

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b> <b>December 6, 2016</b>	<b>AGENDA ITEM NUMBER</b>
--	---------------------------

TO: Mayor Benetti and City Councilors  
FROM: Susanne Baker, Finance Director  
THROUGH: Rodger Craddock, City Manager  
ISSUE: Acceptance of FYE 16 City Audit

**BACKGROUND:**

The City of Coos Bay engaged Pauly, Rogers and Co. to perform an external audit of the FYE 16 financial statements. Pauly, Rogers and Co. is an independent external auditor and directly responsible to the legislative body to express an opinion on the fairness of the presentation of the financial statements. Management is responsible for compliance with legal requirements, maintaining adequate internal controls, and conducting programs economically and efficiently.

Pauly, Rogers and Co. has issued an unmodified opinion on the financial statements with no exceptions or issues requiring comment for the State minimum standards nor was there a management letter issued. An unmodified opinion means the City of Coos Bay has been given a “clean” opinion with no reservations. It is the independent auditor’s judgment that the financial records and statements are fairly and appropriately presented, and in accordance with GAAP. An unmodified opinion is the most common type of auditor’s report and the desired result.

Ms. Tara Kamp, from Pauly, Rogers and Co., will present the City’s Audit for FYE 16 and in compliance with Statement of Auditing Standards No. 114 (SAS 114), provide the Communication to the Governing Body SAS 114 Letter.

**ADVANTAGES:**

The audit process provides for full public disclosure and transparency in government.

**DISADVANTAGES:**

None.

**BUDGET IMPLICATIONS:**

An unqualified opinion from the auditor affects the City’s credit worthiness and bond rating. This opinion continues the City of Coos Bay’s history of being under sound fiscal management and positions the City well for future financings.

**ACTION REQUESTED:**

Staff proposes the Council accept the FYE 16 audit.

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

**COMMUNICATION TO THE GOVERNING BODY**

**FOR THE YEAR ENDED JUNE 30, 2016**



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



PAULY, ROGERS AND CO., P.C.  
12700 SW 72<sup>nd</sup> Ave. ♦ Tigard, OR 97223  
(503) 620-2632 ♦ (503) 684-7523 FAX  
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November 15, 2016

To the City Council  
City of Coos Bay  
Coos County, Oregon

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Coos Bay for the year ended June 30, 2016. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Purpose of the Audit**

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

### **Our Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Planned Scope and Timing of the Audit**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. We also communicated any internal control related matters that are required to be communicated under professional standards.

**Results of Audit**

1. Audit opinion letter - an unmodified opinion on the financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Management letter – No management letter was issued.

**Significant Audit Findings**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016, except for the implementation of GASB Statement No. 72 Fair Value Measurement and Application. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were Management’s estimate of Accounts Receivable and Capital Asset Depreciation, which are based on estimated collectability of receivables and useful lives of assets. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the financial statements are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no difficulties in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management.

*Disagreements with Management*

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

Pauly, Rogers and Co., P.C.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the financial statements or a determination of the type of auditors’ opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

*Supplementary Information*

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

*Other Information*

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

**Other Matters – Future Accounting and Auditing Issues**

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accounts and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

**IMPLICIT RATE SUBSIDY FOR OPEBs**

In Oregon, an implicit rate subsidy is required for almost all entities, due to the fact that Oregon law requires that any retiree be allowed to buy-back into their former employer’s health insurance plan. In the past, relatively small employers participating in a large, pooled health plan were sometimes exempt from having to account for an implicit rate subsidy due to a “community-rating” exception. In general, this exception applied when the claims experience of an individual employer would have virtually no impact on the premium being charged to that employer. The accounting standards that apply to OPEBs refer to the Actuarial Standards of Practice (ASOPs) in determining whether a community-rated situation applied. However, the newly revised ASOP 6 virtually eliminated the concept of the community-rating exception. As a result, agencies participating in community-rated plans that had previously been exempt from

reporting liabilities due to an implicit rate subsidy may now be required to do so. We recommend that Management contact an actuary to determine if an actuarial study is required.

**Best Practices – Not Significant Deficiencies**

1. Segregation of Duties

Because of a limited number of available personnel, it is not always possible to adequately segregate certain incompatible duties so that no one employee has access to both physical assets and the related accounting records or to all phases of a transaction. Consequently, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected. We recommend that the City Council continually monitor the financial activities to mitigate this risk and consider obtaining additional fidelity insurance coverage to compensate for this risk.

2. Minimum Number of Appropriated Funds

We noted that the City has more than the legally required number of funds. According to NCGA Statement 1, Paragraph 4, "Governmental units should establish and maintain those funds required by law and sound financial administration. Only the minimum number of funds consistent with legal and operating requirements should be established, however, since unnecessary funds result in inflexibility, undue complexity, and inefficient financial administration." We recommend that the City consider closing funds that are not required to be in a separate fund. Both GFOA (Government Finance Officers Association) and GASB (Governmental Accounting Standards Board) encourage governments to use the minimum number of funds.

This information is intended solely for the use of the City Council and management and is not intended to be and should not be used by anyone other than these specified parties.



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

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

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2016**



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

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

**For the Year Ended June 30, 2016**

**ANNUAL FINANCIAL REPORT**



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

**CITY COUNCIL**

**TERM EXPIRES**

Crystal Shoji, Mayor

November 2016

Stephanie Kramer, President

November 2018

Jennifer Groth

November 2018

Thomas Leahy

November 2018

Fred Brick

November 2016

Mike Vaughan

November 2016

Mark Daily

November 2016

All council members receive mail at the address listed below.

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

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**CITY OF COOS BAY**  
**COOS COUNTY, OREGON**  
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COOS COUNTY, OREGON  
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COOS COUNTY, OREGON  
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November 15, 2016

INDEPENDENT AUDITORS' REPORT

To the City Council  
City of Coos Bay  
Coos County, Oregon

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Coos Bay as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Coos Bay-North Bend Water Board, which represent 15%, 21%, and 3%, respectively of the assets, net position and revenues of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Coos Bay-North Bend Water Board, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Coos Bay, as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

The City adopted the provisions of GASB Statement No. 72 – Fair Value Measurement and Application for the year ended June 30, 2016. Our opinion is not modified with respect to this matter.



## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

### *Other Information*

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

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

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

## Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 15, 2016, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



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



# City of Coos Bay

## *Finance Department*

500 Central Avenue, Coos Bay, Oregon 97420  
• Phone 541-269-8915 • Fax 541-267-5912

### **MANAGEMENT'S DISCUSSION AND ANALYSIS Fiscal Year Ended June 30, 2016**

As management of the City of Coos Bay (the City), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ending June 30, 2016. We request readers to consider the information presented here in conjunction with the accompanying basic financial statements and notes to the financial statements.

#### **FINANCIAL HIGHLIGHTS**

- The City of Coos Bay's Urban Renewal Agency financial statements were blended with the City of Coos Bay's financial statements beginning fiscal year 2013 to comply with GASB 61.
- The City's assets totaled \$172,311,014 at June 30, 2016, consisting of \$25,648,214 in unrestricted cash and cash equivalents; \$107,960,478 in capital assets; \$25,869,826 investment in joint venture; and \$12,832,496 in other assets. Total assets decreased by \$2,190,700 from the previous fiscal year.
- The City's liabilities totaled \$28,014,796 at June 30, 2016, consisting of \$25,909,539 in noncurrent liabilities, \$105,951 in accrued interest, and \$1,999,306 in accounts payable and other liabilities. Total liabilities increased by \$5,493,203 from the previous fiscal year.
- The assets of the City exceeded its liabilities at June 30, 2016 by \$144,033,220 (net position), consisting of \$44,292,958 in unrestricted net position (which includes the invested in joint venture); \$92,466,219 investment in capital assets; and the remaining \$7,274,043 restricted for capital projects, debt service, and services and contributions. Unrestricted net position represents the amount that may be used to meet the City's ongoing obligations to citizens and creditors.
- On the Statement of Net Position, the City's total net position decreased by \$4,493,056 from the previous fiscal year. This represents a decrease of \$441,432 in the combination of investment in capital assets net and invested in joint venture, an increase of \$607,079 restricted for debt service, an increase of \$390,374 restricted for capital projects, an increase of \$142,904 of restricted for other external requirements, and a decrease of \$5,191,981 in unrestricted.
- As of the close of the current fiscal year, the City's Balance Sheet Governmental Funds reported combined Fund Balance of \$20,145,776, a decrease of \$437,316 over the prior fiscal year. The total combined governmental fund equity balance is composed of \$7,274,043 (36%) in restricted funds, \$4,823,604 (24%) in nonspendable funds, \$5,309,191 (26%) in assigned funds, \$2,738,938 (14%) in unassigned funds.
- The City's unassigned fund balance for the General Fund, \$2,805,599 at June 30, 2016 decreased \$439,647 from June 30, 2015. The unassigned general fund balance represents 82% of the general fund available for spending at the government's discretion in the budget process.

- The City's total governmental and business activities long term debt had a net decrease of \$1,102,692 during the current fiscal year to an ending balance of \$19,617,117. Long term debt payments began for a technology loan for infrastructure upgrades; continuing draw down of the IFA #1 and #2 loans from the State of Oregon for wastewater improvements beginning in 2013; a new Oregon Transportation Infrastructure Bank loan for the joint venture capital project to improve the water lines in South Empire Blvd; and early payoff of the Urban Renewal Agency Empire District 2003 debt. This also includes bond premium, OPEB liability, and two inter-fund loan repayments.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is written for the purpose of introducing the City's basic financial statements. The basic financial statements are comprised of the following components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements present information about the City using the method of accounting similar to that used by private-sector companies, called the full-accrual basis of accounting. This basis of accounting reveals assets and liabilities as well as revenue and expenses, regardless of when cash is received or paid. This provides a broad view of the financial picture of the City. The full-accrual basis differs from the modified-accrual basis of accounting used by the governmental fund financial statements of the City, which focus on the use of spendable resources and the balance of such resources in the short-term period of one fiscal year.

The Statement of Net Position reveals the total assets and liabilities of the City, with the difference being the *net position*. The net position may serve as one of the key performance measurements over time to gauge whether the financial position of the City is improving or deteriorating.

The Statement of Activities reveals the detail of the change in the City's net position for the year ending June 30, 2016. All activities affecting net position are included, regardless of the timing of cash flow, which may be in future fiscal periods.

### City of Coos Bay's Net Position at June 30<sup>th</sup>

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Current and Other Assets	\$ 32,059,203	\$ 29,852,985	\$ 7,325,295	\$ 8,627,725	\$ 39,384,498	\$ 38,480,710
Investment in Coos Bay-North Bend Water Board (restated)	25,178,448	25,869,826	0	0	25,178,448	25,869,826
Capital Assets, net	89,965,935	87,896,228	19,972,833	20,064,250	109,938,768	107,960,478
<b>Total Assets</b>	<b>147,203,586</b>	<b>143,619,039</b>	<b>27,298,128</b>	<b>28,691,975</b>	<b>174,501,714</b>	<b>172,311,014</b>
Deferred Outflows of Resources	168,180	1,458,104	0	178,192	168,180	1,636,296
Long-term Liabilities Outstanding	17,197,910	21,285,147	4,706,380	5,854,043	21,904,290	27,139,190
Other Liabilities	433,092	626,848	184,211	248,758	617,303	875,606
<b>Total Liabilities</b>	<b>17,631,002</b>	<b>21,911,995</b>	<b>4,890,591</b>	<b>6,102,801</b>	<b>22,521,593</b>	<b>28,014,796</b>
Deferred inflows of Resources	3,182,997	1,671,379	439,028	227,915	3,622,025	1,899,294
<b>Net Position:</b>						
Invested in Capital Assets, Net	78,172,419	77,326,106	15,426,610	15,140,113	93,599,029	92,466,219
Invested in Joint Venture (restated)	25,178,448	25,869,826	0	0	25,178,448	25,869,826
Restricted for debt service	4,270,337	4,877,416	0	0	4,270,337	4,877,416
Restricted for capital projects	524,516	914,890	0	0	524,516	914,890
Restricted for other	1,338,833	1,481,737	0	0	1,338,833	1,481,737
Unrestricted	17,073,214	11,023,794	6,541,899	7,399,338	23,615,113	18,423,132
<b>Total Net Position</b>	<b>\$ 126,557,767</b>	<b>\$ 121,493,769</b>	<b>\$ 21,968,509</b>	<b>\$ 22,539,451</b>	<b>\$ 148,526,276</b>	<b>\$ 144,033,220</b>

Both of the government-wide financial statements are designed to present information by function of the government. *Governmental activities* are primarily supported by taxes and intergovernmental revenue for the purpose of identifying, planning, and execution of urban renewal strategies to improve the livability of the City of Coos Bay. These activities are separated from *business-type activities*, which are supported primarily from user fees and charges directly linked to the services provided. The City's governmental activities include general government, public safety, highways and streets, culture and recreation, community promotion, and urban renewal. GASB 61 modified the criteria for inclusion of component unit reporting for financial statement purposes. The City of Coos Bay's Urban Renewal Agency was blended in FYE 13 and presented as funds within the City's financial statements. The business-type activities of the City are comprised of wastewater treatment and disposal operations and building permits.

The government-wide financial statements of the City of Coos Bay includes the legally separate governmental unit, Coos Bay Urban Renewal Agency, which is considered a blended component unit. Detailed financial statements can be obtained from the Finance Department at 500 Central Avenue, Coos Bay, Oregon, 97420, (541) 269-8915, or via the web at [www.coosbay.org](http://www.coosbay.org).

### City of Coos Bay's Changes in Net Position at June 30th

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 2,133,906	\$ 914,421	\$ 6,165,805	\$ 5,748,342	\$ 8,299,711	\$ 6,662,763
Operating Grants & Contributions	685,653	708,399	0	0	685,653	708,399
Capital Grants & Contributions	52,211	463,895	0	0	52,211	463,895
<b>General Revenues</b>						
Property Taxes	8,194,836	8,171,896	0	0	8,194,836	8,171,896
Other Taxes	4,208,712	4,656,199	0	0	4,208,712	4,656,199
Intergovernmental	600,732	1,302,391	321,000	755,956	921,732	2,058,347
Gain (loss) on disposal of assets	0	(7,213)	0	0	0	(7,213)
Income from Investment in Coos Bay-North Bend Water Board (restated)	581,223	691,378	0	0	581,223	691,378
Transfer	416,075	943,067	(419,216)	(943,067)	(3,141)	0
Interest Income	104,488	114,201	43,496	65,904	147,984	180,105
Miscellaneous Income	11,191	537,968	175,656	89,802	186,847	627,770
<b>Total Revenues</b>	<b>16,989,027</b>	<b>18,496,602</b>	<b>6,286,741</b>	<b>5,716,937</b>	<b>23,275,768</b>	<b>24,213,539</b>
<b>Expenses</b>						
General Government	1,118,688	2,137,959	0	0	1,118,688	2,137,959
Public Safety	5,093,006	10,872,346	0	0	5,093,006	10,872,346
Public Works	6,195,903	7,668,666	0	0	6,195,903	7,668,666
Culture & Recreation	1,208,638	2,156,187	0	0	1,208,638	2,156,187
Building Codes	0	0	185,484	344,302	185,484	344,302
Interest on Long-term Debt	769,337	725,442	0	0	769,337	725,442
Wastewater	0	0	3,841,983	4,801,693	3,841,983	4,801,693
<b>Total Expenses</b>	<b>14,385,572</b>	<b>23,560,600</b>	<b>4,027,467</b>	<b>5,145,995</b>	<b>18,413,039</b>	<b>28,706,595</b>
<b>Change in Net Position</b>	<b>2,603,455</b>	<b>(5,063,998)</b>	<b>2,259,274</b>	<b>570,942</b>	<b>4,862,729</b>	<b>(4,493,056)</b>
Net Position restated- Beginning	123,954,312	126,557,767	19,709,235	21,968,509	143,663,547	148,526,276
Net Position- Ending	\$ 126,557,767	\$ 121,493,769	\$ 21,968,509	\$ 22,539,451	\$ 148,526,276	\$ 144,033,220

## FUND FINANCIAL STATEMENTS

A *fund* is a grouping of related accounts used for the purpose of maintaining control over resources segregated for specific activities or objectives. The City uses fund accounting to ensure compliance with legal requirements for financial activities. All of the funds of the City can be divided between two categories: governmental and proprietary.

**Governmental funds.** A *governmental fund* accounts for generally the same types of activities as *governmental activities*, with the primary difference being the measurement focus. Governmental funds focus on *current financial resources*, which include the measurement of inflows and outflows of spendable resources within a fiscal year as well as the balances of resources at the end of the fiscal year. In contrast, governmental activities in the government-wide financial statements focus on *total economic resources* during the fiscal year, encompassing a longer-term view.

Fund financial statements include the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances. The difference in the measurement focus of the governmental-fund financial statements and the government-wide financial statements calls for reconciliations between the two types of statements in order to fully explain the specific differences. 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. These reconciliations between governmental funds to governmental activities illuminate the long-term impact of the City's short-term financial decisions.

The City maintains 33 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statements of revenues, expenditures, and changes in fund balances for the general fund, jurisdictional exchange fund, revenue bond fund, major capital reserve fund, and downtown capital projects urban renewal agency fund of which are all considered major funds. The City has implemented GASB 54 and reduced the number of budgetary funds without a dedicated source of revenue. Data from the other 25 non-major governmental funds are combined into a single, aggregated presentation of each of these statements. In addition, the City is required to report separate schedules of revenues, expenditures and changes in fund balance for the three major funds that incorporate both the original and final budgets. Supplementary data provides schedules of revenues, expenditures and changes in fund balances for the non-major funds. The budgetary comparison at the fund level reinforces the *current financial resources* focus as described above, demonstrating actual results and variances to the annual appropriated budget as adopted by the City's governing body.

**Proprietary funds.** The City maintains only three enterprise-type proprietary funds. These funds are used to report the same functions presented as *business-type* activities in the government-wide financial statements. Proprietary fund financial statements provide the same information in greater detail than the government-wide financial statements. The City uses enterprise funds to account for its wastewater operations, wastewater capital improvements, and building permit operations.

## NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements are an essential part of a full understanding of the data provided in the government-wide and fund financial statements.

## SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents combining financial statements and budgetary comparison schedules for the 25 non-major governmental funds. This information can be found on pages Combining Statements and/or Supplementary Information sections of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As mentioned earlier, net position may serve as one of the key performance measurements over time to gauge whether the financial position of the City is improving or deteriorating. In the case of the City, assets exceeded liabilities by \$144,033,220 at the close of the fiscal year.

Net position for the City is divided into several categories. The largest category is net investment in capital assets and invested in joint venture at \$118,336,045 (82%). This represents investment in land, infrastructure, and construction in progress, less accumulated depreciation and debt used to purchase these capital assets. The City uses these assets to provide services to citizens; thus, capital assets are not available for future spending. It should also be noted that these assets do not generate revenue to service the associated debt. Thus, resources to pay the debt must come from other sources, specifically *unrestricted* net position. The investment in capital assets net of related debt includes the net investment in the Coos Bay-North Bend Water Board (which represents 50/50 ownership with the City of North Bend) and those assets of the Urban Renewal Agency.

The second largest resource is unrestricted net position, \$18,423,132 (13%). The unrestricted fund balance may be used to meet the ongoing obligations to the City's citizens and creditors. The next three categories are externally restricted for capital projects, \$914,890; restricted for debt service, \$4,877,416; and restricted for other external purposes \$1,481,737. The City was able to maintain positive balances in all categories in both the current fiscal year and the prior fiscal year. On the Statement of Activities the City's net position decreased by \$4,493,056 during the current fiscal year mainly due to the pension liability recorded pursuant to the implementation of GASB 68 for the City of Coos Bay. The City of Coos Bay participates in the Oregon Public Employees Retirement System (PERS) which is a defined benefit pension plan. GASB 68 required the City to include in their financial statements the net pension asset or liability against the City's net position. FYE 16 was the second year of this reporting and as noted in the Notes To Basic Financial Statements section, the City recorded a net pension liability based on the independent PERS audit report and Schedule of Pension Amounts under GASB 68 using the measurement date of June 30, 2015. The timing in the availability of the PERS net pension asset or liability figure necessitates this figure will always be a one year delay in the recording.

**Governmental activities.** On the Statement of Activities, the Governmental activities decreased the City's net position by \$5,063,998 which can mainly be attributed to the net pension liability. This was offset by increased transfers, transient occupancy tax, and franchise fees. Decreases included property taxes and a loss in the disposal of capital assets.

**Expenses and Program Revenues – Governmental Activities**



Figure 1

Governmental activities expense increased due to the complexity in reporting the PERS pension liability in the financial statements. FYE 16 reconciled the first year reporting of the FYE 15 pension asset to the FYE 16 pension liability. Increasing depreciation expense and less capitalization of capital assets also attributed to the increase in governmental activities expense. The City's total property tax revenue

(Schedule of Property Tax Transactions and Balances of Taxes Uncollected) as noted at the end of this audit, increased by \$5,055 due to the slight increase in taxable assessed values.

