

**PORT OF BROOKINGS HARBOR**  
**Special Commission Meeting**  
**Wednesday, November 30, 2022 • 10:00am**  
**Teleconference / Meeting Room *(limited capacity)***  
**16350 Lower Harbor Road Suite 202, Harbor OR, 97415**

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**Teleconference Call-In Number: 1 (253) 215-8782**

**Meeting ID: 771 205 4017      Passcode: 76242022      (to mute/unmute: \* 6)**

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**TENTATIVE AGENDA**

	<b>PAGE</b>
<b>1. CALL MEETING TO ORDER</b>	
• Roll Call	
• Modifications, Additions, and Changes to the Agenda	
• Declaration of Potential Conflicts of Interest	
<b>2. APPROVAL OF AGENDA</b>	
<b>3. PUBLIC COMMENTS</b> – Limited to a maximum of three minutes per person. Please email your comments to <a href="mailto:danielle@portofbrookingsharbor.com">danielle@portofbrookingsharbor.com</a> prior to the meeting if you are calling in.	
<b>4. ACTION ITEMS</b>	
A. Annual Financial Report FY 2021-22.....	<b>2</b>
B. Beacon Broadband/Coos-Curry Electric.....	<b>79</b>
<b>5. INFORMATION ITEMS</b>	
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<b>6. COMMISSIONER COMMENTS</b>	
<b>7. REGULAR MEETING DATE</b> – Wednesday, December 21, 2022 at 2:00pm	
<b>8. ADJOURNMENT</b>	

A request for an interpreter for the hearing impaired, for those who want to participate but do not have access to a telephone, or for other accommodations for persons with disabilities should be made at least 48 hours in advance of the meeting to Port of Brookings Harbor Office at 541-469-2218.

# ACTION ITEM – A

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**DATE:** November 30, 2022  
**RE:** Annual Financial Report Fiscal Year 2021-22  
**TO:** Travis Webster, Acting Port Manager  
**ISSUED BY:** Kim Boom, Director of Finance and Accounting

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## OVERVIEW

- Port audits must be reviewed by Certified Public Accountant (CPA) and approved by the Board, then submitted to State of Oregon by December 31<sup>st</sup> every year.
- Annual Financial Report for fiscal year 2021-22 is completed and ready for review and Board approval.

## DOCUMENTS

- Letter to Management and Board of Commissioners dated November 30, 2022, 2 pages
- Draft Annual Financial Report FY 2021-2022, 78 pages

## COMMISSIONERS ACTION

- **Recommended Motion:**  
Motion to approve draft Annual Financial Report for Fiscal Year 2021-2022 and submit to State of Oregon.



**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**ANNUAL FINANCIAL REPORT**

For the year ended June 30, 2022

Prepared by Port Administration

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON  
FOR THE YEAR ENDED JUNE 30, 2022**

**BOARD OF COMMISSION**

<b>Name and Address</b>	<b>Position</b>	<b>Term Starts</b>	<b>Term Ends</b>
Joseph Speir – Vice President Brookings, OR 97415	1	July 1, 2021	June 30, 2025
<b>Name and Address</b>	<b>Position</b>	<b>Term Starts</b>	<b>Term Ends</b>
Sharon Hartung – Secretary/Treasurer Brookings, OR 97415	2	July 1, 2019	June 30, 2023
<b>Name and Address</b>	<b>Position</b>	<b>Term Starts</b>	<b>Term Ends</b>
Larry Jonas – Board Member Brookings, OR 97415	3	July 1, 2019	June 30, 2023
<b>Name and Address</b>	<b>Position</b>	<b>Term Starts</b>	<b>Term Ends</b>
Richard Heap – President Brookings, OR 97415	4	July 1, 2021	June 30, 2025
<b>Name and Address</b>	<b>Position</b>	<b>Term Starts</b>	<b>Term Ends</b>
Kenneth Range – Board Member Brookings, OR 97415	5	July 1, 2021	June 30, 2025

All Commissioners receive mail at the address below:

**Registered Agent and Address:**

Gary Dehlinger, Port Manager  
P.O. Box 848  
Brookings, Oregon 97415

**PORT OF BROOKINGS HARBOR  
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**Introductory Section**



## Port of Brookings Harbor

16330 Lower Harbor Road / PO Box 848  
Brookings, Oregon 97415  
Phone (541) 469-2218  
Fax (541) 359-3999  
www.portofbrookingsharbor.com

## Board of Commissioners

Richard Heap, President  
Joseph Speir, Vice-President  
Sharon Hartung, Secretary/Treasurer  
Kenneth Range  
Larry Jonas

November 30, 2022

Fiscal Year June 30, 2022

To: District Board of Commissioners and Community

The management of the Port of Brookings Harbor is pleased to provide this annual financial report to the Board of Commissioners, the Community and other interested parties to demonstrate its accountability and communicate the District's financial position and resource flows as of and for the year ended June 30, 2022. Management of the Port is responsible for the fair presentation of the annual financial report, for maintaining appropriate internal control over financial reporting, and for complying with applicable finance-related laws, regulations, and provisions of grants and contracts. The Port reports its financial statements and schedules on the modified cash basis, which management has determined is an acceptable financial reporting framework that differs from generally accepted accounting principles (GAAP). All the financial analyses in this report should take into consideration the limitations inherent in the modified cash basis of accounting.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CJ Huntsman CPA PC, a firm of certified public accountants of Coos Bay, Oregon, have issued an independent auditor's report on these financial statements and schedules which includes an unmodified ("clean") opinion on all the opinion units of the Port of Brookings Harbor financial reports for the year ended June 30, 2022. The independent auditor's report is located at the front of the financial section of this report.

### **Profile of the Port**

The Port of Brookings Harbor was formed as a result of the 1956 election following approval of a ballot measure to permanently form, fund and operate a shallow-draft harbor (shallow-draft harbors are defined as those with 14 feet or less depth) at the mouth of the Chetco River. The boundaries of the Port District include the City of Brookings, the neighboring community of Harbor and surrounding unincorporated areas of southern Curry County. The estimated population of the Port District is 11,000. The Port has a permanent tax rate of \$0.1316 per \$1,000 of assessed property value for those living within the Port boundaries.

As a special district, the Port of Brookings Harbor operates under the governance and supervision of an elected board of commissioners. The elected members represent specific geographic areas of the District and their positions are referred to by numbers 1 through 5. The members choose among themselves who shall serve as officers.

### **Local Economy**

Curry County is located in southern Oregon and includes three incorporated cities — Brookings, Gold Beach and Port Orford. With mountains, valleys, the Chetco River, the Rogue River, and wilderness areas, Curry County offers many tourism and recreational opportunities.



**Demographics.** According to the July 1, 2019 U.S. Census, the population of Curry County is 22,925. With some of the lowest property taxes in Oregon, Curry County enjoys a large senior population (persons 65 and older), which makes up about 35.0 percent of the total population (compared to 18.2 percent in Oregon). Children under 18 years make up 14.2 percent (compared to 20.5 percent in Oregon), with 3.8 percent being under age five (compared to 5.4 percent in Oregon).

**Port Economy to District.** As reported in the Port of Brookings Harbor Strategic Business Plan, a state-wide study entitled the Economic Benefits of Oregon Ports, March 2014 summarizes the permanent annual economic impact of the Port, by including the following annual benefits:

- Totally Port related Oregon employment of 860 jobs (706 direct and 150 for indirect/induced);
- Oregon output (gross sales) were nearly \$67.9 million (\$40.9 million direct and \$27 million in direct/induced);
- Oregon real Gross Domestic Product of \$39.4 million (\$22.65 million direct and \$16.78 million in direct/induced);
- Oregon labor income of \$23.93 million (\$12.89 million direct and \$11.05 million in direct/induced);
- Annual local and Oregon tax revenue/payments of \$4.21 million (\$1.26 million in local and \$2.95 million in state tax revenues);
- Annual federal tax/payments by Oregon enterprises and employees \$5.12 million.

### **Budget**

Oregon local governments are required by state law to budget all funds each year, except for their first year of operation. The Board of Commissioners made one change to the adopted and appropriated budget during 2021-22 through the adoption of one supplemental budget. There were no over-expenditures of the approved spending limits established by the Board of Commissioners in the General Fund, Debt Service Fund, Revenue Bond Fund, RV Park Improvement Debt Service Fund, Capital Projects Fund, Port Construction Fund, or the Reserve Fund. This outcome is attributed to effective management control and Port Commission oversight.

### **Financial Analysis**

The government-wide financial statements are reported using the modified cash basis of accounting. Under this basis of accounting, only cash (and cash equivalents) and items that involve the receipt and disbursement of cash (or cash equivalents) during the period are recognized, except as follows:

- (1) Interfund receivables and payables that arise from transactions events involving cash or cash equivalents are recognized;
- (2) Assets that normally convert to cash or cash equivalents (e.g., certificates, of deposit, marketable investments or receivables resulting from loans) that arise from transactions and events involving cash or cash equivalents are recognized; and
- (3) Liabilities for cash (or cash equivalents) held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded in a government's financial statements. For example, accounts receivable and revenue for billed provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets such as buildings, equipment and improvements are not reported on the face of the financial statements. However, a government's long-term debt obligations are disclosed in the notes to the financial statements.

Summarized statement of net position:

	<b>Governmental Activities</b>	
	<b>2021-22</b>	<b>2020-21</b>
Total assets	\$ 1,300,380	\$ 1,511,110
Total liabilities	47,378	56,715
Net position:		
Restricted	699,955	125,111
Unrestricted	553,047	1,329,284
Total net position	<u>\$ 1,253,002</u>	<u>\$ 1,454,395</u>

For the year ended June 30, 2022, the overall modified cash basis Governmental Activities net position has decreased by \$201,393. The primary reason for the decrease is due to no loan proceeds and no received reimbursements for FEMA DR-4432 project.

Summarized statement of changes in net position:

	<b>Governmental Activities</b>	
	<b>2021-22</b>	<b>2020-21</b>
Expenses	\$ 3,716,238	\$ 3,686,533
Program revenues	3,126,869	3,538,871
Net expense	(589,369)	(147,662)
General revenues	387,976	298,245
Loan Proceeds	-	700,000
Change in net position	<u>\$ (201,393)</u>	<u>\$ 850,583</u>

### **Governmental Funds**

For the fiscal year ended June 30, 2022, the governmental funds reported a combined fund balance of \$1,253,002 consisting of the General Fund balance of \$437,866, Debt Service Fund balance of \$23,094, Revenue Bond Fund balance of \$102,842, Capital Projects Fund balance (deficit) of (\$100,619), Port Construction Fund of \$574,019 and the Reserve Fund Balance of \$215,800. The deficit fund balance in the Capital Projects Fund is because of a pending reimbursement from a grantor. The General Fund has advanced \$103,119 to cover these FEMA grant expenditures and will be repaid when the grant reimbursement is received.

### **General Fund Budget**

**Original budget compared to final budget.** During the year, changes were made to the adopted and appropriated budget by adopting one supplemental budget.

**Final budget compared to actual results.** On the upside, actual Port service expenditures and operating transfers were under budget estimates by \$97,497. Also, on the upside, actual Port service revenues were over budget estimates by \$123,069 and other revenues were over budget estimates by \$48,535. Combined, these budget variances amounted to \$269,101 more resources than anticipated.

With respect to Port operations, actual personnel service expenditures were less than budgeted by \$24,617. Materials and service expenditures were also less than budget by \$223. Capital outlay

expenditures were less than budget by \$21,192. Operating transfers were \$31,465 less than budget. There were no contingency expenditures against a budget of \$20,000. As a result, total actual General Fund spending was \$97,497 less than budgeted.

Management believes that as controls over financial accounting have been strengthened, coupled with the modified cash basis of accounting that the Port now uses, consistent, efficient, and effective budget management is being maintained.

**Capital Assets and Long-term Debt Administration**

**Capital assets – modified cash basis.** Unlike generally accepted accounting principles, after original purchase, capital assets are not accounted for, or reported on, under the modified cash basis of accounting. However, over the years the Port has invested in capital assets through the expenditure of capital outlay and remain available for use. These capital assets are either used in the Port operations or removed from service. It is estimated that capital assets in use or temporarily removed from service have a value of approximately \$18,000,000 that has been insured for.

Current year capital outlay expenditures were \$131,808 in the General Fund that consisted of additional cameras for Security System, purchase, and installation of WR-2020 Wash Water Recycle System, Fire Hydrant at Basin II and the purchase of two 2022 Ford Mavericks. Capital outlay in the Capital Projects Fund was \$141,050 and consisted of long-term improvements to Port property, specifically, FEMA 4432DR PW 162-1 Engineer and Permitting Phase. Capital outlay in the Port Construction Fund was \$98,704 and consisted of long-term improvements to Port property, specifically, material purchased for upgrades to the Beachfront RV Park.

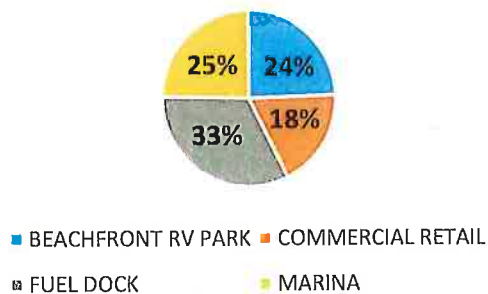
**Long term debt – modified cash basis.** At June 30, 2022 the Port's long-term debt includes revenue bonds, State of Oregon financing assistance, and three notes payable and totals \$2,675,845. In addition, there are two lease financing agreements that total \$14,530. All required debt payments were made, and management expects to make the required debt payments as they mature.

More detailed information concerning capital assets and long-term debt transactions can be found in the notes to the basic financial statements and supplemental schedules.

**Resources**

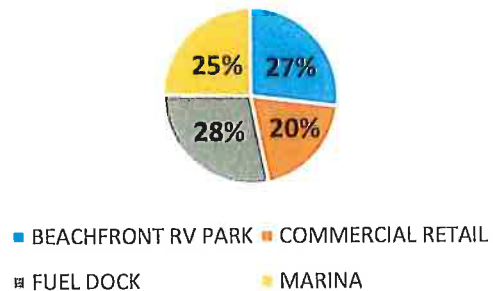
There are no restrictions, commitments or other limitations that significantly affect the availability of fund resources for future use in ongoing Port operations.

**FY 2021-22 Revenues**



**Figure 1. Revenues from Port Operations**

**FY 2021-22 Budget Revenues**



**Figure 2. Budget Estimates for Port Operations**

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**Factors Affecting Financial Condition – Local Economy**

**Marina - Basins 1 & 2.** FEMA disasters DR-4432 February 24, 2019, storm damage and DR-4452 April 6, 2019, storm damage was approved to begin engineering and permitting for both disasters. FEMA combined both projects for engineering and permitting into one account because of similar work activities. These disasters damaged the Basin 2 slopes and caused more sediment accumulation in both Basins 1 & 2. The Port provided FEMA preliminary construction drawings and budget for approval and the review continued through the end on this fiscal year. If FEMA continues to delay the repairs, more Port docks will continue to become unusable causing financial issues.



**Photo 1. Closed Basin 2 C Dock**

The Port will continue to spend resources rebuilding old docks in Basin 2. Approximately half of Basin 2 docks are over 45 years old and need major restoration work and/or replacement.

Basin 2 C Dock (Photo 1) continues to be out of service due to failing slopes and the need for dredging. At low tide, the docks bottom out causing damage to the docks and makes them unsafe to use.

The Port purchased and installed a WR-2020 Wash Water Recycle System for the recreation and commercial fleet. For additional security, cameras were added throughout the Port. For safety, a fire hydrant was added at Basin II.

**Photo 2. Wash Water Recycle System**



**Photo 3. Security Cameras**



**Photo 4. Fire Hydrant at Basin II**



**Fuel Dock.** The fuel dock is a valuable resource to the commercial fleet and recreational vessels. While the fuel dock does not supply much revenue for the Port, it does supply support of other revenue generating sources.

**Beachfront RV Park.** RV Park continues to provide the Port with valuable revenue to pay outstanding debts, maintenance of facilities and other related operations. The Port secured a private loan to fund the rebuilding of the restroom, installing more front row RV sites and upgrading the utilities. Within the FEMA Project, plans are being made to use the dredging spoils to shape and create more RV sites on the underutilize Port property called the Kite Field.

The RV Park Improvement Project to create RV sites and upgrade was delayed due to unforeseen issues. Construction upgrades are scheduled to be begin in October 2022 and be completed in the next fiscal year. During the construction, RV sites will be closed which may impact the financial projections.

**Commercial Leases.** Commercial leases continue to provide the Port with valuable revenue to pay outstanding debts, maintenance of Port facilities and other Port related operations. Port is a landlord to thirty-four (34) tenants throughout the Port. Types of leases range from retail stores, restaurants, warehouse shop/storage, land rental and commercial receiving docks.

