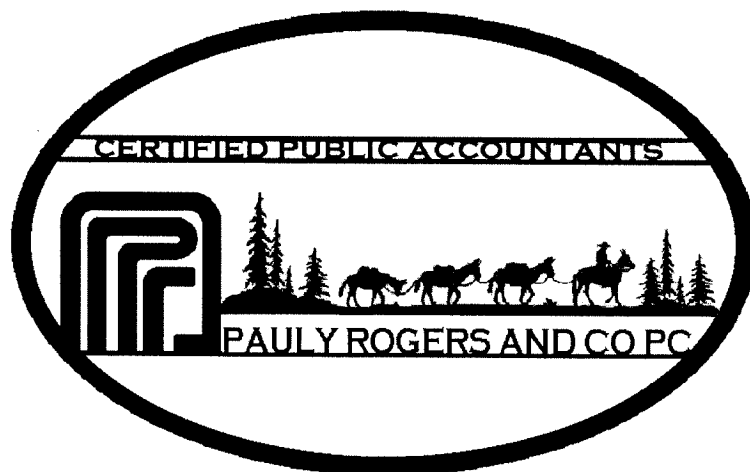


**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2020**



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

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**MODIFIED CASH BASIS FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED JUNE 30, 2020**

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**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**

**2019-2020 COUNCIL MEMBERS AND OFFICERS**

CITY COUNCIL

TERM EXPIRES

Brian Rake - Mayor

December 31, 2020

Scott Carl

December 31, 2020

Carey Rhoads

December 31, 2020

Kathy Rich

December 31, 2022

Linda Watkins

December 31, 2022

Shirley Ward-Mullen

December 31, 2022

Amy Wilder

December 31, 2020

Council members receive mail at the address listed below.

OFFICIALS

Christy Martinez, Finance Director  
191 E. Main St.  
Carlton, Oregon 97111

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**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

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

January 19, 2021

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Carlton  
Yamhill County, Oregon

**Report on the Financial Statements**

We have audited the accompanying modified cash basis basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and cash flows where appropriate of the City of Carlton (the City) as of and for the year ended June 30, 2020, and the related notes to the modified cash basis basic financial statements, which collectively comprise the modified cash basis basic financial statements as listed in the table of contents. The financial statements as of June 30, 2019, were audited by other auditors whose report dated October 7, 2019 issued an unmodified opinion on those statements.

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

Management is responsible for the preparation and fair presentation of these modified cash basis basic financial statements in accordance with the modified cash basis of accounting described in Note 1, this includes determining that the modified cash basis of accounting is an acceptable financial reporting framework, and the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of modified cash basis basic financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the modified cash basis basic 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 basic 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 modified cash basis basic 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 modified cash basis basic 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 and cash flows where appropriate of the City of Carlton as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.



## **Emphasis of Matter**

We draw attention to Note 1 of the basic financial statements, which describes the basis of accounting. The basic financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Supplementary Information*

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

The Supplementary Information is the responsibility of Management and was derived from and relate directly to the underlying accounting and other records used to prepare the modified cash basis basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the modified cash basis 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 modified cash basis basic financial statements or to the modified cash basis basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except as noted below, the Supplementary Information, is fairly stated, in all material respects, in relation to the modified cash basis basic financial statements as a whole.

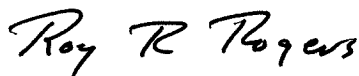
We do not express an opinion or provide any assurance on the schedules of net pension liability and contributions for PERS because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

### *Other Information*

The listing of council 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 modified cash basis 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 January 19, 2021, 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.



ROY R. ROGERS, CPA  
PAULY, ROGERS AND CO., P.C.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
June 30, 2020**

	<u>PRIMARY GOVERNMENT</u>		
	<u>GOVERNMENTAL</u>	<u>BUSINESS TYPE</u>	<u>TOTAL</u>
<b>ASSETS</b>			
Cash and Investments	\$ 4,461,216	\$ 517,962	\$ 4,979,178
Total Assets	<u>4,461,216</u>	<u>517,962</u>	<u>4,979,178</u>
<b>LIABILITIES</b>			
Customer Deposits Payable	<u>-</u>	<u>53,275</u>	<u>53,275</u>
Total Liabilities	<u>-</u>	<u>53,275</u>	<u>53,275</u>
<b>NET POSITION:</b>			
Restricted for:			
Street Maintenance	246,004	-	246,004
Economic Development	293,574	-	293,574
Tourism	18,216	-	18,216
Capital Projects	3,346,067	-	3,346,067
Debt Service	174,646	-	174,646
Unrestricted	<u>382,709</u>	<u>464,687</u>	<u>847,396</u>
Total Net Position	<u>\$ 4,461,216</u>	<u>\$ 464,687</u>	<u>\$ 4,925,903</u>

See accompanying notes to basic financial statements.

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
For the year ended June 30, 2020**

Functions/Programs	Program Cash Receipts				Net Receipts (Disbursements) and Changes in Net Position		
	Cash Disbursements	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities</b>							
General Government	\$ 1,184,970	\$ 150,610	\$ -	\$ -	\$ (1,034,360)	\$ -	\$ (1,034,360)
Public Safety	493,695	8,064	29,497	-	(456,134)	-	(456,134)
Highways and Streets	201,558	-	189,045	74,706	62,193	-	62,193
Culture and Recreation	279,696	32,803	13,293	-	(233,600)	-	(233,600)
Debt Service Payments	555,167	-	-	-	(555,167)	-	(555,167)
<b>Total Governmental Activities</b>	<b>2,715,086</b>	<b>191,477</b>	<b>231,835</b>	<b>74,706</b>	<b>(2,217,068)</b>	<b>-</b>	<b>(2,217,068)</b>
<b>Business-Type Activities</b>							
Water	714,704	1,196,497	-	-	-	481,793	481,793
Sewer	512,372	849,310	-	-	-	336,938	336,938
<b>Total Business Activities</b>	<b>1,227,076</b>	<b>2,045,807</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>818,731</b>	<b>818,731</b>
<b>Total Primary Government</b>	<b>\$ 3,942,162</b>	<b>\$ 2,237,284</b>	<b>\$ 231,835</b>	<b>\$ 74,706</b>	<b>(2,217,068)</b>	<b>818,731</b>	<b>(1,398,337)</b>
			<b>General Receipts</b>				
			Property Taxes		1,098,238	-	1,098,238
			Interest on Delinquent Taxes		13,886	-	13,886
			Grants and Contributions not Restricted for Specific Programs		256,115	-	256,115
			Other Taxes		84,214	-	84,214
			Intergovernmental		35,077	-	35,077
			Interest		55,110	31,194	86,304
			Miscellaneous		125,986	2,471	128,457
			Transfers (net)		931,117	(931,117)	-
			<b>Total General Receipts and Transfers</b>		<b>2,599,743</b>	<b>(897,452)</b>	<b>1,702,291</b>
			Change in Net Position		382,675	(78,721)	303,954
			Prior Period Adjustment		2,005,371	(2,005,371)	-
			Beginning Net Position		2,073,170	2,548,779	4,621,949
			Ending Net Position		<b>\$ 4,461,216</b>	<b>\$ 464,687</b>	<b>\$ 4,925,903</b>

See accompanying notes to basic financial statements

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**BALANCE SHEET - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
June 30, 2020**

	GENERAL FUND	STREET FUND	SYSTEM DEVELOPMENT CHARGES	WATER CAPITAL IMPROVEMENT FUND
<b>ASSETS:</b>				
Cash and Investments	\$ 382,709	\$ 246,004	\$ 2,422,143	\$ 896,021
<b>Total Assets</b>	<u>\$ 382,709</u>	<u>\$ 246,004</u>	<u>\$ 2,422,143</u>	<u>\$ 896,021</u>
<b>Fund Balances:</b>				
Restricted for:				
Street Maintenance	-	246,004	-	-
Tourism	-	-	-	-
Economic Development	-	-	-	-
Debt Service	-	-	-	-
Capital Projects	-	-	2,422,143	896,021
Unassigned	382,709	-	-	-
<b>Total Fund Balances</b>	<u>382,709</u>	<u>246,004</u>	<u>2,422,143</u>	<u>896,021</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 382,709</u>	<u>\$ 246,004</u>	<u>\$ 2,422,143</u>	<u>\$ 896,021</u>

See accompanying notes to basic financial statements.

