

CITY OF SEASIDE, OREGON

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

Year Ended June 30, 2022

KERN ▲ THOMPSON
CERTIFIED PUBLIC ACCOUNTANTS

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS

	<u>Page</u>
MAYOR AND CITY COUNCIL	i
INDEPENDENT AUDITORS' REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-12
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities	14
Fund Financial Statements	
Balance Sheet – Governmental Funds	15
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position	16
Statement of Revenues, Expenditures, and Changes In Fund Balances – Governmental Funds	17
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities	18
Balance Sheet – Proprietary Funds	19
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	20
Statement of Cash Flows – Proprietary Funds	21-22
Statement of Fiduciary Net Position – Fiduciary Funds	23
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	24
NOTES TO BASIC FINANCIAL STATEMENTS	25-60

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
REQUIRED SUPPLEMENTARY INFORMATION	
General Fund and Major Special Revenue Funds:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
General Fund	61
Room Tax and Business License Fund	62
Net Pension Liability:	
Schedule of Changes in Net Pension Liability	63
Schedule of Pension Contributions	64
Notes to Pension Supplementary Information	65
Schedule of Changes in OPEB Liability	66
OTHER SUPPLEMENTARY INFORMATION	
General Fund Combining Statements:	
Combining Balance Sheet	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	68
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Public Safety Fund	69
Public Works Fund	70
Community Development Fund	71

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)	
Enterprise Funds	
Water Fund:	
Combining Balance Sheet	72
Combining Statement of Revenues, Expenses, and Change in Net Position	73
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Water Fund	74
Water System Development Fund	75
Sewer Fund:	
Combining Balance Sheet	76
Combining Statement of Revenues, Expenses, and Changes in Net Position	77
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Sewer Fund	78
Sewer System Development Fund	79
Sewer Plant Replacement Fund	80
Sewer Reserve Fund	81
Convention Center Fund:	
Combining Balance Sheet	82
Combining Statement of Revenues, Expenses, and Changes in Net Position	83

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)	
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Convention Center Fund	84
Convention Center Capital Improvements Fund	85
Convention Center Bond Reserve Fund	86
Nonmajor Governmental Funds:	
Combining Balance Sheet	87
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	88
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	89
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	90
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Road District Fund	91
State Tax Street Fund	92
Downtown Maintenance District Fund	93
911 Special Revenue Fund	94
Watershed Enhancement Fund	95
Fire Equipment (2018) Fund	96
Economic Development Fund	97
Emergency Readiness Fund	98
American Rescue Plan Fund	99

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)	
Nonmajor Debt Service Funds:	
Combining Balance Sheet	100
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	101
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Greater Seaside Debt Service Fund	102
Southeast Seaside Debt Service	103
Water General Obligation Bond Debt Service Fund	104
Nonmajor Capital Projects Funds:	
Combining Balance Sheet	105
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	106
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Special Assessment Fund	107
Systems Development – Parks Fund	108
Capital Improvement and Maintenance Fund	109
Systems Development – Road Fund	110
Airport Fund	111
Promenade Improvement Fund	112
Parks Construction Fund	113
Street Construction Fund	114
Southeast Seaside Construction Fund	115
Greater Seaside Construction Fund	116

CITY OF SEASIDE, OREGON
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

Year Ended June 30, 2022

TABLE OF CONTENTS (CONTINUED)

	<u>Page</u>
OTHER SUPPLEMENTARY INFORMATION (CONTINUED)	
Nonmajor Permanent Fund:	
Balance Sheet	117
Statement of Revenues, Expenditures, and Changes in Fund Balances	118
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Library Trust Fund	119
OTHER FINANCIAL SCHEDULES	
Schedules of Property Tax Transactions and Outstanding Balances	
City Levies	120
Road District Levies	121
Downtown Maintenance District Levies	122
Seaside Urban Renewal Agency	123
Schedule of Accountability of Independently Elected Officials	124
REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS, AND THE MINIMUM STANDARDS FOR AUDITS OF OREGON MUNICIPAL CORPORATIONS	
Independent Auditors' Report on Compliance Based on an Audit of Financial Statements Performed in Accordance with <i>Oregon Minimum Audit Standards</i>	125
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	126-127

CITY OF SEASIDE, OREGON

CITY HALL
989 Broadway
Seaside, Oregon 97138

MAYOR AND CITY COUNCIL

June 30, 2022

Term Expires

MAYOR

Jay Barber
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December 31, 2022

COUNCIL MEMBERS

Randy Frank
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David Posalski
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December 31, 2024

Tita Montero
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December 31, 2022

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December 31, 2022

Steve Wright
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Seaside, Oregon 97138

December 31, 2022

Tom Horning
808 26th Avenue
Seaside, Oregon 97138

December 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Seaside, Oregon
Seaside, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Seaside, Oregon as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City of Seaside, Oregon'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 financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Seaside, Oregon, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of City of Seaside, Oregon, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Seaside, Oregon'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.

To the Board of Directors of
City of Seaside, Oregon

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of City of Seaside, Oregon'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 Seaside, Oregon's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the general and major special revenue fund budgetary comparison information, and pension schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the MD&A and the pension schedules in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The general and major special revenue fund budgetary comparison information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects to the basic financial statements as a whole.

To the Board of Directors of
City of Seaside, Oregon

Supplementary Information

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

Other Information

Management is responsible for the other information included with the basic financial statements. The other information comprises the introductory and statistical sections 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 or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2022, on our consideration of the City of Seaside, Oregon's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Seaside, Oregon's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Seaside, Oregon's internal control over financial reporting and compliance.

Other Report on State Legal and Regulatory Requirements

In accordance with the *Minimum Standards of Audits of Oregon Municipal Corporations*, we have issued our report dated December 20, 2022 on our consideration of City of Seaside, Oregon's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

KERN & THOMPSON, LLC
Certified Public Accountants



Richard V. Proulx, CPA
Partner

Portland, Oregon
December 20, 2022

CITY OF SEASIDE, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2022

The management of the City of Seaside, Oregon, presents this narrative overview and analysis to facilitate both a short and long-term analysis of the financial activities of the City for the fiscal year ended June 30, 2022. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditors' report.

FINANCIAL HIGHLIGHTS

- Governmental Activities net position as of June 30, 2022 increased \$780,484 from the prior year.
- Business Activities net position increased \$1,597,110 from the prior year.
- The General Fund's fund balance is \$8,289,226 at the end of the current fiscal year.
- Unrestricted cash and investments as of June 30, 2022 were \$29,257,740.
- The City's 2022 revised budget was \$33,090,610.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following discussion and analysis is intended to serve as an introduction to the City's basic financial statements and other required supplementary information. The City's basic financial statements are comprised of three components:

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

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements include all assets of the City (including infrastructure such as streets, traffic signals, street lights, buildings, bridges, etc.) as well as all liabilities (including general obligation long-term debt). Additionally, certain eliminations have been made with regards to interfund activities.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows or outflows in a future fiscal period.

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Government-wide Financial Statements (Continued)

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

- General administration
- Police, fire and lifeguard protection service
- Library service
- Planning, zoning and subdivision control regulations
- Traffic control and improvements
- Street construction and street maintenance

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

- Water distribution services
- Sewer system services
- Convention Center operations

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financial statements focus on the acquisition and use of current expendable resources, as well as the balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

The City maintains twenty-nine individual governmental funds. Information for the funds that are considered significant (major) is presented separately in the governmental fund Balance Sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances. The City reports two major funds: General Fund and the Room Tax and Business License Fund. Data from the remaining governmental funds are combined into a single, aggregated presentation. Summary fund data by fund type for these nonmajor governmental funds is provided in the form of combining statements. Individual fund data for each of these nonmajor governmental funds is provided as Supplementary Information in the form of combining statements.

The City adopts an annual appropriated budget for all governmental funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for the General Fund and the major special revenue funds as Required Supplementary Information. Budgetary comparisons for all other governmental funds have been provided as supplementary information.

Proprietary Funds – Proprietary funds are used to account for activities where the emphasis is placed on net income determination. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

The City uses enterprise funds to account for its water utility, sewer utility and convention center activities.

The enterprise funds, all of which are considered to be major funds of the City, are reported separately as proprietary fund financial statements in the basic financial statements.

The City also adopts an annual appropriated budget for all proprietary funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided as Supplementary Information.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. They are an integral part of the financial statements and should be read in conjunction with them.

Required Supplementary Information (RSI)

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The RSI schedules include budgetary comparisons for the general and major special revenue funds, and budget to GAAP reconciliation schedules for these funds. The RSI also includes schedules of pension information.

Other Supplementary Information

The combining statements and schedules referred to earlier and the schedules of property tax transactions follow the required supplementary information in this report.

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

GOVERNMENT – WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$48,048,771 at the close of fiscal year 2021-22.

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Cash and investments	\$ 15,258,864	\$ 11,655,586	\$ 15,497,538	\$ 12,793,326	\$ 30,756,402	\$ 24,448,912
Other assets	4,273,116	4,576,193	3,554,045	2,721,752	7,827,161	7,297,945
Capital assets, net	<u>20,323,843</u>	<u>21,468,728</u>	<u>34,870,860</u>	<u>36,628,648</u>	<u>55,194,703</u>	<u>58,097,376</u>
Deferred outflows	<u>5,938,636</u>	<u>5,042,132</u>	<u>1,875,360</u>	<u>2,160,913</u>	<u>7,813,996</u>	<u>7,203,045</u>
Total assets and deferred outflows	<u>45,794,459</u>	<u>42,742,639</u>	<u>55,797,803</u>	<u>54,304,639</u>	<u>101,592,262</u>	<u>97,047,278</u>
Other liabilities	2,851,803	3,521,438	2,015,119	798,851	4,866,922	4,320,289
Pension & OPEB liabilities	14,135,658	11,961,492	4,463,893	5,126,354	18,599,551	17,087,846
Long-term debt	<u>5,240,000</u>	<u>5,726,026</u>	<u>21,632,583</u>	<u>22,552,598</u>	<u>26,872,583</u>	<u>28,278,624</u>
Total liabilities	<u>22,227,461</u>	<u>21,208,956</u>	<u>28,111,595</u>	<u>28,477,803</u>	<u>50,339,056</u>	<u>49,686,759</u>
Deferred inflows	<u>2,435,370</u>	<u>1,182,539</u>	<u>769,065</u>	<u>506,803</u>	<u>3,204,435</u>	<u>1,689,342</u>
Total liabilities and deferred inflows	<u>24,662,831</u>	<u>22,391,495</u>	<u>28,880,660</u>	<u>28,984,606</u>	<u>53,543,491</u>	<u>51,376,101</u>
Net Position						
Invested in capital assets, net of debt	15,083,843	15,742,702	13,238,277	13,331,860	28,322,120	29,074,562
Restricted	83,087	91,281	1,498,662	384,872	1,581,749	476,153
Unrestricted	<u>5,964,698</u>	<u>4,517,161</u>	<u>12,180,204</u>	<u>11,603,301</u>	<u>18,144,902</u>	<u>16,120,462</u>
Total net position	\$ <u>21,131,628</u>	\$ <u>20,351,144</u>	\$ <u>26,917,143</u>	\$ <u>25,320,033</u>	\$ <u>48,048,771</u>	\$ <u>45,671,177</u>

The City's net investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure, net of accumulated depreciation and related debt) is \$28,322,120 or 59% of total net position. The City uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$1,581,749, or approximately 3%, represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position totaling \$18,144,902 or approximately 38%, may be used to meet the City's ongoing obligations to citizens and creditors.

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

SUMMARY OF CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program revenues						
Charges for services	\$ 1,376,762	\$ 1,225,325	\$ 5,762,346	\$ 4,789,456	\$ 7,139,108	\$ 6,014,781
Operating grants and contributions	355,812	394,923	-	-	355,812	394,923
Capital grants and contributions	3,369	-	-	-	3,369	-
General revenues						
Taxes	15,044,525	14,316,774	-	-	15,044,525	14,316,774
Franchise revenues	767,135	714,476	-	-	767,135	714,476
Interest	109,854	117,953	82,054	110,230	191,908	228,183
Other	1,972,921	1,330,344	219,530	42,600	2,192,451	1,372,944
Total revenues	19,630,378	18,099,795	6,063,930	4,942,286	25,694,308	23,042,081
Expenses						
General government	6,789,281	5,713,371	-	-	6,789,281	5,713,371
Public safety	6,258,572	5,954,373	-	-	6,258,572	5,954,373
Highways and streets	997,839	986,117	-	-	997,839	986,117
Economic development	12,000	12,000	-	-	12,000	12,000
Cultural and recreation	1,014,873	869,203	-	-	1,014,873	869,203
Interest on long-term debt	215,690	233,559	832,612	776,185	1,048,302	1,009,744
Water utility	-	-	1,958,139	3,921,483	1,958,139	3,921,483
Sewer utility	-	-	2,600,610	2,407,019	2,600,610	2,407,019
Convention center	-	-	2,637,098	2,109,460	2,637,098	2,109,460
Total expenses	15,288,255	13,768,623	8,028,459	9,214,147	23,316,714	22,982,770
Transfers and other changes in net position						
Transfers - net	(3,561,639)	(3,154,039)	3,561,639	3,154,039	-	-
Increase (decrease) in net position	780,484	1,177,133	1,597,110	(1,117,822)	2,377,594	59,311
Net position:						
Beginning	20,351,144	19,174,011	25,320,033	25,693,665	45,671,177	44,867,676
Ending net position	\$ 21,131,628	\$ 20,351,144	\$ 26,917,143	\$ 24,575,843	\$ 48,048,771	\$ 44,926,987

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

FUND-BASED FINANCIAL STATEMENTS

General Fund

The general fund combines the public safety, public works, and community development funds in accordance with GASB No. 54. The General Fund ended the year with a fund balance of \$8,289,226. Revenue for fiscal 2022 was \$8,718,165.

The operation of the General Fund can be summarized as follows:

Beginning fund balance	\$	7,186,875
Revenue		8,718,165
Transfers in		7,848,201
		<u>23,753,241</u>
Expenditures		10,321,519
Transfers out		5,142,496
		<u>15,464,015</u>
Fund balance - June 30, 2022	\$	<u>8,289,226</u>

Expenditures were as follows:

General government	\$	2,775,812	27%
Public safety		5,839,712	57%
Culture and recreation		956,454	9%
Debt service and capital outlay		749,541	7%
		<u>10,321,519</u>	<u>100%</u>
Total	\$	<u>10,321,519</u>	<u>100%</u>

Enterprise Funds

The City operates two major utility services and a convention center. These funds are operated like private enterprises and the accounting reflects this. Following are the significant highlights for each:

Water Funds financial comparison to last year is as follows:

	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>
Operating revenue	\$ 2,155,541	\$ 2,110,719	\$ 44,822
Operating expenses	<u>1,958,139</u>	<u>3,921,483</u>	<u>(1,963,344)</u>
Operating income (loss)	197,402	(1,810,764)	2,008,166
Nonoperating revenue (expense)	(111,063)	23,694	(134,757)
Net operating transfers	<u>(544,145)</u>	<u>(581,120)</u>	<u>36,975</u>
Change in net position	\$ <u>(457,806)</u>	\$ <u>(2,368,190)</u>	\$ <u>1,910,384</u>

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

FUND-BASED FINANCIAL STATEMENTS (CONTINUED)

Enterprise Funds (Continued)

Water Fund net position was decreased, primarily due to transfers to other funds.

Sewer Funds financial comparison to last year is as follows:

	2022	2021	Increase (Decrease)
Operating revenue	\$ 2,671,675	\$ 2,591,371	\$ 80,304
Operating expenses	2,600,610	2,407,019	193,591
Operating income (loss)	71,065	184,352	(113,287)
Nonoperating revenue (expense)	61,725	(115,141)	176,866
Net operating transfers	(371,068)	(372,464)	1,396
Change in net position	\$ (238,278)	\$ (303,253)	\$ 64,975

The Sewer Fund revenues increased as expected due to the annual rate increase. Expenses increased moderately, as expected. Net position decreased due to transfers to other funds.

Convention Center Funds financial comparison to last year is as follows:

	2022	2021	Increase (Decrease)
Operating revenue	\$ 935,130	\$ 87,366	\$ 847,764
Operating expenses	2,637,098	2,109,460	527,638
Operating income (loss)	(1,701,968)	(2,022,094)	320,126
Nonoperating revenue (expense)	(481,690)	(531,908)	50,218
Net operating transfers	4,476,852	4,107,623	369,229
Change in net position	\$ 2,293,194	\$ 1,553,621	\$ 739,573

The Convention Center Funds' operating revenues and expenses increased from 2021 as a result of returning to normal activities following the COVID-19 pandemic. However, the Fund experienced an increase in net assets due to operating transfers from room tax revenues.

CITY OF SEASIDE, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

The City implemented several supplemental budgets. The budget to actual annual activity is presented for both the original and final budget amounts as required supplementary information.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, the City had \$55,194,703 invested in a broad range of capital assets, including land, buildings and improvements, equipment, roads, bridges, water, sewer and storm water lines.

Capital asset activities during the fiscal year consisted primarily of replacement of necessary equipment, less annual depreciation. The net decrease in investment in capital assets for the current fiscal year was \$1,144,885 for governmental activities. The net decrease was \$1,757,588 for business-type activities.

**Summary of Capital Assets
June 30, 2022**

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 3,332,722	\$ 3,332,722	\$ 1,567,550	\$ 1,567,550	\$ 4,900,272	\$ 4,900,272
Construction in progress	-	-	-	-	-	-
Buildings and improvements (net of depreciation)	3,502,606	3,838,296	12,649,734	13,807,081	16,152,340	17,645,377
Infrastructure (net of depreciation)	11,529,531	12,264,116	19,733,725	20,351,744	31,263,256	32,615,860
Vehicles and equipment (net of depreciation)	1,958,984	2,033,594	919,851	902,273	2,878,835	2,935,867
Total	\$ 20,323,843	\$ 21,468,728	\$ 34,870,860	\$ 36,628,648	\$ 55,194,703	\$ 58,097,376

Long-Term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of \$26,872,583, including \$787,815 of unamortized bond premium. Of this amount, \$5,240,000 represents outstanding debt for the governmental funds. This debt consists of voter-approved general obligation bonds which are paid by ad-valorem tax on all taxable property in the City. The remainder of the City's long-term debt is related to business-type activities and includes outstanding revenue bond issues. The total amount of the bonds outstanding as of June 2022 was \$15,990,000 including \$13,055,000 issued for Convention Center improvements. The bonds are paid from net revenues of the sewer system and room taxes.

Additionally, business-type debt included notes payable to the Oregon Infrastructure Finance Authority that financed water and sewer capital projects.

CITY OF SEASIDE, OREGON

MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)

Year Ended June 30, 2022

CAPITAL ASSETS AND DEBT ADMINISTRATION (CONTINUED)

Long-Term Debt (Continued)

State statutes limit the amount of general obligation debt a city may issue to 3% of its total assessed valuation. The current debt limitation for the City is \$34,150,827, which is significantly more than the City's outstanding general obligation debt.

**Outstanding Debt at Year End
June 30, 2022**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
General obligation bonds (backed by the City)	\$ 5,240,000	\$ 5,705,000	\$ -	\$ -	\$ 5,240,000	\$ 5,705,000
Revenue bonds, net of discount (backed by fee revenues and room taxes)	-	-	15,990,000	16,780,000	15,990,000	16,780,000
Unamortized bond premium	-	-	787,815	834,157	787,815	834,157
Other debt obligations	-	21,026	4,854,768	4,938,441	4,854,768	4,959,467
Total	\$ 5,240,000	\$ 5,726,026	\$ 21,632,583	\$ 22,552,598	\$ 26,872,583	\$ 28,278,624

Additional information on the City's capital assets and bonded debt can be found in the notes to the basic financial statements.

BUDGETARY HIGHLIGHTS

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City uses a conservative approach when preparing the budget each year. The City's 2022-2023 budget is \$44,672,726, which is an \$11 million increase from the 2021-22 revised budget.

REQUESTS FOR INFORMATION

The City's financial statements are designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have any questions about this report, please contact the City Manager, Spencer Kyle, at 989 Broadway, Seaside, Oregon, 97138.

