</u>	<u>1,735,378</u>	<u>2,354,160</u>	<u>618,782</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,556,965</u>	<u>\$ 2,556,965</u>

Reconciliation to Net Position:

Capital Assets, Net	44,573,676
Unavailable Revenue	7,928,856
Pension Related Deferrals	484,121
Pension Liability	(1,427,153)
Net Deferred Pension Asset	(113,775)
Long Term Debt	(242,246)
Accrued Compensated Absences	(190,050)

Total Net Position \$ 53,570,394

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2018**

WASTEWATER IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
State Grants	\$ 1,250,000	\$ 1,250,000	\$ 546,450	\$ (703,550)
Charges for Use of Money and Property				
Interest on Investments	32,372	32,372	239,394	207,022
Miscellaneous	-	-	13,290	13,290
Total Revenues	1,282,372	1,282,372	799,134	(483,238)
EXPENDITURES				
Capital Outlay	27,613,714	32,508,658 (1)	16,284,391	16,224,267
Total Expenditures	27,613,714	32,508,658	16,284,391	16,224,267
Excess of Revenues Over, (Under) Expenditures	(26,331,342)	(31,226,286)	(15,485,257)	15,741,029
OTHER FINANCING SOURCES, (USES)				
Loan Proceeds	22,155,963	27,050,907	14,360,133	(12,690,774)
Transfers In	1,450,769	1,450,769	1,450,769	-
Total Other Financing Sources, (Uses)	23,606,732	28,501,676	15,810,902	(12,690,774)
Net Change in Fund Balance	(2,724,610)	(2,724,610)	325,645	3,050,255
FUND BALANCE - BEGINNING OF YEAR	2,724,610	2,724,610	5,053,050	2,328,440
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 5,378,695	\$ 5,378,695
Reconciliation to Net Position:				
Long Term Debt			(27,426,568)	
Total Net Position			\$ (22,047,873)	

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2018

<u>BUILDING CODES FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Licenses and Permits	\$ 315,608	\$ 315,608	\$ 384,636	\$ 69,028
Charges for Use of Money and Property				
Interest on Investments	500	500	3,847	3,347
Intergovernmental Revenue	-	-	29,964	29,964
Miscellaneous	-	-	17	17
	<u>316,108</u>	<u>316,108</u>	<u>418,464</u>	<u>102,356</u>
EXPENDITURES				
Building Codes				
Personnel Services	347,494	333,494	303,086	30,408
Materials and Services	42,614	156,963	49,991	106,972
	<u>390,108</u>	<u>490,457</u> (1)	<u>353,077</u>	<u>137,380</u>
Total Building Codes Operations	<u>390,108</u>	<u>490,457</u>	<u>353,077</u>	<u>137,380</u>
Total Expenditures	<u>390,108</u>	<u>490,457</u>	<u>353,077</u>	<u>137,380</u>
Excess of Revenues Over, (Under) Expenditures	(74,000)	(174,349)	65,387	239,736
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(6,000)	(20,000) (1)	(20,000)	-
Total Other Financing Sources, (Uses)	<u>(6,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net Change in Fund Balance	(80,000)	(194,349)	45,387	239,736
FUND BALANCE - BEGINNING OF YEAR	<u>80,000</u>	<u>194,349</u>	<u>213,573</u>	<u>19,224</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>258,960</u>	<u>\$ 258,960</u>
Reconciliation to Net Position:				
			(192,146)	
			(21,613)	
			<u>\$ 45,201</u>	

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
June 30, 2018**

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR DEBT SERVICE FUNDS	COMBINED NONMAJOR CAPITAL PROJECT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:				
Cash and Investments	\$ 3,358,427	\$ 385,602	\$ 3,943,414	\$ 7,687,443
Prepaid Expense	6,080	-	-	6,080
Receivables				
Taxes	158,315	53,597	-	211,912
Accounts	381,782	-	640,776	1,022,558
Assessments	-	-	43,503	43,503
Interfund	-	-	240,000	240,000
Total Assets	<u>\$ 3,904,604</u>	<u>\$ 439,199</u>	<u>\$ 4,867,693</u>	<u>\$ 9,211,496</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities				
Accounts Payable	\$ 263,024	\$ -	\$ 698,515	\$ 961,539
Total Liabilities	<u>263,024</u>	<u>-</u>	<u>698,515</u>	<u>961,539</u>
Deferred Inflows of Resources				
Unavailable Revenue - Property Taxes	-	47,390	-	47,390
Unavailable Revenue - Special Assessments	125,411	-	43,503	168,914
Total Deferred Outflows of Resources	<u>125,411</u>	<u>47,390</u>	<u>43,503</u>	<u>216,304</u>
Fund Balances				
Nonspendable	6,080	-	-	6,080
Restricted	1,848,829	391,809	924,837	3,165,475
Assigned	1,661,260	-	3,200,838	4,862,098
Total Fund Balances	<u>3,516,169</u>	<u>391,809</u>	<u>4,125,675</u>	<u>8,033,653</u>
Total Liabilities and Fund Balances	<u>\$ 3,904,604</u>	<u>\$ 439,199</u>	<u>\$ 4,867,693</u>	<u>\$ 9,211,496</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
June 30, 2018**

	<u>STATE GAS TAX</u>	<u>HOTEL/ MOTEL TAX</u>	<u>LIBRARY</u>	<u>LIBRARY ESO</u>	<u>911 TAX</u>
ASSETS:					
Cash and Investments	\$ 368,482	\$ 234,806	\$ 929,035	\$ 556,245	\$ 34,138
Prepaid Expense	-	74	6,006	-	-
Receivables					
Property Taxes	-	-	-	-	-
Accounts	117,004	166,432	71,914	-	26,432
Total Assets	<u>\$ 485,486</u>	<u>\$ 401,312</u>	<u>\$ 1,006,955</u>	<u>\$ 556,245</u>	<u>\$ 60,570</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:					
Liabilities					
Accounts Payable	\$ 160,471	\$ 8,603	\$ 29,490	\$ 63,858	\$ 602
Total Liabilities	<u>160,471</u>	<u>8,603</u>	<u>29,490</u>	<u>63,858</u>	<u>602</u>
Deferred Inflows of Resources					
Unavailable Revenue - Special Assessments	-	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Nonspendable	-	74	6,006	-	-
Restricted	325,015	-	971,459	492,387	59,968
Assigned	-	392,635	-	-	-
Total Fund Balances	<u>325,015</u>	<u>392,709</u>	<u>977,465</u>	<u>492,387</u>	<u>59,968</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 485,486</u>	<u>\$ 401,312</u>	<u>\$ 1,006,955</u>	<u>\$ 556,245</u>	<u>\$ 60,570</u>

<u>URA DOWNTOWN SPECIAL REVENUE</u>	<u>URA EMPIRE SPECIAL REVENUE</u>	<u>URA EMPIRE PROGRAM</u>	<u>URA DOWNTOWN PROGRAM</u>	<u>TOTAL</u>
\$ 399,150	\$ 358,771	\$ 454,963	\$ 22,837	\$ 3,358,427
-	-	-	-	6,080
90,618	67,697	-	-	158,315
-	-	-	-	381,782
<u>\$ 489,768</u>	<u>\$ 426,468</u>	<u>\$ 454,963</u>	<u>\$ 22,837</u>	<u>\$ 3,904,604</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 263,024</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,024</u>
<u>71,390</u>	<u>54,021</u>	<u>-</u>	<u>-</u>	<u>125,411</u>
<u>71,390</u>	<u>54,021</u>	<u>-</u>	<u>-</u>	<u>125,411</u>
-	-	-	-	6,080
-	-	-	-	1,848,829
<u>418,378</u>	<u>372,447</u>	<u>454,963</u>	<u>22,837</u>	<u>1,661,260</u>
<u>418,378</u>	<u>372,447</u>	<u>454,963</u>	<u>22,837</u>	<u>3,516,169</u>
<u>\$ 489,768</u>	<u>\$ 426,468</u>	<u>\$ 454,963</u>	<u>\$ 22,837</u>	<u>\$ 3,904,604</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
June 30, 2018**

	<u>GO BOND REDEMPTION</u>	<u>URA DOWNTOWN BOND</u>	<u>URA EMPIRE BOND</u>	<u>URA DOWNTOWN BOND RESERVE</u>	<u>URA EMPIRE BOND RESERVE</u>	<u>TOTAL</u>
ASSETS:						
Cash and Investments	\$ 385,602	\$ -	\$ -	\$ -	\$ -	\$ 385,602
Receivables						
Taxes	<u>53,597</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,597</u>
Total Assets	<u>\$ 439,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 439,199</u>
DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:						
Liabilities						
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources						
Unavailable Rev.-Property Taxes	<u>47,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,390</u>
Total Deferred Inflows of Resources	<u>47,390</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,390</u>
Fund Balances						
Restricted	<u>391,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391,809</u>
Total Fund Balances	<u>391,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>391,809</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 439,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 439,199</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
June 30, 2018**