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

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

**June 30, 2020**

	DEBT SERVICE FUND	NON-MAJOR FUNDS	TOTAL
<b>ASSETS:</b>			
Cash and Investments	\$ 163,855	\$ 350,484	\$ 4,461,216
<b>Total Assets</b>	<b>\$ 163,855</b>	<b>\$ 350,484</b>	<b>\$ 4,461,216</b>
<b>Fund Balances:</b>			
Restricted for:			
Street Maintenance	-	-	246,004
Tourism	-	18,216	18,216
Economic Development	-	293,574	293,574
Debt Service	163,855	10,791	174,646
Capital Projects	-	27,903	3,346,067
Unassigned	-	-	382,709
<b>Total Fund Balances</b>	<b>163,855</b>	<b>350,484</b>	<b>4,461,216</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 163,855</b>	<b>\$ 350,484</b>	<b>\$ 4,461,216</b>

See accompanying notes to basic financial statements.



CITY OF CARLTON  
YAMHILL COUNTY, OREGON

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
For the year ended June 30, 2020**

	GENERAL FUND	STREET FUND	SYSTEM DEVELOPMENT CHARGES	WATER CAPITAL IMPROVEMENT FUND
<b>RECEIPTS:</b>				
Current Property Taxes	\$ 832,703	\$ -	\$ -	\$ -
Prior Property Taxes	22,120	-	-	-
Interest on Delinquent Taxes	9,717	-	-	-
Franchise Fees	130,241	-	-	-
Transient Room Tax	12,923	-	-	-
State Liquor Taxes	36,466	-	-	-
State Cigarette Taxes	2,528	-	-	-
Swim Pool Receipts	28,790	-	-	-
Park Rentals	1,493	-	-	-
Dog Licensing	2,520	-	-	-
Judge Fees	8,064	-	-	-
Municipal Court Fines	27,997	-	-	-
Fees and Permits	41,211	74,707	-	-
State Revenue Sharing	-	35,077	-	-
State Street Allotment	-	160,777	-	-
Grants	2,144	-	-	252,471
National Night Out Grant	1,500	-	-	-
Interest	-	16,637	15,597	16,637
System Development Charges	-	-	142,665	-
Miscellaneous	3,925	1,614	-	-
<b>Total Receipts</b>	<b>1,164,342</b>	<b>288,812</b>	<b>158,262</b>	<b>269,108</b>
<b>DISBURSEMENTS:</b>				
Personnel Services	656,031	24,221	-	-
Materials and Services	384,022	84,907	7,517	-
Capital Outlay	60,820	12,701	27,702	812,339
Debt Service	-	-	-	-
<b>Total Disbursements</b>	<b>1,100,873</b>	<b>121,829</b>	<b>35,219</b>	<b>812,339</b>
Excess of Receipts Over, (Under) Disbursements	63,469	166,983	123,043	(543,231)
<b>Other Financing Sources, (Uses)</b>				
Operating Transfers In	3,515	-	-	830,000
Operating Transfers Out	(226,063)	(53,515)	(50,000)	-
<b>Total Other Financing Sources, (Uses)</b>	<b>(222,548)</b>	<b>(53,515)</b>	<b>(50,000)</b>	<b>830,000</b>
Net Change in Fund Balances	(159,079)	113,468	73,043	286,769
Beginning Fund Balance	541,788	132,536	2,349,100	609,252
Ending Fund Balance	<u>\$ 382,709</u>	<u>\$ 246,004</u>	<u>\$ 2,422,143</u>	<u>\$ 896,021</u>

See accompanying notes to basic financial statements

CITY OF CARLTON  
YAMHILL COUNTY, OREGON

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
For the year ended June 30, 2020**

	DEBT SERVICE FUND	NON-MAJOR FUNDS	TOTAL
<b>RECEIPTS:</b>			
Current Property Taxes	\$ -	\$ 238,730	\$ 1,071,433
Prior Property Taxes	-	4,685	26,805
Interest on Delinquent Taxes	-	4,169	13,886
Franchise Fees	-	-	130,241
Transient Room Tax	-	32,297	45,220
State Liquor Taxes	-	-	36,466
State Cigarette Taxes	-	-	2,528
Swim Pool Receipts	-	-	28,790
Park Rentals	-	-	1,493
Dog Licensing	-	-	2,520
Judge Fees	-	-	8,064
Municipal Court Fines	-	-	27,997
Fees and Permits	-	-	115,918
State Revenue Sharing	-	-	35,077
State Street Allotment	-	-	160,777
Grants	-	-	254,615
National Night Out Grant	-	-	1,500
Interest	-	6,239	55,110
System Development Charges	-	-	142,665
Miscellaneous	-	-	5,539
<b>Total Receipts</b>	<b>-</b>	<b>286,120</b>	<b>2,166,644</b>
<b>DISBURSEMENTS:</b>			
Personnel Services	-	-	680,252
Materials and Services	-	36,494	512,940
Capital Outlay	-	53,165	966,727
Debt Service	427,179	127,988	555,167
<b>Total Disbursements</b>	<b>427,179</b>	<b>217,647</b>	<b>2,715,086</b>
Excess of Receipts Over, (Under) Disbursements	(427,179)	68,473	(548,442)
<b>Other Financing Sources, (Uses)</b>			
Operating Transfers In	427,180	-	1,260,695
Operating Transfers Out	-	-	(329,578)
<b>Total Other Financing Sources, (Uses)</b>	<b>427,180</b>	<b>-</b>	<b>931,117</b>
Net Change in Fund Balances	1	68,473	382,675
Beginning Fund Balance	163,854	282,011	4,078,541
Ending Fund Balance	<u>\$ 163,855</u>	<u>\$ 350,484</u>	<u>\$ 4,461,216</u>

See accompanying notes to basic financial statements

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
June 30, 2020**

	WATER FUND	SEWER FUND	TOTAL
<b>ASSETS:</b>			
Cash and Investments	\$ 288,974	\$ 228,988	\$ 517,962
Taxes Receivable	-	-	-
Total Assets	<u>288,974</u>	<u>228,988</u>	<u>517,962</u>
<b>LIABILITIES</b>			
Customer deposits payable:	53,275	-	53,275
Total Liabilities	<u>53,275</u>	<u>-</u>	<u>53,275</u>
Net Position			
Unrestricted	<u>235,699</u>	<u>228,988</u>	<u>464,687</u>
Total Net Position	<u>235,699</u>	<u>228,988</u>	<u>464,687</u>
Total Liabilities and Net Position	<u>\$ 288,974</u>	<u>\$ 228,988</u>	<u>\$ 517,962</u>

See accompanying notes to basic financial statements.