The Port will continue to spend resources for roof and other needed repairs to leased properties. Federal funding continues to be a possibility in the next fiscal year. This funding from the EPA will be used to build a wastewater treatment plant for the leased fish processing plant operations. The fish processing plant currently operates under a temporary discharge permit which could end at some point in the near future. Financial predictions from this lease are expected to be impacted without this infrastructure improvement.

**Boat Yard.** The Port has leased out the boat repair space and the warehouse building to a private boat repair business. Port staff operates the 50-ton travel lift for handling boats to be repaired and/or loaded or off loaded from semi-trucks for the private business. Revenue is generated by handling boats for the private business and leasing the ground and building space. The Port continues to use the boat yard areas not leased for its operations.

The travel lift ramp continues to be impacted by storm flow sediment reducing the effectiveness of haul-outs to only during high tides (Photo 5). As a result, reducing the haul out activities and possible revenues. The FEMA project is scheduled to remove the sediment when approved.

The Port Shop and operations continues handling waste oil facility for mariners, equipment and material storage, and trash.

**Port Office and Operations.** The Port continues following the DEQ 1200-Z NPDES Industrial Storm Water Permit and remains under Tier 1 guidelines. Storm water tests continue to show contaminates from the industrial zones from the boat yard and gear storage. The Port has taken steps to reduce the contaminates, but the tests are still failing the State's benchmarks. Plans are being made to change the terrain with dredging spoils under the FEMA disasters to improve all storm water issues. The changes will have impacts to the current gear and boat storage capacities reducing potential storage revenues.



**Photo 5. Sediment Impacts to Travel Lift**

The Port increased quarterly payments to Business Oregon (IFA) and continues to pay its debts on time. Plans are being made with Business Oregon to pay off the debt by the end of the terms. The restructuring plan is still in the process and expected to be completed by November 2022.

Infrastructure maintenance and repairs will continue to be on the forefront of the budgeting process. Possible federal funding for wastewater treatment plant continues during the FY 2022-23 which will require 20% matching.

**Financial Policies**

The Port's Financial Management Policy communicates the general management and financial policies established by the Port of Brookings Harbor Board of Commissioners in order to ensure the Port complies with applicable laws and regulations and operates in a manner consistent with the organization's mission statement and strategic vision.

**Strategic Business Plan.** The Port has met the Strategic Business Plan recommendation of having the General Fund maintain an operating reserve of 90 days of expenditures. The Port has plans to meet the dredging goals using the FEMA Project. Although the FEMA Project has been delayed, the Port still plans to purchase a dredge machine and create a disposal site on Port property. At the end of the FEMA Project, the Port will own and operate the dredge to meet the needs of the Port.

**Acknowledgement**

The preparation of this report could not have been accomplished without the commitment and dedication of the Port's Director of Finance and Accounting and the Financial Consultant. Credit must also be given to the Board of Commissioners for their leadership and unfailing support for maintaining the highest standards of professionalism in the management of the Port of Brookings Harbor and finances. We also express our appreciation to the Port Budget Committee for their participation in approving the annual operating budget.

Respectfully submitted,

**Port Profile and Governance Information**

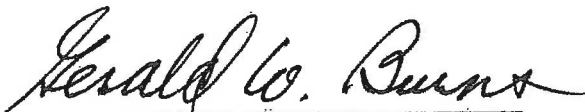


Travis Webster, Harbormaster/Acting Port Manager



Kim Boom, Director of Finance and Accounting

**Financial Information and Analysis**



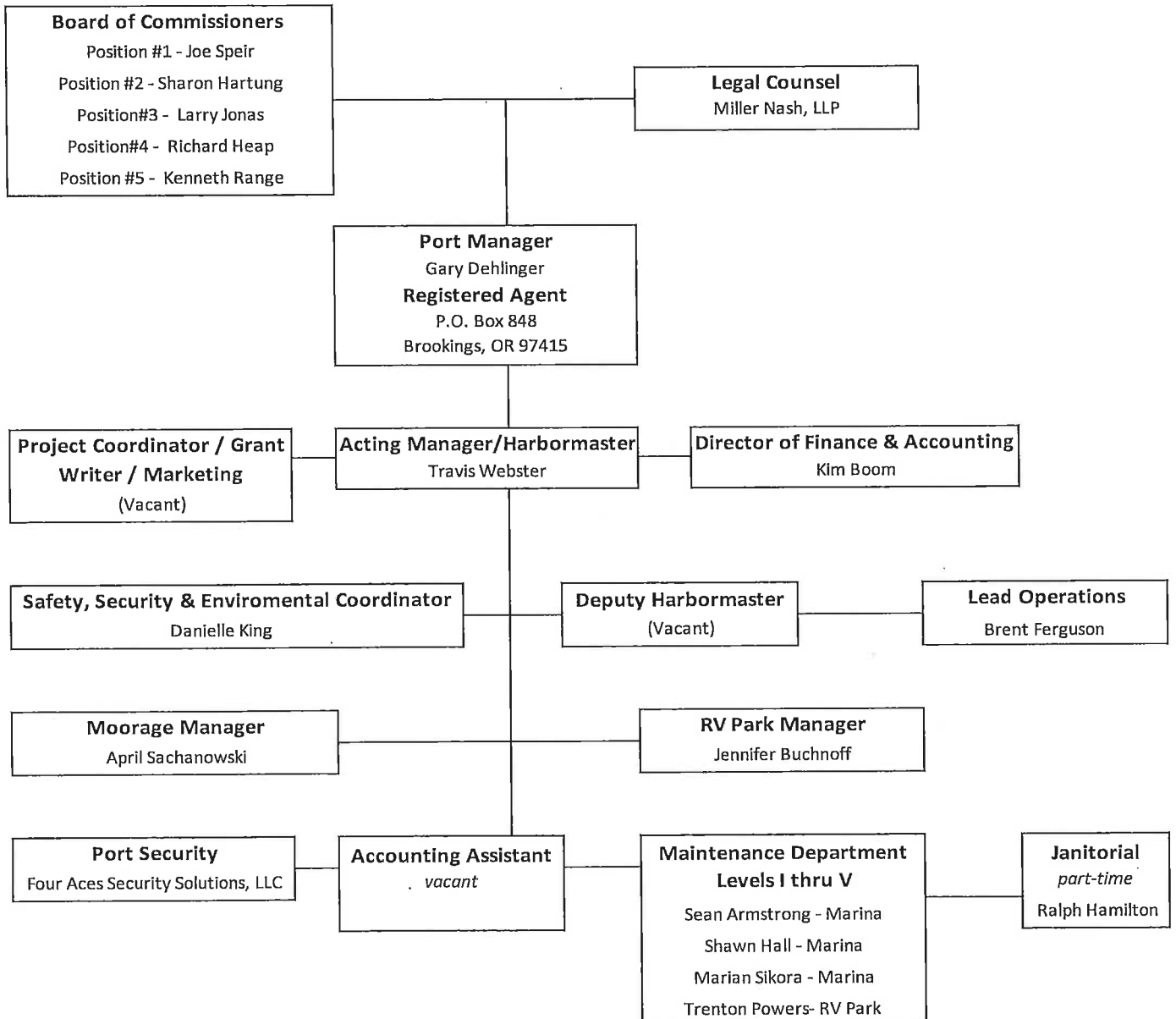
Gerald W. Burns, CPA, CGMA

# Port of Brookings Harbor Administration and Organizational Chart

**REGISTERED AGENT**  
**Port Manager (July 1, 2021-August 8, 2022)**  
 Gary Dehlinger

**Harbormaster**  
**Acting Port Manager (August 9, 2022 – Present)**  
 Travis Webster

**Director of Finance and Accounting**  
 Kim Boom



# Port of Brookings Harbor Geographic Boundaries



## Brookings Area Special Districts

Community Library, Cemetery, Port

0 2.5 5 Miles





**FINANCIAL SECTION**



**Independent Auditor's Report**

# C. J. Huntsman, CPA, P.C.

**Constance J. Huntsman**  
Certified Public Accountant  
Admin@huntsmancpa.net

P.O. Box 569  
Coos Bay, OR 97420  
541-808-3080

**Memberships**  
American Institute of CPA's  
Oregon Society of CPA's

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Port of Brookings Harbor  
Brookings, OR 97415

### **Opinions**

I have audited the accompanying modified cash basis financial statements of the governmental activities and each major fund of the Port of Brookings Harbor, Oregon, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Port of Brookings Harbor, Oregon's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the Port of Brookings Harbor, Oregon, as of June 30, 2022, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

### **Basis for Opinions**

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Port of Brookings Harbor, Oregon, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

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

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

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

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

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

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

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

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

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

### **Other Matters**

#### *Supplementary Information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Port of Brookings Harbor, Oregon's basic financial statements. The schedule of property tax transactions – modified cash basis, schedule of long-term debt principal and interest transactions, schedules of future cash requirements for payment of long-term debt for the revenue bond series 2000, combined IFA notes payable, notes payable, RV park improvement note payable, and lease financing agreements, as listed in the supplemental schedules section of the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

#### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and other information – unaudited, as listed in the table of contents, but does not include the basic financial statements and my auditor’s report thereon. My opinions on the basic financial statements do not cover the other information, and I do not express an opinion or any form of assurance thereon.

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

#### **Report on Other Legal and Regulatory Requirements**

##### *Other Reporting Required by Oregon Minimum Standards*

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, I have issued my report dated November 30, 2022, on my consideration of the Port of Brookings Harbor, Oregon’s compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of my testing of compliance and the results of that testing, and not to provide an opinion on compliance.

**DRAFT**

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Constance J. Huntsman, CPA  
November 30, 2022

**Basic Financial Statements**

**Government-wide Financial Statements**



**PORT OF BROOKINGS HARBOR**  
**CURRY COUNTY, OREGON**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**June 30, 2022**

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	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and Investments	\$ 1,299,647
Employee Advances	733
Other Assets	-
Total Assets	1,300,380
 <b>Liabilities:</b>	
Other Liabilities	33,414
Deferred Revenue	13,964
Total Liabilities	47,378
 <b>Net Position:</b>	
Restricted for:	
Debt Service	125,936
Capital Projects	574,019
Total Restricted	699,955
Unrestricted for:	
Port Operations	437,866
Capital Projects	115,181
Total Unrestricted	553,047
Total Net Position	\$ 1,253,002

See accompanying notes to basic financial statements.

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY OREGON**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS  
For the Year Ended June 30, 2022**

FUNCTIONS	EXPENSES	PROGRAM REVENUES			NET (EXPENSES) REVENUES AND CHANGE IN NET POSITION
		PORT SERVICES	SALVAGE SALES	GRANTS	
Governmental Activities					
Port Operations	\$ 2,758,537	\$ 3,098,349	\$ 18,520	\$ 10,000	\$ 368,332
Capital Outlay	371,562	-	-	-	(371,562)
Debt Service	586,139	-	-	-	(586,139)
Total Governmental Activities	<u>\$ 3,716,238</u>	<u>\$ 3,098,349</u>	<u>\$ 18,520</u>	<u>\$ 10,000</u>	<u>(589,369)</u>
		General Revenues			
		Property Taxes			266,856
		Interest			7,486
		Miscellaneous			113,634
		Total General Revenues			<u>387,976</u>
		Transfers			
		Operating Transfers In			713,858
		Operating Transfers Out			(713,858)
		Net Transfers			<u>-</u>
		Change In Net Position			(201,393)
		Net Position - Beginning			<u>1,454,395</u>
		Net Position - Ending			<u>\$ 1,253,002</u>

See accompanying notes to basic financial statements.

**Fund Financial Statements**

## Governmental Funds

### Governmental Activities

#### General Fund

The **General Fund** accounts for the administration and Port operations. Principal sources of revenue consist of property taxes, charges for Port operations services, grants from other agencies, and interest earnings. Major expenditures are for personnel services, operating supplies, repairs and maintenance, and professional contracted services relating to the administration and Port operations and capital outlay for equipment.

#### Debt Service Funds

The **Debt Service Fund** is used to account for the principal and interest paid on notes payable relating to equipment purchases and various improvements to Port properties. Resources are provided by operating transfers from the General Fund and interest earnings.

The **Revenue Bond Fund** is used to account for principal and interest payments on the revenue bond. Resources are provided by operating transfers from the General Fund and interest earnings.

The **RV Park Improvement Debt Service Fund** is used to account for principal and interest payments on the note payable to Umpqua Bank. Resources are provided by operating transfers from the General Fund and interest earnings.

#### Capital Projects Fund

The **Capital Projects Fund** is used to account for expenditures on major construction and improvement projects of the Port. Resources are provided by capital grants, loans and operating transfers from the General Fund.

The **Port Construction Fund** is used to account for expenditures relating to major construction projects of the Port. Resources provided are provided by operating transfers from the General Fund.

#### Reserve Fund

The **Reserve Fund** was established by Resolution 307 to accumulate funds to pay for dock maintenance and future dock replacements. Resources are provided by operating transfers from the General Fund.

PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS  
MODIFIED CASH BASIS  
MAJOR GOVERNMENTAL FUNDS - GOVERNMENTAL ACTIVITIES  
June 30, 2022

	General Fund	Debt Service Fund	Revenue Bond Fund	RV Park Debt Service Fund	Capital Projects Fund	Port Construction Fund	Reserve Fund	Total Governmental Funds
<b>ASSETS:</b>								
Cash and Investments	\$ 381,392	\$ 23,094	\$ 102,842	\$ -	\$ 2,500	\$ 574,019	\$ 215,800	\$ 1,299,647
Employee advances	733	-	-	-	-	-	-	733
Due from other funds	103,119	-	-	-	-	-	-	103,119
<b>Total Assets</b>	<b>\$ 485,244</b>	<b>\$ 23,094</b>	<b>\$ 102,842</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 574,019</b>	<b>\$ 215,800</b>	<b>\$ 1,403,499</b>
<b>LIABILITIES AND FUND BALANCE:</b>								
<b>Liabilities:</b>								
Lodging tax payable	\$ 33,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,414
Deferred revenue	13,964	-	-	-	-	-	-	13,964
Due to other funds	-	-	-	-	103,119	-	-	103,119
<b>Total Liabilities</b>	<b>47,378</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>103,119</b>	<b>-</b>	<b>-</b>	<b>150,497</b>
<b>Fund Balance:</b>								
Restricted	-	23,094	102,842	-	-	574,019	-	699,955
Committed	-	-	-	-	(100,619)	-	215,800	115,181
Assigned	-	-	-	-	-	-	-	-
Unassigned	437,866	-	-	-	-	-	-	437,866
<b>Total Fund Balance</b>	<b>437,866</b>	<b>23,094</b>	<b>102,842</b>	<b>-</b>	<b>(100,619)</b>	<b>574,019</b>	<b>215,800</b>	<b>1,253,002</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 485,244</b>	<b>\$ 23,094</b>	<b>\$ 102,842</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 574,019</b>	<b>\$ 215,800</b>	<b>\$ 1,403,499</b>

See accompanying notes to basic financial statements.

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**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENT FUNDS - MODIFIED CASH BASIS  
MAJOR GOVERNMENTAL FUNDS - GOVERNMENTAL ACTIVITIES  
For the Year Ended June 30, 2022**

	General Fund	Debt Service Fund	Revenue Bond Fund	RV Park Improvement Fund	Capital Projects Fund	Port Construction Fund	Reserve Fund	Total Governmental Funds
<b>REVENUES</b>								
Property Taxes	\$ 266,856	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 266,856
Charges for Port Services	3,098,349	-	-	-	-	-	-	3,098,349
Salvage Sales	18,520	-	-	-	-	-	-	18,520
Grants	10,000	-	-	-	-	-	-	10,000
Interest	2,245	316	494	-	-	3,274	1,157	7,486
Miscellaneous	113,634	-	-	-	-	-	-	113,634
<b>TOTAL REVENUES</b>	<u>3,509,604</u>	<u>316</u>	<u>494</u>	<u>-</u>	<u>-</u>	<u>3,274</u>	<u>1,157</u>	<u>3,514,845</u>
<b>EXPENDITURES</b>								
Current								
Port Operations	2,758,537	-	-	-	-	-	-	2,758,537
Capital Outlay	131,808	-	-	-	141,050	98,704	-	371,562
Debt Service	-	398,301	130,120	57,718	-	-	-	586,139
<b>TOTAL EXPENDITURES:</b>	<u>2,890,345</u>	<u>398,301</u>	<u>130,120</u>	<u>57,718</u>	<u>141,050</u>	<u>98,704</u>	<u>-</u>	<u>3,716,238</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>619,259</u>	<u>(397,985)</u>	<u>(129,626)</u>	<u>(57,718)</u>	<u>(141,050)</u>	<u>(95,430)</u>	<u>1,157</u>	<u>(201,393)</u>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating Transfers In	-	398,320	130,116	57,718	-	100,000	27,704	713,858
Operating Transfers Out	(713,858)	-	-	-	-	-	-	(713,858)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(713,858)</u>	<u>398,320</u>	<u>130,116</u>	<u>57,718</u>	<u>-</u>	<u>100,000</u>	<u>27,704</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>(94,599)</u>	<u>335</u>	<u>490</u>	<u>-</u>	<u>(141,050)</u>	<u>4,570</u>	<u>28,861</u>	<u>(201,393)</u>
<b>FUND BALANCE, July 1, 2021</b>	<u>532,465</u>	<u>22,759</u>	<u>102,352</u>	<u>-</u>	<u>40,431</u>	<u>569,449</u>	<u>186,939</u>	<u>1,454,395</u>
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 437,866</u>	<u>\$ 23,094</u>	<u>\$ 102,842</u>	<u>\$ -</u>	<u>\$ (100,619)</u>	<u>\$ 574,019</u>	<u>\$ 215,800</u>	<u>\$ 1,253,002</u>

See accompanying notes to basic financial statements.

