



# MYRTLE POINT, OREGON

## Annual Financial Report

June 30, 2023

# **CITY OF MYRTLE POINT**

424 5th St.  
Myrtle Point, Oregon 97458  
(541) 572-2626

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## **MAYOR AND CITY COUNCIL**

SAMANTHA CLAYBURN 756 4th Street, Myrtle Point, OR 97458	Mayor
BEREA GIBBONS 424 5th Street, Myrtle Point, OR 97458	Councilor
IVAN HAWKER 424 5th Street, Myrtle Point, OR 97458	Councilor
GARY SULLIVAN 424 5th Street, Myrtle Point, OR 97458	Councilor
MICHAEL HOGAN 424 5th Street, Myrtle Point, OR 97458	Councilor
MIKE WOOD 424 5th Street, Myrtle Point, OR 97458	Councilor
AMY LIGONS 234 Spruce Stree, Myrtle Point, OR 97458	Councilor

## **ADMINISTRATION**

DARIN NICHOLSON 424 5th Street, Myrtle Point, OR 97458	City Manager
GINNY GROCE 424 5th Street, Myrtle Point, OR 97458	Municipal Accountant

# CITY OF MYRTLE POINT

## AUDIT REPORT

JUNE 30, 2023

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### TABLE OF CONTENTS

	<u>PAGE</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	i-iii
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	1-11
<b>BASIC FINANCIAL STATEMENTS:</b>	
<u><b>Government-wide Financial Statements:</b></u>	
Statement of Net Position - Modified Cash Basis	13
Statement of Activities - Modified Cash Basis	14
<u><b>Fund Financial Statements:</b></u>	
Balance Sheet - Modified Cash Basis - Governmental Funds	16
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position - Modified Cash Basis	17
Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Modified Cash Basis - Governmental Funds to the Statement of Activities	19
<u><b>Proprietary Fund Financial Statements:</b></u>	
Statement of Net Position - Modified Cash Basis - Proprietary Funds	21
Statement of Revenues, Expenses, and Changes in Net Position - Modified Cash Basis - Proprietary Funds	22
Statement of Cash Flows - Modified Cash Basis - Proprietary Funds	23
<u><b>Fiduciary Fund Financial Statements:</b></u>	
Statement of Fiduciary Net Position - Modified Cash Basis	25
Statement of Changes in Net Position - Modified Cash Basis - Fiduciary Fund	26
<u><b>Notes To The Basic Financial Statements</b></u>	28-59
<b>SUPPLEMENTARY INFORMATION:</b>	
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
General Fund	61
State Tax Street Fund	62
Library Fund	63
Fire Services Fund	64
Schedule of Proportionate Share of the Net Pension Liability	65
Schedule of Employer Contributions - PERS	66
Schedule of Proportionate Share of the Net Pension Liability OPEB RHIA	67
Schedule of Employer Contributions - OPEB RHIA	68
Schedule of Changes in Total OPEB Liability and Related Ratios - CCIS	69

**CITY OF MYRTLE POINT**

**AUDIT REPORT**

**JUNE 30, 2023**

---

**TABLE OF CONTENTS (Cont.)**

	<b><u>PAGE</u></b>
<b>SUPPLEMENTARY INFORMATION (Cont.):</b>	
<b><u>Enterprise Funds:</u></b>	
<b><u>Water Funds</u></b>	
Combining Statement of Net Position - Modified Cash Basis	71
Combining Statement of Revenues, Expenses and Changes in Net Position - Modified Cash Basis	72
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
Water Fund	73
Water SDC Fund	74
Water Reserve Fund	75
<b><u>Sewer Funds</u></b>	
Combining Statement of Net Position - Modified Cash Basis	77
Combining Statement of Revenues, Expenses and Changes in Net Position - Modified Cash Basis	78
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
Sewer Fund	79
Sewer SDC Fund	80
Sewer Reserve Fund	81
<b><u>Ambulance Funds</u></b>	
Combining Statement of Net Position - Modified Cash Basis	83
Combining Statement of Revenues, Expenses and Changes in Net Position - Modified Cash Basis	84
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
Ambulance Fund	85
Ambulance Reserve Fund	86

**CITY OF MYRTLE POINT**

**AUDIT REPORT**

**JUNE 30, 2023**

---

**TABLE OF CONTENTS (Cont.)**

	<b><u>PAGE</u></b>
<b>SUPPLEMENTARY INFORMATION (Cont.):</b>	
<b><u>Non-Major Special Revenue Funds:</u></b>	
Combining Balance Sheet - Modified Cash Basis	88
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis	89
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
Bicycle Trails / Footpaths Fund	90
Library Trust Fund	91
Fire Truck Reserve Fund	92
Infrastructure Fund	93
<b><u>Fiduciary Funds:</u></b>	
Schedules of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Modified Cash Basis	
Skip Ohlsen Trust and Agency Fund	95
<b>OTHER INFORMATION:</b>	
<b><u>Additional Supporting Schedules:</u></b>	
Schedule of Long-Term Debt Transactions & Future Requirements	97-100
<b>REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS</b>	
Independent Auditor's Report Required by Oregon State Regulations	102



## **INDEPENDENT AUDITOR’S REPORT**

To the Honorable Mayor and City Council  
City of Myrtle Point, Oregon

### **Report on the Audit of the Financial Statements**

#### **Opinions**

We have audited the accompanying modified cash basis financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Myrtle Point as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Myrtle Point’s basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Myrtle Point as of June 30, 2023, and the respective changes in modified cash basis financial position and, where applicable, cash flows thereof, for the year then ended in accordance with modified cash basis of accounting described in the Notes to the Financial Statements.

#### **Basis of Opinions**

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

#### **Emphasis of Matter – Basis of Accounting**

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

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with modified cash basis of accounting as described in the Basis of Accounting note in the Notes to the financial statements, and for determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor’s Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Supplementary Information**

Management's discussion and analysis, the schedules of revenues, expenditures, and changes in fund balances – budget and actuals, the pension schedules, and the pension and OPEB schedules 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 management's discussion and analysis and the pension schedules in accordance with the auditing standards generally accepted in the United States of America, which consisted principally 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 my 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals described above 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. The schedules of revenues, expenditures and changes in fund balances – budget and actuals 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 and other records used to prepare the basic 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. In our opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

The supplementary information is the responsibility of management and was 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 other 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 is fairly stated in all material respects in relation to the financial statements taken as a whole.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory information and additional schedules listed in the Other Information section of the Table of Contents but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion of any form of assurance thereon.

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

## Reports on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated May 31, 2024, on our consideration of the City of Myrtle Point's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on the District's compliance.



Steve Tuchscherer, CPA  
Umpqua Valley Financial, LLC  
Roseburg, Oregon  
May 31, 2024

**MANAGEMENT'S**  
**DISCUSSION**  
**AND ANALYSIS**

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

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The management discussion and analysis of the City of Myrtle Point, Oregon (the City) financial performance using the modified cash basis of accounting, provides an overview of the City's modified cash basis financial activities for the fiscal year that ended June 30, 2023. This discussion and analysis evaluate the City's financial performance as a whole, using the modified cash basis of accounting. Readers should also review the basic financial statements and notes to enhance their understanding of the City's modified cash basis financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended June 30, 2023, are as follows:

- The City's net position increased by \$482,719, representing a 6.45% increase from the previous year.
- Total revenue for the City was \$5,173,404. That is a 1.67% increase from the previous year. The general revenues accounted for \$1,992,510 or 38.51% of total revenues. Program-specific revenues in the form of charges for services and operating grants accounted for \$3,180,894 or 61.49% of the remaining total.
- The City had \$5,206,484 in program expenses. Of the program expenses, \$643,155 was for water service, \$1,389,663 was for sewer service, and \$985,370 was for ambulance service.
- The City's long-term liabilities decreased by \$892,551 (7.93%) from the previous year primarily due to a decrease in net pension liability.
- Among the governmental funds, the General Fund had \$2,028,959 in revenues, primarily property taxes, grants and donations, franchise taxes, and intergovernmental revenues. The State Tax Street Fund had \$194,559 in revenues, primarily property tax. The Library Fund had \$306,408 in revenue and the Fire Services Fund of \$186,300 in revenues.
- Among proprietary funds, the Water Utility had \$683,447 in operating revenues, the Sewer Utility had \$924,633 in operating revenues, and the Ambulance Funds had \$758,856 in operating revenues, each of which consisted primarily of charges for services & fees.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Management's Discussion and Analysis introduce the City's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

*Other Matters*

For the Fiscal Year ending June 30, 2023, and until changed otherwise, the City is reporting its Financial Statements using the Modified Cash Basis of Accounting.

*Government-wide Financial Statements*

The first of the government-wide statements is the Statement of Net Position – Modified Cash Basis. This is the City-wide statement presenting information that includes cash and certain other assets and liabilities of the City which the City feels are important in providing information that presents an accurate image of the City using a cash basis of accounting, modified by including certain assets and liabilities. In particular, the City includes in the Statement of Net Position – Modified Cash Basis amounts representing its capital assets, payroll liabilities, and long-term debt. Certain assets and their related revenues (such as accounts receivable and amounts due from other governments) and certain liabilities (such as accounts payable and expenses for goods or services received but not yet paid) are not recorded in these modified cash basis financial statements. Over time, increases or decreases in net position using the modified basis of accounting may serve as a useful indicator of whether the City's modified cash position is improving or deteriorating. Evaluation of the overall economic health of the

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

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City would extend to accrual basis information and other non-financial factors such as the condition of buildings, infrastructure, and other facilities.

The second government-wide statement is the Statement of Activities which reports how the City's net position using a modified cash basis of accounting changed during the current fiscal year. All revenues and expenses are recognized when cash is received or paid except for additions to capital assets and reductions in long-term debt. An important purpose of the design of the Statement of Activities is to show the financial reliance of the distinct modified cash basis activities or functions of the City that are primarily supported by intergovernmental revenues and property tax revenues. The governmental activities of the City include general government activities and streets.

construction and maintenance, and culture and recreation. The proprietary activities of the City include water and sewer utilities.

*Fund Financial Statements*

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation, if applicable. Individual fund data for non-major funds is provided in the form of combining statements and individual fund statements in a later section of this report. The City reports two types of funds:

*Governmental funds* are also reported using the modified cash basis of accounting. These statements report short-term fiscal accountability focusing primarily on the use of cash resources during the year and balances of cash resources available at the end of the fiscal year. Payroll liabilities are the one exception to this so the balances related to payroll liabilities incurred prior to the end of the fiscal year and the related expenditures are included in the modified cash governmental fund financial statements.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 government-wide statements to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the basic financial statements for the General Fund, the State Tax Street Fund, the Library Fund, and the Fire Services Fund. Budgetary comparison schedules for the other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the City's adopted and final budget.

*Proprietary funds* are used to report the functions presented as business-type activities in the government-wide financial statements, only in more detail. The City maintains one type of proprietary fund - enterprise funds. The City uses enterprise funds to account for sewer operations. The proprietary fund financial statements provide separate information for the Water Activity, the Sewer Activity, and the Ambulance Funds since they are each considered a major fund by the City.

*Notes to the Financial Statements*

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin immediately following the basic financial statements.

*Other Information*

In addition to the basic financial statements and accompanying notes, this report also presents supplementary information on budgetary comparison schedules. The supplementary information immediately follows the notes to the financial statements. Other supplementary data includes other schedules. These schedules immediately follow the supplementary information in this report.

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

**FINANCIAL ANALYSIS OF THE CITY AS A WHOLE**

Recall that the Statement of Net Position provides the perspective of the City as a whole. Net position may serve overtime as a useful indicator of a government's modified cash basis financial balances.

The City's modified cash basis net position at fiscal year-end is \$7,964,383, this is an increase of \$482,719 (6.45%).

A significant portion of the City's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, infrastructure, equipment, and vehicles); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The City's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

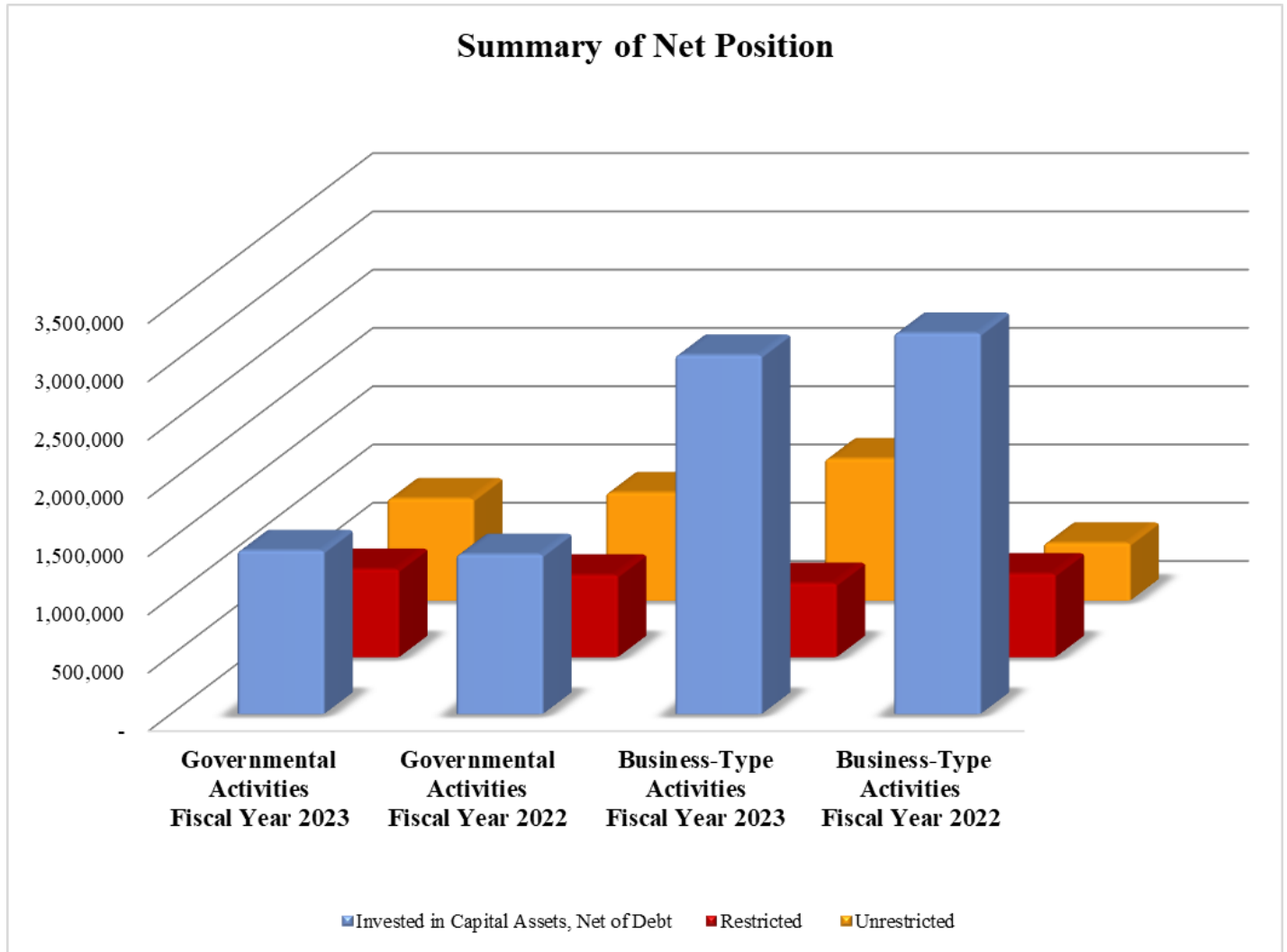
The following table provides a summary of the City's net position for the current and prior year. In the fiscal year ending June 30, 2023, the City began reporting using a modified cash basis of accounting. As a result, some comparisons to the previous year's data may require further analysis.

**Summary of Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>						
Current and Other Assets	\$2,476,747	\$2,493,879	\$1,947,799	\$2,526,299	\$4,424,546	\$5,020,178
Capital Assets	1,402,126	1,369,307	12,865,260	13,308,927	14,267,386	14,678,234
Total Assets	3,878,873	3,863,186	14,813,059	15,835,226	18,691,932	19,698,412
<b>Deferred Outflow of Resources</b>						
	476,507	397,199	-	607,055	476,507	1,004,254
<b>Liabilities</b>						
Current Liabilities	89,028	73,169	354,381	367,651	443,409	440,820
Long-Term Liabilities	842,980	583,848	9,527,002	10,678,685	10,369,982	11,262,533
Total Liabilities	932,008	657,017	9,881,383	11,046,336	10,813,391	11,703,353
<b>Deferred Inflow of Resources</b>						
	390,669	600,254	-	917,396	390,669	1,517,650
<b>Net Position</b>						
Net Investment in Capital Assets	1,402,126	1,369,307	3,078,897	3,267,157	4,481,023	4,636,464
Restricted	755,889	706,678	635,180	716,680	1,391,069	1,423,358
Unrestricted	874,689	927,129	1,217,602	494,713	2,092,290	1,421,842
Total Net Position	<u>\$3,032,704</u>	<u>\$3,003,114</u>	<u>\$4,931,678</u>	<u>\$4,478,550</u>	<u>\$7,964,382</u>	<u>\$7,481,664</u>

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

See the chart below to gain an understanding of the City's actual financial position and how each component relates to the activities performed.



**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

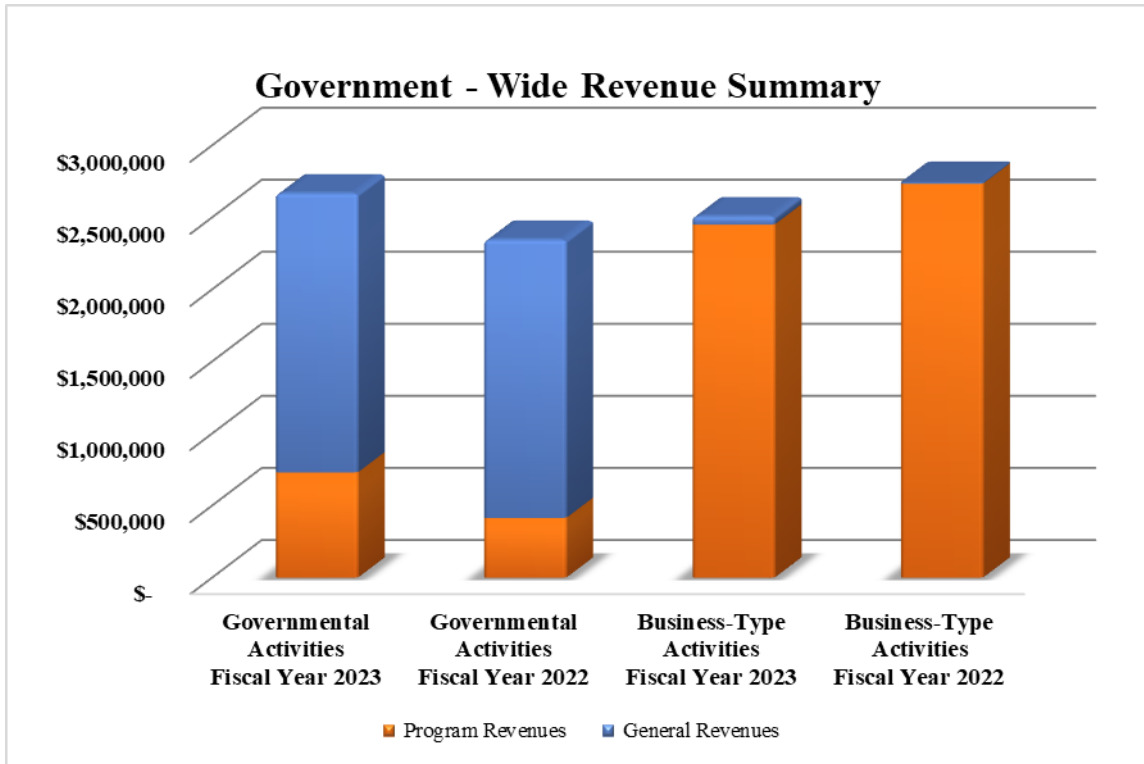
**Changes in net position** - The City's total revenues for the fiscal year ended June 30, 2023, were \$5,173,404. The total cost of all programs and services was \$5,206,484. The following table shows a comparative analysis of government-wide revenues, expenses, and changes in net position.