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS AND  
CHANGES NET POSITION - MODIFIED CASH BASIS  
PROPRIETARY FUNDS  
For the year ended June 30, 2020**

	WATER FUND	SEWER FUND	TOTAL
<b>OPERATING RECEIPTS</b>			
Charges for Services	\$ 1,188,172	\$ 847,710	\$ 2,035,882
Hookup Fees	5,200	1,600	6,800
Backflow Inspections	3,125	-	3,125
Total Receipts	<u>1,196,497</u>	<u>849,310</u>	<u>2,045,807</u>
<b>OPERATING DISBURSEMENTS</b>			
Personal Services	402,577	263,378	665,955
Materials and Services	263,206	248,994	512,200
Capital Outlay	48,921	-	48,921
Total Operating Disbursements	<u>714,704</u>	<u>512,372</u>	<u>1,227,076</u>
Operating Income (Loss)	481,793	336,938	818,731
<b>NONOPERATING RECEIPTS (DISBURSEMENTS)</b>			
Interest	15,597	15,597	31,194
Miscellaneous	2,471	-	2,471
Total Nonoperating Receipts (Disbursements)	<u>18,068</u>	<u>15,597</u>	<u>33,665</u>
Income (Loss) Before Contributions and Transfers	499,861	352,535	852,396
<b>Other Financing Sources (Uses)</b>			
Transfer Out	<u>(726,604)</u>	<u>(204,513)</u>	<u>(931,117)</u>
Change in Modified Cash Basis Net Position	(226,743)	148,022	(78,721)
Beginning Net Position	<u>462,442</u>	<u>80,966</u>	<u>543,408</u>
Ending Net Position	<u>\$ 235,699</u>	<u>\$ 228,988</u>	<u>\$ 464,687</u>

See accompanying notes to basic financial statements

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**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. ORGANIZATION AND THE FINANCIAL REPORTING ENTITY**

The City of Carlton (the City) is a municipal corporation organized under ORS 221 of the State of Oregon and uses a council form of government. The City was incorporated in 1899, and its current charter was adopted in 2006. The City Council, composed of an elected Mayor and the elected council members, forms the legislative branch of the City's government and, along with an appointed City Manager, manages the operations. Police protection, water and sewer services, street maintenance, parks, land use planning and building inspection services are provided for all its citizens.

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

The City Council serves as the governing board of the Carlton Urban Renewal Agency. Therefore, the accounts of the Agency are included in the financial statements of the City.

Complete financial statements for the Carlton Urban Renewal Agency may be obtained from the City Recorder.

**B. BASIS OF PRESENTATION – FUND ACCOUNTING**

Funds are used to report the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The following major governmental funds are reported:

General Fund - This fund accounts for all receipts and disbursements, except those required to be accounted for in another fund. The principal receipt sources are property taxes, franchise fees, fines and state-shared receipts. Disbursements are made primarily to finance current operations, the library and for public safety.

Street Fund – This fund accounts for receipts from gas tax apportionments received from the State of Oregon and disbursements for maintenance of public streets.

System Development Charges Fund – This fund accounts for financial resources from system development charges that can only be used to expand or improve the system for which the charges were made.

Water Capital Improvement Fund – This fund accounts for capital outlay disbursements related to various governmental and business-type projects for the City. The principal receipt sources are transfers in from other funds.

Debt Service Fund – This fund accounts for receipts from proceeds on debt obligations, and disbursements related to principal and interest on notes payable for various governmental and business-type activities.



**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

---

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION – FUND ACCOUNTING (CONTINUED)

NONMAJOR GOVERNMENTAL FUNDS

These funds account for receipts derived from specifically designated sources which are legally restricted to finance particular functions or activities that the City Council desires to account for separately. The funds included within this category are:

- Special Revenue Funds
- Debt Service Fund
- Capital Projects Fund

ENTERPRISE FUNDS

These funds account for the acquisition, operation and maintenance of facilities and services, which are entirely or predominantly self-supporting through service charges to customers. The following funds are included in this category:

- Water Fund
- Sewer Fund

C. BASIS OF ACCOUNTING

The City follows the modified cash basis of accounting. Under the modified cash basis of accounting, receipts are recognized when collected rather than when measurable and available, and disbursements are recognized when paid rather than when incurred. Fund operating statements present increases (receipts and other financing sources) and decreases (disbursements and other financing uses) in cash. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

This basis of accounting is specifically allowed under Oregon State Law, and the City considers the use of this basis to be an appropriate reflection of the City's financial status and results of operations. Accounting principles generally accepted in the United States of America would require that all funds considered to be governmental funds be accounted for on the modified accrual basis of accounting and proprietary funds under the accrual method. Under these bases receipts are recorded when measurable and available, and disbursements are recorded when incurred, with certain modifications. The principal modifications from the cash basis are the recording of liabilities for cash or cash equivalents held on behalf of others, or received in advance of being earned or meeting eligibility requirements.

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

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information on the City under the modified cash basis of accounting. Under this modification capital assets and related depreciation, long term debt and pension liabilities are not reported. 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 receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct disbursements of a given function or segment is offset by program receipts. Direct disbursements are those that are clearly identifiable with a specific function or segment. Program receipts include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment 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 receipts are reported instead as general receipts.

E. BUDGETS

A budget is prepared for each fund type in accordance with the modified cash basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The budget process begins 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 disbursements 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.

The General Fund is budgeted by organizational unit. The disbursement budgets for the other remaining funds are appropriated at the following levels:

<u>LEVEL OF CONTROL</u>	
Personnel Services	Contingencies
Materials and Services	Debt Service
Capital Outlay	Transfers

Disbursements cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption and are appropriated by Council resolution. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. The Council may make appropriation transfers by resolution as long as total appropriations by fund are not increased. 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 financial statements reflect the original budget amounts and one appropriation transfer resolution. Disbursements in the various funds were within authorized appropriations for the year ended June 30, 2020, except for Water Fund – Transfers Out, which was overexpended by \$2,624.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. PROPERTY TAXES

*Ad valorem* property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. As the basic financial statements are presented on the modified cash basis, uncollected property taxes are shown in the combined balance sheet with the offset to unavailable property tax revenue. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens.

G. CAPITAL ASSETS

Capital asset records are not maintained. Accordingly, the modified cash basis basic financial statements do not include capital assets and the related depreciation in the proprietary and government-wide financial statements. The amount of capital assets and related depreciation are not known. Acquisitions of capital assets are recorded as disbursements in the various funds when purchased. Receipts from the sale of capital assets are accounted for as receipts in the fund that purchased the asset. Maintenance and repairs are charged to disbursement accounts when paid.

H. CUSTOMER DEPOSITS

Deposits are funds held as collateral by the City for business-type activities.

I. LONG-TERM OBLIGATIONS

Long-term debt associated with capital assets is not reported in the modified cash basis basic financial statements because they are presented on the modified cash basis of accounting. The Debt Service Fund makes payments for general obligation debt. All other long-term debt is paid by the Water and Sewer Funds. All debt principal and interest is budgeted in the Debt Service, Water and Sewer Funds.

J. 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.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FUND BALANCE

GASB statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, is followed. 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 are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- 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.
- 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.
- 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.

There were no nonspendable, committed, or assigned fund balances at year end.

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

L. VESTED COMPENSATED ABSENCES

- Vacation Leave – The City has a policy which permits employees to earn vacation leave at a rate determined by length of employment. Any amounts not used or forfeited will be paid upon the employee’s termination of employment.
- Sick Leave – The City has a policy which permits full-time employees to earn sick leave at the rate of 10 days per year over their working careers. The City does not compensate employees for unused sick leave upon termination of employment unless otherwise specified by terms of a contract.

Compensated absences are not recorded due to the modified cash basis of accounting being used.

M. CONTRIBUTED CAPITAL

Grants and other contributions are recorded when received but contributed capital is not recorded.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. NET POSITION

Net position comprises the various net earnings from operations, nonoperating receipts and disbursements. Net position are classified in the following three categories:

- Net Investment 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. Since capital assets are not shown in the statement of financial position there is no investment in capital assets recorded.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

O. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for disbursements initially made from it that are properly applicable to another fund are recorded as disbursements in the reimbursing fund and as reductions of disbursements in the fund that is reimbursed. Operating interfund transactions are reported as transfers. Quasi-external transactions are accounted for as receipts or disbursements as paid or received.