	<u>STREET IMPROVEMENT</u>	<u>PARKS IMPROVEMENT</u>	<u>BIKE/ PEDESTRIAN PATH</u>	<u>SPECIAL IMPROVEMENT</u>
ASSETS:				
Assets				
Cash and Investments	\$ 359,083	\$ 12,001	\$ 70,980	\$ 157,532
Receivables				
Accounts	598,836	-	1,024	-
Assessments	-	-	-	43,503
Interfund Receivable	-	-	-	-
Total Assets	<u>\$ 957,919</u>	<u>\$ 12,001</u>	<u>\$ 72,004</u>	<u>\$ 201,035</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:				
Liabilities				
Accounts Payable	<u>\$ 583,074</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>583,074</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable Rev.-Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,503</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,503</u>
Fund Balance				
Restricted	374,845	1,221	-	-
Assigned	<u>-</u>	<u>10,780</u>	<u>72,004</u>	<u>157,532</u>
Total Fund Balances	<u>374,845</u>	<u>12,001</u>	<u>72,004</u>	<u>157,532</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 957,919</u>	<u>\$ 12,001</u>	<u>\$ 72,004</u>	<u>\$ 201,035</u>

TECHNOLOGY RESERVE	TRANSPORTATION SDC	WASTEWATER SDC	STORMWATER SDC	MAJOR CAPITAL RESERVE
\$ 169,308	\$ 15,170	\$ 255,964	\$ 19,712	\$ 380,444
1,542	-	-	-	39,374
-	-	-	-	-
-	-	-	-	-
<u>\$ 170,850</u>	<u>\$ 15,170</u>	<u>\$ 255,964</u>	<u>\$ 19,712</u>	<u>\$ 419,818</u>
<u>\$ 1,093</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,176</u>
<u>1,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,176</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>15,170</u>	<u>255,964</u>	<u>19,712</u>	<u>-</u>
<u>169,757</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>360,642</u>
<u>169,757</u>	<u>15,170</u>	<u>255,964</u>	<u>19,712</u>	<u>360,642</u>
<u>\$ 170,850</u>	<u>\$ 15,170</u>	<u>\$ 255,964</u>	<u>\$ 19,712</u>	<u>\$ 419,818</u>

<u>COUNTY-WIDE CAD CORE RESERVE</u>	<u>FIRE DEBT EQUIPMENT RESERVE</u>	<u>URA EMPIRE CAPITAL PROJECTS</u>	<u>URA DOWNTOWN CAPITAL PROJECTS</u>	<u>TOTAL</u>
\$ 36,343	\$ 223,008	\$ 766,180	\$ 1,477,689	\$ 3,943,414
-	-	-	-	640,776
-	-	-	-	43,503
-	-	-	240,000	240,000
<u>\$ 36,343</u>	<u>\$ 223,008</u>	<u>\$ 766,180</u>	<u>\$ 1,717,689</u>	<u>\$ 4,867,693</u>
<u>\$ 1,426</u>	<u>\$ -</u>	<u>\$ 5,598</u>	<u>\$ 48,148</u>	<u>\$ 698,515</u>
<u>1,426</u>	<u>-</u>	<u>5,598</u>	<u>48,148</u>	<u>698,515</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,503</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,503</u>
34,917	223,008	-	-	924,837
-	-	760,582	1,669,541	3,200,838
<u>34,917</u>	<u>223,008</u>	<u>760,582</u>	<u>1,669,541</u>	<u>4,125,675</u>
<u>\$ 36,343</u>	<u>\$ 223,008</u>	<u>\$ 766,180</u>	<u>\$ 1,717,689</u>	<u>\$ 4,867,693</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2018**

	COMBINED NON-MAJOR SPECIAL REVENUE FUNDS	COMBINED NON-MAJOR DEBT SERVICE FUNDS	COMBINED NON-MAJOR CAPITAL PROJECT FUNDS	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
REVENUES				
Property Taxes	\$ 1,919,212	\$ 489,946	\$ -	\$ 2,409,158
Other Taxes	2,855,081	-	-	2,855,081
Intergovernmental Revenues	892,373	-	628,527	1,520,900
Grants	28,317	-	529,981	558,298
Charges for Services	21,972	-	-	21,972
Charge for Use of Money and Property	70,636	9,872	65,765	146,273
Other - Timber Sales	-	-	108,753	108,753
Miscellaneous	86,752	-	107,606	194,358
	<u>5,874,343</u>	<u>499,818</u>	<u>1,440,632</u>	<u>7,814,793</u>
EXPENDITURES				
Current:				
General Government	-	-	484,569	484,569
Public Safety	162,425	-	19,724	182,149
Public Works	1,717,639	-	584,262	2,301,901
Culture and Recreation	1,774,125	-	-	1,774,125
Capital Outlay	-	-	3,266,063	3,266,063
Debt Service:				
Principal Retirement	-	644,751	12,408	657,159
Interest and Fiscal Charges	-	182,542	-	182,542
	<u>3,654,189</u>	<u>827,293</u>	<u>4,367,026</u>	<u>8,848,508</u>
Excess of Revenues Over, (Under) Expenditures	2,220,154	(327,475)	(2,926,394)	(1,033,715)
OTHER FINANCING SOURCES, (USES)				
Sale of Capital Assets	-	-	7,380	7,380
Du Jour Financing	-	(1,901,024)	1,863,404	(37,620)
Debt Proceeds	-	-	684,000	684,000
Transfers In	342,219	2,238,567	606,037	3,186,823
Transfers Out	(2,412,186)	(173,600)	(199,818)	(2,785,604)
Total Other Financing Sources, (Uses)	<u>(2,069,967)</u>	<u>163,943</u>	<u>2,961,003</u>	<u>1,054,979</u>
Net Change in Fund Balance	150,187	(163,532)	34,609	21,264
FUND BALANCES - BEGINNING OF YEAR	<u>3,365,982</u>	<u>555,341</u>	<u>4,091,066</u>	<u>8,012,389</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,516,169</u>	<u>\$ 391,809</u>	<u>\$ 4,125,675</u>	<u>\$ 8,033,653</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2018**

	STATE GAS TAX	HOTEL/ MOTEL TAX	LIBRARY	LIBRARY ESO	911 TAX
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other Taxes	1,060,805	685,204	1,109,072	-	-
Charges for Use of Money and Property	5,071	13,387	19,889	5,430	758
Intergovernmental Revenues	-	-	-	710,998	181,375
Grants	-	-	22,419	5,898	-
Charges for Services	-	-	21,836	136	-
Miscellaneous	34,665	6,982	30,044	15,061	-
Total Revenues	<u>1,100,541</u>	<u>705,573</u>	<u>1,203,260</u>	<u>737,523</u>	<u>182,133</u>
EXPENDITURES					
Current					
Public Safety	-	-	-	-	162,425
Public Works	1,097,407	620,232	-	-	-
Culture and Recreation	-	-	1,123,298	650,827	-
Total Expenditures	<u>1,097,407</u>	<u>620,232</u>	<u>1,123,298</u>	<u>650,827</u>	<u>162,425</u>
Excess of Revenues Over, (Under) Expenditures	3,134	85,341	79,962	86,696	19,708
OTHER FINANCING SOURCES, (USES)					
Transfers In	342,219	-	-	-	-
Transfers Out	<u>(347,219)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>(5,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,866)	85,341	79,962	86,696	19,708
FUND BALANCES - BEGINNING OF YEAR	<u>326,881</u>	<u>307,368</u>	<u>897,503</u>	<u>405,691</u>	<u>40,260</u>
FUND BALANCES - END OF YEAR	<u>\$ 325,015</u>	<u>\$ 392,709</u>	<u>\$ 977,465</u>	<u>\$ 492,387</u>	<u>\$ 59,968</u>

URA DOWNTOWN SPECIAL REVENUE	URA EMPIRE SPECIAL REVENUE	URA EMPIRE PROGRAM	URA DOWNTOWN PROGRAM	TOTAL
\$ 1,185,532	\$ 733,680	\$ -	\$ -	\$ 1,919,212
-	-	-	-	2,855,081
9,752	8,237	7,725	387	70,636
-	-	-	-	892,373
-	-	-	-	28,317
-	-	-	-	21,972
-	-	-	-	86,752
<u>1,195,284</u>	<u>741,917</u>	<u>7,725</u>	<u>387</u>	<u>5,874,343</u>
-	-	-	-	162,425
-	-	-	-	1,717,639
-	-	-	-	1,774,125
-	-	-	-	3,654,189
1,195,284	741,917	7,725	387	2,220,154
-	-	-	-	342,219
<u>(1,264,967)</u>	<u>(800,000)</u>	<u>-</u>	<u>-</u>	<u>(2,412,186)</u>
<u>(1,264,967)</u>	<u>(800,000)</u>	<u>-</u>	<u>-</u>	<u>(2,069,967)</u>
(69,683)	(58,083)	7,725	387	150,187
<u>488,061</u>	<u>430,530</u>	<u>447,238</u>	<u>22,450</u>	<u>3,365,982</u>
<u>\$ 418,378</u>	<u>\$ 372,447</u>	<u>\$ 454,963</u>	<u>\$ 22,837</u>	<u>\$ 3,516,169</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR DEBT SERVICE FUNDS
For the Year Ended June 30, 2018**