### Revenues by Source – Governmental Activities

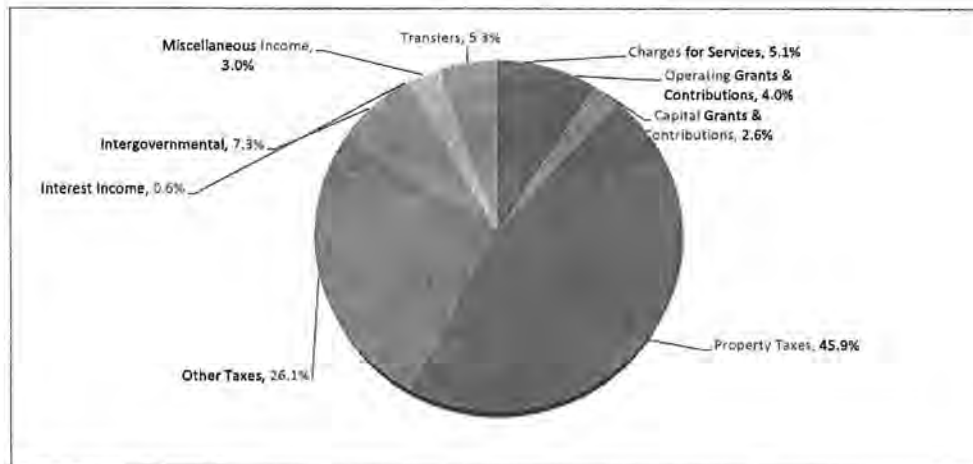


Figure 2

**Business-type activities.** On the Statement of Activities the Business-type activities contributed to the City's net position by \$570,942, which was largely due increases: FYE 15 annual May 6.5% sewer rate increase; building permit fees; and the Charleston Sanitary District accounts receivable for their proportionate share of operations, maintenance, and construction for Wastewater Treatment Plant No. 2. Charleston Sanitary District's arrearage is anticipated to be reduced pending the award of grant funding which is contingent upon the Coos Bay City Council's final direction on the Oregon Department of Environmental Quality approved plans and specifications.

The business-type activities are wastewater (operations and capital improvements) and building codes. The primary source of revenue for wastewater operations is charges for services based on sewer user fees with the expenditures comprised of the daily operations. Loan proceeds continue to be drawn down on the IFA #1 and #2 loans from the State of Oregon for wastewater system capital improvement projects. The only revenue source for the building codes division is charges for services based upon permit fees with the expenditures comprised of the daily operations of the permit center.

The wastewater business-type activities revenues decreased from the prior year due to the May 2016 annual sewer rate increase of 6.5% not being implemented and the slight change in the methodology of sewer billings. The wastewater business-type activities expenses increased due to the ongoing wastewater infrastructure capital improvement projects, depreciation of assets, and recording of the GASB 68 pension liability.

The building code business-type activities revenues increased as a result of a fee increase. The building code business-type activities expenses increased primarily due to the allocation of the PERS net pension liability.

### Revenues by Source – Business-type Activities

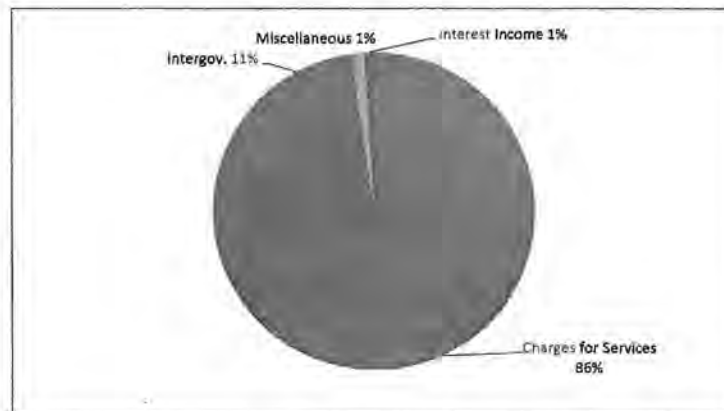


Figure 3

### FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

**Governmental funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. This information can be used to evaluate the City's ability to meet its financing requirements. Unassigned fund balances may serve as a useful measure of a government's net resources that are available for spending at the end of the fiscal year. A full explanation of the fund balance classifications can be found within the Notes to the Basic Financial Statements.

As of June 30, 2016, the City's Balance Sheet for Governmental Funds reported combined ending fund balances of \$20,145,776, a decrease of \$437,316 over the prior fiscal year. Of this ending fund balance, the General Fund contributed \$3,429,827, the Jurisdictional Exchange Fund contributed \$4,733,339, the Revenue Bond Fund contributed \$3,853,129, and the other governmental funds contributed \$8,129,481.

The primary operating fund of the City is the General Fund. At June 30, 2016, the General Fund balance had \$16,731 (<1%) in nonspendable funds, \$6,996 (<1%) in restricted funds, \$600,501 (18%) in assigned funds, and \$2,805,599 (82%) in unassigned funds. One way to measure liquidity for the General Fund is with the ratio of unassigned fund balance to total fund expenditures, which is 29.17%. This ratio decreased 9.5% from June 30, 2015.

The General Fund balance for GASB 54 purposes, net change in fund balance in the Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds for June 30, 2016, decreased \$329,815 in the current fiscal year. This represents an 8.8% decrease over the June 30, 2015 General Fund balance. The key factor is the recording of the PERS pension liability and slight increase, \$5,055, in property tax revenues.

The Jurisdictional Exchange Fund was formed when the City received ownership of over 23 lane miles from the State of Oregon in exchange for \$4.8 million. The corpus of this fund, \$4.8 million, is restricted from expenditure by City Charter, and allows only the amount over the \$4.8 million for maintenance. During 2012-2013, this fund did not earn a sufficient amount of interest revenue to offset the debt service which required a loan be obtained from the General Fund for the final three debt service payments. This debt matured in FYE 14 and loan payments to the General Fund continued in FYE 16.



The Revenue Bond Fund was created to pay debt service payments and includes transfers from the wastewater fund as a reserve for future wastewater debt service payments. The transferred wastewater funds will help pay future debt service incurred for the planned wastewater capital improvements and subsequently will buy down future rate increases for sewer users. The funds primary revenue sources were transfers from other funds and receipts from the Coos Bay North Bend Water Board for their respective debt service payments. The fund balance at June 30, 2016 was \$3,853,129.

The Other Governmental Funds includes the Urban Renewal Agency Downtown Capital Projects Fund. The Downtown District has two bonds with the first to mature June 30, 2018 and the Visitor Information Center bond maturing June 15, 2019. The District's major capital project was the restoration of the Egyptian Theatre which included community support from the Egyptian Theatre Preservation Association (ETPA) with contributions through grants and fundraising. Expenditures in FYE 16 slowed as a result of the completion of the façade. This fund included the expenses for the fencing project along Highway 101 from the Historical Rail Museum north along the downtown waterfront and boardwalk. The Urban Renewal Agency Empire Capital Projects Fund paid its only debt off one year early. The District's major capital project was the grant match for the Oregon Department of Transportation Empire Blvd sidewalk project from Newmark Avenue south to the city limits at Wisconsin Avenue. This project should be completed in FYE 17.

**Proprietary funds.** The City's three proprietary funds provide the same type of information found in the government-wide financial statements in greater detail. The Wastewater Fund is utilized for the daily operations of the wastewater treatment plants, pump stations, and sanitary and storm water collection lines; the Wastewater Improvement Fund is used for capital improvements to the wastewater system; and the Building Codes Fund is for the daily operations of administering permit issuance and inspections. The unrestricted net position of the combined proprietary funds as of June 30, 2016 on the Statement of Net Position Proprietary Funds was \$2,504,168 and the net investment in capital assets \$20,035,283. The total increase in proprietary funds net position on the Statement of Net Position Proprietary Funds for the current fiscal year was \$570,942.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The total appropriated budget of the General Fund for fiscal year 2015-16 was \$13,107,538 of which \$10,560,207 was the actual. The General Fund actual expenditures were comprised of general government \$1,302,009 or 12%, public safety \$7,038,321 or 67%, public works \$1,276,853 or 12%, and other financing sources/uses \$943,022 or 9%. There were amendments to the adopted budget during the year to appropriate grant funds, insurance proceeds, and a technology infrastructure upgrade project for correct appropriation levels. It should be noted the budgetary general fund differs from the general fund required by GASB 54. The City's budget can be found on the website [coosbay.org](http://coosbay.org) or by contacting the Finance Department.

The 2015-16 Coos County Summary of Assessment and Tax Roll Table 4a, Line 17 Value to Compute the Tax Rate, less urban renewal excess value, was \$892,192,003. This value increased \$14,809,843, approximately 1.69%, over the 2014-15 total tax assessed value, less the urban renewal excess value, of \$106,264,192 (2015-16 Coos County Summary of Assessment and Tax Roll Table 4a, Line 16 Subtract Urban Renewal Excess). The slow economic recovery has required the City to remain vigilant in budgeting and developing revenue resources to increase the General Fund carryover due to the slow growth in the taxable assessed value.

The IFA #1 and #2 loans from the State of Oregon for wastewater system capital improvement projects required a pledge of net revenues of the wastewater system. As the recipient of IFA funds, the City of Coos Bay agreed to charge rates and fees in connection with the operation of the wastewater system at least equal to 120% of the annual debt service due in the fiscal year on the loan.

The Oregon Department of Environmental Quality Clean Water State Revolving Fund (DEQ SRF) loan required the City of Coos Bay to maintain wastewater rates and charge fees in connection with the operation of the wastewater facilities that are adequate to generate net operating revenues in each fiscal

year sufficient to pay all debt service, all other financing obligations imposed in connection with prior lien obligations of the borrower, and an amount equal to the debt service coverage factor of 105% multiplied by the debt service payments due in that fiscal year. The following chart provides the annual analysis to evidence compliance with the IFA and DEQ pledges.

**Wastewater IFA and DEQ SRF Net Revenues Calculation**

	<b>FYE 15</b>	<b>FYE 16</b>
<b>Revenues: Total Gross Revenues</b>	\$ 5,787,238	\$ 6,040,483
<b>Expenses: Operating Expenses</b>	\$ 3,313,312	\$ 3,416,405
<b>Net Revenues</b>	\$ 2,473,926	\$ 2,624,078
 <b>Annual Debt Service:</b>		
Wastewater Land Purchase	\$ 77,444	\$ 144,751
IFA Net Revenues 120% of annual debt service	120%	120%
DEQ SRF Net Revenues 105% of debt service		105%
120% of annual debt service	\$ 92,933	\$ 173,701
105% of annual debt service	\$ -	\$ 151,988

**Figure 4**

GASB 60 was implemented in FYE 2013 and there were no service concession arrangements. GASB 61 was also implemented in FYE 13 and the Coos Bay Urban Renewal Agency has become a blended component unit of the City of Coos Bay as presented within the City's financial statements. GASB 63 was implemented in FYE 13 which required certain transactions to be reflected as deferred inflows of resources or deferred outflows of resources.

GASB 65 was implemented in FYE 2014 which expanded on GASB 63 and the requirements to report certain transactions as deferred inflows of resources or deferred outflows of resources.

GASB 68 Accounting and Financial Reporting for Pensions and GASB 71 Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68 were implemented in FYE 15 which required employers to report pension information in the financial statements for fiscal periods beginning on or after June 15, 2014. These requirements incorporate provisions intended to reflect the effects of transactions and events related to pensions in the measurement of employer liabilities for pensions and recognition of pension expense and deferred outflows of resources and deferred inflows of resources related to pensions.

The City of Coos Bay contracts with the Oregon Public Employees Retirement System (PERS) to administer the City employee's benefit trust as regulated through Oregon Revised Statute 237. As the benefit administrator, PERS contracted with third-party actuaries to provide Oregon employers with the required information for financial reporting related to PERS pensions provided through the Plan. The Notes to the Basic Financial Statements contain the required schedules which include the City of Coos Bay's proportionate share of allocated pension amounts.

As of June 30, 2016 the City's reported a net pension liability of \$6,292,422. The net pension liability measurement date was June 30, 2015. The actuarial valuation date rolled forward was initially December 31, 2013. The City's proportion of the net pension liability was based on a projection of the City's long term share of contributions to the pension plan relative to the projected contributions of all participating employers actuarially determined. The City's proportionate share prior to the measurement date was .095% and .109% at the measurement date. As a result of GASB 68 and 71, the net pension liability contributed to the decrease in net position.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital Assets** - The City's net investment in capital assets for its governmental and business-type activities, including the joint venture capital assets of the Coos Bay North Bend Water Board, as of June 30, 2016 amounted to \$133,830,304 (net of accumulated depreciation). The fixed asset for the fire station was capitalized when the project was completed and the debt was subsequently included at that time. This investment in capital assets includes land, improvements and buildings, machinery and equipment, vehicles, infrastructure - streets, plant and systems, intangibles, and construction in progress. The City's total overall net investment in capital assets decreased 1.8% and was comprised of governmental activities due to depreciation and less construction in progress offset by a slight increase in business-type activities, where asset additions outpaced depreciation with the completion of wastewater projects and increase in construction in progress.

### City of Coos Bay's Capital Assets at June 30<sup>th</sup>

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
Land & assets not depreciated	4,451,521	4,612,393	\$ -	\$ -	\$ 4,451,521	\$ 4,612,393
Land improvements	507,705	462,191	688,398	688,028	1,196,102	1,150,219
Buildings & improvements	13,780,581	13,401,711	0	0	13,780,581	13,401,711
Machinery & equipment	580,339	588,276	950,416	1,029,410	1,530,755	1,617,686
Vehicles	1,073,439	1,037,652	694,264	603,309	1,767,703	1,640,961
Infrastructure - streets	67,589,746	63,862,568	0	0	67,589,746	63,862,568
Plant & systems	0	0	12,576,812	13,420,214	12,576,812	13,420,214
Intangibles	40,887	36,425	0	0	40,887	36,425
Construction in progress	1,941,718	3,895,017	5,062,943	4,323,289	7,004,661	8,218,306
Total	\$ 89,965,935	\$ 87,896,228	\$ 19,972,833	\$ 20,064,250	\$ 109,938,768	\$ 107,960,478

**Debt Administration** - The City's long-term debt as of June 30, 2016 is \$19,617,117, a decrease of \$1,102,692 from June 30, 2015. The Governmental and Business-Type Activities June 30, 2016 long-term debt included \$85,471, \$3,395,000, 404,000, and \$4,341,564 to be paid by the Coos Bay- North Bend Water Board; \$4,570,000 in the form of a General Obligation Bond for the construction of a new Fire Station in 2008 which will be paid for with property tax General Fund revenue; \$553,892 in OPEB liability; \$88,495 in bond premium; \$303,331 loan from US Bank to fund the purchase of property for the expansion of Wastewater Treatment Plant No. 2; \$2,759,512 IFA #1 State of Oregon loan for wastewater capital improvement; \$1,861,294 IFA #2 State of Oregon loan for wastewater capital improvement; a \$740,322 and \$485,283 Downtown Urban Renewal Agency bonds of which the later was for the construction of the Visitor Information Center in 2009. Other debt obligations not included are two inter-fund loans principal totaling \$477,974 and a loan with a technology firm for \$28,953 for technology infrastructure upgrades.

Oregon Revised Statute 287A.050(2) limits the amount of general obligation debt a governmental entity may issue to three percent of the real market value of the taxable property within its boundary less existing outstanding general obligation debt. The 2015-16 real market value from the Coos County Summary of Assessment and Tax Roll was \$1,101,007,196 and the three percent limit less the principal outstanding for the 2009 Fire Station general obligation bond would allow for additional general obligation debt of \$28,460,216.

In fiscal year 2012-13, the City was approved for a loan from the Infrastructure Financing Authority (IFA #1) for \$4,303,213 at an interest rate of 1.94% for a maximum term of 20 years. The approval included a maximum grant of \$500,000 to be received at the end of the disbursement of the loan proceeds for wastewater construction. In fiscal year 2013-14, the City was approved for a loan from the Infrastructure Financing Authority (IFA #2) for \$7,034,025 at an interest rate of 1% for a maximum term of 20 years. The approval included a maximum grant of \$750,000 to be received at the end of the disbursement of the loan proceeds for wastewater construction. Disbursements were made from both loans in 2015-16.

This analysis also includes a copy of the Oregon State Treasury Overlapping Debt report as of June 30, 2016 to compliance with continuing debt disclosures for the 2016 refunding of debt for the joint venture.

## City of Coos Bay's Outstanding Debts at June 30<sup>th</sup>

	Governmental Activities		Business-type Activities		Total	
	2015	2016	2015	2016	2015	2016
OPEB Liability	\$ 498,621	\$ 553,892	\$ -	\$ -	\$ 498,621	\$ 553,892
Bond Premium	96,813	88,495	-	-	96,813	88,495
General Obligations	4,860,000	4,570,000	-	-	4,860,000	4,570,000
Revenue Bonds/Secured Loans	6,092,546	4,620,604	-	-	6,092,546	4,620,603
Revenue Secured Loans	89,636	85,473	-	-	89,636	85,473
Business Loans	4,535,971	4,774,517	4,546,223	4,924,137	9,082,194	9,698,654
<b>Total</b>	<b>\$ 16,173,586</b>	<b>\$ 14,692,981</b>	<b>\$ 4,546,223</b>	<b>\$ 4,924,137</b>	<b>\$ 20,719,809</b>	<b>\$ 19,617,117</b>


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

The following economic factors currently affect the City of Coos Bay and were considered in developing the 2016 – 2017 fiscal year budget. Like all cities in Oregon, the City is operating under Measure 50, the ad valorem tax limitation measure approved by voters on May 20, 1997. This measure rolled back assessed values to 1995-96 levels and effectively limited increased property tax revenues the City could anticipate in future years to a maximum of three percent, with permitted allowances for increasing valuations based on new construction. No substantive changes to the basic provisions of Measure 50 have been enacted during subsequent Oregon Legislative sessions.

- The City Council budgeted a 6.5% Wastewater sewer rate increase for FYE 17 pursuant to the June 2009 rate study plan.
- Taxable assessed value increased in 2015- 2016 and was considered in the 2016-2017 budget where the taxable assessed value was estimated to increase one percent.
- The City's permanent tax rate continues at \$6.3643.
- Interest rates were expected to increase slightly throughout fiscal year 2016-2017.
- Medical insurance premiums increased less than one percent, .5% and dental premiums increased 9.5%. The medical premium (not including vision or dental) is based on a 24 month look-back period directly related to the City's employees and their dependents actual claim history. Also included are retirees who have retained CIS insurance and anyone who was previously employed and eligible for COBRA. The employees cost share of the medical/dental/vision premiums continued at 10%.
- The PERS pension for the State of Oregon's 2015-2017 biennium increased an average of 33.3%: Tiers 1 and 2, 17.11%; OPSRP General Service 8.81%; and OPSRP Police/Fire 12.92%.
- The contracted labor union, International Association of Firefighters, contract will expire June 30, 2017.

### REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate its accountability for the resources it receives. If you have any questions about this report or need additional financial information, contact the City's Finance Department at 500 Central Avenue, Coos Bay, Oregon, 97420, (541) 269-8915, or via the web at [www.coosbay.org](http://www.coosbay.org).