2. CASH AND INVESTMENTS

The cash management policies are governed by state statutes. Statutes authorize investing in bankers acceptances, commercial paper, 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.

Cash and Investments (recorded at cost) at June 30, 2020 consist of:

Deposits with Financial Institutions:	
Demand Deposits	\$ 140,533
Investments	4,838,645
	<u>\$ 4,979,178</u>

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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

**DEPOSITS**

Deposits with financial institutions are comprised of bank demand deposits. The total bank balance per the bank statements is \$253,924, of which \$250,000 is covered by federal depository insurance and the remaining amount is collateralized by the Oregon Public Funds Collateralization Program (PFCP).

**Credit Risk – Deposits**

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 policy for custodial credit risk. As of June 30, 2020, none of the bank balance was exposed to custodial credit risk because it was insured or collateralized.

**INVESTMENTS**

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's compliance with all portfolio guidelines can be found in their annual report when issued. 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. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

The investments at June 30, 2020 consisted of the following:

Investment Type	Maturities (in months)			
	Fair Value	Less than 3	3-18	18-59
State Treasurer's Local Government Investment Pool	\$ 4,838,645	\$ 4,838,645	\$ -	\$ -
Total	\$ 4,838,645	\$ 4,838,645	\$ -	\$ -

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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

**INVESTMENTS (CONTINUED)**

**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 date greater than 3 months.

**Credit Risk - Investments**

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

**Concentration of Credit Risk**

At June 30, 2020, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in State Treasurer's Investment Pool.

**3. DEFINED BENEFIT PENSION 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:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
  - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.  
A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

- 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 one 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 disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
  - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:  
*Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.  
*General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.  
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
  - ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
  - 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.



**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**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, 2017 actuarial valuation, which became effective July 1, 2019. 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, 2020 were \$79,698, excluding amounts to fund employer specific liabilities.

**Pension Asset or Liability**

Since the City’s financial statements are reported on the cash basis, no amounts are reported on the statement of net position for pension related assets, deferred outflows, liabilities or deferred inflows. Had the City’s financial statements been reported in accordance with GAAP, it would have reported a net pension liability of \$903,578 at June 30, 2020 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the City’s proportion was .005 percent and .004 percent, respectively. Pension expense for the year ended June 30, 2020 would be \$109,824 if the accrual basis of accounting was used.

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 15.24%
- (2) OPSRP Employer Contribution – 10.94%
- (3) OPSRP Police and Fire – 15.57%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 49,830	\$ -
Changes in assumptions	122,581	-
Net difference between projected and actual earnings on pension plan investments	-	25,616
Net changes in proportionate share	124,799	15,368
Differences between City contributions and proportionate share of contributions	-	85,741
Subtotal - Amortized Deferrals (below)	<u>297,210</u>	<u>126,725</u>
City contributions subsequent to measuring date	79,698	-
Deferred outflow (inflow) of resources	<u>\$ 376,908</u>	<u>\$ 126,725</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

Subtotal amounts related to pension as deferred outflows of resources, \$297,210, and deferred inflows of resources, (\$126,725), net to \$170,485 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2021	\$ 100,485
2022	14,078
2023	35,812
2024	19,656
2025	454
Thereafter	-
Total	\$ 170,485

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

**Actuarial Valuations** – The employer contribution rates effective July 1, 2019 through June 30, 2021, 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 CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Methods and Assumptions:**

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service
Mortality	Healthy retirees and beneficiaries:  RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

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 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

**Assumed Asset Allocation:**

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

*(Source: June 30, 2019 PERS CAFR; p. 100)*

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		2.50%

*(Source: June 30, 2019 PERS CAFR; p. 74)*

**Discount Rate** – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, 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 7.20 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 (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	\$ 1,447,001	\$ 903,578	\$ 448,809

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**3. DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Changes Subsequent to the Measurement Date**

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

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**OPSRP Individual Account Program (OPSRP IAP)**

*Plan Description:*

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

*Pension Benefits:*

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

*Death Benefits:*

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

*Contributions:*

Employees of the City pay six (6) percent of their covered payroll. The City did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

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

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

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**4. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)**

**Plan Description:**

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

**Funding Policy:**

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

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA for the year ended June 30, 2020 were not considered material to the basic financial statements by management.

At June 30, 2020, the City's net OPEB liability/(asset) and deferred inflows and outflows were not considered material to the basic financial statements by management and were not accrued in the government wide statements due to the City's use of the modified cash basis of accounting.

**5. PROPERTY TAX LIMITATIONS**

The voters of the State of Oregon passed a constitutional limit on property taxes for City and non-City government operations. The limitation provides that property taxes for non-City operations are limited to \$10 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.

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON  
NOTES TO BASIC FINANCIAL STATEMENTS**

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**5. PROPERTY TAX LIMITATIONS (CONTINUED)**

Also, the state voters passed a second limit on property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit. This second limit has reduced the amount of operating property tax receipts available to the City for its 1999-00 fiscal year and thereafter. This reduction was accomplished by rolling assessed property values back to their 1995-96 values, less 10% and limiting future assessment 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.

**6. INTERFUND TRANSFERS**

Transfers are made to finance operations between funds.

Amounts are comprised of the following:

	<u>Transfer Out</u>	<u>Transfer In</u>
General	\$ 226,063	\$ 3,515
Street	53,515	-
SDCs	50,000	-
Non Major Funds	-	-
Capital Improvement	-	830,000
Debt Service	-	427,180
Water Fund	726,604	-
Sewer Fund	204,513	-
	<u>\$ 1,260,695</u>	<u>\$ 1,260,695</u>

**7. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of City/County Insurance Services (CCIS), a public entity risk pool operating as a common risk management and insurance program for participating Oregon cities and counties. An annual premium is paid to CCIS for its general insurance coverage and for its workers compensation insurance coverage. The agreement with CCIS provides that CCIS will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. Settled claims have not exceeded this commercial coverage for any of the past three years.

Commercial coverage is purchased for employee health and accident insurance and for errors and omissions insurance.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG-TERM OBLIGATIONS**

The following changes occurred in the liabilities reported during the year ended June 30, 2020:

Name	Original Issue	Outstanding July 1, 2019	Issued	Matured and Redeemed	Outstanding June 30, 2020	Due Within One Year
<b>Governmental Activities</b>						
General Obligation bonds						
GO Bonds, Series 2015	\$ 975,000	\$ 875,000	\$ -	\$ (30,000)	\$ 845,000	\$ 30,000
Direct Borrowings & Direct Placements						
Promissory note, Citizen's Bank	227,140	158,295	-	(22,123)	136,172	23,519
<b>Business-type Activities</b>						
Revenue Bonds						
Water Revenue Bonds 2007, original	1,000,000	510,000	-	(55,000)	455,000	55,000
Direct Borrowings & Direct Placements						
Safe Drinking Water Revolving Loan - S99099	2,238,625	1,052,511	-	(76,217)	976,294	76,980
Water/Wastewater Financing Program Loan	1,540,000	1,281,215	-	(59,536)	1,221,678	62,507
Safe Drinking Water Revolving Loan - S15008	2,555,500	2,555,500	-	-	2,555,500	104,029
Wastewater Facilities Loan V17002	40,000	40,000	-	(5,652)	34,348	5,556
Water Meter Capital Lease	139,112	96,205	-	(20,713)	75,491	21,644
Total Long Term Liabilities		<u>\$ 6,568,726</u>	<u>\$ -</u>	<u>\$ (269,241)</u>	<u>\$ 6,299,484</u>	<u>\$ 379,235</u>

GO Bonds, Series 2015 (swimming pool) – The City borrowed \$975,000 to finance the swimming pool project. Annual payments of \$56,037 include interest at 3.77 percent.