	GO BOND REDEMPTION	URA DOWNTOWN BOND	URA EMPIRE BOND	URA DOWNTOWN BOND RESERVE	URA EMPIRE BOND RESERVE	TOTAL
REVENUES						
Property Taxes	\$ 489,946	\$ -	\$ -	\$ -	\$ -	\$ 489,946
Charges for Use of Money and Property	9,872	-	-	-	-	9,872
Total Revenues	<u>499,818</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>499,818</u>
EXPENDITURES						
Debt Services:						
Principal Retirement	315,000	329,751	-	-	-	644,751
Interest and Fiscal Charges	174,750	7,792	-	-	-	182,542
Total Expenditures	<u>489,750</u>	<u>337,543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>827,293</u>
Excess of Revenues Over, (Under) Expenditures	10,068	(337,543)	-	-	-	(327,475)
OTHER FINANCING SOURCES, (USES)						
Du Jour Financing	-	(1,101,024)	(800,000)	-	-	(1,901,024)
Transfers In	-	1,438,567	800,000	-	-	2,238,567
Transfers Out	-	-	-	(173,600)	-	(173,600)
Total Other Financing Sources, (Uses)	<u>-</u>	<u>337,543</u>	<u>-</u>	<u>(173,600)</u>	<u>-</u>	<u>163,943</u>
Net Change in Fund Balance	10,068	-	-	(173,600)	-	(163,532)
FUND BALANCES - BEGINNING OF YEAR	<u>381,741</u>	<u>-</u>	<u>-</u>	<u>173,600</u>	<u>-</u>	<u>555,341</u>
FUND BALANCES - END OF YEAR	<u>\$ 391,809</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,809</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
For the Year Ended June 30, 2018**

	STREET IMPROVEMENT	PARKS IMPROVEMENT	BIKE/ PEDESTRIAN IMPROVEMENT	SPECIAL IMPROVEMENT
REVENUES				
Intergovernmental Revenues	\$ 598,836	\$ -	\$ 10,715	\$ -
Grants	-	163,729	-	-
Charges for Use of Money and Property	7,550	517	1,113	2,584
Other - Timber Sales	-	-	-	-
Miscellaneous	-	40,543	-	7,041
Total Revenues	606,386	204,789	11,828	9,625
EXPENDITURES				
Materials and Services	-	2,446	-	-
Debt Service	-	-	-	-
Capital Outlay	1,065,399	434,996	-	-
Total Expenditures	1,065,399	437,442	-	-
Excess of Revenues Over, (Under) Expenditures	(459,013)	(232,653)	11,828	9,625
OTHER FINANCING SOURCES, (USES)				
Sale of Capital Assets	-	-	-	-
Du Jour Financing	-	-	-	-
Debt Proceeds	-	-	-	-
Transfer In	342,219	94,457	-	-
Transfer Out	-	-	-	-
Total Other Financing Sources, (Uses)	342,219	94,457	-	-
Net Changes in Fund Balance	(116,794)	(138,196)	11,828	9,625
FUND BALANCES - BEGINNING OF YEAR	491,639	150,197	60,176	147,907
FUND BALANCES - END OF YEAR	\$ 374,845	\$ 12,001	\$ 72,004	\$ 157,532

<u>TECHNOLOGY RESERVE</u>	<u>TRANSPORTATION SDC</u>	<u>WASTEWATER SDC</u>	<u>STORMWATER SDC</u>	<u>MAJOR CAPITAL RESERVE</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	366,252
2,653	258	4,347	335	9,618
-	-	-	-	108,753
<u>32,833</u>	<u>.</u>	<u>-</u>	<u>-</u>	<u>1,222</u>
<u>35,486</u>	<u>258</u>	<u>4,347</u>	<u>335</u>	<u>485,845</u>
63,945	-	-	-	85,400
12,408	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>553,625</u>
<u>76,353</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>639,025</u>
(40,867)	258	4,347	335	(153,180)
-	-	-	-	7,380
-	-	-	-	-
-	-	-	-	-
136,000	-	-	-	28,000
<u>(5,361)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(194,457)</u>
<u>130,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(159,077)</u>
89,772	258	4,347	335	(312,257)
<u>79,985</u>	<u>14,912</u>	<u>251,617</u>	<u>19,377</u>	<u>672,899</u>
<u>\$ 169,757</u>	<u>\$ 15,170</u>	<u>\$ 255,964</u>	<u>\$ 19,712</u>	<u>\$ 360,642</u>

<u>COUNTY-WIDE CAD CORE RESERVE</u>	<u>FIRE DEBT EQUIPMENT RESERVE</u>	<u>URA EMPIRE CAPITAL PROJECTS</u>	<u>URA DOWNTOWN CAPITAL PROJECTS</u>	<u>TOTAL</u>
\$ 18,976	\$ -	\$ -	\$ -	\$ 628,527
-	-	-	-	529,981
743	3,787	8,686	23,574	65,765
-	-	-	-	108,753
-	-	-	25,967	107,606
<u>19,719</u>	<u>3,787</u>	<u>8,686</u>	<u>49,541</u>	<u>1,440,632</u>
19,724	-	335,224	581,816	1,088,555
-	-	-	-	12,408
-	-	684,782	527,261	3,266,063
<u>19,724</u>	<u>-</u>	<u>1,020,006</u>	<u>1,109,077</u>	<u>4,367,026</u>
(5)	3,787	(1,011,320)	(1,059,536)	(2,926,394)
-	-	-	-	7,380
-	-	784,000	1,079,404	1,863,404
-	-	684,000	-	684,000
5,361	-	-	-	606,037
-	-	-	-	(199,818)
<u>5,361</u>	<u>-</u>	<u>1,468,000</u>	<u>1,079,404</u>	<u>2,961,003</u>
5,356	3,787	456,680	19,868	34,609
<u>29,561</u>	<u>219,221</u>	<u>303,902</u>	<u>1,649,673</u>	<u>4,091,066</u>
<u>\$ 34,917</u>	<u>\$ 223,008</u>	<u>\$ 760,582</u>	<u>\$ 1,669,541</u>	<u>\$ 4,125,675</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>STATE GAS TAX FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Intergovernmental				
State Gas Tax	\$ 975,000	\$ 975,000	\$ 1,060,805	\$ 85,805
Charges for use of money and property				
Interest on Investments	1,000	1,000	5,071	4,071
Miscellaneous	10,000	10,000	34,665	24,665
Total Revenues	<u>986,000</u>	<u>986,000</u>	<u>1,100,541</u>	<u>114,541</u>
EXPENDITURES				
Public Works				
Personnel Services	436,654	436,654	388,738	47,916
Materials and Services	671,400	671,400	708,669	(37,269)
Total Public Works	1,108,054	1,108,054 (1)	1,097,407	10,647
Capital Outlay	20,000	20,000 (1)	-	20,000
Contingency	33,700	33,700 (1)	-	33,700
Total Expenditures	<u>1,161,754</u>	<u>1,161,754</u>	<u>1,097,407</u>	<u>64,347</u>
Excess of Revenues Over, (Under) Expenditures	(175,754)	(175,754)	3,134	50,194
OTHER FINANCING SOURCES, (USES)				
Transfers In	300,000	400,000	342,219	(57,781)
Transfers Out	(305,000)	(405,000) (1)	(347,219)	57,781
Total Other Financing Sources, (Uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>
Net Change in Fund Balance	(180,754)	(180,754)	(1,866)	178,888
FUND BALANCE - BEGINNING OF YEAR	<u>180,754</u>	<u>180,754</u>	<u>326,881</u>	<u>146,127</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 325,015</u>	<u>\$ 325,015</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>HOTEL/MOTEL TAX FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Taxes				
Hotel/Motel Tax	\$ 590,000	\$ 590,000	\$ 685,204	\$ 95,204
Charges for Use of Money and Property				
Interest on Investments	200	200	4,947	4,747
Visitors Center Revenue	8,000	8,000	8,440	440
Total Charges for Use of Money and Property	8,200	8,200	13,387	5,187
Miscellaneous Income	3,000	3,000	6,982	3,982
Total Revenues	601,200	601,200	705,573	104,373
EXPENDITURES				
Operations				
Personnel Services	203,812	203,812	172,521	31,291
Materials and Services	526,325	526,325	447,711	78,614
Total Operations	730,137	730,137 (1)	620,232	109,905
Contingency	9,527	9,527 (1)	-	9,527
Total Expenditures	739,664	739,664	620,232	119,432
Net Change in Fund Balance	(138,464)	(138,464)	85,341	223,805
FUND BALANCE - BEGINNING OF YEAR	138,464	138,464	307,368	168,904
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 392,709	\$ 392,709