BASIC FINANCIAL STATEMENTS

CITY OF SEASIDE, OREGON
STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 15,258,864	\$ 13,998,876	\$ 29,257,740
Property taxes receivable	222,828	-	222,828
Accounts receivable, net of allowance for doubtful accounts	3,595,080	593,818	4,188,898
Assessments receivable	3,586	-	3,586
Inventories and prepaid costs	81,278	98,192	179,470
Due from other funds	370,344	2,862,035	3,232,379
Restricted assets			
Cash restricted for debt service	-	1,498,662	1,498,662
Capital assets, net	20,323,843	34,870,860	55,194,703
Total assets	39,855,823	53,922,443	93,778,266
Deferred outflows of resources	5,938,636	1,875,360	7,813,996
Total assets and deferred outflows	45,794,459	55,797,803	101,592,262
Liabilities			
Accounts payable and accrued expenses	313,514	186,797	500,311
Accrued interest payable	-	338,200	338,200
Due to other funds	1,947,617	1,284,762	3,232,379
Due within one year			
Long-term Debt	495,000	920,064	1,415,064
Due in more than one year			
Accrued compensated absences	590,672	205,360	796,032
Net pension liability	13,725,568	4,334,390	18,059,958
OPEB liability	410,090	129,503	539,593
Unamortized bond premium	-	787,815	787,815
Long-term Debt	4,745,000	19,924,704	24,669,704
Total liabilities	22,227,461	28,111,595	50,339,056
Deferred inflows of resources	2,435,370	769,065	3,204,435
Total liabilities and deferred inflows	24,662,831	28,880,660	53,543,491
Net position			
Investment in capital assets, net of related debt	15,083,843	13,238,277	28,322,120
Restricted			
Trust	83,087	-	83,087
Debt service	-	1,498,662	1,498,662
Unrestricted	5,964,698	12,180,204	18,144,902
Total net position	\$ 21,131,628	\$ 26,917,143	\$ 48,048,771

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

CITY OF SEASIDE, OREGON

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

Functions/programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Direct Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities							
General government	\$ 6,789,281	\$ 933,275	\$ 24,089	\$ -	\$ (5,831,917)	\$ -	\$ (5,831,917)
Public safety	6,258,572	443,487	331,723	3,369	(5,479,993)	-	(5,479,993)
Highways and streets	997,839	-	-	-	(997,839)	-	(997,839)
Economic development	12,000	-	-	-	(12,000)	-	(12,000)
Culture and recreation	1,014,873	-	-	-	(1,014,873)	-	(1,014,873)
Interest on long-term debt	215,690	-	-	-	(215,690)	-	(215,690)
Total governmental activities	<u>15,288,255</u>	<u>1,376,762</u>	<u>355,812</u>	<u>3,369</u>	<u>(13,552,312)</u>	<u>-</u>	<u>(13,552,312)</u>
Business-type activities							
Water	2,102,649	2,155,541	-	-	-	52,892	52,892
Sewer	2,753,179	2,671,675	-	-	-	(81,504)	(81,504)
Convention center	3,172,631	935,130	-	-	-	(2,237,501)	(2,237,501)
Total business-type activities	<u>8,028,459</u>	<u>5,762,346</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,266,113)</u>	<u>(2,266,113)</u>
Total activities	<u>\$ 23,316,714</u>	<u>\$ 7,139,108</u>	<u>\$ 355,812</u>	<u>\$ 3,369</u>	<u>(13,552,312)</u>	<u>(2,266,113)</u>	<u>(15,818,425)</u>
General revenues							
Taxes							
Property taxes, levied for general purposes					4,769,134	-	4,769,134
Property taxes, levied for debt service					765,527	-	765,527
Assessments, levied for general purposes					63,196	-	63,196
Transient room tax					9,230,187	-	9,230,187
Other					216,481	-	216,481
Intergovernmental					1,527,550	-	1,527,550
Franchise fees					767,135	-	767,135
Interest					109,854	82,054	191,908
Bequests and contributions					50,761	-	50,761
Miscellaneous					394,610	219,530	614,140
Total general revenues					<u>17,894,435</u>	<u>301,584</u>	<u>18,196,019</u>
Transfers and other changes in net position							
Transfers					8,667,502	3,561,639	12,229,141
Transfers					(12,229,141)	-	(12,229,141)
Total transfers and other changes in net position					<u>(3,561,639)</u>	<u>3,561,639</u>	<u>-</u>
Change in net position					780,484	1,597,110	2,377,594
Net position - beginning of year, restated					20,351,144	25,320,033	45,671,177
Net position - end of year					<u>\$ 21,131,628</u>	<u>\$ 26,917,143</u>	<u>\$ 48,048,771</u>

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

CITY OF SEASIDE, OREGON

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2022

	General Fund	Special Revenue Fund Room Tax and Business License Fund	Nonmajor Governmental Funds	Total
Assets				
Cash and investments	\$ 6,458,783	\$ 1,236,732	\$ 7,563,349	\$ 15,258,864
Property taxes receivable	165,330	-	57,498	222,828
Accounts receivable, net of allowance for doubtful accounts	1,698,520	1,798,306	98,254	3,595,080
Assessments receivable	-	-	3,586	3,586
Inventories and other	81,278	-	-	81,278
Due from other funds	282,902	-	87,442	370,344
Total assets	\$ 8,686,813	\$ 3,035,038	\$ 7,810,129	\$ 19,531,980
Liabilities				
Accounts payable and accrued expenses	\$ 251,620	\$ 23,882	\$ 38,012	\$ 313,514
Due to other funds	-	1,496,475	451,142	1,947,617
Total liabilities	251,620	1,520,357	489,154	2,261,131
Deferred inflows of resources				
Unavailable revenue	145,967	-	74,770	220,737
Fund balances				
Nonspendable	81,278	-	-	81,278
Restricted	-	-	83,087	83,087
Committed	-	-	5,107,252	5,107,252
Assigned	4,848,444	1,514,681	2,422,268	8,785,393
Unassigned	3,359,504	-	(366,402)	2,993,102
Total fund balances	8,289,226	1,514,681	7,246,205	17,050,112
Total liabilities, deferred inflows, and fund balances	\$ 8,686,813	\$ 3,035,038	\$ 7,810,129	\$ 19,531,980

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

CITY OF SEASIDE, OREGON

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

June 30, 2022

Total fund balances \$ 17,050,112

Capital assets are not financial resources and thus not reported in governmental funds, but are reported in the Statement of Net Position at their net depreciable value.

Cost	\$	38,066,788	
Accumulated depreciation		(17,742,945)	
Capital assets, net		<u>20,323,843</u>	20,323,843

Deferred outflows are not available resources and thus not reported in governmental funds, but are reported in the Statement of Net Position.

Pension	\$	5,853,337	
OPEB		85,299	
Total		<u>5,938,636</u>	5,938,636

Property taxes and assessments collected after year end but not available soon enough to pay for current obligations are deferred in governmental funds but are recognized as revenue in the Statement of Activities.

220,737

All liabilities are reported in the Statement of Net Position whereas in governmental funds, liabilities not due and payable in the current period are not reported.

Accrued compensated absences		(590,672)	
Net pension liability		(13,725,568)	
OPEB liability		(410,090)	
Deferred inflows of resources - pension		(2,382,515)	
Deferred inflows of resources - OPEB		(52,855)	
Long-term debt		<u>(5,240,000)</u>	

Total net position **\$ 21,131,628**

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

CITY OF SEASIDE, OREGON

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

Year Ended June 30, 2022

	General Fund	Special Revenue Fund Room Tax and Business License Fund	Nonmajor Governmental Funds	Total
Revenues				
Property taxes	\$ 4,174,330	\$ -	\$ 1,516,544	\$ 5,690,874
Assessments	-	-	63,196	63,196
Transient room tax	1,706,645	7,523,542	-	9,230,187
Other taxes	216,481	-	-	216,481
Intergovernmental	359,181	12,400	1,515,150	1,886,731
Licenses and permits	288,022	357,150	-	645,172
Fines and forfeitures	332,522	-	-	332,522
Franchise fees	767,135	-	-	767,135
Interest	58,657	6,851	44,346	109,854
Charges for services	397,059	-	2,009	399,068
Sale of assets	234,087	-	-	234,087
Donations and bequests	28,941	-	21,820	50,761
Miscellaneous	155,105	40	5,377	160,522
Total revenues	8,718,165	7,899,983	3,168,442	19,786,590
Expenditures				
Current				
General government	2,775,812	1,020,101	6,319	3,802,232
Economic development	-	-	12,000	12,000
Public safety	5,839,712	-	174,680	6,014,392
Highways and streets	-	-	222,814	222,814
Culture and recreation	956,454	-	22,774	979,228
Debt service				
Principal	150,000	-	315,000	465,000
Interest	117,181	-	98,509	215,690
Capital outlay	482,360	-	94,965	577,325
Total expenditures	10,321,519	1,020,101	947,061	12,288,681
Excess of revenues over (under) expenditures	(1,603,354)	6,879,882	2,221,381	7,497,909
Other financing sources (uses)				
Transfers from other funds	7,848,201	-	819,301	8,667,502
Transfers to other funds	(5,142,496)	(6,578,990)	(507,655)	(12,229,141)
Total other financing sources (uses)	2,705,705	(6,578,990)	311,646	(3,561,639)
Change in fund balance	1,102,351	300,892	2,533,027	3,936,270
Fund balance - beginning of year	7,186,875	1,213,789	4,713,178	13,113,842
Fund balance - end of year	\$ 8,289,226	\$ 1,514,681	\$ 7,246,205	\$ 17,050,112

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

CITY OF SEASIDE, OREGON

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

Year Ended June 30, 2022

Net change in fund balances **\$ 3,936,270**

The change in net position reported in the Statement of Activities is different because:

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

Capital asset additions	\$ 298,237	
Depreciation	<u>(1,289,146)</u>	(990,909)

Unpaid compensated absences are not reported in governmental funds as they do not require the current use of financial resources. However, the Statement of Activities reports such expenses when incurred regardless of when settlement ultimately occurs.	35,803
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Pension expenses are not reported in governmental funds as they do not require the current use of financial resources. However, the Statement of Activities reports such expenses.	(2,482,181)
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Other post employment benefit expenses are not reported in governmental funds as they do not require the current use of financial resources. However, the Statement of Activities reports such expenses.	(48,312)
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Property taxes and assessment revenues in the Statement of Activities are recognized as revenue when they are earned or levied.	(156,213)
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Repayment of bond and capital lease principal is reported as expenditures in governmental funds. However, the repayment of principal is reported as changes in bonds and capital leases payable in the Statement of Net Position.	
Repayment of bond principal	465,000

Repayment of assessment debt principal is reported as an expenditure in the governmental funds. However, assessment debt is reported as a liability in the Statement of Net Position and as an expense in the year incurred.	<u>21,026</u>
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Total change in net position **\$ 780,484**

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

CITY OF SEASIDE, OREGON

BALANCE SHEET
PROPRIETARY FUNDS

June 30, 2022

	Business-Type Activities: Enterprise Funds			Total
	Water Fund	Sewer Fund	Convention Center Fund	
Assets				
Current assets				
Cash and investments	\$ 2,824,214	\$ 3,452,508	\$ 7,722,154	\$ 13,998,876
Accounts and assessments receivable, net of allowance for doubtful accounts	189,574	267,515	136,729	593,818
Inventories and prepaid costs	62,103	34,632	1,457	98,192
Due from other funds	451,142	-	2,410,893	2,862,035
Total current assets	3,527,033	3,754,655	10,271,233	17,552,921
Noncurrent assets				
Cash restricted for bond reserve	-	357,612	1,141,050	1,498,662
Capital assets, net	11,843,331	8,410,681	14,616,848	34,870,860
Total noncurrent assets	11,843,331	8,768,293	15,757,898	36,369,522
Deferred outflows of resources	546,980	703,260	625,120	1,875,360
Total assets and deferred outflows	\$ 15,917,344	\$ 13,226,208	\$ 26,654,251	\$ 55,797,803
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 42,349	\$ 104,581	\$ 39,867	\$ 186,797
Accrued compensated absences	51,319	71,414	82,627	205,360
Accrued interest payable	-	38,200	300,000	338,200
Due to other funds	1,284,762	-	-	1,284,762
Current portion of long-term debt	71,757	263,307	585,000	920,064
Total current liabilities	1,450,187	477,502	1,007,494	2,935,183
Long-term liabilities				
Net pension liability	1,264,197	1,625,396	1,444,797	4,334,390
OPEB liability	37,772	48,563	43,168	129,503
Long-term debt, net of current portion	4,122,856	3,331,848	12,470,000	19,924,704
Unamortized bond premium, less insurance cost	-	-	787,815	787,815
Total long-term liabilities	5,424,825	5,005,807	14,745,780	25,176,412
Total liabilities	6,875,012	5,483,309	15,753,274	28,111,595
Deferred inflows of resources	224,311	288,399	256,355	769,065
Net position				
Invested in capital assets, net of related debt	7,648,718	4,815,526	774,033	13,238,277
Restricted for debt service	-	389,931	2,801,682	3,191,613
Restricted for capital projects	-	311,424	1,679,231	1,990,655
Unrestricted	1,169,303	1,937,619	5,389,676	8,496,598
Total net position	8,818,021	7,454,500	10,644,622	26,917,143
Total liabilities, deferred inflows, and net position	\$ 15,917,344	\$ 13,226,208	\$ 26,654,251	\$ 55,797,803

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

CITY OF SEASIDE, OREGON

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

Year Ended June 30, 2022

	Business-Type Activities: Enterprise Funds			Total
	Water Fund	Sewer Fund	Convention Center Fund	
Operating revenues				
Charges for services	\$ 2,132,815	\$ 2,671,675	\$ 176,281	\$ 4,980,771
Connection charges	22,726	-	-	22,726
Franchise fees - food and beverage	-	-	758,849	758,849
Total operating revenues	2,155,541	2,671,675	935,130	5,762,346
Operating expenses				
Salaries and wages	489,766	432,193	606,680	1,528,639
Employee costs	240,824	540,465	99,353	880,642
Utilities	84,110	290,945	93,435	468,490
Operating supplies and maintenance	422,441	570,706	900,327	1,893,474
Insurance	46,831	32,261	86,855	165,947
Advertising	-	-	26,761	26,761
Professional services	149,896	78,115	111,635	339,646
Depreciation	524,271	655,925	712,052	1,892,248
Total operating expenses	1,958,139	2,600,610	2,637,098	7,195,847
Operating income (loss)	197,402	71,065	(1,701,968)	(1,433,501)
Nonoperating revenues (expenses)				
Interest income	10,278	18,304	53,472	82,054
Miscellaneous income	23,169	195,990	371	219,530
Interest expense	(144,510)	(152,569)	(535,533)	(832,612)
Total nonoperating revenues (expenses)	(111,063)	61,725	(481,690)	(531,028)
Transfers and other changes in net position				
Transfers in	-	-	4,709,493	4,709,493
Transfers out	(544,145)	(371,068)	(232,641)	(1,147,854)
Total transfers and other changes in net position	(544,145)	(371,068)	4,476,852	3,561,639
Change in net position	(457,806)	(238,278)	2,293,194	1,597,110
Net position - beginning of year, restated	9,275,827	7,692,778	8,351,428	25,320,033
Net position - end of year	\$ 8,818,021	\$ 7,454,500	\$ 10,644,622	\$ 26,917,143

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

CITY OF SEASIDE, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

Year Ended June 30, 2022

	Business-Type Activities: Enterprise Funds			Total
	Water Fund	Sewer Fund	Convention Center Fund	
Cash flows from operating activities:				
Cash received from customers	\$ 2,173,858	\$ 2,668,541	\$ 808,500	\$ 5,650,899
Cash paid to employees for services	(484,963)	(424,280)	(587,007)	(1,496,250)
Cash paid to suppliers for goods and services	(1,085,190)	(1,232,728)	(1,676,220)	(3,994,138)
Miscellaneous	23,169	195,990	371	219,530
Net cash provided (used) by operating activities	<u>626,874</u>	<u>1,207,523</u>	<u>(1,454,356)</u>	<u>380,041</u>
Cash flows from investing activities:				
Interest earned on investments	10,278	18,304	53,472	<u>82,054</u>
Cash flows from noncapital financing activities:				
Advances (to) from other funds	1,250,205	434,157	(1,116,795)	567,567
Transfers from other funds	-	-	4,709,493	4,709,493
Transfers to other funds	(544,145)	(371,068)	(232,641)	(1,147,854)
Net cash provided (used) by noncapital financing activities	<u>706,060</u>	<u>63,089</u>	<u>3,360,057</u>	<u>4,129,206</u>
Cash flow from capital and related financing activities:				
Purchase of fixed assets	-	-	(134,460)	(134,460)
Payments on note and bond principal	(61,197)	(252,476)	(606,342)	(920,015)
Interest paid	(144,510)	(152,569)	(535,535)	(832,614)
Net cash provided (used) by capital and related financing activities	<u>(205,707)</u>	<u>(405,045)</u>	<u>(1,276,337)</u>	<u>(1,887,089)</u>
Net increase (decrease) in cash and cash equivalents	<u>1,137,505</u>	<u>883,871</u>	<u>682,836</u>	<u>2,704,212</u>
Cash and cash equivalents - beginning of year	1,686,709	2,926,249	8,180,368	12,793,326
Cash and cash equivalents - end of year	<u>\$ 2,824,214</u>	<u>\$ 3,810,120</u>	<u>\$ 8,863,204</u>	<u>\$ 15,497,538</u>
Reconciliation to Statement of Net Position:				
Cash and cash equivalents	\$ 2,824,214	\$ 3,452,508	\$ 7,722,154	\$ 13,998,876
Cash restricted for bond contingency reserve	-	357,612	1,141,050	1,498,662
Cash and cash equivalents	<u>\$ 2,824,214</u>	<u>\$ 3,810,120</u>	<u>\$ 8,863,204</u>	<u>\$ 15,497,538</u>

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

CITY OF SEASIDE, OREGON
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)

Year Ended June 30, 2022

	Business-Type Activities: Enterprise Funds			Total
	Water Fund	Sewer Fund	Convention Center Fund	
Cash flows from operating activities:				
Operating income (loss)	\$ 197,402	\$ 71,065	\$ (1,701,968)	\$ (1,433,501)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	524,271	655,925	712,052	1,892,248
Nonoperating revenues (expenses)	23,169	195,990	371	219,530
Changes in assets and liabilities:				
(Increase) decrease in receivables	18,317	(3,134)	(126,630)	(111,447)
(Increase) decrease in inventories and prepaid costs	(5,549)	1,898	-	(3,651)
Increase (decrease) in accounts payable and accrued expenses	(73,166)	(9,003)	(18,712)	(100,881)
Increase (decrease) in accrued compensated absences	4,803	7,913	19,673	32,389
Increase (decrease) in pension liabilities and related outflows and inflows	(62,373)	286,869	(339,142)	(114,646)
 Net cash provided by (used in) operating activities	 \$ <u>626,874</u>	 \$ <u>1,207,523</u>	 \$ <u>(1,454,356)</u>	 \$ <u>380,041</u>

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

CITY OF SEASIDE, OREGON
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

June 30, 2022

	Employee Retirement Plan
Assets	
Cash	\$ <u>125,196</u>
Investments, at fair value	
Standard Insurance Company Investment funds	11,906,544
Standard Insurance Company Stable value funds	<u>5,227,203</u>
Total investments	<u>17,133,747</u>
Total assets	<u>17,258,943</u>
Net position available for pension benefits	\$ <u><u>17,258,943</u></u>

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

CITY OF SEASIDE, OREGON
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS

Year Ended June 30, 2022

	<u>Employee Retirement Plan</u>
Additions	
Contributions	\$ 1,489,023
Investment earnings	(1,678,041)
Total additions	<u>(189,018)</u>
 Deductions	
Benefits	906,602
Administrative expenses	2,750
Total deductions	<u>909,352</u>
 Change in net position	 (1,098,370)
 Net position - beginning of year	 <u>18,357,313</u>
 Net position - end of year	 \$ <u>17,258,943</u>

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

NOTES TO BASIC FINANCIAL STATEMENTS

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Seaside, Oregon (the City) are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The following funds reported for budgetary purposes as supplemental information have been combined with the General Fund for financial reporting purposes in the governmental funds financial statements:

Community Development Fund
Public Works Fund
Public Safety Fund

Organization

The City, located in Clatsop County, Oregon, was incorporated as a municipal corporation in 1899. The City's charter was approved by the voters on November 2, 1948. The government of the City is vested in a City Council and a Mayor. The Council is composed of six councilors elected from wards determined by the Council; three are chosen at the presidential election and three are elected in the alternate even numbered years to serve terms of four years. The Mayor is elected at a general election to serve a term of four years. The City Manager, City Attorney and Municipal Judge are appointed by and serve at the pleasure of the City Council. The City Manager is selected by the council as the administrative head of the city government.

Blended Component Unit

The City has included the financial operations of its Urban Renewal Agency (the Agency) as a blended component unit, in the basic financial statements. The Agency is a legally separate entity, which is governed by a board comprised of the members of the City Council plus seven additional members. Accordingly, the City has the ability to impose its will on the Agency in matters of budget adoption, taxing authority, and funding. Additionally, the Agency's operations benefit the City entirely. The Agency's operations are accounted for in the following funds of the City:

- Southeast Seaside Construction Fund
- Southeast Seaside Debt Service Fund
- Greater Seaside Construction Fund
- Greater Seaside Debt Service Fund

Complete financial statements for the Agency can be obtained from the City Manager, Seaside City Hall, 989 Broadway, Seaside, Oregon 97138.

Financial Statement Presentation, Measurement Focus and Basis of Accounting

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

The Statement of Net Assets and the Statement of Activities report information on all activities of the primary government. Governmental activities, which are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely on fees charged to external parties for services. The City's Fiduciary Funds have been excluded from the government-wide financial statements.

The government-wide financial statements are accounted for using an economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Nonexchange transactions, in which the City receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized when all eligibility requirements have been satisfied. The effect of interfund activity such as transfers, advances and loans is eliminated.

Fund Financial Statements

The City uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate funds. Fund financial statements are provided for governmental and proprietary funds.

Governmental Funds

Governmental funds are used to account for most of the City's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the construction of capital assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

The governmental fund financial statements are accounted for using a current financial resources measurement focus whereby only current assets and liabilities generally are included in the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balance present increases and decreases in those current net assets. Governmental funds use the modified accrual basis of accounting where revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

The City considers property taxes available and susceptible to accrual if they are collected within sixty days after year end.

Intergovernmental revenues are recognized when all eligibility requirements are met. Eligibility requirements for intergovernmental revenues received on a reimbursement basis (i.e. where monies must be expended on specific projects or for a specific purpose before any amounts are paid to the City) are determined to be met when the underlying expenditures are recorded. Eligibility requirements for intergovernmental revenues which are unrestricted as to purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements are considered to be met at the time of receipt or when susceptible to accrual.

Licenses and permits, charges for services and miscellaneous revenues are recognized as revenues when received because they are generally not measurable until actually received.

Governmental funds are used to account for most of the City's general activities as follows:

General Fund

The General Fund is the primary operating fund of the City and it is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

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

Capital Projects Funds

The Capital Projects Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items.

Debt Service Funds

The Debt Service Funds account for accumulation of financial resources for the payment of interest and principal on the general long-term debt of the City other than the debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest.

Permanent Funds

The Permanent Funds account for assets held by the City pursuant to a trust government. The principal portion of this fund type must remain intact, but the earnings may be used to achieve the objectives of the fund.

The following are the City's major governmental funds:

General Fund

This fund accounts for the City's general operations. It is used to account for all transactions not specifically related to the City's other funds. Its major source of revenue are property taxes, state shared revenues, and franchise fees.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Room Tax and Business License Fund

The fund accounts for the collection of transient room tax and business license revenues, and the distribution of such resources to other funds of the City.

Proprietary Funds

Proprietary funds are used to account for activities similar to those found in the private sector where the determination of net income is necessary or useful to sound financial administration. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the funds' on-going operations.

The principal operating revenues are charges to customers. Operating expenses include cost of services, administration expenses and depreciation.

All proprietary funds are accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. The accrual basis of accounting is utilized by proprietary fund types where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The following are the City's major enterprise funds:

Water Fund

This fund accounts for the maintenance, operation and construction of the City's water intake, purification and delivery systems. The principal source of revenue is user fees.

Sewer Fund

This fund accounts for the maintenance, operation and construction of the City's wastewater collection and treatment system. The principal source of revenue is user fees.

Convention Center Fund

This fund accounts for the maintenance and operation of the City's convention center facilities.

For budgetary purposes (see budget schedules in the "other supplementary information" section), the water, sewer and convention center funds are accounted for in the following separate funds:

Water

- Water Fund
- Water System Development Fund

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds (Continued)

Sewer

Sewer Fund
Sewer System Development Fund
Sewer Plant Replacement Fund
Sewer Reserve Fund

Convention Center

Convention Center Fund
Convention Center Construction Fund
Convention Center Capital Improvements Fund
Convention Center Bond Reserve Fund

For generally accepted accounting principles, these aforementioned funds are consolidated and included as three separate enterprise funds.

Fiduciary Funds

Fiduciary funds account for assets held in a trustee or agency capacity for others and therefore cannot be used to support the City's own programs. The City has one fiduciary fund, a pension trust fund, which covers substantially all uniformed and non-uniformed employees. This fund accounts for the City's defined contribution retirement plan and is managed by an independent insurance company.

Use of Estimates

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

Pooled Cash and Investments

The City maintains common cash and investment pools for all City funds. All short-term, highly-liquid investments, including investments in the State Treasurer's Local Government Investment Pool (LGIP) where the remaining maturity at the time of purchase is one year or less are stated at amortized cost, which approximates fair value. The LGIP's policies provide minimum weighted average credit ratings for the LGIP's holdings: AA and Aa2 for Standard and Poor's and Moody's, respectively. On June 30, 2022, the LGIP's weighted average rating was between AA+/Aa1 and AA/Aa2 ratings. Earnings on pooled cash investments are allocated to each fund based on the balance of each participating fund.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pooled Cash and Investments (Continued)

All other investments are stated at fair value. Fair value is determined as the quoted market price 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. Pooled cash and investments have the general characteristics of a demand deposit account in that any participating fund may deposit additional cash at any time and may also withdraw cash at any time without prior notice or penalty.