Promissory note, Citizen’s Bank – The City borrowed \$230,000 to finance City projects. Annual payments of \$24,175 include interest at 5.95 percent.

Water revenue bonds, series 2007 – the City issued bonds of \$1,000,000 to finance the remaining costs associated with the improvements to the water system. Interest on the outstanding bonds vary from 4.75 to 4.9 percent. Covenants of the bonds require the City to maintain a set ratio of reserved funds to annual debt service payments. As of June 30, 2020, the City was in compliance with these covenants.

Safe drinking water revolving loan (S99099) – the City borrowed \$2,238,625 to finance its water system improvements. Annual payments of \$86,742 include interest at 1 percent. The loan contains a provision that in an event of default, the outstanding amounts are due immediately. The loan contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that an event of default has occurred. Covenants of the loan require the City to maintain a set ratio of net revenue to debt service. As of June 30, 2020, the City was in compliance with these covenants.

Water/wastewater financing program loan (Y09002) – the City borrowed \$1,540,000 to finance the city’s wastewater improvements project. Annual payments of \$123,468 include interest at 4.99 percent. The loan contains (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due if pledged revenues during the year are less than 120 percent of debt service coverage due in the following year and (2) a provision that if the City is unable to make payment, outstanding amounts are due immediately. The loan contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal amount to become immediately due if the lender determines that an event of default has occurred.



**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

**8. LONG-TERM OBLIGATIONS (CONTINUED)**

Safe drinking water revolving loan (S15008) – the City borrowed \$2,555,500 to finance water system improvements. Annual payments of \$157,950 include interest at 2.11 percent. The loan contains a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

Water/Wastewater financing program loan (V17002) – The City borrowed \$40,000 to finance the City’s wastewater facilities plan. Annual payments of \$6,043 include interest at 1.42 percent. The loan contains a provision that in an event of default, IFA may pursue remedy for the remaining payments including declaring all payments immediately due and payable and/or requiring repayment of the grant amount of \$20,000 and any interest earned on the grant funds. Covenants of the loan require the City to maintain a set ratio of net revenue to debt service. As of June 30, 2020, the City was in compliance with these covenants.

Capital lease, Government Capital Corporation – The City entered into a capital lease in the amount of \$139,112 for the purchase of water meters and related equipment which serves as collateral for the loan. Annual payments of \$25,806 include interest at 4.495 percent. As of June 30, 2020, \$122,011 of the leased assets had been acquired. The lease contains a provision that in an event of default, outstanding amounts become immediately due of the City is unable to make payment.

Future maturities of governmental activities long-term debt obligations:

Year ending June 30,	Bonds		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	30,000	31,857	23,519	7,544	53,519	39,401
2022	35,000	30,726	24,978	6,085	59,978	36,811
2023	35,000	29,406	26,527	4,806	61,527	34,212
2024	40,000	28,087	28,165	2,897	68,165	30,984
2025	45,000	26,579	29,919	1,144	74,919	27,723
2026-2030	275,000	105,560	3,064	13	278,064	105,573
2031-2035	385,000	45,994	-	-	385,000	45,994
Total	<u>\$ 845,000</u>	<u>\$ 298,209</u>	<u>\$ 136,172</u>	<u>\$ 22,489</u>	<u>\$ 981,172</u>	<u>\$ 320,698</u>

Future maturities of business-type activities long-term debt obligations:

Year ending June 30,	Bonds		Notes Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	55,000	22,123	270,716	129,296	325,716	151,419
2022	60,000	19,510	277,851	122,160	337,851	141,670
2023	60,000	16,660	285,242	114,770	345,242	131,430
2024	65,000	13,720	275,796	107,114	340,796	120,834
2025	70,000	10,535	275,023	99,182	345,023	109,717
2026-2030	145,000	10,780	1,461,261	388,096	1,606,261	398,876
2031-2035	-	-	1,275,985	179,282	1,275,985	179,282
2036-2039	-	-	742,120	44,366	742,120	44,366
Total	<u>\$ 455,000</u>	<u>\$ 93,328</u>	<u>\$ 4,863,994</u>	<u>\$ 1,184,266</u>	<u>\$ 5,318,994</u>	<u>\$ 1,277,594</u>

None of these obligations are recorded in the basic financial statements because the modified cash basis of accounting is used.

**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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**9. TAX ABATEMENTS**

As of June 30, 2020, the City of Carlton potentially had tax abatements through various state allowed programs that impacted levied taxes. Based on the information available from the county as of the date of issuance of these basic financial statements, there were no material abatements disclosed by the county for the year ended June 30, 2020 for any program covered under GASB 77.

**10. NET POSITION RESTRICTED THROUGH ENABLING LEGISLATION**

Net position which is restricted through enabling legislation is as follows:

<u>Governmental Activities - Capital Projects</u>	
System Development Charges (SDC) are restricted for purposes as specified in the implementing ordinances	\$ 567,809
<u>Governmental Activities - Tourism</u>	
City transient lodging tax is restricted for tourism as specified in the implementing ordinances	\$ 18,216
<u>Business-Type activities - Capital Projects</u>	
System development charges (SDC) are restricted for purposes as specified in the implementing ordinances	\$2,750,355

**11. COMMITMENTS AND CONTINGENCIES**

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the City expects the economic activity to negatively impact fund received.

**12. PRIOR PERIOD ADJUSTMENT**

For the year ended June 30, 2020, the City made a prior period adjustment of \$2,005,371. Of this amount, \$1,232,265 was to remove an internal balance between governmental and business-type activities, and \$773,106 was to recategorize the Debt Service and Capital Improvement funds as governmental funds as their receipts do not relate to charges for services. As these adjustments only relate to internal activities, they have no effect on total net position of the City.

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**CITY OF CARLTON**  
**YAMHILL COUNTY, OREGON**

**SUPPLEMENTARY INFORMATION**

Combining, Individual Fund, Account Group  
and Other Financial Schedules

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CITY OF CARLTON  
YAMHILL COUNTY, OREGON

SUPPLEMENTARY INFORMATION  
At June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.005 %	\$ 903,578	\$ 818,344	110.4 %	80.2 %
2019	0.005	756,406	693,412	109.1	82.1
2018	0.004	506,918	660,148	76.8	83.1
2017	0.004	628,225	628,598	99.9	80.5
2016	0.003	156,596	495,086	31.6	91.9
2015	0.002	89,380	462,556	19.3	103.6

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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

SCHEDULE OF CONTRIBUTIONS

Year	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
2020	\$ 79,698	\$ 79,698	\$ -	\$ 842,143	9.5 %
2019	32,172	32,172	-	818,344	3.9
2018	37,769	37,769	-	693,412	5.4
2017	12,464	12,464	-	660,148	1.9
2016	14,460	14,460	-	628,598	2.3
2015	144	144	-	495,086	0.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
RECEIPTS:				
Current Levy	\$ 800,000	\$ 800,000	\$ 832,703	\$ 32,703
Prior Years' Levies	30,000	30,000	22,120	(7,880)
Interest - Delinquent Fees	8,400	8,400	9,717	1,317
Franchise Fees	126,200	126,200	130,241	4,041
Business License Fees	6,000	6,000	9,084	3,084
Building Permits	15,000	15,000	7,050	(7,950)
State Liquor Fees	38,000	38,000	36,466	(1,534)
Cigarette Tax	2,500	2,500	2,528	28
City Liquor License Fees	3,800	3,800	4,235	435
Swim Pool Receipts	38,000	38,000	28,790	(9,210)
Park Rentals	1,800	1,800	1,493	(307)
Dog Licensing	2,800	2,800	2,520	(280)
Miscellaneous	10,000	37,500	3,925	(33,575)
Printing Fees	400	400	857	457
Judge Fees	10,000	10,000	8,064	(1,936)
Fines and Forfeitures	20,000	20,000	27,997	7,997
Planning Fees	15,000	15,000	19,985	4,985
National Night Out Grant	2,500	2,500	1,500	(1,000)
Grants	15,000	15,000	2,144	(12,856)
Sale of Assets	410,000	410,000	-	(410,000)
Transient Room Tax	10,500	10,500	12,923	2,423
	<u>\$ 1,565,900</u>	<u>\$ 1,593,400</u>	<u>\$ 1,164,342</u>	<u>\$ (429,058)</u>