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>LIBRARY FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Taxes				
County Serial Levy	\$ 1,000,000	\$ 1,000,000	\$ 1,109,072	\$ 109,072
Intergovernmental				
State Library Grant	1,000	17,000	2,146	(14,854)
Other Grants	10,000	10,000	20,273	10,273
Total Intergovernmental	11,000	27,000	22,419	(4,581)
Charges for Services				
Copies	6,000	6,000	7,988	1,988
Library Fees	14,000	14,000	13,848	(152)
Total Charges for Services	20,000	20,000	21,836	1,836
Charges for Use of Money and Property				
Interest on Investments	4,000	4,000	16,089	12,089
Property Rentals	1,000	1,000	3,800	2,800
Total Charges for Use of Money and Property	5,000	5,000	19,889	14,889
Miscellaneous				
Donations	13,000	13,000	29,196	16,196
Other	325	325	848	523
Total Miscellaneous	13,325	13,325	30,044	16,719
Total Revenues	1,049,325	1,065,325	1,203,260	137,935
EXPENDITURES				
Library				
Personnel Services	959,838	959,838	798,863	160,975
Materials and Services	299,800	331,350	314,985	16,365
Total Library Operations	1,259,638	1,291,188 (1)	1,113,848	177,340
Capital Outlay	25,000	9,450 (1)	9,450	-
Contingency	416,939	416,939 (1)	-	416,939
Total Expenditures	1,701,577	1,717,577	1,123,298	594,279
Net Change in Fund Balance	(652,252)	(652,252)	79,962	732,214
FUND BALANCE - BEGINNING OF YEAR	652,252	652,252	897,503	245,251
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 977,465</u>	<u>\$ 977,465</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>LIBRARY ESO FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Intergovernmental				
ESO Intergovernmental Revenue	\$ 710,998	\$ 710,998	\$ 710,998	\$ -
State Library Grant	7,000	7,000	5,898	(1,102)
Total Intergovernmental	717,998	717,998	716,896	(1,102)
Charges for Services				
Reimbursements/Fees	-	-	136	136
Charges for Use of Money and Property				
Interest on Investments	500	500	5,430	4,930
Miscellaneous				
Other	2,000	2,000	15,061	13,061
Total Revenues	<u>720,498</u>	<u>720,498</u>	<u>737,523</u>	<u>17,025</u>
EXPENDITURES				
Library				
Personnel Services	351,553	351,553	277,964	73,589
Materials and Services	348,800	498,800	352,866	145,934
Total Library Operations	<u>700,353</u>	<u>850,353</u> (1)	<u>630,830</u>	<u>219,523</u>
Capital Outlay	67,500	80,251 (1)	19,997	60,254
Contingency	162,751	- (1)	-	-
Total Expenditures	<u>930,604</u>	<u>930,604</u>	<u>650,827</u>	<u>279,777</u>
Net Change in Fund Balance	(210,106)	(210,106)	86,696	296,802
FUND BALANCE - BEGINNING OF YEAR	<u>210,106</u>	<u>210,106</u>	<u>405,691</u>	<u>195,585</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 492,387</u>	<u>\$ 492,387</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>911 TAX FUND</u>			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
911 Revenue	\$ 183,552	\$ 183,552	\$ 181,375	\$ (2,177)
Charges for Use of Money and Property				
Interest on Investments	200	200	758	558
Total Revenues	<u>183,752</u>	<u>183,752</u>	<u>182,133</u>	<u>(1,619)</u>
EXPENDITURES				
Public Safety				
Personnel Services	195,865	195,865	148,093	47,772
Materials and Services	25,033	25,033	14,332	10,701
Total Public Safety	<u>220,898</u>	<u>220,898 (1)</u>	<u>162,425</u>	<u>58,473</u>
Total Expenditures	<u>220,898</u>	<u>220,898</u>	<u>162,425</u>	<u>58,473</u>
Net Change in Fund Balance	(37,146)	(37,146)	19,708	56,854
FUND BALANCE - BEGINNING OF YEAR	<u>37,146</u>	<u>37,146</u>	<u>40,260</u>	<u>3,114</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,968</u>	<u>\$ 59,968</u>

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

URA DOWNTOWN SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Property Taxes	\$ 1,100,137	\$ 1,120,205	\$ 1,185,532	\$ 65,327
Interest on Investments	1,000	1,000	9,752	8,752
Total Revenues	<u>1,101,137</u>	<u>1,121,205</u>	<u>1,195,284</u>	<u>74,079</u>
EXPENDITURES				
Contingency	<u>191,378</u>	<u>191,378</u> (1)	<u>-</u>	<u>191,378</u>
Total Expenditures	<u>191,378</u>	<u>191,378</u>	<u>-</u>	<u>191,378</u>
Excess of Revenues Over, (Under) Expenditures	909,759	929,827	1,195,284	265,457
OTHER FINANCING SOURCES, (USES)				
Transfers Out	<u>(1,263,955)</u>	<u>(1,284,023)</u> (1)	<u>(1,264,967)</u>	<u>19,056</u>
Total Other Financing Sources, (Uses)	<u>(1,263,955)</u>	<u>(1,284,023)</u>	<u>(1,264,967)</u>	<u>19,056</u>
Net Change in Fund Balance	(354,196)	(354,196)	(69,683)	284,513
FUND BALANCE - BEGINNING OF YEAR	<u>354,196</u>	<u>354,196</u>	<u>488,061</u>	<u>133,865</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 418,378</u>	<u>\$ 418,378</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA EMPIRE SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Property Taxes	\$ 663,070	\$ 663,070	\$ 733,680	\$ 70,610
Interest on Investments	1,000	1,000	8,237	7,237
Total Revenues	<u>664,070</u>	<u>664,070</u>	<u>741,917</u>	<u>77,847</u>
EXPENDITURES				
Contingency	<u>164,070</u>	<u>164,070</u> (1)	<u>-</u>	<u>164,070</u>
Total Expenditures	<u>164,070</u>	<u>164,070</u>	<u>-</u>	<u>164,070</u>
Excess of Revenues Over, (Under) Expenditures	500,000	500,000	741,917	241,917
OTHER FINANCING SOURCES, (USES)				
Transfers Out	<u>(800,000)</u>	<u>(800,000)</u> (1)	<u>(800,000)</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>(800,000)</u>	<u>(800,000)</u>	<u>(800,000)</u>	<u>-</u>
Net Change in Fund Balance	(300,000)	(300,000)	(58,083)	241,917
FUND BALANCE - BEGINNING OF YEAR	<u>300,000</u>	<u>300,000</u>	<u>430,530</u>	<u>130,530</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 372,447</u>	<u>\$ 372,447</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA EMPIRE PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ 1,000	\$ 1,000	\$ 7,725	\$ 6,725
Total Revenues	1,000	1,000	7,725	6,725
EXPENDITURES				
Materials and Services	50,000	50,000 (1)	-	50,000
Capital Outlay	146,000	146,000 (1)	-	146,000
Total Expenditures	196,000	196,000	-	196,000
Excess of Revenues Over, (Under) Expenditures	(195,000)	(195,000)	7,725	202,725
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(250,000)	(250,000) (1)	-	250,000
Total Other Financing Sources, (Uses)	(250,000)	(250,000)	-	250,000
Net Change in Fund Balance	(445,000)	(445,000)	7,725	452,725
FUND BALANCE - BEGINNING OF YEAR	445,000	445,000	447,238	2,238
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 454,963</u>	<u>\$ 454,963</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA DOWNTOWN PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ 100	\$ 100	\$ 387	\$ 287
Total Revenues	100	100	387	287
EXPENDITURES				
General Government				
Materials and Services	100	100 (1)	-	100
Capital Outlay	18,546	18,546 (1)	-	18,546
Total Expenditures	18,646	18,646	-	100
Net Change in Fund Balance	(18,546)	(18,546)	387	18,933
FUND BALANCE - BEGINNING OF YEAR	18,546	18,546	22,450	3,904
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 22,837	\$ 22,837

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

GENERAL OBLIGATION BOND REDEMPTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Taxes	\$ 470,000	\$ 470,000	\$ 489,946	\$ 19,946
Charges for Use of Money and Property				
Interest on Investments	1,000	1,000	9,872	8,872
Total Revenues	<u>471,000</u>	<u>471,000</u>	<u>499,818</u>	<u>28,818</u>
EXPENDITURES				
Debt Service				
Principal	317,000	317,000 (2)	315,000	2,000
Interest	176,000	176,000 (2)	174,750	1,250
Contingency	334,687	334,687 (1)	-	334,687
Total Expenditures	<u>827,687</u>	<u>827,687</u>	<u>489,750</u>	<u>337,937</u>
Net Change in Fund Balance	(356,687)	(356,687)	10,068	366,755
FUND BALANCE - BEGINNING OF YEAR	<u>356,687</u>	<u>356,687</u>	<u>381,741</u>	<u>25,054</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 391,809</u>	<u>\$ 391,809</u>

(1) Appropriation Level

(2) Combination equals appropriation level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>URA DOWNTOWN BOND FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Debt Service				
Principal	332,000	332,000	329,751	2,249
Interest	24,600	24,600	7,792	16,808
Total Expenditures	356,600	356,600 (2)	337,543	19,057
Excess of Revenues Over, (Under) Expenditures	(356,600)	(356,600)	(337,543)	19,057
OTHER FINANCING SOURCES, (USES)				
Du Jour Financing	(1,080,955)	(1,101,024) (2)	(1,101,024)	-
Transfers In	1,437,555	1,457,624	1,438,567	(19,057)
Total Other Financing Sources, (Uses)	356,600	356,600	337,543	(19,057)
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

(2) The sum totals the appropriation level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>URA EMPIRE BOND FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over, (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES, (USES)				
Du Jour Financing (Debt Service)	(800,000)	(800,000) (1)	(800,000)	-
Transfers In	800,000	800,000	800,000	-
Total Other Financing Sources, (Uses)	-	-	-	-
Net Change in Fund Balance	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA DOWNTOWN BOND RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Contingency	-	-	-	-
Total Expenditures	-	-	-	-
Excess of Revenues Over, (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES, (USES)				
Transfers Out	(173,600)	(173,600) (1)	(173,600)	-
Total Other Financing Sources, (Uses)	(173,600)	(173,600)	(173,600)	-
Net Change in Fund Balance	(173,600)	(173,600)	(173,600)	-
FUND BALANCE - BEGINNING OF YEAR	173,600	173,600	173,600	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) - Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