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**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MODIFIED CASH BASIS - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022**

<u>GENERAL FUND</u>				
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Property Taxes	\$ 249,000	\$ 269,000	\$ 266,856	\$ (2,144)
Charges for Port Services	2,821,280	2,975,280	3,098,349	123,069
Salvage Sales	50,000	20,000	18,520	(1,480)
Grants	80,000	20,000	10,000	(10,000)
Interest	2,000	2,000	2,245	245
Miscellaneous	31,500	51,720	113,634	61,914
<b>TOTAL REVENUES</b>	<u>3,233,780</u>	<u>3,338,000</u>	<u>3,509,604</u>	<u>171,604</u>
<b>EXPENDITURES</b>				
Current				
Port Operations				
Personnel Services	796,295	816,800	792,183	24,617
Materials and Services	1,767,162	1,966,577	1,966,354	223
Total Current	<u>2,563,457</u>	<u>2,783,377</u>	<u>2,758,537</u>	<u>24,840</u>
Capital Outlay	155,000	153,000	131,808	21,192
Operating Contingency	20,000	20,000	-	20,000
<b>TOTAL EXPENDITURES</b>	<u>2,738,457</u>	<u>2,956,377</u>	<u>2,890,345</u>	<u>66,032</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>495,323</u>	<u>381,623</u>	<u>619,259</u>	<u>237,636</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	(745,323)	(745,323)	(713,858)	31,465
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>(745,323)</u>	<u>(745,323)</u>	<u>(713,858)</u>	<u>31,465</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	(250,000)	(363,700)	(94,599)	269,101
<b>FUND BALANCE, July 1, 2021</b>	300,000	532,000	532,465	465
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 50,000</u>	<u>\$ 168,300</u>	<u>\$ 437,866</u>	<u>\$ 269,566</u>

See accompanying notes to basic financial statements.  
See accompanying notes to budget presentations

PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MODIFIED CASH BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022

DEBT SERVICE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Interest	\$ 450	\$ 450	\$ 316	\$ (134)
<b>TOTAL REVENUES</b>	<u>450</u>	<u>450</u>	<u>316</u>	<u>(134)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	414,916	414,916	389,682	25,234
Interest	8,569	8,569	8,619	(50)
<b>TOTAL EXPENDITURES</b>	<u>423,485</u>	<u>423,485</u>	<u>398,301</u>	<u>25,184</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(423,035)</u>	<u>(423,035)</u>	<u>(397,985)</u>	<u>25,050</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	423,485	423,485	398,320	(25,165)
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>423,485</u>	<u>423,485</u>	<u>398,320</u>	<u>(25,165)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	450	450	335	(115)
<b>FUND BALANCE, July 1, 2021</b>	27,420	27,420	22,759	(4,661)
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 27,870</u>	<u>\$ 27,870</u>	<u>\$ 23,094</u>	<u>\$ (4,776)</u>

See accompanying notes to basic financial statements.  
 See accompanying notes to budget presentations.



**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MODIFIED CASH BASIS - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022**

REVENUE BOND FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Interest	\$ 500	\$ 500	\$ 494	\$ (6)
<b>TOTAL REVENUES</b>	<u>500</u>	<u>500</u>	<u>494</u>	<u>(6)</u>
<b>EXPENDITURES</b>				
Debt Service				
Principal	79,917	79,917	79,895	22
Interest	50,203	50,203	50,225	(22)
<b>TOTAL EXPENDITURES</b>	<u>130,120</u>	<u>130,120</u>	<u>130,120</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(129,620)</u>	<u>(129,620)</u>	<u>(129,626)</u>	<u>(6)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	130,120	130,120	130,116	(4)
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>130,120</u>	<u>130,120</u>	<u>130,116</u>	<u>(4)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	500	500	490	(10)
<b>FUND BALANCE, July 1, 2021</b>	102,380	102,380	102,352	(28)
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 102,880</u>	<u>\$ 102,880</u>	<u>\$ 102,842</u>	<u>\$ (38)</u>

See accompanying notes to basic financial statements.  
See accompanying notes to budget presentations.

PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MODIFIED CASH BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022

RV PARK IMPROVEMENT DEBT SERVICE FUND

	Original Budget	Final Budget	Actual	Final Budget Variance
<b>REVENUES</b>				
Interest	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES</b>	-	-	-	-
<b>EXPENDITURES</b>				
Debt Service				
Principal	38,751	38,751	38,750	1
Interest	18,967	18,967	18,968	(1)
<b>TOTAL EXPENDITURES</b>	57,718	57,718	57,718	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(57,718)	(57,718)	(57,718)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	57,718	57,718	57,718	-
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	57,718	57,718	57,718	-
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	-	-	-	-
<b>FUND BALANCE, July 1, 2021</b>	-	-	-	-
<b>FUND BALANCE, June 30, 2022</b>	\$ -	\$ -	\$ -	\$ -

See accompanying notes to basic financial statements.  
 See accompanying notes to budget presentations.

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MODIFIED CASH BASIS - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022**

**CAPITAL PROJECTS FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Grants	\$ 2,000,000	\$ 1,860,000	\$ -	\$ (1,860,000)
Interest	-	-	-	-
<b>TOTAL REVENUES</b>	<u>2,000,000</u>	<u>1,860,000</u>	<u>-</u>	<u>(1,860,000)</u>
<b>EXPENDITURES</b>				
Capital Outlay	2,060,000	1,897,500	141,050	1,756,450
<b>TOTAL EXPENDITURES</b>	<u>2,060,000</u>	<u>1,897,500</u>	<u>141,050</u>	<u>1,756,450</u>
				-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(60,000)</u>	<u>(37,500)</u>	<u>(141,050)</u>	<u>(103,550)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	-	-	-	-
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>(60,000)</u>	<u>(37,500)</u>	<u>(141,050)</u>	<u>(103,550)</u>
<b>FUND BALANCE, July 1, 2021</b>	62,500	40,000	40,431	431
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 2,500</u>	<u>\$ 2,500</u>	<u>\$ (100,619)</u>	<u>\$ (103,119)</u>

See accompanying notes to basic financial statements.  
See accompanying notes to budget presentations.

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
MODIFIED CASH BASIS - BUDGET AND ACTUAL  
For the Year Ended June 30, 2022**

**PORT CONSTRUCTION FUND**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Interest	\$ 2,000	\$ 2,000	\$ 3,274	\$ 1,274
<b>TOTAL REVENUES</b>	<u>2,000</u>	<u>2,000</u>	<u>3,274</u>	<u>1,274</u>
<b>EXPENDITURES</b>				
Capital Outlay	677,000	677,000	98,704	578,296
<b>TOTAL EXPENDITURES</b>	<u>677,000</u>	<u>677,000</u>	<u>98,704</u>	<u>578,296</u>
				-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(675,000)</u>	<u>(675,000)</u>	<u>(95,430)</u>	<u>579,570</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	100,000	100,000	100,000	-
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>(575,000)</u>	<u>(575,000)</u>	<u>4,570</u>	<u>579,570</u>
<b>FUND BALANCE, July 1, 2021</b>	575,000	575,000	569,449	(5,551)
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 574,019</u>	<u>\$ 574,019</u>

See accompanying notes to basic financial statements.  
See accompanying notes to budget presentations.

PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 MODIFIED CASH BASIS - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2022

RESERVE FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance</u>
<b>REVENUES</b>				
Interest	\$ 1,200	\$ 1,200	\$ 1,157	\$ (43)
<b>TOTAL REVENUES</b>	<u>1,200</u>	<u>1,200</u>	<u>1,157</u>	<u>(43)</u>
<b>EXPENDITURES</b>				
Capital Outlay	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>1,200</u>	<u>1,200</u>	<u>1,157</u>	<u>(43)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating Transfers In	34,000	34,000	27,704	(6,296)
Operating Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCIAL SOURCES (USES)</b>	<u>34,000</u>	<u>34,000</u>	<u>27,704</u>	<u>(6,296)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>35,200</u>	<u>35,200</u>	<u>28,861</u>	<u>(6,339)</u>
<b>FUND BALANCE, July 1, 2021</b>	186,575	186,575	186,939	364
<b>FUND BALANCE, June 30, 2022</b>	<u>\$ 221,775</u>	<u>\$ 221,775</u>	<u>\$ 215,800</u>	<u>\$ (5,975)</u>

See accompanying notes to basic financial statements.  
 See accompanying notes to budget presentations.



**Notes to Basic Financial Statements**

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial reporting entity**

The Port of Brookings Harbor ("the Port") financial reporting entity is composed solely of the primary government. In determining the financial reporting entity, the Port considered all provisions of applicable accounting standards. Although there are various other governmental agencies and special service entities which provide services within the Port's boundaries, the Port is not financially accountable for any of these entities and accordingly, their financial information is not included in these financial statements. There are no other entities for which the Port has responsibility, exercises control or is financially accountable.

The Port of Brookings Harbor was approved by the voters at a special election in 1956. The Port is organized and operates under the laws of the State of Oregon pertaining to Port districts. The Port provides port services and facilities to recreational and commercial users on the southern Oregon coast. A five-member Board of Commissioners governs over its operations.

The Port has a permanent tax rate of \$0.1316 cents per \$1,000 of assessed property value that is levied each year on all taxable property within the Port boundaries. The Port District includes the areas of the City of Brookings, the neighboring community of Harbor and surrounding unincorporated areas of Curry County. The estimated population of those living in the Port District boundaries is 11,000.

**Government-Wide Financial Statements**

The Statement of Net Position and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. These statements distinguish between governmental and business-type activities. Governmental activities are generally financed through taxes, intergovernmental revenues, and both exchange and non-exchange revenues. Business-type activities are financed in whole or part by fees charged to external parties for goods and services. The Port reports only governmental activities.

The government-wide financial statements are reported on a modified cash basis of accounting. The modified cash basis of accounting used is based on the recording of cash and cash equivalents, and changes therein, and only recognizes revenues, expenses, assets, and liabilities resulting from cash transactions, adjusted for modifications that have substantial support in generally accepted accounting principles. While there is no standard setting body that establishes accounting standards for the modified cash basis of accounting, both the Government Finance Officers Association (GFOA) and the American Institute of CPAs (AICPA) publish guidance and example materials used in preparing modified cash basis financial statements. The Port used these application materials published by the GFOA and the AICPA in preparing these financial statements. Generally accepted accounting principles are defined by the Governmental Accounting Standards Board (GASB) through their pronouncements.



**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

This modified cash basis of accounting differs from generally accepted accounting principles in that not all GASB pronouncements apply to the presentation and disclosures contained in financial statements. Only cash and items that involve the receipt or disbursement of cash during the fiscal year are recognized, except for the following modifications:

- (1) Interfund receivables and payables that arise from transactions and events involving cash are recognized;
- (2) Assets that normally convert to cash that arise from transactions and events involving cash are recognized;
- (3) Liabilities for cash (or cash equivalents) held on behalf of others, held in escrow, or received in advance of being earned or meeting eligibility requirements are recognized.

As a result of the use of this modified cash basis of accounting, certain transactions are not recorded or presented in the basic financial statements. For example, accounts receivable and revenue for billed or provided services that have not been collected in cash are not accrued as revenue or receivables. Additionally, capital assets such as property, equipment, and infrastructure are not reported and long-term liabilities such as debt and compensated absences are also not reported in the basic financial statements. However, any long-term liabilities and compensated absences are described in the notes to the basic financial statements.

The modified cash basis of accounting is an acceptable accounting framework recognized by Oregon law for use by local governments.

**Basis of presentation - government-wide financial statements**

While separate government-wide and fund financial statements are presented they are interrelated. The governmental activities column incorporates data from the governmental funds. Separate basic financial statements are provided for each of the Port's individual funds.

The government-wide financial statements are presented on the modified cash basis of accounting.

**Basis of presentation - fund financial statements**

The fund financial statements provide information about the Port's funds. Separate statements for each fund are presented. The emphasis of fund financial statements is on major funds, and each is displayed in a separate column. Under GASB pronouncements, a fund is considered major if it is the primary operating fund of the District or if total assets, liabilities, revenues, or expenditures of that individual governmental fund are at least 10% of the total for all governmental funds. A fund can also be considered major if the governing

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

body – the Port Board of Commissioners - chooses to do so. Funds that are not major funds are aggregated and reported as nonmajor funds. The fund financial statements are also presented on the modified cash basis of accounting. There are no nonmajor funds.

The Port reports the following major governmental funds:

**General Fund** – Used to account for financial resources of the Port not accounted for in any other fund. Principal sources of revenue consist of property taxes, charges for Port services, grants from other agencies and interest earnings. Major expenditures are for personnel services, operating supplies, repairs and maintenance, utilities and professional contracted services relating to administration and Port operations. Expenditures also include capital outlay for equipment.

**Debt Service Fund** – Used to account for the principal and interest paid on notes payable relating to equipment purchases and improvements to Port properties. Resources are provided by operating transfers from the General Fund and interest earnings.

**Revenue Bond Fund** – Used to account for principal and interest paid on the revenue bond. Resources are provided by operating transfers from the General Fund and interest earnings.

**RV Park Improvement Debt Service Fund** – Used to account principal and interest payments on a note payable relating to park improvements. Resources are provided by operating transfers from the General Fund and interest earnings.

**Capital Projects Fund** – Used to account for expenditures relating to major construction and improvement projects of the Port. Resources are provided by capital grants, loans and operating transfers from the General Fund.

**Port Construction Fund** – Used to account for expenditures relating to major construction and improvement projects of the Port. Resources are provided by operating transfers from the General Fund.

**Reserve Fund** - Used to provide future resources for major dock repairs and replacements. Resources are provided by operating transfers from the General Fund and interest earnings. This fund was established under the provisions of Oregon Local Budget Law by Port Resolution 307.

**Assets, liabilities and net position/fund balance –**

**Cash** - The Port's cash is considered to be cash on hand, demand deposits, and savings accounts. There are no cash equivalents.

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Port deposits cash in checking and money market accounts at a local bank approved by the Oregon State Treasurer. The bank maintains depository insurance under the federal depository insurance program and participates in the State of Oregon collateral pool sufficient to cover the Port's cash deposits as required by Oregon law.

The Port also maintains accounts with the Oregon Local Investment Pool managed by the Oregon State Treasurer.

The Port maintains an account with the Curry County Treasurer for the purpose of receiving the Port's share of property taxes. Property tax collections are generally transferred to the Port's general checking account within a few weeks of collection.

**Net position flow assumption** - Sometimes the Port will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Port's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

**Restricted net position** – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

**Unrestricted net position** – Consists of all other net assets that do not meet the definition of "restricted".

**Fund balance policies** - Fund balance of the governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Port itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Port's highest level of decision-making authority. The Port Board of Commissioners is the highest level of decision-making authority for the Port that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts, if any, in the assigned fund balance classification are intended to be used by the Port for specific purposes but do not meet the criteria to be classified as committed. The Board of Commissioners by

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

resolution directs the Port Manager to assign fund balance. The Board of Commissioners may also assign fund balance - as it does when it appropriates fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, the constraints upon resources resulting from assignments are more easily removed or modified.

**Fund financial statements** – Governmental fund equity is classified as fund balance. As an approximate measure of liquidity, fund balance is similar to the working capital of a private-sector business. As such, there are limitations that may be placed on the use of fund balance resources. The various components of fund balance is designed to indicate the nature of such limitations. Financial statements of governmental funds report up to five components of fund balance.

**Non-spendable fund balance** - Inherently non-spendable resources are, because of their form, unable to be spent, or must remain intact.