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and deposits in the Oregon State Treasurer's Local Government Investment Pool.

Restricted Cash

Restricted cash consists of cash accounts whose use is restricted in accordance with the terms of the bond debt agreements.

Receivables

Property taxes are assessed on a July 1 - June 30 fiscal year basis. The taxes are levied July 1 and property owners have the option of paying the full amount November 15 or prior to February 15 and receiving a discount or paying in three installments, November 15, February 15 and May 15. Property taxes attach as an enforceable lien July 1 and are considered delinquent if not paid by the following May 15. The County Treasurer is the tax collection agent for all taxing entities within the County.

Tax revenue is considered received when in the hands of the County as the intermediary collection agency. In the governmental funds, tax revenue is recognized when collected and available to the City. Taxes receivable at June 30, less tax collections received within sixty days subsequent to year end, are recorded as deferred inflows of resources. Management has determined that an allowance for uncollectible accounts is not required for property taxes.

Assessments are recognized as receivables at the time the property owners are assessed for the property improvements. Assessments receivable in the governmental fund types are offset by deferred inflows of resources and the assessments are recorded as revenue when collected.

Receivables of the proprietary fund types are recorded as revenues as earned, including services earned but not billed.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories of supplies in all funds are stated at average cost. The inventories are recorded as an asset in the General Fund, and in the Water and Sewer enterprise funds. The inventories in the General Fund and the enterprise funds are recorded as an expenditure/expense as the inventory is used and are not offset by a reserve.

Interfund Receivables and Payables

In the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “Due from other funds” or “Due to other funds” in the fund financial statements.

During the year, borrowings that occur between funds are classified as interfund loans or advances. The governmental fund financial statements report this as nonspendable fund balance to indicate funds are not available for appropriation and are not expendable financial resources.

In the government-wide financial statements, all interfund receivables and payables are combined and any residual balances between the governmental and business-type activities are reported as due to and due from other funds.

Capital Assets

Capital assets are stated at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the fair market value of such assets at the date of donation. As permitted by GASB Statement No. 34, the City has limited the capitalization of infrastructure to only those which were constructed or acquired after July 1, 2003. Capital assets include land, right-of-way, buildings, improvements, infrastructure and equipment with an estimated life of one year or more with a cost of \$5,000 or more (\$25,000 or more for infrastructure assets). Maintenance and repairs that do not add to the value of the assets or extend the assets' lives are charged to expenditures as incurred and are not capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the related capital assets, except for land, right-of-ways and works of art which are considered inexhaustible in nature and are not depreciated. The estimated useful lives of the various categories of assets are as follows:

Buildings	20 to 40 years
Sewer and water system	20 to 50 years
Equipment and other	5 to 20 years

Upon disposal of such assets, the accounts are relieved of the related cost and accumulated depreciation and resulting gains or losses are reflected in income.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

Accumulated vacation and compensatory time liabilities are recorded in the Statement of Net Assets and in the proprietary fund financial statements. Accumulated vacation and compensatory time are accrued as expenditures in the governmental fund financial statements when the amounts are expected to be liquidated with expendable available resources. Sick leave does not vest and is recorded as the time is used. Sick leave accumulated in excess of four hundred hours is convertible to cash at the employees' option, accumulated sick pay in excess of four hundred hours is recorded in the Statement of Net Assets and in the proprietary fund financial statements based upon management's estimates. No sick pay in excess of four hundred hours has been requested by eligible employees as of the year ended June 30, 2022.

Long-Term Debt

Long-term debt is reported as a liability in the Statement of Net Assets and proprietary fund financial statements.

Deferred Outflows / Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods, and so will not be recognized as an expense / expenditure until that time.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period or periods, and so will not be recognized as revenue until that time. Additionally, the City has a type of inflow which arises under the modified accrual basis of accounting that qualifies for reporting in this category in the governmental funds balance sheet. The separate financial statement element, *unavailable revenue*, arises from property taxes and assessments receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capitalized Interest

Interest costs in the enterprise funds are capitalized as part of the cost of fixed assets during the period of construction. No interest was capitalized in the fiscal year ended June 30, 2022.

Net Pension Liability

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

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances

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

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the City Council passes an ordinance that places specific constraints on how the resources may be used. The City Council can modify or rescind the ordinance at any time through passage of an additional ordinance.

Resources that are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the City Council approves which resources should be "reserved" during the adoption of the annual budget. The City Manager uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the City's financial statements.

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

Budget

A budget is prepared for each fund in accordance with the modified accrual basis of accounting with certain modifications and legal requirements set forth in the Oregon Local Budget Law (ORS 294.305 to 294.565). The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

Total expenditures by department is the level of control for the General Fund, Public Safety, Community Development Fund and Public Works Fund established by resolution. Other fund expenditures are appropriated by major categories under the appropriation resolution. The detail budget document, however, is required to contain more specific information for the above-mentioned expenditure categories. Also, the detailed budget allocations in the detail budget document are used by the City for its administration control purposes. Unexpected additional resources may be added to the budget through the use of a supplemental budget.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budget (Continued)

A supplemental budget requires hearings before the public, publication in newspapers, and approval by the City Council. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the City Council. The City adopted supplemental budgets during the year ended June 30, 2022. Appropriations lapse as of year-end.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

NOTE B – CASH AND INVESTMENTS

The City maintains a common cash and investment pool for all City funds. The types of investments in which the City may invest are restricted by State of Oregon statutes and a Council adopted investment policy. Authorized investments include U.S. Treasury obligations, including treasury notes, bond and strips; Federal instrumentality securities from specific Federal Agencies; commercial paper rated at least A-1 or an equivalent rating; corporate bonds rated at least AA or an equivalent rating; bankers acceptances rated at least AA or an equivalent rating; the Oregon State Treasurer's Local Government Investment Pool limited by state statute; certificates of deposits; repurchase agreements and obligations of the states of Oregon, California, Idaho and Washington rated AA or better.

As of June 30, 2022, the City's cash and investments were comprised of the following:

Cash on hand	\$	1,600
Cash held by fiscal agent		41,304
Demand deposits with financial institutions		849,359
Investments in Oregon State Treasury Local Government Investment Pool		<u>29,864,139</u>
Total cash and investments	\$	<u>30,756,402</u>

Cash and investments are reflected on the Government-wide Statement of Net Position as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash and investments	\$ 15,258,864	\$ 13,998,876	\$ 29,257,740
Restricted cash	<u>-</u>	<u>1,498,662</u>	<u>1,498,662</u>
Total cash and investments	<u>\$ 15,258,864</u>	<u>\$ 15,497,538</u>	<u>\$ 30,756,402</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Deposits

Deposits with financial institutions are comprised of bank demand deposits. The combined total bank balance was \$1,203,219. These deposits were held in non-interest bearing accounts and are insured by federal depository insurance. As required by Oregon Revised Statutes, all deposits were held at qualified depositories for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. As a result, the City has no exposure to custodial credit risk for deposits with financial institutions.

Interest Rate Risk

In accordance with its investment policy, the City manages its exposure to declines in fair value by limiting the individual maturities in its investment portfolio to eighteen months or less.

Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top two ratings issued by NRSROs where applicable. The State of Oregon Local Government Investment Pool (LGIP) is not rated by NRSROs.

Concentration of Credit Risk

The City's investment policy, as it relates to investing outside of the LGIP, does not allow for an investment in any one issuer that is in excess of 5% of the City's total investments (ORS 294.035).

Custodial Credit Risk

Custodial risk is the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. As of June 30, 2022, all the City deposits are insured or collateralized and therefore, are not subject to custodial credit risk.

The City participates in an external investment pool, the State of Oregon Treasury Local Government Investment Pool. The LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The State's investment policies are governed by state statutes and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds are invested exercising reasonable care, skill and caution. Investments in the LGIP are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establishes diversification percentages and specifies the types and maturities of investments. That portion of the external investment pool which belongs to local government participants is reported in an Investment Trust Fund in the State's Comprehensive Annual Financial Report. A copy of the State's Comprehensive Annual Financial Report may be obtained at the Oregon State Treasury, 350 Winter St. NE, Salem, Oregon 97310-0840.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

The City’s position in the LGIP at June 30, 2022 is stated at cost, which approximates fair value.

NOTE C – INTERFUND RECEIVABLES AND PAYABLES

Interfund receivables and payables as of June 30, 2022 are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Funds:		
Public Safety Fund	\$ 243,038	\$ -
Public Works Fund	39,864	-
Subtotal General Funds	<u>282,902</u>	<u>-</u>
Room Tax and Business License Fund	-	1,496,475
Convention Center Fund	1,050,664	-
Water Fund	-	1,284,762
Water System Development Fund	451,142	-
Sewer System Development Fund	-	-
Convention Center Capital Improvements Fund	75,467	-
Convention Center Bond Reserve Fund	1,284,762	-
Special Assessments	-	121,564
Fire Equipment (2018)	-	329,578
Emergency Readiness Fund	19,289	-
Capital Improvement and Maintenance Fund	37,291	-
Promenade Improvement Fund	<u>30,862</u>	<u>-</u>
Grand total - all funds	<u>\$ 3,232,379</u>	<u>\$ 3,232,379</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE D – CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance June 30, 2022</u>
Capital assets not being depreciated				
Land	\$ 3,332,722	\$ -	\$ -	\$ 3,332,722
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>3,332,722</u>	<u>-</u>	<u>-</u>	<u>3,332,722</u>
Capital assets being depreciated				
Land improvements	1,284,758	-	-	1,284,758
Buildings	8,496,854	-	-	8,496,854
Infrastructure	19,263,470	-	-	19,263,470
Vehicles and equipment	<u>5,801,483</u>	<u>298,237</u>	<u>(410,736)</u>	<u>5,688,984</u>
Total capital assets being depreciated	<u>34,846,565</u>	<u>298,237</u>	<u>(410,736)</u>	<u>34,734,066</u>
Less accumulated depreciation				
Land improvements	397,406	36,820	-	434,226
Buildings	5,545,910	298,870	-	5,844,780
Infrastructure	6,999,354	734,585	-	7,733,939
Vehicles and equipment	<u>3,767,889</u>	<u>218,871</u>	<u>(256,760)</u>	<u>3,730,000</u>
Total accumulated depreciation	<u>16,710,559</u>	<u>1,289,146</u>	<u>(256,760)</u>	<u>17,742,945</u>
Total capital assets being depreciated - net	<u>18,136,006</u>	<u>(990,909)</u>	<u>(153,976)</u>	<u>16,991,121</u>
Governmental activities capital assets - net	<u>\$ 21,468,728</u>	<u>\$ (990,909)</u>	<u>\$ (153,976)</u>	<u>\$ 20,323,843</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE D – CAPITAL ASSETS (CONTINUED)

Capital asset activity for business-type activities for the year ended June 30, 2022 was as follows:

<u>Business-Type Activities</u>	<u>Balance July 1, 2021</u>	<u>Additions</u>	<u>Disposals/ Transfers</u>	<u>Balance June 30, 2022</u>
Capital assets not being depreciated				
Land	\$ 1,567,550	\$ -	\$ -	\$ 1,567,550
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>1,567,550</u>	<u>-</u>	<u>-</u>	<u>1,567,550</u>
Capital assets being depreciated				
Buildings	16,152,808	-	-	16,152,808
Water system infrastructure	20,828,755	-	-	20,828,755
Sewer system infrastructure	27,754,622	-	-	27,754,622
Equipment	<u>2,838,309</u>	<u>134,460</u>	-	<u>2,972,769</u>
Total capital assets being depreciated	<u>67,574,494</u>	<u>134,460</u>	<u>-</u>	<u>67,708,954</u>
Less accumulated depreciation				
Buildings	2,345,727	1,157,347	-	3,503,074
Water system infrastructure	8,493,116	337,067	-	8,830,183
Sewer system infrastructure	19,738,517	280,952	-	20,019,469
Equipment	<u>1,936,036</u>	<u>116,882</u>	-	<u>2,052,918</u>
Total accumulated depreciation	<u>32,513,396</u>	<u>1,892,248</u>	<u>-</u>	<u>34,405,644</u>
Total capital assets being depreciated - net	<u>35,061,098</u>	<u>(1,757,788)</u>	<u>-</u>	<u>33,303,310</u>
Business-type activities capital assets - net	<u>\$ 36,628,648</u>	<u>\$ (1,757,788)</u>	<u>\$ -</u>	<u>\$ 34,870,860</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE D – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to activities as follows:

Governmental Activities

General government	\$	234,297
Public safety		244,180
Highways and streets		775,024
Culture and recreation		<u>35,645</u>
Governmental activities depreciation expense	\$	<u><u>1,289,146</u></u>

Business-Type Activities

Water	\$	524,271
Sewer		655,925
Convention Center		<u>712,052</u>
Business-type activities depreciation expense	\$	<u><u>1,892,248</u></u>

NOTE E – LONG-TERM DEBT

During the fiscal year ended June 30, 2022, the following long-term debt transactions occurred:

	Balance June 30, 2021	Additions	Maturities	Balance June 30, 2022	Due Within Current Year
Governmental Activities					
General Obligation Water Bonds, Series 2007	\$ 2,295,000	\$ -	\$ (315,000)	\$ 1,980,000	\$ 340,000
General Obligation Water Bonds, Series 2012	3,410,000	-	(150,000)	3,260,000	155,000
Assessment Debt	<u>21,026</u>	-	<u>(21,026)</u>	-	-
Total governmental activities	<u>\$ 5,726,026</u>	<u>\$ -</u>	<u>\$ (486,026)</u>	<u>\$ 5,240,000</u>	<u>\$ 495,000</u>
Business-Type Activities					
Wastewater System Revenue Bonds, Series 2011	\$ 3,165,000	\$ -	\$ (230,000)	\$ 2,935,000	\$ 240,000
Convention Center Revenue Bonds, Series 2018	13,615,000	-	(560,000)	13,055,000	585,000
Water Tank Loan - OBDD	4,255,810	-	(61,197)	4,194,613	71,757
Sewer WWTP Loan - OBDD	<u>682,631</u>	-	<u>(22,476)</u>	<u>660,155</u>	<u>23,307</u>
Total business-type activities	<u>\$ 21,718,441</u>	<u>\$ -</u>	<u>\$ (873,673)</u>	<u>\$ 20,844,768</u>	<u>\$ 920,064</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Governmental Activities

General Obligation Bonds

General Obligation Water Bonds, Series 2007

The General Obligation Advance Water Bonds, Series 2007, dated January 23, 2007, were issued to provide funds to finance the construction of a four million gallon water storage tank located next to the City's water treatment facility. The series of bonds bear fixed interest rates ranging from 3.8% to 5.0%. The Bonds maturing January 1, 2008 through 2019, inclusive, are not subject to redemption prior to maturity. The Bonds maturing on or after January 1, 2019 are subject to redemption, at the option of the City, in whole or in part, on any date, on or after January 1, 2027, at a price of par, without premium, plus accrued interest, if any, to the date of redemption.

Mandatory redemption: The Term Bonds maturing on January 1, 2022 and on January 1, 2027 are subject to mandatory redemption by lot by the Paying Agent on January 1 of the following years in the following principal amounts, at a price of par, without premium, plus accrued interest to the date of redemption.

2027 Term Bonds		
Year		Principal
2023	\$	340,000
2024		365,000
2025		395,000
2026		425,000
2027		425,000

The bonds are general obligations of the City payable from ad-valorem taxes levied on all of the taxable property within the City. The City is required by law to include in its annual tax levy the principal and interest maturing on the Bonds to the extent that sufficient funds are not provided from other sources. The City includes in its annual budget amounts of the accruing interest and the annual maturing installments of principal due on the Series 2007 Bonds each fiscal year pursuant to Oregon Revised Statutes Section 223.245, less funds to be received from installment assessment payments.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Governmental Activities (Continued)

General Obligation Water Bonds, Series 2007 (Continued)

Annual debt service requirements as of June 30, 2022 for General Obligation Water Bonds, Series 2007 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 340,000	\$ 84,150	\$ 424,150
2024	365,000	69,700	434,700
2025	395,000	54,188	449,188
2026	425,000	37,400	462,400
2027	455,000	19,338	474,338
	<u>\$ 1,980,000</u>	<u>\$ 264,776</u>	<u>\$ 2,244,776</u>

Water Full Faith and Credit 2012

Full faith and credit Bond 2012 Series was issued September 5, 2012. Series 2012 bonds have a fixed interest rate ranging from 2% and 3.625%. Interest is paid semi-annually and principal is paid annually according to the following schedule:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 155,000	\$ 112,994	\$ 267,994
2024	155,000	109,119	264,119
2025	175,000	103,682	278,682
2026	175,000	96,682	271,682
2027	175,000	89,681	264,681
2028-2032	990,000	341,352	1,331,352
2033-2037	1,175,000	156,096	1,331,096
2038-2039	260,000	4,712	264,712
	<u>\$ 3,260,000</u>	<u>\$ 1,014,318</u>	<u>\$ 4,274,318</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Business-Type Activities

Wastewater System Revenue Bonds, Series 2011 – Sewer Fund

Wastewater System Revenue Bonds, Series 2011 for \$5,000,000, were issued on September 27, 2011 to finance sewer infrastructure. The Bonds bear fixed rates that range from 2% to 4.125%. The Bonds maturing July 1, 2018 through July 1, 2021 are not subject to redemption prior to maturity. The principal components of the Series 2012 Bonds coming due on and after July 1, 2022 are subject to redemption, at the option of the City, in whole or in part, on any date on or after July 1, 2021 at par plus accrued interest.

Mandatory redemption: If not previously redeemed under the provisions for optional prepayment, the Term Bonds maturing on July 1, 2026 and July 1, 2031 are subject to mandatory redemption by lot by the Paying Agent on July 1 of the following years in the following principal amounts, at a price of par, without premium, plus accrued interest to the date of redemption:

2026 Term Bonds		2031 Term Bonds	
Year	Principal	Year	Principal
2023	\$ 250,000	2027	\$ 300,000
2024	265,000	2028	310,000
2025	275,000	2029	325,000
2026	285,000	2030	335,000
		2031	350,000

Annual debt service requirements as of June 30, 2022 for Wastewater System Revenue Bonds, Series 2011, are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 240,000	\$ 117,612	\$ 357,612
2024	250,000	107,200	357,200
2025	265,000	96,257	361,257
2026	275,000	84,782	359,782
2027-2031	1,555,000	237,882	1,792,882
2032	350,000	7,219	357,219
	\$ 2,935,000	\$ 650,952	\$ 3,585,952

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Business-Type Activities (continued)

Transient Lodgings Tax Revenue Bonds, Series 2019 – Convention Center Fund

Transient Lodgings Tax Revenue Bonds, Series 2019 for \$15,000,000, were issued on March 15, 2019 to finance convention center improvements. The Bonds bear fixed rates that range from 3% to 5%. The Bonds maturing on and after December 15, 2028 are subject to redemption prior to their respective payment dates in whole or in part in authorized denominations on any date after June 15, 2028 at the option of the City, at a price of par, plus accrued interest, if any, to the date of redemption.

Mandatory redemption: If not previously redeemed under the provisions for optional prepayment, the Term Bonds maturing on December 15, 2030, December 15, 2033, and December 15, 2037 are subject to mandatory redemption by lot by the Paying Agent on December 15 of the following years in the following principal amounts, at a price of par, without premium, plus accrued interest to the date of redemption:

2030 Term Bonds			2033 Term Bonds			2037 Term Bonds		
Year	Principal		Year	Principal		Year	Principal	
2029	\$	780,000	2031	\$	855,000	2034	\$	955,000
2030		820,000 (1)	2032		885,000	2035		1,005,000
			2033		915,000 (1)	2036		1,055,000
						2037		1,110,000 (1)

(1) Final maturity.

Annual debt service requirements as of June 30, 2022 for the Transient Lodgings Tax Revenue Bonds Series 2020 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 585,000	\$ 556,050	\$ 1,141,050
2024	615,000	526,050	1,141,050
2025	640,000	497,875	1,137,875
2026	665,000	471,775	1,136,775
2027	695,000	444,575	1,139,575
2028-2032	3,930,000	1,770,163	5,700,163
2033-2037	4,815,000	873,651	5,688,651
2038	1,110,000	27,750	1,137,750
	\$ 13,055,000	\$ 5,167,889	\$ 18,222,889

Unamortized bond premium in connection with this bond issue, net of bond costs, were \$787,815 as of June 30, 2022.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Debt Covenants

The terms of the bonds and other debt instruments include certain covenants, including requirements to maintain levels of water and sewer user revenues, compliance with bonded debt limitations, and maintenance of infrastructure assets. The City was in compliance with all such covenants as of June 30, 2022.

County Assessment Obligation

During fiscal 2011/12, Clatsop County settled a property tax dispute with Georgia Pacific-Wauna Mill on behalf of all of the taxing districts within the County. The settlement was paid for with bonds aggregating \$2,550,000 issued by the County, payable annually at 2.18% over ten years. Under an intergovernmental agreement, the annual principal and interest payments due on the bonds will be covered from the first annual tax collection turn-over of each taxing district. The City's proportionate share of the obligation, calculated from its four taxing districts, totaled \$193,421. The principal outstanding at June 30, 2021 of \$21,026 matured and was repaid in June 30, 2022.