<u>STREET IMPROVEMENT FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Intergovernmental				
State	\$ 923,794	\$ 923,794	\$ 598,836	\$ (324,958)
Federal Grants	1,500,000	1,500,000	-	(1,500,000)
Charges for Use of Money and Property				
Interest on Investments	-	-	7,550	7,550
Total Revenues	<u>2,423,794</u>	<u>2,423,794</u>	<u>606,386</u>	<u>(1,817,408)</u>
EXPENDITURES				
Public Works				
Capital Outlay	<u>3,344,452</u>	<u>3,315,432 (1)</u>	<u>1,065,399</u>	<u>2,250,033</u>
Total Expenditures	<u>3,344,452</u>	<u>3,315,432</u>	<u>1,065,399</u>	<u>2,250,033</u>
Excess of Revenues Over, (Under)				
Expenditures	(920,658)	(891,638)	(459,013)	432,625
OTHER FINANCING SOURCES, (USES)				
Transfers In	<u>300,000</u>	<u>400,000</u>	<u>342,219</u>	<u>(57,781)</u>
Total Other Financing Sources, (Uses)	<u>300,000</u>	<u>400,000</u>	<u>342,219</u>	<u>(57,781)</u>
Net Change in Fund Balance	(620,658)	(491,638)	(116,794)	374,844
FUND BALANCE - BEGINNING OF YEAR	<u>620,658</u>	<u>491,638</u>	<u>491,639</u>	<u>1</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,845</u>	<u>\$ 374,845</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

PARKS IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 50	\$ 50	\$ 517	\$ 467
Grants	1,135,723	1,135,723	163,729	(971,994)
Donations	3,000	3,000	30,905	27,905
Miscellaneous	-	-	9,638	9,638
Total Revenues	<u>1,138,773</u>	<u>1,138,773</u>	<u>204,789</u>	<u>(933,984)</u>
EXPENDITURES				
Culture and Recreation				
Materials and Services	6,050	6,050 (1)	2,446	3,604
Capital Outlay	1,185,723	1,285,723 (1)	434,996	850,727
Total Culture and Recreation	<u>1,191,773</u>	<u>1,291,773</u>	<u>437,442</u>	<u>854,331</u>
Contingency	<u>56,840</u>	<u>56,840 (1)</u>	<u>-</u>	<u>56,840</u>
Total Expenditures	<u>1,248,613</u>	<u>1,348,613</u>	<u>437,442</u>	<u>911,171</u>
Excess of Revenues Over, (Under)				
Expenditures	(109,840)	(209,840)	(232,653)	(22,813)
OTHER FINANCING SOURCES, (USES)				
Transfers In	<u>-</u>	<u>100,000</u>	<u>94,457</u>	<u>(5,543)</u>
Total Other Financing Sources, (Uses)	<u>-</u>	<u>100,000</u>	<u>94,457</u>	<u>(5,543)</u>
Net Change in Fund Balance	(109,840)	(109,840)	(138,196)	(28,356)
FUND BALANCE - BEGINNING OF YEAR	<u>109,840</u>	<u>109,840</u>	<u>150,197</u>	<u>40,357</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,001</u>	<u>\$ 12,001</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>BICYCLE/PEDESTRIAN PATH FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Intergovernmental				
State Gas Tax	\$ 9,750	\$ 9,750	\$ 10,715	\$ 965
Charges for Use of Money and Property				
Interest on Investments	200	200	1,113	913
Total Revenues	<u>9,950</u>	<u>9,950</u>	<u>11,828</u>	<u>1,878</u>
EXPENDITURES				
Culture and Recreation				
Capital Outlay	67,628	67,628 (1)	-	67,628
Total Expenditures	<u>67,628</u>	<u>67,628</u>	<u>-</u>	<u>67,628</u>
Net Change in Fund Balance	(57,678)	(57,678)	11,828	69,506
FUND BALANCE - BEGINNING OF YEAR	<u>57,678</u>	<u>57,678</u>	<u>60,176</u>	<u>2,498</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,004</u>	<u>\$ 72,004</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

SPECIAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 100	\$ 100	\$ 2,584	\$ 2,484
Miscellaneous				
Interest Payment	-	-	2,356	2,356
Principal Payment	-	-	4,685	4,685
Total Miscellaneous	-	-	7,041	7,041
Total Revenues	100	100	9,625	9,525
EXPENDITURES				
Culture and Recreation				
Materials and Services	40,000	40,000 (1)		40,000
Capital Outlay	105,651	105,651 (1)	-	105,651
Total Expenditures	145,651	145,651	-	105,651
Net Change in Fund Balance	(145,551)	(145,551)	9,625	155,176
FUND BALANCE - BEGINNING OF YEAR	145,551	145,551	147,907	2,356
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 157,532	\$ 157,532

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET - BUDGETARY BASIS
For the Year Ended June 30, 2018**

TECHNOLOGY RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 200	\$ 200	\$ 2,653	\$ 2,453
Miscellaneous Revenue	5,000	5,000	32,833	27,833
Total Revenues	5,200	5,200	35,486	30,286
EXPENDITURES				
General Government				
Materials and Services	105,000	105,000 (1)	63,945	41,055
Debt Service	17,000	17,000 (1)	12,408	4,592
Capital Outlay	65,250	65,250 (1)	-	65,250
Total Expenditures	187,250	187,250	76,353	110,897
Excess of Revenues Over, (Under) Expenditures	(182,050)	(182,050)	(40,867)	141,183
OTHER FINANCING SOURCES, (USES)				
Transfers In	136,000	136,000	136,000	-
Transfers Out	(5,361)	(5,361) (1)	(5,361)	-
Total Other Financing Sources, (Uses)	130,639	130,639	130,639	-
Net Change in Fund Balance	(51,411)	(51,411)	89,772	141,183
FUND BALANCE - BEGINNING OF YEAR	51,411	51,411	79,985	28,574
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 169,757	\$ 169,757

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

<u>TRANSPORTATION SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 111	\$ 111	\$ 258	\$ 147
Total Revenues	<u>111</u>	<u>111</u>	<u>258</u>	<u>147</u>
EXPENDITURES				
Capital Outlay	14,970	14,970 (1)	-	14,970
Total Expenditures	<u>14,970</u>	<u>14,970</u>	<u>-</u>	<u>14,970</u>
Net Change in Fund Balance	(14,859)	(14,859)	258	15,117
FUND BALANCE - BEGINNING OF YEAR	<u>14,859</u>	<u>14,859</u>	<u>14,912</u>	<u>53</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,170</u>	<u>\$ 15,170</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>WASTEWATER SDC FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 1,867	\$ 1,867	\$ 4,347	\$ 2,480
Total Revenues	<u>1,867</u>	<u>1,867</u>	<u>4,347</u>	<u>2,480</u>
EXPENDITURES				
Wastewater Collection and Treatment				
Capital Outlay	252,598	252,598 (1)	-	252,598
Total Expenditures	<u>252,598</u>	<u>252,598</u>	<u>-</u>	<u>252,598</u>
Net Change in Fund Balance	(250,731)	(250,731)	4,347	255,078
FUND BALANCE - BEGINNING OF YEAR	<u>250,731</u>	<u>250,731</u>	<u>251,617</u>	<u>886</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 255,964</u>	<u>\$ 255,964</u>

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018

	<u>STORMWATER SDC FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 144	\$ 144	\$ 335	\$ 191
Total Revenues	<u>144</u>	<u>144</u>	<u>335</u>	<u>191</u>
EXPENDITURES				
Capital Outlay	<u>19,453</u>	<u>19,453 (1)</u>	<u>-</u>	<u>19,453</u>
Total Expenditures	<u>19,453</u>	<u>19,453</u>	<u>-</u>	<u>19,453</u>
Net Change in Fund Balance	(19,309)	(19,309)	335	19,644
FUND BALANCE - BEGINNING OF YEAR	<u>19,309</u>	<u>19,309</u>	<u>19,377</u>	<u>68</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,712</u>	<u>\$ 19,712</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

MAJOR CAPITAL RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 2,000	\$ 2,000	\$ 9,618	\$ 7,618
Grants	695,000	695,000	366,252	(328,748)
Other-Timber Sales	175,000	109,000	108,753	(247)
Miscellaneous	-	-	1,222	1,222
	<u>872,000</u>	<u>806,000</u>	<u>485,845</u>	<u>(320,155)</u>
EXPENDITURES				
General Government				
Materials and Services	150,000	191,000 (1)	85,400	105,600
Capital Outlay	815,954	709,851 (1)	553,625	156,226
Contingency	506,046	406,046 (1)	-	406,046
	<u>1,472,000</u>	<u>1,306,897</u>	<u>639,025</u>	<u>667,872</u>
Excess of Revenues Over, (Under)				
Expenditures	(600,000)	(500,897)	(153,180)	347,717
Other Financing Sources, (Uses)				
Sale of Capital Assets	-	-	7,380	7,380
Transfers In	-	28,000	28,000	-
Transfers Out	(100,000)	(200,000) (1)	(194,457)	5,543
	<u>(100,000)</u>	<u>(172,000)</u>	<u>(159,077)</u>	<u>12,923</u>
Total Other Financing Sources, (Uses)	<u>(100,000)</u>	<u>(172,000)</u>	<u>(159,077)</u>	<u>12,923</u>
Net Change in Fund Balance	(700,000)	(672,897)	(312,257)	360,640
FUND BALANCE - BEGINNING OF YEAR	<u>700,000</u>	<u>672,897</u>	<u>672,899</u>	<u>2</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 360,642</u>	<u>\$ 360,642</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