**Restricted fund balance** - Externally enforceable limitations on resource use have been imposed by creditors, grantors, contributors, laws and regulations of other governments or by through constitutional provisions or enabling legislation.

**Committed fund balance** - Self-imposed limitations on spending set by the Board of Commissioners prior to the end of the fiscal year by formal action – a resolution - that requires formal action to remove such self-imposed restrictions.

**Assigned fund balance** - Self-imposed limitation resulting from intended use established by the Board of Commissioners such as through the adoption of the Port budget. No other body or official can assign fund balance.

**Unassigned fund balance** - Residual net resources the expenditure of which has not been limited in any way.

**Revenues, Expenditures and Expenses** – The Port's modified cash basis of accounting reports revenues, expenditures and expenses as appropriate.

**Government-wide statements** – In the Statement of Activities, modified cash basis revenues that are derived directly from each governmental activity or from parties outside the Port's taxpayers are reported as program revenues. Program revenues include fees for Port services charged to customers, and grants that are restricted to specific functions and activities. All other governmental revenues are reported as general. All taxes levied by the Port are classified general revenue as is miscellaneous revenue.

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Fund financial statements** – In the fund financial statements, revenues are reported by source and expenditures are reported as current, capital outlay, and debt service.

**Interfund balances and activities** – The Port's modified cash basis of accounting reports interfund fund transfers, balances and activities as appropriate.

**Government-wide financial statements** – In the process of aggregating the financial information for the government-wide financial statements interfund activity and balances are eliminated.

**Fund financial statements** – Interfund activity and balances within and among the governmental funds is reported in the fund financial statements as (1) interfund loans provided with a requirement for repayment are reported as interfund receivables and payables, and (2) interfund transfers where repayment is not expected are reported as transfers in and out.

**Significance** – As a local government, the Port is subject to various federal, state and local laws and regulations and contractual requirements. The more important, and potentially material, areas of compliance include the Port's budget and appropriations, cash deposit and investment accounts, collateralization of cash deposits and investments, long-term debt agreements, grant agreements and payroll.

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budget and appropriations** – Oregon local governments are required by state law to budget all funds each year, except in the first year of operation.

A budget is prepared for all funds in accordance with the legal requirements set forth in the Oregon Local Budget Law and the modified cash basis of accounting. The funds included in the budget include all funds included in the fund financial statements. Budget appropriation amounts shown in the financial statements include the original and revised budget appropriations as approved by the Port Board of Commissioners. Oregon Local Budget Law does not allow management to change the adopted or supplemental budgets in any way. Appropriations are limited to a single fiscal year; therefore, all spending authority of the Port lapses as of year-end.

The Board of Commissioners made changes to the adopted and appropriated 2021-22 budget during 2021-22 by adopting and appropriating one supplemental budget. There were no over-expenditures of appropriations in the funds for 2021-22. This outcome is attributed to effective management control and Port Commission oversight.

**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

**Cash and investments** – The Board of Commissioners has no deposit and investment policies that limit allowable deposits or investments or address specific deposit and investment risks. The Port complies with state statutes relating to deposits, investments and related risks.

Statutes authorize the Port to invest in its own bonds, legally issued general obligations of the United States and the states of Oregon, Washington, Idaho, or California, legally issued general obligation bonds of any city within the state of Oregon issued for utility services, open accounts, certificates of deposit and savings accounts of banks which maintain a head office in Oregon, bankers' acceptances that are guaranteed by a qualified financial institution, certain other investments related to deferred compensation plans, and local government investment pools managed by the local county Treasurer or the state Treasurer.

The Port has selected a bank that is identified as an approved depository in the Oregon statutes. In accordance with Oregon law, deposits of municipal funds can only be deposited in approved financial institutions identified by the state of Oregon Treasurer. In addition, Oregon law requires that all deposits be covered by federal depository insurance and account balances in excess of the federal depository insurance be secured with acceptable collateral. All approved depositories participate in the collateral pool managed by the Treasurer of the state of Oregon who is the responsible official concerning all matters relating to collateral coverage.

Deposits with financial institutions are in four bank demand deposit checking accounts and six accounts with the Local Government Investment Pool. At June 30, 2022, the bank balances were \$151,095 in the checking accounts, \$5,037 in money market accounts and \$1,157,708 in the Local Government Investment Pool deposit accounts. The bank accounts are covered by \$250,000 of federal depository insurance. In addition, the banks holding the deposits are approved by the state of Oregon Treasurer to receive deposits from local governments. As state approved depositories, the banks have pledged collateral to a state managed pool, considered sufficient by the state of Oregon Treasurer, to cover local government deposits in excess of the federal depository insurance. Since the Port's bank deposits at year-end were covered by federal depository insurance and were deposited in approved depositories, the Port is in compliance with state-mandated deposit insurance and collateral requirements at June 30, 2022.

**Long-term debt** - The Port's long-term debt includes a revenue bond payable to the United States Department of Agriculture, nine notes payable to the Oregon Business Development Department Infrastructure Financing Authority, two notes payable to private parties, one full faith and credit note payable to Umpqua Bank and compensated absences owed to employees.

**Property tax revenue** - The Port of Brookings Harbor levies a permanent tax rate property tax levy. By July 15 of each year, the Port certifies its property tax levies to Curry County, Oregon. Curry County makes all assessments of property value, and levies, collects, and distributes property taxes for all taxing districts within its boundaries.

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)**

Assessments of property values are as of July 1 of each year, and the taxes levied are a lien on the properties as of July 1 of the year levied. Taxes are payable in three installments, on November 15, February 15, and May 15, following the levy date and become delinquent May 15. The County pools all tax collections and makes distributions to taxing districts according to their pro-rata share of the total levy of each fiscal year for which collections are received. Property tax receipts, resulting from modified cash basis transactions, are recognized as revenue when received. Uncollected property taxes are not reported on the modified cash basis of accounting.

**Laws, regulations, and contracts** - During the ordinary course of conducting operations and accounting for its fiscal affairs, the Port is subject to various laws, regulations, and contractual requirements. The Port has designed management controls that it believes assure compliance with those applicable laws, regulations, and contracts.

**NOTE 3 – DETAILED NOTES – ACCOUNT BALANCES/TRANSACTIONS**

**Cash** – At June 30, 2022, the Port's cash accounts consisted of the following:

		<u>Carrying Amounts</u>
Counter and Petty cash	\$	2,124
Deposits:		
Bank checking accounts	\$ 134,778	
Bank money market accounts	5,037	
Local Government Investment Pool accounts	<u>1,157,708</u>	<u>1,297,523</u>
<b>Total cash</b>		<u>\$ 1,299,647</u>

Custodial risk of cash deposits in the Port's checking and savings accounts have been mitigated as they are fully insured or collateralized at June 30, 2022. The deposit in the bank money market account is subject to interest rate risk and remained in the less than 1% range during the fiscal year.

The Port's deposits in the Local Government Investment Pool ("LGIP") are subject to credit risk and interest rate risk, but not to concentration of credit risk, custodial risk or foreign currency risk. The LGIP itself is not rated, but the holdings of the LGIP are rated and those ratings met the requirements of the LGIP's investment policies. This is a deposit-type investment recorded at fair value with a less than three-month maturity. The interest rate changed eight times during the fiscal year; ranged from .60% to 1.15% and averaged .70% per month for the fiscal year.

**Transfers** - Transfers are used to move available resources from the General Fund to the debt service funds for debt service expenditures, and from the General Fund to the Capital Projects Fund as local match for various grant and loan fund projects and for costs ineligible for reimbursement.

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 3 – DETAILED NOTES – ACCOUNT BALANCES/TRANSACTIONS (Continued)**

Operating transfers between the Port's funds for the year ended June 30, 2022 are as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 713,858
Debt Service Fund	398,320	-
Revenue Bond Fund	130,116	-
RV Park Loan Fund	57,718	-
Capital Projects Fund	-	-
Port Construction Fund	100,000	-
Reserve Fund	27,704	-
<b>Total All Funds</b>	<u>\$ 713,858</u>	<u>\$ 713,858</u>

**NOTE 4 – OTHER INFORMATION**

**Risk management** - The Port is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Port manages these risks by securing commercial insurance through a pooling arrangement managed by the Oregon Special Districts Association.

The purpose of the insurance pool is to realize lower premiums through a group purchase and the pooling does not extend to the actual claims liabilities which remain solely the responsibility of the participating members. Management believes that such insurance coverage is sufficient to preclude any significant uninsured losses. During the past three years settled claims have not exceeded this insurance coverage.

**Subsequent events** - No events have occurred subsequent to the end of the fiscal year through November 30, 2022, the date of the independent auditor's report that have had an adverse impact on the basic financial statements as of and for the year ended June 30, 2022 of the Port of Brookings Harbor.

**New accounting standards** - As described in Note 1 to these financial statements, generally accepted accounting principles (GAAP), as expressed in pronouncements of the Governmental Accounting Standards Board (GASB), may apply to Port's modified cash basis of accounting or to financial statement presentation and disclosures included in the Port's financial statements. During the 2021-22 year several new GASB pronouncements became effective or had effective dates deferred. Except for GASB Statement 87, titled Leases, none were applicable to the Port's modified cash basis of accounting.

**Accounting framework** – As explained in Note 1, the Port has adopted the modified cash basis as its accounting framework. While there is no standard setting body that establishes standards for the modified



**PORT OF BROOKINGS HARBOR**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2022**

**NOTE 4 – OTHER INFORMATION (Continued)**

cash basis of accounting, guidance materials are available from the American Institute of Certified Public Accountants (AICPA) and the Government Finance Officers Association (GFOA) that assist in preparing financial statements that have general support in the United States. However, there are differences between the AICPA and GFOA modified cash basis of accounting guidance materials. A significant difference is that the AICPA guidance provides that capital asset costs and related depreciation, and long-term liabilities are reported on the government wide financial statements, while the GFOA guidance does not include the reporting of capital assets and long-term debt in the government wide financial statements. The AICPA accounting framework attempts to apply all Governmental Accounting Standards Board accounting standards within the context of cash transactions, where the GFOA accounting framework focuses on cash receipts and disbursements of the current fiscal year and disclosure of future cash disbursement obligations and commitments. Both AICPA and GFOA disclose capital assets and long-term debt in the notes to the financial statements.

**Property taxes and abatement** – The Oregon Constitution contains limits on property taxes for schools and non-school government operations. Property taxes for non-school operations are limited to \$10 for each \$1,000 of property market value. The limitation does not apply to taxes levied for principal and interest on general obligation bonds. A limit is also placed on the growth property values to no more than 3% per year, subject to certain exceptions – including the general obligation bonded debt. Oregon Revised Statutes allow property tax abatements through various state programs that reduce levied property taxes. Such abatements are generally related to economic development. Based on information provided by Curry County, there are no material or significant property tax abatements currently in effect that reduce the Port's annual property tax levy.

**Port as lessor** – The Port owns and leases certain properties to independent commercial businesses under long-term noncancelable operating leases.

These commercial leases are a significant source of revenue to the Port. There are currently 34 leases in effect relating to retail stores, warehouse shop/storage, land rental and commercial receiving docks. The time periods of leases vary, and include month-to-month leases, and others for periods of two years to 50 years. Rental amounts are tied to the Consumer Price Index ("CPI"). Tenants are also required to reimburse the property taxes paid by the Port and provide insurance on each rental space. Square footage under lease totals 229,483. Estimated value of the leased property, as reported in a 2015 professional appraisal, is \$4,880,000.

Beginning this fiscal year, GASB Statement 87 has provided new guidance on the accounting for and reporting of these leases in accordance with generally accepted accounting principles. Since the Port uses the modified cash basis of accounting, the guidance is not required but only advisory, and is considered in

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 4 – OTHER INFORMATION (Continued)**

the preparation of the annual financial report disclosures. In fiscal year 2021-22, the Port received \$566,280 of lease revenues that are included in program revenues as Charges for Port Services.

The minimum future lease payments to be received under such leases that will be recognized as program service revenues are as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2023	\$ 503,466
2024	366,761
2025	308,752
2026	296,532
2027	182,751
2028-32	745,393
2033-37	543,514
2038-42	515,708
2043-47	404,485
2048-52	298,928
Total	<u>\$ 4,166,290</u>

Actual program service revenue from future lease payments will vary due to future CPI increases, expiring leases and new leases.

**Capital assets and long-term obligations** - As a result of using the modified cash basis of accounting, capital assets and long-term debt obligations and other obligations not directly related to a cash transaction incurred during the current fiscal year are not reported as assets or liabilities in the basic financial statements. However, these capital assets and long-term debt obligations are disclosed in the following notes to the basic financial statements.

**NOTE 5 – CAPITAL ASSETS**

**Capital assets** - The Port has acquired capital assets such as, equipment, docking facilities, and commercial buildings that are rented to various tenants, and an RV park open to the public. Capital assets are defined by the District as assets with an initial individual cost of more than \$5,000 and recorded as capital outlay expenditures having an estimated useful life in excess of five years. The costs of normal maintenance and repairs, or minor upgrades and improvements, of capital assets that do not add to the asset value or materially extend the capital asset useful life are not considered to be capital assets. Capital assets are not depreciated over their estimated useful lives for accounting purposes under the modified cash basis of

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 5 – CAPITAL ASSETS (Continued)**

accounting framework used by the Port. Further, the useful life threshold is based solely on operational and budgetary considerations and not accounting principles. The accumulated investment in capital assets compared to capital asset insurance coverage is provided as unaudited supplemental information in the Letter of Transmittal.

**NOTE 6 – LONG TERM DEBT**

**Long-term debt** - The Port has incurred long-term debt arising from cash transactions that include a revenue bond, infrastructure financing agreements payable to the State of Oregon, and three notes payable. The Port has obligations to its employees for outstanding compensated absences earned by employees for vacation and overtime.

**Revenue Bond**

<b><u>Installment Revenue Bond No. 1, Series 2000</u></b>	<b><u>Remaining Balance</u></b>
Annual payments of \$130,120, consisting of principal and 5% interest, due on November 6 of each year. Proceeds used for the construction and improvements to the boat basin. Source of repayment is from the unobligated net revenues of the Port and made from the Revenue Bond Fund.	
	<u>\$ 924,602</u>

Debt service requirements to maturity are:

<u>Fiscal Year End June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 83,913	\$ 46,207	\$ 130,120
2024	88,109	42,011	130,120
2025	92,514	37,606	130,120
2026	97,140	32,980	130,120
2027	101,997	28,123	130,120
2028-31	460,929	58,900	519,829
Totals	<u>\$ 924,602</u>	<u>\$ 245,827</u>	<u>\$ 1,170,429</u>

**Oregon Business Development Department Infrastructure Financing Authority (IFA)**

The IFA has provided nine loans to the Port for the construction of various improvements over the years. These loans are secured by these Port improvements and bear interest ranging from 4.88% to 7.00%. In

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**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 6 – LONG TERM DEBT (Continued)**

March 2011 the Port sustained substantial damage from a tsunami that severely degraded the Port's revenue generating facilities. To assist the Port in its financial recovery from the tsunami, the State of Oregon suspended payments on the outstanding loans until such time that the Port returns to normal operations. For payment purposes the loans are considered to have been consolidated. In 2009, the IFA restructured the payment schedule to require payment of principal only with the interest being deferred until such time as the principal has been fully repaid at which time the interest may be forgiven.

**IFA Restructured Debt**

<b>IFA Restructured Debt Requirements</b>	<b>Remaining Balance</b>
Quarterly payments of \$ 62,500 applied to principal.	
Matured but unpaid interest is accrued but deferred until the underlying loans are paid off and may ultimately be forgiven. Proceeds from the sale of any secured properties or assets will be applied to the oldest loan's principal.	
	<b>\$ 1,009,676</b>

In response to COVID -19 financial impacts facing the Port, the State of Oregon, during May 2020, provided relief assistance by freezing the interest rate on the IFA outstanding balances at 0.00% indefinitely. The interest deferred to date is still due, and the Port will still be responsible to make the \$62,500 quarterly payments until the deferred amount has been satisfied. Should the Port default or stop making payments without notice to the IFA, the frozen interest will be recalculated at the original interest rates and added to the deferred interest outstanding.

Beginning in 2019-20, the Port decided to increase the required quarterly payments to \$72,500 - \$290,000 annually - in order to accelerate the payoff of the current balance of suspended payments.

Debt service requirements to maturity are:

<b>Fiscal Year End June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 290,000	\$ -	\$ 290,000
2024	290,000	-	290,000
2025	290,000	-	290,000
2026	139,676	3,225,234	3,364,910
<b>Totals</b>	<b>\$ 1,009,676</b>	<b>\$ 3,225,234</b>	<b>\$ 4,234,910</b>

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 6 – LONG TERM DEBT (Continued)**

The deferred interest arrangement continued.