Notes Payable to Oregon Infrastructure Finance Authority – OBDD:

Water System Reservoir Tank Loan

In September 2020, the City obtained a loan from the Oregon Infrastructure Finance Authority Business Development Department (the "OBDD") for up to \$5,000,000 to finance the expenditures made in the Water Capital Construction Fund for a new water storage tank. The loan bears interest at 2.25% with all principal and any unpaid interest maturing in December 2023. The loan is secured by the City's full faith and net water system service revenues.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 71,757	\$ 168,819	\$ 240,576
2024	72,345	165,231	237,576
2025	77,962	161,614	239,576
2026	83,610	157,716	241,326
2027	84,290	153,535	237,825
2028-2032	497,911	698,968	1,196,879
2033-2037	630,817	562,061	1,192,878
2038-2042	810,054	387,575	1,197,629
2043-2047	972,458	222,870	1,195,328
2048-2051	893,409	68,144	961,553
	\$ 4,194,613	\$ 2,746,533	\$ 6,941,146

Sewer System Stabilization Bank Loan

In June 2015, the City obtained a loan from Oregon Infrastructure Finance Authority Business Development Department (the "OBDD") for \$769,907 to finance the Wastewater Treatment Plant Bank Stabilization. The note requires annual payments of principal and interest, which accrues at 3.7% annually, until maturity in December 2040. The loan is secured by the City's full faith and net sewer system service revenues.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE E – LONG-TERM DEBT (CONTINUED)

Note Payable (Continued)

Maturities of principal and interest are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 23,307	\$ 24,426	\$ 47,733
2024	24,170	23,563	47,733
2025	25,064	22,669	47,733
2026	25,991	21,742	47,733
2027	26,953	20,780	47,733
2028-2032	150,482	88,183	238,665
2033-2037	180,459	58,206	238,665
2038-2041	203,729	21,007	224,736
	\$ 660,155	\$ 280,576	\$ 940,731

NOTE F – INTERFUND TRANSFERS

Transfers are routinely made for the following purposes:

- To move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.
- To move receipts restricted to debt service from the fund collecting the receipts to the debt service fund as payments become due.
- To move unrestricted revenues collected in the General Fund to finance various programs and activities accounted for in other funds in accordance with budgetary authorizations.
- To move revenues collected from room taxes and assessments to other funds to pay for direct expenditures.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE F – INTERFUND TRANSFERS (CONTINUED)

Interfund transfers for 2022 were as follows:

	Transfers In	Transfers Out
General Fund	\$ 1,533,956	\$ 4,500,989
Public Safety Fund	5,542,940	482,392
Public Works Fund	506,305	118,477
Community Development Fund	265,000	40,638
Room Tax & Business License	-	6,578,990
Capital Improvement & Maintenance Fund	161,564	-
Promenade Improvement Fund	133,709	-
Emergency Readiness Fund	83,568	-
Airport Fund	3,000	-
Economic Development Fund	11,000	-
SE Seaside Construction Fund	425,785	-
Greater Seaside Construction Fund	675	-
Road District Fund	-	18,297
State Tax Street Fund	-	55,315
Downtown Maintenance Fund	-	7,583
Southeast Seaside Debt Service Fund	-	425,785
Greater Seaside Debt Service Fund	-	675
Water Fund	-	544,145
Water System Development Fund	-	-
Water Capital Construction Fund	-	-
Sewer Fund	-	371,068
Convention Center Fund	4,368,556	232,641
Convention Center Capital Improvements Fund	340,937	-
Convention Center Construction Fund	-	-
Convention Center Bond Reserve Fund	-	-
	<u>\$ 13,376,995</u>	<u>\$ 13,376,995</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN

General Information about the Pension Plan:

Plan description

The Retirement Plan for Employees of the City of Seaside (the “Plan”) was established by the City and is administered by Standard Retirement Services, Inc. The Plan is a single-employer, defined benefit pension plan which covers substantially all employees of the City. The effective date of the plan was March 1, 1973. The most recent plan restatement was July 12, 2012. At that time, the plan anniversary was amended from March 1 to July 1. Effective July 1, 2006, the plan year runs from July 1 to June 30. The Plan does not issue a publicly available financial report.

Benefits provided

The Plan provides for retirement, disability and death benefits to Plan members and beneficiaries. Permanent, full-time employees who have completed six months of employment automatically become participants in the plan. A combination of age and years of service determine the retirement benefit; however, the general employees may retire at age 65 with full benefits regardless of years of service. Several alternatives for receiving benefits are available. Police and fire employees may retire at age 60 with fewer years of service.

All participants reaching normal retirement age are entitled to the benefits described below plus additional benefits derived from their (1) pick-up, (2) required and (3) voluntary contributions. In addition, uniformed participants may be entitled to a unit purchase benefit.

For Uniformed Participants:

The participant's Normal Retirement Benefit is equal to the following formula:

- a. \$4.00 multiplied by years of service before July 1, 1973 to a maximum of 15 years; plus
- b. 1.35% multiplied by basic monthly compensation multiplied by years of service between July 1, 1973 and June 30, 1979; plus
- c. 1.55% multiplied by basic monthly compensation multiplied by years of service after July 1, 1979.

In addition, uniformed participants are guaranteed to receive the above plan formula adjusted by the greater of:

benefits attributable to pre-October 1, 1991 service will be increased by 9.89%;

or benefits will be increased as follows:

<u>Years of service</u>	<u>Increase</u>
Less than 10	0.0%
10 but less than 20	1.0%
20 but less than 25	2.5%
25 or greater	4.0%

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

For Non-Uniformed Participants

The participant's Normal Retirement Benefit is equal to the following formula:

- a. \$4.00 multiplied by years of service before July 1, 1973 to a maximum of 15 years; plus
- b. 1.00% multiplied by basic monthly compensation multiplied by years of service between July 1, 1973 and June 30, 1979; plus
- c. 1.25% multiplied by basic monthly compensation multiplied by years of service after July 1, 1979.

“Basic Monthly Compensation” means the average earnings for the highest three consecutive years during the last 10 years of employment, based on the January 1 earnings rate.

Annuity Forms

The normal annuity form is a Straight Life Annuity with modified cash refund. At the participant's option, retirement income may be paid with a certain and life period, a straight life annuity, or on a joint-and-survivor basis. Election of an optional form may be made at any time before retirement. Regardless of the form distributed to the participant, it shall be actuarially equivalent to the normal form.

Normal Retirement

Normal retirement date is first of the month coincident with, or immediately following, the attainment of age:

- a. For **uniformed** participants, age 60
- b. For **non-uniformed** participants, age 65

Early Retirement

At any time that a uniformed participant has attained age 50 or a non-uniformed participant has attained age 60, the participant may elect early retirement. The normal retirement benefit accrued to date may be reduced to compensate for the longer period over which benefits will be paid. The reduction is 0.6% for each month by which early retirement precedes (a) age 55 for uniformed participants or (b) age 65 for non-uniformed participants, subject to the provisions following for "subsidized early retirement".

Subsidized Early Retirement

The subsidized early retirement benefit will equal 100% of the participants normal retirement benefit accrued to date under the following circumstances:

- a. For uniformed participants, attainment of age 50 with 25 years of credited service;
- b. For non-uniformed participants, attainment of age 60 with 30 years of credited service, or attainment of age 62 with 25 years of credited service; and
- c. For any participant, completion of 30 years of continuous service, regardless of age.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

Late Retirement

If termination of employment is postponed beyond the normal retirement date, benefits will be the greater of continued accrual according to the benefit formula or his normal retirement benefit increased by 7.2% for the first 5 years following normal retirement age plus 3.6% for each additional year thereafter.

Disability Benefits

Service connected:

A disability benefit is provided if the disability is either service-connected or upon completion of 10 years of service if the disability is not service-connected.

The disability benefit is equal to the accrued benefit earned to date of disability plus (1) amount developed by applying the required contribution balance as a premium; (2) amount developed by applying accrued voluntary contributions; (3) benefit based on any unit purchase contributions; and the following adjustments:

- a. For uniformed participants, 64% of the amount the participant would have received as an early retirement benefit at age 55 if the person had continued to accrue future service credit at the same rate of monthly earnings until such date.
- b. For non-uniformed participants, the amount the participant would have received as an early retirement benefit at age 60 assuming the person had continued to accrue future service credit at the same rate of monthly earnings until such date. The early retirement reduction factor is applied to this benefit.

The disability benefit will not be less than \$100 per month. Uniformed participants may elect to receive a monthly disability benefit equal to 50% of average monthly earnings if the disability is service-connected. Any benefit derived from voluntary contributions will be paid in addition to these minimum amounts.

Non-Service Connected:

The disability benefit is equal to the actuarial equivalent of the accrued benefit earned to date of disability plus (1) amount developed by applying the required contribution balance as a premium; (2) amount developed by applying accrued voluntary contributions; and (3) benefit based on any unit purchase contributions.

Death Benefit

In the event of a participant's death before retirement, the participant's beneficiary will receive a lump sum payment equal to (a) 2 times the accrued required and pick-up contribution balances; (b) the accrued voluntary contribution balance; and (c) the unit purchase contribution balance.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

Death Benefit (Continued)

In the event of a participant's death during the deferred period prior to commencement of severance benefits, the participant's beneficiary will receive a lump sum payment equal to (a) 2 times the accrued required and pick-up contribution balances; and (b) the accrued voluntary contribution balance.

In the event a uniformed participant dies while receiving any monthly benefit under the plan and there is a surviving spouse or surviving child, the survivor is eligible to receive a monthly benefit equal to 25% of the amount the person was receiving including any COLA adjustments after converting the monthly payments to an amount that could be paid as a straight life annuity.

COLA

Each July 1, retiree benefits may be increased by a factor equal to the percentage difference between the Consumer Price Index averages for the two preceding calendar years, subject to a maximum annual increase of 2%.

Termination Benefit (Before Retirement)

If a participant has not completed 5 years of credited service, in lieu of any other benefit under the plan, they will receive their accrued required contributions, pick-up contributions, voluntary contributions and unit purchase contributions at termination in one lump sum payment. If a participant terminates service before attaining retirement age but after becoming vested, he shall be entitled to a deferred benefit payable at retirement age. In the event such participant withdraws their account balances, they will forfeit their right to any other benefit provided by the plan.

Vesting

Participants are 100% vested upon completion of 5 years of credited service. Participants are always 100% vested in any accrued required contributions, voluntary contributions and unit purchase contribution balances.

Employees covered by benefit terms

As of June 30, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries receiving benefits	23
Inactive employees entitled to but not receiving benefits	63
Active employees	<u>76</u>
Total	<u><u>162</u></u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

Contributions

The employer contributes whatever amounts are required to pay for the cost of the plan. In addition, the employer picks up supplemental contributions on behalf of participants at the rate of 7% of monthly earnings (excluding overtime and special allowances). Prior to July 1, 1981, employees were required to contribute mandatory after tax contributions to the plan based on a graded percentage table and the employee's monthly earnings.

Uniformed participants may make "unit purchase contributions" to purchase supplemental benefits in \$10 per month increments (to a maximum of \$80). The unit purchase benefit is paid as a temporary life annuity between normal retirement age and age 65. The employer will provide a matching benefit if the participant continues contributions until retirement age.

The employee may also elect to make voluntary contributions to the plan. Such contributions will be not less than \$10 per month and not more than 10% of the employee's monthly earnings.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2022
Actuarial Cost Method	Entry Age Normal with normal cost as a level percent of salary
Amortization Method	Amortized as a level percent of salary over a rolling 20-year period with amortization payments indexed to salary scale
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Inflation Rate	2.00 percent
Discount Rate	4.47 percent
Projected Salary Increases	3.00 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service
Mortality	RP-2014 Fully generational basis using scale MP-2021

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

The long-term expected rate of return on pension plan investments was determined based on best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class/Strategy	Target Allocation	Long-term Expected Rate of Return
Domestic equity	40.00 %	
International equity	30.00	
Fixed income	30.00	
Total	100.00 %	5.00 %

Discount Rate

The discount rate used to measure the total pension liability was 4.47%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. 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 active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension (a)	Plan (b)	Net Pension (a) - (b)
Balance, June 30, 2021	\$ 34,924,890	\$ 18,357,314	\$ 16,567,576
Changes for the year:			
Service cost	1,142,584	-	1,142,584
Interest	1,530,600	-	1,530,600
Differences between expected and actual experience	1,133,910	-	1,133,910
Changes in assumptions	(2,506,479)	-	(2,506,479)
Contributions - employer	-	1,107,336	(1,107,336)
Contributions - employee	-	381,687	(381,687)
Net investment income (loss)	-	(1,678,040)	1,678,040
Benefit payments, including refunds	(906,602)	(906,602)	-
Administrative expenses	-	(2,750)	2,750
Net changes	394,013	(1,098,369)	1,492,382
Balance, June 30, 2022	\$ 35,318,903	\$ 17,258,945	\$ 18,059,958

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 4.47 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.47 percent) or 1-percentage point higher (4.47 percent) than the current rate:

	1% Decrease 5.47%	Current Rate 4.47%	1% Increase 3.47%
Net pension (liability)/asset	\$ 23,071,336	\$ 18,059,958	\$ 13,991,264

Pension plan fiduciary net position

The Plan's fiduciary net position is presented in the basic financial statements. The Plan does not issue separately audited financial statements.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE G – PENSION PLAN (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense of \$2,482,181. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected actual experience	\$ 1,636,626	\$ 32,333
Changes of assumptions	3,775,283	1,944,473
Net difference between projected actual earnings on investments	<u>2,289,851</u>	<u>1,158,083</u>
Net Deferred Outflows/(Inflows) of Resources	\$ <u><u>7,701,760</u></u>	\$ <u><u>3,134,889</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Subsequent Fiscal Years Ending June 30:</u>	<u>Future Expense Recognition</u>
2023	\$ 2,065,805
2024	1,597,370
2025	513,825
2026	389,871
2027	-
Thereafter	<u>-</u>
Total	\$ <u><u>4,566,871</u></u>

Payable to the Pension Plan

At June 30, 2022, there were no outstanding contributions to be remitted to the pension plan required for the year then ended.

Changes in Assumptions

The only change in assumptions affecting the net pension liability as of June 30, 2022 was the change in the discount rate from 3.73% to 4.47% based on currently forecasted conditions.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE H – OTHER POST-EMPLOYMENT BENEFITS

The other postemployment benefits (OPEB) liability arises from the continuation of health care coverage for eligible employees upon retirement (the City provides an implicit rate subsidy for retiree health insurance premiums).

Financial Statement Presentation

The City's OPEB liability, related deferred outflows and inflows of resources, and component of the related pension expense is presented in the aggregate on the Statement of Net Position and Statement of Activities. The amounts on the financial statements related to OPEB are as follows:

Included in Deferred Outflows of Resources:		
Contributions after the measurement date	\$	112,235
Total OPEB Liability	\$	(539,592)
Included in Deferred Inflows of Resources:		
Changes in assumptions	\$	(69,546)
Included in Pension Expense:		
OPEB Expense	\$	26,425

Implicit Rate Subsidy

Plan Description

The City's single-employer defined benefit postemployment healthcare plan is administered by Citycounty Insurance Services (CIS). Benefit provisions are established through negotiations between the City and representatives of collective bargaining units or through resolutions passed by City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City's postemployment healthcare plan administrator issues a publicly available financial report that includes financial statements and required supplementary information for CIS. This report may be obtained by writing to the CIS Main Office, 80 Iron Point Circle, Suite 200, Folsom, CA 95630.

Benefits Provided

The plan provides eligible retirees and their dependents under age 65 the same health care coverage at the same premium rates as offered to active employees. The retiree is responsible for the portion of the premiums not paid by the City. As of the valuation date of July 1, 2021, the following employees were covered by the benefit terms:

Retirees or beneficiaries	6
Active employees	<u>82</u>
Total	<u><u>88</u></u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE H – OTHER POST–EMPLOYMENT BENEFITS (CONTINUED)

OPEB Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The City’s total OPEB liability of \$539,592 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2020.

For the fiscal year ended June 30, 2022, the City recognized OPEB expense from this plan of \$59,849. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to this OPEB plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 67,582	\$ -
Changes of assumptions		
Net subject to future amortization	14,403	(69,546)
Benefit payments	<u>30,250</u>	<u>-</u>
Net Deferred Outflows/(Inflows) of Resources	<u>\$ 112,235</u>	<u>\$ (69,546)</u>

Deferred outflows of resources related to OPEB of \$112,235 resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2022. 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>Fiscal Years Ending June 30:</u>	<u>Expense (Income) Recognition</u>
2023	\$ 29,163
2024	(1,087)
2025	956
2026	2,320
2027	2,320
Thereafter	<u>9,017</u>
Total	<u>\$ 42,689</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE H – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions and Other Inputs

The total OPEB liability in the July 1, 2021 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2021
Discount Rate	2.16 percent
Inflation Rate	2.50 percent
Salary Increases	3.50 percent
Withdrawal, Retirement, & Mortality Rates	December 31, 2019 Oregon PERS Valuation
Election and Lapse Rates	40% of eligible employees 5% annual lapse rate
Actuarial Cost Method	Entry Age Normal

The discount rate was based on Bond Buyer 20-Year General Obligation Bond Index.

Changes in the Total OPEB Liability

Changes in assumptions are the result of the change in the discount rate from 3.50 to 2.21.

	<u>Total OPEB Liability</u>
Balance as of June 30, 2021	\$ 520,270
Changes for the year:	
Service cost	45,699
Interest on total OPEB liability	12,063
Effect of assumptions changes or inputs	2,087
Benefit payments	<u>(40,527)</u>
Balance as of June 30, 2022	<u>\$ 539,592</u>

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE H – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Total OPEB Liability

The following presents the City’s total OPEB liability, as well as what the liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16 percent) or 1-percentage-point higher (3.16 percent) than the current discount rate. A similar sensitivity analysis is then presented for changes in the healthcare trend assumption.

Discount Rate:	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
OPEB Liability	\$ 581,181	\$ 539,592	\$ 500,895
 Healthcare Cost Rate:	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
OPEB Liability	\$ 478,341	\$ 539,592	\$ 613,687

Changes in Plan Provisions Subsequent to Measurement Date

As of June 30, 2022, there were no changes in plan provisions subsequent to the measurement date.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE I – FUND BALANCES

Fund balances by classification for the year ended June 30, 2022 were as follows:

	<u>General Fund</u>	<u>Room Tax and Business License Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Fund balances				
Nonspendable				
Inventories and prepaids	\$ 55,193	\$ -	\$ -	\$ 55,193
Restricted for				
Trust funds	-	-	83,087	83,087
Committed				
Roads District	-	-	1,437,299	1,437,299
State Tax Street	-	-	1,168,234	1,168,234
Downtown Maintenance	-	-	17,213	17,213
911 Special Revenue	-	-	232,919	232,919
Watershed Enhancement	-	-	504,347	504,347
Economic Development	-	-	2,446	2,446
Emergency Readiness	-	-	147,123	147,123
American Rescue Plan	-	-	768,637	768,637
Systems Development Parks	-	-	744,149	744,149
Systems Development Road	-	-	69,374	69,374
Airport	-	-	10,537	10,537
Park Construction	-	-	4,974	4,974
Assigned				
Public Safety	2,637,477	-	-	2,637,477
Community Development	1,794,086	-	-	1,794,086
Public Works	442,966	-	-	442,966
Debt Service	-	-	509,629	509,629
Capital Projects	-	-	1,912,639	1,912,639
Other purposes	-	1,514,681	-	1,514,681
Unassigned	<u>3,359,504</u>	<u>-</u>	<u>(366,402)</u>	<u>2,993,102</u>
Total fund balances	<u>\$ 8,289,226</u>	<u>\$ 1,514,681</u>	<u>7,246,205</u>	<u>\$ 17,050,112</u>

NOTE J – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft and property damage, errors and omissions, injuries to employees, and natural disasters. The City obtains insurance policies from commercial suppliers at varying coverages based on related risks. The City's management believes insurance coverages are adequate and related deductibles are reasonable. Settled claims from these risks have not exceeded commercial insurance limits.

CITY OF SEASIDE, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)

Year Ended June 30, 2022

NOTE K – COMMITMENTS AND CONTINGENCIES

The City attorney is aware of no pending litigation or existing claims that will result in material liability to the City.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. Based upon prior experience, City management believes such disallowances, if any, will be immaterial.

The City has an employment agreement with a key employee whereas the employee will be paid a certain amount specified by agreement upon termination that is not due to cause.

Beginning in March 2020, an outbreak of a coronavirus necessitated the partial closure and other restrictions on business activities. The effects of these events may continue for some time, including disruptions to or restrictions on employees' ability to work and on the ability of customers to satisfy receivables. At the present time, the ultimate future effects of these issues are unknown.

NOTE L – NONMAJOR FUND DEFICITS

The following nonmajor funds had deficit fund balances as of June 30, 2022:

Special Assessment Fund	\$	47,146
Fire Equipment (2018) Fund		<u>319,256</u>
	\$	<u><u>366,402</u></u>

NOTE M – RESTATEMENT

The beginning net position balance in the Water Fund has been restated to reflect an over-accrual of expected loan proceeds for the water tank loan as of June 30, 2021. The effect of the restatement was to reduce long-term debt and increase net position by \$744,190. The restatement had no effect on the budgetary basis of the Water Fund.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SEASIDE, OREGON

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 4,037,177	\$ 4,037,383	\$ 4,058,793	\$ 21,410
Transient room tax	1,150,000	1,150,000	1,706,645	556,645
Intergovernmental	10,950	10,950	15,086	4,136
Licenses and permits	12,300	5,300	1,800	(3,500)
Fines and forfeitures	14,000	11,000	22,582	11,582
Interest income	26,500	26,294	36,491	10,197
Charges for goods/services	-	-	-	-
Sale of assets	4,000	2,000	8,367	6,367
Donations	-	-	-	-
Miscellaneous	12,000	10,000	27,584	17,584
Total revenues	<u>5,266,927</u>	<u>5,252,927</u>	<u>5,877,348</u>	<u>624,421</u>
Expenditures				
Mayor and City Council				
Personal services	12,102	12,643	12,430	213
Materials and services	12,400	12,400	8,136	4,264
Total Mayor and City Council	<u>24,502</u>	<u>25,043</u>	<u>20,566</u>	<u>4,477</u>
City Attorney				
Materials and services	52,100	52,100	46,175	5,925
Business Office				
Personal services	655,255	756,865	750,446	6,419
Materials and services	34,600	64,600	61,516	3,084
Total Business Office	<u>689,855</u>	<u>821,465</u>	<u>811,962</u>	<u>9,503</u>
Library				
Personal services	575,106	600,516	590,344	10,172
Materials and services	143,400	143,400	153,631	(10,231)
Capital outlay	55,000	55,000	92,093	(37,093)
Total Library	<u>773,506</u>	<u>798,916</u>	<u>836,068</u>	<u>(37,152)</u>
Community Center				
Materials and services	61,900	61,900	59,254	2,646
Non-departmental				
Materials and services	378,350	383,350	343,619	39,731
Capital outlay	58,000	58,000	202	57,798
Debt service	267,181	267,181	267,181	-
Total non-departmental	<u>703,531</u>	<u>708,531</u>	<u>611,002</u>	<u>97,529</u>
Contingency	200,000	226,903	-	226,903
Total expenditures	<u>2,505,394</u>	<u>2,694,858</u>	<u>2,385,027</u>	<u>309,831</u>
Excess (deficiency) of revenues over expenditures	<u>2,761,533</u>	<u>2,558,069</u>	<u>3,492,321</u>	<u>934,252</u>
Other financing sources (uses)				
Transfers in	1,533,956	1,533,956	1,533,956	-
Transfers out	(4,500,989)	(4,500,989)	(4,500,989)	-
Total other financing sources (uses)	<u>(2,967,033)</u>	<u>(2,967,033)</u>	<u>(2,967,033)</u>	<u>-</u>
Change in fund balance	(205,500)	(408,964)	525,288	934,252
Fund balance - Beginning of year	2,480,445	2,889,409	2,889,409	-
Fund balance - end of year	<u>\$ 2,274,945</u>	<u>\$ 2,480,445</u>	<u>\$ 3,414,697</u>	<u>\$ 934,252</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