  
 Susanne Baker  
 City of Coos Bay  
 Finance Director

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

**BASIC FINANCIAL STATEMENTS**

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

**STATEMENT OF NET POSITION  
June 30, 2016**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 18,794,502	\$ 6,853,712	\$ 25,648,214
Receivables (Net of Allowance For Uncollectible)	2,808,844	1,773,263	4,582,107
Prepays	23,118	750	23,868
Supply Inventory	486	-	486
Investment in Joint Venture	25,869,826	-	25,869,826
Capital Assets:			
Capital Assets, Non-Depreciable	8,507,411	4,323,289	12,830,700
Capital Assets, Net of Depreciation	79,388,817	15,740,961	95,129,778
Noncurrent Assets:			
Note Receivable - Due Within One Year	539,152	-	539,152
Note Receivable - Due in More Than One Year	7,686,883	-	7,686,883
<b>Total Assets</b>	<b>143,619,039</b>	<b>28,691,975</b>	<b>172,311,014</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Deferral	1,306,742	178,192	1,484,934
Deferred Charge on Refunding	151,362	-	151,362
<b>Total Deferred Outflows of Resources</b>	<b>1,458,104</b>	<b>178,192</b>	<b>1,636,296</b>
<b>LIABILITIES</b>			
Accounts Payable	282,024	248,758	530,782
Payroll and Payroll Taxes Payable	238,873	-	238,873
Interest Payable	105,951	-	105,951
Accrued Vacation	1,054,835	174,816	1,229,651
Noncurrent Liabilities:			
Due Within One Year:			
Revenue Secured Loans Payable	964,190	65,000	1,029,190
Bonds Payable	305,000	-	305,000
Note Payable	232,188	-	232,188
Due in More Than One Year:			
Proportionate Share of Net Pension Liability	5,537,332	755,090	6,292,422
Revenue Secured Loans Payable	3,741,886	4,859,137	8,601,023
Bonds Payable	4,265,000	-	4,265,000
Note Payable	4,542,329	-	4,542,329
OPEB Obligation	553,892	-	553,892
Bond Premium	88,495	-	88,495
<b>Total Liabilities</b>	<b>21,911,995</b>	<b>6,102,801</b>	<b>28,014,796</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Net Deferred Pension Asset	1,671,379	227,915	1,899,294
<b>Total Deferred Inflows of Resources</b>	<b>1,671,379</b>	<b>227,915</b>	<b>1,899,294</b>
<b>NET POSITION</b>			
Net investment in capital assets	77,326,106	15,140,113	92,466,219
Invested in Joint Venture-Unrestricted	25,869,826	-	25,869,826
Restricted for:			
Capital Projects	914,890	-	914,890
Debt Services	4,877,416	-	4,877,416
Services and Contributions	1,481,737	-	1,481,737
Unrestricted	11,023,794	7,399,338	18,423,132
<b>Total Net Position</b>	<b>\$ 121,493,769</b>	<b>\$ 22,539,451</b>	<b>\$ 144,033,220</b>

See accompanying notes to basic financial statements



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

**STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016**

<u>Functions/Programs</u>	<b>Program Revenues</b>			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Government</b>				
<b>Governmental Activities</b>				
General Government	\$ 2,137,959	\$ 227,315	\$ 546,809	\$ -
Public Safety	10,872,346	520,303	123,126	-
Public Works	7,668,666	129,802	16,487	463,895
Culture and Recreation	2,156,187	37,001	21,977	-
Interest on Long-term Debt	725,442	-	-	-
<b>Total Governmental Activities</b>	<u>23,560,600</u>	<u>914,421</u>	<u>708,399</u>	<u>463,895</u>
<b>Business-Type Activities</b>				
Wastewater	4,801,693	5,551,075	-	-
Building Codes	344,302	197,267	-	-
<b>Total Business-Type Activities</b>	<u>5,145,995</u>	<u>5,748,342</u>	<u>-</u>	<u>-</u>
<b>Total Government</b>	<u>\$ 28,706,595</u>	<u>\$ 6,662,763</u>	<u>\$ 708,399</u>	<u>\$ 463,895</u>

**General Revenues**

Taxes:

  Property

  Transient Occupancy

  Other Taxes

Intergovernmental

Franchise Fees

Gain (Loss) on Joint Venture

Gain (Loss) on Disposal of Capital Asset

Investment Earnings

Miscellaneous

Transfers

**Total General Revenues and Transfers**

**Change in Net Position**

**Net Position - beginning of year**

**Net Position - end of year**

See accompanying notes to basic financial statements

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

Governmental Activities	Business-Type Activities	Total
\$ (1,363,835)	\$ -	\$ (1,363,835)
(10,228,917)	-	(10,228,917)
(7,058,482)	-	(7,058,482)
(2,097,209)	-	(2,097,209)
(725,442)	-	(725,442)
<u>(21,473,885)</u>	<u>-</u>	<u>(21,473,885)</u>
-	749,382	749,382
-	(147,035)	(147,035)
-	602,347	602,347
<u>(21,473,885)</u>	<u>602,347</u>	<u>(20,871,538)</u>
8,171,896	-	8,171,896
651,914	-	651,914
2,052,695	-	2,052,695
1,302,391	755,956	2,058,347
1,951,590	-	1,951,590
691,378	-	691,378
(7,213)	-	(7,213)
114,201	65,904	180,105
537,968	89,802	627,770
943,067	(943,067)	-
<u>16,409,887</u>	<u>(31,405)</u>	<u>16,378,482</u>
(5,063,998)	570,942	(4,493,056)
<u>126,557,767</u>	<u>21,968,509</u>	<u>148,526,276</u>
<u>\$ 121,493,769</u>	<u>\$ 22,539,451</u>	<u>\$ 144,033,220</u>

See accompanying notes to basic financial statements

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

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

**June 30, 2016**

	JURISDICTIONAL				TOTAL
	GENERAL FUND	EXCHANGE RESERVE	REVENUE BOND	OTHER GOVERNMENTAL	
<b>ASSETS:</b>					
Cash and Investments	\$ 3,439,322	\$ 4,851,313	\$ 3,853,129	\$ 6,650,738	\$ 18,794,502
Inventory	486	-	-	-	486
Receivables, Net					
Taxes	543,418	-	-	210,882	754,300
Accounts	445,370	-	-	1,255,130	1,700,500
Assessments	308,568	-	-	45,476	354,044
Interfund Receivable	117,974	-	-	360,000	477,974
Prepaid Expenses	16,245	-	-	6,873	23,118
<b>Total Assets</b>	<b>\$ 4,871,383</b>	<b>\$ 4,851,313</b>	<b>\$ 3,853,129</b>	<b>\$ 8,529,099</b>	<b>\$ 22,104,924</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 97,294	\$ -	\$ -	\$ 184,730	\$ 282,024
Payroll and Payroll Taxes Payable	238,873	-	-	-	238,873
Interfund Payable	360,000	117,974	-	-	477,974
<b>Total Liabilities</b>	<b>696,167</b>	<b>117,974</b>	<b>-</b>	<b>184,730</b>	<b>998,871</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue-Property Taxes	436,821	-	-	42,379	479,200
Unavailable Revenue-Special Assessments	308,568	-	-	172,509	481,077
<b>Total Deferred Inflows of Resources</b>	<b>745,389</b>	<b>-</b>	<b>-</b>	<b>214,888</b>	<b>960,277</b>
<b>Fund Equity:</b>					
<b>Fund Balances:</b>					
Nonspendable	16,731	4,800,000	-	6,873	4,823,604
Restricted	6,996	-	3,853,129	3,413,918	7,274,043
Assigned	600,501	-	-	4,708,690	5,309,191
Unassigned	2,805,599	(66,661)	-	-	2,738,938
<b>Total Fund Balance</b>	<b>3,429,827</b>	<b>4,733,339</b>	<b>3,853,129</b>	<b>8,129,481</b>	<b>20,145,776</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 4,871,383</b>	<b>\$ 4,851,313</b>	<b>\$ 3,853,129</b>	<b>\$ 8,529,099</b>	<b>\$ 22,104,924</b>

See accompanying notes to basic financial statements

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

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

June 30, 2016

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

Fund Balances		\$	20,145,776
<p>The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the City as a whole.</p>			
Net Capital Assets			87,896,228
<p>Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position.</p>			
General Obligation Bonds	\$	(4,570,000)	
Revenue Loans		(4,706,076)	
Bond Premium		(88,495)	
Notes and Contracts Payable		(4,774,517)	
Debt Issuance Difference		151,362	
Accrued Interest		(105,951)	
Net Adjustment			(14,093,677)
<p>Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.</p>			
Accrued Vacation			(1,054,835)
<p>Net OPEB Obligation is not reported as a liability in the Governmental Funds Balance Sheet</p>			
			(553,892)
<p>Net Pension Liability</p>			
			(5,537,332)
<p>Pension Related Deferrals</p>			
			1,306,742
<p>Net Deferred Pension Asset</p>			
			(1,671,379)
<p>Other long-term assets are not available to pay for current-period expenditures and therefore are considered unavailable in the funds.</p>			
Unavailable Revenue			960,277
Joint Venture Note Receivable			8,226,035
Joint Venture Equity Investment			25,869,826
Total Net Position		\$	121,493,769

See accompanying notes to basic financial statements

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

**STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016**

	GENERAL FUND	JURISDICTIONAL EXCHANGE RESERVE	REVENUE BOND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>					
Property Taxes	\$ 5,550,986	\$ -	\$ -	\$ 2,600,982	\$ 8,151,968
Other Taxes	-	-	-	2,704,609	2,704,609
Franchise Fees	1,951,590	-	-	-	1,951,590
Licenses and Permits	132,385	-	-	-	132,385
Intergovernmental	407,081	-	810,587	527,802	1,745,470
Grants	144,172	-	-	735,681	879,853
Other-Timber Sales	-	-	-	35,000	35,000
Charges for Services	729,102	-	-	43,660	772,762
Charges for Use of Money and Property	119,988	31,464	-	56,552	208,004
Fines and Forfeitures	66,885	-	-	-	66,885
Miscellaneous	58,372	-	-	203,013	261,385
<b>Total Revenues</b>	<b>9,160,561</b>	<b>31,464</b>	<b>810,587</b>	<b>6,907,299</b>	<b>16,909,911</b>
<b>EXPENDITURES</b>					
Current:					
General Government	1,267,028	-	-	402,245	1,669,273
Public Safety	7,038,322	-	-	218,150	7,256,472
Public Works	1,276,853	-	-	1,808,474	3,085,327
Culture and Recreation	-	-	-	1,512,206	1,512,206
Capital Outlay	34,984	-	-	2,518,539	2,553,523
Debt Service:					
Principal Retirement	-	-	563,572	1,461,516	2,025,088
Interest and Fiscal Charges	-	1,502	395,965	263,688	661,155
<b>Total Expenditures</b>	<b>9,617,187</b>	<b>1,502</b>	<b>959,537</b>	<b>8,184,818</b>	<b>18,763,044</b>
Excess of Revenues Over (Under) Expenditures	(456,626)	29,962	(148,950)	(1,277,519)	(1,853,133)
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of Capital Assets	-	-	-	3,745	3,745
Loan Proceeds	435,021	-	-	-	435,021
Transfers In	-	-	935,467	2,417,126	3,352,593
Transfers Out	(346,717)	-	-	(2,062,809)	(2,409,526)
Insurance Recovery	33,984	-	-	-	33,984
Du Jour Financing - URA	452,277	-	-	447,754	900,031
Du Jour Financing - URA	(447,754)	-	-	(452,277)	(900,031)
<b>Total Other Financing Sources, (Uses)</b>	<b>126,811</b>	<b>-</b>	<b>935,467</b>	<b>353,539</b>	<b>1,415,817</b>
Net Change in Fund Balance	(329,815)	29,962	786,517	(923,980)	(437,316)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>3,759,642</b>	<b>4,703,377</b>	<b>3,066,612</b>	<b>9,053,461</b>	<b>20,583,092</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 3,429,827</b>	<b>\$ 4,733,339</b>	<b>\$ 3,853,129</b>	<b>\$ 8,129,481</b>	<b>\$ 20,145,776</b>

See accompanying notes to basic financial statements

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

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - TO  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2016**

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

Excess of Revenues over Expenditures \$ (437,316)

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

Capitalized Additions	\$	2,458,723	
Capital Asset Deletions		(10,958)	
Depreciation Expense		<u>(4,517,473)</u>	
Net Adjustment			(2,069,708)

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

Amortization of Bond Issue Difference	\$	(16,818)	
Amortization of Bond Premium/Discount		8,318	
GO Bonds, Notes and Contracts Payable		1,962,580	
Debt Issuance		(435,021)	
Accrued Vacation		(30,511)	
Net Pension Asset Changes		(4,613,825)	
OPEB Obligation		<u>(55,271)</u>	
Net Adjustment			(3,180,548)

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

Accrued Interest 6,721

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

Property Taxes			19,928
Assessments Receivable			119

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

Decrease in Joint Venture Receivable			(94,572)
Gain (Loss) from Joint Venture			<u>691,378</u>

Change in Net Position \$ (5,063,998)

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

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2016**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 2,094,881	\$ 4,580,749	\$ 178,082	\$ 6,853,712
Receivables				
Accounts Receivable, Net	1,695,181	78,082	-	1,773,263
Prepaid Expenses	390	-	360	750
Capital Assets, Non-Depreciable	4,323,289	-	-	4,323,289
Capital Assets, Net of Depreciation	15,740,961	-	-	15,740,961
<b>Total Assets</b>	<b>23,854,702</b>	<b>4,658,831</b>	<b>178,442</b>	<b>28,691,975</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Deferrals	148,493	-	29,699	178,192
<b>Total Deferred Outflows of Resources</b>	<b>148,493</b>	<b>-</b>	<b>29,699</b>	<b>178,192</b>
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable and Accrued Liabilities	21,330	222,897	4,531	248,758
Accrued Vacation	159,235	-	15,581	174,816
Noncurrent Liabilities:				
Due within one year	-	65,000	-	65,000
Due in more than one year:				
Proportionate Share of Net Pension Liability	629,242	-	125,848	755,090
Revenue Secured Loan	28,967	4,830,170	-	4,859,137
<b>Total Liabilities</b>	<b>838,774</b>	<b>5,118,067</b>	<b>145,960</b>	<b>6,102,801</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Net Deferred Pension Asset	189,929	-	37,986	227,915
<b>Total Deferred Outflows of Resources</b>	<b>189,929</b>	<b>-</b>	<b>37,986</b>	<b>227,915</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	20,035,283	-	-	20,035,283
Unrestricted	2,939,209	(459,236)	24,195	2,504,168
<b>Total Net Position</b>	<b>\$ 22,974,492</b>	<b>\$ (459,236)</b>	<b>\$ 24,195</b>	<b>\$ 22,539,451</b>

See accompanying notes to basic financial statements

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

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

**For the Year Ended June 30, 2016**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
<b>OPERATING REVENUES</b>				
Licenses and Permits	\$ 5,680	\$ -	\$ 197,267	\$ 202,947
Intergovernmental	755,956	-	-	755,956
Charges for Services	5,545,395	-	-	5,545,395
Total Operating Revenues	<u>6,307,031</u>	<u>-</u>	<u>197,267</u>	<u>6,504,298</u>
<b>OPERATING EXPENSES</b>				
Personal Services	1,603,713	-	315,700	1,919,413
Materials and Services	1,551,833	936,001	28,602	2,516,436
Depreciation Expense	710,146	-	-	710,146
Total Operating Expenses	<u>3,865,692</u>	<u>936,001</u>	<u>344,302</u>	<u>5,145,995</u>
Income, (Loss) From Operations	2,441,339	(936,001)	(147,035)	1,358,303
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest on Investments	14,115	50,589	1,200	65,904
Other Revenue (Expenses)	78,292	11,460	50	89,802
Total Non-Operating Revenues	<u>92,407</u>	<u>62,049</u>	<u>1,250</u>	<u>155,706</u>
Income, (Loss) Before Contributions and Transfers	2,533,746	(873,952)	(145,785)	1,514,009
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Transfers In	-	1,650,433	-	1,650,433
Transfers Out	(2,588,200)	-	(5,300)	(2,593,500)
Total Contributions and Transfers	<u>(2,588,200)</u>	<u>1,650,433</u>	<u>(5,300)</u>	<u>(943,067)</u>
Change in Net Position	(54,454)	776,481	(151,085)	570,942
Beginning Net Position	<u>23,028,946</u>	<u>(1,235,717)</u>	<u>175,280</u>	<u>21,968,509</u>
Ending Net Position	<u>\$ 22,974,492</u>	<u>\$ (459,236)</u>	<u>\$ 24,195</u>	<u>\$ 22,539,451</u>

See accompanying notes to basic financial statements



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

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the Year Ended June 30, 2016**

	Business-type Activities			TOTAL PROPRIETARY FUNDS
	MAJOR WASTEWATER FUND	WASTEWATER IMPROVEMENT FUND	BUILDING CODES FUND	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from Customers	\$ 5,950,752	\$ (22,042)	\$ 197,056	\$ 6,125,766
Payments to Suppliers	(1,534,546)	(886,705)	(30,598)	(2,451,849)
Payments to Employees	(1,063,009)	-	(214,604)	(1,277,613)
Net Cash Provided by Operating Activities	<u>3,353,197</u>	<u>(908,747)</u>	<u>(48,146)</u>	<u>2,396,304</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from Other Funds	-	1,650,433	-	1,650,433
Transfers to Other Funds	(2,588,200)	-	(5,300)	(2,593,500)
Net Cash Provided by Noncapital Financing Activities	<u>(2,588,200)</u>	<u>1,650,433</u>	<u>(5,300)</u>	<u>(943,067)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Capital Contributions	(801,563)	-	-	(801,563)
Long term debt issuance	28,967	357,907	-	386,874
Other Revenue (Expenses)	78,292	2,500	50	80,842
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(694,304)</u>	<u>360,407</u>	<u>50</u>	<u>(333,847)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on Investments	14,115	50,589	1,200	65,904
Net Increase, (Decrease) in Cash and Cash Equivalents	84,808	1,152,682	(52,196)	1,185,294
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>2,010,073</u>	<u>3,428,067</u>	<u>230,278</u>	<u>5,668,418</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 2,094,881</u>	<u>\$ 4,580,749</u>	<u>\$ 178,082</u>	<u>\$ 6,853,712</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income	\$ 2,441,339	\$ (936,001)	\$ (147,035)	\$ 1,358,303
Adjustments				
Depreciation/Amortization	710,146	-	-	710,146
(Increase), Decrease in Accounts Receivable	(356,279)	(22,042)	-	(378,321)
(Increase), Decrease in Prepaids	40	-	(211)	(171)
Increase (Decrease) in Accrued Vacation	16,260	-	(1,601)	14,659
Increase, (Decrease) in Pension items	524,444	-	102,697	627,141
Increase, (Decrease) in Accounts Payable/Accrued Liabilities	17,247	49,296	(1,996)	64,547
Net Cash From Operations	<u>\$ 3,353,197</u>	<u>\$ (908,747)</u>	<u>\$ (48,146)</u>	<u>\$ 2,396,304</u>

See accompanying notes to basic financial statements

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

**STATEMENT OF FIDUCIARY FUNDS - NET POSITION**  
**AGENCY FUND**  
**June 30, 2016**

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	<u>AGENCY FUND</u> <u>VISITORS CONVENTION</u> <u>BUREAU</u>
<b>ASSETS:</b>	
Cash and Investments	\$ <u>438,500</u>
Total Assets	<u>438,500</u>
<b>LIABILITIES:</b>	
Due to Other Agency	<u>438,500</u>
<b>NET POSITION:</b>	
Total Net Position	
Unrestricted	<u>\$ -</u>

See accompanying notes to basic financial statements

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**THE FINANCIAL REPORTING ENTITY**

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

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

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

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

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

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

**Entity excluded from the reporting entity:**

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Each fund is considered to be a separate accounting entity. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

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

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

There are the following *major governmental funds*:

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

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

Revenue Bond Fund – This fund accounts for debt service.

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

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

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

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

There are the following *major proprietary funds*:

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

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

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

There is the following *agency fund*:

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

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

**BUDGETS**

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**BUDGETS (CONTINUED)**

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

**LEVEL OF CONTROL**

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

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

Budget amounts shown in the basic financial statements reflect the original budget amount and appropriation transfers. All expenditures were within appropriations for year ended June 30, 2016.

**ESTIMATES**

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

**ASSETS, LIABILITIES, AND NET POSITION OR EQUITY**

**Deposits and investments**

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

**Fair Value Inputs and Methodologies and Hierarchy**

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



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

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

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

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

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

**Receivables and payables**

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

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

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

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

**Prepaid items**

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

**Capital assets**

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

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

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

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

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

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

**Supply Inventories**

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

**Retirement Plans**

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

**Compensated Absences**

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**Long-term obligations**

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

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

**Net position/Fund balance**

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

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

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

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

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

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

**Net position/Fund balance (Continued)**

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

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

**Deferred outflows/inflows of resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred inflows and outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The government has a deferred outflow for deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The government also has a deferred outflow for pension related deferrals.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The statement of net position reports a deferred inflow called Net Deferred Pension Asset. This amount is equal to the difference between actuarially projected investment earnings and actual investment earnings, less contributions that the City paid to PERS during 2015-2016.

**2. CASH AND INVESTMENTS**

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

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

Cash and Investments (recorded at cost) consisted of:

Deposits with Financial Institutions:	
Petty Cash	\$ 1,000
Demand Deposits	497,339
Investments	<u>25,588,375</u>
Total Cash and Investments	<u>\$ 26,086,714</u>
Reconciliation of Cash Reported in:	
Governmental	\$ 18,794,502
Business Type	6,853,712
Agency Fund	<u>438,500</u>
Total Cash and Investments	<u>\$ 26,086,714</u>

**Deposits**

Deposits with financial institutions consist of bank demand deposits. The total bank balance per the bank statements for all pooled cash is \$1,110,383. This balance includes cash belonging to the Urban Renewal Agency and the Visitors Convention Bureau that is all held in the City's name for collateral purposes. Of these deposits, \$250,000 was covered by Federal Depository Insurance, and the remaining was deposited at an approved depository as prescribed by the Oregon State Treasurer.

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

**Custodial Credit Risk**

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2016, none of the bank balance was exposed to custodial credit risk because it was insured or collateralized.