<b>Deferred Interest</b>		<u><b>Balance</b></u>
Deferred, June 30, 2021		\$ 3,148,768
Current year deferral	\$ 76,466	
Current year payments	<u>          -</u>	<u>76,466</u>
Deferred, June 30, 2022		<u><u>\$ 3,225,234</u></u>

**Notes Payable**

The Port is obligated under the terms of three notes payable relating to the purchase of equipment and improvements to the Port's RV Park described as follows:

<b>Travel Lift:</b> In October 2016, the Port purchased a 50 ton hoist for placing and removing boats from the boat basin or trailers for \$324,000. Monthly payments of \$4,659, including 5.502% interest, are required. The contract will be fully paid in 2024.	<u>\$ 71,691</u>
<b>Forklift:</b> In February 2018, the Port purchased a forklift for use in Port operations. Monthly payments of \$1,465, including 6.0% interest, are required. The note will be fully paid in 2025.	<u>43,164</u>
<b>Total Notes Payable</b>	<u><u>\$ 114,855</u></u>

<u><b>Fiscal Year End June 30</b></u>	<u><b>Principal</b></u>	<u><b>Interest</b></u>	<u><b>Total</b></u>
2023	\$ 68,667	\$ 4,817	\$ 73,484
2024	34,932	1,380	36,312
2025	11,256	263	11,519
Totals	<u>\$ 114,855</u>	<u>\$ 6,460</u>	<u>\$ 121,315</u>

The Port is obligated under the terms of a note payable relating to major improvements undertaken at the Port's RV Park.

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 6 – LONG TERM DEBT (Continued)**

	<b>Balance</b>
<b>RV Park Improvements</b> - In August 2020 the Port undertook a major improvement of the RV Park to upgrade all aspects of the Park at a cost of \$700,000. Monthly payments of \$4,810, including 2.928%, are required. The loan is secured by the full faith and credit of the Port. The loan will be fully paid in 2035.	\$ 626,712

Debt service payments to maturity RV Park note payable are as follows:

<b>Fiscal Year End June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Balance</b>
2023	\$ 39,901	\$ 17,817	\$ 57,718
2024	41,085	16,633	57,718
2025	42,304	15,414	57,718
2026	43,560	14,158	57,718
2027	44,852	12,866	57,718
2028-2032	245,036	43,554	288,590
2033-2035	169,974	7,990	177,964
Totals	\$ 626,712	\$ 128,432	\$ 755,144

The future debt service payments of all three notes payable are:

<b>Fiscal Year End June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Balance</b>
2023	\$ 108,568	\$ 22,634	\$ 131,202
2024	76,017	18,013	94,030
2025	53,560	15,677	69,237
2026	43,560	14,158	57,718
2027	44,852	12,866	57,718
2028-2032	245,036	43,554	288,590
2033-2036	169,974	7,990	177,964
Total	\$ 741,567	\$ 134,892	\$ 876,459

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 6 – LONG TERM DEBT (Continued)**

**Debt Service Summary** – The following is a summary of the long-term debt transactions of the Port for the year ended June 30, 2022:

Transactions	Revenue Bond	IFA Notes	Notes Payable	Total
Payable, June 30, 2021	\$ 1,004,497	\$ 1,334,493	\$ 845,182	\$ 3,184,172
New long term debt	-	-	-	-
Principal payments	(79,895)	(324,817)	(103,615)	(508,327)
Payable, June 30, 2022	<u>\$ 924,602</u>	<u>\$ 1,009,676</u>	<u>\$ 741,567</u>	<u>\$ 2,675,845</u>
Interest payments	<u>\$ 50,225</u>	<u>\$ -</u>	<u>\$ 27,589</u>	<u>\$ 77,814</u>
Future Principal Payments:				
Due within one year	\$ 83,913	\$ 290,000	\$ 108,568	\$ 482,481
Due after one year	840,689	719,676	632,999	2,193,364
Payable, June 30, 2022	<u>\$ 924,602</u>	<u>\$ 1,009,676</u>	<u>\$ 741,567</u>	<u>\$ 2,675,845</u>

**Compensated absences** - As a result of the modified cash basis of accounting used by the Port for financial reporting purposes, obligations related to accrued compensated absences, including vacation, are not reported as liabilities in the financial statements. Expenditures/expenses related to compensated absences are recorded when paid. The amount of the Port's obligation related to accrued compensated absences for accumulated, unpaid compensatory time that would be due employees upon termination, as of June 30, 2022 is approximately \$24,000.

**Leases** – GASB Statement 87 changes the way equipment leases are accounted for. Previously payments made on equipment leases were considered an operating expense or the purchase of equipment depending on the terms of the lease. GASB Statement 87 defines equipment leases as financing arrangements. The Port has two equipment leases underway that have been considered operating leases and the payments have been accounted for as materials and services expenditures. GASB Statement 87 considers the nature of the transaction no longer an operating expenditure but a debt service expenditure. The only exception is for "short term" leases where the lease runs for less than one year. If lease financing agreements do not state an interest rate one must be imputed to comply with the GASB Statement 87 disclosures

The Port is a party to two lease financing agreements for the right to use a postage meter and an office copier/printer/scanner. Through June 30, 2022 the lease payments have been budgeted and accounted for as an operating expenditure in the General Fund. GASB Statement 87 provisions have been applied to the Port by reporting the future debt service payments on the lease financing agreements as long term debt at June 30, 2022. These future payments will be reported as debt service principal and interest in the year paid. The 2022-23 fiscal year budget will be modified to reflect this change. Since the two lease financing agreements do not state an interest rate one, an interest rate is imputed to comply with the GASB Statement 87 disclosures.

**PORT OF BROOKINGS HARBOR  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2022**

**NOTE 6 – LONG TERM DEBT (Continued)**

The lease financing agreements are described as follows:

	<b>Balance</b>
<b>Copier/printer/scanner:</b> In October 2020, the Port leased an office copier/printer/scanner and financed the payments that total \$14,082. Interest has been imputed at 2.9% leaving principal of \$13,029. Monthly payments of \$223 are required and the lease financing agreement will be fully paid in 2025.	\$ 8,904
<b>Postage Meter:</b> In February 2021, the Port leased a postage meter and financed the payments that total \$8,462. Interest has been imputed at 2.9% leaving principal of \$7,868. Monthly payments of \$141 are required and the lease financing agreement will be fully paid in 2025.	5,626
<b>Total Lease Financings Payable</b>	\$ 14,530

<b>Fiscal Year End June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 4,002	\$ 369	\$ 4,371
2024	4,120	251	4,371
2025	4,241	129	4,370
2026	2,167	18	2,185
Totals	\$ 14,530	\$ 767	\$ 15,297
<b>Future Payments</b>			
2023	\$ 4,002	\$ 369	\$ 4,371
2023-2026	10,528	398	10,926
Totals	\$ 14,530	\$ 767	\$ 15,297



**Notes to Budget Presentations**

**PORT OF BROOKINGS HARBOR  
NOTES TO BUDGET PRESENTATIONS  
JUNE 30, 2022**

**Oregon Local Budget Law** - The Port is required by state law to budget all funds. A budget is prepared for all funds in accordance with the modified cash basis of accounting and legal requirements set forth in the Oregon Local Budget Law.

Oregon Local Budget Law does two important things:

1. It establishes standard procedures for preparing, presenting and administering the budget.
2. It requires citizen involvement in the preparation of the budget and public disclosure of the budget before its formal adoption.

The budget process includes five significant steps:

1. Preparing the budget:
  - a. Governing body appoints the budget officer.
  - b. Budget officer prepares, or supervises the preparation, of the proposed budget.
2. Approving the budget:
  - a. Budget officer publishes notice of the budget committee meeting at least twice during the 5 to 30 days before the meeting with at least 5 days between notices.
  - b. Budget committee meets at least once to discuss and approve the budget.
  - c. Budget committee meetings are subject to the Oregon Open Meetings Law and Public Documents Law.
  - d. Budget officer presents the proposed budget.
  - e. Budget officer describes the proposed budget in the "Budget Message".
  - f. Budget committee discusses the proposed budget.
  - g. Budget committee allows for public input at the meetings.
  - h. Budget committee approves total proposed expenditures and total property tax levy.
3. Advertising and holding public hearing:
  - a. Budget summary and notice of budget hearing is published 5 to 30 days before the scheduled hearing.
  - b. Governing body conducts public hearing to receive citizen testimony.
4. Adopting the budget:
  - a. Budget adopted, appropriations made, tax levy declared and categorized by approving resolutions.
  - b. Budget is filed with the county clerk and the levy is certified to the county tax collector.
5. Administering the budget:
  - a. Expenditures cannot legally exceed the adopted appropriation.
  - b. The legal level of budgetary control for all funds is at the object category totals of personnel services, materials and services, capital outlay, debt service, operating transfers and contingency.
  - c. The governing body can modify the budget by adopting resolutions approving appropriation transfers, increases or supplemental budgets.

**PORT OF BROOKINGS HARBOR  
NOTES TO BUDGET PRESENTATIONS  
JUNE 30, 2022**

**The adopted budget** - The Port Board of Commissioners resolution adopting the budget and authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriation. The level of control for the General Fund, Capital Projects Funds and the Reserve Fund is by personnel services, materials and services, capital outlay, operating transfers, and contingency. The level of control for the Debt Service Funds is by total debt service of principal and interest. The amounts appropriated are in agreement with the amounts of expenditures included in the adopted budget. The detail budget document, however, is required to contain more specific, detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget and appropriated for expenditure through the use of a supplemental budget. The original budget process requires approval of the budget committee, hearings before the public, publications in newspapers, and approval by the Port Board of Commissioners. Oregon Local Budget Law does not require the involvement of the budget committee during a supplemental process.

Oregon Local Budget Law does not allow management to change the adopted or supplemental budgets in any way. Only the Board of Commissioners may change the budget. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. In addition, Oregon Local Budget Law also provides certain specific exceptions to the supplemental budget process to increase appropriations. Such transfers and increases require approval of the Board of Commissioners by adoption of a resolution. Budget appropriation amounts shown in the financial statements include the original and revised final budget appropriations as approved by the Board of Commissioners. Appropriations are limited to a single fiscal year; therefore, all spending authority of the Port lapses as of year-end.

**2021-22 Budget** - The Board of Commissioners adopted and appropriated the 2021-22 budget as outlined in Oregon Local Budget Law. One supplemental budget was adopted and appropriated that made changes to the General Fund and Capital Projects Fund budgets. There were no over-expenditures of budget appropriations in any fund - General Fund, Debt Service Fund, Revenue Bond Fund, RV Park Improvement Loan Fund, the Capital Projects Fund, Port Construction Fund or the Reserve Fund. This outcome is attributed to effective management control and Port Commission oversight.

**2022-23 Budget** - The Board of Commissioners adopted and appropriated 2022-23 budget as outlined in Oregon Local Budget Law.



**Supplemental Schedules**



**PORT OF BROOKINGS HARBOR  
SCHEDULE OF PROPERTY TAX TRANSACTIONS  
MODIFIED CASH BASIS  
For the year ended June 30, 2022**

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	<b>General Fund</b>
Uncollected, July 1, 2021	\$ 29,380
2021-22 property tax levy	271,897
Total property taxes to collect	301,277
Less:	
Property taxes collected:	
Current	256,624
Prior	10,406
Total property taxes collected	267,030
Discounts, adjustments and other	6,438
Uncollected, June 30, 2022	\$ 27,809
Uncollected property taxes consist of:	
2021-22 tax levy	\$ 7,810
2020-21 tax levy	4,063
2019-20 tax levy	3,073
2018-19 tax levy	2,014
2017-18 tax levy	1,240
Prior year levies	9,609
Uncollected , June 30 2022	\$ 27,809

**PORT OF BROOKINGS HARBOR  
SCHEDULE OF LONG TERM DEBT  
PRINCIPAL AND INTEREST TRANSACTIONS  
For the year ended June 30, 2022**

LONG TERM DEBT	Date of Issue	Average Interest Rates
<b>Debt Service Fund</b>		
Notes Payable		
IFA Combined Notes	January-10	5.0 Deferred
Other Notes:		
Travel Lift	October-16	5.5
Fork Lift	February-18	6.0
Total Other Notes		
<b>Total Debt Service Fund</b>		
<b>Revenue Bond Fund</b>		
No. 1 Series 2000	November-00	5.0
<b>RV Park Improvement Fund</b>		
Umpqua Bank Note Payable		
Restroom and Laundry Upgrade	July-20	2.928
<b>General Fund</b>		
Lease Financing Agreements		
Copier/Printer/Scanner	October-20	2.9
Postage Meter	January-21	2.9
Total Lease Financing Agreements		
<b>Debt Service Fund</b>		
Notes Payable		
IFA Combined Notes	January-10	5.0 Deferred
Other Notes:		
Travel Lift	October-16	5.5
Fork Lift	February-18	6.0
Total Other Notes		
<b>Total Debt Service Fund</b>		
<b>Revenue Bond Fund</b>		
No. 1 Series 2000	November-00	5.0
<b>RV Park Improvement Fund</b>		
Umpqua Bank Note Payable		
Restroom and Laundry Upgrade	July-20	2.928
<b>General Fund</b>		
Lease Financing Agreements		
Copier/Printer/Scanner	October-20	2.9
Postage Meter	January-21	2.9
Total Lease Financing Agreements		



PRINCIPAL

Maturity Dates	Original Amount of Debt	Outstanding July 1, 2021	Issued	Redeemed	Outstanding June 30, 2022
March-30	\$ 4,080,618	\$ 1,334,493	\$ -	\$ 324,817	\$ 1,009,676
November-23	324,200	122,088	-	50,397	71,691
February-25	100,000	57,632	-	14,468	43,164
	424,200	179,720	-	64,865	114,855
	<u>\$ 4,504,818</u>	<u>\$ 1,514,213</u>	<u>\$ -</u>	<u>\$ 389,682</u>	<u>\$ 1,124,531</u>
November-30	<u>\$ 2,000,000</u>	<u>\$ 1,004,497</u>	<u>\$ -</u>	<u>\$ 79,895</u>	<u>\$ 924,602</u>
July-35	<u>\$ 700,000</u>	<u>\$ 665,462</u>	<u>\$ -</u>	<u>\$ 38,750</u>	<u>\$ 626,712</u>
December-25	\$ 13,029	\$ 11,287	\$ 2,383	\$ -	\$ 8,904
December-25	7,868	7,131	1,505	-	5,626
	<u>\$ 20,897</u>	<u>\$ 18,418</u>	<u>\$ 3,888</u>	<u>\$ -</u>	<u>\$ 14,530</u>

INTEREST

	July 1, 2021	Matured	Paid	June 30, 2022
March-30	\$ 3,148,768	\$ 76,466	\$ -	\$ 3,225,234
November-23	-	5,510	5,510	-
February-25	-	3,109	3,109	-
	-	8,619	8,619	-
	<u>\$ 3,148,768</u>	<u>\$ 85,085</u>	<u>\$ 8,619</u>	<u>\$ 3,225,234</u>
November-30	<u>\$ -</u>	<u>\$ 50,225</u>	<u>\$ 50,225</u>	<u>\$ -</u>
July-35	<u>\$ -</u>	<u>\$ 18,969</u>	<u>\$ 18,969</u>	<u>\$ -</u>
December-25	\$ -	\$ 187	\$ 187	\$ -
December-25	-	296	296	-
	<u>\$ -</u>	<u>\$ 483</u>	<u>\$ 483</u>	<u>\$ -</u>

**PORT OF BROOKINGS HARBOR  
 SCHEDULE OF FUTURE CASH REQUIREMENTS FOR  
 REVENUE BOND PRINCIPAL AND INTEREST MATURITIES  
 June 30, 2022**

<b>Series 2000 Issue</b>			
<b>Fiscal Year Paid</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022-23	\$ 83,913	\$ 46,207	\$ 130,120
2023-24	88,109	42,011	130,120
2024-25	92,514	37,606	130,120
2025-26	97,140	32,980	130,120
2026-27	101,997	28,123	130,120
2027-28	107,097	23,023	130,120
2028-29	112,452	17,668	130,120
2029-30	118,074	12,046	130,120
2030-31	123,306	6,163	129,469
	\$ 924,602	\$ 245,827	\$ 1,170,429