**Summary of Changes in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 134,083	\$ 113,921	\$ 2,338,415	\$ 2,650,606	\$ 2,472,498	\$ 2,764,527
Operating Grants and Contributions	596,553	300,545	111,843	83,167	708,396	383,712
Total Program Revenues	730,636	414,466	2,450,258	2,733,773	3,180,894	3,148,239
General Revenues						
Local Sources						
Property Taxes	1,548,661	1,618,192	-	-	1,548,661	1,618,192
Franchise Fees	168,007	127,793	-	-	168,007	127,793
Fines and Forfeitures	6,987	11,544	-	-	6,987	11,544
Intergovernmental	126,349	99,659	-	-	126,349	99,659
Interest & Investment Earnings	67,317	10,315	56,602	10,279	123,919	20,594
Other Revenues	18,587	62,625	-	-	18,587	62,625
Total General Revenues	1,935,908	1,930,128	56,602	10,279	1,992,510	1,940,407
Total Revenues	2,666,544	2,344,594	2,506,860	2,744,052	5,173,404	5,088,646
<b>Program Expenses</b>						
General Government	444,452	224,021	-	-	444,452	224,021
Public Safety	1,110,543	991,104	-	-	1,110,543	991,104
Highways and Streets	319,246	265,761	-	-	319,246	265,761
Culture and Recreation	314,055	245,690	-	-	314,055	245,690
Water Utilities	-	-	643,155	658,826	643,155	658,826
Sewer Utilities	-	-	1,389,663	1,191,001	1,389,663	1,191,001
Ambulance	-	-	985,370	948,591	985,370	948,591
Total Program Expenses	2,188,295	1,726,576	3,018,188	2,798,418	5,206,484	4,524,994
<b>Special Item - Refinancing Bond Premium</b>	-	-	-	(126,668)	-	(126,668)
<b>Change in Net Position</b>	<b>\$ 317,171</b>	<b>\$ 618,018</b>	<b>\$ (350,250)</b>	<b>\$ (181,034)</b>	<b>\$ (33,080)</b>	<b>\$ 436,984</b>

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

The following chart analyzes the revenue between governmental activities and business-type activities from the prior fiscal year to the current.



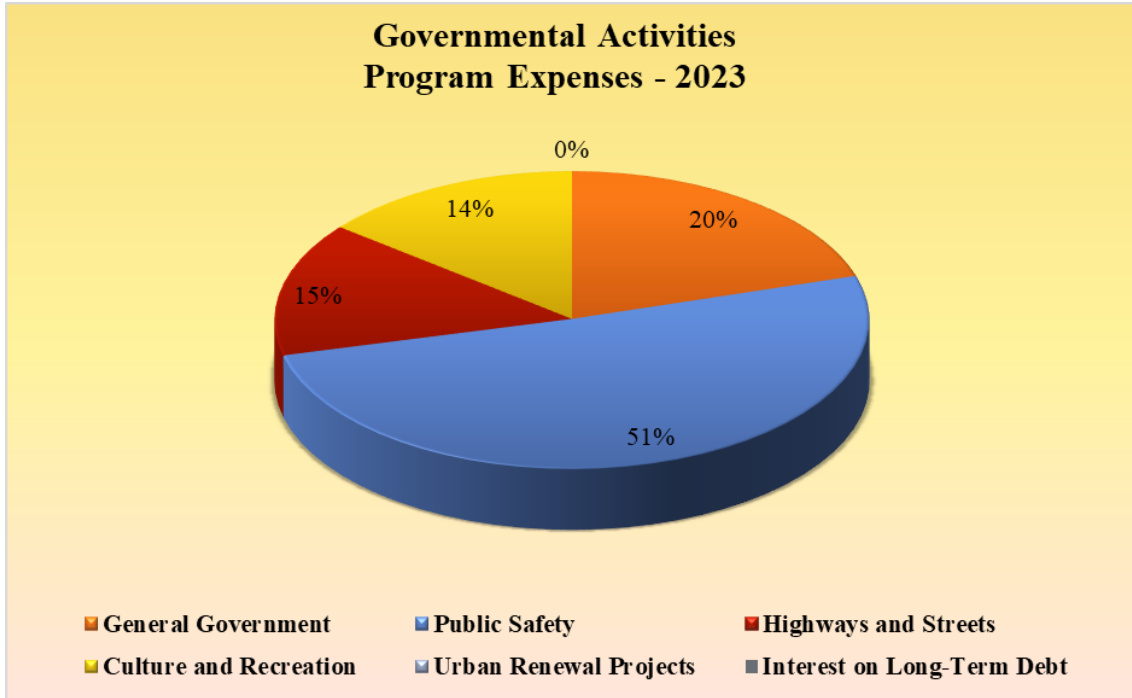
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions off-setting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the City. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

**Governmental Activities**

	<u>Total Cost of Services</u>		<u>Net (Cost) Profit of Services</u>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
General Government	\$ 444,452	\$ 224,021	\$ 170,373	\$ 99,967
Public Safety	1,110,543	991,104	(1,000,489)	(910,194)
Highway and Streets	319,246	265,761	(319,246)	(265,761)
Culture and Recreation	314,055	245,690	(308,298)	(236,122)
<b>Total Program Expenses</b>	<b><u>\$2,188,295</u></b>	<b><u>\$1,726,576</u></b>	<b><u>\$(1,457,659)</u></b>	<b><u>\$(1,312,110)</u></b>

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

This graph represents the cost of the City's Program expenses by governmental activities.



The following table shows, for business-type activity, the total cost of utility services, the major functional activity of the City. The table also shows the function's net cost (total cost less charges for services generated by the activity). The net cost shows the financial burden that was placed on the City by the function.

	<b><u>Business-Type Activities</u></b>			
	<u>Total Cost of Services</u>		<u>Net (Cost) Profit of Services</u>	
	<u>2022-23</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2021-22</u>
Utility Services	\$ 643,155	\$ 658,826	\$ 40,292	\$ 50,720
Total Program Expenses	<u>\$ 643,155</u>	<u>\$ 658,826</u>	<u>\$ 40,292</u>	<u>\$ 50,720</u>

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on short-term inflows, outflows, cash balances, and payroll liabilities. Such information is useful in assessing the City's financing requirements. In particular, an unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

***Governmental Funds***

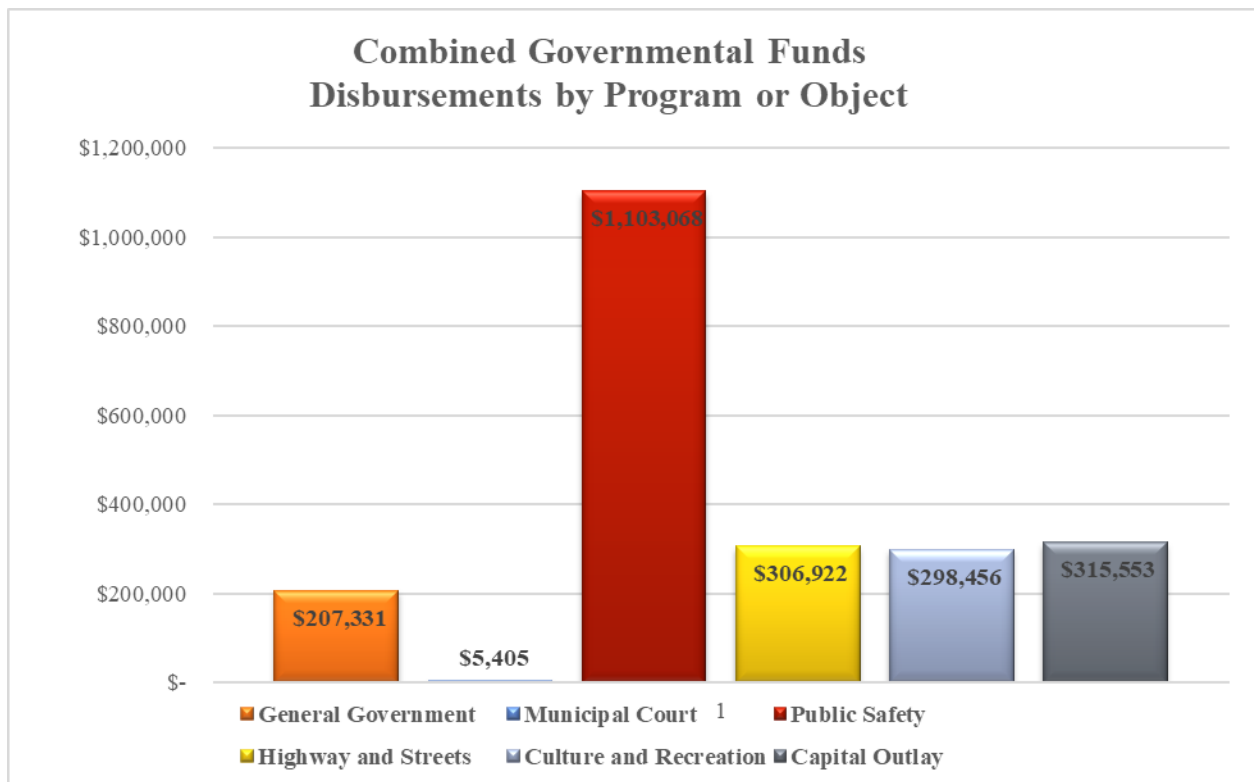
As the City completed the year, its governmental funds reported a combined fund balance of \$2,434,854, an increase of \$332,083. The fund balance constitutes restricted, committed, and unassigned amounts. Of the current fund balances, \$215,057 is restricted for various purposes, \$793,964 is committed for various programs, and \$1,425,833 is unassigned and available for spending at the City's discretion.

The General Fund is the principal operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$1,425,833.

***Proprietary Funds***

The City's proprietary funds reported an unrestricted net position of \$1,217,601. Net position for the proprietary funds decreased by \$350,250. The proprietary funds reported \$3,078,897 in net investment in capital assets and \$635,180 in restricted net position.

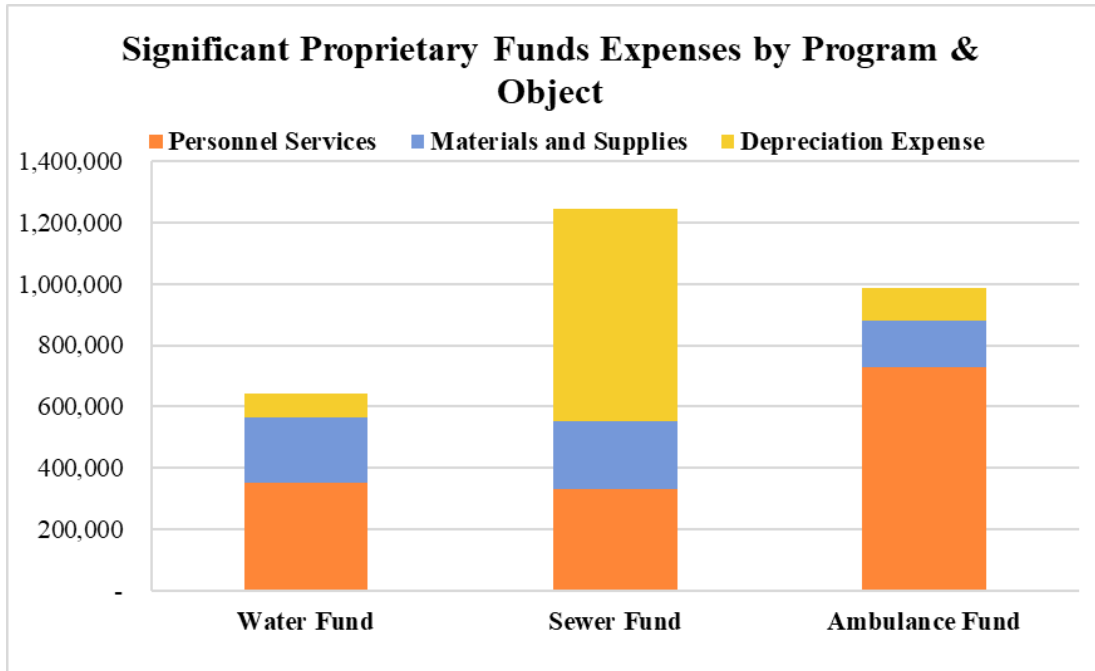
The following is a comparison of current expenditures by the program of the governmental funds.



**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

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The following is a comparison of current expenses by the program of proprietary funds.



**Budgetary Highlights**

The General Fund revenue was budgeted and anticipated to be available in the amount of \$1,574,762 during the fiscal year. Actual resources of \$2,028,959 were available, \$454,197 more than budgeted. The General Fund expenditures budget was under-spent by \$750,785. The ending fund balance was greater than what was budgeted by \$1,425,833 and more than the prior year by \$171,223.

The Water Fund balance increased during the fiscal year by \$9,579. The fund remained within the expenditure budgets in all appropriation areas. The Water Fund's actual resources were greater than budgeted by \$14,862. The Water Fund expenditures budget was under-spent by \$305,360.

The Sewer Fund balance decreased during the fiscal year by \$85,807. The fund remained within the expenditure budgets in all appropriation areas. The Sewer Fund's actual resources were greater than budgeted by \$67,368. The Sewer Fund expenditures budget was under-spent by \$412,135.

The Ambulance Fund balance decreased during the fiscal year by \$34,928. The fund remained within the expenditure budgets in all appropriation areas. The Ambulance Fund's actual resources were greater than budgeted by \$30,980. The Ambulance Fund expenditures budget was under-spent by \$266,831.

**CITY OF MYRTLE POINT**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2023**

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**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2023, the City had invested, before net reduction for accumulated depreciation, \$27,851,287 in capital assets, including infrastructure, buildings and improvements, land, equipment and vehicles, sewer utility systems, and construction in progress. This amount represents an increase of \$570,594 from the prior year due to various additions in governmental and business-type activities.

Total depreciation expense for the year was \$981,441; of which \$102,692 is associated with governmental activities and \$878,749 from business-type activities.

Additional information on the City's capital assets can be found in this report's Capital Asset Note of the Notes to the Basic Financial Statements section.

**Long-Term Debt**

As of June 30, 2023, the City had a total long-term debt outstanding of \$9,786,363. The long-term debt obligations include notes and bonds payable. Existing debt was reduced by \$255,407. Interest paid on the debt amounted to \$149,578.

Additional information on the City's long-term debt can be found in the Long-Term Debt Note of the Notes to the Basic Financial Statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The City of Myrtle Point adopted a budget for the Fiscal Year ended 2023-24 in the total amount of \$9,433,080. Some of the major appropriations were allocated to the General Fund, Water Fund, Sewer Fund, Sewer Reserve Fund, State Tax Street Fund, and Library Fund.

The City is set on preserving existing levels of service in all departments and stability in the City's Enterprise Funds (Water, Sewer, and Ambulance). Budget increases in the State Tax Street Fund are related to planned roadway improvements along Harris Street from 4<sup>th</sup> Street to Hwy 42. A \$250,000 grant from the Oregon Department of Transportation, received in the 2022-23 fiscal year, will help make the planned improvements possible.

The revenues from shared gas, cigarette, liquor, and marijuana tax revenues are cautiously estimated. The City has adopted adequate funding to ensure the operation of vital city programs, allocate for mandated fees and projects, and provide a sustainable budget. As in years past, unanticipated events have occurred, and contingencies have been allocated to provide for these potentially unexpected events.

The City's budget was adopted with the expectation of levying the full amount of the City's permanent tax rate of \$7.995 per \$1,000 of assessed value while controlling expenditures and operating in a fiscally responsible manner.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the City of Myrtle Point at (541) 572-2626. The office is located at 454 5<sup>th</sup> Street, Myrtle Point, OR 97458.