ROOM TAX AND BUSINESS LICENSE FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Transient room tax	\$ 6,000,000	\$ 7,700,000	\$ 7,523,542	\$ (176,458)
Licenses and permits	355,000	360,475	357,150	(3,325)
Interest income	8,000	8,000	6,851	(1,149)
Intergovernmental	11,000	11,000	12,400	1,400
Donations	100	100	-	(100)
Miscellaneous	100	100	40	(60)
Total revenues	<u>6,374,200</u>	<u>8,079,675</u>	<u>7,899,983</u>	<u>(179,692)</u>
Expenditures				
Personal services	287,045	290,045	287,318	2,727
Materials and services	748,150	748,150	732,783	15,367
Capital outlay	-	-	-	-
Contingency	200,000	478,777	-	478,777
Total expenditures	<u>1,235,195</u>	<u>1,516,972</u>	<u>1,020,101</u>	<u>496,871</u>
Excess (deficiency) of revenues over expenditures	<u>5,139,005</u>	<u>6,562,703</u>	<u>6,879,882</u>	<u>317,179</u>
Other financing sources (uses)				
Transfers out	<u>(5,309,567)</u>	<u>(6,733,265)</u>	<u>(6,578,990)</u>	<u>154,275</u>
Change in fund balance	(170,562)	(170,562)	300,892	471,454
Fund balance - beginning of year	<u>1,123,082</u>	<u>1,213,789</u>	<u>1,213,789</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 952,520</u></u>	<u><u>\$ 1,043,227</u></u>	<u><u>\$ 1,514,681</u></u>	<u><u>\$ 471,454</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**Schedules of Required Supplementary Information - Pension Information
SCHEDULE OF CHANGES IN NET PENSION LIABILITY**

**Year Ended June 30, 2022
Last 10 Fiscal Years***

(Dollar amounts in 000's)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Pension Liability										
Service cost	\$ 1,142	\$ 1,318	\$ 896	\$ 767	\$ 658	\$ 651	\$ 639	\$ 641	N/A	N/A
Interest	1,531	1,293	1,437	1,339	1,246	1,230	1,145	1,127	N/A	N/A
Differences between expected and actual experience	1,133	1,360	(99)	332	(50)	593	(391)	(468)	N/A	N/A
Changes in assumptions	(2,506)	4,620	3,699	-	833	-	-	-	N/A	N/A
Benefit payments, including refunds	(906)	(2,050)	(865)	(683)	(893)	(757)	(1,419)	(782)	N/A	N/A
Net change in total pension liability	<u>394</u>	<u>6,541</u>	<u>5,068</u>	<u>1,755</u>	<u>1,794</u>	<u>1,717</u>	<u>(26)</u>	<u>518</u>	N/A	N/A
Total pension liability - beginning	<u>34,925</u>	<u>28,384</u>	<u>23,316</u>	<u>21,561</u>	<u>19,767</u>	<u>18,050</u>	<u>18,076</u>	<u>17,558</u>	N/A	N/A
Total pension liability - ending	<u>\$ 35,319</u>	<u>\$ 34,925</u>	<u>\$ 28,384</u>	<u>\$ 23,316</u>	<u>\$ 21,561</u>	<u>\$ 19,767</u>	<u>\$ 18,050</u>	<u>\$ 18,076</u>	N/A	N/A
Fiduciary Net position										
Contributions - employer	\$ 1,107	\$ 712	\$ 707	\$ 663	\$ 608	\$ 578	\$ 598	\$ 545	N/A	N/A
Contributions - employee	381	368	367	337	309	292	300	306	N/A	N/A
Net investment income (loss)	(1,678)	2,774	595	782	760	1,023	102	168	N/A	N/A
Benefit payments, including refunds	(907)	(2,020)	(865)	(683)	(893)	(757)	(1,419)	(782)	N/A	N/A
Administrative expenses	(3)	(6)	(2)	(2)	(2)	(5)	(1)	(2)	N/A	N/A
Other changes	-	-	-	-	-	-	-	-	N/A	N/A
Net change in fiduciary net position	<u>(1,100)</u>	<u>1,828</u>	<u>802</u>	<u>1,097</u>	<u>782</u>	<u>1,131</u>	<u>(420)</u>	<u>235</u>	N/A	N/A
Fiduciary net position - beginning	<u>18,388</u>	<u>16,560</u>	<u>15,758</u>	<u>14,661</u>	<u>13,879</u>	<u>12,748</u>	<u>13,168</u>	<u>12,933</u>	N/A	N/A
Fiduciary net position - ending	<u>\$ 17,288</u>	<u>\$ 18,388</u>	<u>\$ 16,560</u>	<u>\$ 15,758</u>	<u>\$ 14,661</u>	<u>\$ 13,879</u>	<u>\$ 12,748</u>	<u>\$ 13,168</u>	N/A	N/A
Net Pension Liability	\$ 18,031	\$ 16,537	\$ 11,824	\$ 7,558	\$ 6,900	\$ 5,888	\$ 5,302	\$ 4,908	N/A	N/A
Covered-employee payroll	\$ 5,827	\$ 5,789	\$ 5,388	\$ 5,323	\$ 4,725	\$ 4,250	\$ 4,242	\$ 4,370	N/A	N/A
Net pension liability as a percentage of covered-employee payroll	309.9%	286.2%	219.5%	142.0%	146.0%	138.5%	124.9%	112.3%	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	48.8%	52.6%	58.3%	67.6%	68.0%	70.2%	70.6%	72.8%	N/A	N/A

* GASB # 68 requires ten-year trend information. However, until a full ten-year trend is established, only the information for the years available is presented.

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**Schedules of Required Supplementary Information - Pension Information
SCHEDULE OF PENSION CONTRIBUTIONS**

**Year Ended June 30, 2022
Last 10 Fiscal Years**

(Dollar amounts in 000's)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,092	\$ 741	\$ 621	\$ 538	\$ 471	\$ 407	\$ 361	\$ 388	\$ 389	\$ 358
Contributions in relation to the actuarially determined contribution	<u>1,107</u>	<u>712</u>	<u>706</u>	<u>663</u>	<u>608</u>	<u>579</u>	<u>598</u>	<u>545</u>	<u>562</u>	<u>541</u>
Contribution deficiency (excess)	\$ <u>(15)</u>	\$ <u>29</u>	\$ <u>(85)</u>	\$ <u>(125)</u>	\$ <u>(137)</u>	\$ <u>(172)</u>	\$ <u>(237)</u>	\$ <u>(157)</u>	\$ <u>(173)</u>	\$ <u>(183)</u>
Covered-employee payroll	\$ 5,827	\$ 5,789	\$ 5,388	\$ 5,323	\$ 4,725	\$ 4,250	\$ 4,242	\$ 4,370	\$ 4,370	\$ 4,238
Contributions as a percentage of covered-employee payroll	19.0%	12.3%	13.1%	12.5%	12.9%	13.6%	14.1%	12.8%	12.9%	12.8%

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**Notes to Pension Supplementary Information
Year Ended June 30, 2022**

Changes in Benefit Terms:

There were no significant changes in benefit terms affecting the net pension liability as of June 30, 2022.

Changes in Assumptions:

The only significant change in assumptions affecting net pension liability as of June 30, 2022 was the change in the discount rate from 3.73% to 4.47% based on currently forecasted conditions.

Actuarial assumptions are described in the notes to the accompanying financial statements.

CITY OF SEASIDE, OREGON

**Schedules of Required Supplementary Information - Pension Information
SCHEDULE OF CHANGES IN OPEB LIABILITY**

**Year Ended June 30, 2022
Last 10 Fiscal Years**

(Dollar amounts in 000's)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total OPEB Liability										
Service cost	\$ 46	\$ 36	\$ 32	\$ 35	37	N/A	N/A	N/A	N/A	N/A
Interest	12	17	18	18	15	N/A	N/A	N/A	N/A	N/A
Effect of changes to benefits terms	-	-	-	79	-	N/A	N/A	N/A	N/A	N/A
Changes in assumptions	3	35	13	(110)	(25)	N/A	N/A	N/A	N/A	N/A
Benefit payments, including refunds	(41)	(41)	(40)	(68)	(63)	N/A	N/A	N/A	N/A	N/A
Net change in total pension liability	<u>20</u>	<u>47</u>	<u>23</u>	<u>(46)</u>	<u>(36)</u>	N/A	N/A	N/A	N/A	N/A
Total OPEB liability - beginning	<u>520</u>	<u>473</u>	<u>450</u>	<u>496</u>	<u>532</u>	N/A	N/A	N/A	N/A	N/A
Total OPEB liability - ending	<u>\$ 540</u>	<u>\$ 520</u>	<u>\$ 473</u>	<u>\$ 450</u>	<u>\$ 496</u>	N/A	N/A	N/A	N/A	N/A
Covered-employee payroll	\$ 5,827	\$ 5,789	\$ 5,388	\$ 5,322	\$ 4,724	N/A	N/A	N/A	N/A	N/A
OPEB liability as a percentage of covered payroll	9.3%	9.0%	8.8%	8.5%	10.5%	N/A	N/A	N/A	N/A	N/A

SB #75 requires ten-year trend information. However, until a full ten years trend is established, only the information for the years available is present.

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION
GENERAL FUND COMBINING STATEMENTS

CITY OF SEASIDE, OREGON

**GENERAL FUND
COMBINING BALANCE SHEET**

June 30, 2022

	General Fund	Public Safety Fund	Public Works Fund	Community Development Fund	Total
Assets					
Cash and investments	\$ 2,970,507	\$ 1,285,439	\$ 401,962	\$ 1,800,875	\$ 6,458,783
Property taxes receivable	160,688	4,642	-	-	165,330
Accounts receivable, net of allowance for doubtful accounts	475,301	1,148,995	74,224	-	1,698,520
Inventories and prepaid costs	55,193	1,786	24,299	-	81,278
Due from other funds	-	243,038	39,864	-	282,902
Total assets	<u>\$ 3,661,689</u>	<u>\$ 2,683,900</u>	<u>\$ 540,349</u>	<u>\$ 1,800,875</u>	<u>\$ 8,686,813</u>
Liabilities					
Accounts payable	\$ 105,118	\$ 42,330	\$ 97,383	\$ 6,789	\$ 251,620
Deferred inflows					
Unavailable revenue	141,874	4,093	-	-	145,967
Total liabilities and deferred inflows	<u>246,992</u>	<u>46,423</u>	<u>97,383</u>	<u>6,789</u>	<u>397,587</u>
Fund balances					
Nonspendable	55,193	1,786	24,299	-	81,278
Assigned	-	2,635,691	418,667	1,794,086	4,848,444
Unassigned	3,359,504	-	-	-	3,359,504
Total fund balances	<u>3,414,697</u>	<u>2,637,477</u>	<u>442,966</u>	<u>1,794,086</u>	<u>8,289,226</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 3,661,689</u>	<u>\$ 2,683,900</u>	<u>\$ 540,349</u>	<u>\$ 1,800,875</u>	<u>\$ 8,686,813</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

GENERAL FUND
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended June 30, 2022

	General Fund	Public Safety Fund	Public Works Fund	Community Development Fund	Total
Revenues					
Property taxes	\$ 4,058,793	\$ 115,537	\$ -	\$ -	\$ 4,174,330
Transient room tax	1,706,645	-	-	-	1,706,645
Other taxes	-	216,481	-	-	216,481
Intergovernmental	15,086	335,092	9,003	-	359,181
Franchise fees	-	-	767,135	-	767,135
Licenses and permits	1,800	1,500	-	284,722	288,022
Fines and forfeitures	22,582	309,940	-	-	332,522
Interest income	36,491	11,189	1,507	9,470	58,657
Charges for goods/services	-	133,547	1,379	262,133	397,059
Sale of assets	8,367	222,358	3,362	-	234,087
Donations and Bequests	-	-	28,941	-	28,941
Miscellaneous	27,584	89,215	32,185	6,121	155,105
Total revenues	<u>5,877,348</u>	<u>1,434,859</u>	<u>843,512</u>	<u>562,446</u>	<u>8,718,165</u>
Expenditures					
Current					
General government	1,281,576	-	896,292	597,944	2,775,812
Public safety	-	5,839,712	-	-	5,839,712
Culture and recreation	743,975	-	212,479	-	956,454
Debt service	267,181	-	-	-	267,181
Capital outlay	92,295	340,181	49,884	-	482,360
Total expenditures	<u>2,385,027</u>	<u>6,179,893</u>	<u>1,158,655</u>	<u>597,944</u>	<u>10,321,519</u>
Excess (deficiency) of revenues over expenditures	<u>3,492,321</u>	<u>(4,745,034)</u>	<u>(315,143)</u>	<u>(35,498)</u>	<u>(1,603,354)</u>
Other financing sources (uses)					
Transfers in	1,533,956	5,542,940	506,305	265,000	7,848,201
Transfers out	(4,500,989)	(482,392)	(118,477)	(40,638)	(5,142,496)
Total other financing sources (uses)	<u>(2,967,033)</u>	<u>5,060,548</u>	<u>387,828</u>	<u>224,362</u>	<u>2,705,705</u>
Change in fund balance	525,288	315,514	72,685	188,864	1,102,351
Fund balance - beginning of year	<u>2,889,409</u>	<u>2,321,963</u>	<u>370,281</u>	<u>1,605,222</u>	<u>7,186,875</u>
Fund balance - end of year	<u>\$ 3,414,697</u>	<u>\$ 2,637,477</u>	<u>\$ 442,966</u>	<u>\$ 1,794,086</u>	<u>\$ 8,289,226</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**PUBLIC SAFETY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL**

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 115,650	\$ 115,532	\$ 115,537	\$ 5
Licenses and permits	2,000	2,000	1,500	(500)
Other taxes	228,000	228,000	216,481	(11,519)
Intergovernmental	196,818	244,818	335,092	90,274
Fines and forfeitures	312,400	330,400	309,940	(20,460)
Interest income	12,300	12,418	11,189	(1,229)
Charges for services	134,003	134,003	133,547	(456)
Donations	500	500	-	(500)
Sale of assets	25,000	225,000	222,358	(2,642)
Miscellaneous	22,500	42,500	89,215	46,715
Total revenues	<u>1,049,171</u>	<u>1,335,171</u>	<u>1,434,859</u>	<u>99,688</u>
Expenditures				
Municipal Court				
Personal services	102,071	106,171	104,434	1,737
Materials and services	94,350	94,350	87,196	7,154
Total Municipal Court	<u>196,421</u>	<u>200,521</u>	<u>191,630</u>	<u>8,891</u>
Police				
Personal services	3,651,091	3,868,588	3,778,633	89,955
Materials and services	391,100	421,100	441,767	(20,667)
Capital outlay	165,000	165,000	36,698	128,302
Total Police	<u>4,207,191</u>	<u>4,454,688</u>	<u>4,257,098</u>	<u>197,590</u>
Lifeguards				
Personal services	65,372	65,372	33,636	31,736
Materials and services	10,900	10,900	19,257	(8,357)
Total Lifeguards	<u>76,272</u>	<u>76,272</u>	<u>52,893</u>	<u>23,379</u>
Fire				
Personal services	970,968	1,000,968	977,031	23,937
Materials and services	373,050	373,050	355,258	17,792
Capital outlay	60,000	395,678	303,483	92,195
Total Fire	<u>1,404,018</u>	<u>1,769,696</u>	<u>1,635,772</u>	<u>133,924</u>
Non-departmental				
Materials and services	42,500	42,500	42,500	-
Contingency	200,000	47,503	-	47,503
Total expenditures	<u>6,126,402</u>	<u>6,591,180</u>	<u>6,179,893</u>	<u>411,287</u>
Excess (deficiency) of revenues over expenditures	<u>(5,077,231)</u>	<u>(5,256,009)</u>	<u>(4,745,034)</u>	<u>510,975</u>
Other financing sources (uses)				
Transfers in	5,348,049	5,348,049	5,542,940	194,891
Transfers out	(482,392)	(482,392)	(482,392)	-
Total other financing sources (uses)	<u>4,865,657</u>	<u>4,865,657</u>	<u>5,060,548</u>	<u>194,891</u>
Change in fund balance	(211,574)	(390,352)	315,514	705,866
Fund balance - beginning of year	2,143,185	2,321,963	2,321,963	-
Fund balance - end of year	<u>\$ 1,931,611</u>	<u>\$ 1,931,611</u>	<u>\$ 2,637,477</u>	<u>\$ 705,866</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

PUBLIC WORKS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	\$ 7,200	\$ 7,200	\$ 9,003	\$ 1,803
Franchise fees	705,000	661,517	767,135	105,618
Charges for services	-	750	1,379	629
Interest income	-	750	1,507	757
Sale of assets	2,000	2,000	3,362	1,362
Donations	28,940	28,940	28,941	1
Miscellaneous	14,500	10,500	32,185	21,685
Total revenues	<u>757,640</u>	<u>711,657</u>	<u>843,512</u>	<u>131,855</u>
Expenditures				
Public works				
Personal services	536,806	569,806	535,793	34,013
Materials and services	300,425	323,425	360,499	(37,074)
Capital outlay	-	-	49,884	(49,884)
Total public works	<u>837,231</u>	<u>893,231</u>	<u>946,176</u>	<u>(52,945)</u>
City parks				
Personal services	100,709	94,709	81,870	12,839
Materials and services	124,800	124,800	130,609	(5,809)
Capital outlay	10,000	10,000	-	10,000
Total city parks	<u>235,509</u>	<u>229,509</u>	<u>212,479</u>	<u>17,030</u>
Non-departmental				
Materials and services	<u>750</u>	<u>750</u>	<u>-</u>	<u>750</u>
Contingency	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>1,123,490</u>	<u>1,123,490</u>	<u>1,158,655</u>	<u>(35,165)</u>
Excess (deficiency) of revenues over expenditures	(365,850)	(411,833)	(315,143)	96,690
Other financing sources (uses)				
Transfers in	474,465	474,465	506,305	31,840
Transfers out	(118,477)	(118,477)	(118,477)	-
Total other financing sources (uses)	<u>355,988</u>	<u>355,988</u>	<u>387,828</u>	<u>31,840</u>
Change in fund balance	(9,862)	(55,845)	72,685	128,530
Fund balance - beginning of year	<u>313,076</u>	<u>370,281</u>	<u>370,281</u>	<u>-</u>
Fund balance - end of year	<u>\$ 303,214</u>	<u>\$ 314,436</u>	<u>\$ 442,966</u>	<u>\$ 128,530</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

COMMUNITY DEVELOPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Licenses and permits	195,000	240,000	284,722	44,722
Charges for services	125,000	160,000	262,133	102,133
Interest on investments	13,000	13,000	9,470	(3,530)
Miscellaneous	4,000	4,000	6,121	2,121
Total revenues	<u>337,000</u>	<u>417,000</u>	<u>562,446</u>	<u>145,446</u>
Expenditures				
Planning				
Personal services	241,248	251,248	239,725	11,523
Materials and services	70,775	70,775	47,230	23,545
Total planning	<u>312,023</u>	<u>322,023</u>	<u>286,955</u>	<u>35,068</u>
Building official				
Personal services	244,167	267,887	256,766	11,121
Materials and services	50,625	60,625	54,223	6,402
Capital outlay	5,000	5,000	-	5,000
Total building official	<u>299,792</u>	<u>333,512</u>	<u>310,989</u>	<u>22,523</u>
Contingency	<u>100,000</u>	<u>125,191</u>	<u>-</u>	<u>125,191</u>
Total expenditures	<u>711,815</u>	<u>780,726</u>	<u>597,944</u>	<u>182,782</u>
Excess (deficiency) of revenues over expenditures	<u>(374,815)</u>	<u>(363,726)</u>	<u>(35,498)</u>	<u>328,228</u>
Other financing sources (uses)				
Transfers in	265,000	265,000	265,000	-
Transfers out	(40,638)	(40,638)	(40,638)	-
Total other financing sources (uses)	<u>224,362</u>	<u>224,362</u>	<u>224,362</u>	<u>-</u>
Change in fund balance	(150,453)	(139,364)	188,864	328,228
Fund balance - beginning of year	<u>1,616,311</u>	<u>1,605,222</u>	<u>1,605,222</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,465,858</u>	<u>\$ 1,465,858</u>	<u>\$ 1,794,086</u>	<u>\$ 328,228</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION

ENTERPRISE FUNDS

CITY OF SEASIDE, OREGON
WATER FUND
COMBINING BALANCE SHEET

June 30, 2022

	Water Fund	Water System Development Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Current assets			
Cash and investments	\$ 2,194,557	\$ 629,657	\$ 2,824,214
Accounts receivable, net of allowance	218,282	(28,708)	189,574
Inventories and prepaid costs	62,103	-	62,103
Due from other funds	-	451,142	451,142
Total current assets	<u>2,474,942</u>	<u>1,052,091</u>	<u>3,527,033</u>
Noncurrent assets			
Capital assets, net	11,843,331	-	11,843,331
Total noncurrent assets	<u>11,843,331</u>	<u>-</u>	<u>11,843,331</u>
Deferred outflows of resources			
Unavailable revenue	546,980	-	546,980
Total assets and deferred outflows	<u>\$ 14,865,253</u>	<u>\$ 1,052,091</u>	<u>\$ 15,917,344</u>
Liabilities			
Current liabilities			
Accounts payable and accrued expenses	\$ 42,349	\$ -	\$ 42,349
Accrued compensated absences	51,319	-	51,319
Due to other funds	1,284,762	-	1,284,762
Note payable, current portion	71,757	-	71,757
Total current liabilities	<u>1,450,187</u>	<u>-</u>	<u>1,450,187</u>
Long-term liabilities			
Net pension liability	1,264,197	-	1,264,197
OPEB liability	37,772	-	37,772
Note payable - OBDD Loan	4,122,856	-	4,122,856
Total long-term liabilities	<u>5,424,825</u>	<u>-</u>	<u>5,424,825</u>
Total liabilities	<u>6,875,012</u>	<u>-</u>	<u>6,875,012</u>
Deferred inflows of resources			
Unavailable revenue	224,311	-	224,311
Net position			
Invested in capital assets, net of related debt	7,648,718	-	7,648,718
Unrestricted	117,212	1,052,091	1,169,303
Total net position	<u>7,765,930</u>	<u>1,052,091</u>	<u>8,818,021</u>
Total liabilities, deferred inflows, and net position	<u>\$ 14,865,253</u>	<u>\$ 1,052,091</u>	<u>\$ 15,917,344</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**WATER FUND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