**PORT OF BROOKINGS HARBOR  
SCHEDULE OF FUTURE CASH REQUIREMENTS FOR  
COMBINED IFA NOTES PAYABLE  
June 30, 2022**

	<b>IFA NOTES PAYABLE</b>						
	<b>Restructured Payments</b>		<b>Deferred Interest</b>		<b>Total Principal</b>	<b>Total Interest</b>	<b>Total</b>
	Principal	Interest	Current	Accumulated			
2022-23	\$ 290,000	\$ -	\$ -	\$ -	\$ 290,000	\$ -	\$ 290,000
2023-24	290,000	-	-	-	290,000	-	290,000
2024-25	290,000	-	-	-	290,000	-	290,000
2025-26	139,676	-	-	-	139,676	-	139,676
2026-27	-	-	-	3,225,234	-	3,225,234	3,225,234
	<u>\$ 1,009,676</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,225,234</u>	<u>\$ 1,009,676</u>	<u>\$ 3,225,234</u>	<u>\$ 4,234,910</u>

**PORT OF BROOKINGS HARBOR**  
**SCHEDULE OF FUTURE CASH REQUIREMENTS FOR**  
**NOTES PAYABLE PRINCIPAL AND INTEREST MATURITIES**  
**June 30, 2022**

	NOTES PAYABLE						
	Travel Lift		Fork Lift		Total Principal	Total Interest	Total
	Principal	Interest	Principal	Interest			
2022-23	\$ 53,293	\$ 2,615	\$ 15,374	\$ 2,202	\$ 68,667	\$ 4,817	\$ 73,484
2023-24	18,398	336	16,534	1,044	34,932	1,380	36,312
2024-25	-	-	11,256	263	11,256	263	11,519
	<u>\$ 71,691</u>	<u>\$ 2,951</u>	<u>\$ 43,164</u>	<u>\$ 3,509</u>	<u>\$ 114,855</u>	<u>\$ 6,460</u>	<u>\$ 121,315</u>



**PORT OF BROOKINGS HARBOR**  
**SCHEDULE OF FUTURE CASH REQUIREMENTS FOR**  
**RV PARK IMPROVEMENTS NOTE PAYABLE PRINCIPAL AND INTEREST MATURITIES**  
**June 30, 2022**

<u>Fiscal Year Paid</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022-23	\$ 39,901	\$ 17,817	\$ 57,718
2023-24	41,085	16,633	57,718
2024-25	42,304	15,414	57,718
2025-26	43,560	14,158	57,718
2026-27	44,852	12,866	57,718
2027-28	46,184	11,534	57,718
2028-29	47,554	10,164	57,718
2029-30	48,965	8,753	57,718
2030-31	50,418	7,300	57,718
2031-32	51,915	5,803	57,718
2032-33	53,455	4,263	57,718
2033-34	55,042	2,676	57,718
2034-35	56,675	1,043	57,718
2035-36	4,802	8	4,810
	<u>\$ 626,712</u>	<u>\$ 128,432</u>	<u>\$ 755,144</u>

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**PORT OF BROOKINGS HARBOR  
SCHEDULE OF FUTURE CASH REQUIREMENTS FOR  
LEASE FINANCING AGREEMENTS PRINCIPAL AND INTEREST MATURITIES  
June 30, 2022**

	<b>LEASE FINANCING AGREEMENTS</b>						
	<b>Copier/Printer/Scanner</b>		<b>Postage Meter</b>		<b>Total Principal</b>	<b>Total Interest</b>	<b>Total</b>
	<b>Principal</b>	<b>Imputed Interest</b>	<b>Principal</b>	<b>Imputed Interest</b>			
2022-23	\$ 2,452	\$ 226	\$ 1,550	\$ 143	\$ 4,002	\$ 369	\$ 4,371
2023-24	2,525	154	1,595	97	4,120	251	4,371
2024-25	2,599	79	1,642	50	4,241	129	4,370
2025-26	1,328	11	839	7	2,167	18	2,185
	<u>\$ 8,904</u>	<u>\$ 470</u>	<u>\$ 5,626</u>	<u>\$ 297</u>	<u>\$ 14,530</u>	<u>\$ 767</u>	<u>\$ 15,297</u>

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**Other Information - Unaudited**

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**NET POSITION - MODIFIED CASH BASIS  
UNAUDITED**

	<u>Fiscal Year 2,018</u>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2020</u>	<u>Fiscal Year 2021</u>	<u>Fiscal Year 2022</u>
<b>Assets:</b>					
Cash and Investments	\$ 304,919	\$ 445,351	\$ 554,775	\$ 1,511,009	\$ 1,299,647
Employee Advances	-	-	400	101	733
Other Assets	-	-	72,500	-	-
<b>Total Assets</b>	<u>304,919</u>	<u>445,351</u>	<u>627,675</u>	<u>1,511,110</u>	<u>1,300,380</u>
<b>Liabilities:</b>					
Lodging Tax Payable	-	-	17,295	37,042	33,414
Deferred Revenue	-	-	5,938	19,673	13,964
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>	<u>23,233</u>	<u>56,715</u>	<u>47,378</u>
<b>Net Position:</b>					
Restricted for:					
Debt Service	122,894	120,904	196,352	125,111	125,936
Capital Projects	-	-	-	569,449	574,019
<b>Total</b>	<u>122,894</u>	<u>120,904</u>	<u>196,352</u>	<u>694,560</u>	<u>699,955</u>
Unrestricted for:					
Port Operations	167,030	280,776	246,190	532,465	437,866
Capital Projects	14,995	43,671	161,270	227,370	227,370
<b>Total</b>	<u>182,025</u>	<u>324,447</u>	<u>407,460</u>	<u>759,835</u>	<u>665,236</u>
<b>Total Net Position</b>	<u>\$ 304,919</u>	<u>\$ 445,351</u>	<u>\$ 604,442</u>	<u>\$ 1,454,395</u>	<u>\$ 1,253,002</u>



PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON

CHANGES IN NET POSITION - MODIFIED CASH BASIS  
 UNAUDITED

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
<b>EXPENSES</b>					
Governmental Activities :					
Port Operations	\$ 1,883,211	\$ 1,992,377	\$ 2,534,133	\$ 2,174,710	\$ 2,758,537
Capital Outlay	600,327	845,953	81,137	891,630	371,562
Debt Service	444,864	552,259	440,978	620,193	586,139
Total Governmental Activities	<u>2,928,402</u>	<u>3,390,589</u>	<u>3,056,248</u>	<u>3,686,533</u>	<u>3,716,238</u>
Program Revenues:					
Port Services	2,310,267	2,537,811	2,723,356	2,756,764	3,098,349
Salvage Sales	79,427	51,908	5,742	1,475	18,520
Grants	275,398	670,632	201,152	780,632	10,000
Total Program Revenues	<u>2,665,092</u>	<u>3,260,351</u>	<u>2,930,250</u>	<u>3,538,871</u>	<u>3,126,869</u>
Net (Expenses) Revenues	<u>(263,310)</u>	<u>(130,238)</u>	<u>(125,998)</u>	<u>(147,662)</u>	<u>(589,369)</u>
General Revenues:					
Property Taxes	237,622	235,810	245,700	255,917	266,856
Interest	3,079	9,643	7,724	9,341	7,486
Miscellaneous	-	25,217	31,035	32,987	113,634
Total General Revenues	<u>240,701</u>	<u>270,670</u>	<u>284,459</u>	<u>298,245</u>	<u>387,976</u>
Transfers:					
Operating Transfers In	621,981	2,136,067	922,820	1,329,095	713,858
Operating Transfers Out	(621,981)	(2,136,067)	(922,820)	(1,329,095)	(713,858)
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loan Proceeds	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>700,000</u>	<u>-</u>
Change in Net Position	77,391	140,432	158,461	850,583	(201,393)
Net Position - Beginning	230,100	304,919	445,351	603,812	1,454,395
Accounting Basis Change	(2,572)	-	-	-	-
Net Position - Ending	<u>\$ 304,919</u>	<u>\$ 445,351</u>	<u>\$ 603,812</u>	<u>\$ 1,454,395</u>	<u>\$ 1,253,002</u>

**PORT OF BROOKINGS HARBOR  
CURRY COUNTY, OREGON**

**CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
UNAUDITED**

	Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
<b>REVENUES</b>					
Property Taxes	\$ 237,622	\$ 235,810	\$ 245,700	\$ 255,917	\$ 266,856
Charges for Port Services	2,310,267	2,537,811	2,723,356	2,756,764	3,098,349
Salvage Sales	79,427	51,908	5,742	1,475	18,520
Grants	275,398	670,632	201,152	780,632	10,000
Interest	3,079	9,643	7,724	9,341	7,486
Miscellaneous	-	25,217	31,035	32,987	113,634
<b>TOTAL REVENUES</b>	<u>2,905,793</u>	<u>3,531,021</u>	<u>3,214,709</u>	<u>3,837,116</u>	<u>3,514,845</u>
<b>EXPENDITURES</b>					
Current					
Port Operations	1,883,211	1,992,377	2,534,133	2,174,710	2,758,537
Capital Outlay	600,327	845,953	81,137	891,630	371,562
Debt Service	444,864	552,259	440,978	620,193	586,139
<b>TOTAL EXPENDITURES:</b>	<u>2,928,402</u>	<u>3,390,589</u>	<u>3,056,248</u>	<u>3,686,533</u>	<u>3,716,238</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(22,609)</u>	<u>140,432</u>	<u>158,461</u>	<u>150,583</u>	<u>(201,393)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating Transfers In	621,981	2,136,067	922,820	1,329,095	713,858
Operating Transfers Out	(621,981)	(2,136,067)	(922,820)	(1,329,095)	(713,858)
Loan Proceeds	100,000	-	-	700,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>700,000</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</b>	<u>77,391</u>	<u>140,432</u>	<u>158,461</u>	<u>850,583</u>	<u>(201,393)</u>
<b>FUND BALANCE, July 1</b>	230,100	304,919	445,351	603,812	1,454,395
Accounting Basis Change	(2,572)				
<b>FUND BALANCE, June 30</b>	<u>\$ 304,919</u>	<u>\$ 445,351</u>	<u>\$ 603,812</u>	<u>\$ 1,454,395</u>	<u>\$ 1,253,002</u>

**Independent Auditor's Report Required By State Regulations**

# C. J. Huntsman, CPA, P.C.

Constance J. Huntsman  
Certified Public Accountant  
Admin@huntsmancpa.net

P.O. Box 569  
Coos Bay, OR 97420  
541-808-3080

Memberships  
American Institute of CPA's  
Oregon Society of CPA's

## INDEPENDENT AUDITOR'S REPORT REQUIRED BY STATE REGULATIONS

To the Board of Commissioners  
Port of Brookings Harbor  
Brookings, OR 97415

I have audited the modified cash basis of accounting basic financial statements of the Port of Brookings Harbor, Oregon, as of and for the year ended June 30, 2022, and have issued my report thereon dated November 30, 2022. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that I plan and perform the audit to obtain assurance about whether the modified cash basis of accounting basic financial statements are free of material misstatement.

### Compliance

As part of obtaining reasonable assurance about whether the Port of Brookings Harbor's modified cash basis of accounting basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-0230 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion.

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

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).

The independently elected officials of Port of Brookings Harbor do not collect or receive money and are, therefore, not subject to the requirements of OAR 162-010-0140.

In connection with my testing nothing came to my attention that caused me to believe the Port of Brookings Harbor 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 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

**OAR 162-010-0230 Internal Control**

In planning and performing my audit, I considered the Port of Brookings Harbor's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the modified cash basis of accounting basic financial statements, but not the purpose of expressing an opinion on the effectiveness of Port of Brookings Harbor's internal control. Accordingly, I do not express an opinion on the effectiveness of Port of Brookings Harbor's internal control over financial reporting.

**Purpose of this Report**

This report is intended solely for the information and use of the Board of Directors and management of Port of Brookings Harbor and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

**DRAFT**

---

Constance J. Huntsman, CPA  
November 30, 2022



## **ACTION ITEM – B**

---

**DATE:** November 30, 2022  
**RE:** Beacon Broadband/Coos-Curry Electric  
**TO:** Honorable Board President and Harbor District Board Members  
**ISSUED BY:** Travis Webster, Harbormaster and Acting Manager

---

### OVERVIEW

- Beacon Broadband will be utilizing the easements to provide Fiber Broadband services to the entire area.

### DOCUMENTS

- Letters regarding information on services being performed, 2 pages
- Map of easements where Beacon Broadband will be running services, 1 page
- Beacon Broadband Brochure, 4 pages

### COMMISSIONERS ACTION

- **Recommended Motion:**  
Motion to approve Beacon Broadband owned subsidiary of Coos-Curry Electric Cooperative to install Fiber Broadband services utilizing existing easements.



**BEACON**  
**BROADBAND**



[www.beaconbroadband.com](http://www.beaconbroadband.com)

Travis Webster  
Harbormaster  
Port Of Brookings Harbor  
PO Box 848  
Brookings OR 97415

Dear Travis,

Attached you will find the information you requested for your Board meeting November 30<sup>th</sup>. This includes:

-A letter from Coos Curry Electric Cooperative's CEO, Brent Bischoff, notifying the Brookings Harbor Board of Commissioners that Beacon Broadband has full allowance to utilize the easements to provide Fiber Broadband services.

-A map of the Harbor showing where the easements are and where Beacon Broadband will be running our service.

We anticipate our services should be available to the entire area the first quarter of 2023.

We look forward to working with you as a partner and providing a true state-of-the-art fiber network throughout the Harbor.

Sincerely,

Bill Gerski  
Vice-President  
Marketing and Sales







November 16, 2022

Commissioner Richard Heap, President  
Commissioner Joe Speir, Vice President  
Commissioner Sharon Hartung, Treasurer/Secretary  
Commissioner Larry Jonas  
Commissioner Ken Range  
Port of Brookings Harbor  
P O Box 848  
Brookings OR 97415

Dear Port of Brookings Harbor Board of Commissioners,

Beacon Broadband is a wholly owned subsidiary of Coos-Curry Electric Cooperative (CCEC). CCEC is excited to work with Beacon Broadband as Beacon Broadband brings the high-speed fiber experience where no one else will go – including to you and your tenants. To help facilitate Beacon Broadband's efforts, we are working within the bounds of ORS 758.120 to "...allow for the use of an electric easement in the provision of broadband services."

Please feel free to contact me with any questions you may have.

Sincerely,

Brent Bischoff  
General Manager/CEO  
Coos-Curry Electric Cooperative, Inc.

Mailing Address for all CCEC Electric Co-op offices: P.O. Box 1268, Port Orford OR 97465-1268

Port Orford Office: 43050 Hwy 101 Port Orford OR 97465 · Phone: 541-332-3931 Fax: 541-332-3501  
Brookings Office: 815 Railroad St Brookings OR 97415 · Phone: 541-469-2103 Fax: 541-469-3193  
Gold Beach Office: 29439 Ellensburg Gold Beach OR 97444 · Phone: 541-247-6638 Fax: 541-247-6630  
Coquille Office: 220 S Mill Ave Coquille OR 97423 · Phone: 541-396-3118 Fax: 541-396-3119

[www.ccec.coop](http://www.ccec.coop)

After Hours Outage Number 866-352-9044

# Beacon Broadband Fiber Route – Port of Harbor

November 2022



# Boost YOUR Business with Beacon Broadband

FIBER FAST SPEEDS

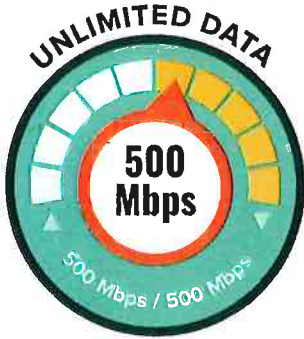
MAXIMUM RELIABILITY

TRUSTED LOCAL PROVIDER

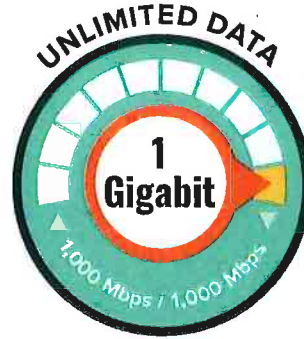


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Powered by Coos-Curry Electric Cooperative



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**\$120**  
per month



**BEACON**  
**Business Gig**  
**\$200**  
per month

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Introducing feature-packed **Advanced Business Voice** services so your business can be heard – loud and clear! Our service provides reliable, crystal clear calling for your organization, as well as business-ready features including call waiting and voicemail. All at a price so reasonable that you'd call home about it. **Get reliability, quality and all the *Advanced Business Voice* solutions your business needs at one low price.**

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- Call Handling
- Call Screening
- Caller ID
- Calling Plans
- Devices
- Dialing
- Hunt Groups
- Phone Numbers
- Virtual Fax
- Voice Mail
- Account Call Screening
- Call Forwarding
- Call Management
- Toll Free Numbers

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**MULTI USER**



**MULTI DEVICE**

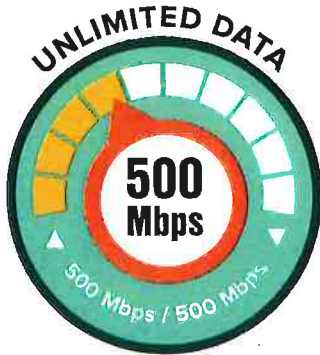


**4K ULTRA HD STREAMING**

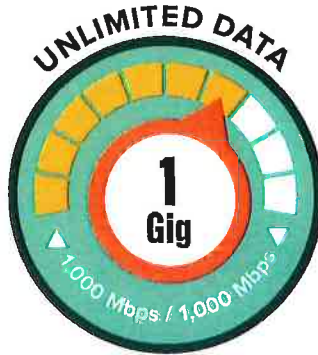
**BEACON 500 | \$55/mo**

**BEACON 1 Gig | \$85/mo**

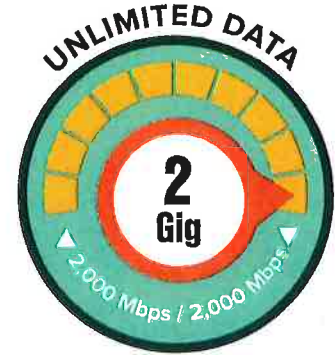
**BEACON 2 Gig | \$120/mo**



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Enjoy total control of your entire home network – ALL from ONE FREE app.