**BASIC FINANCIAL**  
**STATEMENTS**

**Government-Wide**  
**Financial Statements**

**CITY OF MYRTLE POINT**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**For the Fiscal Year Ended June 30, 2023**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b><u>ASSETS:</u></b>			
Current Assets:			
Cash and Investments	\$ 2,451,039	\$ 1,924,574	\$ 4,375,613
Receivables:			
Accounts Receivables, Net	-	9,632	9,632
Assessments	9,979	-	9,979
Interest on Assessment Receivable	8,103	-	8,103
Inventories	-	13,593	13,593
Total Current Assets	2,469,121	1,947,799	4,416,920
Restricted Assets:			
Net OPEB Asset (RHIA)	7,626	-	7,626
Total Restricted Assets	7,626	-	7,626
Capital Assets:			
Land and Construction In Progress	179,118	159,163	338,281
Depreciable Assets, Net of Depreciation	-	12,706,097	12,706,097
Infrastructure	136,002	-	136,002
Buildings & Improvements	1,734,403	-	1,734,403
Equipment & Vehicles	2,161,169	-	2,161,169
Less: Accumulated Depreciation	(2,808,565)	-	(2,808,565)
Total Capital Assets, Net of Depreciation	1,402,126	12,865,260	14,267,386
<b>Total Assets</b>	<b>\$ 3,878,873</b>	<b>\$ 14,813,059</b>	<b>\$ 18,691,933</b>
<b><u>DEFERRED OUTFLOW OF RESOURCES:</u></b>			
Pension Related Deferrals	470,813	-	470,813
OPEB Related Deferrals - RHIA	2,053	-	2,053
OPEB Related Deferrals - CIS	3,641	-	3,641
<b>Total Deferred Outflows of Resources</b>	<b>\$ 476,507</b>	<b>\$ -</b>	<b>\$ 476,507</b>
<b><u>LIABILITIES:</u></b>			
Current Liabilities:			
Payroll Liabilities	34,267	-	34,267
Interest Payable	-	95,019	95,019
Accrued Compensated Absences	54,761	-	54,761
Current Portion of Long-Term Liabilities:			
Notes Payable	-	40,349	40,349
Bonds Payable	-	219,013	219,013
Total Current Liabilities	89,028	354,381	443,409
Long-Term Liabilities:			
Noncurrent Portion of Long-Term Liabilities:			
Notes Payable	-	334,103	334,103
Bonds Payable	-	9,192,899	9,192,899
Net Pension Liability	842,980	-	842,980
Total Long-Term Liabilities	842,980	9,527,002	10,369,982
<b>Total Liabilities</b>	<b>\$ 932,008</b>	<b>\$ 9,881,383</b>	<b>\$ 10,813,391</b>
<b><u>DEFERRED INFLOW OF RESOURCES:</u></b>			
Pension Related Deferrals	378,433	-	378,433
OPEB Related Deferrals - RHIA	1,042	-	1,042
OPEB Related Deferrals - CIS	11,194	-	11,194
<b>Total Deferred Inflow of Resources</b>	<b>\$ 390,669</b>	<b>\$ -</b>	<b>\$ 390,669</b>
<b><u>NET POSITION:</u></b>			
Net Investment in Capital Assets	\$ 1,402,126	\$ 3,078,897	\$ 4,481,023
Restricted for:			
Street Projects	179,386	-	179,386
Culture and Recreation	568,877	-	568,877
Capital Projects	-	578,330	578,330
Systems Development	-	56,850	56,850
Net OPEB Asset	7,626	-	7,626
Unrestricted	874,689	1,217,602	2,092,290
<b>Total Net Position</b>	<b>\$ 3,032,704</b>	<b>\$ 4,931,678</b>	<b>\$ 7,964,383</b>

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

**CITY OF MYRTLE POINT**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

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

	<u>Program Revenues</u>				<b>Net (Expense) Revenue and Change in Net Position</b>
	<u>(Expenses)</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>					
General Government	\$ 444,452	\$ 24,029	\$ 590,796	\$ -	\$ 170,373
Public Safety	1,110,543	110,054	-	-	(1,000,489)
Highway and Streets	319,246	-	-	-	(319,246)
Culture and Recreation	314,055	-	5,757	-	(308,298)
<b>Total Governmental Activities</b>	<b>\$ 2,188,295</b>	<b>\$ 134,083</b>	<b>\$ 596,553</b>	<b>\$ -</b>	<b>\$ (1,457,659)</b>
<b><u>BUSINESS-TYPE ACTIVITIES:</u></b>					
Water Utilities	\$ 643,155	\$ 654,926	\$ 28,521	\$ -	\$ 40,292
Sewer Utilities	1,389,663	924,633	-	-	(465,030)
Ambulance	985,370	758,856	83,322	-	(143,192)
<b>Total Business-type Activities</b>	<b>\$ 3,018,188</b>	<b>\$ 2,338,415</b>	<b>\$ 111,843</b>	<b>\$ -</b>	<b>\$ (567,930)</b>
<b>Total Primary Government</b>	<b>\$ 5,206,484</b>	<b>\$ 2,472,498</b>	<b>\$ 708,396</b>	<b>\$ -</b>	<b>\$ (2,025,590)</b>
			<b><u>Governmental Activities</u></b>	<b><u>Business-type Activities</u></b>	<b><u>Total</u></b>
<b><u>CHANGES IN NET POSITION:</u></b>					
<b>Net (expense) revenue</b>			\$ (1,457,659)	\$ (567,930)	\$ (2,025,590)
General Revenues:					
Property Taxes, levied for general purposes			1,548,661	-	1,548,661
Intergovernmental Tax Turnovers			126,349	-	126,349
Franchise and Other Taxes			168,007	-	168,007
Fines and Forfeitures			6,987	-	6,987
Interest and Investment Earnings			67,317	56,602	123,919
Other Revenue			18,587	-	18,587
<b>Total General Revenues, Special Items and Transfers</b>			<b>1,774,830</b>	<b>217,680</b>	<b>1,992,510</b>
Change in Net Position			317,171	(350,250)	(33,080)
Net Position, July 1, 2022- Restated			2,715,533	5,281,928	7,997,461
<b>Net Position, June 30, 2023</b>			<b>\$ 3,032,704</b>	<b>\$ 4,931,678</b>	<b>\$ 7,964,381</b>

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

**BASIC FINANCIAL**  
**STATEMENTS**

**Governmental Fund**  
**Financial Statements**

**CITY OF MYRTLE POINT**

**BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS**

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

	<u>General Fund</u>	<u>State Tax Street Fund</u>	<u>Library Fund</u>	<u>Fire Services Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS:</u></b>						
Cash and Investments	\$ 1,460,100	\$ 179,386	\$ 351,522	\$ 221,357	\$ 238,674	\$ 2,451,039
Receivables:						
Interest	-	-	-	-	8,103	8,103
Assessments	-	-	-	-	9,979	9,979
<b>Total Assets</b>	<b><u>\$ 1,460,100</u></b>	<b><u>\$ 179,386</u></b>	<b><u>\$ 351,522</u></b>	<b><u>\$ 221,357</u></b>	<b><u>\$ 256,756</u></b>	<b><u>\$ 2,469,121</u></b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND</u></b>						
<b>Liabilities:</b>						
Payroll Payable	\$ 34,267	\$ -	\$ -	\$ -	\$ -	\$ 34,267
<b>Total Liabilities</b>	<b><u>34,267</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>34,267</u></b>
<b>Fund Balances:</b>						
Restricted for:						
Street and Bike Path Projects	-	179,386	-	-	-	179,386
Parks & Recreation Programs	-	-	-	-	35,671	35,671
Committed for:						
Public Safety	-	-	-	221,357	39,401	260,758
Library Programs	-	-	351,522	-	48,546	400,068
Miscellaneous Capital Projects	-	-	-	-	133,138	133,138
Unassigned	1,425,833	-	-	-	-	1,425,833
<b>Total Fund Balances</b>	<b><u>1,425,833</u></b>	<b><u>179,386</u></b>	<b><u>351,522</u></b>	<b><u>221,357</u></b>	<b><u>256,756</u></b>	<b><u>2,434,854</u></b>
<b>Total Liabilities, Deferred Inflows     of Resources &amp; Fund Balances</b>	<b><u>\$ 1,460,100</u></b>	<b><u>\$ 179,386</u></b>	<b><u>\$ 351,522</u></b>	<b><u>\$ 221,357</u></b>	<b><u>\$ 256,756</u></b>	<b><u>\$ 2,469,121</u></b>

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

**CITY OF MYRTLE POINT**

**RECONCILIATION OF THE BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET  
POSITION - MODIFIED CASH BASIS  
For the Fiscal Year Ended June 30, 2023**

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**Total Fund Balances - Governmental Funds** \$ 2,434,854

**Amounts reported for governmental activities in the Statement of  
Net Position are different because:**

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

The cost of the assets is -	\$ 4,210,692	
The accumulated depreciation is -	<u>(2,808,565)</u>	
Net Value of Assets		1,402,126

Net OPEB (RHIA) assets reported in governmental activities are not financial  
resources and therefore are not reported in the governmental funds. 7,626

Deferred inflows and outflows of pension contributions and earnings are  
not reported in the governmental funds

Net Pension and OPEB Related Deferrals	85,838
--	--------

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

Accrued Compensated Absences	(54,761)
Net Pension Liability	<u>(842,980)</u>

**Net Position of Governmental Activities** **\$3,032,703**

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

**CITY OF MYRTLE POINT**  
**Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - MODIFIED CASH BASIS**  
**GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2023**

	General Fund	State Tax Street Fund	Library Fund	Fire Services Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Taxes and Assessments	\$ 1,128,591	\$ 188,853	\$ 289,726	\$ -	\$ 4,843	\$ 1,612,013
Intergovernmental	126,349	-	-	-	-	126,349
Franchise and Other Taxes	168,007	-	-	-	-	168,007
Licenses & Permits	24,028	-	-	-	-	24,028
Charges for Service	-	-	-	85,750	-	85,750
Contracted Services	-	-	-	24,304	-	24,304
Fines and Forfeitures	6,987	-	-	-	-	6,987
Rents	1	-	-	-	-	1
Investment Revenue	41,661	5,151	9,705	4,246	6,554	67,317
Grants and Donations	518,796	-	4,745	72,000	1,012	596,553
Other Revenue	14,539	555	2,232	-	1,261	18,587
<b>Total Revenues</b>	<b>2,028,959</b>	<b>194,559</b>	<b>306,408</b>	<b>186,300</b>	<b>13,670</b>	<b>2,729,896</b>
<b>EXPENDITURES:</b>						
Current Operating:						
General Government	207,331	-	-	-	-	207,331
Municipal Court	5,405	-	-	-	-	5,405
Public Safety	826,041	-	-	277,027	-	1,103,068
Highway and Streets	132,226	174,696	-	-	-	306,922
Culture and Recreation	22,770	-	249,433	-	26,253	298,456
Capital Outlay	294,595	17,783	-	-	3,175	315,553
<b>Total Expenditures</b>	<b>1,488,368</b>	<b>192,479</b>	<b>249,433</b>	<b>277,027</b>	<b>29,428</b>	<b>2,236,735</b>
Excess (Deficiency) of Revenues						
Over Expenditures	540,591	2,080	56,975	(90,727)	(15,758)	493,161
<b>OTHER FINANCING SOURCES (USES):</b>						
Interfund Transfers In	-	1,084	-	192,206	15,000	208,290
Interfund Transfers (Out)	(369,368)	-	-	-	-	(369,368)
<b>Total Other Financing Sources/(Uses)</b>	<b>(369,368)</b>	<b>1,084</b>	<b>-</b>	<b>192,206</b>	<b>15,000</b>	<b>(161,078)</b>
Net Change in Fund Balances	171,223	3,164	56,975	101,479	(758)	332,083
Fund Balances, July 1, 2022 - Restated	1,254,610	176,222	294,547	119,878	257,514	2,102,771
<b>Fund Balances, June 30, 2023</b>	<b>\$ 1,425,833</b>	<b>\$ 179,386</b>	<b>\$ 351,522</b>	<b>\$ 221,357</b>	<b>\$ 256,756</b>	<b>\$ 2,434,854</b>

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

**CITY OF MYRTLE POINT**

**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS**

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

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**Net Changes in Fund Balances - Total Governmental Funds** \$ 332,083

**Amounts reported for governmental activities in the Statement of Activities are different because:**

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 135,511	
Less current year depreciation	<u>(102,692)</u>	
		32,819

Some revenues will not be collected for several months after the City's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue. However, these funds are recorded as revenue in the Statement of Activities.

The changes in amounts deferred are as follows:

Property Taxes and Assessments	(63,352)
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Additions to certain payroll liabilities are reported as an expense in the Statement of Activities. Adjustment for those costs are a result of the change in the accrued amounts from the prior year to the current.

Vacation Payable	(11,998)
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Adjustment for pension and OPEB costs on accrued basis	<u>27,618</u>
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**Change in Net Position of Governmental Activities** **\$ 317,171**

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

**BASIC FINANCIAL**  
**STATEMENTS**

**Proprietary Fund**  
**Financial Statements**

**CITY OF MYRTLE POINT**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS**

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

	Enterprise Funds			Total Proprietary Funds
	Water Utility	Sewer Utility	Ambulance Funds	
<b><u>ASSETS:</u></b>				
Current Assets:				
Cash and Investments	\$ 604,614	\$ 932,561	\$ 387,399	\$ 1,924,574
Accounts Receivables, Net	9,632	-	-	9,632
Inventory	12,572	1,021		13,593
Total Current Assets	626,818	933,582	387,399	1,947,799
Capital Assets:				
Land and Construction In Progress	1,128	8,607	149,428	159,163
Depreciable Assets, Net of Depreciation	1,022,590	11,194,946	488,561	12,706,097
Total Capital Assets	1,023,718	11,203,553	637,989	12,865,260
<b>Total Assets</b>	<b>1,650,536</b>	<b>12,137,135</b>	<b>1,025,388</b>	<b>14,813,059</b>
<b><u>LIABILITIES:</u></b>				
Current Liabilities:				
Interest Payable	-	95,019	-	95,019
Current Portion of Long-Term Obligations:				
Note Payable	-	40,349	-	40,349
Bonds Payable	-	219,013	-	219,013
Total Current Liabilities	-	354,381	-	354,381
Long-Term Liabilities:				
Current Portion of Long-Term Liabilities:				
Note Payable	-	334,103	-	334,103
Bonds Payable	-	9,192,899	-	9,192,899
Total Long-Term Liabilities	-	9,527,002	-	9,527,002
<b>Total Liabilities</b>	<b>-</b>	<b>9,881,383</b>	<b>-</b>	<b>9,881,383</b>
<b><u>NET POSITION:</u></b>				
Net Investment in Capital Assets	1,023,718	1,417,190	637,989	3,078,897
Restricted for:				
Capital Projects	187,249	322,308	68,773	578,330
System Development	13,150	43,700	-	56,850
Unrestricted	426,419	472,556	318,627	1,217,601
<b>Total Net Position</b>	<b>\$ 1,650,536</b>	<b>\$ 2,255,753</b>	<b>\$ 1,025,389</b>	<b>\$ 4,931,678</b>

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

**CITY OF MYRTLE POINT**

**Statement of Revenues,  
Expenses, and Changes in Net Position - MODIFIED CASH BASIS  
PROPRIETARY FUNDS**

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

	<u>Enterprise Funds</u>			<b>Total Proprietary Funds</b>
	<b>Water Utility</b>	<b>Sewer Utility</b>	<b>Ambulance Funds</b>	
<b><u>OPERATING REVENUES:</u></b>				
Charges for Services & Fees	\$ 649,572	\$ 923,413	\$ 758,821	\$ 2,331,806
Grants	28,521	-	-	28,521
Miscellaneous	5,354	1,220	35	6,609
<b>Total Revenues</b>	<b>683,447</b>	<b>924,633</b>	<b>758,856</b>	<b>2,366,936</b>
<b><u>OPERATING EXPENSES:</u></b>				
Personnel Services	352,890	330,776	726,511	1,410,177
Materials and Supplies	209,569	221,594	151,487	582,650
Depreciation Expense	80,696	690,681	107,372	878,749
<b>Total Operating Expenses</b>	<b>643,155</b>	<b>1,243,051</b>	<b>985,370</b>	<b>2,871,576</b>
<b>Income (Loss) from Operations</b>	<b>40,292</b>	<b>(318,418)</b>	<b>(226,514)</b>	<b>(504,640)</b>
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>				
Investment Revenue	20,101	21,882	14,619	56,602
Grant and Contribution Income	-	-	83,322	83,322
Interest Expense	-	(146,612)	-	(146,612)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>20,101</b>	<b>(124,730)</b>	<b>97,941</b>	<b>(6,688)</b>
<b>Income before Transfers</b>	<b>60,393</b>	<b>(443,148)</b>	<b>(128,573)</b>	<b>(511,328)</b>
<b><u>TRANSFERS:</u></b>				
Transfers from Other Funds	80,689	2,746	338,132	421,567
Transfers to Other Funds	-	-	(260,489)	(260,489)
<b>Changes in Net Position</b>	<b>141,082</b>	<b>(440,402)</b>	<b>(50,930)</b>	<b>(350,250)</b>
Net Position, July 1, 2022 - Restated	1,509,454	2,696,155	1,076,319	5,281,928
<b>Net Position, June 30, 2023</b>	<b>\$1,650,536</b>	<b>\$ 2,255,753</b>	<b>\$1,025,389</b>	<b>\$ 4,931,678</b>

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

**CITY OF MYRTLE POINT**

**STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS**

**PROPRIETARY FUNDS**

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

	<u>Enterprise Funds</u>			<u>Total Proprietary Funds</u>
	<u>Water Funds</u>	<u>Sewer Funds</u>	<u>Ambulance Funds</u>	
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>				
Cash Received from User Charges	\$ 683,447	\$ 924,633	\$ 758,856	\$ 2,366,936
Cash Payments for Employee Services	(352,890)	(330,776)	(726,511)	(1,410,177)
Cash Payments to Suppliers	(209,569)	(221,594)	(151,487)	(582,650)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 120,988</b>	<b>\$ 372,263</b>	<b>\$ (119,142)</b>	<b>\$ 374,109</b>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u></b>				
Proceeds from collection of Other Non-Operating Revenue	-	-	83,322	83,322
Acquisition of Capital Assets	(159,516)	(10,295)	(265,273)	(435,084)
Principal Paid on Long Term Debt	-	(255,406)	-	(255,406)
Interest Paid on Long Term Debt	-	(149,578)	-	(149,578)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(159,516)</b>	<b>(415,279)</b>	<b>(181,951)</b>	<b>(756,746)</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>				
Investment Income	20,101	21,882	14,619	56,602
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>20,101</b>	<b>21,882</b>	<b>14,619</b>	<b>56,602</b>
Cash and Cash Equivalents at July 1, 2022	542,355	950,945	596,228	2,089,528
<b>Cash and Cash Equivalents at June 30, 2023</b>	<b>\$ 604,617</b>	<b>\$ 932,557</b>	<b>\$ 387,397</b>	<b>\$1,924,571</b>
<b><u>RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u></b>				
Income (loss) from operations	\$ 40,292	\$ (318,418)	\$ (226,514)	\$ (504,640)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:				
Depreciation	80,696	690,681	107,372	878,749
<b>Net cash provided (used) by operating activities</b>	<b>\$ 120,988</b>	<b>\$ 372,263</b>	<b>\$ (119,142)</b>	<b>\$ 374,109</b>

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

**BASIC FINANCIAL**  
**STATEMENTS**

**Fiduciary**  
**Financial Statements**

**CITY OF MYRTLE POINT**

**STATEMENT OF FIDUCIARY NET POSITION - MODIFIED  
CASH BASIS**

**FIDUCIARY FUND**

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

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	<b><u>Custodial Fund</u></b>
<b><u>ASSETS:</u></b>	
Cash & Investments	\$ 398,181
Total Assets	<u>\$ 398,181</u>
<b><u>NET POSITION:</u></b>	
Restricted for:	
Individuals, Organizations and Other Governments	\$ 398,181
Total Net Position	<u>\$ 398,181</u>

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

**CITY OF MYRTLE POINT**  
**STATEMENT OF CHANGES**  
**IN FIDUCIARY NET POSITION - MODIFIED CASH**  
**BASIS**  
**FIDUCIARY FUND**  
**For the Fiscal Year Ended June 30, 2023**

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	<b>Custodial Fund</b>
<b>ADDITIONS:</b>	
Investment Earnings	\$ 8,888
Total Additions	8,888
<b>DEDUCTIONS:</b>	
Community Development	\$ 10,529
Total Deductions	10,529
Change in Net Position	(1,641)
Beginning Net Position	399,822
<b>Ending Net Position</b>	<b>\$398,181</b>

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

**BASIC FINANCIAL**  
**STATEMENTS**

**Notes to the Basic**  
**Financial Statements**

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The City of Myrtle Point, Oregon (City) is a municipal corporation incorporated under the laws of the State of Oregon. The City is governed by an elected Mayor and an elected council. Administration officials are appointed by the council and are responsible for the day-to-day operations of the City.