**Investments**

State statutes authorize investment in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's Investment Pool, among others.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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

As of June 30, 2016, the City had the following investments and maturities:

Investment Type	<u>Fair Value</u>	<u>Less than 3</u>	<u>3-17</u>	<u>18-19</u>
State Treasurer's Investment Pool	\$ 25,588,375	\$ 25,588,375	\$ -	\$ -
Total	<u>\$ 25,588,375</u>	<u>\$ 25,588,375</u>	<u>\$ -</u>	<u>\$ -</u>

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2016. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2016, the fair value of the position in the LGIP is 100.6% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

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

**Interest Rate Risk**

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

**Custodial Credit Risk**

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

**Concentration Risk**

Concentration risk is the risk of loss due to a large portion of investments with a single issuer. To avoid incurring unreasonable risks inherent to over-investing in specific instruments or in individual financial institutions, the investment policy sets maximum limits on the percentage of the portfolio that can be invested in any one type of security. At June 30, 2016, all percentage restrictions were complied with. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. Amounts in the State Treasurer's Local Government Investment Pool are not required by law to be collateralized. State statutes do not limit the percentage of investments in this instrument.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**3. ACCRUED VACATION**

The governmental funds compensated absences balances at June 30, 2016 and 2015 are \$1,054,835, and \$1,024,324. The business type funds compensated absences balances at June 30, 2016 and 2015 are \$174,816 and \$160,157.

<u>Compensated Absences</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental	\$ 1,024,324	30,511	-	\$ 1,054,835
Business Type	160,157	14,659	-	174,816
Total	<u>\$ 1,184,481</u>			<u>\$ 1,229,651</u>

**4. CAPITAL ASSETS**

Capital asset activity for governmental activities of the primary government for the year ended June 30, 2016 was as follows:

<u>Description</u>	<u>GOVERNMENTAL ACTIVITIES CAPITAL ASSETS</u>			
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2016</u>
Capital assets not being depreciated				
Land	\$ 3,622,879	\$ 152,396	\$ -	\$ 3,775,275
Museum art works collection	828,643	8,476	-	837,119
Construction In Progress	1,941,719	2,247,089	(293,791)	3,895,017
Total Capital Assets not being depreciated	<u>6,393,241</u>	<u>2,407,961</u>	<u>(293,791)</u>	<u>8,507,411</u>
Other Capital Assets				
Land and Improvements	2,176,129	-	-	2,176,129
Buildings and Improvements	17,907,192	42,104	(10,957)	17,938,339
Machinery and Equipment	2,410,118	119,262	-	2,529,380
Vehicles	3,645,018	183,187	(38,645)	3,789,560
Intangibles	55,521	-	-	55,521
Infrastructure - streets	151,933,491	-	-	151,933,491
Total other Capital Assets	<u>178,127,469</u>	<u>344,553</u>	<u>(49,602)</u>	<u>178,422,420</u>
Less Accumulated Depreciation				
Land Improvements	1,668,423	45,518	-	1,713,941
Buildings and Improvements	4,126,612	410,017	-	4,536,629
Machinery & Equipment	1,829,780	111,324	-	1,941,104
Vehicles	2,571,580	218,971	(38,644)	2,751,907
Intangibles	14,635	4,461	-	19,096
Infrastructure - streets	84,343,744	3,727,182	-	88,070,926
Total Accumulated Depreciation	<u>94,554,774</u>	<u>4,517,473</u>	<u>(38,644)</u>	<u>99,033,603</u>
Total Governmental Activities	<u>\$ 89,965,935</u>	<u>\$ (1,764,959)</u>	<u>\$ (304,749)</u>	<u>\$ 87,896,228</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**4. CAPITAL ASSETS (CONTINUED)**

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

<u>Function</u>	<u>Governmental Funds</u>
General Government	\$ 116,462
Public Safety	291,007
Public Works	4,029,290
Culture and Recreation	<u>80,714</u>
 Total	 <u>\$ 4,517,473</u>

Capital asset activity for business type activities for the year ended June 30, 2016 was as follows:

<u>Description</u>	<u>BUSINESS TYPE ACTIVITIES</u>			
	<u>June 30, 2015</u>	<u>Additions</u>	<u>Disposals</u>	<u>June 30, 2016</u>
Capital assets not being depreciated				
Construction in Progress	\$ 5,062,943	\$ 671,622	\$ (1,411,276)	\$ 4,323,289
Total Capital Assets not being depreciated	<u>5,062,943</u>	<u>671,622</u>	<u>(1,411,276)</u>	<u>4,323,289</u>
Other Capital Assets - Wastewater				
Land and Improvements	2,576,662	-	-	2,576,662
Machinery & Equipment	3,835,218	171,009	-	4,006,227
Vehicles	1,354,790	-	(15,000)	1,339,790
Plant and System	22,026,081	1,370,208	-	23,396,289
Total other Capital Assets	<u>29,792,751</u>	<u>1,541,217</u>	<u>(15,000)</u>	<u>31,318,968</u>
Less Accumulated Depreciation				
Land and Improvements	1,888,264	370	-	1,888,634
Machinery & Equipment	2,884,802	92,015	-	2,976,817
Vehicles	660,526	90,955	(15,000)	736,481
Plant and System	9,449,269	526,806	-	9,976,075
Total Accumulated Depreciation	<u>14,882,861</u>	<u>710,146</u>	<u>(15,000)</u>	<u>15,578,007</u>
Total Business Type Activities	<u>\$ 19,972,833</u>	<u>\$ 1,502,693</u>	<u>\$ (1,411,276)</u>	<u>\$ 20,064,250</u>

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

<u>Function</u>	<u>Business Type Funds</u>
Wastewater	<u>\$ 710,146</u>
Total	<u>\$ 710,146</u>



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**5. EMPLOYEE RETIREMENT PLAN**

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at: [http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx).

- a) **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
  - i) Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
  - ii) Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
    - member was employed by PERS employer at the time of death,
    - member died within 120 days after termination of PERS covered employment,
    - member died as a result of injury sustained while employed in a PERS-covered job, or
    - member was on an official leave of absence from a PERS-covered job at the time of death.
  - iii) Disability Benefits. A member with 10 or more years of creditable service who becomes disable from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv) Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
  
- b) **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
  - i) Pension Benefits. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

**CITY OF COOS BAY  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

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

- ii) **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii) **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv) **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

**Contributions** – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2013 actuarial valuation, which became effective July 1, 2015. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2016 were \$897,154, excluding amounts to fund employer specific liabilities. In addition approximately \$422,816 in employee contributions were paid or picked up by the City in fiscal 2016.

At June 30, 2016, the City reported a net pension liability of \$6,292,422 for its proportionate share of the net pension liability. The pension liability was measured as of December 31, 2013, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2013, the City's proportion was .095 percent.

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 339,319	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	1,319,034
Changes in proportionate share	248,461	
Changes in proportion and differences between City contributions and proportionate share of contributions	-	580,260
Total (prior to post-MD) contributions	<u>587,780</u>	<u>1,899,294</u>
Contributions subsequent to the MD	<u>897,154</u>	<u>-</u>
Net Deferred Outflow (Inflow) of resources	<u>\$ 1,484,934</u>	<u>\$ 1,899,294</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

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

<u>Year ending June 30,</u>	<u>Amount</u>
2017	\$ (635,229)
2018	(635,229)
2019	(635,229)
2020	579,845
2021	14,328
Total	<u>\$ (1,311,514)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated May 23, 2016. Oregon PERS produces an independently audited CAFR which can be found at:

[http://www.oregon.gov/pers/Pages/section/financial\\_reports/financial.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financial.aspx).

Actuarial Valuations – The employer contribution rates effective July 1, 2015 through June 30, 2017 are General Service – 17.11%, Police and Fire – 17.11%, OPSRP General Service – 8.81% and OPSRP Police and Fire – 12.92%, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

Actuarial Methods and Assumptions:

Valuation date	December 31, 2013 rolled forward to June 30, 2015
Experience Study Report	2014, Published September 2015
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increase	3.75 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	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males and 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2014 Experience Study which is reviewed for the four-year period ending December 31, 2014.

Discount Rate – The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City’s proportionate share of the net pension liability to changes in the discount rate – The following presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**5. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

	Decrease (6.75%)	Rate (7.75%)	Increase (8.75%)
City's proportionate share of the net pension liability	\$ 15,186,528	\$ 6,292,422	\$ (1,202,972)

Since the December 31, 2013 actuarial valuation, the system-wide actuarial accrued liability has increased primarily due to the Moro decision and assumption changes, along with interest on the liability as current active members get closer to retirement. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future system Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the benefits projected to be paid by Employers compared to those developed in the prior actuarial valuation, and consequently increased plan liabilities. The employers' projected long-term contribution effort has been adjusted for the estimated impact of the Moro Decision. In accordance with statute, a biennial review of actuarial methods and assumptions was completed in 2015 to be used for the December 31, 2014 actuarial valuation. After completion of this review and subsequent to the measurement date, the PERS Board adopted several assumption changes, including lowering the investment return assumption to 7.50%, which will be effective January 1, 2016 and will be included in the next update.

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

**Individual Account Program** - In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for OPERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive OPERS members who return to employment following a six month or greater break in service. The new plan consists of the defined benefit pension plans and a defined contribution pension plan (the Individual Account Program or IAP). Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS' members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to the creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment. Members of OPERS and OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The City makes this contribution on behalf of its employees.

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

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**6. DEFERRED COMPENSATION**

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

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

*Plan Description.* A program is provided for the availability for retirees and their spouses to purchase healthcare insurance at the same group rates as the City pays for its active employees'. No plan has been established to account for this activity. Since the former employees' service has caused this benefit to be available, generally accepted accounting principles requires that the costs of these services be calculated and shown as a cost of operations and/or as a liability for providing a future benefit in the financial statements. Disclosure of the liability is mandatory.

*Funding Policy.* There is no plan to fund these benefits, but an actuary has calculated that the implied subsidy included in healthcare costs for the year ended June 30, 2016, was approximately \$553,892.

*Annual OPEB Cost and Net OPEB Obligation.* The annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the annual OPEB cost for the year, the amount implicitly contributed to the "plan" through the normal payments to healthcare insurance providers and changes to the OPEB obligation.

	<u>6/30/2014</u>	<u>6/30/2015</u>	<u>6/30/2016</u>
Annual Required Contribution (ARC)	\$ 135,804	\$ 142,089	\$ 119,652
Interest on Net Pension Obligation	12,558	14,853	17,452
Adjustment to Annual Required Contribution	<u>(43,144)</u>	<u>(51,026)</u>	<u>(59,955)</u>
Annual OPEB Cost	105,218	105,916	77,149
Contributions Made	<u>(39,665)</u>	<u>(31,657)</u>	<u>(21,878)</u>
Increase in Net Pension Obligation	65,553	74,259	55,271
Net OPEB Obligation (Asset) at Beginning of the Year	358,809	424,362	498,621
Net OPEB Obligation (Asset) at End of the Year	<u>\$ 424,362</u>	<u>\$ 498,621</u>	<u>\$ 553,892</u>
Percentage of APC Contributed	38%	30%	28%

**CITY OF COOS BAY  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

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

The annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2016, along with preceding fiscal years, were as follows:

<u>Year Ended</u>	<u>OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>OPEB Obligation</u>
6/30/2014	\$ 105,218	38.00%	\$ 424,362
6/30/2015	105,916	30.00%	498,621
6/30/2016	77,149	28.00%	553,892

*Funding status and funding progress.* As of August 1, 2014 the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$621,382 all of which was unfunded.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare costs trend. Amounts determined regarding the funded status of the plan and the annual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Methods and assumptions.* Projections of benefits for financial reporting purposes are based on the substitutive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of the benefit costs, if any, to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

- Discount rate: 3.50% for unfunded liabilities.
- Health Cost Trend for medical and vision: 5.5% for 2015-2029, 5.75% for 2030, 6.0% for 2031, 6.5% for 2032, 6.75% for 2033-2035, 6.5% for 2036-2037, 6.25% for 2038-2041, 6.0% for 2042-2049, 5.75% for 2050-2060, 5.5% for 2061-2063, 5.25% for 2064-2066, 5.0% for 2067-2069, and 4.75% for 2070 and on.
- Health Cost Trend for dental: 4.5% per year increase.
- Annual Payroll Increase: 2.75% compounded annually.
- Disability: Not used.
- Retirement: Based on the Oregon PERS assumptions.
- Withdrawal: Based on the Oregon PERS assumptions.
- Mortality: RP-2000 healthy white collar male and female mortality tables, set back one year for males. Mortality is projected on a generational basis using Scall AA for males and females.
- Excluded employees: Temporary and part-time employees, elected officials and volunteers.
- PERS service: Estimated based on elapsed time from date of hire to the most recent valuation.
- Future retiree coverage: 40% of active members upon retirement.
- Spousal age: Females spouses are assumed to be two years younger than male spouses.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**8. LONG TERM DEBT**

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

**Governmental Activities**

**Revenue Secured Bond:** In April 2006, \$5,645,000 in Refunding Bonds were issued, the proceeds of which were utilized to refund the 2000 water secured bonds. These water bonds, although general obligation bonds of the City, are a primary obligation of the Coos Bay-North Bend Water Board, and are being retired from revenues turned over by that agency. The refunding reduced total debt payments by \$433,251. The Water Board, by resolution, is pledged to establish, maintain and collect rates and charges for water service that will produce sufficient revenue, after deducting the expenses for operation and maintenance, to meet principal and interest payments when due.

The future requirements for amortization of this April 2006 Revenue Secured Bond debt are as follows:

Fiscal Year	Issue of April 2006		
	Principal	Interest	Total
2016-2017	\$ 315,000	\$ 137,967	\$ 452,967
2017-2018	330,000	123,080	453,080
2018-2019	345,000	108,736	453,736
2019-2020	360,000	93,755	453,755
2020-2021	375,000	78,137	453,137
2022-2026	1,670,000	144,741	1,814,741
Total	<u>\$ 3,395,000</u>	<u>\$ 686,416</u>	<u>\$ 4,081,416</u>

Interest rate: 4.25% and 5.0%



**CITY OF COOS BAY  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

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

Fiscal Year	Issue of June 14, 2005		
	Principal	Interest	Total
2016-2017	\$ 4,372	4,247	8,619
2017-2018	4,589	4,031	8,620
2018-2019	4,818	3,802	8,620
2019-2020	5,057	3,563	8,620
2020-2021	5,309	3,312	8,621
2021-2026	30,771	12,329	43,100
2026-2031	30,555	3,886	34,441
<b>Total</b>	<b>\$ 85,471</b>	<b>\$ 35,170</b>	<b>\$ 120,641</b>

**CITY OF COOS BAY  
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**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

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

Fiscal Year	Issue of April 15, 2009		
	Principal	Interest	Total
2016-2017	\$ 305,000	\$ 186,950	\$ 491,950
2017-2018	315,000	174,750	489,750
2018-2019	330,000	162,150	492,150
2019-2020	340,000	148,950	488,950
2020-2021	355,000	135,350	490,350
2022-2026	2,005,000	450,831	2,455,831
2027-2031	920,000	60,251	980,251
Total	<u>\$ 4,570,000</u>	<u>\$ 1,319,232</u>	<u>\$ 5,889,232</u>

Interest rate: 3.0 - 4.375% fixed annual rate.

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

Fiscal Year	Issue of December 1, 2013		
	Principal	Interest	Total
2016-2017	\$ 201,016	\$ 147,613	\$ 348,629
2017-2018	207,851	140,779	348,630
2018-2019	214,918	133,712	348,630
2019-2020	222,225	126,404	348,629
2020-2021	229,781	118,849	348,630
2022-2026	1,271,542	471,605	1,743,147
2027-2031	1,502,912	240,237	1,743,149
2032-2036	491,319	22,124	513,443
Total	<u>\$ 4,341,564</u>	<u>\$ 1,401,323</u>	<u>\$ 5,742,887</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

URA Downtown Bond: \$5,700,000 of urban renewal current refunding bonds were issued on January 24, 2003, which are payable from the tax increment revenues of the Downtown Urban Renewal Area. The future requirements for amortization of these outstanding urban renewal bonds as of June 30, 2016, are as follows:

URA Empire Bond: \$2,600,000 of urban renewal current refunding bonds were issued on January 24, 2003,

Fiscal Year	Issue of January 24, 2003 (Series 2003 A)		
	Principal	Interest	Total
2016-2017	\$ 489,818	\$ 18,832	\$ 508,650
2017-2018	250,504	3,820	254,324
Total	\$ 740,322	\$ 22,652	\$ 762,974

Interest rate: Fixed annual rate of 3.0%

which are payable from the tax increment revenues of the Empire Urban Renewal Area. The debt was paid off in the current year.

URA Downtown Bond: \$1,402,000 of urban renewal debt service bonds were issued on August 28, 2009, which are payable from the tax increment revenues from the Downtown Urban Renewal Area. The future requirements for amortization of these outstanding urban renewal bonds as of June 30, 2016, are as follows:

The Downtown Bond and Empire Bond funds have been used to liquidate long-term liabilities.

Fiscal Year	Issue of August 28, 2009		
	Principal	Interest	Total
2016-2017	\$ 155,000	\$ 18,307	\$ 173,307
2017-2018	162,000	11,890	173,890
2018-2019	168,283	5,187	173,470
Total	\$ 485,283	\$ 35,384	\$ 520,667

Interest Rate: Fixed annual rate of 3.0%

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

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

Fiscal Year	Issue of March 31, 2016		
	Principal	Interest	Total
2016-2017	\$ 37,834	\$ 5,468	\$ 43,302
2017-2018	38,524	4,778	43,302
2018-2019	39,042	4,260	43,302
2019-2020	39,567	3,736	43,303
2020-2021	40,099	3,204	43,303
2021-2026	208,934	7,782	216,716
Total	<u>\$ 404,000</u>	<u>\$ 29,228</u>	<u>\$ 433,228</u>

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

Fiscal Year	Issue of May 12, 2016		
	Principal	Interest	Total
2016-2017	\$ 12,408	\$ -	\$ 12,408
2017-2018	12,408	-	12,408
2018-2019	4,137	-	4,137
Total	<u>\$ 28,953</u>	<u>\$ -</u>	<u>\$ 28,953</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

**Business Type Activities**

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

Fiscal Year	Issue of October 2011		
	Principal	Interest	Total
2016-2017	\$ 65,000	\$ 9,126	\$ 74,126
2017-2018	65,000	7,098	72,098
2018-2019	65,000	5,070	70,070
2019-2020	65,000	3,042	68,042
2020-2021	43,331	1,014	44,345
Total	<u>\$ 303,331</u>	<u>\$ 25,350</u>	<u>\$ 328,681</u>

IFA Wastewater Loans: Payment terms are not yet available.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG TERM DEBT (CONTINUED)**

**Changes in Long-Term Liabilities:** During the year ended June 30, 2016, the following changes occurred in long-term liabilities:

Governmental Activities:	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Due in One Year
Revenue Bonds:					
Water Bonds					
June 14, 2005 (refunding)	\$ 89,636	\$ -	\$ (4,165)	\$ 85,471	\$ 4,372
GO Fire Station					
April 15, 2009	4,860,000	-	(290,000)	4,570,000	305,000
Revenue Secured Bond:					
April, 2006 (refunding)	3,695,000	-	(300,000)	3,395,000	315,000
Economic Development Loan					
June 30, 2011	4,535,971	-	(194,407)	4,341,564	201,016
URA Downtown Series 1/23/03 A	1,215,495	-	(475,173)	740,322	489,818
URA Empire Series 1/24/03 A	547,767	-	(547,767)	-	-
URA Downtown Series 8/28/09	634,283	-	(149,000)	485,283	155,000
City Tech Loan with Execute 2016	-	31,021	(2,068)	28,953	12,408
OTIB #0059 Water Board Loan	-	404,000	-	404,000	18,764
OPEB Obligation	498,621	-	55,271	553,892	-
Bond Premium	96,813	-	(8,318)	88,495	-
<b>Total</b>	<b>\$ 16,173,586</b>	<b>\$ 435,021</b>	<b>\$(1,915,627)</b>	<b>\$ 14,692,980</b>	<b>\$ 1,501,378</b>
	Balance 7/1/2015	Additions	Reductions	Balance 6/30/2016	Due in One Year
Business-Type Activities					
IFA Wastewater Loan 2012	\$ 2,525,358	\$ 234,154	\$ -	\$ 2,759,512	\$ -
IFA Wastewater Loan 2013	1,652,534	208,760	-	1,861,294	-
Land Purchase Loan	368,331		(65,000)	303,331	65,000
<b>Total</b>	<b>\$ 4,546,223</b>	<b>\$ 442,914</b>	<b>\$ (65,000)</b>	<b>\$ 4,924,137</b>	<b>\$ 65,000</b>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**9. PROPERTY TAX LIMITATIONS**

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

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

**10. RISK MANAGEMENT**

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

**11. INVESTMENT IN JOINT VENTURE**

Pursuant to an intergovernmental agreement authorized by state statutes, the City of Coos Bay joined with the City of North Bend to establish and operate a Water Board for the mutual advantage of the two governments. The City of Coos Bay's share of assets, liabilities, and fund equity is 50 percent. Following is a summary of the most recent audited financial information as of, and for the year ended June 30, 2016:

Cash and investments	\$ 4,122,927
Other assets	<u>66,628,431</u>
Total assets	<u>70,751,358</u>
Deferred outflows of resources	<u>668,206</u>
Total assets and deferred outflows	<u>\$ 71,419,564</u>
Total liabilities	\$ 19,679,913
Total equity	<u>51,739,651</u>
Total liabilities and equity	<u>\$ 71,419,564</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**11. INVESTMENT IN JOINT VENTURE (CONTINUED)**

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

Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016
\$ 25,178,448	\$ 691,378	\$ -	\$ 25,869,826

An investment in joint venture in the amount of \$25,869,826 million was booked as an asset (Investment in Joint Venture) in Fiscal Year 2016, for the 50% equity interest that the City of Coos Bay has in the Coos Bay/North Bend Water Board. The Coos Bay/North Bend Water Board issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Coos Bay/North Bend Water Board, P.O. Box 539, Coos Bay, OR 97420 or by calling (541) 267-3128.