**Experience IQ™**  
and **Protect IQ™**

**Experience IQ™**

**What is Experience IQ?** A service that protects children or grandchildren from harmful or inappropriate content, limits screen time on devices or applications, and displays online usage through our enhanced parental control app.



**Protect IQ™**

**What is Protect IQ?** A network-level security service that protects ALL devices connected to your Wi-Fi. *If it's connected, it's protected!*

**Included at No Extra Charge With ALL Beacon Plans**

**Advanced Voice | Keeping you connected**



- Unlimited Local Calling & Long Distance\*
- Keep your same phone number
- Voicemail
- Caller ID
- 3-way calling
- Call Waiting
- Call Forwarding
- Speed Dial & more!

**\$15**  
per month\*



\*Rate is for phone service only. Taxes not included. \*Continental US only. Installation charges may apply. Not all features are available in all areas.



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SCAN



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# BROOKINGS & HARBOR

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SCAN



# INFORMATION ITEM – A

---

**DATE:** November 30, 2022  
**RE:** Capital Improvement Plan Update  
**TO:** Honorable Board President and Harbor District Board Members  
**ISSUED BY:** Travis Webster, Harbormaster and Acting Manager

---

## OVERVIEW

- The Strategic Business Plan Update Table -14 Capital Improvement Plan was last reviewed and updated in 2019.
- Staff went through and updated the existing CIP and add new projects.

## DOCUMENTS

- 2019 Port Annual SBP Update Table – 14 Capital Improvement Plan, 1 page
- 2022 Port Annual SBP Update Table – 14 Capital Improvement Plan, 2 pages
- Repair-Maintenance Projects and Planning Fiscal Year 2022-23, 1 page

## Capital Improvement Plan

### Top 3 Priorities

2019 CIP Rank	2022 CIP Rank	Revised NHMP Rank	Capital Improvements	Description	2022 Cost Estimates	Timeline	Potential Funding Sources	2022 Priority	Priority Project Category
2	1	1	Boatyard Shop	New Construction to replace existing building	1,500,000	2021-2024	Grants Loans	High	Commercial facility upgrade
9	6	6	Hallmark Receiving Dock	Demolish existing timber dock; construct concrete dock; install concrete pavement; install storm drainage facilities.	1,200,000	2025	Grants Loans	High	Commercial facility upgrade
15	9	9	Boardwalk Expansion / Replacement	Repair / restore piling; secure slope; replace wood planks with concrete surface	750,000	Yrs 5-10	Grants	Medium	Marina facility upgrade / public amenities





Table-14 Capital Improvement Plan

2019 CIP Rank	2022 CIP Rank	Revised NHMP Rank	Capital Improvements	Description	2019 Cost Estimates	2022 Cost Estimates	Timeline	2019 Priority	2022 Priority	Priority Project Category
2	1	1	Boatyard Shop	New Construction to replace existing building		1,500,000	2021-2024		High	Commercial facility upgrade
2	2	2	Wastewater Treatment Plant	Install Wastewater Treatment Plan on Pacific Seafood South Dock.		3,500,000	2023		High	Commercial facility upgrade
5	3	3	Basin 2 West Embankment Repair - HMGP 4452	Embankment repair, via H-pile/concrete section stabilization; install fencing		800,000	2023-24		High	Commercial / Marina facility upgrade
7	4	4	Basins 1 and 2 Dredging FEMA 4432	Basins 1 and 2 dredging 38,000CY		2,300,000	2023-25		High	Maintenance
13	5	5	Stormwater Drainage and Paving Zones 1 Commercial Storage Area - HMGP 4452	Stormwater improvements; grading, paving and curbs		700,000	2024		High	Commercial facility upgrade
9	6	6	Hallmark Receiving Dock	Demolish existing timber dock; construct concrete dock; install concrete pavement; install storm drainage facilities.		1,200,000	2025		High	Commercial facility upgrade
8	7	7	Stormwater Drainage and Paving Zones 4 Basin 2 West Parking Lot and RV Park	Stormwater improvements; grind / overlay parking lot; curbs; striping		1,180,000	2024		Medium	Commercial facility upgrade / public amenities
10	8	8	Basin 2 South and East Embankment Repair - Reconstruction	Embankment repair, via H-pile/concrete section stabilization; install fencing		2,500,000	Yrs 5-10		High	Commercial / Marina facility upgrade
15	9	9	Boardwalk Expansion / Replacement	Repair / restore piling; secure slope; replace wood planks with concrete surface		750,000	Yrs 5-10		Medium	Marina facility upgrade / public amenities
6	10	10	Stormwater Drainage and Paving Zones 3 Basin 2 East Parking Area	Stormwater improvements; grind / overlay parking lot; curbs; striping		1,080,000	Yrs 5-10		Medium	Commercial facility upgrade / public amenities
2	11	11	Pacific Seafood North Receiving Dock	Demolish two existing timber docks and concrete bulkhead; construct concrete dock on both sides of new receiving dock; install concrete pavement; install storm drainage facilities.		1,200,000	Yrs 1-5 Yrs 5-10		High	Commercial facility upgrade
	12	12	Port Office	Construction of new Port Office Facilities		1,000,000	Yrs 1-5		High	Commercial facility upgrade
	13	13	RV Park Expansion	Construction of 28 new RV Sites at Kite Field with new RV Park Office		1,500,000	Yrs 1-5		Medium	Commercial facility upgrade
18	14	14	Lease Upgrades	Make commercial building upgrades including new roofs	tbd (Port to est. SF of new and renovation)	250,000	Yrs 1-5 Yrs 5-10	Medium	High	Facility upgrades
11	15	15	Basin 2 Docks	Replace old docks from C thru H and N thru P; reconfigure spaces to accommodate larger vessel		2,500,000	Yrs 1-5 Yrs 5-10		High	Commercial / Marina facility upgrade
12	16	16	Commercial Center Upgrade / Renovation	Commercial building and site repairs or building third retail building		2,000,000	Yrs 5-10		Medium	Commercial facility upgrade / public amenities
14	17	17	Stormwater Drainage and Paving Zones 5 Fishing Pier	Stormwater improvements; grind / overlay parking lot; curbs; striping		200,000	2025		Medium	Marina facility upgrade / public amenities
16	18	18	Long-term Development Potential	Access condo / mixed-use development potential with drainage improvements including the addition of a canal / bioswale	tbd		Yrs 10-20	Low	Low	Public-private partnership opportunity
17	19	19	Development Potential	Examine opportunity site for potential development - hotel / condo	tbd		Yrs 10-20	Low	Low	Public-private partnership opportunity

**Strategic Business Plan  
2022 Annual Update**

**Table-14 Capital Improvement Plan**

19	20	20	Boatyard Upgrade	Acquire new 100-ton straddle hoist (\$600,000), reconstruct sheet pile bulkhead along north and west edge of barge slip, construct new haul-out pier for straddle hoist, regrade and pave work areas and access roads, construct paved transfer road, install fencing, install storm drainage facilities. Dredge for barge slip is not included. See Figure 5.		5,000,000	Yrs 1-5 Yrs 5-10	High to Medium	Low	Commercial / Marine improvements, 50-ton straddle lift was purchased in 2017 to continue to operate a functional boatyard and provide service to Coast Guard vessels
Project nearing completion			RV Park Protection Wall and Facility Improvements	Install protection seawall; demolish existing restroom shower facility, RV office and laundromat foundation; construct new facility with RV office, laundromat, showers and restroom; construct new pull-thru sites						Project estimated completion date: January 2023
Project Completed			Stormwater Drainage and Paving Zones 2 Commercial Retail Parking Lot	Sealcoat and overlay						Project completed 2021
Project Completed			Fuel Dock Access Pad Replacement	Reroute fuel lines; reconstruct slope and concrete pad						Project completed 2021
Project Completed			Fish Market and Cleaning Station	Upgrade existing buildings to accommodate fish market and cleaning station						Project completed 2017
Project Completed			Marina Parking Upgrades	Reconfigure boat launch circulation, grind and overlay parking lot, add curbing and striping, add concrete sidewalks, install stormwater improvements						Project completed 2017



**Port of Brookings Harbor  
Repair - Maintenance Projects and Planning  
Fiscal Year 2022-23**

#	Port Area	Description	Date Done
1	Basin 1	Repair Waterlines on Docks	
2	Basin 1	Repair Electrical Box at Boat Launch Ramp	
3	Basin 1	Replace Shore to Dock Waterlines (1 each)	
4	Basin 1	Install Power to D - Dock	
5	Basin 1	Install New Waterline to Docks E, F & G	
6	Basin 1	Replace Electrical Pedestals	
7	Basin 1	Resurface Basin Ramp (2 each)	
8	Basin 1	Repair Basin 1 A - D Dock Ramp Connection	
9	Basin 1	Slope Repairs	
10	Basin 1	FEMA Project - Dredging	
11	Basin 2	Repair Waterlines on Docks	
12	Basin 2	Replace Electrical Pedestals	
13	Basin 2	Replace Shore to Dock Waterlines (4 each)	
14	Basin 2	Resurface Basin Ramps (4 each)	
15	Basin 2	Dock Repairs to Dock Fingers & Piling Hoops	
16	Basin 2	Repair / Install Curbs in Parking Lots (300')	
17	Basin 2	Travel Lift Ramp Dredging	
18	Basin 2	Work Dock Extension to Travel Lift Ramp for Unloading	
19	Basin 2	Slope Repairs	
20	Basin 2	FEMA Project - Slope Repairs	
21	Basin 2	FEMA Project - Dredging	
22	Basin 2	Handrail - Fencing along Walkways	
23	Basin 2	Install Disposal Method for Crab Dock Tenant	
24	Boardwalk	Repair Flood Lights	
25	Boardwalk	Repair North Section of Boardwalk	
26	Boat Yard	FEMA Project - Storm Drains and Paving	
27	Boat Yard	Warehouse Building Repairs / Replacement	
28	Commercial Retail	Paint Retail Restroom / Exterior Walls	
29	Commercial Retail	Repair Retail Building # 1 Roof	
30	Commercial Retail	Repair Retail Building # 2 Roof	
31	Commercial Retail	Wash and Paint Lightpoles	
32	Crab Dock	Repair Connection	
33	Fuel Tanks	Install Gates (2 each)	
34	Gear Storage	FEMA Project - Storm Drains and Paving	
35	Gear Storage	FEMA Project - Sediment Dredge Basin	
36	Gear Storage	Wastewater Treatment Plant - Fish Processing	
37	Gear Storage	Handrail - Fencing Cold Storage Truck Ramp	
38	Kite Field	FEMA Project - RV Park Expansion Earthwork	
39	Kite Field	RV Park Expansion Utilities and Amenities	
40	Port	Landscape Across Lower Harbor Road	
41	Port Basins	Landscape Slopes	
42	Port Office	Repair Roof	
43	Port Office	Repair Electrical	
44	Port Office	Repair Wood Rot	
45	Port Shop	Repair Electrical Wiring and Lighting	
46	Receiving Docks	Repair Broken Dock	
47	Receiving Docks	Repair Damaged Dock - Pacific Seafood	
48	Receiving Docks	Repair Damaged Dock - Hallmark	
49	RV Park	Install Self Opening / Closing Main Gate	
50	RV Park	Pavement Resurfacing	
51	RV Park	Fence Dividers for New Remodeled Sites	
52	Steel Wall	Repair Bumpers	
53	Storm Drains	Clean Out Debris (Boat Launch Parking Lot)	
54	Storm Drains	Clean Out Debris (Retail Parking Lot)	
55	Storm Drains	Clean Out Debris (Boat Yard - Curry County)	
56	Transient Dock	Repair Electrical Shed	
57	Transient Dock	Slope Repairs	
58	Transient Dock	Resurface Ramps (2 each)	

## INFORMATION ITEM – B

---

**DATE:** November 30, 2022  
**RE:** Port Property Sale  
**TO:** Honorable Board President and Harbor District Board Members  
**ISSUED BY:** Travis Webster, Harbormaster and Acting Manager

---

### OVERVIEW

- November 21, all documents were received by Curry County Title and sale was closed.
- Funds deposited November 21 at 4:00PM in amount of \$174,236.00

### DOCUMENTS

- Curry County Title, Sellers Closing Statement, 1 page

**CURRY COUNTY TITLE**  
 937 CHETCO AVE. BLDG. C  
 BROOKINGS, OREGON 97415  
 TEL (541) 469-2101 • FAX (541) 469-9509

**SELLER'S CLOSING STATEMENT**  
 Final

File No.: 91269B  
 Officer/Escrow Officer: Trish Garvin

Printed Date/Time: 11/21/2022 - 1:46:23PM  
 Page 1 of 1  
 Closing Date: 11/21/2022  
 Disbursement Date: 11/21/2022

Buyer/Borrower: THE LLOYD D. WHALEY TRUST dated January 3, 2014

Seller: Port of Brookings Harbor

Property: MAP# 41-13-05DB TL# 1100, Brookings, OR 97415

DESCRIPTION	DEBITS	CREDITS
<b>TOTAL CONSIDERATION</b>		175,000.00
<b>TITLE CHARGES</b>		
Owner's Premium for 175,000.00: Curry County Title, Inc.	638.00	
City Lien Search: Curry County Title, Inc.	25.00	
Credit - Plant Service Report: Curry County Title, Inc.		400.00
Record Partial Satisfaction of Mortgage: Curry County Title, Inc.	101.00	
<b>ESCROW CHARGES TO: Curry County Title, Inc.</b>		
Escrow Fee Escrow Fee	400.00	
<b>SUBTOTALS</b>	1,164.00	175,400.00
<b>DUE TO SELLER</b>	174,236.00	
<b>TOTALS</b>	175,400.00	175,400.00

  
 \_\_\_\_\_ Escrow Officer  
 THIS IS A FINAL CLOSING STATEMENT

## INFORMATION ITEM – C

---

**DATE:** November 30, 2022  
**RE:** Pile Replacement Billeter Marine  
**TO:** Honorable Board President and Harbor District Board Members  
**ISSUED BY:** Travis Webster, Harbormaster and Acting Manager

---

### OVERVIEW

- Insurance has paid for pile replacement.
- Estimated start date is December 20, 2022.

### DOCUMENTS

- Approved Small Construction Projects Contract, 12 pages

**PORT OF BROOKINGS HARBOR  
SMALL CONSTRUCTION PROJECTS CONTRACT**

This Contract is between the Port of Brookings Harbor, an Oregon special district ("Port"), and Billeter Marine LLC, an Oregon limited liability company

**Project:** Basin 2 Pile Replacement

The parties agree as follows:

**Date of Commencement and Substantial Completion.** The date of commencement of the Work shall be October 15, 2022 or the date on which each party has signed this Contract, whichever is later.

The Contract Time shall be measured from the date of commencement. Contractor shall achieve Substantial Completion of the entire Work no later than March 15, 2023.

**Contractor's Agreement to Perform Work.** Contractor agrees to perform the Work described in Exhibit 2.

**Statement of Work.** Contractor shall perform the Work described in Exhibit 2.

**Payment for Work.** Port agrees to pay Contractor in accordance with Exhibit 2 and this Contract.

**Contract Documents.** The Contract Documents consist of the following documents, which are listed in descending order of precedence: this Contract; Owner's request for proposals, including but not limited to any plans and specifications (the "Solicitation"); and Contractor's quote dated March 22, 2022, excluding the terms under the headings "Notes" and "Payment Terms" on page 2.

A conflict in the Contract Documents shall be resolved in the priority listed above with this Contract taking precedence over all other documents. The Contract Documents are the entire Contract between the parties and shall supersede any prior representation, written or oral.