The financial statements of the City have been prepared in accordance with Generally Accepted Accounting Principles (GAAP). GAAP Statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following is a summary of the more significant policies of the City:

**Reporting Entity**

In determining the financial reporting entity, the City of Myrtle Point complies with Governmental Accounting Standards Board Statement 14 as amended, "The Financial Reporting Entity." The criteria for including organizations as component units within the City's reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their name); 2) the City holds the corporate powers of the organization; 3) the City appoints a voting majority of the organization's board; 4) the City can impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the City; and 6) there is fiscal dependency by the organization on the City. Based on the aforementioned criteria, the City of Myrtle Point has no component units.

**Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the overall City. Eliminations have been made to minimize the double counting of internal activities. 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. Direct expenses are those that are specifically associated with a program of function and, therefore, are identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the City.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Net position is reported as restricted when constraints placed on net asset use are either externally restricted, imposed by creditors (such as through grantors, contributors, or laws), or through constitutional provisions or enabling resolutions.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT):**

**Basis of Presentation (Cont.)**

*Fund Financial Statements:* The fund financial statements provide information about the city's funds including those of a fiduciary nature, if applicable. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

**Governmental Funds** are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses, and balance of current financial resources. The City reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the City. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other funds are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid by the General Fund.

State Tax Street Fund - This fund accounts for activities related to the construction and maintenance of City streets. Revenues for this fund come primarily from state gasoline taxes and grants.

Library Fund - This fund was established to account for the activities of the City's Library. Revenues are primarily from the LSD contract payments.

Fire Services Fund - This fund accounts for the activities of the City's Fire Department. Revenues are primarily from contract payments received from the rural fire district and transfers from the General Fund.

Additionally, the City also reports non-major funds within the governmental fund type.

Special Revenue Funds - Account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Non-major special revenue funds include the Bicycle Trails/Footpath Fund, the Library Trust Fund, the Fire Truck Reserve Fund, and the Infrastructure Fund.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

**Basis of Presentation (Cont.)**

**Proprietary Funds** are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position, and cash flow. All assets and liabilities are included in the Statement of Net Position. The City has presented the following major proprietary funds:

Water Activity Fund - The Water Activity Fund is used to account for the provision of water services to the residents of the City. Activities of the fund include administration, operations, and maintenance of the water system and billing and collection activities. This fund reflects several budgetary funds related to water services activities.

Sewer Activity Fund - The Sewer Activity Fund is used to account for the provision of sewer services to the residents of the City. Activities of the fund include administration, operations, and maintenance of the sewer system and billing and collection activities. This fund reflects several budgetary funds related to sewer services activities.

Ambulance Fund - This fund is used to account for the costs related to the operation of the City's ambulance service. Activities of the fund include administration, operations, and maintenance of the ambulance and billing and collection activities. This fund reflects two budgetary funds related to ambulance services activities.

Proprietary funds distinguish operating revenues and expenses from non-operating 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. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Fiduciary Funds** are accounted for using the cash basis of accounting. The City has presented the following fiduciary fund:

Private Purpose Trust Fund - The Skip Ohlsen Trust Fund is a Private Purpose Trust Fund used to account for the earnings of the corpus of the trust and the use of those earnings. This fund was reported as a special revenue fund before July 1, 2020.

**Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; the basis of accounting refers to when transactions are recognized in the financial records and reported on the financial statements. The basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The financial statements are reported on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America, but are accepted for governmental financial reporting under Oregon law (ORS 294.333) which leaves the selection of the method of accounting to the discretion of the City. This basis of accounting involves modifications to the cash basis of accounting to report in the Statement of Net Position and Balance Sheet cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred. For the Statement of Net Position, such reported balances include capital assets, payroll liabilities, and long-term liabilities arising from cash transactions. For the Balance Sheet, such reported balances include payroll liabilities arising from cash transactions..

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

As a result of the use of this modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued expenses and liabilities) other economic assets, deferred outflows, liabilities, and deferred inflows of resources that do not arise from a cash transaction or event that would be reported in GAAP basis financial statements are not reported in this modified cash basis presentation, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

#### Budgeting

A budget is prepared for each city fund in accordance with the modified cash basis of accounting and legal requirements outlined in the Oregon local budget law. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personnel services, materials and services, capital outlay, contingencies, and debt service by the fund are the levels of control. The detailed budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories. Appropriations lapse on June 30. Unexpected additional resources may be added to the budget by a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the city council. Original and supplemental budgets may be modified by using appropriations transfers between the levels of control. Such transfers require approval by the city council. The city does not utilize encumbrance accounting for budgeted funds.

#### Cash and Investments

For purposes of the statement of cash flows, cash, and cash equivalents include cash on hand, checking, savings, and money market accounts, and any short-term, highly liquid investments with initial maturity dates of three months or less.

The City has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the City to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The City's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The City's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. The fair value of the LGIP is the same as the City's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State that by law is made the custodian of, or has control of, any fund. LGIP is included in the Oregon Short-Term Fund (OSTF) which was established by the State Treasurer.

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

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

#### Inventory

Inventories are valued at cost, which approximates market value, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. The costs of proprietary fund-type inventories are recorded as expenditures when consumed rather than when purchased.

#### Restricted Assets and Liabilities

Certain resources are set aside and restricted for future payments; these resources are segregated in the statement of net position and are classified as restricted assets on the Statement of Net Position because their use is limited.

#### Long-Term Debt

Under the modified basis of accounting, the City has elected to recognize bonds, notes, capital leases and other long-term payables in the government-wide financial statements as liabilities of the City.

In the governmental fund financial statements, proceeds of long-term debt and acquisitions under capital leases, if any, are reported as other financing sources. Principal and interest payments on long-term debt are recorded as debt service in the expenditure and expense sections of the statements.

In the statement of activities the City only reports interest expense, while payments toward principal are accounted for as a reduction in the related liability and therefore reflected on the statement of net position

#### Capital Assets

Under the modified basis of accounting, the City has elected to report capital assets on the statement of net position

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 and the fund financial statements for proprietary funds. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets that do not significantly extend the useful life of an asset are not capitalized but rather are charged to expenditures in the funds.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method.

The estimated useful lives are as follows:

Buildings and Improvements	10-50 years
Machinery and Equipment	3-20 years
Vehicles	5-10 years
Water and Sewer Systems	20-50 years
Infrastructure	25-35 years

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

#### Use of Estimates

The preparation of financial statements, using the modified cash basis of accounting, only requires management to make estimates and assumptions that affect the reported note disclosure amounts of capital assets, when reported, as well as disclosures of contingent assets and liabilities, if any, at the date of the financial. Actual results could differ from those estimates.

#### Equity Classifications:

##### *Government-wide Statements and Proprietary Fund Financial Statements*

Equity is classified as net position, which represents the difference between assets and liabilities. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The City’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

Equity Classifications (Cont.):

*Governmental Fund Financial Statements*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The City did not have any nonspendable resources at the end of the fiscal year.
- Restricted: This classification includes fund balance amounts that are constrained for specific purposes that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The City has restricted funds for street projects, cultural and recreation projects, capital projects, system developments, and net OPEB assets.
- Committed: This classification includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through a resolution of the highest level of decision-making authority, the City Council, and does not lapse at year-end. The City has committed resources as of the end of the fiscal year.
- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The City's policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):**

**Property Taxes**

The assessment date for the tax year is July 1. Personal and real property taxes are a lien on July 1. Total personal property tax becomes due and is delinquent when any installment is not paid by its due date. Real property tax is due and payable on November 15. However, a taxpayer may pay real property taxes in three equal installments, due on the 15th day of November, February, and May. Real property taxes become delinquent if not paid by May 15.

Under the modified cash basis of accounting, uncollected property taxes are not recorded on the statement of net position.

**Inter-Fund Transactions**

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers in the fund financial statements. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. For the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**Pensions and Other Post Employment Benefits (OPEB)**

Using modified cash basis of accounting, no amounts are reported in the financial statements for net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to pensions or OPEB, and pension and OPEB expense. Information is included in the Notes to the Financial Statements regarding pension and OPEB. For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Oregon Public Employees Retirement Fund (OPERF), the Oregon Public Service Retirement Plan (OPSRP), Oregon Public Service Retirement Plan Retirement Health Plan (RHIA), and additions to/deductions from OPERF's, OPSRP's, and RHIA fiduciary net position have been determined on the same basis as they are reported by PERS. For purposes of measuring the OPEB liabilities deferred outflows of resources and deferred inflows of resources, and OPEB expense related to implicit rate subsidies, information was obtained from actuarial reports provided the City's health insurance provider.

**CASH AND INVESTMENTS:**

For a discussion of deposit and investment policies and other related information, see the Cash and Investments note under the Summary of Significant Accounting Policies.

The City follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized in the Cash and Investments note under the Summary of Significant Accounting Policies.

Investments, including amounts held in pool cash and investments, are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

### CASH AND INVESTMENTS (Cont.):

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of \$250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

*Custodial Credit Risk for Deposits* - Custodial credit risk for deposits exists when, in the event of a depository failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk.

As of June 30, 2023, the reported amount of the City's deposits was \$433,933. The bank balance was \$548,054. In addition, the reported amounts of the Fiduciary deposits were \$398,181. The bank balance of the Fiduciary deposits was \$406,741. Of the bank balances, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer.

Investments - Oregon statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Governmental Investment Pool. The City has no credit risk policy or investment policy that would further limit its investment choices.

*Credit Risk* - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2023, the City's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

As of June 30, 2023, the City's investments in financial institutions are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government		
Investment Pool (LGIP)	\$ 3,941,678	N/A
Total Investments	<u>\$ 3,941,678</u>	

Investments in the LGIP and federal agency notes do not require disclosure of credit rating quality.

*Concentration of Credit Risk* - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a concentration of credit risk. The City places no limit on the amount that may be invested in any one issuer. More than 5 percent of the City's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 100% of the City's total investment.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**CAPITAL ASSETS:**

The following is a summary of governmental capital asset activity for the fiscal year ended June 30, 2023:

**Depreciable Assets Schedule**  
**For the Fiscal Year Ended June 30, 2023**

<b>Governmental Activities</b>	Beginning Balances	Additions	Deletions	Ending Balances
<b>Assets not being depreciated:</b>				
Land	\$ 178,718	\$ -	\$ -	\$ 178,718
Construction in Progress	400	-	-	400
Total assets not being depreciated	179,118	-	-	179,118
<b>Assets being depreciated:</b>				
Land Improvement	364,896	-	-	364,896
Building and Building Improvement	1,369,507	-	-	1,369,507
Machinery and Equipment	2,025,658	135,511	-	2,161,169
Infrastructure	136,002	-	-	136,002
Total Depreciable Assets	3,896,063	135,511	-	4,031,574
<b>Less: Accumulated Depreciation</b>				
Land Improvement	285,042	4,918	-	289,960
Building and Building Improvement	598,724	24,313	-	623,037
Machinery and Equipment	1,784,566	70,923	-	1,855,489
Infrastructure	37,542	2,538	-	40,080
Total Accumulated Depreciation	2,705,874	102,692	-	2,808,565
Net Value of Capital Assets Being Depreciated	1,190,189	32,819	-	1,223,008
Total Governmental Activities -- Net Value of Capital Assets	<u>\$ 1,369,307</u>	<u>\$ 32,819</u>	<u>\$ -</u>	<u>\$ 1,402,126</u>
<b>Depreciation expense was charged to the functions of governmental activities as follows:</b>				
General Government		\$ 40,547		
Public Safety		41,567		
Public Works		10,359		
Culture and Recreation		10,219		
Total Depreciation Expense		<u>\$ 102,692</u>		

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**CAPITAL ASSETS (Cont.):**

The following is a summary of business-type capital asset activity for the fiscal year ended June 30, 2023:

**Depreciable Assets Schedule  
For the Fiscal Year Ended June 30, 2023**

<b>Business-Type Activities</b>	Beginning Balances	Additions	Deletions	Ending Balances
<b>Assets not being depreciated:</b>				
Land	\$ 9,735	\$ -	\$ -	\$ 9,735
Construction in Progress	149,428	-	-	149,428
Total assets not being depreciated	159,163	-	-	159,163
<b>Assets being depreciated:</b>				
Utility Systems	20,168,686	169,810	-	20,338,496
Building and Building Improvement	334,163	-	-	334,163
Machinery and Equipment	2,543,500	265,273	-	2,808,773
Total Depreciable Assets	23,046,349	435,083	-	23,481,432
<b>Less: Accumulated Depreciation</b>				
Utility Systems	7,546,772	736,093	-	8,282,865
Building and Building Improvement	292,163	3,162	-	295,325
Machinery and Equipment	2,057,650	139,494	-	2,197,145
Total Accumulated Depreciation	9,896,585	878,749	-	10,775,335
Net Value of Capital Assets Being Depreciated	13,149,764	(443,666)	-	12,706,097
Total Business-Type Activities -- Net Value of Capital Assets	<u>\$ 13,308,927</u>	<u>\$ (443,666)</u>	<u>\$ -</u>	<u>\$ 12,865,260</u>
Total Net Value of Capital Assets of Primary Government	<u>\$ 14,678,234</u>	<u>\$ (410,847)</u>	<u>\$ -</u>	<u>\$ 14,267,387</u>
<b>Depreciation expense was charged to the functions of business-type activities as follows:</b>				
Water		\$ 80,696		
Sewer		690,681		
Ambulance		107,372		
Total Depreciation Expense		<u>\$ 878,749</u>		

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

### LONG-TERM DEBT:

In the following paragraphs, long-term debt information is presented separately concerning governmental and business-type activities. The table below presents the current year's changes in those obligations and the current portions due for each issue.

#### Business- Type Activities

**Oregon Community Development Note Payable #G01006** - On April 9, 2001, the City entered into a loan agreement with the Oregon Community Development Department (Business Oregon) of \$275,000 for funding for Phase 1 of a sewer collection improvement. The interest rate is fixed at 4.815% per annum.

**Infrastructure Finance Authority Note Payable #Y12001** -On December 22, 2011, the City entered into a loan agreement with the Infrastructure Finance Authority (Business Oregon) to provide financing for a portion of the costs of the Wastewater Facility Construction Project and the View Street Pump Station. The original balance of the loan is \$470,000. The interest rate is fixed at 3.92% per annum.

**USDA Wastewater Revenue Bond No. 1** – On October 13, 2016, the City issued and sold a wastewater revenue bond for \$7,811,000 to the United States Department of Agriculture (USDA) to finance construction costs of a wastewater facility. The principal and interest payment of \$255,186 is due annually on October 13 and thereafter until 2056. The bond interest rate is fixed at 1.375% per annum.

**USDA Wastewater Revenue Bond No. 2** – On October 13, 2016, the City issued and sold a wastewater revenue bond of \$2,854,000 to the United States Department of Agriculture (USDA) to finance construction costs of a wastewater facility. The principal and interest payment of \$93,241 is due annually on October 13 and thereafter until 2056. The bond interest rate is fixed at 1.375% per annum.

## CITY OF MYRTLE POINT

### SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2023

<u>Business-Type Long-Term Debt</u>	Outstanding		Principal	Interest	Outstanding		Due
	Balance	New Issues			Balance	Within	
	July 1, 2022		Paid	Paid	June 30, 2023	One Year	
<b>Bonds Payable:</b>							
USDA Wastewater Revenue Bond No. 1	7,051,475	-	158,228	96,958	6,893,247	63,070	
USDA Wastewater Revenue Bond No. 2	2,576,479	-	57,814	35,427	2,518,665	23,045	
<b>Total Bonds Payable</b>	<u>9,627,954</u>	<u>-</u>	<u>216,042</u>	<u>132,385</u>	<u>9,411,912</u>	<u>86,115</u>	
<b>Notes from Direct Borrowings:</b>							
Oregon Community Development Note Payable #G01006	90,043	-	17,718	4,501	72,325	17,853	
Infrastructure Finance Authority Note Payable #Y12001	323,773	-	21,647	12,692	302,126	22,496	
<b>Total Notes from Direct Borrowings</b>	<u>413,816</u>	<u>-</u>	<u>39,365</u>	<u>17,193</u>	<u>374,451</u>	<u>40,349</u>	
<b>Total Business-Type Long-Term Debt</b>	<u>\$ 10,041,770</u>	<u>\$ -</u>	<u>\$ 255,407</u>	<u>\$ 149,578</u>	<u>\$ 9,786,363</u>	<u>\$ 126,464</u>	
<b>Total Long- Term Debt</b>	<u>\$ 10,041,770</u>	<u>\$ -</u>	<u>\$ 255,407</u>	<u>\$ 149,578</u>	<u>\$ 9,786,363</u>	<u>\$ 126,464</u>	

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### LONG-TERM DEBT: (cont.)

The debt service requirements on the above debt are as follows:

#### **General Obligation and Limited Tax Bonds:**

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 219,013	\$ 130,209	\$ 349,222
2025	222,024	127,209	349,233
2026	225,077	123,350	348,427
2027	228,172	120,255	348,427
2028	231,310	117,117	348,427
2029 - 2033	1,205,140	539,995	1,745,135
2034 - 2038	1,290,303	451,832	1,742,135
2039 - 2043	1,381,485	360,650	1,742,135
2044 - 2048	1,479,110	263,025	1,742,135
2049 - 2053	1,583,634	158,501	1,742,135
2054 - 2058	1,346,645	46,597	1,393,242
2059 - 2063	343,242	4,720	347,961
Total	<u>\$ 9,755,153</u>	<u>\$ 2,443,461</u>	<u>\$ 12,198,614</u>

#### **Notes from Direct Borrowings:**

Due Fiscal Year Ending June 30,	Principal	Interest	Total
2024	\$ 40,349	\$ 15,458	\$ 55,807
2025	41,373	13,684	55,057
2026	42,440	11,867	54,307
2027	43,576	10,008	53,584
2028	26,236	8,103	34,339
2029 - 2033	147,435	24,259	171,694
2034 - 2038	33,044	1,295	34,339
Total	<u>\$ 374,452</u>	<u>\$ 84,675</u>	<u>\$ 459,127</u>

The City has no unused lines of credit.

The City has no assets that are specifically pledged as collateral for any of the debt.

For further detail on debt service, see the 'Schedule of Long-Term Debt Transactions' in the Other Supplementary Data section of this report.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN:**

The City of Myrtle Point offers various retirement plans to qualified employees as described below.