**12. RELATED PARTY TRANSACTIONS**

All sewer service charges are billed by the Water Board as an accommodation for the Cities of Coos Bay and North Bend, Oregon, and collections thereon are remitted to the cities, less a handling fee, for providing these services. During the year ended June 30, 2016, the Water Board remitted \$5,487,659 to the City of Coos Bay, Oregon, which included sewer user fee revenues, alum sludge disposal fees, and interest earnings, net of the handling fee of \$68,621.

**13. NOTES RECEIVABLE**

There is a note receivable carried on the statement of net position. The note is the result of an agreement between the City and the Water Board wherein the City obtained a loan on behalf of the Water Board. The amount receivable by the City as of June 30, 2016 is \$8,226,035. This includes the 2005 and 2006 refunding issues as well as the OTIB Loan. The Water Board also pays the interest on these issues (see footnote 8).

**14. TRANSFERS**

Transfers made during the year are summarized as follows:

Fund:	Transfer In	Transfer Out
Governmental Funds:		
General	\$ -	\$ 346,717
Revenue Bond	935,467	-
Other Governmental	2,417,126	2,062,809
	\$ 3,352,593	\$ 2,409,526
Business Type Funds	\$ 1,650,433	\$ 2,593,500
Total Transfers	\$ 5,003,026	\$ 5,003,026



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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**14. TRANSFERS (CONTINUED)**

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

**15. INTERFUND LOANS**

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

Fiscal Year	Issue of July 2011		
	Principal	Interest	Total
2016-2017	\$ 60,000	\$ 3,600	\$ 63,600
2017-2018	60,000	3,000	63,000
2018-2019	60,000	2,400	62,400
2019-2020	60,000	1,800	61,800
2020-2021	60,000	1,800	61,800
2022	60,000	-	60,000
<b>Total</b>	<b>\$ 360,000</b>	<b>\$ 12,600</b>	<b>\$ 372,600</b>

An \$118,094 loan was issued in 2013 from the General Fund to the Jurisdictional Exchange Fund. During the 2013-2014 year, \$58,155 additional loan proceeds were issued for a total liability of \$176,474. The loan is payable upon the extinguishment of the 2005 business loan, in equal amounts annually, at an interest rate of 1%. The future requirements for amortization of the debt service payments are as follows:

Fiscal Year	Issue of August 2012 through July 2013		
	Principal	Interest	Total
2016-2017	\$ 29,593	\$ 1,208	\$ 30,801
2017-2018	29,890	910	30,800
2018-2019	30,191	610	30,801
2019-2020	28,300	306	28,606
<b>Total</b>	<b>\$ 117,974</b>	<b>\$ 3,034</b>	<b>\$ 121,008</b>

Interest rate: 1% fixed annual rate.

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**NOTE 16 - FUND BALANCE CONSTRAINTS**

The specific purposes for each of the categories of fund balance as of June 30, 2016 are as follows:

<b>Fund Balances:</b>	<b>General Fund</b>	<b>Jurisdictional Exchange Reserve</b>	<b>Revenue Bond</b>	<b>Non Major Funds</b>	<b>Total</b>
<b><u>Nonspendable:</u></b>					
Prepaid Expenses	\$ 16,245	\$ -	\$ -	\$ 6,873	\$ 23,118
Inventory	486	-	-	-	486
Jurisdictional Exchange	-	4,800,000	-	-	4,800,000
<b>Total</b>	<b>16,731</b>	<b>4,800,000</b>	<b>-</b>	<b>6,873</b>	<b>4,823,604</b>
<b><u>Restricted</u></b>					
Memorial Bricks	209	-	-	-	209
Fire - BAH Car Seat	2,980	-	-	-	2,980
Fire - Three Rivers Foundatior	3,807	-	-	-	3,807
Grants	-	-	-	382,285	382,285
911 Services	-	-	-	73,566	73,566
Debt Service	-	-	3,853,129	1,024,287	4,877,416
Library	-	-	-	1,110,188	1,110,188
Choshi Garden Foundation	-	-	-	1,193	1,193
Capital Projects	-	-	-	822,399	822,399
<b>Total</b>	<b>6,996</b>	<b>-</b>	<b>3,853,129</b>	<b>3,413,918</b>	<b>7,274,043</b>
<b><u>Assigned</u></b>					
DUII Impact Panel	2,618	-	-	-	2,618
Range	6,990	-	-	-	6,990
John Topits Park Equipment	7,000	-	-	-	7,000
Canine	661	-	-	-	661
Crime Prevention	250	-	-	-	250
Police Reserves	591	-	-	-	591
Hotel/Motel Tax Fund	-	-	-	253,422	253,422
Unclaimed Property Liability	31	-	-	-	31
Rainy Day Reserve Fund	582,360	-	-	-	582,360
Capital Projects	-	-	-	4,455,268	4,455,268
<b>Total</b>	<b>600,501</b>	<b>-</b>	<b>-</b>	<b>4,708,690</b>	<b>5,309,191</b>
<b>Unassigned:</b>	<b>2,805,599</b>	<b>(66,661)</b>	<b>-</b>	<b>-</b>	<b>2,738,938</b>
<b>Total Fund Balances</b>	<b>\$ 3,429,827</b>	<b>\$ 4,733,339</b>	<b>\$ 3,853,129</b>	<b>\$ 8,129,481</b>	<b>\$ 20,145,776</b>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 17 – CONTINGENCIES**

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

**NOTE 18 – SUBSEQUENT EVENT**

A \$2.1 million dollar TIGER III grant was awarded to the City of Coos Bay in March of 2012 for the "Empire Pedestrian and Bicycle Access Project". Additionally, a TIGER IV grant was awarded in February of 2013 for \$1,387,200 and an additional \$1,989,038 was awarded in December 2014 to fund phase two of the project for a total project estimated at \$5,476,238. Both of these grants along with a grant match and URA funds expended of \$1,215,505 for the pedestrian and bicycle access from the intersection of Newmark Avenue and South Empire Blvd south to Wisconsin Street, the city limits. The project was in construction at the end of the fiscal year. No funds will be received by the City for either grant.

**NOTE 19 – NEGATIVE NET POSITION**

The Wastewater Improvement Fund has a negative net position of (\$459,236). This is the result of capital construction and capital contributions to the Wastewater Fund as well as debt for capital assets held by the Wastewater fund. The net position will become positive as more reimbursements are received for the project.

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

**REQUIRED SUPPLEMENTARY INFORMATION**

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

**REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
For the Year Ended June 30, 2016**

**OTHER POST EMPLOYMENT BENEFITS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Entry Age Normal Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered payroll ((b-a/c)
8/1/2008	\$0	\$1,310,923	\$1,310,923	0%	\$5,072,888	25.84%
8/1/2010	\$0	732,571	732,571	0%	5,849,235	12.52%
8/1/2012	\$0	693,284	693,284	0%	6,598,945	10.51%
8/1/2014	\$0	621,382	621,382	0%	6,686,955	9.29%

CITY OF COOS BAY  
COOS COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
For the Year Ended June 30, 2016

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	Employer's proportion of the net pension liability (NPL) (a)	Employer's proportionate share of the net pension liability (NPL) (b)	Covered payroll (c)	NPL as a percentage of covered payroll (b/c)	Plan fiduciary net position as a percentage of the total pension liability
2016	0.109596 %	\$6,292,423	\$6,539,770	96%	91.9%
2015	0.095125 %	(\$2,156,209)	\$6,404,247	0%	104%

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2016	\$1,001,449	\$1,001,449	\$0	\$7,046,935	0.142111287
2015	\$730,435	\$716,109	\$0	\$6,539,770	0.10950064

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2016**

	<u>GENERAL FUND</u>			VARIANCE WITH FINAL BUDGET
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
<b>REVENUES</b>				
Property Taxes	\$ 5,359,932	\$ 5,359,932	\$ 5,550,986	\$ 191,054
Franchise Fees	1,637,000	1,953,000	1,951,590	(1,410)
Licenses and Permits	157,900	157,900	132,385	(25,515)
Intergovernmental	395,200	395,200	407,081	11,881
Grants	239,592	239,592	144,172	(95,420)
Charges For Services	687,692	687,692	729,102	41,410
Charges for Use of Money and Property	95,000	95,000	116,478	21,478
Fines and Forfeitures	69,500	69,500	66,885	(2,615)
Miscellaneous	14,200	14,200	56,870	42,670
<b>Total Revenue</b>	<u>8,656,016</u>	<u>8,972,016</u>	<u>9,155,549</u>	<u>183,533</u>
<b>EXPENDITURES</b>				
General Government	1,315,277	1,390,277 (1)	1,302,012	88,265
Public Safety	7,348,973	7,348,973 (1)	7,038,322	310,651
Public Works	1,039,241	1,443,241 (1)	1,276,853	166,388
Contingency	600,000	600,000 (1)	-	600,000
<b>Total Expenditures</b>	<u>10,303,491</u>	<u>10,782,491</u>	<u>9,617,187</u>	<u>1,165,304</u>
Excess of Revenues Over (Under) Expenditures	(1,647,475)	(1,810,475)	(461,638)	1,348,837
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	310,800	310,800	30,800	(280,000)
Transfers Out	(231,629)	(547,629) (1)	(495,269)	52,360
Loan Proceeds	-	404,000	435,021	31,021
Insurance Recovery	-	75,000	33,984	(41,016)
Du Jour Financing - URA In	452,277	452,277	452,277	-
Debt Service (Du Jour Financing - URA Out)	(447,754)	(447,754) (1)	(447,754)	-
<b>Total Other Financing Sources (Uses)</b>	<u>83,694</u>	<u>246,694</u>	<u>9,059</u>	<u>(237,635)</u>
Net Change in Fund Balance	(1,563,781)	(1,563,781)	(452,579)	1,111,202
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>2,893,445</u>	<u>2,893,445</u>	<u>3,542,072</u>	<u>648,627</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,329,664</u>	<u>\$ 1,329,664</u>	<u>\$ 3,089,493</u>	<u>\$ 1,759,829</u>

(1) Appropriation Level

Reconciliation to Governmental Balance Sheet Fund Balance

Ending Fund Balance - combined due to requirements of GASB 54

Rainy Day Reserve Fund

582,360

Interfund Loan activity

Interfund Loan Receivable

117,974

Interfund Loan Payable

(360,000)

GAAP General Fund Balance \$ 3,429,827



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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

JURISDICTIONAL EXCHANGE RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 19,000	\$ 19,000	\$ 31,464	\$ 12,464
Total Revenues	19,000	19,000	31,464	12,464
<b>EXPENDITURES</b>				
Public Works				
Debt Service				
Principal Retirement	29,298	29,298	29,298	-
Interest and Fiscal Charges	1,502	1,502	1,502	-
Total Debt Service	30,800	30,800 (1)	30,800	-
Contingency	32,964	32,964 (1)	-	32,964
Total Expenditures	63,764	63,764	30,800	32,964
Net Change in Fund Balance	(44,764)	(44,764)	664	45,428
<b>FUND BALANCE - BEGINNING OF YEAR</b>	4,844,764	4,844,764	4,850,649	5,885
<b>FUND BALANCE - END OF YEAR</b>	\$ 4,800,000	\$ 4,800,000	4,851,313	\$ 51,313
Reconciliation to Governmental Balance Sheet Fund Balance				
Interfund Loan activity				
Interfund Loan Payable			(117,974)	
			GAAP General Fund Balance	\$ 4,733,339

(1) Appropriation Level

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

**SUPPLEMENTARY INFORMATION**

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET- BUDGETARY BASIS**  
**For the Year Ended June 30, 2016**

	<u>REVENUE BOND FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Intergovernmental				
CB-NB Water Board	\$ 811,300	\$ 811,300	\$ 810,587	\$ (713)
Total Revenues	<u>811,300</u>	<u>811,300</u>	<u>810,587</u>	<u>(713)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	4,304,989	4,304,989	623,572	3,681,417
Interest	482,700	482,700	395,965	86,735
Total Expenditures	<u>4,787,689</u>	<u>4,787,689 (1)</u>	<u>1,019,537</u>	<u>3,768,152</u>
Excess of Revenues Over (Under) Expenditures	(3,976,389)	(3,976,389)	(208,950)	3,767,439
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	995,467	995,467	995,467	-
Net Change in Fund Balance	(2,980,922)	(2,980,922)	786,517	3,767,439
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>2,980,922</u>	<u>2,980,922</u>	<u>3,066,612</u>	<u>85,690</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,853,129</u>	<u>\$ 3,853,129</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

	<u>WASTEWATER FUND</u>			VARIANCE TO FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
<b>REVENUES</b>				
Intergovernmental				
Charleston	\$ 302,599	\$ 302,599	\$ 361,001	\$ 58,402
Bunker Hill	90,511	90,511	36,000	(54,511)
Total Intergovernmental	<u>393,110</u>	<u>393,110</u>	<u>397,001</u>	<u>3,891</u>
Charges for Services				
Sewer Permits	3,000	3,000	5,680	2,680
Sewer Use Fees	5,288,789	5,288,789	5,499,351	210,562
Recreational Vehicle Dump Fees	2,200	2,200	6,373	4,173
Alum Sludge Disposal Fees	55,000	55,000	39,671	(15,329)
Total Charges for Services	<u>5,348,989</u>	<u>5,348,989</u>	<u>5,551,075</u>	<u>202,086</u>
Charges for Use of Money and Property				
Interest on Investments	9,000	9,000	14,115	5,115
Total Charges for Use of Money and Property	<u>9,000</u>	<u>9,000</u>	<u>14,115</u>	<u>5,115</u>
Miscellaneous	-	-	78,292	78,292
Total Revenues	<u>5,751,099</u>	<u>5,751,099</u>	<u>6,040,483</u>	<u>289,384</u>
<b>EXPENDITURES</b>				
Wastewater Collection and Treatment				
Personal Services	1,290,763	1,290,763	1,063,009	227,754
Materials and Services	3,111,491	3,111,491	2,353,396	758,095
Total Wastewater Collection and Treatment	<u>4,402,254</u>	<u>4,402,254</u> (1)	<u>3,416,405</u>	<u>985,849</u>
Contingency	18,454	18,454	-	18,454
Total Expenditures	<u>4,420,708</u>	<u>4,420,708</u>	<u>3,416,405</u>	<u>1,004,303</u>
Excess of Revenues Over (Under) Expenditures	1,330,391	1,330,391	2,624,078	1,293,687
<b>Other Financing Sources (Uses)</b>				
Loan Proceeds	-	-	28,967	28,967
Transfers Out	(2,588,200)	(2,588,200) (1)	(2,588,200)	-
Total Other Financing Sources (Uses)	<u>(2,588,200)</u>	<u>(2,588,200)</u>	<u>(2,559,233)</u>	<u>28,967</u>
Net Change in Fund Balance	(1,257,809)	(1,257,809)	64,845	1,322,654
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>1,257,809</u>	<u>1,257,809</u>	<u>2,612,542</u>	<u>1,354,733</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,677,387</u>	<u>\$ 2,677,387</u>
<b>Reconciliation to Net Position:</b>				
			20,064,250	
			1,091,735	
			148,493	
			(629,242)	
			(189,929)	
			(28,967)	
			(159,235)	
			<u>22,974,492</u>	
			<u>\$ 22,974,492</u>	

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2016**

WASTEWATER IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 2,000	\$ 2,000	\$ 50,589	\$ 48,589
Miscellaneous	-	-	2,500	2,500
Total Revenues	2,000	2,000	53,089	51,089
<b>EXPENDITURES</b>				
Capital Outlay	34,675,056	34,675,056 (1)	936,001	33,739,055
Total Expenditures	34,675,056	34,675,056	936,001	33,739,055
Excess of Revenues Over (Under) Expenditures	(34,673,056)	(34,673,056)	(882,912)	33,790,144
<b>OTHER FINANCING SOURCES (USES)</b>				
Loan Proceeds	31,423,441	31,423,441	357,907	(31,065,534)
Transfers In	1,650,433	1,650,433	1,650,433	-
Total Other Financing Sources (Uses)	33,073,874	33,073,874	2,008,340	(31,065,534)
Net Change in Fund Balance	(1,599,182)	(1,599,182)	1,125,428	2,724,610
<b>FUND BALANCE - BEGINNING OF YEAR</b>	1,599,182	1,599,182	3,310,506	1,711,324
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 4,435,934	\$ 4,435,934
<b>Reconciliation to Net Position:</b>				
Long Term Debt			(4,895,170)	
Total Net Position			\$ (459,236)	

(1) Appropriation Level



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

**COMBINING BALANCE SHEET  
ALL NON-MAJOR GOVERNMENTAL FUNDS  
June 30, 2016**

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR DEBT SERVICE FUNDS	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>				
<b>ASSETS</b>				
Cash and Investments	\$ 3,266,752	\$ 1,013,946	\$ 2,370,040	\$ 6,650,738
Prepaid Expense	6,873	-	-	6,873
Receivables				
Taxes	158,162	52,720	-	210,882
Accounts	330,416	-	924,714	1,255,130
Assessments	-	-	45,476	45,476
Interfund	-	-	360,000	360,000
	\$ 3,762,203	\$ 1,066,666	\$ 3,700,230	\$ 8,529,099
Total Assets				
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 86,170	\$ -	\$ 98,560	\$ 184,730
	86,170	-	98,560	184,730
Total Liabilities				
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue - Property Taxes	-	42,379	-	42,379
Unavailable Revenue - Special Assessments	127,033	-	45,476	172,509
	127,033	42,379	45,476	214,888
Total Deferred Outflows of Resources				
<b>FUND BALANCES</b>				
Nonspendable	6,873	-	-	6,873
Restricted	1,474,741	1,024,287	914,890	3,413,918
Assigned	2,067,386	-	2,641,304	4,708,690
	3,549,000	1,024,287	3,556,194	8,129,481
Total Fund Balances				
Total Liabilities and Fund Balances	\$ 3,762,203	\$ 1,066,666	\$ 3,700,230	\$ 8,529,099

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

**COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS  
June 30, 2016**

	<u>STATE GAS TAX</u>	<u>HOTEL/ MOTEL TAX</u>	<u>LIBRARY</u>	<u>LIBRARY ESO</u>	<u>911 TAX</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>					
<b>ASSETS</b>					
Cash and Investments	\$ 195,871	\$ 101,418	\$ 847,319	\$ 275,296	\$ 48,950
Prepaid Expense	-	-	6,873	-	-
Receivables					
Property Taxes	-	-	-	-	-
Accounts	<u>113,900</u>	<u>166,117</u>	<u>25,039</u>	<u>-</u>	<u>25,360</u>
Total Assets	<u>\$ 309,771</u>	<u>\$ 267,535</u>	<u>\$ 879,231</u>	<u>\$ 275,296</u>	<u>\$ 74,310</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>					
<b>LIABILITIES</b>					
Accounts Payable	<u>\$ 18,784</u>	<u>\$ 14,113</u>	<u>\$ 15,732</u>	<u>\$ 21,734</u>	<u>\$ 744</u>
Total Liabilities	<u>18,784</u>	<u>14,113</u>	<u>15,732</u>	<u>21,734</u>	<u>744</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue - Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable	-	-	6,873	-	-
Restricted	290,987	-	856,626	253,562	73,566
Assigned	<u>-</u>	<u>253,422</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>290,987</u>	<u>253,422</u>	<u>863,499</u>	<u>253,562</u>	<u>73,566</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 309,771</u>	<u>\$ 267,535</u>	<u>\$ 879,231</u>	<u>\$ 275,296</u>	<u>\$ 74,310</u>



<u>URA DOWNTOWN SPECIAL REVENUE</u>	<u>URA EMPIRE SPECIAL REVENUE</u>	<u>URA EMPIRE PROGRAM</u>	<u>URA DOWNTOWN PROGRAM</u>	<u>TOTAL</u>
\$ 835,924	\$ 477,182	\$ 442,344	\$ 42,448	\$ 3,266,752
-	-	-	-	6,873
93,262	64,900	-	-	158,162
-	-	-	-	330,416
<u>\$ 929,186</u>	<u>\$ 542,082</u>	<u>\$ 442,344</u>	<u>\$ 42,448</u>	<u>\$ 3,762,203</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,063</u>	<u>\$ 86,170</u>
-	-	-	15,063	86,170
74,990	52,043	-	-	127,033
<u>74,990</u>	<u>52,043</u>	<u>-</u>	<u>-</u>	<u>127,033</u>
-	-	-	-	6,873
-	-	-	-	1,474,741
854,196	490,039	442,344	27,385	2,067,386
<u>854,196</u>	<u>490,039</u>	<u>442,344</u>	<u>27,385</u>	<u>3,549,000</u>
<u>\$ 929,186</u>	<u>\$ 542,082</u>	<u>\$ 442,344</u>	<u>\$ 42,448</u>	<u>\$ 3,762,203</u>