Year Ended June 30, 2022

	Water Fund	Water System Development Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Operating revenues			
User service charges	\$ 2,024,713	\$ 108,102	\$ 2,132,815
Connection charges	22,726	-	22,726
Total operating revenues	<u>2,047,439</u>	<u>108,102</u>	<u>2,155,541</u>
Operating expenses			
Salaries and wages	489,766	-	489,766
Employee costs	240,824	-	240,824
Utilities	84,110	-	84,110
Operating supplies and maintenance	422,441	-	422,441
Insurance	46,831	-	46,831
Professional services	121,576	28,320	149,896
Depreciation	524,271	-	524,271
Total operating expenses	<u>1,929,819</u>	<u>28,320</u>	<u>1,958,139</u>
Operating income (loss)	<u>117,620</u>	<u>79,782</u>	<u>197,402</u>
Nonoperating revenues (expenses)			
Interest income	4,732	5,546	10,278
Interest expense	(144,510)	-	(144,510)
Miscellaneous income	23,169	-	23,169
Total nonoperating revenues (expenses)	<u>(116,609)</u>	<u>5,546</u>	<u>(111,063)</u>
Income before transfers and other changes in net position	<u>1,011</u>	<u>85,328</u>	<u>86,339</u>
Other financing sources (uses)			
Transfers out	<u>(544,145)</u>	<u>-</u>	<u>(544,145)</u>
Change in net position	(543,134)	85,328	(457,806)
Net position - beginning of year, restated	<u>8,309,064</u>	<u>966,763</u>	<u>9,275,827</u>
Net position - end of year	<u>\$ 7,765,930</u>	<u>\$ 1,052,091</u>	<u>\$ 8,818,021</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Charges for services	\$ 2,180,000	\$ 2,167,900	\$ 2,047,439	\$ (120,461)
Interest	20,000	20,000	4,732	(15,268)
Miscellaneous	6,000	6,000	23,169	17,169
Total revenues	<u>2,206,000</u>	<u>2,193,900</u>	<u>2,075,340</u>	<u>(118,560)</u>
Expenditures				
Personal services	805,167	843,274	788,160	55,114
Materials and services	619,950	581,843	593,717	(11,874)
Capital outlay	250,000	250,000	81,242	168,758
Debt service	222,262	222,262	205,705	16,557
Contingency	200,000	200,000	-	200,000
Total expenditures	<u>2,097,379</u>	<u>2,097,379</u>	<u>1,668,824</u>	<u>428,555</u>
Excess (deficiency) of revenues over expenditures	108,621	96,521	406,516	309,995
Other financing sources (uses)				
Interfund loan - Conv Ctr	-	1,284,762	1,284,762	-
Transfers out	<u>(952,222)</u>	<u>(952,222)</u>	<u>(544,145)</u>	<u>408,077</u>
Change in fund balance	(843,601)	429,061	1,147,133	718,072
Fund balance - beginning of year	<u>2,558,122</u>	<u>1,285,460</u>	<u>1,285,460</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,714,521</u>	<u>\$ 1,714,521</u>	2,432,593	<u>\$ 718,072</u>
Reconciliation of budgetary basis to GAAP basis:				
Interfund loan			(1,284,762)	
Invested in capital assets			11,843,331	
Notes payable			(4,194,613)	
Deferred outflows of resources			546,980	
Accrued compensated absences			(51,319)	
Net pension liability			(1,264,197)	
OPEB liability			(37,772)	
Deferred inflows of resources			<u>(224,311)</u>	
Net position - GAAP basis			<u>\$ 7,765,930</u>	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

WATER SYSTEM DEVELOPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
System development charges	\$ 65,000	\$ 71,937	\$ 107,446	\$ 35,509
System development interest	250	250	656	406
Interest on investments	5,000	5,000	5,546	546
Total revenues	<u>70,250</u>	<u>77,187</u>	<u>113,648</u>	<u>36,461</u>
Expenditures				
Capital outlay	242,808	242,808	28,320	214,488
Contingency	100,000	100,000	-	100,000
Total expenditures	<u>342,808</u>	<u>342,808</u>	<u>28,320</u>	<u>314,488</u>
Excess (deficiency) of revenues over expenditures	<u>(272,558)</u>	<u>(265,621)</u>	<u>85,328</u>	<u>350,949</u>
Other financing sources (uses)				
Repayment from other fund - Special Assessment	(121,564)	(121,564)	(121,564)	-
Repayment from other fund - Fire Equipment	(329,578)	(329,578)	(329,578)	-
Loan to other fund - Special Assessment	50,000	117,324	117,324	-
Loan to other fund - Fire Equipment	299,261	299,261	299,261	-
Transfers out	(50,000)	(50,000)	-	50,000
Total other financing sources (uses)	<u>(151,881)</u>	<u>(84,557)</u>	<u>(34,557)</u>	<u>50,000</u>
Change in fund balance	(424,439)	(350,178)	50,771	400,949
Fund balance - beginning of year	<u>624,439</u>	<u>550,178</u>	<u>550,178</u>	<u>-</u>
Fund balance - end of year	<u>\$ 200,000</u>	<u>\$ 200,000</u>	600,949	<u>\$ 400,949</u>
Reconciliation of budgetary basis to GAAP basis:				
Due from Special Assessment Fund			121,564	
Due from Fire Equipment Fund			<u>329,578</u>	
Net position - GAAP basis			<u>\$ 1,052,091</u>	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON
SEWER FUND
COMBINING BALANCE SHEET

June 30, 2022

	Sewer Fund	Sewer System Development Fund	Sewer Plant Replacement Fund	Sewer Reserve Fund	Total
Assets					
Current assets					
Cash and cash equivalents	\$ 865,476	\$ 2,243,289	\$ 311,424	\$ 32,319	\$ 3,452,508
Accounts and assessments receivable, net of allowance for doubtful accounts	267,485	30	-	-	267,515
Inventories and prepaid costs	34,632	-	-	-	34,632
Due from other funds	-	-	-	-	-
Total current assets	1,167,593	2,243,319	311,424	32,319	3,754,655
Noncurrent assets					
Cash restricted for bond reserve	-	-	-	357,612	357,612
Capital assets, net	8,410,681	-	-	-	8,410,681
Total noncurrent assets	8,410,681	-	-	357,612	8,768,293
Deferred outflows of resources					
Unavailable revenue	703,260	-	-	-	703,260
Total assets and deferred outflows	\$ 10,281,534	\$ 2,243,319	\$ 311,424	\$ 389,931	\$ 13,226,208
Liabilities					
Current liabilities					
Accounts payable and accrued expenses	\$ 53,271	\$ 51,310	\$ -	\$ -	\$ 104,581
Accrued compensated absences	71,414	-	-	-	71,414
Accrued interest	38,200	-	-	-	38,200
Due to other funds	-	-	-	-	-
Note payable, current portion	23,307	-	-	-	23,307
Bonds payable, current portion	240,000	-	-	-	240,000
Total current liabilities	426,192	51,310	-	-	477,502
Long-term liabilities					
Net pension liability	1,625,396	-	-	-	1,625,396
OPEB liability	48,563	-	-	-	48,563
Note payable	636,848	-	-	-	636,848
Bonds payable	2,695,000	-	-	-	2,695,000
Total long-term liabilities	5,005,807	-	-	-	5,005,807
Total liabilities	5,431,999	51,310	-	-	5,483,309
Deferred inflows of resources					
Unavailable revenue	288,399	-	-	-	288,399
Net position					
Invested in capital assets, net of related debt	4,815,526	-	-	-	4,815,526
Restricted for:					
Debt service	-	-	-	389,931	389,931
Capital projects	-	-	311,424	-	311,424
Unrestricted	(254,390)	2,192,009	-	-	1,937,619
Total net position	4,561,136	2,192,009	311,424	389,931	7,454,500
Total liabilities, deferred inflows, and net position	\$ 10,281,534	\$ 2,243,319	\$ 311,424	\$ 389,931	\$ 13,226,208

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEWER FUND
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year Ended June 30, 2022

	Sewer Fund	Sewer System Development Fund	Sewer Plant Replacement Fund	Sewer Reserve Fund	Total
Operating revenues					
User service charges	\$ 2,671,675	\$ -	\$ -	\$ -	\$ 2,671,675
Operating expenses					
Salaries and wages	432,193	-	-	-	432,193
Employee costs	540,465	-	-	-	540,465
Utilities	290,945	-	-	-	290,945
Operating supplies and maintenance	570,706	-	-	-	570,706
Insurance	32,261	-	-	-	32,261
Professional services	78,115	-	-	-	78,115
Depreciation	655,925	-	-	-	655,925
Total operating expenses	<u>2,600,610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600,610</u>
Operating income (loss)	<u>71,065</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,065</u>
Nonoperating revenues (expenses)					
Interest income	2,820	11,670	1,693	2,121	18,304
Miscellaneous income	26,008	169,982	-	-	195,990
Interest expense	(152,569)	-	-	-	(152,569)
Total nonoperating revenues (expenses)	<u>(123,741)</u>	<u>181,652</u>	<u>1,693</u>	<u>2,121</u>	<u>61,725</u>
Income before transfers and other changes in net position	<u>(52,676)</u>	<u>181,652</u>	<u>1,693</u>	<u>2,121</u>	<u>132,790</u>
Transfers and other changes in net position					
Transfers out	(371,068)	-	-	-	(371,068)
Capitalized assets expended in other fund	-	-	-	-	-
Total transfers and other changes in net position	<u>(371,068)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(371,068)</u>
Change in net position	(423,744)	181,652	1,693	2,121	(238,278)
Net position - beginning of year	<u>4,984,880</u>	<u>2,010,357</u>	<u>309,731</u>	<u>387,810</u>	<u>7,692,778</u>
Net position - end of year	<u>\$ 4,561,136</u>	<u>\$ 2,192,009</u>	<u>\$ 311,424</u>	<u>\$ 389,931</u>	<u>\$ 7,454,500</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEWER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Charges for services	\$ 2,580,000	\$ 2,580,000	\$ 2,671,675	\$ 91,675
Interest	2,500	2,500	2,820	320
Miscellaneous	3,201,500	3,201,500	26,008	(3,175,492)
Total revenues	<u>5,784,000</u>	<u>5,784,000</u>	<u>2,700,503</u>	<u>(3,083,497)</u>
Expenditures				
Personal services	725,660	725,660	677,875	47,785
Materials and services	790,850	790,850	822,027	(31,177)
Capital outlay	375,000	375,000	150,000	225,000
Debt service				
Principal	253,081	253,081	253,080	1
Interest	151,965	151,965	151,965	-
Contingency	150,000	150,000	-	150,000
Total expenditures	<u>2,446,556</u>	<u>2,446,556</u>	<u>2,054,947</u>	<u>391,609</u>
Excess (deficiency) of revenues over expenditures	<u>3,337,444</u>	<u>3,337,444</u>	<u>645,556</u>	<u>(2,691,888)</u>
Other financing sources (uses)				
Transfers out - Administrative	(182,412)	(182,412)	(182,412)	-
Transfers out - Sewer Replacement	(3,200,000)	(3,200,000)	-	3,200,000
Transfers out - Public works	(180,705)	(180,705)	(188,656)	(7,951)
Transfers out - Street construction	(100,000)	(100,000)	-	100,000
Total other financing sources (uses)	<u>(3,663,117)</u>	<u>(3,663,117)</u>	<u>(371,068)</u>	<u>3,292,049</u>
Change in fund balance	(325,673)	(325,673)	274,488	600,161
Fund balance - beginning of year	<u>831,978</u>	<u>831,978</u>	<u>839,834</u>	<u>7,856</u>
Fund balance - end of year	<u>\$ 506,305</u>	<u>\$ 506,305</u>	1,114,322	<u>\$ 608,017</u>
Reconciliation of budgetary basis to GAAP basis:				
Invested in capital assets			8,410,681	
Notes and bonds payable			(3,595,155)	
Deferred outflows of resources			703,260	
Accrued interest payable			(38,200)	
Accrued compensated absences			(71,414)	
Net pension liability			(1,625,396)	
OPEB liability			(48,563)	
Deferred inflows of resources			<u>(288,399)</u>	
Net position - GAAP basis			<u>\$ 4,561,136</u>	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEWER SYSTEM DEVELOPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Systems development charges	\$ 98,000	\$ 98,000	\$ 169,386	\$ 71,386
Systems development interest	400	400	596	196
Interest on investments	17,000	14,194	11,670	(2,524)
Total revenues	<u>115,400</u>	<u>112,594</u>	<u>181,652</u>	<u>69,058</u>
Expenditures				
Materials and services	50,000	50,000	-	50,000
Capital outlay	750,000	750,000	-	750,000
Contingency	-	-	-	-
Total expenditures	<u>800,000</u>	<u>800,000</u>	<u>-</u>	<u>800,000</u>
Excess (deficiency) of revenues over expenditures	<u>(684,600)</u>	<u>(687,406)</u>	<u>181,652</u>	<u>869,058</u>
Other financing sources (uses)				
Interfund loan - Fire equipment	-	-	-	-
Interfund loan - Prom Improvement	-	-	-	-
Transfers out	(50,000)	(50,000)	-	50,000
Transfers in	434,157	434,157	434,157	-
Total other financing sources (uses)	<u>384,157</u>	<u>384,157</u>	<u>434,157</u>	<u>50,000</u>
Change in fund balance	(300,443)	(303,249)	615,809	919,058
Fund balance - beginning of year	<u>1,573,394</u>	<u>1,576,200</u>	<u>1,576,200</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 1,272,951</u></u>	<u><u>\$ 1,272,951</u></u>	<u><u>\$ 2,192,009</u></u>	<u><u>\$ 919,058</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEWER PLANT REPLACEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest on investments	\$ 3,000	\$ 3,202	\$ 1,693	\$ (1,509)
Total revenues	<u>3,000</u>	<u>3,202</u>	<u>1,693</u>	<u>(1,509)</u>
Expenditures				
Materials and services	100,000	100,000	-	100,000
Capital outlay	3,412,933	3,412,933	-	3,412,933
Total expenditures	<u>3,512,933</u>	<u>3,512,933</u>	<u>-</u>	<u>3,512,933</u>
Excess (deficiency) of revenues over expenditures	(3,509,933)	(3,509,731)	1,693	3,511,424
Other financing sources (uses)				
Transfers in	3,200,000	3,200,000	-	(3,200,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>3,200,000</u>	<u>3,200,000</u>	<u>-</u>	<u>(3,200,000)</u>
Change in fund balance	(309,933)	(309,731)	1,693	311,424
Fund balance - beginning of year	<u>309,933</u>	<u>309,731</u>	<u>309,731</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 311,424</u></u>	<u><u>\$ 311,424</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEWER RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest on investments	\$ 3,300	\$ 3,602	\$ 2,121	\$ (1,481)
Total revenues	<u>3,300</u>	<u>3,602</u>	<u>2,121</u>	<u>(1,481)</u>
Expenditures				
Capital outlay	30,155	30,155	-	30,155
Total expenditures	<u>30,155</u>	<u>30,155</u>	<u>-</u>	<u>30,155</u>
Excess (deficiency) of revenues over expenditures	(26,855)	(26,553)	2,121	28,674
Fund balance - beginning of year	<u>388,112</u>	<u>387,810</u>	<u>387,810</u>	<u>-</u>
Fund balance - end of year	<u>\$ 361,257</u>	<u>\$ 361,257</u>	<u>\$ 389,931</u>	<u>\$ 28,674</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON
CONVENTION CENTER FUND
COMBINING BALANCE SHEET

June 30, 2022

	<u>Convention Center Fund</u>	<u>Convention Center Capital Improvements Fund</u>	<u>Convention Center Bond Reserve Fund</u>	<u>Total</u>
Assets				
Current assets				
Cash and investments	\$ 5,735,471	\$ 1,610,813	\$ 375,870	\$ 7,722,154
Accounts receivable, net of allowance for doubtful accounts	136,729	-	-	136,729
Inventories and prepaid costs	1,457	-	-	1,457
Due from other funds	1,050,664	75,467	1,284,762	2,410,893
Total current assets	<u>6,924,321</u>	<u>1,686,280</u>	<u>1,660,632</u>	<u>10,271,233</u>
Noncurrent assets				
Cash restricted for bond reserve	-	-	1,141,050	1,141,050
Capital assets, net	14,616,848	-	-	14,616,848
Deferred outflows of resources	<u>625,120</u>	<u>-</u>	<u>-</u>	<u>625,120</u>
Total assets and deferred outflows	<u>\$ 22,166,289</u>	<u>\$ 1,686,280</u>	<u>\$ 2,801,682</u>	<u>\$ 26,654,251</u>
Liabilities				
Current liabilities				
Accounts payable and accrued expenses	\$ 32,818	\$ 7,049	\$ -	\$ 39,867
Accrued compensated absences	82,627	-	-	82,627
Accrued interest	300,000	-	-	300,000
Due to another fund	-	-	-	-
Bonds payable, current portion	585,000	-	-	585,000
Total current liabilities	<u>1,000,445</u>	<u>7,049</u>	<u>-</u>	<u>1,007,494</u>
Bonds payable, net of current portion	12,470,000	-	-	12,470,000
Unamortized bond premium, less issuance costs	787,815	-	-	787,815
Bonds payable, long-term portion	<u>13,257,815</u>	<u>-</u>	<u>-</u>	<u>13,257,815</u>
Net pension liability	1,444,797	-	-	1,444,797
OPEB liability	43,168	-	-	43,168
Total pension liabilities	<u>1,487,965</u>	<u>-</u>	<u>-</u>	<u>1,487,965</u>
Total liabilities	<u>15,746,225</u>	<u>7,049</u>	<u>-</u>	<u>15,753,274</u>
Deferred inflows of resources	<u>256,355</u>	<u>-</u>	<u>-</u>	<u>256,355</u>
Net position				
Invested in capital assets, net of related debt	774,033	-	-	774,033
Restricted for:				
Debt service	-	-	2,801,682	2,801,682
Capital projects	-	1,679,231	-	1,679,231
Unrestricted	5,389,676	-	-	5,389,676
Total net position	<u>6,163,709</u>	<u>1,679,231</u>	<u>2,801,682</u>	<u>10,644,622</u>
Total liabilities, deferred inflows, and net position	<u>\$ 22,166,289</u>	<u>\$ 1,686,280</u>	<u>\$ 2,801,682</u>	<u>\$ 26,654,251</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

CONVENTION CENTER FUND
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Year Ended June 30, 2022

	Convention Center Fund	Convention Center Capital Improvements Fund	Convention Center Bond Reserve Fund	Total
Operating revenues				
Charges for services	\$ 142,948	\$ 33,333	\$ -	\$ 176,281
Franchise fees - food and beverage	758,849	-	-	758,849
Total operating revenues	<u>901,797</u>	<u>33,333</u>	<u>-</u>	<u>935,130</u>
Operating expenses				
Salaries and wages	606,680	-	-	606,680
Employee costs	99,353	-	-	99,353
Utilities	93,435	-	-	93,435
Material and service	878,036	22,291	-	900,327
Insurance	86,855	-	-	86,855
Advertising	26,761	-	-	26,761
Professional services	111,635	-	-	111,635
Depreciation	712,052	-	-	712,052
Total operating expenses	<u>2,614,807</u>	<u>22,291</u>	<u>-</u>	<u>2,637,098</u>
Operating income (loss)	<u>(1,713,010)</u>	<u>11,042</u>	<u>-</u>	<u>(1,701,968)</u>
Nonoperating revenues (expenses)				
Interest income	30,232	8,001	15,239	53,472
Miscellaneous income	371	-	-	371
Interest expense	(535,533)	-	-	(535,533)
Total nonoperating revenues (expenses)	<u>(504,930)</u>	<u>8,001</u>	<u>15,239</u>	<u>(481,690)</u>
Income (loss) before operating transfers	<u>(2,217,940)</u>	<u>19,043</u>	<u>15,239</u>	<u>(2,183,658)</u>
Transfers and other changes in net position				
Transfers in	4,368,556	340,937	-	4,709,493
Transfers out	(232,641)	-	-	(232,641)
Capitalized costs expended in another fund	19,586	(19,586)	-	-
Total transfers and other changes in net position	<u>4,155,501</u>	<u>321,351</u>	<u>-</u>	<u>4,476,852</u>
Change in net position	1,937,561	340,394	15,239	2,293,194
Net position - beginning of year	<u>4,226,148</u>	<u>1,338,837</u>	<u>2,786,443</u>	<u>8,351,428</u>
Net position - end of year	<u>\$ 6,163,709</u>	<u>\$ 1,679,231</u>	<u>\$ 2,801,682</u>	<u>\$ 10,644,622</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

CONVENTION CENTER FUND

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

Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Franchise fee - food and beverage	\$ 1,000,000	\$ 501,085	\$ 758,849	\$ 257,764
Rental and event	80,000	80,000	119,324	39,324
Convention fees	20,000	20,000	23,624	3,624
Interest income	32,000	32,000	30,232	(1,768)
Miscellaneous	1,000	1,000	375	(625)
Total revenues	1,133,000	634,085	932,404	298,319
Expenditures				
Personal services	1,122,630	1,122,630	1,029,102	93,528
Materials and services	1,408,650	1,408,650	1,193,123	215,527
Debt Service				
Principle	560,000	560,000	560,000	-
Interest	581,875	581,875	581,875	-
Capital outlay	150,000	150,000	114,879	35,121
Contingency	450,000	450,000	-	450,000
Total expenditures	4,273,155	4,273,155	3,478,979	794,176
Excess (deficiency) of revenues over expenditures	(3,140,155)	(3,639,070)	(2,546,575)	1,092,495
Other financing sources (uses)				
Transfers in	3,463,282	3,463,282	4,368,556	905,274
Transfers out	(232,641)	(232,641)	(232,641)	-
Total other financing sources (uses)	3,230,641	3,230,641	4,135,915	905,274
Change in fund balance	90,486	(408,429)	1,589,340	1,997,769
Fund balance - beginning of year	4,803,248	5,302,163	5,302,163	-
Fund balance - end of year	\$ 4,893,734	\$ 4,893,734	6,891,503	\$ 1,997,769
Reconciliation of budgetary basis to GAAP basis:				
Invested in capital assets			14,616,848	
Deferred outflows of resources			625,120	
Notes and bonds payable			(13,055,000)	
Bond premium net of issuance cost			(787,815)	
Accrued compensated absences			(82,627)	
Accrued interest			(300,000)	
Net pension liability			(1,444,797)	
OPEB liability			(43,168)	
Deferred inflows of resources			(256,355)	
Net position - GAAP basis			\$ 6,163,709	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

CONVENTION CENTER CAPITAL IMPROVEMENTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Charges for services	\$ 25,000	\$ 25,000	\$ 33,333	\$ 8,333
Interest income	10,000	10,000	8,001	(1,999)
Total revenues	<u>35,000</u>	<u>35,000</u>	<u>41,334</u>	<u>6,334</u>
Expenditures				
Materials and services	40,000	40,000	7,078	32,922
Capital outlay	180,000	180,000	34,799	145,201
Contingency	300,000	275,975	-	275,975
Total expenditures	<u>520,000</u>	<u>495,975</u>	<u>41,877</u>	<u>454,098</u>
Excess (deficiency) of revenues over expenditures	<u>(485,000)</u>	<u>(460,975)</u>	<u>(543)</u>	<u>460,432</u>
Other financing sources (uses)				
Transfers in	<u>273,765</u>	<u>273,765</u>	<u>340,937</u>	<u>67,172</u>
Total other financing sources (uses)	<u>273,765</u>	<u>273,765</u>	<u>340,937</u>	<u>67,172</u>
Change in fund balance	(211,235)	(187,210)	340,394	527,604
Fund balance - beginning of year	<u>1,360,078</u>	<u>1,338,837</u>	<u>1,338,837</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 1,148,843</u></u>	<u><u>\$ 1,151,627</u></u>	<u><u>\$ 1,679,231</u></u>	<u><u>\$ 527,604</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