Name of Pension Plan

The City of Myrtle Point participates with other state agencies in the Oregon Public Employees Retirement System (OPERS) which is a cost-sharing multiple-employer defined benefit pension plan.

Description of Benefit Terms

*Plan Benefits*

OPERS is administered in accordance with Oregon Revised Statutes (ORS) Chapter 238, Chapter 238A, and Internal Revenue Code Section 401(a). The Oregon Legislature has delegated authority to the Public Employees Retirement Board (PERS Board) to administer and manage the System.

**1. Tier One/Tier Two Retirement Benefit (Chapter 238).** OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan portion of OPERS is closed to new members hired on or after August 29, 2003.

*Pension Benefits*

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

Police and Fire members may purchase increased benefits that are payable between the date of retirement and age 65.

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

During the 2019 Legislative session, Senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

1. Employer Programs Project (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.
2. Salary Limit Project: A new limitation on subject final average salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods was added, (\$210,582 as of January 1, 2022). This amount is indexed annually to the Consumer Price Index (CPI).

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### PENSION PLAN (Cont.):

3. Work After Retirement Project (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.
4. Member Redirect Project (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning \$3,333/month in House Bill 2906 as of June 2021), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." The Employee Pension Stability Account will be used to pay for part of the member's future pension benefit.
  - Tier One/Tier Two members: 2.5 percent of each member's IAP contribution amount, currently contributed to the IAP, (whether paid by the member or employer) will start going into an Employee Pension Stability Account (EPSA). The remainder will continue to go to the member's existing IAP account.
  - Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full, 6 percent contribution to the IAP.
5. Member Choice Project (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.
6. Additionally, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier 1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019, rate-setting valuation, the entire unamortized Tier 1/Tier 2 UAL for each rate pool and independent employer will be re-amortized over a 22-year period as a level percentage of projected future payroll.

### *Death Benefits*

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

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

### *Disability Benefits*

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including OPERS judge members) for disability benefits regardless of the length of OPERS-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.

### *Benefit Changes After Retirement*

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN (Cont.):**

**2. OPSRP Defined Benefit Pension Program (OPSRP DB).** The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

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

During the 2019 Legislative session, Senate Bill 1049 was approved and signed into law by the governor. Under Senate Bill 1049, several components of the bill have significantly impacted the System, and the bill continues to be implemented.

1. Employer Programs Project (effective July 1, 2019): established the Employer Incentive Fund (EIF) Program, which allows eligible employers to receive matching funds if they apply and make a qualifying deposit into a side account.
2. Salary Limit Project: A new limitation on subject final average salary used for PERS benefit calculations and contributions is used to determine member IAP contributions, employer contributions to fund the pension program, and the Final Average Salary (FAS) used in calculating retirement benefits under formula methods was added (\$210,582 as of January 1, 2022). This amount will be indexed annually to the Consumer Price Index (CPI).
3. Work After Retirement Project (effective January 1, 2020): The 1,039-hour Work After Retirement limit for all PERS retirees is removed for calendar years 2020 through 2024. If a member retires on or after normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations. If a member retires earlier than normal retirement age, starting in 2020, they can work for a PERS-covered employer and continue receiving their pension benefit (without accruing any new benefits) with no hour limitations if the date of their employment is more than six months after their retirement date.
4. Member Redirect Project (effective July 1, 2020): For all currently employed Tier One/Tier Two and OPSRP members earning \$3,333/month in House Bill 2906 as of June 2021), a portion of their 6 percent monthly IAP contributions will be redirected to an "Employee Pension Stability Account." The Employee Pension Stability Account will be used to pay for part of the member's future pension benefit.
  - OPSRP members: 0.75 percent of each member's salary, currently contributed to the IAP, (whether paid by the member or employer) will start going into their EPSA. The remaining 5.25 percent of salary will continue to go to the member's existing IAP account.
  - Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full, 6 percent contribution to the IAP.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN (Cont.):**

5. Member Choice Project (effective January 1, 2021): IAP accounts are currently invested in Target-Date Funds based on a member's birth year. Beginning in 2021, members may choose to invest their IAP balance in a fund that is more reflective of their risk tolerance than the default based on their age.

*Death Benefits*

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

*Disability Benefits*

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

**3. Individual Account Program (IAP).**

*Benefit Terms*

The IAP is an individual account-based program under the PERS tax-qualified governmental plan as defined under ORS 238A.400.

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 Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option.

*Death Benefits*

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

*Recordkeeping*

OPERS contracts with VOYA Financial to maintain IAP participant records.

**4. Postemployment Healthcare Benefits.**

ORS 238.420 established the Retirement Health Insurance Account (RHIA) and authorizes a payment of up to \$60 from RHIA toward the monthly cost of health insurance for eligible PERS members. RHIA is a cost-sharing, multiple-employer OPEB plan for 898 participating employers. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium costs, the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN (Cont.):**

Description of Funding and Contributions for PERS Benefit Plans

OPERS' funding policy provides for periodic member and employer contributions at rates established by the Public Employees Retirement Board, subject to limits set in statute. Contributions for employers are recognized on the accrual basis of accounting. Employer contributions to OPERS are calculated based on creditable compensation for active members reported by employers. The rates established for member and employer contributions were approved based on the recommendations of the System's third-party actuary. The contribution rate for every employer has at least two major components; Normal Cost Rate and Unfunded Actuarial Liability (UAL) Rate.

The City's employer contributions for the year ended June 30, 2023 were \$260,638 excluding amounts to fund employer specific liabilities.

The contribution rates in effect for the period July 1, 2021 to June 30, 2023 were: Tier1/Tier2 – 19.42%, OPSRP General Service – 13.00%, and OPSRP Fire and Police – 17.36%.

*Member Contributions*

Beginning January 1, 2004, all member contributions, except for contributions by judge members, were placed in the OPSRP Individual Account Program (IAP). Prior to that date, all member contributions were credited to the Defined Benefit Pension Plan. Member contributions are set by statute at 6.0 salary and are remitted by participating employers. The contributions are either deducted from member salaries or paid by the employers on the members' behalf.

During FY 2022-2023, approximately \$93,482 in employee IAP contributions were paid or picked up by the City.

*Employer Contributions*

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and OPEB (Other Post Employment Benefit) Plans. Employer contribution rates during the period were based on the December 31, 2019, actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivisions have made supplemental unfunded actuarial liability payments, and their rates have been reduced. Effective January 1, 2020, Senate Bill 1049 required employers to pay contributions on re-employed PERS retirees' salary as if they were an active member, excluding IAP (6%) contributions. Re-employed retirees do not accrue additional benefits while they work after retirement.

For **Oregon PERS Defined Benefit Plans**, Effective July 1, 2021, the contribution rate for State Agencies was 20.36%, the State and Local Government Rate Pool 28.08%, Schools 27.54%, Cities 28.64% and Judiciary 24.56% of PERS-covered salaries.

For **Oregon PERS OPSRP Benefit Plans**, all OPERS employers with OPSRP Pension Program members are actuarially pooled and share the same contribution rate. Each of these rates includes a component related to disability benefits for General Service and Police and Fire members.

Members of OPSRP are required to contribute 6.0% of their salary covered under the plan which is invested in the IAP. For employees in Tier One / Tier two, the Employer makes this contribution on behalf of its members.

For **Oregon PERS Postemployment Benefit Plans**, for the fiscal year ended June 30, 2023, PERS employers contributed 5.0% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. No UAL rate was assigned for the RHIA program as it was funded at over 100% as of December 31, 2019. These rates were based on the December 31, 2019, actuarial valuation.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN (Cont.):**

Employer contributions are advance-funded on an actuarially determined basis. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs.

ORS 238.415 established the Retiree Health Insurance Premium Account (RHIPA) and requires the Board on or before January 1 of each year to calculate the average difference between the health insurance premiums paid by retired state employees under contracts entered by the Board and health insurance premiums paid by active state employees.

For **OPSRP Pension Program**, all OPERS employers with OPSRP Pension Program members are actuarially pooled and share the same contribution rate. Each of these rates includes a component related to disability benefits for General Service and Police and Fire members.

**Pension Plan CAFR /ACFR**

Oregon PERS produces an independently audited ACFR which can be found at:  
[2022-Annual-Comprehensive-Financial-Report.pdf \(oregon.gov\)](#)

**Actuarial Valuations**

The employer contribution rates effective July 1, 2021, through June 30, 2023, were set using the Entry Age Normal actuarial cost method.

For the Tier One/Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years by ongoing Board policy. However, upon passage of Senate Bill 1049, the Legislature directed the PERS Board to enact a one-time re-amortization of Tier 1/Tier 2 UAL over 22 years. This means that, effective with the December 31, 2019 rate-setting valuation, the entire unamortized Tier 1/Tier 2 UAL for each rate pool and independent employer will be re-amortized over a 22 year period as a level percentage of projected future payroll.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution 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 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.

For the Postemployment Healthcare component, the RHIA plan fiduciary net position balance represents the program's accumulation of employer contributions and investment earnings less premium subsidies and administrative expenses. No UAL rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2019. Typically, PERS employers contribute an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years.

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**PENSION PLAN (Cont.):**

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

<b>Actuarial Methods and Assumptions Used in Developing Total Pension Liability:</b>	
Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 24, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service.
Mortality	<p><b>Healthy retirees and beneficiaries:</b>  Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active members:</b>  Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b>  Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2020 Experience Study which reviewed experience for the four-year period ending on December 31, 2020.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.90 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from 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.

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

### PENSION PLAN (Cont.):

#### *Depletion Date Projection*

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

#### *OIC Target and Actual Investment Allocation as of June 30, 2022*

<u>Asset Class/Strategy</u>	<u>OIC Policy Range</u>	<u>OIC Target Allocation</u>	<u>Asset Class/Strategy</u>	<u>Actual Allocation<sup>2</sup></u>
Debt Securities	15.0% - 25.0%	20.0%	Debt Securities	19.8%
Public Equity	25.0% - 35.0%	30.0%	Public Equity	21.2%
Real Estate	7.5% - 17.5%	12.5%	Real estate	13.6%
Private Equity	15.0% - 27.5%	20.0%	Private Equity	28.0%
Risk Parity	0.0% - 3.5%	2.5%	Risk Parity	2.0%
Real Assets	2.5% - 10.0%	7.5%	Real Assets	7.9%
Diversifying Strategies	2.5% - 10.0%	7.5%	Diversifying Strategies	4.9%
Opportunity Portfolio <sup>1</sup>	0.0% - 5.0%	0.0%	Opportunity Portfolio	2.6%
Total		<u>100%</u>	Total	<u>100%</u>

<sup>1</sup>Opportunity Portfolio is an investment strategy and it may be invested up to 5% of total plan net position.

<sup>2</sup>Based on the actual investment value at 6/30/2022.

<sup>3</sup>In October 2021 the Alternatives Portfolio was split into Real Assets and Diversifying Strategies.

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

### PENSION PLAN (Cont.):

#### *Long-Term Expected Rate of Return*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the Oregon PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. 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.

<u>Long Term Expected Rate of Return<sup>1</sup></u>	Target	Annual	20-Year	Annual
<u>Asset Class</u>	Allocation	Arithmetic	Annualized	Standard
		Return <sup>2</sup>	Geometric Mean	Deviation
Global Equity	30.62%	7.11%	5.85%	17.05%
Private Equity	25.50%	11.35%	7.71%	30.00%
Core Fixed Income	23.75%	2.80%	2.73%	3.85%
Real Estate	12.25%	6.29%	5.66%	12.00%
Master Limited Partnerships	0.75%	7.65%	5.71%	21.30%
Infrastructure	1.50%	7.24%	6.26%	15.00%
Commodities	0.63%	4.68%	3.10%	18.85%
Hedge Fund of Funds - Multistrategy	1.25%	5.42%	5.11%	8.45%
Hedge Fund Equity - Hedge	0.63%	5.85%	5.31%	11.05%
Hedge Fund - Macro	5.62%	5.33%	5.06%	7.90%
US Cash <sup>3</sup>	-2.50%	1.77%	1.76%	1.20%
<b>Assumed Inflation - Mean</b>			<b>2.40%</b>	<b>1.65%</b>

<sup>1</sup>Based on the Oregon Investment Council's (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund as most recently revised on June 2, 2021.

<sup>2</sup>The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

<sup>3</sup>Negative allocation to cash represents leveraged exposure from allocation to Risk Parity strategy.

#### Sensitivity Analysis

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

	1% Decrease	Discount Rate	1% Increase
	5.90%	6.90%	7.90%
Employer's proportionate share of the net pension liability	\$ 3,746,376	\$ 2,112,522	\$ 745,063

#### Changes Since Last Valuation

A summary of key changes implemented after the December 31, 2020 valuation, which was used in the 2022 PERS ACFR. Changes are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2020 Experience Study for the System, which was published on July 20, 2021, which can be found at: [2020-Experience-Study.pdf \(oregon.gov\)](#)

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**PENSION PLAN (Cont.):**

Changes in Actuarial Methods and Allocation Procedures

There were no changes in actuarial methods and allocation procedures since the December 31,2020 actuarial valuation.

Changes in Assumptions

The changes in assumptions since the December 31,2020 actuarial valuation, were limited to non-annuitant Police and Fire Mortality, as shown below.

Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown below:

Assumption	Recommended December 31, 2020 and 2021 Valuations	Recommended December 31, 2022 and 2023 Valuations
<b>Healthy Annuitant Mortality</b>	<b>Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>	<b>Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>
School District male	Blend 80% Teachers and 20% General Employees, no set back	No change
Other General Service male (and male beneficiary)	General Employees, set back 12 months	No change
Police & Fire male	Public Safety, no set back	No change
School District female	Teachers, no set back	No change
Other female (and female beneficiary)	General Employees, no set back	No change
Police & Fire female	Public Safety, set back 12 months	No change
<b>Disabled Retiree Mortality</b>	<b>Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>	<b>Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>
Police & Fire male	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service male	Non-Safety, set forward 24 months	No change
Police & Fire female	Blended 50% Public Safety, 50% Non-Safety, no set back	No change
Other General Service female	Non-Safety, set forward 12 months	No change
<b>Non-Annuitant Mortality</b>	<b>Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>	<b>Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale</b>
School District male	125% of same table and set back as Non-Disabled Annuitant assumption	No change
Other General Service male	115% of same table and set back as Non-Disabled Annuitant assumption	No change
Police & Fire male	100% of same table and set back as Non-Disabled Annuitant assumption	125% of same table and set back as Non-Disabled Annuitant assumption
School District female	100% of same table and set back as Non-Disabled Annuitant assumption	No change
Other General Service female	125% of same table and set back as Non-Disabled Annuitant assumption	No change
Police & Fire female	100% of same table and set back as Non-Disabled Annuitant assumption	No change

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**PENSION PLAN (Cont.):**

Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date, that we are aware of.

*Deferred Items*

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2022, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.

Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

Beginning with fiscal year 2016, OPERS will be able to report cash contributions and UAL side account amortization by employer and will publish this information on the OPERS Website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2022 Oregon PERS ACFR. [2022-Annual-Comprehensive-Financial-Report.pdf \(oregon.gov\)](#).

*Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions*

Under the modified cash basis of accounting, pension related liabilities and deferred outflows and inflows are not recorded in the financial statements. Had the City used the accrual basis of accounting they would have reported liability of \$2,112,522 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2022, the employer's proportion was 0.01379651%. For the year ended June 30, 2023, the City recognized pension expense of \$261,451 on the modified cash basis of accounting.

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**PENSION PLAN (Cont.):**

At June 30, 2022, the employer's proportion was 0.01379651%.

For the year ended June 30, 2022, the employer recognized pension expense of \$261,451. On June 30, 2022, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 102,546	\$ 13,174
Changes of assumptions	331,466	3,028
Net difference between projected and actual earnings on investments	-	377,678
Changes in proportionate share	485,217	222,067
Differences between employer contributions and employer's proportionate share of system contributions	-	332,413
Total Deferred Outflows/Inflows	<u>\$ 919,229</u>	<u>\$ 948,360</u>
Post-measurement date contributions	260,638	N/A
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 1,179,867</u>	<u>\$ 948,360</u>
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		<u>\$ (29,131)</u>

Contributions of \$260,638, for PERS defined benefits, were made subsequent to the measurement date, but prior to the end of the City's reporting period. These contributions, which are reported as deferred outflows of resources related to pensions, will be included as a reduction of the net pension liability in next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

<u>Employer subsequent fiscal years</u>	<u>Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)</u>
1st Fiscal Year	\$ (1,576)
2nd Fiscal Year	(27,273)
3rd Fiscal Year	(182,513)
4th Fiscal Year	171,363
5th Fiscal Year	10,868
Thereafter	-
Total	<u>\$ (29,131)</u>

**CITY OF MYRTLE POINT**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:**

Plan Description

***Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA)***

The City contributes to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible OPERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

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.

Employer contributions are advance-funded on an actuarially determined basis. There is no inflation assumption for RHIA postemployment benefits because the payment amount is set by statute and is not adjusted for increases in healthcare costs.

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the OPERS web site at [2022-Annual-Comprehensive-Financial-Report.pdf \(oregon.gov\)](#).

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB. For the fiscal year ended June 30, 2022, PERS employers contributed 0.05% of PERS-covered salaries for Tier One and Tier Two members to fund the normal cost portion of RHIA benefits. No unfunded actuarial liability (UAL) rate was assigned for the RHIA program as it was funded over 100% as of December 31, 2019. Typically, PERS employers contribute an actuarially determined percent of all PERS-covered salaries to amortize the unfunded actuarial accrued liability over a fixed period with new unfunded actuarial accrued liabilities being amortized over 10 years. These rates were based on the December 31, 2019, actuarial valuation.

Contributions

The City's contributions to OPERS' RHIA for the years ended June 30, 2023, 2022, and 2021 were \$13, \$133, and \$192.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2021. That independently audited report was dated February 25, 2022 and can be found at:

<https://sos.oregon.gov/audits/Documents/2022-09.pdf>

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:**

Actuarial Methods and Assumptions - OPEB Plans - RHIA	
	<b>RHIA</b>
Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 20, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.40 percent
Long-term expected rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increases	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5% Disabled retirees: 15%
Healthcare cost trend rate	Not applicable
Mortality	<p><b>Healthy retirees and beneficiaries:</b> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Active members:</b> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><b>Disabled retirees:</b> Pub-2010 Disable Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2020 Experience Study which is reviewed for the four-year period ending December 31, 2022.