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

**COMBINING BALANCE SHEET  
NON-MAJOR DEBT SERVICE FUNDS  
June 30, 2016**

	<u>GO BOND REDEMPTION</u>	<u>URA DOWNTOWN BOND</u>	<u>URA EMPIRE BOND</u>	<u>URA DOWNTOWN BOND RESERVE</u>	<u>URA EMPIRE BOND RESERVE</u>	<u>TOTAL</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>						
<b>ASSETS</b>						
Cash and Investments	\$ 331,696	\$ -	\$ -	\$ 682,250	\$ -	\$ 1,013,946
Receivables						
Taxes	<u>52,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,720</u>
Total Assets	<u>\$ 384,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 682,250</u>	<u>\$ -</u>	<u>\$ 1,066,666</u>
<b>DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>						
<b>LIABILITIES</b>						
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable Rev.-Property Taxes	<u>42,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,379</u>
Total Deferred Inflows of Resources	<u>42,379</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,379</u>
<b>FUND BALANCES</b>						
Restricted	<u>342,037</u>	<u>-</u>	<u>-</u>	<u>682,250</u>	<u>-</u>	<u>1,024,287</u>
Total Fund Balances	<u>342,037</u>	<u>-</u>	<u>-</u>	<u>682,250</u>	<u>-</u>	<u>1,024,287</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 384,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 682,250</u>	<u>\$ -</u>	<u>\$ 1,066,666</u>

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

**COMBINING BALANCE SHEET  
NON-MAJOR CAPITAL PROJECTS FUNDS  
June 30, 2016**

	<u>STREET IMPROVEMENT</u>	<u>PARKS IMPROVEMENT</u>	<u>BIKE/ PEDESTRIAN IMPROVEMENT</u>	<u>SPECIAL IMPROVEMENT</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:</b>				
<b>ASSETS</b>				
Cash and Investments	\$ (368,579)	\$ 122,100	\$ 48,815	\$ 145,551
Receivables				
Accounts	816,999	18,525	863	-
Assessments	-	-	-	45,476
Interfund	-	-	-	-
Total Assets	<u>\$ 448,420</u>	<u>\$ 140,625</u>	<u>\$ 49,678</u>	<u>\$ 191,027</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</b>				
<b>LIABILITIES</b>				
Accounts Payable	<u>\$ 64,053</u>	<u>\$ 9,143</u>	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities	<u>64,053</u>	<u>9,143</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Rev.-Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,476</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,476</u>
<b>FUND BALANCES</b>				
Restricted	384,367	-	-	-
Assigned	<u>-</u>	<u>131,482</u>	<u>49,678</u>	<u>145,551</u>
Total Fund Balances	<u>384,367</u>	<u>131,482</u>	<u>49,678</u>	<u>145,551</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 448,420</u>	<u>\$ 140,625</u>	<u>\$ 49,678</u>	<u>\$ 191,027</u>

<u>TECHNOLOGY RESERVE</u>	<u>TRANSPORTATION SDC</u>	<u>WASTEWATER SDC</u>	<u>STORMWATER SDC</u>	<u>MAJOR CAPITAL RESERVE</u>
\$ 24,096	\$ 14,749	\$ 248,864	\$ 19,165	\$ 708,441
-	-	-	-	19,785
-	-	-	-	-
-	-	-	-	-
<u>\$ 24,096</u>	<u>\$ 14,749</u>	<u>\$ 248,864</u>	<u>\$ 19,165</u>	<u>\$ 728,226</u>
<u>\$ 7,685</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,264</u>
<u>7,685</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,264</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>14,749</u>	<u>248,864</u>	<u>19,165</u>	<u>-</u>
<u>16,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>723,962</u>
<u>16,411</u>	<u>14,749</u>	<u>248,864</u>	<u>19,165</u>	<u>723,962</u>
<u>\$ 24,096</u>	<u>\$ 14,749</u>	<u>\$ 248,864</u>	<u>\$ 19,165</u>	<u>\$ 728,226</u>

<u>COUNTY-WIDE CAD RESERVE</u>	<u>FIRE STATION FUND</u>	<u>URA EMPIRE CAPITAL PROJECTS</u>	<u>URA DOWNTOWN CAPITAL PROJECTS</u>	<u>TOTAL</u>
\$ 34,035	\$ 216,822	\$ 208,525	\$ 947,456	\$ 2,370,040
-	-	10,178	58,364	924,714
-	-	-	-	45,476
-	-	-	360,000	360,000
<u>\$ 34,035</u>	<u>\$ 216,822</u>	<u>\$ 218,703</u>	<u>\$ 1,365,820</u>	<u>\$ 3,700,230</u>
<u>\$ 3,112</u>	<u>\$ -</u>	<u>\$ 440</u>	<u>\$ 9,863</u>	<u>\$ 98,560</u>
<u>3,112</u>	<u>-</u>	<u>440</u>	<u>9,863</u>	<u>98,560</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,476</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,476</u>
<u>30,923</u>	<u>216,822</u>	<u>-</u>	<u>-</u>	<u>914,890</u>
<u>-</u>	<u>-</u>	<u>218,263</u>	<u>1,355,957</u>	<u>2,641,304</u>
<u>30,923</u>	<u>216,822</u>	<u>218,263</u>	<u>1,355,957</u>	<u>3,556,194</u>
<u>\$ 34,035</u>	<u>\$ 216,822</u>	<u>\$ 218,703</u>	<u>\$ 1,365,820</u>	<u>\$ 3,700,230</u>

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

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2016**

	COMBINED NONMAJOR SPECIAL REVENUE FUNDS	COMBINED NONMAJOR DEBT SERVICE FUNDS	COMBINED NONMAJOR CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
<b>REVENUES</b>				
Property Taxes	\$ 2,069,307	\$ 531,675	\$ -	\$ 2,600,982
Other Taxes	2,704,609	-	-	2,704,609
Intergovernmental Revenues	181,800	-	346,002	527,802
Grants	30,687	-	704,994	735,681
Charges for Services	43,660	-	-	43,660
Charge for Use of Money and Property	29,804	3,266	23,482	56,552
Other - Timber Sales	-	-	35,000	35,000
Miscellaneous	77,638	-	125,375	203,013
	<u>5,137,505</u>	<u>534,941</u>	<u>1,234,853</u>	<u>6,907,299</u>
Total Revenues				
<b>EXPENDITURES</b>				
Current				
General Government	15,063	-	387,182	402,245
Public Safety	206,254	-	11,896	218,150
Public Works	1,580,950	-	227,524	1,808,474
Culture and Recreation	1,550,132	-	-	1,550,132
Capital Outlay	-	-	2,480,613	2,480,613
Debt Service:				
Principal Retirement	-	1,461,516	-	1,461,516
Interest and Fiscal Charges	-	263,688	-	263,688
	<u>3,352,399</u>	<u>1,725,204</u>	<u>3,107,215</u>	<u>8,184,818</u>
Total Expenditures				
Excess of Revenues Over (Under) Expenditures	1,785,106	(1,190,263)	(1,872,362)	(1,277,519)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	3,745	3,745
Du Jour Financing	-	(452,277)	447,754	(4,523)
Transfers In	342,517	1,688,931	385,678	2,417,126
Transfers Out	(1,642,619)	(225,829)	(194,361)	(2,062,809)
	<u>(1,300,102)</u>	<u>1,010,825</u>	<u>642,816</u>	<u>353,539</u>
Total Other Financing Sources, (Uses)				
Net Change in Fund Balance	485,004	(179,438)	(1,229,546)	(923,980)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>3,063,996</u>	<u>1,203,725</u>	<u>4,785,740</u>	<u>9,053,461</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 3,549,000</u>	<u>\$ 1,024,287</u>	<u>\$ 3,556,194</u>	<u>\$ 8,129,481</u>

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

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
For the Year Ended June 30, 2016**

	<u>STATE GAS TAX</u>	<u>HOTEL/ MOTEL TAX</u>	<u>LIBRARY</u>	<u>LIBRARY ESO</u>	<u>911 TAX</u>
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ 499,143	\$ -
Other Taxes	960,772	651,914	1,091,923	-	-
Charges for Use of Money and Property	1,182	10,268	6,403	1,127	553
Intergovernmental Revenues	-	-	-	5,480	176,320
Grants	28,386	-	2,301	-	-
Charges for Services	-	-	23,809	19,851	-
Miscellaneous	36,770	4,567	22,023	14,025	253
Total Revenues	<u>1,027,110</u>	<u>666,749</u>	<u>1,146,459</u>	<u>539,626</u>	<u>177,126</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	206,254
Public Works	989,976	590,974	-	-	-
Culture and Recreation	-	-	1,016,702	533,430	-
Total Expenditures	<u>989,976</u>	<u>590,974</u>	<u>1,016,702</u>	<u>533,430</u>	<u>206,254</u>
Excess of Revenues Over (Under) Expenditures	37,134	75,775	129,757	6,196	(29,128)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	292,517	50,000	-	-	-
Transfers Out	(293,517)	-	-	-	-
Total Other Financing Sources (Uses)	<u>(1,000)</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	36,134	125,775	129,757	6,196	(29,128)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>254,853</u>	<u>127,647</u>	<u>733,742</u>	<u>247,366</u>	<u>102,694</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 290,987</u>	<u>\$ 253,422</u>	<u>\$ 863,499</u>	<u>\$ 253,562</u>	<u>\$ 73,566</u>



<u>URA DOWNTOWN SPECIAL REVENUE</u>	<u>URA EMPIRE SPECIAL REVENUE</u>	<u>URA EMPIRE PROGRAM</u>	<u>URA DOWNTOWN PROGRAM</u>	<u>TOTAL</u>
\$ 911,097	\$ 659,067	\$ -	\$ -	\$ 2,069,307
-	-	-	-	2,704,609
4,583	2,559	2,855	274	29,804
-	-	-	-	181,800
-	-	-	-	30,687
-	-	-	-	43,660
-	-	-	-	77,638
<u>915,680</u>	<u>661,626</u>	<u>2,855</u>	<u>274</u>	<u>5,137,505</u>
-	-	-	15,063	15,063
-	-	-	-	206,254
-	-	-	-	1,580,950
-	-	-	-	1,550,132
-	-	-	15,063	3,352,399
915,680	661,626	2,855	(14,789)	1,785,106
-	-	-	-	342,517
<u>(819,004)</u>	<u>(530,098)</u>	<u>-</u>	<u>-</u>	<u>(1,642,619)</u>
<u>(819,004)</u>	<u>(530,098)</u>	<u>-</u>	<u>-</u>	<u>(1,300,102)</u>
96,676	131,528	2,855	(14,789)	485,004
<u>757,520</u>	<u>358,511</u>	<u>439,489</u>	<u>42,174</u>	<u>3,063,996</u>
<u>\$ 854,196</u>	<u>\$ 490,039</u>	<u>\$ 442,344</u>	<u>\$ 27,385</u>	<u>\$ 3,549,000</u>

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

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR DEBT SERVICE FUNDS  
For the Year Ended June 30, 2016**

	GO BOND REDEMPTION	URA DOWNTOWN BOND	URA EMPIRE BOND	URA DOWNTOWN BOND RESERVE	URA EMPIRE BOND RESERVE	TOTAL
<b>REVENUES</b>						
Property Taxes	\$ 531,675	\$ -	\$ -	\$ -	\$ -	\$ 531,675
Charges for Use of Money and Property	3,266	-	-	-	-	3,266
<b>Total Revenues</b>	<b>534,941</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>534,941</b>
<b>EXPENDITURES</b>						
Debt Services						
Principal Retirement	290,000	623,749	547,767	-	-	1,461,516
Interest and Fiscal Charges	198,550	57,485	7,653	-	-	263,688
<b>Total Expenditures</b>	<b>488,550</b>	<b>681,234</b>	<b>555,420</b>	<b>-</b>	<b>-</b>	<b>1,725,204</b>
Excess of Revenues Over (Under) Expenditures	46,391	(681,234)	(555,420)	-	-	(1,190,263)
<b>OTHER FINANCING SOURCES (USES)</b>						
Du Jour Financing	-	(137,770)	(314,507)	-	-	(452,277)
Transfers In	-	819,004	869,927	-	-	1,688,931
Transfers Out	-	-	-	-	(225,829)	(225,829)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>681,234</b>	<b>555,420</b>	<b>-</b>	<b>(225,829)</b>	<b>1,010,825</b>
Net Change in Fund Balance	46,391	-	-	-	(225,829)	(179,438)
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<b>295,646</b>	<b>-</b>	<b>-</b>	<b>682,250</b>	<b>225,829</b>	<b>1,203,725</b>
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 342,037</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 682,250</b>	<b>\$ -</b>	<b>\$ 1,024,287</b>

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

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
For the Year Ended June 30, 2016**

	STREET IMPROVEMENT	PARKS IMPROVEMENT	BIKE/ PEDESTRIAN IMPROVEMENT	SPECIAL IMPROVEMENT
<b>REVENUES</b>				
Intergovernmental Revenues	\$ 317,321	\$ -	\$ 9,705	\$ -
Grants	499,679	18,525	-	-
Charges for Use of Money and Property	458	872	289	930
Other - Timber Sales	-	-	-	-
Miscellaneous	21,399	2,387	-	4,761
Total Revenues	<u>838,857</u>	<u>21,784</u>	<u>9,994</u>	<u>5,691</u>
<b>EXPENDITURES</b>				
Materials and Services	-	2,363	-	-
Capital Outlay	747,278	29,581	2,545	755
Total Expenditures	<u>747,278</u>	<u>31,944</u>	<u>2,545</u>	<u>755</u>
Excess of Revenues Over (Under) Expenditures	91,579	(10,160)	7,449	4,936
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
Du Jour Financing	-	-	-	-
Transfer In	292,517	-	-	-
Transfer Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>292,517</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balance	384,096	(10,160)	7,449	4,936
<b>FUND BALANCES - BEGINNING OF YEAR</b>	<u>271</u>	<u>141,642</u>	<u>42,229</u>	<u>140,615</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 384,367</u>	<u>\$ 131,482</u>	<u>\$ 49,678</u>	<u>\$ 145,551</u>

TECHNOLOGY RESERVE	TRANSPORTATION SDC	WASTEWATER SDC	STORMWATER SDC	MAJOR CAPITAL RESERVE
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	58,741
558	95	1,606	123	5,214
-	-	-	-	35,000
2,985	-	-	-	450
<u>3,543</u>	<u>95</u>	<u>1,606</u>	<u>123</u>	<u>99,405</u>
52,700	-	-	-	60,294
82,061	-	-	-	171,242
<u>134,761</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,536</u>
(131,218)	95	1,606	123	(132,131)
-	-	-	-	3,745
-	-	-	-	-
87,800	-	-	-	-
(5,361)	-	-	-	(75,000)
<u>82,439</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(71,255)</u>
(48,779)	95	1,606	123	(203,386)
65,190	14,654	247,258	19,042	927,348
<u>\$ 16,411</u>	<u>\$ 14,749</u>	<u>\$ 248,864</u>	<u>\$ 19,165</u>	<u>\$ 723,962</u>

COUNTY-WIDE CAD RESERVE	FIRE STATION FUND	URA EMPIRE CAPITAL PROJECTS	URA DOWNTOWN CAPITAL PROJECTS	TOTAL
\$ 18,976	\$ -	\$ -	\$ -	\$ 346,002
-	-	-	128,049	704,994
209	1,399	4,755	6,974	23,482
-	-	-	-	35,000
-	-	88,518	4,875	125,375
<u>19,185</u>	<u>1,399</u>	<u>93,273</u>	<u>139,898</u>	<u>1,234,853</u>
11,896	-	274,188	225,161	626,602
8,696	-	1,131,237	307,218	2,480,613
<u>20,592</u>	<u>-</u>	<u>1,405,425</u>	<u>532,379</u>	<u>3,107,215</u>
(1,407)	1,399	(1,312,152)	(392,481)	(1,872,362)
-	-	-	-	3,745
-	-	311,362	136,392	447,754
5,361	-	-	-	385,678
-	-	(114,000)	-	(194,361)
<u>5,361</u>	<u>-</u>	<u>197,362</u>	<u>136,392</u>	<u>642,816</u>
3,954	1,399	(1,114,790)	(256,089)	(1,229,546)
<u>26,969</u>	<u>215,423</u>	<u>1,333,053</u>	<u>1,612,046</u>	<u>4,785,740</u>
<u>\$ 30,923</u>	<u>\$ 216,822</u>	<u>\$ 218,263</u>	<u>\$ 1,355,957</u>	<u>\$ 3,556,194</u>

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

	<u>STATE GAS TAX FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Intergovernmental				
State Gas Tax	\$ 900,000	\$ 900,000	\$ 960,772	\$ 60,772
State Grant	-	105,290	28,386	(76,904)
Charges for use of money and property				
Interest on Investments	900	900	1,182	282
Miscellaneous	10,000	10,000	36,770	26,770
Total Revenues	<u>910,900</u>	<u>1,016,190</u>	<u>1,027,110</u>	<u>10,920</u>
<b>EXPENDITURES</b>				
Public Works				
Personal Services	435,177	435,177	361,754	73,423
Materials and Services	570,045	675,335	628,222	47,113
Total Public Works	<u>1,005,222</u>	<u>1,110,512</u>	(1) <u>989,976</u>	<u>120,536</u>
Contingency	<u>25,561</u>	<u>25,561</u>	(1) -	<u>25,561</u>
Total Expenditures	<u>1,030,783</u>	<u>1,136,073</u>	<u>989,976</u>	<u>146,097</u>
Excess of Revenues Over (Under) Expenditures	(119,883)	(119,883)	37,134	(135,177)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	316,000	292,517	(23,483)
Transfers Out	(1,000)	(317,000)	(1) (293,517)	
Total Other Financing Sources (Uses)	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Net Change in Fund Balance	(120,883)	(120,883)	36,134	157,017
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>120,883</u>	<u>120,883</u>	<u>254,853</u>	<u>133,970</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 290,987</u>	<u>\$ 290,987</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

<u>HOTEL/MOTEL TAX FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Taxes				
Hotel/Motel Tax	\$ 522,000	\$ 522,000	\$ 651,914	\$ 129,914
Charges for Use of Money and Property				
Interest on Investments	200	200	823	623
Visitors Center Revenue	8,000	8,000	9,445	1,445
Total Charges for Use of Money and Property	8,200	8,200	10,268	2,068
Miscellaneous Income	3,000	3,000	4,567	1,567
Total Revenues	533,200	533,200	666,749	133,549
<b>EXPENDITURES</b>				
Public Works				
Personal Services	178,511	178,511	161,358	17,153
Materials and Services	463,425	463,425	429,616	33,809
Total Operations	641,936	641,936 (1)	590,974	50,962
Contingency	3,953	3,953 (1)	-	3,953
Total Expenditures	645,889	645,889	590,974	54,915
Excess of Revenues Over (Under) Expenditures	(112,689)	(112,689)	75,775	188,464
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer In	100,000	100,000	50,000	(50,000)
Total Other Financing Sources, (Uses)	100,000	100,000	50,000	(50,000)
Net Change in Fund Balance	(12,689)	(12,689)	125,775	138,464
<b>FUND BALANCE - BEGINNING OF YEAR</b>	12,689	12,689	127,647	114,958
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 253,422	\$ 253,422

(1) Appropriation Level



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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

<u>LIBRARY FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Taxes				
County Serial Levy	\$ 940,000	\$ 940,000	\$ 1,091,923	\$ 151,923
Intergovernmental				
State Library Grant	1,000	3,001	2,001	(1,000)
Other Grants	1,000	4,800	300	(4,500)
Total Intergovernmental	2,000	7,801	2,301	(5,500)
Charges for Services				
Copies	4,000	4,000	8,129	4,129
Library Fees	14,000	14,000	15,680	1,680
Total Charge for Services	18,000	18,000	23,809	5,809
Charges for Use of Money and Property				
Interest on Investments	1,000	1,000	5,003	4,003
Property Rentals	1,500	1,500	1,400	(100)
Total Charges for Use of Money and Property	2,500	2,500	6,403	3,903
Miscellaneous				
Donations	12,000	12,000	21,677	9,677
Other	500	500	346	(154)
Total Miscellaneous	12,500	12,500	22,023	9,523
Total Revenues	975,000	980,801	1,146,459	165,658
<b>EXPENDITURES</b>				
Cultural and Recreation				
Personal Services	852,201	852,201	775,765	76,436
Materials and Services	241,900	247,701	240,937	6,764
Total Library Operations	1,094,101	1,099,902 (1)	1,016,702	83,200
Contingency	370,112	370,112 (1)	-	370,112
Total Expenditures	1,464,213	1,470,014	1,016,702	453,312
Net Change in Fund Balance	(489,213)	(489,213)	129,757	618,970
<b>FUND BALANCE - BEGINNING OF YEAR</b>	489,213	489,213	733,742	244,529
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 863,499</u>	<u>\$ 863,499</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