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
<b>DISBURSEMENTS:</b>				
<b>Administration</b>				
Personal Services	\$ 60,800	\$ 60,800	\$ 55,971	\$ 4,829
Materials and Services	69,450	89,450	45,369	44,081
Capital Outlay	4,000	4,000	-	4,000
<b>Total Administration</b>	<u>134,250</u>	<u>154,250</u> (1)	<u>101,340</u>	<u>52,910</u>
<b>Finance</b>				
Personal Services	72,075	72,075	70,559	1,516
Materials and Services	102,890	102,890	92,514	10,376
Capital Outlay	4,900	4,900	-	4,900
Contingency	224,565	224,565	-	224,565
<b>Total Finance</b>	<u>404,430</u>	<u>404,430</u> (1)	<u>163,073</u>	<u>241,357</u>
<b>Planning</b>				
Personnel Services	24,800	24,800	24,352	448
Materials and Services	87,300	87,300	80,911	6,389
<b>Total Planning</b>	<u>112,100</u>	<u>112,100</u> (1)	<u>105,263</u>	<u>6,837</u>
<b>Police</b>				
Personnel Services	355,080	355,080	344,132	10,948
Materials and Services	116,847	124,347	107,838	16,509
Capital Outlay	8,000	8,000	7,903	97
<b>Total Police</b>	<u>479,927</u>	<u>487,427</u> (1)	<u>459,873</u>	<u>27,554</u>

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

	<u>GENERAL FUND</u>			VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
DISBURSEMENTS (CONTINUED):				
Municipal Court:				
Personnel Services	\$ 31,000	\$ 31,000	\$ 24,576	\$ 6,424
Materials and Services	12,000	12,000	8,246	3,754
Capital Outlay	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total Municipal Court	<u>44,000</u>	<u>44,000</u> (1)	<u>33,822</u>	<u>10,178</u>
Parks				
Personal Services	72,400	72,400	70,910	1,490
Materials and Services	29,450	29,450	25,946	3,504
Capital Outlay	<u>49,400</u>	<u>49,400</u>	<u>37,934</u>	<u>11,466</u>
Total Parks	<u>151,250</u>	<u>151,250</u> (1)	<u>134,790</u>	<u>16,460</u>
Pool				
Personal Services	78,650	78,650	65,531	13,119
Materials and Services	33,600	33,600	23,198	10,402
Capital Outlay	<u>25,900</u>	<u>25,900</u>	<u>13,983</u>	<u>11,917</u>
Total Pool	<u>138,150</u>	<u>138,150</u> (1)	<u>102,712</u>	<u>35,438</u>
Total Disbursements	<u>1,464,107</u>	<u>1,491,607</u>	<u>1,100,873</u>	<u>390,734</u>
Excess of Receipts Over (Under) Disbursements	101,793	101,793	63,469	(38,324)
Other Financing Sources, (Uses)				
Operating Transfers In	3,515	3,515	3,515	-
Operating Transfers Out	<u>(586,063)</u>	<u>(586,063)</u> (1)	<u>(226,063)</u>	<u>360,000</u>
Total Other Financing Sources, (Uses)	<u>(582,548)</u>	<u>(582,548)</u>	<u>(222,548)</u>	<u>360,000</u>
Net Change in Fund Balance	(480,755)	(480,755)	(159,079)	321,676
Beginning Fund Balance	<u>480,755</u>	<u>480,755</u>	<u>541,788</u>	<u>61,033</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 382,709</u>	<u>\$ 382,709</u>

(1) Appropriation Level

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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

	<u>STREET FUND</u>			VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
<b>RECEIPTS:</b>				
Interest	\$ 10,000	\$ 10,000	\$ 16,637	\$ 6,637
Gasoline Tax	150,000	150,000	160,777	10,777
State Revenue Sharing	30,000	30,000	35,077	5,077
Type A, B & ROW Permits	5,000	5,000	74,707	69,707
Miscellaneous	100	100	1,614	1,514
<b>Total Receipts</b>	<u>195,100</u>	<u>195,100</u>	<u>288,812</u>	<u>93,712</u>
<b>DISBURSEMENTS:</b>				
Personnel Services	30,250	30,250	24,221	6,029
Materials and Services	85,800	85,800	84,907	893
Capital Outlay	21,900	21,900	12,701	9,199
Contingency	107,569	107,569	-	107,569
<b>Total Disbursements</b>	<u>245,519</u>	<u>245,519</u> (1)	<u>121,829</u>	<u>123,690</u>
<b>Excess of Receipts Over (Under) Disbursements</b>	(50,419)	(50,419)	166,983	217,402
<b>Other Financing Sources (Uses)</b>				
Operating Transfers Out	(53,515)	(53,515) (1)	(53,515)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(53,515)</u>	<u>(53,515)</u>	<u>(53,515)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(103,934)	(103,934)	113,468	217,402
<b>Beginning Fund Balance</b>	<u>103,934</u>	<u>103,934</u>	<u>132,536</u>	<u>28,602</u>
<b>Ending Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,004</u>	<u>\$ 246,004</u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

SYSTEM DEVELOPMENT CHARGES - CAPITAL PROJECTS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
<b>RECEIPTS:</b>				
System Development Charges	\$ 177,315	\$ 177,315	\$ 142,665	\$ (34,650)
Interest	10,000	10,000	15,597	5,597
Total Receipts	<u>187,315</u>	<u>187,315</u>	<u>158,262</u>	<u>(29,053)</u>
<b>DISBURSEMENTS:</b>				
Water				
Materials and Services	25,000	25,000	3,492	21,508
Capital Outlay	314,062	314,062		314,062
Sewer System Development Charges				
Materials and Services	25,000	25,000	4,025	20,975
Capital Outlay	981,943	981,943	24,615	957,328
Transportation System Development Charges				
Materials and Services	20,000	20,000	-	20,000
Capital Outlay	329,158	329,158	3,087	326,071
Parks				
Materials and Services	-	-	-	-
Capital Outlay	84,900	84,900	-	84,900
Stormwater				
Materials and Services	15,000	15,000	-	15,000
Capital Outlay	235,081	235,081	-	235,081
Total Disbursements	<u>2,030,144</u>	<u>2,030,144</u>	<u>(1) 35,219</u>	<u>1,994,925</u>
Excess of Receipts Over (Under) Disbursements	(1,842,829)	(1,842,829)	123,043	1,965,872
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(50,000)	(50,000)	(1) (50,000)	-
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	(1,892,829)	(1,892,829)	73,043	1,965,872
Beginning Fund Balance	<u>1,892,829</u>	<u>1,892,829</u>	<u>2,349,100</u>	<u>456,271</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,422,143</u>	<u>\$ 2,422,143</u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