**Discount Rate**

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

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:**

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Table 31 on page 74 shows Milliman’s assumptions for each of the asset classes in which the plans were 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 on page 74. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan’s portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the PERS’ audited financial statements at:

<https://sos.oregon.gov/audits/Documents/2022-09.pdf>

Sensitivity Analysis

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

	1% Decrease 5.90%	Discount Rate 6.90%	1% Increase 7.90%
Employer's proportionate share of the net OPEB liability	\$ (17,225)	\$ (19,111)	\$ (20,729)

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2023, the City reported a net OPEB RHIA liability/(asset) of \$(19,111) for its proportionate share of the net OPEB RHIA liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2022, and the total OPEB RHIA liability/(asset) used to calculate the net OPEB RHIA liability/(asset) was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), The City’s proportion of the net OPEB RHIA liability/(asset) is determined by comparing the employer’s actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2022, the City’s proportion was 0.00537843 percent. OPEB RHIA expense/(income) recorded for the year ended June 30, 2023 was \$2,500.

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

**OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:**

At June 30, 2023, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 518
Changes of assumptions	150	637
Net difference between projected and actual earnings on investments	-	1,457
Changes in proportionate share	<u>4,981</u>	-
Total Deferred Outflows/Inflows	\$ 5,131	\$ 2,612
Post-measurement date contributions	13	N/A
Total Deferred Outflow/(Inflow) of Resources	<u>\$ 5,144</u>	<u>\$ 2,612</u>
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		<u>\$ 2,519</u>

Contributions of \$13 were made subsequent to the measurement date, but prior to the end of the City’s reporting period. These contributions, which are reported as deferred outflows of resources related to OPEB, will be included as a reduction of the net OPEB liability in the next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Employer subsequent fiscal years</u>	<u>Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)</u>
1st Fiscal Year	\$ 2,937
2nd Fiscal Year	34
3rd Fiscal Year	(920)
4th Fiscal Year	468
5th Fiscal Year	-
Thereafter	-
Total	<u>\$ 2,519</u>

**Changes Subsequent to the Measurement Date**

We are not aware of any changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

As a result of the use of the modified cash basis of accounting in this report the amount of net OPEB liability (asset) for RHIA will not be reported on the Statement of Net Position.

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### **OTHER POST-EMPLOYMENT BENEFITS (OPEB) CIS (IRSP):**

#### *Retiree Healthcare Insurance Premiums Subsidy*

##### Plan Description

The City operates a single employer retiree benefit plan through the Citycounty Insurance Services that provides post-employment health, dental vision and life insurance benefits to eligible employees and their spouses. The City is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the Employer. The implicit employer subsidy is measured as the expected health care cost per retiree and dependent, less the gross premiums charged by the insurance carrier for that coverage. The subsidy is only measured for retirees and spouses younger than age 65, at which point such retirees and spouses typically become eligible for Medicare. GASB Statement 75 is applicable to the City due only to this implicit rate subsidy. This “plan” is not a stand-alone plan, and therefore, does not issue its own financial statements.

##### Funding Policy

When the City has retirees participating in their health insurance plan, it will, when applicable, collect insurance premiums from all retirees each month and deposit them. The City will then pay healthcare insurance premiums for all retirees at the applicable rate for each family classification.

No current actuarial report was obtained for the current year by the city. The city’s most recent actuarial report compiled by Milliman Actuarial Services was completed on September 6, 2019. This actuarial report included a valuation of the Post Employment Implicit Retirement Subsidy Program based upon a July 1, 2018 valuation date.

This most recent actuarial report estimated OPEB IRSP liability/(asset) of \$111,578 for its proportionate share of the net OPEB IRSP liability/(asset) as of June 30, 2020. The OPEB IRSP liability/(asset) was measured as of June 30, 2019, and the total OPEB IRSP liability/(asset) used to calculate the net OPEB IRSP liability/(asset) was determined by an actuarial valuation as of July 1, 2018. Consistent with GASB Statement No. 75, paragraph 59(a), The City’s proportion of the net OPEB IRSP liability/(asset) is determined by comparing the employer’s actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of this most recent measurement date of June 30, 2019, the City’s estimated OPEB IRSP expense/(income) for the year ended June 30, 2020 was \$8,642.

As a result of the use of the modified cash basis of accounting in this report, the amount of the net OPEB IRSP liability (asset) for CIS IRSP will not be reported on the Statement of Net Position.

# CITY OF MYRTLE POINT

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2023

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### CONTINGENT LIABILITIES:

Amounts received or receivable from grantor agencies are subject to review and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the City expects such amount, if any, to be immaterial.

The City of Myrtle Point has elected the "reimbursement" basis for unemployment claims to the State of Oregon Department of Human Resources Employment Division. If a terminated employee collects unemployment compensation based on earnings from the City, the City will be required to reimburse the State of Oregon for unemployment compensation paid. Amounts billed by the State of Oregon are charged to expenditures but amounts for which the City is potentially liable as a result of claims not yet filed are unknown.

### RISK MANAGEMENT:

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of City-County Insurance Services (CIS), a public entity risk pool currently operating a common risk management and insurance program. The City pays an annual premium to CIS for insurance coverage.

Based on the experience of the City and pool, the City may be liable for an additional premium of up to approximately 20% of its initial premium or it may receive a refund. The City has never had to pay an additional premium. Predetermined limits and deductible amounts are stated in the policy. There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.

### INTERFUND TRANSFERS:

Interfund transfers for the year ended June 30, 2023, were as follows:

<u>Fund</u>	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 369,368	\$ -
Fire Services Fund	-	192,206
Infrastructure Fund	-	10,000
Bicycle Trails / Footpaths Fund	-	5,000
State Tax Street Fund	-	1,084
Water Fund	-	80,689
Ambulance Fund	-	27,643
Sewer Fund	-	2,746
Ambulance Reserve Fund	-	50,000
Total	<u>\$ 369,368</u>	<u>\$ 369,368</u>

The City makes various interfund transfers to move resources between funds to provide resources for expenditures that are not supported by other revenues. The transfers are part of the City's budget preparation and adoption.

**CITY OF MYRTLE POINT**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

June 30, 2023

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**OVER-EXPENDITURES OF APPROPRIATIONS:**

The following Funds reported expenditures over budgetary appropriations:

<u>Fund / Category</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Overage</u>
General Fund   General Services/Capital Outlay	25,000	139,656	114,656
Water Fund   Capital Outlay	104,000	167,536	63,536

**RESTATEMENT OF BEGINNING FUND BALANCE AND BEGINNING NET POSITION:**

Beginning with the fiscal year ending June 30, 2023, the City has elected to report using the modified cash basis of accounting. The beginning net position and beginning fund balance as reported on the statement of activities and statement of revenues, expenditures, and changes in fund balances have been restated to account for the difference between the ending net position (full accrual) and ending fund balance (modified accrual) and beginning net position (modified cash) and beginning fund balance (modified cash).

**SUPPLEMENTARY**  
**INFORMATION**

**CITY OF MYRTLE POINT**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**  
**GENERAL FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Over (Under)
<b>REVENUES:</b>				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,128,591	\$ 128,591
Intergovernmental	92,500	92,500	126,349	33,849
Franchise Taxes	109,600	109,600	168,007	58,407
Licenses, Permits and Fees	21,050	21,050	24,028	2,978
Fines and Forfeitures	6,000	6,000	6,987	987
Rents	2,501	2,501	1	(2,500)
Investment Revenue	3,000	3,000	41,661	38,661
Grants	261,611	336,611	518,796	182,185
Other Revenue	3,500	3,500	14,539	11,039
<b>Total Revenues</b>	<b>1,499,762</b>	<b>1,574,762</b>	<b>2,028,959</b>	<b>454,197</b>
<b>EXPENDITURES:</b>				
City Council:				
Materials and Services	5,700	5,700	3,985	(1,715)
Total City Council	5,700	5,700	3,985	(1,715)
Administration/Finance:				
Personnel Services	124,704	125,034	110,292	(14,742)
Materials and Services	9,150	9,150	4,210	(4,940)
Total Administration/Finance	133,854	134,184	114,502	(19,682)
Police Department:				
Personnel Services	865,256	870,184	699,005	(171,179)
Materials and Services	147,690	147,690	127,036	(20,654)
Capital Outlay	15,000	15,000	6,490	(8,510)
Total Police Department	1,027,946	1,032,874	832,531	(200,343)
Municipal Court:				
Personnel Services	5,831	5,831	5,187	(644)
Materials and Services	1,950	1,950	218	(1,732)
Total Municipal Court	7,781	7,781	5,405	(2,376)
Public Works:				
Personnel Services	110,817	111,411	72,193	(39,218)
Materials and Services	52,018	58,518	53,193	(5,325)
Capital Outlay	53,400	46,900	34,554	(12,346)
Total Parks	216,235	216,829	159,940	(56,889)
Parks & Recreation:				
Personnel Services	11,236	11,236	10,154	(1,082)
Materials and Services	14,260	14,260	12,616	(1,644)
Capital Outlay	15,000	113,896	113,895	(1)
Total Parks & Recreation	40,496	139,392	136,665	(2,727)
Planning Services:				
Personnel Services	7,346	7,346	6,478	(868)
Materials and Services	11,575	11,575	362	(11,213)
Total Planning Services	18,921	18,921	6,840	(12,081)
General Services:				
Materials and Services	156,815	536,939	88,844	(448,095)
Capital Outlay	25,000	25,000	139,656	114,656
Total General Services	181,815	561,939	228,500	(333,439)
Not Allocated to Organizational Unit or Program:				
Operating Contingency	624,598	121,533	-	(121,533)
<b>Total Expenditures</b>	<b>2,257,346</b>	<b>2,239,153</b>	<b>1,488,368</b>	<b>(750,785)</b>
Excess (Deficiency) of Revenues Over Expenditures	(757,584)	(664,391)	540,591	1,204,982
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfer (Out)	(276,175)	(369,368)	(369,368)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(276,175)</b>	<b>(369,368)</b>	<b>(369,368)</b>	<b>-</b>
Net Change in Fund Balance	(1,033,759)	(1,033,759)	171,223	1,204,982
Fund Balance - July 1, 2022 - Restated	1,033,759	1,033,759	1,254,610	220,851
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,425,833</b>	<b>\$ 1,425,833</b>

**Reconciliation to Generally Accepted Accounting Principles:**

Net change in fund balance from above	171,223
Net Change in Fund Balance, GAAP Basis	<b>\$ 171,223</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### STATE TAX STREETS FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 400	\$ 400	\$ 5,151	\$ 4,751
Gasoline Taxes	150,000	150,000	188,853	38,853
Miscellaneous Revenue	200	200	555	355
<b>Total Revenues</b>	<b>150,600</b>	<b>150,600</b>	<b>194,559</b>	<b>43,959</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	113,815	114,899	85,660	(29,239)
Materials and Services	82,150	332,150	89,036	(243,114)
Capital Outlay	30,000	30,000	17,783	(12,217)
Contingency	56,755	56,755	-	(56,755)
<b>Total Expenditures</b>	<b>282,720</b>	<b>533,804</b>	<b>192,479</b>	<b>(341,325)</b>
Excess (Deficiency) of Revenues Over Expenditures	(132,120)	(383,204)	2,080	385,284
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Operating Transfer In	-	251,084	1,084	(250,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>251,084</b>	<b>1,084</b>	<b>(250,000)</b>
Net Change In Fund Balance	(132,120)	(132,120)	3,164	135,284
Fund Balance - July 1, 2022	132,120	132,120	176,222	44,102
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 179,386</b>	<b>\$ 179,386</b>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**LIBRARY FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 500	\$ 500	\$ 9,705	\$ 9,205
LSD Contract, Current year	250,000	250,000	266,517	16,517
LSD Contract, Prior years	9,000	9,000	23,209	14,209
Grants	2,000	2,000	4,745	2,745
Miscellaneous Revenue	1,150	1,150	2,232	1,082
<b>Total Revenues</b>	<b>262,650</b>	<b>262,650</b>	<b>306,408</b>	<b>43,758</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	259,492	259,492	190,178	(69,314)
Materials and Services	71,400	71,400	59,255	(12,145)
Contingency	156,945	156,945	-	(156,945)
<b>Total Expenditures</b>	<b>487,837</b>	<b>487,837</b>	<b>249,433</b>	<b>(238,404)</b>
Net Change In Fund Balance	(225,187)	(225,187)	56,975	282,162
Fund Balance - July 1, 2022 - Restated	225,187	225,187	294,547	69,360
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 351,522</b>	<b>\$ 351,522</b>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**FIRE SERVICES FUND**

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Rural Fire District Contract	\$ 84,955	\$ 84,955	\$ 85,750	\$ 795
Contracted Services	13,900	13,900	24,304	10,404
Investment Revenue	100	100	4,246	4,146
Grants	-	-	72,000	72,000
Miscellaneous Revenue	100	100	-	(100)
<b>Total Revenues</b>	<b>99,055</b>	<b>99,055</b>	<b>186,300</b>	<b>87,245</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	263,575	264,606	221,273	(43,333)
Materials and Services	55,861	55,861	55,754	(107)
Capital Outlay	95,301	95,301	-	(95,301)
<b>Total Expenditures</b>	<b>414,737</b>	<b>415,768</b>	<b>277,027</b>	<b>(138,741)</b>
Excess (Deficiency) of Revenues Over Expenditures	(315,682)	(316,713)	(90,727)	225,986
<b><u>OTHER FINANCING SOURCES / (USES):</u></b>				
Operating Transfer In	191,175	192,206	192,206	-
<b>Total Other Financing Sources/(Uses)</b>	<b>191,175</b>	<b>192,206</b>	<b>192,206</b>	<b>-</b>
Net Change in Fund Balance	(124,507)	(124,507)	101,479	225,986
Fund Balance - July 1, 2022 - Restated	124,507	124,507	119,878	(4,629)
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,357</b>	<b>\$ 221,357</b>

**CITY OF MYRTLE POINT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY**

**PERS**

**Last 10 Fiscal Years\***

Measurement Date June 30,	Measurement Date	(a) Employer's proportion of the net pension liability (asset)	(b) Employer's proportionate share of the net pension liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	June 30, 2022	0.01379651%	\$ 2,112,522	\$ 1,515,935	139.35%	84.5%
2022	June 30, 2021	0.01157323%	1,384,908	1,479,512	93.61%	87.6%
2021	June 30, 2020	0.01333471%	2,910,092	1,210,050	240.49%	75.8%
2020	June 30, 2019	0.01046067%	1,809,445	1,450,281	124.77%	80.2%
2019	June 30, 2018	0.01143552%	1,732,331	1,457,503	118.86%	82.1%
2018	June 30, 2017	0.01274900%	1,718,570	1,167,773	147.17%	83.1%
2017	June 30, 2016	0.01337302%	2,007,601	1,198,596	167.50%	80.5%
2016	June 30, 2015	0.01226915%	704,429	1,226,708	57.42%	91.4%
2015	June 30, 2014	0.01230000%	(197,030)	1,281,865	-15.37%	103.6%
2014	June 30, 2013	0.00870000%	443,582	1,244,459	35.64%	92.0%

<sup>1</sup>Measurement date is one year in arrears.

**CITY OF MYRTLE POINT**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**PERS**  
**Last 10 Fiscal Years \***

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered payroll
2023	\$ 260,638	\$ 260,638	\$ -	\$ 1,515,935	17.19%
2022	253,203	253,203	-	1,479,512	17.11%
2021	209,324	209,324	-	1,210,050	17.30%
2020	187,656	187,656	-	1,450,281	12.94%
2019	152,406	152,406	-	1,457,503	10.46%
2018	136,990	136,990	-	1,167,773	11.73%
2017	94,826	94,826	-	1,198,596	7.91%
2016	95,808	95,808	-	1,226,708	7.81%
2015	47,974	47,974	-	1,281,865	3.74%
2014	46,756	46,756	-	1,244,459	3.76%

**CITY OF MYRTLE POINT**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE**  
**NET OPEB LIABILITY**  
**OPEB RHIA**  
**Last 10 Fiscal Years\***

Fiscal Year Ended June 30,	Measurement Date	(a) Employer's proportion of the net OPEB liability (asset)	(b) Employer's proportionate share of the net OPEB liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2023	June 30, 2022	0.00537843%	\$ (19,111)	\$ 1,515,935	-1.26%	194.6%
2022	June 30, 2021	0.00719252%	(24,699)	1,479,512	-1.67%	183.9%
2021	June 30, 2020	0.01158452%	(23,605)	1,210,050	-1.95%	150.1%
2020	June 30, 2019	0.01228832%	(23,745)	1,450,281	-1.64%	144.4%
2019	June 30, 2018	0.01270176%	(24,699)	1,457,503	-1.69%	124.0%
2018	June 30, 2017	0.01153675%	(4,815)	1,167,773	-0.41%	108.9%
2017	June 30, 2016	0.01273362%	3,458	1,198,596	0.29%	94.2%

\*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

**CITY OF MYRTLE POINT**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

**OPEB RHIA**

**Last 10 Fiscal Years**

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Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered employee payroll	(b/c) Contributions as a percent of covered payroll
2023	\$ 13	\$ 13	-	\$ 1,515,935	0.00%
2022	133	133	-	1,479,512	0.01%
2021	192	192	-	1,210,050	0.02%
2020	827	827	-	1,450,281	0.06%
2019	6,090	6,090	-	1,457,503	0.42%
2018	6,150	6,150	-	1,167,773	0.53%
2017	5,718	5,718	-	1,198,596	0.48%
2016	6,088	6,088	-	1,226,708	0.50%

\*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

**CITY OF MYRTLE POINT**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
CITY COUNTY INSURANCE SERVICES**

**Last 10 Fiscal Years\***

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total OPEB Liability</b>				
Service cost	\$ 7,143	11,939	9,235	11,099
Interest on total OPEB liability	3,905	4,318	4,029	4,561
Effect of assumption changes or inputs	(19,124)	(26,180)	3,694	(19,523)
Benefit payments	(1,572)	(745)	(511)	(3,138)
Net change in total OPEB liability *	(9,648)	(10,668)	16,447	(22,719)
Total OPEB liability, beginning	100,910	111,578	95,131	117,850
Total OPEB liability, ending (a) *	91,262	100,910	111,578	95,131
Covered payroll	1,479,512	1,210,050	1,450,281	1,457,503
Total OPEB liability as a % of covered payroll **	6.2%	8.3%	7.7%	6.5%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

\* Totals may not agree due to rounding.