LIBRARY ESO FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Taxes				
County Serial Levy	\$ 499,143	\$ 499,143	\$ 499,143	\$ -
Intergovernmental				
State Library Grant	6,282	6,282	5,480	(802)
Total Intergovernmental	6,282	6,282	5,480	(802)
Charges for Services				
Reimbursements/Fees	61,000	61,000	19,851	(41,149)
Total Charge for Services	61,000	61,000	19,851	(41,149)
Charges for Use of Money and Property				
Interest on Investments	100	100	1,127	1,027
Total Charges for Use of Money and Property	100	100	1,127	1,027
Miscellaneous				
Other	14,000	14,000	14,025	25
Total Miscellaneous	14,000	14,000	14,025	25
Total Revenues	580,525	580,525	539,626	(40,899)
<b>EXPENDITURES</b>				
Cultural and Recreation				
Personal Services	293,666	293,666	242,075	51,591
Materials and Services	390,982	390,982	253,429	137,553
Total operations	684,648	684,648 (1)	495,504	189,144
Capital Outlay	85,000	85,000 (1)	37,926	47,074
Contingency	56,877	56,877 (1)	-	56,877
Total Expenditures	826,525	826,525	533,430	293,095
Net Change in Fund Balance	(246,000)	(246,000)	6,196	252,196
<b>FUND BALANCE - BEGINNING OF YEAR</b>	246,000	246,000	247,366	1,366
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 253,562	\$ 253,562

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

911 TAX FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
911 Revenue	\$ 169,897	\$ 169,897	\$ 176,320	\$ 6,423
Charges for Use of Money and Property				
Interest on Investments	100	100	553	453
Miscellaneous Revenue	-	-	253	253
	<u>169,997</u>	<u>169,997</u>	<u>177,126</u>	<u>7,129</u>
Total Revenues				
<b>EXPENDITURES</b>				
Public Safety				
Personal Services	186,720	186,720	187,338	(618)
Materials and Services	28,000	28,000	18,916	9,084
Total Operations	<u>214,720</u>	<u>214,720</u> (1)	<u>206,254</u>	<u>8,466</u>
Contingency	15,277	15,277 (1)	-	15,277
Total Expenditures	<u>229,997</u>	<u>229,997</u>	<u>206,254</u>	<u>23,743</u>
Net Change in Fund Balance	(60,000)	(60,000)	(29,128)	30,872
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>60,000</u>	<u>60,000</u>	<u>102,694</u>	<u>42,694</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 73,566</u>	<u>\$ 73,566</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA DOWNTOWN SPECIAL REVENUE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Property Taxes	\$ 972,494	\$ 972,494	\$ 911,097	\$ (61,397)
Interest on Investments	1,000	1,000	4,583	3,583
Total Revenues	<u>973,494</u>	<u>973,494</u>	<u>915,680</u>	<u>(57,814)</u>
<b>EXPENDITURES</b>				
Contingency	<u>202,624</u>	<u>202,624 (1)</u>	<u>-</u>	<u>202,624</u>
Total Expenditures	<u>202,624</u>	<u>202,624</u>	<u>-</u>	<u>202,624</u>
Excess of Revenues, Over (Under) Expenditures	770,870	770,870	915,680	144,810
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(820,870)</u>	<u>(820,870) (1)</u>	<u>(819,004)</u>	<u>1,866</u>
Total Other Financing Sources, (Uses)	<u>(820,870)</u>	<u>(820,870)</u>	<u>(819,004)</u>	<u>1,866</u>
Net Change in Fund Balance	(50,000)	(50,000)	96,676	146,676
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>50,000</u>	<u>50,000</u>	<u>757,520</u>	<u>707,520</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 854,196</u>	<u>\$ 854,196</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA EMPIRE SPECIAL REVENUE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>REVENUES</b>				
Property Taxes	\$ 710,507	\$ 710,507	\$ 659,067	\$ (51,440)
Interest on Investments	500	500	2,559	2,059
Total Revenues	<u>711,007</u>	<u>711,007</u>	<u>661,626</u>	<u>(49,381)</u>
<b>EXPENDITURES</b>				
Contingency	<u>200,000</u>	<u>200,000 (1)</u>	<u>-</u>	<u>200,000</u>
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
Excess of Revenues Over, (Under) Expenditures	511,007	511,007	661,626	150,619
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	<u>(541,007)</u>	<u>(541,007) (1)</u>	<u>(530,098)</u>	<u>10,909</u>
Total Other Financing Sources, (Uses)	<u>(541,007)</u>	<u>(541,007)</u>	<u>(530,098)</u>	<u>10,909</u>
Net Change in Fund Balance	(30,000)	(30,000)	131,528	161,528
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>30,000</u>	<u>30,000</u>	<u>358,511</u>	<u>328,511</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,039</u>	<u>\$ 490,039</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA EMPIRE PROGRAM FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>REVENUES</b>				
Interest on Investments	\$ 200	\$ 200	\$ 2,855	\$ 2,655
Total Revenues	<u>200</u>	<u>200</u>	<u>2,855</u>	<u>2,655</u>
<b>EXPENDITURES</b>				
Materials and Services	50,000	50,000 (1)	-	50,000
Capital Outlay	<u>152,370</u>	<u>152,370 (1)</u>	<u>-</u>	<u>152,370</u>
Total Expenditures	<u>202,370</u>	<u>202,370</u>	<u>-</u>	<u>202,370</u>
Net Change in Fund Balance	(202,170)	(202,170)	2,855	205,025
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>437,170</u>	<u>437,170</u>	<u>439,489</u>	<u>2,319</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 235,000</u>	<u>\$ 235,000</u>	<u>\$ 442,344</u>	<u>\$ 207,344</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA DOWNTOWN PROGRAM FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Interest on Investments	\$ 50	\$ 50	\$ 274	\$ 224
Total Revenues	50	50	274	224
<b>EXPENDITURES</b>				
General Government				
Materials and Services	50,000	50,000 (1)	15,063	34,937
Capital Outlay	142,001	142,001 (1)	-	142,001
Total Expenditures	192,001	192,001	15,063	34,937
Excess of Revenues Over (Under) Expenditures	(191,951)	(191,951)	(14,789)	(34,713)
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	150,000	150,000	-	(150,000)
Total Other Financing Sources, (Uses)	150,000	150,000	-	(150,000)
Net Change in Fund Balance	(41,951)	(41,951)	(14,789)	27,162
Beginning Fund Balance	41,951	41,951	42,174	223
Ending Fund Balance	\$ -	\$ -	\$ 27,385	\$ 27,385

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

GENERAL OBLIGATION BOND REDEMPTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Taxes	\$ 508,650	\$ 508,650	\$ 531,675	\$ 23,025
Charges for Use of Money and Property				
Interest on Investments	100	100	3,266	3,166
Total Revenues	<u>508,750</u>	<u>508,750</u>	<u>534,941</u>	<u>26,191</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	290,050	290,050	290,000	50
Interest	198,600	198,600	198,550	50
Total Expenditures	<u>488,650</u>	<u>488,650 (1)</u>	<u>488,550</u>	<u>100</u>
Net Change in Fund Balance	20,100	20,100	46,391	26,291
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>257,074</u>	<u>257,074</u>	<u>295,646</u>	<u>38,572</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 277,174</u>	<u>\$ 277,174</u>	<u>\$ 342,037</u>	<u>\$ 64,863</u>

(1) Appropriation Level



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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA DOWNTOWN BOND FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	\$ 624,500	\$ 624,500	\$ 623,749	\$ 751
Interest	58,600	58,600	57,485	1,115
Total Expenditures	<u>683,100</u>	<u>683,100</u> (2)	<u>681,234</u>	<u>1,866</u>
Excess of Revenues Over, (Under) Expenditures	(683,100)	(683,100)	(681,234)	1,866
<b>OTHER FINANCING SOURCES (USES)</b>				
Du Jour Financing	(137,770)	(137,770) (2)	(137,770)	-
Transfers In	820,870	820,870	819,004	(1,866)
Total Other Financing Sources, (Uses)	<u>683,100</u>	<u>683,100</u>	<u>681,234</u>	<u>(1,866)</u>
Net Change in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>1,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,034</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation level

(2) The sum totals the appropriation level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

<u>URA EMPIRE BOND FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	\$ 555,829	\$ 555,829	\$ 547,767	\$ 8,062
Interest	10,500	10,500	7,653	2,847
Total Expenditures	<u>566,329</u>	<u>566,329</u> (2)	<u>555,420</u>	<u>10,909</u>
Excess of Revenues Over, -Under Expenditures	(566,329)	(566,329)	(555,420)	10,909
<b>OTHER FINANCING SOURCES (USES)</b>				
Du Jour Financing	(314,507)	(314,507) (2)	(314,507)	-
Transfers In	880,836	880,836	869,927	(10,909)
Total Other Financing Sources, (Uses)	<u>566,329</u>	<u>566,329</u>	<u>555,420</u>	<u>(10,909)</u>
Net Change in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(2) The sum totals the appropriation level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA DOWNTOWN BOND RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
<b>REVENUES</b>				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Contingency	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	-	-	-	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>682,250</u>	<u>682,250</u>	<u>682,250</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 682,250</u>	<u>\$ 682,250</u>	<u>\$ 682,250</u>	<u>\$ -</u>

(1) - Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA EMPIRE BOND RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Contingency	-	-	-	-
Total Expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(225,829)	(225,829) (1)	(225,829)	-
Total Other Financing Sources (Uses)	(225,829)	(225,829)	(225,829)	-
Net Change in Fund Balance	(225,829)	(225,829)	(225,829)	-
<b>FUND BALANCE - BEGINNING OF YEAR</b>	225,829	225,829	225,829	-
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ -	\$ -

(1) - Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

STREET IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental				
State	\$ 522,075	\$ 1,022,075	\$ 317,321	\$ (704,754)
Federal Grants	-	850,000	499,679	(350,321)
Charges for Use of Money and Property				
Interest on Investments	-	-	458	458
Miscellaneous Revenue	-	-	21,399	21,399
	<u>522,075</u>	<u>1,872,075</u>	<u>838,857</u>	<u>(1,033,218)</u>
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Public Works				
Capital Outlay	522,344	2,188,344 (1)	747,278	1,441,066
	<u>522,344</u>	<u>2,188,344</u>	<u>747,278</u>	<u>1,441,066</u>
<b>Total Expenditures</b>				
Excess of Revenues Over (Under)				
Expenditures	(269)	(316,269)	91,579	407,848
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	316,000	292,517	(23,483)
	<u>-</u>	<u>316,000</u>	<u>292,517</u>	<u>(23,483)</u>
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balance	(269)	(269)	384,096	384,365
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>269</u>	<u>269</u>	<u>271</u>	<u>2</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,367</u>	<u>\$ 384,367</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

**PARKS IMPROVEMENT FUND**

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 25	\$ 25	\$ 872	\$ 847
Grants	2,796,000	2,796,000	18,525	(2,777,475)
Donations	3,000	3,000	2,387	(613)
	<u>2,799,025</u>	<u>2,799,025</u>	<u>21,784</u>	<u>(2,777,241)</u>
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Culture and Recreation				
Materials and Services	16,025	16,025 (1)	2,363	13,662
Capital Outlay	2,903,000	2,903,000 (1)	29,581	2,873,419
Total Culture and Recreation	<u>2,919,025</u>	<u>2,919,025</u>	<u>31,944</u>	<u>2,887,081</u>
<b>Total Expenditures</b>	<u>2,919,025</u>	<u>2,919,025</u>	<u>31,944</u>	<u>2,887,081</u>
<b>Net Change in Fund Balance</b>	(120,000)	(120,000)	(10,160)	109,840
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>120,000</u>	<u>120,000</u>	<u>141,642</u>	<u>21,642</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,482</u>	<u>\$ 131,482</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

BICYCLE/PEDESTRIAN PATH CONSTRUCTION FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Intergovernmental				
State Gas Tax	\$ 9,000	\$ 9,000	\$ 9,705	\$ 705
Charges for Use of Money and Property				
Interest on Investments	50	50	289	239
Total Revenues	<u>9,050</u>	<u>9,050</u>	<u>9,994</u>	<u>944</u>
<b>EXPENDITURES</b>				
Culture and Recreation				
Capital Outlay	50,189	50,189 (1)	2,545	47,644
Total Expenditures	<u>50,189</u>	<u>50,189</u>	<u>2,545</u>	<u>47,644</u>
Net Change in Fund Balance	(41,139)	(41,139)	7,449	48,588
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>41,139</u>	<u>41,139</u>	<u>42,229</u>	<u>1,090</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,678</u>	<u>\$ 49,678</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

SPECIAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 25	\$ 25	\$ 930	\$ 905
Miscellaneous				
Principal	-	-	1,443	1,443
Interest	-	-	3,318	3,318
Total Miscellaneous	-	-	4,761	4,761
Total Revenues	25	25	5,691	5,666
<b>EXPENDITURES</b>				
Culture and Recreation				
Capital Outlay	14,848	10,640 (1)	755	9,885
Total Expenditures	14,848	10,640	755	9,885
Excess of Revenues Over (Under) Expenditures	(14,823)	(10,615)	4,936	15,551
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	(130,000)	(130,000) (1)	-	130,000
Total Other Financing Sources (Uses)	(130,000)	(130,000)	-	130,000
Net Change in Fund Balance	(144,823)	(140,615)	4,936	145,551
<b>FUND BALANCE - BEGINNING OF YEAR</b>	144,823	140,615	140,615	-
<b>FUND BALANCE - END OF YEAR</b>	\$ -	\$ -	\$ 145,551	\$ 145,551

(1) Appropriation Level



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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET - BUDGETARY BASIS  
For the Year Ended June 30, 2016**

TECHNOLOGY RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET		ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>					
Charges for Use of Money and Property					
Interest on Investments	\$ 200	\$ 200		\$ 558	\$ 358
Grants	8,000	8,000		-	(8,000)
Miscellaneous Revenue	-	-		2,985	2,985
	<u>8,200</u>	<u>8,200</u>		<u>3,543</u>	<u>(4,657)</u>
<b>Total Revenues</b>					
<b>EXPENDITURES</b>					
General Government					
Materials and Services	50,000	57,000	(1)	52,700	4,300
Capital Outlay	80,002	98,802	(1)	82,061	16,741
	<u>130,002</u>	<u>155,802</u>		<u>134,761</u>	<u>21,041</u>
<b>Total Expenditures</b>					
Excess of Revenues Over (Under) Expenditures	(121,802)	(147,602)		(131,218)	16,384
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	87,800	87,800		87,800	-
Transfers Out	(5,361)	(5,361)	(1)	(5,361)	-
	<u>82,439</u>	<u>82,439</u>		<u>82,439</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>					
Net Change in Fund Balance	(39,363)	(65,163)		(48,779)	16,384
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>39,363</u>	<u>65,163</u>		<u>65,190</u>	<u>27</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 16,411</u>	<u>\$ 16,411</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

TRANSPORTATION SDC FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 58	\$ 58	\$ 95	\$ 37
Total Revenues	<u>58</u>	<u>58</u>	<u>95</u>	<u>37</u>
<b>EXPENDITURES</b>				
Capital Outlay	14,692	14,692 (1)	-	14,692
Total Expenditures	<u>14,692</u>	<u>14,692</u>	<u>-</u>	<u>14,692</u>
Net Change in Fund Balance	(14,634)	(14,634)	95	14,729
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>14,634</u>	<u>14,634</u>	<u>14,654</u>	<u>20</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,749</u>	<u>\$ 14,749</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

	<u>WASTEWATER SDC FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 982	\$ 982	\$ 1,606	\$ 624
Total Revenues	<u>982</u>	<u>982</u>	<u>1,606</u>	<u>624</u>
<b>EXPENDITURES</b>				
Wastewater Collection and Treatment				
Capital Outlay	247,919	247,919 (1)	-	247,919
Total Expenditures	<u>247,919</u>	<u>247,919</u>	<u>-</u>	<u>247,919</u>
Net Change in Fund Balance	(246,937)	(246,937)	1,606	248,543
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>246,937</u>	<u>246,937</u>	<u>247,258</u>	<u>321</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 248,864</u>	<u>\$ 248,864</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

<u>STORMWATER SDC FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 76	\$ 76	\$ 123	\$ 47
Total Revenues	<u>76</u>	<u>76</u>	<u>123</u>	<u>47</u>
<b>EXPENDITURES</b>				
Capital Outlay	<u>19,093</u>	<u>19,093</u>	(1) -	<u>19,093</u>
Total Expenditures	<u>19,093</u>	<u>19,093</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(19,017)	(19,017)	123	19,140
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>19,017</u>	<u>19,017</u>	<u>19,042</u>	<u>25</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,165</u>	<u>\$ 19,165</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

MAJOR CAPITAL RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 200	\$ 200	\$ 5,214	\$ 5,014
Grants	815,500	1,240,500	58,741	(1,181,759)
Other-Timber Sales	-	-	35,000	35,000
Miscellaneous	-	-	450	450
	<u>815,700</u>	<u>1,240,700</u>	<u>99,405</u>	<u>(1,141,295)</u>
Total Revenues				
<b>EXPENDITURES</b>				
General Government				
Materials and Services	100,000	100,000 (1)	60,294	39,706
Capital Outlay	1,124,500	1,549,500 (1)	171,242	1,378,258
Contingency	91,200	91,200 (1)	-	91,200
	<u>1,315,700</u>	<u>1,740,700</u>	<u>231,536</u>	<u>1,509,164</u>
Total Expenditures				
Excess of Revenues Over (Under)				
Expenditures	(500,000)	(500,000)	(132,131)	367,869
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	-	3,745	3,745
Transfers Out	(225,000)	(225,000) (1)	(75,000)	150,000
	<u>(225,000)</u>	<u>(225,000)</u>	<u>(71,255)</u>	<u>153,745</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balance	(725,000)	(725,000)	(203,386)	521,614
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>725,000</u>	<u>725,000</u>	<u>927,348</u>	<u>202,348</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 723,962</u>	<u>\$ 723,962</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

COUNTY-WIDE CAD CORE RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 50	\$ 50	\$ 209	\$ 159
Intergovernmental				
Revenue from Other Agencies	<u>17,477</u>	<u>17,477</u>	<u>18,976</u>	<u>1,499</u>
Total Revenues	<u>17,527</u>	<u>17,527</u>	<u>19,185</u>	<u>1,658</u>
<b>EXPENDITURES</b>				
General Government				
Materials and Services	20,000	20,000 (1)	11,896	8,104
Capital Outlay	<u>22,830</u>	<u>22,830 (1)</u>	<u>8,696</u>	<u>14,134</u>
Total Expenditures	<u>42,830</u>	<u>42,830</u>	<u>20,592</u>	<u>22,238</u>
Excess of Revenues Over (Under)				
Expenditures	(25,303)	(25,303)	(1,407)	23,896
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>5,361</u>	<u>5,361</u>	<u>5,361</u>	<u>-</u>
Net Change in Fund Balance	(19,942)	(19,942)	3,954	23,896
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>19,942</u>	<u>19,942</u>	<u>26,969</u>	<u>7,027</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,923</u>	<u>\$ 30,923</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

	<u>FIRE STATION RESERVE FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
<b>REVENUES</b>				
Grants	\$ 505,149	\$ 505,149	\$ -	\$ (505,149)
Charges for Use of Money and Property				
Interest on Investments	200	200	1,399	1,199
Total Revenues	<u>505,349</u>	<u>505,349</u>	<u>1,399</u>	<u>(503,950)</u>
<b>EXPENDITURES</b>				
Capital Outlay				
Fire Station	<u>720,492</u>	<u>720,492 (1)</u>	<u>-</u>	<u>720,492</u>
Total Expenditures	<u>720,492</u>	<u>720,492</u>	<u>-</u>	<u>720,492</u>
Net Change in Fund Balance	(215,143)	(215,143)	1,399	216,542
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>215,143</u>	<u>215,143</u>	<u>215,423</u>	<u>280</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,822</u>	<u>\$ 216,822</u>

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA EMPIRE CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Interest on Investments	\$ 2,000	\$ 2,000	\$ 4,755	\$ 2,755
Miscellaneous Revenue	<u>1,500,000</u>	<u>1,500,000</u>	<u>88,518</u>	<u>(1,411,482)</u>
Total Revenues	<u>1,502,000</u>	<u>1,502,000</u>	<u>93,273</u>	<u>(1,408,727)</u>
<b>EXPENDITURES</b>				
Materials and Services	420,229	420,229 (1)	274,188	146,041
Capital Outlay	<u>2,143,133</u>	<u>2,612,186 (1)</u>	<u>1,131,237</u>	<u>1,480,949</u>
Total Expenditures	<u>2,563,362</u>	<u>3,032,415</u>	<u>1,405,425</u>	<u>1,626,990</u>
Excess of Revenues Over, (Under) Expenditures	(1,061,362)	(1,530,415)	(1,312,152)	218,263
<b>OTHER FINANCING SOURCES (USES)</b>				
Du Jour Financing	311,362	311,362	311,362	-
Transfers Out	<u>(114,000)</u>	<u>(114,000) (1)</u>	<u>(114,000)</u>	<u>-</u>
Total Other Financing Sources, (Uses)	<u>197,362</u>	<u>197,362</u>	<u>197,362</u>	<u>-</u>
Net Change in Fund Balance	(864,000)	(1,333,053)	(1,114,790)	218,263
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>864,000</u>	<u>1,333,053</u>	<u>1,333,053</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 218,263</u>	<u>\$ 218,263</u>