WATER CAPITAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
<b>RECEIPTS:</b>				
Grants	\$ 4,990,000	\$ 4,990,000	\$ 252,471	\$ (4,737,529)
Intergovernmental	73,731	73,731	-	(73,731)
Interest	10,000	10,000	16,637	6,637
Total Receipts	5,073,731	5,073,731	269,108	(4,804,623)
<b>DISBURSEMENTS:</b>				
Capital Outlay:				
Facilities/Special Projects	620,000	620,000	388,015	231,985
Parks Projects	50,000	50,000	9,377	40,623
Transportation projects	170,000	170,000	19,800	150,200
Water projects	5,010,000	5,010,000	395,147	4,614,853
Contingency	556,313	556,313	-	556,313
Total Expenditures	6,406,313	6,406,313 (1)	812,339	5,593,974
Excess of Receipts Over (Under) Disbursements	(1,332,582)	(1,332,582)	(543,231)	789,351
<b>Other Financing Sources (Uses)</b>				
Loan Receipts				
Transfers In	1,005,000	1,005,000	830,000	(175,000)
Total Other Financing Sources (Uses)	1,005,000	1,005,000	830,000	(175,000)
Net Change in Fund Balance	(327,582)	(327,582)	286,769	614,351
Beginning Fund Balance	327,582	327,582	609,252	281,670
Ending Fund Balance	\$ -	\$ -	\$ 896,021	\$ 896,021

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
DISBURSEMENTS:				
Debt Service	\$ 553,504	\$ 587,180	\$ 427,179	\$ 160,001
Contingency	<u>166,227</u>	<u>166,227</u>		<u>166,227</u>
Total Debt Service	<u>719,731</u>	<u>753,407</u> (1)	<u>427,179</u>	<u>326,228</u>
Total Disbursements	<u>719,731</u>	<u>753,407</u>	<u>427,179</u>	<u>326,228</u>
Excess of Receipts Over, (Under) Disbursements	(719,731)	(753,407)	(427,179)	326,228
Other Financing Sources, (Uses)				
Operating Transfers In	<u>553,504</u>	<u>587,180</u>	<u>427,180</u>	<u>160,000</u>
Total Other Financing Sources, (Uses)	<u>553,504</u>	<u>587,180</u>	<u>427,180</u>	<u>-</u>
Net Change in Fund Balance	(166,227)	(166,227)	1	166,228
Beginning Fund Balance	<u>166,227</u>	<u>166,227</u>	<u>163,854</u>	<u>(2,373)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163,855</u>	<u>\$ 163,855</u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**COMBINING BALANCE SHEET - MODIFIED CASH BASIS  
ALL NON-MAJOR FUNDS  
June 30, 2020**

	<u>SPECIAL REVENUE</u>		<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>TOTAL</u>
	<u>TOURISM FUND</u>	<u>URBAN RENEWAL AGENCY FUND</u>	<u>GO-2015 POOL PROJECT BOND FUND</u>	<u>VEHICLE/ EQUIPMENT REPLACEMENT FUND</u>	
<b>ASSETS:</b>					
Cash and Investments	\$ 18,216	\$ 293,574	\$ 10,791	\$ 27,903	\$ 350,484
<b>Total Assets</b>	<u>\$ 18,216</u>	<u>\$ 293,574</u>	<u>\$ 10,791</u>	<u>\$ 27,903</u>	<u>\$ 350,484</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Fund Balances:</b>					
Restricted	\$ 18,216	\$ 293,574	\$ 10,791	\$ 27,903	\$ 350,484
<b>Total Fund Balance</b>	<u>18,216</u>	<u>293,574</u>	<u>10,791</u>	<u>27,903</u>	<u>350,484</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 18,216</u>	<u>\$ 293,574</u>	<u>\$ 10,791</u>	<u>\$ 27,903</u>	<u>\$ 350,484</u>

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES  
MODIFIED CASH BASIS - ALL NON-MAJOR FUNDS  
For the year ended June 30, 2020**

	SPECIAL REVENUE		DEBT SERVICE	CAPITAL PROJECTS	TOTAL
	TOURISM FUND	URBAN RENEWAL AGENCY FUND	GO-2015 POOL PROJECT BOND FUND	VEHICLE/EQUIPMENT REPLACEMENT FUND	
<b>RECEIPTS:</b>					
Current Property Taxes	\$ -	\$ 180,962	\$ 57,768	\$ -	\$ 238,730
Prior Property Taxes	-	2,959	1,726	-	4,685
Interest - Delinquent Fees	-	-	4,169	-	4,169
Interest	1,040	5,199	-	-	6,239
Transient Room Tax	32,297	-	-	-	32,297
<b>Total Receipts</b>	<b>33,337</b>	<b>189,120</b>	<b>63,663</b>	<b>-</b>	<b>286,120</b>
<b>DISBURSEMENTS:</b>					
Materials and Services	32,817	3,677	-	-	36,494
Capital Outlay	-	24,319	-	28,846	53,165
Debt Service	-	65,000	62,988	-	127,988
<b>Total Disbursements</b>	<b>32,817</b>	<b>92,996</b>	<b>62,988</b>	<b>28,846</b>	<b>217,647</b>
Net Change in Fund Balance	520	96,124	675	(28,846)	68,473
Beginning Fund Balance	17,696	197,450	10,116	56,749	282,011
Ending Fund Balance	<u>\$ 18,216</u>	<u>\$ 293,574</u>	<u>\$ 10,791</u>	<u>\$ 27,903</u>	<u>\$ 350,484</u>

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

TOURISM FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
RECEIPTS:				
Interest	\$ 500	\$ 500	\$ 1,040	\$ 540
Sponsorship/Advertising	3,000	3,000	-	(3,000)
Transient Room Tax	24,000	24,000	32,297	8,297
Grant	2,000	2,000	-	(2,000)
	<u>29,500</u>	<u>29,500</u>	<u>33,337</u>	<u>3,837</u>
DISBURSEMENTS:				
Materials and Services	<u>53,500</u>	<u>53,500</u>	<u>32,817</u>	<u>20,683</u>
Total Disbursements	<u>53,500</u>	<u>53,500</u> (1)	<u>32,817</u>	<u>20,683</u>
Net Change in Fund Balance	(24,000)	(24,000)	520	24,520
Beginning Fund Balance	<u>24,000</u>	<u>24,000</u>	<u>17,696</u>	<u>(6,304)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,216</u>	<u>\$ 18,216</u>

(1) Appropriation Level



**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

URBAN RENEWAL AGENCY FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Current Levy	\$ 127,031	\$ 127,031	\$ 180,962	\$ 53,931
Prior Years' Levies	2,400	2,400	2,959	559
Interest	3,000	3,000	5,199	2,199
Total Receipts	132,431	132,431	189,120	56,689
DISBURSEMENTS:				
Materials and Services	7,500	7,500	3,677	3,823
Capital Outlay	186,297	186,297	24,319	161,978
Debt Service	65,000	65,000	65,000	-
Total Disbursements	258,797	258,797 (1)	92,996	165,801
Net Change in Fund Balance	(126,366)	(126,366)	96,124	222,490
Beginning Fund Balance	126,366	126,366	197,450	71,084
Ending Fund Balance	\$ -	\$ -	\$ 293,574	\$ 293,574

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

GO-2015 POOL PROJECT BOND - DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Current Levy	\$ 58,000	\$ 58,000	\$ 57,768	\$ (232)
Prior Years' Levies	500	500	1,726	1,226
Interest - Delinquent Fees	-	-	4,169	4,169
Total Receipts	58,500	58,500	63,663	5,163
DISBURSEMENTS:				
Debt Service	62,987	62,987	62,988	(1)
Contingency	3,334	3,334	-	3,334
Total Disbursements	66,321	66,321 (1)	62,988	3,333
Net Change in Fund Balance	(7,821)	(7,821)	675	8,496
Beginning Fund Balance	7,821	7,821	10,116	2,295
Ending Fund Balance	\$ -	\$ -	\$ 10,791	\$ 10,791