**SUPPLEMENTARY**  
**INFORMATION**

**Enterprise Funds**  
**Water Funds**

**CITY OF MYRTLE POINT**

**COMBINING STATEMENT OF NET POSITION - MODIFIED CASH BASIS**

**WATER FUNDS**

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

	<u>Water Fund</u>	<u>Water SDC Fund</u>	<u>Water Reserve Fund</u>	<u>Water Reserve Bond Debt Service Fund</u>	<u>Total Water Utility</u>
<b><u>ASSETS:</u></b>					
Current Assets:					
Cash and Investments	\$ 413,847	\$ 13,150	\$ 177,617	\$ -	\$ 604,614
Accounts Receivable	-	-	9,632	-	9,632
Inventory	12,572	-	-	-	12,572
Total Current Assets	426,419	13,150	187,249	-	626,818
Capital Assets:					
Land and Construction In Progress	1,128	-	-	-	1,128
Depreciable Assets, Net of Depreciation	1,022,590	-	-	-	1,022,590
Total Capital Assets	1,023,718	-	-	-	1,023,718
<b>Total Assets</b>	<b>\$ 1,450,137</b>	<b>\$ 13,150</b>	<b>\$ 187,249</b>	<b>\$ -</b>	<b>\$ 1,650,536</b>
<b><u>NET POSITION:</u></b>					
Net Investment in Capital Assets	\$ 1,023,718	\$ -	\$ -	\$ -	\$ 1,023,718
Restricted for:					
Capital Projects	-	-	187,249	-	187,249
System Development	-	13,150	-	-	13,150
Unrestricted	426,419	-	-	-	426,419
<b>Total Net Position</b>	<b>\$ 1,450,137</b>	<b>\$ 13,150</b>	<b>\$ 187,249</b>	<b>\$ -</b>	<b>\$ 1,650,536</b>

**CITY OF MYRTLE POINT**

**Combining Statement of Revenues, Expenses, and Changes in Net Position - MODIFIED CASH BASIS**

**WATER FUNDS**

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

	Water Fund	Water SDC Fund	Water Reserve Fund	Water Reserve Bond Debt Service Fund	Total Water Utility
<b><u>OPERATING REVENUES:</u></b>					
Charges for Services:					
Water Charges	\$ 594,454	\$ -	\$ 55,118	\$ -	\$ 649,572
Grants	28,521	-	-	-	28,521
Other Revenue	5,354	-	-	-	5,354
<b>Total Operating Revenues</b>	<b>628,329</b>	<b>-</b>	<b>55,118</b>	<b>-</b>	<b>683,447</b>
<b><u>OPERATING EXPENSES:</u></b>					
Personnel Services	352,890	-	-	-	352,890
Materials and Supplies	197,976	8,650	2,943	-	209,569
Depreciation	80,696	-	-	-	80,696
<b>Total Operating Expenses</b>	<b>631,562</b>	<b>8,650</b>	<b>2,943</b>	<b>-</b>	<b>643,155</b>
Operating Income (Loss)	(3,233)	(8,650)	52,175	-	40,292
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>					
Interest Income	10,943	5,000	4,158	-	20,101
<b>Total Non-Operating Revenues (Expenses)</b>	<b>10,943</b>	<b>5,000</b>	<b>4,158</b>	<b>-</b>	<b>20,101</b>
Income Before Transfers	7,710	(3,650)	56,333	-	60,393
<b><u>TRANSFERS:</u></b>					
Transfers In	80,689	-	-	-	80,689
<b>Total Transfers</b>	<b>80,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80,689</b>
Change in Net Position	88,399	(3,650)	56,333	-	141,082
Net Position, July 1, 2022 - Restated	1,361,738	16,800	130,916	-	1,509,454
<b>Net Position, June 30, 2023</b>	<b>\$ 1,450,137</b>	<b>\$ 13,150</b>	<b>\$ 187,249</b>	<b>\$ -</b>	<b>\$ 1,650,536</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### WATER FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 500	\$ 500	\$ 10,943	\$ 10,443
Miscellaneous Revenue	150	150	5,354	5,204
Water Deposits	4,000	4,000	6,600	2,600
Charges for Service	570,000	570,000	580,327	10,327
Late Fees	4,000	4,000	6,007	2,007
Connection Charges	760	760	1,520	760
Grants	15,000	45,000	28,521	(16,479)
<b>Total Revenues</b>	<b>594,410</b>	<b>624,410</b>	<b>639,272</b>	<b>14,862</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	418,912	421,678	352,890	(68,788)
Materials and Services	226,675	334,598	189,956	(144,642)
Capital Outlay	104,000	104,000	167,536	63,536
Contingency	155,466	155,466	-	(155,466)
<b>Total Expenditures</b>	<b>905,053</b>	<b>1,015,742</b>	<b>710,382</b>	<b>(305,360)</b>
Excess (Deficiency) of Revenues Over Expenditures	(310,643)	(391,332)	(71,110)	320,222
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Operating Transfer In	-	80,689	80,689	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>80,689</b>	<b>80,689</b>	<b>-</b>
Net Change In Fund Balance	(310,643)	(310,643)	9,579	320,222
Fund Balance - July 1, 2022 - Restated	310,643	310,643	409,750	99,107
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 419,329</b>	<b>\$ 419,329</b>

#### Reconciliation to Generally Accepted Accounting Principles:

Net change in fund balance from above	9,579
Capital outlay that is capitalized	159,516
Depreciation Expense	(80,696)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenditures, and Changes in Net Position	<u>\$ 88,399</u>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS  
WATER SDC FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b>REVENUES:</b>				
Interest Income	\$ -	\$ -	\$ 5,000	\$ 5,000
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>
<b>EXPENDITURES:</b>				
Personnel Services	2,500	2,500	-	(2,500)
Capital Outlay	14,300	14,300	8,650	(5,650)
<b>Total Expenditures</b>	<b>16,800</b>	<b>16,800</b>	<b>8,650</b>	<b>(8,150)</b>
Net Change In Fund Balance	(16,800)	(16,800)	(3,650)	13,150
Fund Balance - July 1, 2022	16,800	16,800	16,800	-
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,150</b>	<b>\$ 13,150</b>

**Reconciliation to Generally Accepted Accounting Principles:**

Net change in fund balance from above	(3,650)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenditures, and Changes in Net Position	<u>\$ (3,650)</u>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**WATER RESERVE FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 250	\$ 250	\$ 4,158	\$ 3,908
System Improvement Charges	53,000	53,000	55,118	2,118
<b>Total Revenues</b>	<b>53,250</b>	<b>53,250</b>	<b>59,276</b>	<b>6,026</b>
<b><u>EXPENDITURES:</u></b>				
Materials and Services	25,000	25,000	-	(25,000)
Capital Outlay	32,000	32,000	2,943	(29,057)
Contingency	129,824	129,824	-	(129,824)
<b>Total Expenditures</b>	<b>186,824</b>	<b>186,824</b>	<b>2,943</b>	<b>(183,881)</b>
Net Change In Fund Balance	(133,574)	(133,574)	56,333	189,907
Fund Balance - July 1, 2022	133,574	133,574	130,916	(2,658)
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 187,249</b>	<b>\$ 187,249</b>

**Reconciliation to Generally Accepted Accounting Principles:**

Net change in fund balance from above	56,333
Net Change in Fund Balance, GAAP Basis	<u>\$ 56,333</u>

**SUPPLEMENTARY**  
**INFORMATION**

**Enterprise Funds**  
**Sewer Funds**

**CITY OF MYRTLE POINT**  
**COMBINING STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**SEWER FUNDS**  
**For the Fiscal Year Ended June 30, 2023**

	<u>Sewer Fund</u>	<u>Sewer SDC Fund</u>	<u>Sewer Reserve Fund</u>	<u>Total Sewer Utility</u>
<b><u>ASSETS:</u></b>				
Current Assets:				
Cash and Investments	\$ 566,553	\$ 43,700	\$ 322,308	\$ 932,561
Inventory	1,021	-	-	1,021
Total Current Assets	<u>\$567,574</u>	<u>43,700</u>	<u>322,308</u>	<u>933,582</u>
Capital Assets:				
Land and Construction In Progress	8,607	-	-	8,607
Depreciable Assets, Net of Depreciation	11,194,946	-	-	11,194,946
Total Capital Assets	<u>11,203,553</u>	<u>-</u>	<u>-</u>	<u>11,203,553</u>
<b>Total Assets</b>	<b><u>\$ 11,771,127</u></b>	<b><u>\$ 43,700</u></b>	<b><u>\$ 322,308</u></b>	<b><u>\$ 12,137,135</u></b>
<b><u>LIABILITIES:</u></b>				
Current Liabilities:				
Accrued Interest Payable	95,019	-	-	95,019
Current Portion of Long-Term Liabilities:				
Note Payable	40,349	-	-	40,349
Bonds Payable	219,013	-	-	219,013
Total Current Liabilities	<u>354,381</u>	<u>-</u>	<u>-</u>	<u>354,381</u>
Long-Term Liabilities:				
Noncurrent Portion of Long-Term Liabilities:				
Note Payable	334,103	-	-	334,103
Bonds Payable	9,192,899	-	-	9,192,899
Total Long-Term Liabilities	<u>9,527,002</u>	<u>-</u>	<u>-</u>	<u>9,527,002</u>
<b>Total Liabilities</b>	<b><u>\$ 9,881,383</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 9,881,383</u></b>
<b><u>NET POSITION:</u></b>				
Net Investment in Capital Assets	\$ 1,417,190	\$ -	\$ -	\$ 1,417,190
Restricted for:				
Capital Projects	-	-	322,308	322,308
System Development	-	43,700	-	43,700
Unrestricted	472,556	-	-	472,556
<b>Total Net Position</b>	<b><u>\$ 1,889,745</u></b>	<b><u>\$ 43,700</u></b>	<b><u>\$ 322,308</u></b>	<b><u>\$ 2,255,753</u></b>

# CITY OF MYRTLE POINT

## Combining Statement of Revenues, Expenses, and Changes in Net Position - MODIFIED CASH BASIS

### SEWER FUNDS

For the Fiscal Year Ended June 30, 2023

	Sewer Fund	Sewer SDC Fund	Sewer Reserve Fund	Total Sewer Utility
<b><u>OPERATING REVENUES:</u></b>				
Charges for Services:				
Sewer Charges	\$ 862,295	\$ 6,000	\$ 55,118	\$ 923,413
Other Revenue	1,220	-	-	1,220
<b>Total Operating Revenues</b>	<b>863,515</b>	<b>6,000</b>	<b>55,118</b>	<b>924,633</b>
<b><u>OPERATING EXPENSES:</u></b>				
Personnel Services	330,776	-	-	330,776
Materials and Supplies	219,916	-	1,678	221,594
Depreciation	690,681	-	-	690,681
<b>Total Operating Expenses</b>	<b>1,241,373</b>	<b>-</b>	<b>1,678</b>	<b>1,243,051</b>
Operating Income (Loss)	(377,858)	6,000	53,440	(318,418)
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>				
Interest Income	13,903	-	7,979	21,882
Interest Expense	(146,612)	-	-	(146,612)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(132,709)</b>	<b>-</b>	<b>7,979</b>	<b>(124,730)</b>
Income Before Transfers	(510,567)	6,000	61,419	(443,149)
<b><u>TRANSFERS:</u></b>				
Transfers In	2,746	-	-	2,746
<b>Total Transfers</b>	<b>2,746</b>	<b>-</b>	<b>-</b>	<b>2,746</b>
Change In Net Position	(507,821)	6,000	61,419	(440,402)
Net Position, July 1, 2022	2,397,566	37,700	260,889	2,696,155
<b>Net Position, June 30, 2023</b>	<b>\$ 1,889,745</b>	<b>\$ 43,700</b>	<b>\$ 322,308</b>	<b>\$ 2,255,753</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### SEWER FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b>REVENUES:</b>				
Sewer Service Charges	\$ 808,150	\$ 808,150	\$ 862,295	\$ 54,145
Investment Revenue	1,800	1,800	13,903	12,103
Miscellaneous Revenue	100	100	1,220	1,120
<b>Total Revenues</b>	<b>810,050</b>	<b>810,050</b>	<b>877,418</b>	<b>67,368</b>
<b>EXPENDITURES:</b>				
Personnel Services	394,648	397,394	330,776	(66,618)
Materials and Services	262,411	262,411	226,224	(36,187)
Capital Outlay	23,000	23,000	3,986	(19,014)
Debt Service	682,986	682,986	404,985	(278,001)
Contingency	12,315	12,315	-	(12,315)
<b>Total Expenditures</b>	<b>1,375,360</b>	<b>1,378,106</b>	<b>965,971</b>	<b>(412,135)</b>
Excess (Deficiency) of Revenues Over Expenditures	(565,310)	(568,056)	(88,553)	479,503
<b>OTHER FINANCING SOURCES (USES):</b>				
Operating Transfer In	-	2,746	2,746	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>2,746</b>	<b>2,746</b>	<b>-</b>
Net Change In Fund Balance	(565,310)	(565,310)	(85,807)	479,503
Fund Balance - July 1, 2022	565,310	565,310	649,729	84,419
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 563,922</b>	<b>\$ 563,922</b>

#### Reconciliation to Generally Accepted Accounting Principles:

Net change in fund balance from above	(85,807)
Capital outlay that is capitalized	10,294
Change in Interest Expense	2,966
Debt Repayment - Principal	255,407
Depreciation Expense	(690,681)
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenditures, and Changes in Net Position	<u>\$ (507,821)</u>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**SEWER SYSTEM DEVELOPMENT FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
System Development Charges	\$ -	\$ -	\$ 6,000	\$ 6,000
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>6,000</b>	<b>6,000</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	7,300	7,300	-	(7,300)
Capital Outlay	30,400	30,400	-	(30,400)
<b>Total Expenditures</b>	<b>37,700</b>	<b>37,700</b>	<b>-</b>	<b>(37,700)</b>
Net Change In Fund Balance	(37,700)	(37,700)	6,000	43,700
Fund Balance - July 1, 2022	37,700	37,700	37,700	-
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 43,700</b>	<b>\$ 43,700</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### SEWER RESERVE FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b>REVENUES:</b>				
Investment Revenue	\$ 600	\$ 600	\$ 7,979	\$ 7,379
System Improvement Charges	53,000	53,000	55,118	2,118
<b>Total Revenues</b>	<b>53,600</b>	<b>53,600</b>	<b>63,097</b>	<b>9,497</b>
<b>EXPENDITURES:</b>				
Materials and Services	54,000	54,000	1,678	(52,322)
Capital Outlay	254,680	254,680	-	(254,680)
<b>Total Expenditures</b>	<b>308,680</b>	<b>308,680</b>	<b>1,678</b>	<b>(307,002)</b>
Net Change In Fund Balance	(255,080)	(255,080)	61,419	316,499
Fund Balance - July 1, 2022	255,080	255,080	260,889	5,809
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 322,308</b>	<b>\$ 322,308</b>

**SUPPLEMENTARY**  
**INFORMATION**

**Enterprise Funds**  
**Ambulance Funds**

**CITY OF MYRTLE POINT**  
**COMBINING STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**AMBULANCE FUNDS**  
**For the Fiscal Year Ended June 30, 2023**

	Ambulance Fund	Ambulance Reserve Fund	Total Ambulance Funds
<b><u>ASSETS:</u></b>			
Current Assets:			
Cash and Investments	\$ 318,626	\$ 68,773	\$ 387,399
Total Current Assets	318,626	68,773	387,399
Capital Assets:			
Land and Construction In Progress	149,428	-	149,428
Depreciable Assets, Net of Depreciation	488,561	-	488,561
Total Capital Assets	637,989	-	637,989
<b>Total Assets</b>	<b>\$ 956,615</b>	<b>\$ 68,773</b>	<b>\$ 1,025,388</b>
<b><u>NET POSITION:</u></b>			
Net Investment in Capital Assets	\$ 637,989	\$ -	\$ 637,989
Restricted for:			
Capital Projects	-	68,773	68,773
Unrestricted	318,627	-	318,627
<b>Total Net Position</b>	<b>\$ 956,616</b>	<b>\$ 68,773</b>	<b>\$ 1,025,389</b>

# CITY OF MYRTLE POINT

## Combining Statement of Revenues, Expenses, and Changes in Net Position - MODIFIED CASH BASIS

### AMBULANCE FUNDS

For the Fiscal Year Ended June 30, 2023

	Ambulance Fund	Ambulance Reserve Fund	Total Ambulance Funds
<b><u>OPERATING REVENUES:</u></b>			
Charges for Services:			
Ambulance Charges	\$ 727,911	\$ 30,910	\$ 758,821
Other Revenue	35	-	35
<b>Total Operating Revenues</b>	<b>727,946</b>	<b>30,910</b>	<b>758,856</b>
<b><u>OPERATING EXPENSES:</u></b>			
Personnel Services	726,511	-	726,511
Materials and Supplies	151,487	-	151,487
Depreciation	107,372	-	107,372
<b>Total Operating Expenses</b>	<b>985,370</b>	<b>-</b>	<b>985,370</b>
Operating Income (Loss)	(257,424)	30,910	(226,514)
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>			
Interest Income	8,942	5,677	14,619
Grant and Contribution Income	83,322	-	83,322
<b>Total Non-Operating Revenues (Expenses)</b>	<b>92,264</b>	<b>5,677</b>	<b>97,941</b>
Income Before Transfers	(165,160)	36,587	(128,573)
<b><u>TRANSFERS:</u></b>			
Transfers In	288,132	50,000	338,132
Transfers (Out)	-	(260,489)	(260,489)
<b>Total Transfers</b>	<b>288,132</b>	<b>(210,489)</b>	<b>77,643</b>
Change In Net Position	122,972	(173,902)	(50,930)
Net Position, July 1, 2022 - Restated	833,644	242,675	1,076,319
<b>Net Position, June 30, 2023</b>	<b>\$ 956,616</b>	<b>\$ 68,773</b>	<b>\$ 1,025,389</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### AMBULANCE FUND

For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 1,000	\$ 1,000	\$ 8,942	\$ 7,942
Ambulance Service Charges	660,670	660,670	543,677	(116,993)
Contracted Service Revenue	182,420	182,420	178,479	(3,941)
Grants	-	-	83,322	83,322
Fire Med Fees	7,000	7,000	5,755	(1,245)
Miscellaneous Revenue	100	100	35	(65)
<b>Total Revenues</b>	<b>851,190</b>	<b>851,190</b>	<b>820,210</b>	<b>(30,980)</b>
<b><u>EXPENDITURES:</u></b>				
Personnel Services	967,000	974,643	726,511	(248,132)
Materials and Services	169,969	169,969	151,270	(18,699)
<b>Total Expenditures</b>	<b>1,141,969</b>	<b>1,149,612</b>	<b>882,781</b>	<b>(266,831)</b>
Excess (Deficiency) of Revenues Over Expenditures	(290,779)	(298,422)	(62,571)	235,851
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Sale of Assets	2,000	2,000	-	(2,000)
Operating Transfer In	20,000	27,643	27,643	-
<b>Total Other Financing Sources (Uses)</b>	<b>22,000</b>	<b>29,643</b>	<b>27,643</b>	<b>(2,000)</b>
Net Change In Fund Balance	(268,779)	(268,779)	(34,928)	233,851
Fund Balance - July 1, 2022 - Restated	268,779	268,779	347,096	78,317
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 312,168</b>	<b>\$ 312,168</b>