(1) Appropriation Level



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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

URA DOWNTOWN CAPITAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
<b>REVENUES</b>				
Grants	\$ 824,460	\$ 824,460	\$ 128,049	\$ (696,411)
Interest on Investments	3,000	3,000	6,974	3,974
Seismic Project Loan	64,200	64,200	64,200	-
Miscellaneous	-	-	675	675
	<b>891,660</b>	<b>891,660</b>	<b>199,898</b>	<b>(691,762)</b>
<b>Total Revenues</b>				
<b>EXPENDITURES</b>				
Materials and Services	346,301	346,301 (1)	225,161	121,140
Capital Outlay	1,242,107	1,242,107 (1)	307,218	934,889
Contingency	100,000	100,000 (1)	-	100,000
	<b>1,688,408</b>	<b>1,688,408</b>	<b>532,379</b>	<b>1,156,029</b>
<b>Total Expenditures</b>				
Excess of Revenues Over, -Under Expenditures	(796,748)	(796,748)	(332,481)	464,267
<b>OTHER FINANCING SOURCES (USES)</b>				
Du Jour Financing - URA	136,392	136,392	136,392	-
	<b>136,392</b>	<b>136,392</b>	<b>136,392</b>	<b>-</b>
<b>Total Other Financing Sources, (Uses)</b>				
Net Change in Fund Balance	(660,356)	(660,356)	(196,089)	464,267
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<b>850,000</b>	<b>850,000</b>	<b>1,192,046</b>	<b>342,046</b>
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 189,644</b>	<b>\$ 189,644</b>	<b>995,957</b>	<b>\$ 806,313</b>
Reconciliation to Governmental Balance Sheet Fund Balance				
Interfund Loan activity				
Interfund Loan Receivable			360,000	
		GAAP Fund Balance	<b>\$ 1,355,957</b>	

(1) Appropriation Level

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET- BUDGETARY BASIS  
For the Year Ended June 30, 2016**

RAINY DAY RESERVE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
<b>REVENUES</b>				
Charges for Use of Money and Property				
Interest on Investments	\$ 1,500	\$ 1,500	\$ 3,510	\$ 2,010
Total Revenues	<u>1,500</u>	<u>1,500</u>	<u>3,510</u>	<u>2,010</u>
<b>EXPENDITURES</b>				
Capital Outlay	<u>558,591</u>	<u>558,591 (1)</u>	<u>-</u>	<u>558,591</u>
Total Expenditures	<u>558,591</u>	<u>558,591</u>	<u>-</u>	<u>558,591</u>
Excess of Revenues Over, -Under Expenditures	(557,091)	(557,091)	3,510	560,601
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	<u>67,429</u>	<u>67,429</u>	<u>88,552</u>	<u>21,123</u>
Total Other Financing Sources, (Uses)	<u>67,429</u>	<u>67,429</u>	<u>88,552</u>	<u>21,123</u>
Net Change in Fund Balance	(489,662)	(489,662)	92,062	581,724
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>489,662</u>	<u>489,662</u>	<u>490,298</u>	<u>636</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 582,360</u>	<u>\$ 582,360</u>

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

(1) Appropriation Level

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

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUND**  
**For the Year Ended June 30, 2016**

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	<u>BALANCE</u> <u>JUNE 30, 2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
<b>ASSETS</b>				
Cash and Investments	\$ 248,060	\$ 322,117	\$ 131,677	\$ 438,500
<b>LIABILITIES</b>				
Due to Agency	\$ 248,060	\$ 322,117	\$ 131,677	\$ 438,500

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the Year Ended June 30, 2016**

**General Fund:**

TAX YEAR	IMPOSED LEVY OR OR BALANCE UNCOLLECTED AT 7/1/15	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/16
Current:						
2015-16	\$ 5,679,209	\$ 142,871	\$ (11,578)	\$ 3,540	\$ 5,267,318	\$ 260,983
Prior Years:						
2014-15	246,511	(20)	(5,064)	7,949	111,105	138,311
2013-14	135,858	2	(1,485)	9,014	57,090	86,295
2012-13	82,719	(3)	(1,466)	14,972	63,223	33,004
2011-12	36,760	-	(2,109)	9,873	36,503	8,022
2010-11 & Prior	31,652	-	(8,789)	5,533	11,593	16,803
Total Prior	<u>533,500</u>	<u>(21)</u>	<u>(18,913)</u>	<u>47,341</u>	<u>279,514</u>	<u>282,435</u>
Total All Funds	<u>\$ 6,212,709</u>	<u>\$ 142,850</u>	<u>\$ (30,491)</u>	<u>\$ 50,881</u>	<u>\$ 5,546,832</u>	<u>\$ 543,418</u>

**RECONCILIATION TO REVENUE:**

Cash Collections by County Treasurer Above	\$ 5,546,832
Accrual of Receivables:	
June 30, 2015	(115,617)
June 30, 2016	106,597
Taxes in Lieu of Property Taxes	<u>13,174</u>
Total Revenue	<u>\$ 5,550,986</u>

**Debt Service Fund:**

2015-16	\$ 542,995	\$ 13,660	\$ (1,107)	\$ 338	\$ 503,614	\$ 24,953
Prior Years:						
2014-15	24,138	(2)	(491)	778	10,882	13,546
2013-14	13,201	-	(144)	876	5,548	8,385
2012-13	8,299	-	(147)	1,502	6,343	3,311
2011-12	3,706	-	(213)	995	3,680	809
2010-11 & Prior	3,480	-	(1,145)	565	1,184	1,716
Total Prior	<u>52,824</u>	<u>(2)</u>	<u>(2,140)</u>	<u>4,716</u>	<u>27,637</u>	<u>27,767</u>
Total All Funds	<u>\$ 595,819</u>	<u>\$ 13,658</u>	<u>\$ (3,247)</u>	<u>\$ 5,054</u>	<u>\$ 531,251</u>	<u>\$ 52,720</u>

**RECONCILIATION TO REVENUE:**

Cash Collections by County Treasurer Above	\$ 531,251
Accrual of Receivables:	
June 30, 2015	(11,435)
June 30, 2016	10,341
Taxes in Lieu of Property Taxes	<u>1,518</u>
Total Revenue	<u>\$ 531,675</u>

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the Year Ended June 30, 2016**

<b>URBAN RENEWAL:</b>						
<u>TAX YEAR</u>	<u>IMPOSED LEVY OR OR BALANCE UNCOLLECTED AT 7/1/15</u>	<u>DEDUCT DISCOUNTS</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>INTEREST</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/16</u>
Current:						
2015-16	\$ 1,599,606	\$ 40,241	\$ (4,258)	\$ 997	\$ 1,482,596	\$ 73,508
Prior Years:						
2014-15	74,180	(6)	(3,036)	2,439	31,660	41,930
2013-14	41,461	1	(4,051)	2,690	14,347	25,752
2012-13	24,966	(1)	(4,360)	4,654	15,000	10,260
2011-12	11,236	-	(3,994)	2,886	7,783	2,345
2010-11 & Prior	8,675	-	6,829	1,438	12,575	4,367
Total Prior	160,518	(6)	(8,612)	14,107	81,365	84,654
Total All Funds	\$ 1,760,124	\$ 40,235	\$ (12,870)	\$ 15,104	\$ 1,563,961	\$ 158,162

**BALANCE UNCOLLECTED OR UNSEGREGATED**

Downtown Special Revenue Fund	\$ 93,262
Empire Special Revenue Fund	64,900
Total Balance Uncollected or Unsegregated - All Funds	<u>158,162</u>

**RECONCILIATION TO REVENUE:**

	<u>DOWNTOWN SPECIAL REVENUE</u>	<u>EMPIRE SPECIAL REVENUE</u>
Cash Collections by County Treasurer Above	\$ 909,309	\$ 654,652
Accrual of Receivables:		
June 30, 2015	(21,170)	(13,777)
June 30, 2016	18,272	12,857
Taxes in Lieu of Property Taxes	4,686	5,335
Total Revenue	<u>\$ 911,097</u>	<u>\$ 659,067</u>

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

**OTHER INFORMATION**

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

# Overlapping Debt Report

## for: City Of Coos Bay

As of 6/30/2016

Overlapping District Name	Outstanding Gross Property-tax Backed Debt	Outstanding Net Property-tax Backed Debt	Overlapping District Real Market Value	Percent Overlapping	Gross Overlapping Debt	Net Overlapping Debt
Coos Bay Urban Renewal Agency	\$1,763,262	\$1,763,262	\$1,101,007,196	100.00%	\$1,763,262	\$1,763,262
Coos County	\$7,845,000	\$7,845,000	\$6,061,056,536	18.17%	\$1,425,068	\$1,425,068
Coos Cty Airport	\$1,335,051	\$1,335,051	\$6,061,056,536	18.17%	\$242,516	\$242,516
Coos Cty SD 9 (Coos Bay)	\$9,938,699	\$9,938,699	\$2,185,851,975	50.37%	\$5,006,093	\$5,006,093
Port Of Coos Bay	\$6,795,505	\$6,795,505	\$3,242,609,749	33.95%	\$2,307,373	\$2,307,373
Southwestern Oregon Community College	\$34,204,406	\$21,314,406	\$9,741,831,968	11.30%	\$3,865,714	\$2,408,912
<b>Totals:</b>	<b>\$61,881,924</b>	<b>\$48,991,924</b>			<b>\$14,610,026</b>	<b>\$13,153,224</b>

Net Property-tax Backed Debt of Subject Issuer is:	\$13,698,497	Ratio of Net Property-tax Backed Debt to Real Market Value is:	1.24%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$13,153,224	Per Capita Net Property-tax Backed Debt is:	\$832
<b>Total:</b>	<b>\$26,851,721</b>	Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	2.44%
		Per Capita Total Net Property-tax Backed Debt is:	\$1,630
Population of Subject Issuer is: 16,470 As Of: 07/01/2015			
Real Market Value of Subject Issuer is: \$1,101,007,196 As Of: 01/01/2015			



# Overlapping Debt Report

for: City Of Coos Bay  
 As of 6/30/2016

### District's Outstanding Balances

District	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	General Obligation (N) Bonds	General Obligation (S) Bonds	Full Faith & Credit Obligations (N)	Full Faith & Credit Obligations (S)	Appropriation Credits(1,2)	Conduit Revenue Bonds(2)	Dedicated Niche Tax Obligations(2)	Other(2)	Revenue Bonds(2)
City Of Coos Bay	\$17,400,245	\$13,698,497	\$0	\$0	\$13,698,497	\$3,701,748	\$0	\$0	\$0	\$0	\$0

### Overlapping District

District	Gross Property-tax Backed Debt	Net Property-tax Backed Debt	General Obligation (N) Bonds	General Obligation (S) Bonds	Full Faith & Credit Obligations (N)	Full Faith & Credit Obligations (S)	Appropriation Credits	Conduit Revenue Bonds	Dedicated Niche Tax Obligations	Other	Revenue Bonds
Bay Area Health District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos 4H Extension	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Bay Urban Renewal Agency	\$1,763,262	\$1,763,262	\$0	\$0	\$1,763,262	\$0	\$0	\$0	\$0	\$0	\$485,000
Coos County	\$7,845,000	\$7,845,000	\$7,845,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty Airport	\$1,335,051	\$1,335,051	\$0	\$0	\$1,335,051	\$0	\$0	\$0	\$0	\$0	\$1,171,484
Coos Cty Library District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty SD 9 (Coos Bay)	\$9,938,699	\$9,938,699	\$0	\$0	\$9,938,699	\$0	\$0	\$0	\$0	\$0	\$0
Coos Cty Urban Renewal Area 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HFA Bay Area Health District	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Port Of Coos Bay	\$6,795,505	\$6,795,505	\$0	\$0	\$6,795,505	\$0	\$0	\$0	\$0	\$0	\$122,023
South Coast ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Southwestern Oregon Community College	\$34,204,406	\$21,314,406	\$0	\$0	\$21,314,406	\$12,890,000	\$0	\$0	\$0	\$0	\$0
<b>Totals:</b>	<b>\$61,881,924</b>	<b>\$48,991,924</b>	<b>\$7,845,000</b>	<b>\$0</b>	<b>\$41,146,924</b>	<b>\$12,890,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,778,507</b>

(1) Subject to Appropriation Obligations.

(2) Not included in overlapping debt.



Oregon State Treasury  
 Debt Management Division  
 350 Winter Street NE, Suite 100  
 Salem, OR 97301  
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 DMD@ost.state.or.us

# Overlapping Debt Report

for: City Of Coos Bay  
 As of 6/30/2016

## Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$125,000</b>	12/1/2029	\$89,634.24	\$0.00	\$89,634.24
<b>Series:</b>	J04004		<b>IssueTotals:</b>	<b>\$89,634.24</b>	<b>\$0.00</b>	<b>\$89,634.24</b>
<b>Dated Date:</b>	11/06/03					
<b>Project:</b>	Special Public Works Fund					
<b>Program:</b>	OBDD - SPWF DIRECT					
<b>Interest Rate:</b>						
<b>Interest Basis:</b>						
<b>Bond Type:</b>	Full Faith & Credit Obligations(S)	<b>\$5,645,000</b>	12/1/2016	\$315,000.00	\$0.00	\$315,000.00
<b>Series:</b>	2006		6/1/2017	\$65,046.25	\$0.00	\$65,046.25
<b>Dated Date:</b>	04/26/06		12/1/2017	\$330,000.00	\$0.00	\$330,000.00
<b>Project:</b>	refund water treatment cons. bonds	Bank Qualified <input checked="" type="checkbox"/>	6/1/2018	\$58,033.75	\$0.00	\$58,033.75
<b>Program:</b>	N/A		12/1/2018	\$345,000.00	\$0.00	\$345,000.00
<b>Interest Rate:</b>	4.24%		6/1/2019	\$50,702.50	\$0.00	\$50,702.50
<b>Interest Basis:</b>			12/1/2019	\$360,000.00	\$0.00	\$360,000.00
			6/1/2020	\$43,052.50	\$0.00	\$43,052.50
			12/1/2020	\$375,000.00	\$0.00	\$375,000.00
			6/1/2021	\$35,083.75	\$0.00	\$35,083.75
			12/1/2021	\$390,000.00	\$0.00	\$390,000.00
			6/1/2022	\$26,991.25	\$0.00	\$26,991.25
			12/1/2022	\$410,000.00	\$0.00	\$410,000.00
			6/1/2023	\$18,381.25	\$0.00	\$18,381.25
			12/1/2023	\$425,000.00	\$0.00	\$425,000.00
			6/1/2024	\$9,456.25	\$0.00	\$9,456.25
			12/1/2024	\$445,000.00	\$0.00	\$445,000.00
			<b>IssueTotals:</b>	<b>\$3,701,747.50</b>	<b>\$0.00</b>	<b>\$3,701,747.50</b>



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

# Overlapping Debt Report

for: City Of Coos Bay  
 As of 6/30/2016

## Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$6,900,000</b>	12/1/2016	\$0.00	\$93,475.00	\$93,475.00
<b>Series:</b>	2009		6/1/2017	\$305,000.00	\$93,475.00	\$398,475.00
<b>Dated Date:</b>	04/15/09		12/1/2017	\$0.00	\$87,375.00	\$87,375.00
<b>Project:</b>	Fire Station		6/1/2018	\$315,000.00	\$87,375.00	\$402,375.00
<b>Program:</b>	N/A		12/1/2018	\$0.00	\$81,075.00	\$81,075.00
<b>Interest Rate:</b>	4.09%		6/1/2019	\$330,000.00	\$81,075.00	\$411,075.00
<b>Interest Basis:</b>			12/1/2019	\$0.00	\$74,475.00	\$74,475.00
			6/1/2020	\$340,000.00	\$74,475.00	\$414,475.00
			12/1/2020	\$0.00	\$67,675.00	\$67,675.00
			6/1/2021	\$355,000.00	\$67,675.00	\$422,675.00
			12/1/2021	\$0.00	\$60,575.00	\$60,575.00
			6/1/2022	\$370,000.00	\$60,575.00	\$430,575.00
			12/1/2022	\$0.00	\$53,175.00	\$53,175.00
			6/1/2023	\$385,000.00	\$53,175.00	\$438,175.00
			12/1/2023	\$0.00	\$45,475.00	\$45,475.00
			6/1/2024	\$400,000.00	\$45,475.00	\$445,475.00
			12/1/2024	\$0.00	\$37,375.00	\$37,375.00
			6/1/2025	\$415,000.00	\$37,375.00	\$452,375.00
			12/1/2025	\$0.00	\$28,815.63	\$28,815.63
			6/1/2026	\$435,000.00	\$28,815.63	\$463,815.63
		12/1/2026	\$0.00	\$19,843.75	\$19,843.75	
		6/1/2027	\$450,000.00	\$19,843.75	\$469,843.75	
		12/1/2027	\$0.00	\$10,281.25	\$10,281.25	
		6/1/2028	\$470,000.00	\$10,281.25	\$480,281.25	
<b>Issue Totals:</b>				<b>\$4,570,000.00</b>	<b>\$1,319,231.26</b>	<b>\$5,889,231.26</b>



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# Overlapping Debt Report

## for: City Of Coos Bay

As of 6/30/2016

### Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$5,000,000</b>	12/1/2032	\$4,535,970.91	\$0.00	\$4,535,970.91
<b>Series:</b>	S10009		<b>IssueTotals:</b>	<b>\$4,535,970.91</b>	<b>\$0.00</b>	<b>\$4,535,970.91</b>
<b>Dated Date:</b>	02/19/10					
<b>Project:</b>	Safe Drinking Water Loan Fund - SDW	<input type="checkbox"/>				
<b>Program:</b>	OBDD - SDW					
<b>Interest Rate:</b>		<input type="checkbox"/>				
<b>Interest Basis:</b>						
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$650,000</b>	12/1/2016	\$65,000.00	\$5,070.00	\$70,070.00
<b>Series:</b>	2011		6/1/2017	\$0.00	\$4,056.00	\$4,056.00
<b>Dated Date:</b>	10/31/11	Alter:	12/1/2017	\$65,000.00	\$4,056.00	\$69,056.00
<b>Project:</b>	Land acquisition for wastewater treatment plant	Bank Qualified <input checked="" type="checkbox"/>	6/1/2018	\$0.00	\$3,042.00	\$3,042.00
<b>Program:</b>			12/1/2018	\$65,000.00	\$3,042.00	\$68,042.00
<b>Interest Rate:</b>	3.12%		6/1/2019	\$0.00	\$2,028.00	\$2,028.00
<b>Interest Basis:</b>	Fixed		12/1/2019	\$65,000.00	\$2,028.00	\$67,028.00
			6/1/2020	\$0.00	\$1,014.00	\$1,014.00
			12/1/2020	\$65,000.00	\$1,014.00	\$66,014.00
			<b>IssueTotals:</b>	<b>\$325,000.00</b>	<b>\$25,350.00</b>	<b>\$350,350.00</b>
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$2,525,358</b>	12/1/2034	\$2,525,358.00	\$0.00	\$2,525,358.00
<b>Series:</b>	Y12005		<b>IssueTotals:</b>	<b>\$2,525,358.00</b>	<b>\$0.00</b>	<b>\$2,525,358.00</b>
<b>Dated Date:</b>	04/13/12	Alter:				
<b>Project:</b>	Water/Wastewater Financing Program	Tax <input type="checkbox"/>				
<b>Program:</b>	OBDD - WF DIRECT	T				
<b>Interest Rate:</b>		Coupon				
<b>Interest Basis:</b>						



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# Overlapping Debt Report

for: City Of Coos Bay  
 As of 6/30/2016

## Issue Listing for: City Of Coos Bay

Issue Information		Issued Par Amount	Calendar Year Payments	Principal	Interest	Total
<b>Bond Type:</b>	Full Faith & Credit Obligations(N)	<b>\$1,707,104</b>	12/1/2035	\$1,652,534.00	\$0.00	\$1,652,534.00
<b>Series:</b>	Y14002		<b>IssueTotals:</b>	<b>\$1,652,534.00</b>	<b>\$0.00</b>	<b>\$1,652,534.00</b>
<b>Dated Date:</b>	10/03/13					
<b>Project:</b>	Water/Wastewater Financing Program					
<b>Program:</b>	OBDD - WF DIRECT					
<b>Interest Rate:</b>						
<b>Interest Basis:</b>						
			<b>Final Totals:</b>	<b>\$17,400,244.65</b>	<b>\$1,344,581.26</b>	<b>\$18,744,825.91</b>

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

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

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

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

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

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November 15, 2016

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

We have audited the basic financial statements of the City of Coos Bay, Oregon as of and for the year ended June 30, 2016, and have issued our report thereon dated November 15, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### **Compliance**

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

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


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

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

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

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

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



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

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