COUNTY-WIDE CAD CORE RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 50	\$ 50	\$ 743	\$ 693
Intergovernmental				
Revenue from Other Agencies	<u>18,976</u>	<u>18,976</u>	<u>18,976</u>	<u>-</u>
Total Revenues	<u>19,026</u>	<u>19,026</u>	<u>19,719</u>	<u>693</u>
EXPENDITURES				
General Government				
Materials and Services	22,000	30,000 (1)	19,724	10,276
Capital Outlay	<u>26,283</u>	<u>18,283 (1)</u>	<u>-</u>	<u>18,283</u>
Total Expenditures	<u>48,283</u>	<u>48,283</u>	<u>19,724</u>	<u>28,559</u>
Excess of Revenues Over, (Under)				
Expenditures	(29,257)	(29,257)	(5)	29,252
OTHER FINANCING SOURCES, (USES)				
Transfers In	<u>5,361</u>	<u>5,361</u>	<u>5,361</u>	<u>-</u>
Net Change in Fund Balance	(23,896)	(23,896)	5,356	29,252
FUND BALANCE - BEGINNING OF YEAR	<u>23,896</u>	<u>23,896</u>	<u>29,561</u>	<u>5,665</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,917</u>	<u>\$ 34,917</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

	<u>FIRE EQUIPMENT RESERVE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Grants	\$ 525,000	\$ 525,000	\$ -	\$ (525,000)
Charges for Use of Money and Property				
Interest on Investments	<u>1,626</u>	<u>1,626</u>	<u>3,787</u>	<u>2,161</u>
Total Revenues	<u>526,626</u>	<u>526,626</u>	<u>3,787</u>	<u>(522,839)</u>
EXPENDITURES				
Capital Outlay				
Fire Station	<u>743,448</u>	<u>743,448 (1)</u>	<u>-</u>	<u>743,448</u>
Total Expenditures	<u>743,448</u>	<u>743,448</u>	<u>-</u>	<u>743,448</u>
Net Change in Fund Balance	(216,822)	(216,822)	3,787	220,609
FUND BALANCE - BEGINNING OF YEAR	<u>216,822</u>	<u>216,822</u>	<u>219,221</u>	<u>2,399</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 223,008</u>	<u>\$ 223,008</u>

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA EMPIRE CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Interest on Investments	\$ 1,000	\$ 1,000	\$ 8,686	\$ 7,686
Total Revenues	1,000	1,000	8,686	7,686
EXPENDITURES				
Materials and Services	430,044	430,044 (1)	335,224	94,820
Capital Outlay	629,956	2,079,956 (1)	684,782	1,395,174
Contingency	75,000	75,000 (1)	-	75,000
Total Expenditures	1,135,000	2,585,000	1,020,006	1,564,994
Excess of Revenues Over, (Under) Expenditures	(1,134,000)	(2,584,000)	(1,011,320)	1,572,680
OTHER FINANCING SOURCES, (USES)				
Du Jour Financing	784,000	784,000	784,000	-
Transfer In	250,000	250,000	-	(250,000)
Debt Proceeds	-	1,450,000	684,000	(766,000)
Total Other Financing Sources, (Uses)	1,034,000	2,484,000	1,468,000	(1,016,000)
Net Change in Fund Balance	(100,000)	(100,000)	456,680	556,680
FUND BALANCE - BEGINNING OF YEAR	100,000	100,000	303,902	203,902
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 760,582	\$ 760,582

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

URA DOWNTOWN CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Grants	\$ 25,000	\$ 25,000	\$ -	\$ (25,000)
Interest on Investments	2,000	2,000	23,574	21,574
Seismic Project Loan	63,000	63,000	63,000	-
Miscellaneous	-	-	22,967	22,967
	<u>90,000</u>	<u>90,000</u>	<u>109,541</u>	<u>19,541</u>
EXPENDITURES				
Materials and Services	445,030	645,030 (1)	581,816	63,214
Capital Outlay	904,306	923,973 (1)	527,261	396,712
Contingency	400,000	200,000 (1)	-	200,000
	<u>1,749,336</u>	<u>1,769,003</u>	<u>1,109,077</u>	<u>659,926</u>
Excess of Revenues Over, (Under) Expenditures	(1,659,336)	(1,679,003)	(999,536)	679,467
OTHER FINANCING SOURCES, (USES)				
Du Jour Financing - URA	1,059,336	1,079,003	1,079,404	401
	<u>1,059,336</u>	<u>1,079,003</u>	<u>1,079,404</u>	<u>401</u>
Net Change in Fund Balance	(600,000)	(600,000)	79,868	679,868
FUND BALANCE - BEGINNING OF YEAR	<u>600,000</u>	<u>600,000</u>	<u>1,349,673</u>	<u>749,673</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>1,429,541</u>	<u>\$ 1,429,541</u>
Reconciliation to Governmental Balance Sheet Fund Balance				
Interfund Loan activity				
Interfund Loan Receivable			240,000	
		GAAP Fund Balance	<u>\$ 1,669,541</u>	

(1) Appropriation Level

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET- BUDGETARY BASIS
For the Year Ended June 30, 2018**

<u>RAINY DAY RESERVE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES				
Charges for Use of Money and Property				
Interest on Investments	\$ 3,000	\$ 3,000	\$ 12,251	\$ 9,251
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>12,251</u>	<u>9,251</u>
EXPENDITURES				
Capital Outlay	689,728	689,728 (1)	-	689,728
Total Expenditures	<u>689,728</u>	<u>689,728</u>	<u>-</u>	<u>689,728</u>
Excess of Revenues Over, (Under) Expenditures	(686,728)	(686,728)	12,251	698,979
OTHER FINANCING SOURCES, (USES)				
Transfers In	100,000	100,000	76,370	(23,630)
Total Other Financing Sources, (Uses)	<u>100,000</u>	<u>100,000</u>	<u>76,370</u>	<u>(23,630)</u>
Net Change in Fund Balance	(586,728)	(586,728)	88,621	675,349
FUND BALANCE - BEGINNING OF YEAR	<u>586,728</u>	<u>586,728</u>	<u>666,511</u>	<u>79,783</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 755,132</u>	<u>\$ 755,132</u>

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB #54 due to its financing resources being derived primarily from General Fund transfers.

(1) Appropriation Level

CITY OF COOS BAY
COOS COUNTY, OREGON

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND
For the Year Ended June 30, 2018

	<u>BALANCE</u> <u>JUNE 30, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2018</u>
ASSETS				
Cash and Investments	<u>\$ 591,453</u>	<u>\$ 361,803</u>	<u>\$ 407,870</u>	<u>\$ 545,386</u>
 LIABILITIES				
Due to Agency	<u>\$ 591,453</u>	<u>\$ 361,803</u>	<u>\$ 407,870</u>	<u>\$ 545,386</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2018**

GENERAL FUND:						
TAX YEAR	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/1/17	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/18
Current:						
2017-18	\$ 5,964,130	\$ 151,254	\$ (4,315)	\$ 3,416	\$ 5,553,498	\$ 258,479
Prior Years:						
2016-17	245,552	(1)	(18,841)	7,173	100,126	133,759
2015-16	156,018	3	(9,684)	8,695	48,539	106,487
2014-15	89,780	-	(16,646)	15,593	54,430	34,297
2013-14	40,439	-	(11,320)	10,432	30,535	9,016
2012-13 & Prior	29,465	-	(5,533)	3,932	5,446	22,418
Total Prior	<u>561,254</u>	<u>2</u>	<u>(62,024)</u>	<u>45,825</u>	<u>239,076</u>	<u>305,977</u>
Total All Funds	<u>\$ 6,525,384</u>	<u>\$ 151,256</u>	<u>\$ (66,339)</u>	<u>\$ 49,241</u>	<u>\$ 5,792,574</u>	<u>\$ 564,456</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above	\$ 5,792,574
Accrual of Receivables:	
June 30, 2017	(106,130)
June 30, 2018	110,667
Taxes in Lieu of Property Taxes	<u>46,110</u>
Total Revenue	<u>\$ 5,843,221</u>

DEBT SERVICE FUND:

2017-18	\$ 496,960	\$ 12,603	\$ 1,838	\$ 285	\$ 462,744	\$ 23,736
Prior Years:						
2016-17	23,149	-	(795)	707	9,873	13,188
2015-16	14,924	-	(926)	832	4,643	10,187
2014-15	8,793	-	(1,630)	1,527	5,331	3,359
2013-14	3,930	-	(1,100)	1,014	2,967	877
2012-13 & Prior	2,966	-	(565)	395	546	2,250
Total Prior	<u>53,762</u>	<u>-</u>	<u>(5,016)</u>	<u>4,475</u>	<u>23,360</u>	<u>29,861</u>
Total All Funds	<u>\$ 550,722</u>	<u>\$ 12,603</u>	<u>\$ (3,178)</u>	<u>\$ 4,760</u>	<u>\$ 486,104</u>	<u>\$ 53,597</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above	\$ 486,104
Accrual of Receivables:	
June 30, 2017	(9,744)
June 30, 2018	9,797
Taxes in Lieu of Property Taxes	<u>3,789</u>
Total Revenue	<u>\$ 489,946</u>