CONVENTION CENTER BOND RESERVE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest income	\$ 24,000	\$ 21,767	\$ 15,239	\$ (6,528)
Total revenues	<u>24,000</u>	<u>21,767</u>	<u>15,239</u>	<u>(6,528)</u>
Expenditures				
Materials and services	-	-	-	-
Capital outlay	1,667,035	382,273	-	382,273
Contingency	-	-	-	-
Total expenditures	<u>1,667,035</u>	<u>382,273</u>	<u>-</u>	<u>382,273</u>
Excess (deficiency) of revenues over expenditures	<u>(1,643,035)</u>	<u>(360,506)</u>	<u>15,239</u>	<u>375,745</u>
Other financing sources (uses)				
Interfund loan - Water	-	(1,284,762)	(1,284,762)	-
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(1,284,762)</u>	<u>(1,284,762)</u>	<u>-</u>
Change in fund balance	(1,643,035)	(1,645,268)	(1,269,523)	375,745
Fund balance - beginning of year	<u>2,784,210</u>	<u>2,786,443</u>	<u>2,786,443</u>	<u>-</u>
Fund balance - end of year	<u>\$ 1,141,175</u>	<u>\$ 1,141,175</u>	<u>\$ 1,516,920</u>	<u>\$ 375,745</u>
Reconciliation of budgetary basis to GAAP basis:			<u>1,284,762</u>	
Due from Water Fund			<u>\$ 2,801,682</u>	
Net position - GAAP basis				

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION
NONMAJOR GOVERNMENTAL FUNDS

CITY OF SEASIDE, OREGON
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

June 30, 2022

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Capital Projects Funds</u>	<u>Permanent Funds</u>	<u>Total</u>
Assets					
Cash and investments	\$ 4,190,070	\$ 506,582	\$ 2,783,610	\$ 83,087	\$ 7,563,349
Property taxes receivable	29,603	27,895	-	-	57,498
Accounts and grants receivable	97,216	-	-	-	97,216
Assessments receivable	-	-	3,586	-	3,586
Interest receivable	-	-	1,038	-	1,038
Due from other funds	19,289	-	68,153	-	87,442
Total assets	<u>\$ 4,336,178</u>	<u>\$ 534,477</u>	<u>\$ 2,856,387</u>	<u>\$ 83,087</u>	<u>\$ 7,810,129</u>
Liabilities					
Accounts payable and accrued expenses	\$ 21,532	\$ -	\$ 16,480	\$ -	\$ 38,012
Deferred revenue - property taxes	26,106	24,848	-	-	50,954
Deferred revenue - other	-	-	23,816	-	23,816
Due to other funds	329,578	-	121,564	-	451,142
Total liabilities	<u>377,216</u>	<u>24,848</u>	<u>161,860</u>	<u>-</u>	<u>563,924</u>
Fund balances					
Restricted	-	-	-	83,087	83,087
Committed	4,278,218	-	829,034	-	5,107,252
Assigned	-	509,629	1,912,639	-	2,422,268
Unassigned	(319,256)	-	(47,146)	-	(366,402)
Total fund balances	<u>3,958,962</u>	<u>509,629</u>	<u>2,694,527</u>	<u>83,087</u>	<u>7,246,205</u>
Total liabilities and fund balances	<u>\$ 4,336,178</u>	<u>\$ 534,477</u>	<u>\$ 2,856,387</u>	<u>\$ 83,087</u>	<u>\$ 7,810,129</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Permanent Funds	Total
Revenues					
Property taxes	\$ 751,017	\$ 765,527	\$ -	\$ -	\$ 1,516,544
Assessments	-	-	63,196	-	63,196
Intergovernmental	1,515,150	-	-	-	1,515,150
Interest income	23,746	5,877	14,267	456	44,346
Charges for services	-	-	2,009	-	2,009
Bequests and donations	-	-	9,900	11,920	21,820
Miscellaneous	5,377	-	-	-	5,377
Total revenues	<u>2,295,290</u>	<u>771,404</u>	<u>89,372</u>	<u>12,376</u>	<u>3,168,442</u>
Expenditures					
Current					
General government	-	-	-	-	-
Economic development	-	-	-	-	-
Public safety	192,999	-	-	-	192,999
Highways and streets	210,821	-	11,994	-	222,815
Culture and recreation	-	-	2,204	20,570	22,774
Debt service					
Principal	-	315,000	-	-	315,000
Interest	-	98,325	184	-	98,509
Capital outlay	71,644	-	23,321	-	94,965
Total expenditures	<u>475,464</u>	<u>413,325</u>	<u>37,703</u>	<u>20,570</u>	<u>947,062</u>
Excess (deficiency) of revenues over expenditures	<u>1,819,826</u>	<u>358,079</u>	<u>51,669</u>	<u>(8,194)</u>	<u>2,221,380</u>
Other financing sources (uses)					
Transfers in	94,568	-	724,733	-	819,301
Transfers out	(81,194)	(426,460)	-	-	(507,654)
Total other financing sources (uses)	<u>13,374</u>	<u>(426,460)</u>	<u>724,733</u>	<u>-</u>	<u>311,647</u>
Change in fund balance	1,833,200	(68,381)	776,402	(8,194)	2,533,027
Fund balance - beginning of year	<u>2,125,762</u>	<u>578,010</u>	<u>1,918,125</u>	<u>91,281</u>	<u>4,713,178</u>
Fund balance - end of year	<u>\$ 3,958,962</u>	<u>\$ 509,629</u>	<u>\$ 2,694,527</u>	<u>\$ 83,087</u>	<u>\$ 7,246,205</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION
NONMAJOR SPECIAL REVENUE FUNDS

CITY OF SEASIDE, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

June 30, 2022

	Road District Fund	State Tax Street Fund	Downtown Maintenance District Fund	911 Special Revenue Fund	Watershed Enhance- ment Fund	Fire Equipment 2018 Fund	Economic Develop- ment Fund	Emergency Readiness Fund	American Rescue Plan Fund	Total
Assets										
Cash and investments	\$ 1,435,786	\$ 1,128,079	\$ 16,796	\$ 185,059	\$ 504,347	\$ 9,044	\$ 2,338	\$ 139,984	\$ 768,637	\$ 4,190,070
Property taxes receivable	15,378	-	3,568	-	-	10,657	-	-	-	29,603
Accounts and notes receivable	-	49,248	-	47,860	-	-	108	-	-	97,216
Due from other funds	-	-	-	-	-	-	-	19,289	-	19,289
Total assets	\$ 1,451,164	\$ 1,177,327	\$ 20,364	\$ 232,919	\$ 504,347	\$ 19,701	\$ 2,446	\$ 159,273	\$ 768,637	\$ 4,336,178
Liabilities										
Accounts payable and accrued expenses	\$ 289	\$ 9,093	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,150	\$ -	\$ 21,532
Due to other funds	-	-	-	-	-	329,578	-	-	-	329,578
Deferred revenue - property taxes	13,576	-	3,151	-	-	9,379	-	-	-	26,106
Total liabilities	13,865	9,093	3,151	-	-	338,957	-	12,150	-	377,216
Fund balances										
Committed	1,437,299	1,168,234	17,213	232,919	504,347	-	2,446	147,123	768,637	4,278,218
Unassigned	-	-	-	-	-	(319,256)	-	-	-	(319,256)
Total fund balances	1,437,299	1,168,234	17,213	232,919	504,347	(319,256)	2,446	147,123	768,637	3,958,962
Total liabilities and fund balances	\$ 1,451,164	\$ 1,177,327	\$ 20,364	\$ 232,919	\$ 504,347	\$ 19,701	\$ 2,446	\$ 159,273	\$ 768,637	\$ 4,336,178

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON
NONMAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended June 30, 2022

	<u>Road District Fund</u>	<u>State Tax Street Fund</u>	<u>Downtown Maintenance District Fund</u>	<u>911 Special Revenue Fund</u>	<u>Watershed Enhancement Fund</u>	<u>Fire Equipment 2018 Fund</u>	<u>Economic Development Fund</u>	<u>Emergency Readiness Fund</u>	<u>American Rescue Plan Fund</u>	<u>Total</u>
Revenues										
Property taxes	\$ 389,079	\$ -	\$ 89,846	\$ -	\$ -	\$ 272,092	\$ -	\$ -	\$ -	\$ 751,017
Intergovernmental	-	553,993	-	190,098	-	-	1,385	4,696	764,978	1,515,150
Interest income	8,830	5,173	751	852	2,773	948	16	744	3,659	23,746
Miscellaneous	-	5,360	-	-	-	-	-	17	-	5,377
Total revenues	<u>397,909</u>	<u>564,526</u>	<u>90,597</u>	<u>190,950</u>	<u>2,773</u>	<u>273,040</u>	<u>1,401</u>	<u>5,457</u>	<u>768,637</u>	<u>2,295,290</u>
Expenditures										
General government	-	-	-	-	6,319	-	-	-	-	6,319
Economic development	-	-	-	-	-	-	12,000	-	-	12,000
Public safety	-	-	-	116,436	-	2,093	-	56,151	-	174,680
Highways and streets	3,180	121,848	85,792	-	-	-	-	-	-	210,820
Capital outlay	-	28,013	-	-	12,000	-	-	31,631	-	71,644
Total expenditures	<u>3,180</u>	<u>149,861</u>	<u>85,792</u>	<u>116,436</u>	<u>18,319</u>	<u>2,093</u>	<u>12,000</u>	<u>87,782</u>	<u>-</u>	<u>475,463</u>
Excess (deficiency) of revenues over expenditures	<u>394,729</u>	<u>414,665</u>	<u>4,805</u>	<u>74,514</u>	<u>(15,546)</u>	<u>270,947</u>	<u>(10,599)</u>	<u>(82,325)</u>	<u>768,637</u>	<u>1,819,827</u>
Other financing sources (uses)										
Transfers in	-	-	-	-	-	-	11,000	83,568	-	94,568
Transfers out	(18,297)	(55,315)	(7,583)	-	-	-	-	-	-	(81,195)
Total other financing sources (uses)	<u>(18,297)</u>	<u>(55,315)</u>	<u>(7,583)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>	<u>83,568</u>	<u>-</u>	<u>13,373</u>
Change in fund balance	376,432	359,350	(2,778)	74,514	(15,546)	270,947	401	1,243	768,637	1,833,200
Fund balance - beginning of year	<u>1,060,867</u>	<u>808,884</u>	<u>19,991</u>	<u>158,405</u>	<u>519,893</u>	<u>(590,203)</u>	<u>2,045</u>	<u>145,880</u>	<u>-</u>	<u>2,125,762</u>
Fund balance - end of year	<u>\$ 1,437,299</u>	<u>\$ 1,168,234</u>	<u>\$ 17,213</u>	<u>\$ 232,919</u>	<u>\$ 504,347</u>	<u>\$ (319,256)</u>	<u>\$ 2,446</u>	<u>\$ 147,123</u>	<u>\$ 768,637</u>	<u>\$ 3,958,962</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

ROAD DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 387,598	\$ 387,639	\$ 389,079	\$ 1,440
Interest income	9,100	9,059	8,830	(229)
Total revenues	<u>396,698</u>	<u>396,698</u>	<u>397,909</u>	<u>1,211</u>
Expenditures				
Materials and services	8,800	8,800	3,180	5,620
Capital outlay	613,759	613,759	-	613,759
Total expenditures	<u>622,559</u>	<u>622,559</u>	<u>3,180</u>	<u>619,379</u>
Excess (deficiency) of revenues over expenditures	<u>(225,861)</u>	<u>(225,861)</u>	<u>394,729</u>	<u>620,590</u>
Other financing sources (uses)				
Transfers out	<u>(818,297)</u>	<u>(818,297)</u>	<u>(18,297)</u>	<u>800,000</u>
Change in fund balance	(1,044,158)	(1,044,158)	376,432	1,420,590
Fund balance - beginning of year	<u>1,054,158</u>	<u>1,060,867</u>	<u>1,060,867</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 10,000</u></u>	<u><u>\$ 16,709</u></u>	<u><u>\$ 1,437,299</u></u>	<u><u>\$ 1,420,590</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

STATE TAX STREET FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 764,500	\$ 690,065	\$ 553,993	\$ (136,072)
Interest	7,000	7,000	5,173	(1,827)
Miscellaneous	7,500	7,500	5,360	(2,140)
Total revenues	<u>779,000</u>	<u>704,565</u>	<u>564,526</u>	<u>(140,039)</u>
Expenditures				
Materials and services	247,750	247,750	121,848	125,902
Capital outlay	310,385	310,385	28,013	282,372
Total expenditures	<u>558,135</u>	<u>558,135</u>	<u>149,861</u>	<u>408,274</u>
Excess (deficiency) of revenues over expenditures	<u>220,865</u>	<u>146,430</u>	<u>414,665</u>	<u>268,235</u>
Other financing sources (uses)				
Transfers out	<u>(855,314)</u>	<u>(855,314)</u>	<u>(55,315)</u>	<u>799,999</u>
Change in fund balance	(634,449)	(708,884)	359,350	1,068,234
Fund balance - beginning of year	<u>734,449</u>	<u>808,884</u>	<u>808,884</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 100,000</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 1,168,234</u></u>	<u><u>\$ 1,068,234</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

DOWNTOWN MAINTENANCE DISTRICT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 90,504	\$ 89,242	\$ 89,846	\$ 604
Interest	575	576	751	175
Total revenues	<u>91,079</u>	<u>89,818</u>	<u>90,597</u>	<u>779</u>
Expenditures				
Materials and services	86,078	86,078	85,792	286
Contingency	10,000	10,000	-	10,000
Total expenditures	<u>96,078</u>	<u>96,078</u>	<u>85,792</u>	<u>10,286</u>
Excess (deficiency) of revenues over expenditures	<u>(4,999)</u>	<u>(6,260)</u>	<u>4,805</u>	<u>11,065</u>
Other financing sources (uses)				
Transfers out	<u>(7,583)</u>	<u>(7,583)</u>	<u>(7,583)</u>	<u>-</u>
Change in fund balance	(12,582)	(13,843)	(2,778)	11,065
Fund balance - beginning of year	<u>18,730</u>	<u>19,991</u>	<u>19,991</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 6,148</u></u>	<u><u>\$ 6,148</u></u>	<u><u>\$ 17,213</u></u>	<u><u>\$ 11,065</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

911 SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 143,000	\$ 189,000	\$ 190,098	\$ 1,098
Interest	900	902	852	(50)
Total revenues	<u>143,900</u>	<u>189,902</u>	<u>190,950</u>	<u>1,048</u>
Expenditures				
Personal services	107,326	116,806	116,436	370
Materials and services	6,525	6,525	-	6,525
Capital outlay	179,760	224,976	-	224,976
Contingency	-	-	-	-
Total expenditures	<u>293,611</u>	<u>348,307</u>	<u>116,436</u>	<u>231,871</u>
Excess (deficiency) of revenues over expenditures	(149,711)	(158,405)	74,514	232,919
Fund balance - beginning of year	<u>149,711</u>	<u>158,405</u>	<u>158,405</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,919</u>	<u>\$ 232,919</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

WATERSHED ENHANCEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest	\$ 4,000	\$ 3,962	\$ 2,773	\$ (1,189)
Timber sales	25,000	25,000	-	(25,000)
Total revenues	<u>29,000</u>	<u>28,962</u>	<u>2,773</u>	<u>(26,189)</u>
Expenditures				
Materials and services	25,000	25,000	6,319	18,681
Capital outlay	523,855	523,855	12,000	511,855
Total expenditures	<u>548,855</u>	<u>548,855</u>	<u>18,319</u>	<u>530,536</u>
Excess (deficiency) of revenues over expenditures	(519,855)	(519,893)	(15,546)	504,347
Fund balance - beginning of year	<u>519,855</u>	<u>519,893</u>	<u>519,893</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 504,347</u></u>	<u><u>\$ 504,347</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

FIRE EQUIPMENT (2018) FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 271,278	\$ 267,998	272,092	\$ 4,094
Interest income	75	354	948	594
Total revenues	<u>271,353</u>	<u>268,352</u>	<u>273,040</u>	<u>4,688</u>
Expenditures				
Materials and services	4,400	4,400	2,093	2,307
Contingency	-	-	-	-
Total expenditures	<u>4,400</u>	<u>4,400</u>	<u>2,093</u>	<u>2,307</u>
Excess (deficiency) of revenues over expenditures	266,953	263,952	270,947	6,995
Other financing sources (uses)				
Interfund Loan - Systems Dev (Water)	329,578	329,578	329,578	-
Loan Repayment - Systems Dev (Sewer)	(300,000)	(300,000)	(300,000)	-
Loan Repayment - Systems Dev (Water)	<u>(299,261)</u>	<u>(299,261)</u>	<u>(299,261)</u>	<u>-</u>
Change in fund balance	(2,730)	(5,731)	1,264	6,995
Fund balance - beginning of year	<u>2,730</u>	<u>9,058</u>	<u>9,058</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 3,327</u>	10,322	<u>\$ 6,995</u>
Reconciliation of budgetary basis to GAAP basis:				
Due to Sewer Systems Development Fund			<u>(329,578)</u>	
Net position - GAAP basis			<u>\$ (319,256)</u>	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

ECONOMIC DEVELOPMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 1,490	\$ 1,477	\$ 1,385	\$ (92)
Interest	25	12	16	4
Total revenues	<u>1,515</u>	<u>1,489</u>	<u>1,401</u>	<u>(88)</u>
Expenditures				
Materials and services	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(10,485)</u>	<u>(10,511)</u>	<u>(10,599)</u>	<u>(88)</u>
Other financing sources (uses)				
Transfers in	<u>11,000</u>	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Total other financing sources (uses)	<u>11,000</u>	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Change in fund balance	515	489	401	(88)
Fund balance - beginning of year	<u>2,019</u>	<u>2,045</u>	<u>2,045</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 2,534</u></u>	<u><u>\$ 2,534</u></u>	<u><u>\$ 2,446</u></u>	<u><u>\$ (88)</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

EMERGENCY READINESS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Donations and matching	\$ 1,000	\$ 1,001	\$ 4,696	\$ 3,695
Miscellaneous	50	50	17	(33)
Interest	1,200	1,200	744	(456)
Total revenues	<u>2,250</u>	<u>2,251</u>	<u>5,457</u>	<u>3,206</u>
Expenditures				
Personal services	48,970	50,670	44,312	6,358
Materials and services	80,200	80,200	11,839	68,361
Capital outlay	-	24,384	31,631	(7,247)
Contingency	25,000	15,000	-	15,000
Total expenditures	<u>154,170</u>	<u>170,254</u>	<u>87,782</u>	<u>82,472</u>
Excess (deficiency) of revenues over expenditures	<u>(151,920)</u>	<u>(168,003)</u>	<u>(82,325)</u>	<u>85,678</u>
Other financing sources (uses)				
Transfers in	68,100	68,100	83,568	15,468
Transfers out	-	-	-	-
Change in fund balance	(83,820)	(99,903)	1,243	101,146
Fund balance - beginning of year	<u>129,797</u>	<u>145,880</u>	<u>145,880</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 45,977</u></u>	<u><u>\$ 45,977</u></u>	<u><u>\$ 147,123</u></u>	<u><u>\$ 101,146</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

AMERICAN RESCUE PLAN FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ 700,000	\$ 1,400,850	\$ 764,978	\$ (635,872)
Interest	4,000	4,000	3,659	(341)
Total revenues	<u>704,000</u>	<u>1,404,850</u>	<u>768,637</u>	<u>(636,213)</u>
Expenditures				
Materials and services	100,000	100,000	-	100,000
Capital outlay	1,304,850	1,304,850	-	1,304,850
Total expenditures	<u>1,404,850</u>	<u>1,404,850</u>	<u>-</u>	<u>1,404,850</u>
Excess (deficiency) of revenues over expenditures	(700,850)	-	768,637	768,637
Fund balance - beginning of year	<u>700,850</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 768,637</u></u>	<u><u>\$ 768,637</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR DEBT SERVICE FUNDS

CITY OF SEASIDE, OREGON
NONMAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET

June 30, 2022

	Greater Seaside Debt Service Fund	Southeast Seaside Debt Service Fund	Water General Obligation Bond Debt Service Fund	Total
Assets				
Cash and investments	\$ -	\$ 14,542	\$ 492,040	\$ 506,582
Property taxes receivable	1,032	13,075	13,788	27,895
Total assets	\$ 1,032	\$ 27,617	\$ 505,828	\$ 534,477
Liabilities				
Deferred revenue - property taxes	\$ 934	\$ 11,762	\$ 12,152	\$ 24,848
Total Liabilities	934	11,762	12,152	24,848
Fund balances				
Assigned	98	15,855	493,676	509,629
Total fund balances	98	15,855	493,676	509,629
Total liabilities and fund balances	\$ 1,032	\$ 27,617	\$ 505,828	\$ 534,477

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

NONMAJOR DEBT SERVICE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

Year Ended June 30, 2022

	Greater Seaside Debt Service Fund	Southeast Seaside Debt Service Fund	Water General Obligation Bond Debt Service Fund	Total
Revenues				
Property taxes	\$ 73	\$ 424,048	\$ 341,406	\$ 765,527
Interest income	424	851	4,602	5,877
Total revenues	<u>497</u>	<u>424,899</u>	<u>346,008</u>	<u>771,404</u>
Expenditures				
Debt service				
Principal	-	-	315,000	315,000
Interest	-	-	98,325	98,325
Total expenditures	<u>-</u>	<u>-</u>	<u>413,325</u>	<u>413,325</u>
Excess (deficiency) of revenues over expenditures	<u>497</u>	<u>424,899</u>	<u>(67,317)</u>	<u>358,079</u>
Other financing sources (uses)				
Transfers out	<u>(675)</u>	<u>(425,785)</u>	<u>-</u>	<u>(426,460)</u>
Change in fund balance	(178)	(886)	(67,317)	(68,381)
Fund balance - beginning of year	<u>276</u>	<u>16,741</u>	<u>560,993</u>	<u>578,010</u>
Fund balance - end of year	<u>\$ 98</u>	<u>\$ 15,855</u>	<u>\$ 493,676</u>	<u>\$ 509,629</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

GREATER SEASIDE DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 200	\$ 200	\$ 73	\$ (127)
Interest	251	251	424	173
Total revenue	<u>451</u>	<u>451</u>	<u>497</u>	<u>46</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over exper	451	451	497	46
Other financing sources (uses)				
Transfers out	<u>(451)</u>	<u>(727)</u>	<u>(675)</u>	<u>52</u>
Change in fund balance	-	(276)	(178)	98
Fund balance - beginning of year	<u>-</u>	<u>276</u>	<u>276</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 98</u></u>	<u><u>\$ 98</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SOUTHEAST SEASIDE DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 286,462	\$ 418,819	\$ 424,048	\$ 5,229
Interest income	225	225	851	626
Total revenues	<u>286,687</u>	<u>419,044</u>	<u>424,899</u>	<u>5,855</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over exper	286,687	419,044	424,899	5,855
Other financing sources (uses)				
Transfers out	<u>(286,687)</u>	<u>(425,785)</u>	<u>(425,785)</u>	<u>-</u>
Total other Financing sources	<u>(286,687)</u>	<u>(425,785)</u>	<u>(425,785)</u>	<u>-</u>
Change in fund balance	-	(6,741)	(886)	5,855
Fund balance - beginning of year	<u>10,000</u>	<u>16,741</u>	<u>16,741</u>	<u>-</u>
Fund balance - end of year	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 15,855</u>	<u>\$ 5,855</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