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

VEHICLE/EQUIPMENT REPLACEMENT FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
DISBURSEMENTS:				
Capital Outlay	\$ 56,749	\$ 56,749	(1) \$ 28,846	\$ 27,903
Total Disbursements	<u>56,749</u>	<u>56,749</u>	<u>28,846</u>	<u>27,903</u>
Net Change in Fund Balance	(56,749)	(56,749)	(28,846)	27,903
Beginning Fund Balance	<u>56,749</u>	<u>56,749</u>	<u>56,749</u>	<u>-</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 27,903</u></u>	<u><u>\$ 27,903</u></u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

WATER FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
<b>RECEIPTS:</b>				
Interest	\$ 10,000	\$ 10,000	\$ 15,597	\$ 5,597
Miscellaneous	500	500	2,471	1,971
Water Receipts	1,210,354	1,210,354	1,188,172	(22,182)
Back Flow Inspections	2,400	2,400	3,125	725
Hookup Fees	5,400	5,400	5,200	(200)
	<u>1,228,654</u>	<u>1,228,654</u>	<u>1,214,565</u>	<u>(14,089)</u>
<b>DISBURSEMENTS:</b>				
Personal Services	413,250	413,250	402,577	10,673
Materials and Services	273,200	273,200	263,206	9,994
Capital Outlay	62,706	62,706	48,921	13,785
Contingency	185,603	145,971	-	145,971
	<u>934,759</u>	<u>895,127 (1)</u>	<u>714,704</u>	<u>180,423</u>
Excess of Receipts Over (Under) Disbursements	293,895	333,527	499,861	166,334
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(684,348)	(723,980) (1)	(726,604)	(2,624)
	<u>(684,348)</u>	<u>(723,980)</u>	<u>(726,604)</u>	<u>(2,624)</u>
Net Change in Fund Balance	(390,453)	(390,453)	(226,743)	163,710
Beginning Fund Balance	<u>390,453</u>	<u>390,453</u>	<u>462,442</u>	<u>71,989</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 235,699</u>	<u>\$ 235,699</u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -  
MODIFIED CASH BASIS - ACTUAL AND BUDGET  
For the year ended June 30, 2020**

	<u>SEWER FUND</u>			VARIANCE TO FINAL BUDGET
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)
<b>RECEIPTS:</b>				
Interest	\$ 10,000	\$ 10,000	\$ 15,597	\$ 5,597
Miscellaneous	100	100	-	(100)
Sewer Receipts	840,000	840,000	847,710	7,710
Hookup Fees	1,000	1,000	1,600	600
Land Lease for Ag Use	3,000	3,000	-	(3,000)
<b>Total Receipts</b>	<b>854,100</b>	<b>854,100</b>	<b>864,907</b>	<b>10,807</b>
<b>DISBURSEMENTS:</b>				
Personnel Services	265,736	265,736	263,378	2,358
Materials and Services	264,200	264,200	248,994	15,206
Capital Outlay	4,900	4,900	-	4,900
Contingency	144,209	150,115	-	150,115
<b>Total Disbursements</b>	<b>679,045</b>	<b>684,951 (1)</b>	<b>512,372</b>	<b>172,579</b>
Excess of Receipts Over (Under) Disbursements	175,055	169,149	352,535	183,386
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(210,469)	(204,563) (1)	(204,513)	50
<b>Total Other Financing Sources (Uses)</b>	<b>(210,469)</b>	<b>(204,563)</b>	<b>(204,513)</b>	<b>50</b>
Net Change in Fund Balance	(35,414)	(35,414)	148,022	183,436
Beginning Fund Balance	35,414	35,414	80,966	45,552
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,988</u>	<u>\$ 228,988</u>

(1) Appropriation Level

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the year ended June 30, 2020**

TAX YEAR	<u>GENERAL FUND</u>					BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/20
	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/19	DEDUCT DISCOUNTS	ADJUST- MENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	
CURRENT:						
2019-20	\$ 879,102	\$ 22,861	\$ (4,165)	\$ 453	\$ 832,703	\$ 19,826
PRIOR YEARS:						
2018-19	21,945	(2)	(2,487)	899	12,949	7,410
2017-18	10,399	(3)	(1,699)	716	4,846	4,573
2016-17	6,317	-	(1,805)	847	3,455	1,904
2015-16	2,081	-	(1,466)	449	441	623
Prior	2,943	-	(414)	325	429	2,425
Total Prior	43,685	(5)	(7,871)	3,236	22,120	16,935
Total	<u>\$ 922,787</u>	<u>\$ 22,856</u>	<u>\$ (12,036)</u>	<u>\$ 3,689</u>	<u>\$ 854,823</u>	<u>\$ 36,761</u>

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the year ended June 30, 2020**

TAX YEAR	<u>DEBT SERVICE FUND (NON-MAJOR POOL PROJECT)</u>					BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/20
	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/19	DEDUCT DISCOUNTS	ADJUST- MENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	
CURRENT:						
2019-20	\$ 60,987	\$ -	\$ (1,875)	\$ 31	\$ 57,768	\$ 1,375
PRIOR YEARS:						
2018-19	1,718	-	(194)	70	1,014	580
2017-18	862	-	(141)	59	401	379
2016-17	491	-	(141)	66	268	148
2013-14	198	-	(140)	43	42	59
Prior	-	-	-	-	-	-
Total Prior	<u>3,269</u>	<u>-</u>	<u>(616)</u>	<u>238</u>	<u>1,726</u>	<u>1,166</u>
Total All Funds	<u>\$ 64,256</u>	<u>\$ -</u>	<u>\$ (2,491)</u>	<u>\$ 269</u>	<u>\$ 59,494</u>	<u>\$ 2,541</u>

**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
OF TAXES UNCOLLECTED  
For the year ended June 30, 2020**

TAX YEAR	<u>URBAN RENEWAL AGENCY FUND</u>					BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/20
	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/19	DEDUCT DISCOUNTS	ADJUST- MENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	
CURRENT:						
2019-20	\$ 185,733	\$ 4,830	\$ 4,152	\$ 96	\$ 180,962	\$ 4,189
PRIOR YEARS:						
2018-19	3,654	(0)	(1,026)	150	1,544	1,234
2017-18	1,691	(0)	(276)	116	788	743
2016-17	952	-	(272)	128	521	287
2015-16	294	-	(208)	64	62	88
Prior	304	-	(43)	34	44	251
Total Prior	6,895	(1)	(1,825)	492	2,959	2,604
Total All Funds	<u>\$ 192,628</u>	<u>\$ 4,829</u>	<u>\$ 2,327</u>	<u>\$ 588</u>	<u>\$ 183,921</u>	<u>\$ 6,793</u>

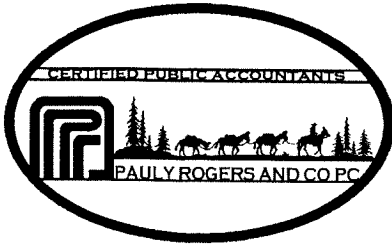


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**CITY OF CARLTON  
YAMHILL COUNTY, OREGON**

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

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January 19, 2021

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

We have audited the modified cash basis basic financial statements of the City of Carlton (the City) as of and for the year ended June 30, 2020, and have issued our report thereon dated January 19, 2021. 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 modified cash basis basic 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 the modified cash basis basic 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 receipts used for public highways, roads, and streets.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded by outside sources.**

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

1. Expenditures were within authorized appropriations except as noted on page 9.

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

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the modified cash basis basic 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.

*Roy R Rogers*

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