**CITY OF COOS BAY
COOS COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2018**

URBAN RENEWAL:	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/1/17		DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS		INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/18
Current:								
2017-18	\$ 1,973,191	\$ 50,041	\$ (29,649)	\$ 1,130	\$ 1,852,237	\$ 72,196		
Prior Years:								
2016-17	62,969	-	(4,325)	1,848	25,798	34,694		
2015-16	43,629	1	(2,148)	2,448	13,667	30,261		
2014-15	27,255	-	(4,487)	4,786	16,705	10,849		
2013-14	12,068	-	(3,113)	3,113	9,112	2,956		
2012-13 & Prior	8,749	-	(920)	1,223	1,693	7,359		
Total Prior	<u>154,670</u>	<u>1</u>	<u>(14,993)</u>	<u>13,418</u>	<u>66,975</u>	<u>86,119</u>		
Total All Funds	<u>\$ 2,127,861</u>	<u>\$ 50,042</u>	<u>\$ (44,642)</u>	<u>\$ 14,548</u>	<u>\$ 1,919,212</u>	<u>\$ 158,315</u>		

BALANCE UNCOLLECTED OR UNSEGREGATED

Downtown Special Revenue Fund	\$ 90,618
Empire Special Revenue Fund	67,697
Total Balance Uncollected or Unsegregated - All Funds	<u>158,315</u>

RECONCILIATION TO REVENUE:

	DOWNTOWN SPECIAL REVENUE	EMPIRE SPECIAL REVENUE
Cash Collections by County Treasurer Above	\$ 1,185,532	\$ 733,680
Accrual of Receivables:		
June 30, 2017	(16,540)	(12,719)
June 30, 2018	20,221	14,237
Taxes in Lieu of Property Taxes	<u>(3,681)</u>	<u>(1,518)</u>
Total Revenue	<u>\$ 1,185,532</u>	<u>\$ 733,680</u>

CITY OF COOS BAY
COOS COUNTY, OREGON

OTHER INFORMATION



Overlapping Debt Report

for: City Of Coos Bay

As of 6/30/2018

Overlapping District Name	Outstanding Gross Property-tax Backed Debt	Outstanding Net Property-tax Backed Debt	Overlapping District Real Market Value	Percent Overlapping	Gross Overlapping Debt	Net Overlapping Debt
Coos County	\$4,845,000	\$4,845,000	\$7,062,172,778	19.28%	\$933,975	\$933,975
Coos Cty Airport	\$3,060,670	\$3,060,670	\$7,062,172,778	19.28%	\$590,008	\$590,008
Coos Cty SD 9 (Coos Bay)	\$49,110,000	\$49,110,000	\$2,566,044,937	53.05%	\$26,054,623	\$26,054,623
Port Of Coos Bay	\$6,775,797	\$6,775,797	\$3,870,264,164	35.18%	\$2,383,414	\$2,383,414
Southwestern Oregon Community College	\$34,806,073	\$7,661,073	\$11,206,036,116	12.15%	\$4,228,451	\$930,713
Totals:	\$98,597,540	\$71,452,540			\$34,190,471	\$30,892,733

Net Property-tax Backed Debt of Subject Issuer is:	\$15,547,582	Ratio of Net Property-tax Backed Debt to Real Market Value is:	1.14%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$30,892,733	Per Capita Net Property-tax Backed Debt is:	\$936
Total:	\$46,440,315	Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	3.41%
		Per Capita Total Net Property-tax Backed Debt is:	\$2,795
Population of Subject Issuer is:	16,615	As Of:	07/01/2017
Real Market Value of Subject Issuer is:	\$1,361,379,433	As Of:	01/01/2017



Overlapping Debt Report

for: City Of Coos Bay

As of 6/30/2018

District's Outstanding Balances

District	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	General Obligation (N) Bonds	General Obligation (S) Bonds	Full Faith & Credit Obligations (N)	Full Faith & Credit Obligations (S)	Appropriation Credits(1,2)	Conduit Revenue Bonds(2)	Dedicated Niche Tax Obligations(2)	Other(2)	Revenue Bonds(2)
City Of Coos Bay	\$18,377,582	\$15,547,582	\$0	\$0	\$15,547,582	\$2,830,000	\$0	\$0	\$0	\$0	\$19,636,876

Overlapping District

District	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	General Obligation (N) Bonds	General Obligation (S) Bonds	Full Faith & Credit Obligations (N)	Full Faith & Credit Obligations (S)	Appropriation Credits	Conduit Revenue Bonds	Dedicated Niche Tax Obligations	Other	Revenue Bonds
Bay Area Health District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos 4H Extension	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Bay Urban Renewal Agency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,435,000	\$0	\$168,000
Coos County	\$4,845,000	\$4,845,000	\$4,845,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty Airport	\$3,060,670	\$3,060,670	\$0	\$0	\$3,060,670	\$0	\$0	\$0	\$0	\$0	\$2,940,865
Coos Cty Library District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty SD 9 (Coos Bay)	\$49,110,000	\$49,110,000	\$40,000,000	\$0	\$9,110,000	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty Urban Renewal Area 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HFA Bay Area Health District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Port Of Coos Bay	\$6,775,797	\$6,775,797	\$0	\$0	\$6,775,797	\$0	\$0	\$0	\$0	\$0	\$80,548
South Coast ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Southwestern Oregon Community College	\$34,806,073	\$7,661,073	\$0	\$0	\$7,661,073	\$27,145,000	\$0	\$0	\$0	\$0	\$0
Totals:	\$98,597,540	\$71,452,540	\$44,845,000	\$0	\$26,607,540	\$27,145,000	\$0	\$0	\$1,435,000	\$0	\$3,189,413

(1) Subject to Appropriation Obligations.

(2) Not included in overlapping debt.



Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
Bond Type:	Full Faith & Credit Obligations(N)	\$125,000	12/1/2029	\$76,507.38	\$0.00	\$76,507.38
Series:	J04004		IssueTotals:	\$76,507.38	\$0.00	\$76,507.38
Dated Date:	11/06/03	Alternative Minimum Tax <input type="checkbox"/>				
Project:	Special Public Works Fund	Bank Qualified <input type="checkbox"/>				
Program:	Special Public Works Fund (SPWF) Direct Loans	Taxable <input type="checkbox"/>				
Interest Rate:		Zero Coupon <input type="checkbox"/>				
Interest Basis:						
Bond Type:	Full Faith & Credit Obligations(N)	\$6,900,000	12/1/2018	\$0.00	\$81,075.00	\$81,075.00
Series:	2009		6/1/2019	\$330,000.00	\$81,075.00	\$411,075.00
Dated Date:	04/15/09	Alternative Minimum Tax <input type="checkbox"/>	12/1/2019	\$0.00	\$74,475.00	\$74,475.00
Project:	Fire Station	Bank Qualified <input checked="" type="checkbox"/>	6/1/2020	\$340,000.00	\$74,475.00	\$414,475.00
Program:	N/A	Taxable <input type="checkbox"/>	12/1/2020	\$0.00	\$67,675.00	\$67,675.00
Interest Rate:	4.09%	Zero Coupon <input type="checkbox"/>	6/1/2021	\$355,000.00	\$67,675.00	\$422,675.00
Interest Basis:			12/1/2021	\$0.00	\$60,575.00	\$60,575.00
			6/1/2022	\$370,000.00	\$60,575.00	\$430,575.00
			12/1/2022	\$0.00	\$53,175.00	\$53,175.00
			6/1/2023	\$385,000.00	\$53,175.00	\$438,175.00
			12/1/2023	\$0.00	\$45,475.00	\$45,475.00
			6/1/2024	\$400,000.00	\$45,475.00	\$445,475.00
			12/1/2024	\$0.00	\$37,375.00	\$37,375.00
			6/1/2025	\$415,000.00	\$37,375.00	\$452,375.00
			12/1/2025	\$0.00	\$28,815.63	\$28,815.63
			6/1/2026	\$435,000.00	\$28,815.63	\$463,815.63
			12/1/2026	\$0.00	\$19,843.75	\$19,843.75
			6/1/2027	\$450,000.00	\$19,843.75	\$469,843.75
			12/1/2027	\$0.00	\$10,281.25	\$10,281.25
			6/1/2028	\$470,000.00	\$10,281.25	\$480,281.25
			IssueTotals:	\$3,950,000.00	\$957,531.26	\$4,907,531.26



Oregon State Treasury
 Debt Management Division
 350 Winter Street NE, Suite 100
 Salem, OR 97301
 (503) 378-4930
 DMD@ost.state.or.us