WATER GENERAL OBLIGATION BOND DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Property taxes	\$ 339,775	\$ 337,685	\$ 341,406	\$ 3,721
Interest income	6,900	3,314	4,602	1,288
Total revenues	<u>346,675</u>	<u>340,999</u>	<u>346,008</u>	<u>5,009</u>
Expenditures				
Debt service				
Principal	770,000	770,000	315,000	455,000
Interest	98,325	98,325	98,325	-
Total expenditures	<u>868,325</u>	<u>868,325</u>	<u>413,325</u>	<u>455,000</u>
Excess (deficiency) of revenues over exper	(521,650)	(527,326)	(67,317)	460,009
Fund balance - beginning of year	<u>555,317</u>	<u>560,993</u>	<u>560,993</u>	<u>-</u>
Fund balance - end of year	<u>\$ 33,667</u>	<u>\$ 33,667</u>	<u>\$ 493,676</u>	<u>\$ 460,009</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION
NONMAJOR CAPITAL PROJECTS FUNDS

CITY OF SEASIDE, OREGON

NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET

June 30, 2022

	Special Assessment Fund	Systems Development Parks Fund	Capital Improvement and Maintenance Fund	Systems Development Road Fund	Airport Fund	Promenade Improvement Fund	Parks Construction Fund	Street Construction Fund	Southeast Seaside Construction	Greater Seaside Construction	Total
Assets											
Cash and investments	\$ 81,703	\$ 756,392	\$ 512,997	\$ 70,227	\$ 9,528	\$ 423,453	\$ 4,974	\$ 3,072	\$ 845,646	\$ 75,618	\$ 2,783,610
Assessments receivable	21,109	(17,777)	-	(755)	1,009	-	-	-	-	-	3,586
Interest receivable	234	857	-	(53)	-	-	-	-	-	-	1,038
Due from other funds	-	-	37,291	-	-	30,862	-	-	-	-	68,153
Total assets	\$ 103,046	\$ 739,472	\$ 550,288	\$ 69,419	\$ 10,537	\$ 454,315	\$ 4,974	\$ 3,072	\$ 845,646	\$ 75,618	\$ 2,856,387
Liabilities											
Accounts payable and accrued expenses	\$ 180	\$ -	\$ -	\$ -	\$ -	\$ 16,300	\$ -	\$ -	\$ -	\$ -	\$ 16,480
Deferred revenue - other	28,448	(4,677)	-	45	-	-	-	-	-	-	23,816
Due to other funds	121,564	-	-	-	-	-	-	-	-	-	121,564
Total liabilities	150,192	(4,677)	-	45	-	16,300	-	-	-	-	161,860
Fund balances											
Committed	-	744,149	-	69,374	10,537	-	4,974	-	-	-	829,034
Assigned	-	-	550,288	-	-	438,015	-	3,072	845,646	75,618	1,912,639
Unassigned	(47,146)	-	-	-	-	-	-	-	-	-	(47,146)
Total fund balances	(47,146)	744,149	550,288	69,374	10,537	438,015	4,974	3,072	845,646	75,618	2,694,527
Total liabilities and fund balances	\$ 103,046	\$ 739,472	\$ 550,288	\$ 69,419	\$ 10,537	\$ 454,315	\$ 4,974	\$ 3,072	\$ 845,646	\$ 75,618	\$ 2,856,387

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

**NONMAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

Year Ended June 30, 2022

	Special Assessment Fund	Systems Develop- ment Parks Fund	Capital Improvement and Maintenance Fund	Systems Development Road Fund	Airport Fund	Promenade Improvement Fund	Parks Construction Fund	Street Construction Fund	Southeast Seaside Construction	Greater Seaside Construction	Total
Revenues											
Assessments	\$ 956	\$ 57,770	\$ -	\$ 4,470	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,196
Interest income	679	4,458	2,459	404	40	2,093	27	17	3,680	410	14,267
Charges for service	-	-	-	-	2,009	-	-	-	-	-	2,009
Donations	-	-	-	-	500	9,400	-	-	-	-	9,900
Total revenues	1,635	62,228	2,459	4,874	2,549	11,493	27	17	3,680	410	89,372
Expenditures											
Current											
Highways and streets	-	-	-	-	-	5,743	-	-	6,251	-	11,994
Culture and recreation	-	-	-	-	2,204	-	-	-	-	-	2,204
Interest	184	-	-	-	-	-	-	-	-	-	184
Capital outlay	-	-	-	-	-	23,321	-	-	-	-	23,321
Total expenditures	184	-	-	-	2,204	29,064	-	-	6,251	-	37,703
Excess (deficiency) of revenues over expenditures	1,451	62,228	2,459	4,874	345	(17,571)	27	17	(2,571)	410	51,669
Other financing source (uses)											
Transfers in	-	-	161,564	-	3,000	133,709	-	-	425,785	675	724,733
Transfers out	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	161,564	-	3,000	133,709	-	-	425,785	675	724,733
Change in fund balance	1,451	62,228	164,023	4,874	3,345	116,138	27	17	423,214	1,085	776,402
Fund balance - beginning of year	(48,597)	681,921	386,265	64,500	7,192	321,877	4,947	3,055	422,432	74,533	1,918,125
Fund balance - end of year	\$ (47,146)	\$ 744,149	\$ 550,288	\$ 69,374	\$ 10,537	\$ 438,015	\$ 4,974	\$ 3,072	\$ 845,646	\$ 75,618	\$ 2,694,527

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SPECIAL ASSESSMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Assessments	\$ 5,000	\$ 5,000	\$ 933	\$ (4,067)
Interest income	1,500	1,500	679	(821)
Assessment penalties	-	-	23	23
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>1,635</u>	<u>(4,865)</u>
Expenditures				
Materials and services	4,500	4,467	184	4,283
Capital outlay	75,000	75,000	-	75,000
Total expenditures	<u>79,500</u>	<u>79,467</u>	<u>184</u>	<u>79,283</u>
Excess (deficiency) of revenues over expenditures	<u>(73,000)</u>	<u>(72,967)</u>	<u>1,451</u>	<u>74,418</u>
Other financing sources (uses)				
Loan from other funds	121,564	121,564	121,564	-
Loan repaid to other funds	(50,000)	(117,324)	(117,324)	-
Total other financing sources (uses)	<u>71,564</u>	<u>4,240</u>	<u>4,240</u>	<u>-</u>
Change in fund balance	(1,436)	(68,727)	5,691	74,418
Fund balance - beginning of year	<u>1,436</u>	<u>68,727</u>	<u>68,727</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	74,418	<u>\$ 74,418</u>
Reconciliation of budgetary basis to GAAP basis:				
Due to Water System Development Fund			<u>(121,564)</u>	
Net position - GAAP basis			<u>\$ (47,146)</u>	

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SYSTEMS DEVELOPMENT - PARKS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Assessments	\$ 51,000	\$ 59,112	\$ 57,770	\$ (1,342)
Interest income	6,150	6,150	4,458	(1,692)
Total revenues	<u>57,150</u>	<u>65,262</u>	<u>62,228</u>	<u>(3,034)</u>
Expenditures				
Materials and services	50,000	50,000	-	50,000
Capital outlay	497,183	497,183	-	497,183
Total expenditures	<u>547,183</u>	<u>547,183</u>	<u>-</u>	<u>547,183</u>
Excess (deficiency) of revenues over expenditures	<u>(490,033)</u>	<u>(481,921)</u>	<u>62,228</u>	<u>544,149</u>
Fund balance - beginning of year	<u>690,033</u>	<u>681,921</u>	<u>681,921</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 200,000</u></u>	<u><u>\$ 200,000</u></u>	<u><u>\$ 744,149</u></u>	<u><u>\$ 544,149</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

CAPITAL IMPROVEMENT AND MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest income	\$ 2,500	\$ 2,500	\$ 2,459	\$ (41)
Donations	-	-	-	-
Total revenues	<u>2,500</u>	<u>2,500</u>	<u>2,459</u>	<u>(41)</u>
Expenditures				
Materials and services	25,500	25,500	-	25,500
Capital outlay	473,251	473,251	-	473,251
Total expenditures	<u>498,751</u>	<u>498,751</u>	<u>-</u>	<u>498,751</u>
Excess (deficiency) of revenues over expenditures	<u>(496,251)</u>	<u>(496,251)</u>	<u>2,459</u>	<u>498,710</u>
Other financing sources (uses)				
Transfers in	131,660	131,660	161,564	29,904
Total other financing sources (uses)	<u>131,660</u>	<u>131,660</u>	<u>161,564</u>	<u>29,904</u>
Change in fund balance	(364,591)	(364,591)	164,023	528,614
Fund balance - beginning of year	<u>364,591</u>	<u>386,265</u>	<u>386,265</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ 21,674</u>	<u>\$ 550,288</u>	<u>\$ 528,614</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SYSTEMS DEVELOPMENT - ROAD FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Assessments	\$ 3,108	\$ 3,592	\$ 4,470	\$ 878
Interest income	560	560	404	(156)
Total revenues	<u>3,668</u>	<u>4,152</u>	<u>4,874</u>	<u>722</u>
Expenditures				
Capital outlay	<u>68,652</u>	<u>68,652</u>	<u>-</u>	<u>68,652</u>
Excess (deficiency) of revenues over expenditures	(64,984)	(64,500)	4,874	69,374
Fund balance - beginning of year	<u>64,984</u>	<u>64,500</u>	<u>64,500</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 69,374</u></u>	<u><u>\$ 69,374</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

AIRPORT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Charges for service	\$ 1,000	\$ 1,000	\$ 2,009	\$ 1,009
Donations	-	-	500	500
Interest	40	40	40	-
Total revenues	<u>1,040</u>	<u>1,040</u>	<u>2,549</u>	<u>1,509</u>
Expenditures				
Materials and services	2,250	2,250	2,204	46
Capital outlay	4,900	9,482	-	9,482
Total expenditures	<u>7,150</u>	<u>11,732</u>	<u>2,204</u>	<u>9,528</u>
Excess (deficiency) of revenues over expenditures	(6,110)	(10,692)	345	11,037
Other financing sources (uses)				
Transfers in	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Change in fund balance	(3,110)	(7,692)	3,345	11,037
Fund balance - beginning of year	<u>3,110</u>	<u>3,110</u>	<u>7,192</u>	<u>4,082</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ (4,582)</u></u>	<u><u>\$ 10,537</u></u>	<u><u>\$ 15,119</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

PROMENADE IMPROVEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Donations and bequests	\$ 20,000	\$ 16,000	\$ 9,400	\$ (6,600)
Interest income	4,000	2,000	2,093	93
Total revenues	<u>24,000</u>	<u>18,000</u>	<u>11,493</u>	<u>(6,507)</u>
Expenditures				
Materials and services	80,000	80,000	5,743	74,257
Capital outlay	200,000	200,000	23,321	176,679
Contingency	50,000	50,000	-	50,000
Total expenditures	<u>330,000</u>	<u>330,000</u>	<u>29,064</u>	<u>300,936</u>
Excess (deficiency) of revenues over expenditures	(306,000)	(312,000)	(17,571)	294,429
Other financing sources (uses)				
Loan repaid to other funds	(134,157)	(134,157)	(134,157)	-
Transfers in	108,960	108,960	133,709	24,749
Total other financing sources (uses)	<u>(25,197)</u>	<u>(25,197)</u>	<u>(448)</u>	<u>24,749</u>
Change in fund balance	(331,197)	(337,197)	(18,019)	319,178
Fund balance - beginning of year	<u>435,110</u>	<u>456,034</u>	<u>456,034</u>	<u>-</u>
Fund balance - end of year	<u>\$ 103,913</u>	<u>\$ 118,837</u>	<u>438,015</u>	<u>\$ 319,178</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

PARKS CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest income	\$ 45	\$ 50	\$ 27	\$ (23)
Total revenues	<u>45</u>	<u>50</u>	<u>27</u>	<u>(23)</u>
Expenditures				
Capital outlay	<u>4,997</u>	<u>4,997</u>	<u>-</u>	<u>4,997</u>
Change in fund balance	(4,952)	(4,947)	27	4,974
Fund balance - beginning of year	<u>4,952</u>	<u>4,947</u>	<u>4,947</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,974</u>	<u>\$ 4,974</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

STREET CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Interest income	1,000	1,040	17	(1,023)
Total revenues	<u>1,000</u>	<u>1,040</u>	<u>17</u>	<u>(1,023)</u>
Expenditures				
Materials and services	101,000	101,000	-	101,000
Capital outlay	2,453,095	2,453,095	-	2,453,095
Total expenditures	<u>2,554,095</u>	<u>2,554,095</u>	<u>-</u>	<u>2,554,095</u>
Excess (deficiency) of revenues over expenditures	<u>(2,553,095)</u>	<u>(2,553,055)</u>	<u>17</u>	<u>2,553,072</u>
Other financing sources (uses)				
Transfers in	<u>2,550,000</u>	<u>2,550,000</u>	<u>-</u>	<u>(2,550,000)</u>
Change in fund balance	(3,095)	(3,055)	17	3,072
Fund balance - beginning of year	<u>3,095</u>	<u>3,055</u>	<u>3,055</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 3,072</u></u>	<u><u>\$ 3,072</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SOUTHEAST SEASIDE CONSTRUCTION

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest income	\$ 2,800	\$ 2,800	\$ 3,680	\$ 880
Total revenues	<u>2,800</u>	<u>2,800</u>	<u>3,680</u>	<u>880</u>
Expenditures				
Materials and services	32,500	32,500	6,251	26,249
Capital outlay	681,320	818,517	-	818,517
Contingency	-	-	-	-
Total expenditures	<u>713,820</u>	<u>851,017</u>	<u>6,251</u>	<u>844,766</u>
Excess (deficiency) of revenues over expenditures	<u>(711,020)</u>	<u>(848,217)</u>	<u>(2,571)</u>	<u>845,646</u>
Other financing sources (uses)				
Transfers in	<u>286,687</u>	<u>425,785</u>	<u>425,785</u>	<u>-</u>
Total other financing sources (uses)	<u>286,687</u>	<u>425,785</u>	<u>425,785</u>	<u>-</u>
Change in fund balance	(424,333)	(422,432)	423,214	845,646
Fund balance - beginning of year	<u>424,333</u>	<u>422,432</u>	<u>422,432</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 845,646</u>	<u>\$ 845,646</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

GREATER SEASIDE CONSTRUCTION FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Interest income	\$ 650	\$ 469	\$ 410	\$ (59)
Total revenues	<u>650</u>	<u>469</u>	<u>410</u>	<u>(59)</u>
Expenditures				
Materials and services	-	-	-	-
Capital Outlay	75,729	75,729	-	75,729
Total expenditures	<u>75,729</u>	<u>75,729</u>	<u>-</u>	<u>75,729</u>
Excess (deficiency) of revenues over expenditures	<u>(75,079)</u>	<u>(75,260)</u>	<u>410</u>	<u>75,670</u>
Other financing sources (uses)				
Transfers in	451	727	675	(52)
Advances from other funds	-	-	-	-
Total other financing sources (uses)	<u>451</u>	<u>727</u>	<u>675</u>	<u>(52)</u>
Change in fund balance	(74,628)	(74,533)	1,085	75,618
Fund balance - beginning of year	<u>74,628</u>	<u>74,533</u>	<u>74,533</u>	<u>-</u>
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75,618</u>	<u>\$ 75,618</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR PERMANENT FUND

CITY OF SEASIDE, OREGON
NONMAJOR PERMANENT FUND
BALANCE SHEET

June 30, 2022

	<u>Library Trust Fund</u>
Assets	
Cash and investments	\$ <u>83,087</u>
Total assets	\$ <u><u>83,087</u></u>
Liabilities	
Accounts payable	\$ <u>-</u>
Fund balances	
Restricted	<u>83,087</u>
Total fund balances	<u>83,087</u>
Total liabilities and fund balances	\$ <u><u>83,087</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON
NONMAJOR PERMANENT FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

Year Ended June 30, 2022

	Library Trust Fund
Revenues	
Interest	\$ 456
Bequests and donations	11,920
Total revenues	<u>12,376</u>
Expenditures	
Materials and services	20,570
Capital outlay	-
Total expenditures	<u>20,570</u>
Excess (deficiency) of revenues over expenditures	(8,194)
Other financing source (uses)	
Transfers out	-
Total other financing sources (uses)	<u>-</u>
Change in fund balance	<u>(8,194)</u>
Fund balance - beginning of year	<u>91,281</u>
Fund balance - end of year	\$ <u><u>83,087</u></u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

LIBRARY TRUST FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

Year Ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues				
Bequests and donations	\$ 1,500	\$ 1,500	\$ 11,920	\$ 10,420
Interest	750	750	456	(294)
Total revenues	<u>2,250</u>	<u>2,250</u>	<u>12,376</u>	<u>10,126</u>
Expenditures				
Materials and services	10,000	25,000	20,570	4,430
Capital outlay	20,000	5,000	-	5,000
Contingency	30,000	25,855	-	25,855
Total expenditures	<u>60,000</u>	<u>55,855</u>	<u>20,570</u>	<u>35,285</u>
Change in fund balance	(57,750)	(53,605)	(8,194)	45,411
Fund balance - beginning of year	<u>95,426</u>	<u>91,281</u>	<u>91,281</u>	<u>-</u>
Fund balance - end of year	<u>\$ 37,676</u>	<u>\$ 37,676</u>	<u>\$ 83,087</u>	<u>\$ 45,411</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

OTHER FINANCIAL SCHEDULES

CITY OF SEASIDE, OREGON

CITY LEVIES

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES

Year Ended June 30, 2022

Fiscal Year	Taxes Uncollected June 30, 2021	Add Levy as Extended by Assessor	Interest, Discounts & Adjustments	Collections	Taxes Uncollected June 30, 2022
2021-22	\$ -	\$ 4,985,504	\$ (175,317)	\$ (4,712,032)	\$ 98,155
2020-21	103,157	-	5,917	(59,477)	49,597
2019-20	49,597	-	(6,898)	(17,253)	25,446
2018-19	25,446	-	(2,687)	(14,236)	8,523
2017-18	8,523	-	20	(6,660)	1,883
2016-17 and prior	8,053	-	935	(2,817)	6,171
	<u>\$ 194,776</u>	<u>\$ 4,985,504</u>	<u>\$ (178,030)</u>	<u>\$ (4,812,475)</u>	<u>\$ 189,775</u>

Summary:

General Fund	\$ 160,688
Fire Equipment Fund	10,657
Public Safety Fund	4,642
Water G.O. Bond Debt Service Fund	<u>13,788</u>
	<u>\$ 189,775</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

ROAD DISTRICT LEVIES

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES

Year Ended June 30, 2022

Fiscal Year	Taxes Uncollected June 30, 2021	Add Levy as Extended by Assessor	Interest, Discounts & Adjustments	Collections	Taxes Uncollected June 30, 2022
2021-22	\$ -	\$ 404,934	\$ (13,492)	\$ (382,681)	\$ 8,761
2020-21	8,334	-	(106)	(4,831)	3,397
2019-20	3,991	-	(493)	(1,401)	2,097
2018-19	2,039	-	(212)	(1,156)	671
2017-18	708	-	(75)	(541)	92
2016-17 and prior	668	-	(79)	(229)	360
	<u>\$ 15,740</u>	<u>\$ 404,934</u>	<u>\$ (14,457)</u>	<u>\$ (390,839)</u>	<u>\$ 15,378</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

DOWNTOWN MAINTENANCE DISTRICT LEVIES

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES

Year Ended June 30, 2022

Fiscal Year	Taxes Uncollected June 30, 2021	Add Levy as Extended by Assessor	Interest, Discounts & Adjustments	Collections	Taxes Uncollected June 30, 2022
2021-22	\$ -	\$ 93,501	\$ (3,094)	\$ (88,383)	\$ 2,024
2020-21	1,911	-	(17)	(1,115)	779
2019-20	934	-	(119)	(324)	491
2018-19	472	-	(50)	(267)	155
2017-18	170	-	(23)	(125)	22
2016-17 and prior	180	-	(30)	(53)	97
	<u>\$ 3,667</u>	<u>\$ 93,501</u>	<u>\$ (3,333)</u>	<u>\$ (90,267)</u>	<u>\$ 3,568</u>

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SEASIDE URBAN RENEWAL AGENCY

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND OUTSTANDING BALANCES

Year Ended June 30, 2022

<u>Fiscal Year</u>	<u>Taxes Uncollected June 30, 2021</u>	<u>Add Levy as Extended by Assessor</u>	<u>Interest, Discounts & Adjustments</u>	<u>Collections</u>	<u>Taxes Uncollected June 30, 2022</u>
2021-22	\$ -	\$ 445,719	\$ (18,784)	\$ (416,260)	\$ 10,675
2020-21	6,215	-	1,635	(5,317)	2,533
2019-20	1,629	-	769	(1,542)	856
2018-19	129	-	1,187	(1,273)	43
2017-18	329	-	266	(595)	-
2016-17 and prior	1,104	-	(852)	(252)	-
	<u>\$ 9,406</u>	<u>\$ 445,719</u>	<u>\$ (15,779)</u>	<u>\$ (425,239)</u>	<u>\$ 14,107</u>

Summary:

Greater Seaside Debt Service Fund
 Southeast Seaside Debt Service Fund

Receivable June 30, 2022

\$ 1,032
13,075
\$ 14,107

The accompanying notes and independent auditors' report should be read with the supplemental schedules.

CITY OF SEASIDE, OREGON

SCHEDULE OF ACCOUNTABILITY OF INDEPENDENTLY ELECTED OFFICIALS

YEAR ENDED JUNE 30, 2022

Oregon Revised Statutes (ORS) Section 297 requires a statement of accountability for each independently elected official collecting or receiving money in the municipal corporation. In compliance with ORS 297, there are no independently elected officials that collect or receive money on behalf of the City of Seaside.

**REPORTS REQUIRED BY GOVERNMENT AUDITING STANDARDS
AND THE MINIMUM STANDARDS FOR AUDITS
OF OREGON MUNICIPAL CORPORATIONS**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH OREGON MINIMUM AUDIT STANDARDS**

To the Honorable Mayor and City Council
City of Seaside, Oregon
Seaside, Oregon

We have audited the basic financial statements of the City of Seaside, Oregon (the City) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 20, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including 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, roads, and streets.**
- Authorized investment of surplus funds (ORS Chapter 294).**
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

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

OAR 162-10-0230 Internal Control

Our report on internal control over financial reporting is presented separately under this cover.

Restricted Use

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

KERN & THOMPSON, LLC
Certified Public Accountants



Richard V. Proulx, CPA
Partner

Portland, Oregon
December 20, 2022

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

To the Honorable Mayor and City Council
City of Seaside, Oregon
Seaside, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Seaside, Oregon (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2022.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

To the Board of Directors
City of Seaside, Oregon

Purpose of This Report

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

KERN THOMPSON, LLC

Portland, Oregon
December 20, 2022