#### Reconciliation to Generally Accepted Accounting Principles:

Net change in fund balance from above	(34,928)
Capital outlay that is capitalized	(217)
Depreciation Expense	(107,372)
Equity transfer of capital assets	260,489
Change in Net Position as Reported in Proprietary Funds Statement of Revenues, Expenditures, and Changes in Net Position	<u>\$ 117,972</u>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### AMBULANCE RESERVE FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Contracted Services	\$ 30,000	\$ 30,000	\$ 30,910	\$ 910
Investment Revenue	500	500	5,677	5,177
<b>Total Revenues</b>	<b>30,500</b>	<b>30,500</b>	<b>36,587</b>	<b>6,087</b>
<b><u>EXPENDITURES:</u></b>				
Capital Outlay	325,642	325,642	260,489	(65,153)
<b>Total Expenditures</b>	<b>325,642</b>	<b>325,642</b>	<b>260,489</b>	<b>(65,153)</b>
Excess (Deficiency) of Revenues Over Expenditures	(295,142)	(295,142)	(223,902)	71,240
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Operating Transfer In	50,000	50,000	50,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>
Net Change In Fund Balance	(245,142)	(245,142)	(173,902)	71,240
Fund Balance - July 1, 2022	245,142	245,142	242,675	(2,467)
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68,773</b>	<b>\$ 68,773</b>

**SUPPLEMENTARY**  
**INFORMATION**

**Non-Major**  
**Special Revenue Funds**

# CITY OF MYRTLE POINT

## COMBINING BALANCE SHEET

### NON-MAJOR SPECIAL REVENUE FUNDS - MODIFIED CASH BASIS

For the Fiscal Year Ended June 30, 2023

	Bicycle Trails / Footpaths Fund	Library Trust Fund	Fire Truck Reserve Fund	Infra- structure Fund	Total
<b><u>ASSETS:</u></b>					
Cash & Investments	\$ 35,671	\$ 48,546	\$ 39,401	\$ 115,056	\$ 238,674
Interest Receivable	-	-	-	8,103	8,103
Assessments Receivable	-	-	-	9,979	9,979
<b>Total Assets</b>	<b><u>\$ 35,671</u></b>	<b><u>\$ 48,546</u></b>	<b><u>\$ 39,401</u></b>	<b><u>\$ 133,138</u></b>	<b><u>\$ 256,756</u></b>
<b><u>FUND BALANCES:</u></b>					
Restricted for:					
Community Development	35,671	-	-	-	35,671
Committed for:					
Library Programs	-	48,546	-	-	48,546
Fire Protection	-	-	39,401	-	39,401
Infrastructure	-	-	-	133,138	133,138
<b>Total Fund Balances</b>	<b><u>35,671</u></b>	<b><u>48,546</u></b>	<b><u>39,401</u></b>	<b><u>133,138</u></b>	<b><u>256,756</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 35,671</u></b>	<b><u>\$ 48,546</u></b>	<b><u>\$ 39,401</u></b>	<b><u>\$ 133,138</u></b>	<b><u>\$ 256,756</u></b>

**CITY OF MYRTLE POINT**

**Combining Statement of Revenues,  
Expenditures, and Changes in Fund Balances - MODIFIED CASH BASIS**

**NON-MAJOR SPECIAL REVENUE FUNDS**

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

	Bicycle Trails / Footpaths Fund	Library Trust Fund	Fire Truck Reserve Fund	Infra- structure Fund	Total
<b><u>REVENUES:</u></b>					
Taxes and Assessments	\$ 4,843	\$ -	\$ -	\$ -	\$ 4,843
Grants and Donations	-	1,012	-	-	1,012
Investment Revenue	877	1,654	1,075	2,948	6,554
Other Revenue	-	1,261	-	-	1,261
<b>Total Revenues</b>	<b>5,720</b>	<b>3,927</b>	<b>1,075</b>	<b>2,948</b>	<b>13,670</b>
<b><u>EXPENDITURES:</u></b>					
Culture and Recreation	2,041	24,212	-	-	26,253
Capital Outlay	-	-	3,175	-	3,175
<b>Total Expenditures</b>	<b>2,041</b>	<b>24,212</b>	<b>3,175</b>	<b>-</b>	<b>29,428</b>
Excess (Deficiency) of Revenues Over Expenditures	3,679	(20,285)	(2,100)	2,948	(15,758)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>					
Operating Transfers In	5,000	-	-	10,000	15,000
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>15,000</b>
Net Change In Fund Balances	8,679	(20,285)	(2,100)	12,948	(758)
Fund Balances, July 1, 2022	26,992	68,831	41,501	120,190	257,514
<b>Fund Balances, June 30, 2023</b>	<b>\$ 35,671</b>	<b>\$ 48,546</b>	<b>\$ 39,401</b>	<b>\$ 133,138</b>	<b>\$ 256,757</b>

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**BICYCLE TRAILS / FOOTPATHS FUND**

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 50	\$ 50	\$ 877	\$ 827
Gasoline Taxes	4,000	4,000	4,843	843
<b>Total Revenues</b>	<b>4,050</b>	<b>4,050</b>	<b>5,720</b>	<b>1,670</b>
<b><u>EXPENDITURES:</u></b>				
Materials and Services	33,570	33,570	2,041	(31,529)
<b>Total Expenditures</b>	<b>33,570</b>	<b>33,570</b>	<b>2,041</b>	<b>(31,529)</b>
Excess (Deficiency) of Revenues Over Expenditures	(29,520)	(29,520)	3,679	33,199
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Operating Transfer In	5,000	5,000	5,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>
Net Change In Fund Balance	(24,520)	(24,520)	8,679	33,199
Fund Balance - July 1, 2022	24,520	24,520	26,992	2,472
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 35,671</b>	<b>\$ 35,671</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### LIBRARY TRUST FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 200	\$ 200	\$ 1,654	\$ 1,454
Contributions	50	50	1,012	962
Miscellaneous Revenue	-	-	1,261	1,261
<b>Total Revenues</b>	<b>250</b>	<b>250</b>	<b>3,927</b>	<b>3,677</b>
<b><u>EXPENDITURES:</u></b>				
Materials and Services	61,909	61,909	24,212	(37,697)
<b>Total Expenditures</b>	<b>61,909</b>	<b>61,909</b>	<b>24,212</b>	<b>(37,697)</b>
Net Change In Fund Balance	(61,659)	(61,659)	(20,285)	41,374
Fund Balance - July 1, 2022	61,659	61,659	68,831	7,172
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 48,546</b>	<b>\$ 48,546</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### FIRE TRUCK RESERVE FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Over (Under)
<b>REVENUES:</b>				
Investment Revenue	\$ 50	\$ 50	\$ 1,075	\$ 1,025
Grants	10,000	10,000	-	(10,000)
<b>Total Revenues</b>	<b>10,050</b>	<b>10,050</b>	<b>1,075</b>	<b>(8,975)</b>
<b>EXPENDITURES:</b>				
Capital Outlay	59,235	59,235	3,175	(56,060)
<b>Total Expenditures</b>	<b>59,235</b>	<b>59,235</b>	<b>3,175</b>	<b>(56,060)</b>
Net Change In Fund Balance	(49,185)	(49,185)	(2,100)	47,085
Fund Balance - July 1, 2022	49,185	49,185	41,501	(7,684)
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,401</b>	<b>\$ 39,401</b>

# CITY OF MYRTLE POINT

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS

### INFRASTRUCTURE FUND

For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<b>REVENUES:</b>				
Investment Revenue	\$ 200	\$ 200	\$ 2,948	\$ 2,748
<b>Total Revenues</b>	<b>200</b>	<b>200</b>	<b>2,948</b>	<b>2,748</b>
<b>EXPENDITURES:</b>				
Materials and Services	3,090	3,090	-	(3,090)
Capital Outlay	109,048	109,048	-	(109,048)
<b>Total Expenditures</b>	<b>112,138</b>	<b>112,138</b>	<b>-</b>	<b>(112,138)</b>
Excess (Deficiency) of Revenues Over Expenditures	(111,938)	(111,938)	2,948	114,886
<b>OTHER FINANCING SOURCES / (USES):</b>				
Operating Transfer In	10,000	10,000	10,000	-
<b>Total Other Financing Sources/(Uses)</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
Net Change in Fund Balance	(101,938)	(101,938)	12,948	114,886
Fund Balance - July 1, 2022	101,938	101,938	120,190	18,252
<b>Fund Balance - June 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 133,138</b>	<b>\$ 133,138</b>

**SUPPLEMENTARY**  
**INFORMATION**  
**Fiduciary Funds**

**CITY OF MYRTLE POINT**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MODIFIED CASH BASIS**

**SKIP OHLSEN TRUST & AGENCY FUND**

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

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Over (Under)
<b><u>REVENUES:</u></b>				
Investment Revenue	\$ 5,000	\$ 5,000	\$ 8,888	\$ 3,888
<b>Total Revenues</b>	<b>5,000</b>	<b>5,000</b>	<b>8,888</b>	<b>3,888</b>
<b><u>EXPENDITURES:</u></b>				
Materials and Services	19,604	19,604	10,529	(9,075)
<b>Total Expenditures</b>	<b>19,604</b>	<b>19,604</b>	<b>10,529</b>	<b>(9,075)</b>
Excess (Deficiency) of Revenues Over Expenditures	(14,604)	(14,604)	(1,641)	12,963
Net Change in Fund Balance	(14,604)	(14,604)	(1,641)	12,963
Fund Balance - July 1, 2022	367,600	367,600	46,826	(320,774)
<b>Fund Balance - June 30, 2023</b>	<b>\$ 352,996</b>	<b>\$ 352,996</b>	<b>\$ 45,185</b>	<b>\$ (307,811)</b>

**OTHER**  
**INFORMATION**

**Additional**  
**Supporting Schedules**

**CITY OF MYRTLE POINT**  
**SCHEDULE OF LONG-TERM DEBT TRANSACTIONS**  
**For the Fiscal Year Ended June 30, 2023**

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**Oregon Community Development Note Payable #G01006**

On April 9, 2001 the City entered into a loan agreement with the Oregon Community Development Department (Business Oregon) in the amount of \$275,000 for funding for Phase 1 of a sewer collection improvement. The interest rate is fixed at 4.815% per annum.

**Current Year Activity:**

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	\$ 90,043	\$ -	\$ 17,718	\$ 72,325	\$ 17,853
Interest	-	4,501	4,501	-	3,615
Total	<u>\$ 90,043</u>	<u>\$ 4,501</u>	<u>\$ 22,219</u>	<u>\$ 72,325</u>	<u>\$ 21,468</u>

**Future Requirements:**

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2024	\$ 17,853	\$ 3,615	\$ 21,468	4.82%
	2025	17,996	2,722	20,718	4.82%
	2026	18,146	1,822	19,968	4.82%
	2027	18,330	915	19,245	0.00%
Total		<u>\$ 72,325</u>	<u>\$ 9,074</u>	<u>\$ 81,399</u>	

**CITY OF MYRTLE POINT**  
**SCHEDULE OF LONG-TERM DEBT TRANSACTIONS**  
**For the Fiscal Year Ended June 30, 2023**

**Infrastructure Finance Authority Note Payable #Y12001**

On December 22, 2011 the City entered into a loan agreement with the Infrastructure Finance Authority (Business Oregon) to provide financing for a portion of the costs of the Wastewater Facility Construction Project and the View Street Pump Station. The original balance of the loan is \$470,000. The interest rate is fixed at 3.92% per annum.

**Current Year Activity:**

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	\$ 323,773	\$ -	\$ 21,647	\$ 302,126	\$ 22,496
Interest	-	12,692	12,692	-	11,843
Total	<u>\$ 323,773</u>	<u>\$ 12,692</u>	<u>\$ 34,339</u>	<u>\$ 302,126</u>	<u>\$ 34,339</u>

**Future Requirements:**

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2024	\$ 22,496	\$ 11,843	\$ 34,339	3.92%
	2025	23,377	10,962	34,339	3.92%
	2026	24,294	10,045	34,339	3.92%
	2027	25,246	9,093	34,339	3.92%
	2028	26,236	8,103	34,339	3.92%
	2029	27,264	7,075	34,339	3.92%
	2030	28,333	6,006	34,339	3.92%
	2031	29,444	4,895	34,339	3.92%
	2032	30,598	3,741	34,339	3.92%
	2033	31,797	2,542	34,339	3.92%
	2034	33,044	1,295	34,339	0.00%
Total		<u>\$ 302,127</u>	<u>\$ 75,601</u>	<u>\$ 377,728</u>	

**CITY OF MYRTLE POINT**  
**SCHEDULE OF LONG-TERM DEBT TRANSACTIONS**  
**For the Fiscal Year Ended June 30, 2023**

**USDA Wastewater Revenue Bond No. 1**

On October 13, 2016 the City issued and sold a wastewater revenue bond in the amount of \$7,811,000 to the United States Department of Agriculture (USDA) to finance construction costs of a wastewater facility. The principal and interest payment in the amount of \$255,186 is due annually on October 13 thereafter until 2056. The bond interest rate is fixed at 1.375% per annum.

**Current Year Activity:**

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	\$ 7,051,475	\$ -	\$ 158,228	\$ 6,893,247	\$ 160,404
Interest	-	96,958	96,958	-	94,782
<b>Total</b>	<b>\$ 7,051,475</b>	<b>\$ 96,958</b>	<b>\$ 255,186</b>	<b>\$ 6,893,247</b>	<b>\$ 255,186</b>

**Future Requirements:**

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2024	\$ 160,404	\$ 94,782	\$ 255,186	1.38%
2025	162,609	92,577	255,186	1.38%
2026	164,845	90,341	255,186	1.38%
2027	167,112	88,074	255,186	1.38%
2028	169,410	85,776	255,186	1.38%
2029	171,739	83,447	255,186	1.38%
2030	174,101	81,085	255,186	1.38%
2031	176,494	78,692	255,186	1.38%
2032	178,921	76,265	255,186	1.38%
2033	181,381	76,805	258,186	1.38%
2034	183,875	71,311	255,186	1.38%
2035	186,404	68,782	255,186	1.38%
2036	188,967	66,219	255,186	1.38%
2037	191,565	63,621	255,186	1.38%
2038	194,199	60,987	255,186	1.38%
2039	196,869	58,317	255,186	1.38%
2040	199,576	55,610	255,186	1.38%
2041	202,320	52,866	255,186	1.38%
2042	205,102	50,084	255,186	1.38%
2043	207,922	47,264	255,186	1.38%
2044	210,781	44,405	255,186	1.38%
2045	213,680	41,506	255,186	1.38%
2046	216,618	38,568	255,186	1.38%
2047	219,596	35,590	255,186	1.38%
2048	222,616	32,570	255,186	1.38%
2049	225,677	29,509	255,186	1.38%
2050	228,780	26,406	255,186	1.38%
2051	231,925	23,261	255,186	1.38%
2052	235,114	20,072	255,186	1.38%
2053	238,347	16,839	255,186	1.38%
2054	241,624	13,562	255,186	1.38%
2055	244,947	10,239	255,186	1.38%
2056	248,315	6,871	255,186	1.38%
2057	251,411	3,457	254,868	1.38%
<b>Total</b>	<b>\$ 6,893,247</b>	<b>\$ 1,785,759</b>	<b>\$ 8,679,006</b>	

**CITY OF MYRTLE POINT**  
**SCHEDULE OF LONG-TERM DEBT TRANSACTIONS**  
**For the Fiscal Year Ended June 30, 2023**

**USDA Wastewater Revenue Bond No. 2**

On October 13, 2016 the City issued and sold a wastewater revenue bond in the amount of \$2,854,000 to the United States Department of Agriculture (USDA) to finance construction costs of a wastewater facility. The principal and interest payment in the amount of \$93,241 is due annually on October 13 thereafter until 2056. The bond interest rate is fixed at 1.375% per annum.

**Current Year Activity:**

	Outstanding Balance July 1, 2022	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2023	Due Within One Year
Principal	\$ 2,576,479	\$ -	\$ 57,814	\$ 2,518,665	\$ 58,609
Interest	-	35,427	35,427	-	35,427
<b>Total</b>	<b>\$ 2,576,479</b>	<b>\$ 35,427</b>	<b>\$ 93,241</b>	<b>\$ 2,518,665</b>	<b>\$ 94,036</b>

**Future Requirements:**

Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
2024	\$ 58,609	\$ 35,427	\$ 94,036	1.38%
2025	59,415	34,632	94,047	1.38%
2026	60,232	33,009	93,241	1.38%
2027	61,060	32,181	93,241	1.38%
2028	61,900	31,341	93,241	1.38%
2029	62,751	30,490	93,241	1.38%
2030	63,614	29,627	93,241	1.38%
2031	64,489	28,752	93,241	1.38%
2032	65,375	27,866	93,241	1.38%
2033	66,274	26,967	93,241	1.38%
2034	67,186	26,055	93,241	1.38%
2035	68,109	25,132	93,241	1.38%
2036	69,046	24,195	93,241	1.38%
2037	69,995	23,246	93,241	1.38%
2038	70,958	22,283	93,241	1.38%
2039	71,933	21,308	93,241	1.38%
2040	72,922	20,319	93,241	1.38%
2041	73,925	19,316	93,241	1.38%
2042	74,942	18,299	93,241	1.38%
2043	75,972	17,269	93,241	1.38%
2044	77,017	16,224	93,241	1.38%
2045	78,076	15,165	93,241	1.38%
2046	79,149	14,092	93,241	1.38%
2047	80,237	13,004	93,241	1.38%
2048	81,341	11,900	93,241	1.38%
2049	82,459	10,782	93,241	1.38%
2050	83,593	9,648	93,241	1.38%
2051	84,742	8,499	93,241	1.38%
2052	85,908	7,333	93,241	1.38%
2053	87,089	6,152	93,241	1.38%
2054	88,286	4,955	93,241	1.38%
2055	89,500	3,741	93,241	1.38%
2056	90,731	2,510	93,241	1.38%
2057	91,831	1,263	93,093	1.38%
<b>Total</b>	<b>\$ 2,518,665</b>	<b>\$ 652,982</b>	<b>\$ 3,171,647</b>	

**REPORTS ON OTHER LEGAL**  
**AND**  
**REGULATORY REQUIREMENTS**



To the Governing Body of the City of Myrtle Point  
Myrtle Point, Oregon

We have audited the basic financial statements of the City of Myrtle Point as of and for the year ended June 30, 2023, and have issued our report thereon dated May 31, 2024. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

### **Compliance**

As part of obtaining reasonable assurance about whether the City of Myrtle Point's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in 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.**
- **Programs funded from outside sources.**
- **Highway revenues used for public highways and roads (ORS Chapters 294, 368 & 373).**
- **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 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, with the following exceptions:

- Expenditures exceeded budgetary appropriations in three funds as reported in the Notes to the Basic Financial Statements.

### **OAR 162-10-0230 Internal Control**

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

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

A handwritten signature in black ink, appearing to read 'Steve Tuchscherer', is written over a light blue horizontal line.

Steve Tuchscherer, CPA  
Umpqua Valley Financial  
Roseburg, Oregon  
May 31, 2024