Overlapping Debt Report

for: City Of Coos Bay

As of 6/30/2018

Issue Listing for: City Of Coos Bay

Issue Information	Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
Bond Type: Full Faith & Credit Obligations(N)	\$5,000,000	12/1/2032	\$3,932,696.79	\$0.00	\$3,932,696.79
Series: S10009		IssueTotals:	\$3,932,696.79	\$0.00	\$3,932,696.79
Dated Date: 02/19/10	Alternative Minimum Tax <input type="checkbox"/>				
Project: Safe Drinking Water Loan Fund - SDW	Bank Qualified <input type="checkbox"/>				
Program: Safe Drinking Water (SDW)	Taxable <input type="checkbox"/>				
Interest Rate:	Zero Coupon <input type="checkbox"/>				
Interest Basis:					
Bond Type: Full Faith & Credit Obligations(N)	\$650,000	12/1/2018	\$65,000.00	\$3,042.00	\$68,042.00
Series: 2011		6/1/2019	\$0.00	\$2,028.00	\$2,028.00
Dated Date: 10/31/11	Alternative Minimum Tax <input type="checkbox"/>	12/1/2019	\$65,000.00	\$2,028.00	\$67,028.00
Project: Land acquisition for wastewater treatment plant	Bank Qualified <input checked="" type="checkbox"/>	6/1/2020	\$0.00	\$1,014.00	\$1,014.00
Program:	Taxable <input type="checkbox"/>	12/1/2020	\$65,000.00	\$1,014.00	\$66,014.00
Interest Rate: 3.12%	Zero Coupon <input type="checkbox"/>	IssueTotals:	\$195,000.00	\$9,126.00	\$204,126.00
Interest Basis: Fixed					
Bond Type: Full Faith & Credit Obligations(N)	\$3,341,505	12/1/2034	\$3,341,505.00	\$0.00	\$3,341,505.00
Series: Y12005		IssueTotals:	\$3,341,505.00	\$0.00	\$3,341,505.00
Dated Date: 04/13/12	Alternative Minimum Tax <input type="checkbox"/>				
Project: Water/Wastewater Financing Program	Bank Qualified <input type="checkbox"/>				
Program: Water/Wastewater Fund (WF) Direct Loans	Taxable <input type="checkbox"/>				
Interest Rate:	Zero Coupon <input type="checkbox"/>				
Interest Basis:					



Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
Bond Type:	Full Faith & Credit Obligations(N)	\$4,051,873	12/1/2035	\$4,051,873.00	\$0.00	\$4,051,873.00
Series:	Y14002		IssueTotals:	\$4,051,873.00	\$0.00	\$4,051,873.00
Dated Date:	10/03/13	Alternative Minimum Tax <input type="checkbox"/>				
Project:	Water/Wastewater Financing Program	Bank Qualified <input type="checkbox"/>				
Program:	Water/Wastewater Fund (WF) Direct Loans	Taxable <input type="checkbox"/>				
Interest Rate:		Zero Coupon <input type="checkbox"/>				
Interest Basis:						
Bond Type:	Revenue Bonds	\$19,636,876	3/1/2019	\$0.00	\$120,000.00	\$120,000.00
Series:	R24000		9/1/2019	\$457,266.00	\$98,184.00	\$555,450.00
Dated Date:	05/16/16	Alternative Minimum Tax <input type="checkbox"/>	3/1/2020	\$459,552.00	\$95,898.00	\$555,450.00
Project:	Construction of water plant 2	Bank Qualified <input type="checkbox"/>	9/1/2020	\$461,850.00	\$93,600.00	\$555,450.00
Program:	Clean Water State Revolving Fund (CWSRF)	Taxable <input type="checkbox"/>	3/1/2021	\$464,159.00	\$91,291.00	\$555,450.00
Interest Rate:	0.00%	Zero Coupon <input type="checkbox"/>	9/1/2021	\$466,480.00	\$88,970.00	\$555,450.00
Interest Basis:	Fixed		3/1/2022	\$468,812.00	\$86,638.00	\$555,450.00
			9/1/2022	\$471,156.00	\$84,294.00	\$555,450.00
			3/1/2023	\$473,512.00	\$81,938.00	\$555,450.00
			9/1/2023	\$475,880.00	\$79,570.00	\$555,450.00
			3/1/2024	\$478,259.00	\$77,191.00	\$555,450.00
			9/1/2024	\$480,650.00	\$74,800.00	\$555,450.00
			3/1/2025	\$483,053.00	\$72,397.00	\$555,450.00
			9/1/2025	\$485,469.00	\$69,981.00	\$555,450.00
			3/1/2026	\$487,896.00	\$67,554.00	\$555,450.00
			9/1/2026	\$490,336.00	\$65,114.00	\$555,450.00
			3/1/2027	\$492,787.00	\$62,663.00	\$555,450.00
			9/1/2027	\$495,251.00	\$60,199.00	\$555,450.00
			3/1/2028	\$497,727.00	\$57,723.00	\$555,450.00
			9/1/2028	\$500,216.00	\$55,234.00	\$555,450.00
			3/1/2029	\$502,717.00	\$52,733.00	\$555,450.00
			9/1/2029	\$505,231.00	\$50,219.00	\$555,450.00
			3/1/2030	\$507,757.00	\$47,693.00	\$555,450.00



Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
			9/1/2030	\$510,296.00	\$45,154.00	\$555,450.00
			3/1/2031	\$512,847.00	\$42,603.00	\$555,450.00
			9/1/2031	\$515,411.00	\$40,039.00	\$555,450.00
			3/1/2032	\$517,988.00	\$37,462.00	\$555,450.00
			9/1/2032	\$520,578.00	\$34,872.00	\$555,450.00
			3/1/2033	\$523,181.00	\$32,269.00	\$555,450.00
			9/1/2033	\$525,797.00	\$29,653.00	\$555,450.00
			3/1/2034	\$528,426.00	\$27,024.00	\$555,450.00
			9/1/2034	\$531,068.00	\$24,382.00	\$555,450.00
			3/1/2035	\$533,724.00	\$21,726.00	\$555,450.00
			9/1/2035	\$536,392.00	\$19,058.00	\$555,450.00
			3/1/2036	\$539,074.00	\$16,376.00	\$555,450.00
			9/1/2036	\$541,770.00	\$13,680.00	\$555,450.00
			3/1/2037	\$544,478.00	\$10,972.00	\$555,450.00
			9/1/2037	\$547,201.00	\$8,249.00	\$555,450.00
			3/1/2038	\$549,937.00	\$5,513.00	\$555,450.00
			9/1/2038	\$552,692.00	\$2,763.00	\$555,455.00
			IssueTotals:	\$19,636,876.00	\$2,145,679.00	\$21,782,555.00
Bond Type:	Full Faith & Credit Obligations(S)	\$3,200,000	12/1/2018	\$385,000.00	\$24,762.50	\$409,762.50
Series:	2016		6/1/2019	\$0.00	\$21,393.75	\$21,393.75
Dated Date:	11/03/16	Alternative Minimum Tax <input type="checkbox"/>	12/1/2019	\$390,000.00	\$21,393.75	\$411,393.75
Project:	FFC Financing Agreement partial refunding Series	Bank Qualified <input checked="" type="checkbox"/>	6/1/2020	\$0.00	\$17,981.25	\$17,981.25
Program:	2006	Taxable <input type="checkbox"/>	12/1/2020	\$395,000.00	\$17,981.25	\$412,981.25
Interest Rate:	1.75%	Zero Coupon <input type="checkbox"/>	6/1/2021	\$0.00	\$14,525.00	\$14,525.00
Interest Basis:	Coupon		12/1/2021	\$405,000.00	\$14,525.00	\$419,525.00
			6/1/2022	\$0.00	\$10,981.25	\$10,981.25
			12/1/2022	\$410,000.00	\$10,981.25	\$420,981.25
			6/1/2023	\$0.00	\$7,393.75	\$7,393.75
			12/1/2023	\$420,000.00	\$7,393.75	\$427,393.75
			6/1/2024	\$0.00	\$3,718.75	\$3,718.75
			12/1/2024	\$425,000.00	\$3,718.75	\$428,718.75
			IssueTotals:	\$2,830,000.00	\$176,750.00	\$3,006,750.00



Oregon State Treasury
 Debt Management Division
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 Salem, OR 97301
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 DMD@ost.state.or.us

Overlapping Debt Report

for: City Of Coos Bay

As of 6/30/2018

Issue Listing for: City Of Coos Bay

Issue Information	Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
Final Totals:			\$38,014,458.17	\$3,289,086.26	\$41,303,544.43

Disclaimer: The State of Oregon Office of the Treasurer, acting on behalf of the Municipal Debt Advisory Commission (MDAC), maintains debt information to assist municipalities in debt related matters. The data is based on information obtained from sources believed to be reliable; however, its accuracy cannot be guaranteed. The Office of the State Treasurer does not independently verify the information received from reporting municipalities. The State of Oregon is not responsible for the accuracy, completeness or timeliness of the information obtained and the data presented and disclaims any liability for or obligation to bond owners or others concerning the accuracy, completeness or timeliness of the data and information presented.

"Gross Property-tax Backed Debt" includes all General Obligation (GO) bonds and Full Faith & Credit bonds. "Net Property-tax Backed Debt" is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax GO and less Self-Supporting Full Faith & Credit debt. The following obligations are NOT included in Property-tax backed calculations: Appropriation Credits, Conduit Revenue Bonds, Dedicated Niche Obligations, Revenue Bonds, obligations issued for less than 13 months (e.g. Bond Anticipation Notes, Tax Anticipation Notes), lease purchase agreements, loans, lines of credit or other non-publicly offered financial obligations. The Municipal Debt Advisory Commission (MDAC), however, does request and track information for these obligations.

In August 2010, the Oregon State Treasury reclassified all Self-Supporting School District debt to Non Self-Supporting debt, thus making all School District debt included as Net Property-tax Backed Debt, rather than Gross Property-tax Backed Debt. Schools, by definition will not have debt supported by Enterprise Revenues, and thus can not have fully Self-Supporting debt as defined by the Municipal Debt Advisory Commission.

CITY OF COOS BAY
COOS COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

November 29, 2018

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Coos Bay, Oregon as of and for the year ended June 30, 2018, and have issued our report thereon dated November 29, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

In connection with our testing nothing came to our attention that caused us to believe the City of Coos Bay, 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 internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

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



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.