**STANDARD TERMS AND CONDITIONS**

1. **Time is of the Essence.** Time is of the essence in the performance of this Contract
2. **Subcontracts.** Port reserves the right to reject in writing any proposed subcontractor, without cause, in which case Contractor shall promptly propose a substitute subcontractor. Any difference in price arising out of such substitution shall be reflected in a Change Order. In addition to any other provisions Port may require, Contractor shall require of any permitted subcontractor under this Contract that subcontractor be bound by all the same terms and conditions of this Contract. Such subcontracts are solely between Contractor and subcontractor and shall not have any binding effect on Port.
3. **Assignment.** This Contract is not assignable by Contractor, either whole or in part, unless Contractor has obtained the prior written consent of Port.
4. **Other Contractors.** Port may undertake or award other contracts for additional or related work, and Contractor shall fully cooperate with such other contractors and with any Port employees concerned with such additional or related work, and shall coordinate its performance under this Contract with such additional or related work. Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Port employees.
5. **Independent Contractor Status.** Contractor shall certify status in accordance with Exhibit 4.
6. **No Third-Party Beneficiaries.** Port and Contractor are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.
7. **Successors in Interest.** The provisions of this Contract shall be binding upon and inure to the benefit of the parties and their successors and approved assigns, if any.
8. **Nonperformance.** In the event of nonperformance under this Contract, Port, after seven (7) days' written notice, shall have the right to obtain from other sources such services as may be required to accomplish the Work not performed, and it is agreed that the difference in cost, if any, for said Work or goods shall be borne by Contractor. For purposes of this section, nonperformance shall be defined as failure to appear and perform Work as specified and scheduled.
9. **Early Termination.** This Contract may be terminated as follows:
  - a. **Termination by Mutual Agreement:** Port and Contractor, by mutual written agreement, may terminate this Contract at any time.
  - b. **Termination for Convenience:** Port in its sole discretion may terminate this Contract for any reason on 30 days' written notice to Contractor.
  - c. **Termination for Breach:** Either Port or Contractor may terminate this Contract in the event of a breach of the Contract by the other. Prior to such termination, the party seeking termination shall give to the other party written notice of the breach and intent to terminate. If the party committing the breach has not entirely cured the breach within 15 days of the date of the notice, then the party giving the notice may terminate the Contract at any time thereafter by giving a written notice of termination. If Port's termination for breach is determined later to have been wrongful or without justification, then the termination will be considered to have been a termination for convenience.
  - d. **Termination for Failure to Maintain Qualifications:** Notwithstanding Section 9(c), Port may terminate this Contract immediately by written notice to Contractor upon denial, suspension, revocation, or non-renewal of any license, permit, or certificate that Contractor must hold to provide services under this Contract.
  - e. **Payment on Early Termination:** Upon termination pursuant to Section 9, payment shall be made as follows:
    - i. If terminated under 9(a) or 9(b) for the convenience of Port, Port shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract. Port shall not be liable for direct, indirect, or consequential damages. Termination shall not result in a waiver of any other claim that Port may have against Contractor.
    - ii. If terminated under 9(c) by Contractor due to a breach by Port then Port shall pay Contractor for Work performed prior to the termination date if such Work was performed in accordance with the Contract.
    - iii. If terminated under 9(c) or 9(d) by Port due to a breach by Contractor, then Port shall pay Contractor for Work performed prior to the termination date, provided such Work was

performed in accordance with the Contract, less any setoff to which Port is entitled.

**10. Payment of Invoices.** Unless otherwise provided in Exhibit 2, the payment period shall be one calendar month. Payments are due and payable thirty (30) days from receipt of Contractor's complete invoice or fifteen (15) days after payment is approved by Port, whichever is earlier. Port may withhold 5% of each payment as retainage. Retainage will be paid within 30 days of final completion and acceptance by Port.

**11. Changes in the Work.** Port reserves the right to adjust the scope of the Work by written Change Order. No Change Order will be effective unless approved in writing by Port and signed by Contractor. Agreement on any Change Order shall constitute a final settlement of all matters relating to the change in the Work that is the subject of the Change Order, including but not limited to all direct and indirect costs associated with such change and any and all adjustments to the Contract Sum and the construction schedule. The following terms apply to any Change Order:

a. **Prices.** Every price stated in a Change Order must be inclusive of all costs to complete the work associated with that price.

b. **Costs.** The prices in a Change Order may consist only of the following costs as they relate to the Work required by the Change Order:

i. **Direct Labor Costs.** The labor-related costs may include only (1) the hourly wage (without markup or labor burden) and fringe benefits paid by Contractor to employees, based on actual payroll receipts, and (2) direct contributions for employee-related insurance, including industrial and medical insurance and supplemental pension, FICA, FUTA, and state-unemployment-compensation-act payments. Overtime wages may only be included if preapproved in writing by Port.

ii. **Direct Materials Costs.** The cost for materials may include only the net cost of materials, including freight costs, after applying all applicable discounts or rebates. No lump-sum costs are allowed unless preapproved in writing by Port.

iii. **Construction Equipment Costs.** The cost of equipment rentals must be based on the lower of the local prevailing rate published in the Rental Rate Blue Book by Dataquest (the "Blue Book") or the actual rate paid to unrelated third parties for such equipment, as evidenced by rental receipts. If equipment is required for which there is no rental rate published in the Blue Book, the rate must be approved by Port before renting the equipment. If more than one rate may apply, the lower rate must be used. Any equipment-rental rate or quantity exceeding the local fair-market rental value must be approved in writing by Port. The rate for equipment that is necessarily standing by for use may not exceed 50% of the rate established by the foregoing terms, and the rental charge for any equipment may not exceed 75% of the fair-market purchase price of that equipment. The rental cost may include reasonable mobilization costs only if the equipment is delivered to the worksite solely because of changes in the Work required by a Change Order.

iv. **Insurance or Bond Premium Costs.** The cost of a change in an insurance or bond premium may be only the actual cost of any change in Contractor's liability insurance arising directly from changes in the Work required by a Change Order.

v. **Subcontractor Costs.** The costs of or incurred by any subcontractor in connection with a Change Order will be calculated in accordance with the foregoing terms of this Section 11b. For avoidance of doubt, no costs under this Section 11b may include fees for consultants, attorneys, or claim preparation.

vi. **Fees.** The maximum amount that may be charged for the overhead, profit, or any other cost of Contractor or any subcontractor is as follows, reflected as percentages of the

amounts that may be charged in accordance with the foregoing under this Section 11b:

1. Contractor may charge up to 15% of the cost of any materials that it supplies or work that it properly performs using its own forces.
2. Contractor may charge up to 8% of the cost that it directly owes to a subcontractor or supplier for materials supplied or work properly performed by that subcontractor or supplier.
3. Each subcontractor may charge up to 12% of the cost of any materials that it supplies or work that it properly performs using its own forces.
4. Each subcontractor may charge up to 8% of the cost that it owes for materials supplied or work properly performed by its lower-tiered subcontractors or suppliers.
5. The total fee owed to Contractor and all subcontractors, as calculated in accordance with the foregoing, for work performed by all lower-tiered subcontractors that are not in privity of contract with Contractor or a subcontractor may not exceed 25% of the total amount owed to all lower-tiered subcontractors. Additionally, Port will not owe any fee related to the direct settlement of any claim between Contractor and any subcontractor.

If a change in the Work involves both additive and deductive items, the fees charged in accordance with this section will be calculated based on, and then added to, the net difference of the items. If the net difference is negative, no fee will be added to the negative figure. The parties acknowledge that the fees listed in this section are substantially greater than the fees and overhead normally included in determining the Contract Sum bid; that these higher percentages are a sufficient amount to compensate Contractor for all effects of changes in the Work; and that the resulting overcompensation of Contractor for these changes compensates Contractor for all changes in the Work for which Contractor believes that the percentage is otherwise insufficient.

**12. Inspection and Acceptance of Work.** Port shall inspect Contractor's Work and advise Contractor of any deficiencies, or if there are none, that the Work has been accepted. Contractor shall perform all additional Work necessary to correct any deficiencies without undue delay and without additional cost to Port.

**13. Right to Withhold Payments.** Port shall have the right to withhold from payments due Contractor such sums as necessary, in Port's sole opinion, to protect Port against any loss, damage, or claim that may result from Contractor's performance or failure to perform under this Contract or the failure of Contractor to make proper payment to any suppliers or subcontractors.

**14. Knowledge of Site Conditions.** Contractor shall, as a condition precedent to commencement of the Work (a) become familiar with the Project site and review all analyses, studies, and test data available to Contractor concerning the conditions of the Project site, (b) inspect the location of the Work and satisfy itself as to the condition thereof, including all structural, surface, and observed subsurface conditions, and (c) determine (i) that the Contract Sum is just and reasonable compensation for all the Work, including all foreseen and foreseeable construction risks, hazards, and difficulties in connection therewith, (ii) that the Contract Time is adequate for the performance of the Work, and (iii) that the Work shall not result in any lateral or vertical movement of any adjacent structure. Contractor will notify Port in writing in advance of commencement of the Work if it determines that it cannot satisfy these conditions.

**15. Special Care.** Contractor shall exercise special care in executing subsurface work in proximity of known subsurface utilities, improvements, and easements.



### **16. Port's Right to Stop the Work.**

- a. If Contractor fails to correct Work that is not in accordance with the requirements of the Contract Documents or fails to carry out Work in accordance with the Contract Documents, Port may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated.
- b. If suspension of the Work is warranted by reason of unforeseen conditions that may adversely affect the quality of the Work if such Work were continued, Port may suspend the Work by giving written notice to Contractor. In such event, the Contract Time shall be adjusted accordingly, and the Contract Sum shall be adjusted to the extent, if any, that additional costs are incurred by reason of such suspension.
- c. Notwithstanding any other provision, Port's authorized representative may, in his or her complete discretion, stop all of the Work, or any portion of the Work, if the Work creates a safety hazard or if a life/safety threat exists to the facility or its occupants. Any cost to correct deficiencies in Contractor's Work will be borne solely by Contractor.

**17. Performance of the Work.** Contractor shall supervise, coordinate, and perform the Work in accordance with the Contract Documents in a professional, safe, and workmanlike manner and in accordance with all laws, codes, and professional standards applicable to the industries and trades involved, including without limitation compliance with all applicable federal, state, and local building codes, Port's construction and life safety policies and procedures, certification requirements applicable to the Work, and other policies or standards incorporated or referenced in the Contract Documents. Unless otherwise noted or directed, Contractor will perform all Work in accordance with product manufacturers' recommendations or directions for best results. No preparatory step or installation procedure may be omitted unless specifically authorized by the Contract Documents or at the direction of Owner's Design Professional or Port's Representative. Conflicts between manufacturers' directions shall be resolved by Owner's Design Professional or Port's Representative.

**18. Remedies.** In the event of breach of this Contract, the parties shall have the following remedies:

- a. If terminated under 9(c) by Port due to a breach by Contractor, Port may complete the Work either itself, by agreement with another Contractor, or by a combination thereof. If the cost of completing the Work exceeds the remaining unpaid balance of the total compensation provided under this Contract, then Contractor shall pay to Port the amount of the reasonable excess.
- b. In addition to the remedies in Sections 9 and 13 for a breach by Contractor, Port also shall be entitled to any other equitable and legal remedies that are available.
- c. If Port breaches this Contract, Contractor's remedy shall be limited to termination of the Contract and receipt of Contract payments for which Contractor has completed the Work.

### **19. Claims.**

- a. **Time Limits on Claims:** Claims by either party must be made within 10 days after occurrence of the event giving rise to such Claim or within 10 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later. Claims must be made in writing to the other party, and must identify the known bases for each Claim and the nature and amount of the relief sought. Failure to timely file a written claim constitutes a waiver of the claim.
- b. **Continuing Contract Performance:** Pending final resolution of a Claim except as otherwise agreed in writing, Contractor shall proceed diligently with performance of the Contract and Port shall continue to make payments in accordance with the Contract Documents.
- c. **Claims for Additional Costs:** If Contractor wishes to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the

Work. Prior notice is not required for Claims relating to an emergency endangering life or property. In an emergency affecting the safety of persons or property, Contractor shall act to prevent threatened damage, injury, or loss and shall immediately notify Port. The prices in any Claim must conform to the terms of Section 11.

- d. **Claims for Additional Time:** If Contractor wishes to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. Contractor's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

**20. Compliance With Applicable Law.** Contractor shall comply with all federal, state, and local laws applicable to the Work under this Contract, and all regulations and administrative rules established pursuant to those laws, including without limitation the following:

- a. **ORS 279A.110:** Contractor certifies that Contractor has not discriminated and will not discriminate against a subcontractor in awarding a subcontract because the subcontractor is a disadvantaged business enterprise, a minority-owned business, a women-owned business, a business that is owned by a service-disabled veteran, or an emerging small business that is certified under ORS 200.055.
- a. **ORS 279C.380:** If the contract price is \$100,000 or more, unless exempted by Port in writing pursuant to Port's Public Contracting Rules, prior to starting Work under this Contract, Contractor shall execute and deliver to Port a good and sufficient performance bond, in a form acceptable to Port, in a sum equal to 100% of the Contract Price for the faithful performance of the Contract, and shall execute and deliver to Port a good and sufficient payment bond, in a form acceptable to Port, in a sum equal to 100% of the Contract Price solely for the protection of claimants under ORS 279C.600.
- b. **ORS 279C.505:** Contractor shall make payment promptly, as due, to all persons supplying to such Contractor labor or material for the prosecution of the Work provided for in such Contract; pay all contributions or amounts due the Industrial Accident Fund from such Contractor or subcontractor incurred in the performance of the Contract; not permit any lien or claim to be filed or prosecuted against the state, county, school, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished; and pay to the Department of Revenue all sums withheld from employees pursuant to ORS 316.167. Contractor shall further demonstrate that an employee drug-testing program is in place.
- c. **ORS 279C.510:** If this Contract includes demolition work, Contractor shall salvage or recycle construction and demolition debris, if feasible and cost-effective. If this Contract includes lawn or landscape maintenance, Contractor shall compost or mulch yard waste material at an approved site, if feasible and cost-effective.
- d. **ORS 279C.515:** If Contractor fails, neglects, or refuses to make prompt payment of any claim for labor or services furnished to Contractor or a subcontractor by any person in connection with this Contract as such claim becomes due, Port may pay such claim to the person furnishing the labor or services and charge the amount of the payment against funds due or to become due Contractor by reason of this Contract. The payment of a claim in the manner authorized in this section shall not relieve Contractor or Contractor's surety from any obligation with respect to any unpaid claims.

Unless the payment is subject to a good-faith dispute as defined in ORS 279C.580, if Contractor or any first-tier subcontractor fails to pay any claim for materials or labor furnished under this Contract within 30 days after being paid by Port, interest shall be due on such claim as specified in ORS 279C.515(2) at the end of the 10-

day period that payment is due under ORS 279C.580(4). A person with any such unpaid claim may file a complaint with the Construction Contractor's Board unless the complaint is subject to a good-faith dispute as defined in ORS 279C.580.

e. ORS 279C.520:

- i. Contractor shall not employ any person for more than 10 hours in any one day, or 40 hours in any one week, except in cases of necessity, emergency, or where the public policy absolutely requires it, and in such cases, except in cases of contracts for personal services as defined in ORS 279A.055, the laborer shall be paid at least time and a half pay:
    1. For all overtime in excess of eight hours a day or 40 hours in any one week when the work week is five consecutive days, Monday through Friday; and
    2. For all overtime in excess of 10 hours a day or 40 hours in any one week when the work week is four consecutive days, Monday through Friday; and
    3. For work performed on Saturday and on any legal holiday specified in any applicable collective bargaining agreement or ORS 279C.540.
    4. The requirement to pay at least time and a half for all overtime worked in excess of 40 hours in any one week shall not apply to individuals who are excluded under ORS 653.010 to 653.261 or under 29 U.S.C. Section 201 to 209 from receiving overtime.
  - ii. Contractor shall comply with ORS 652.220 (addressing the prohibition of discriminatory wage rates based on sex and of employer discrimination against an employee who is a complainant). Compliance is a material element of this Contract. Failure to comply is a breach that entitles Port to terminate this Contract for cause.
  - iii. Contractor shall not prohibit any of Contractor's employees from discussing the employee's wage, salary, benefits, or other compensation with another employee or another person, and Contractor shall not retaliate against an employee who does so.
  - iv. Contractor shall and shall require its subcontractors to give notice to their employees who work under this Contract in writing, either at the time of hire or before commencement of Work on the Contract, or by posting a notice in a location frequented by employees, of the number of hours per day and days per week that the employees may be required to work.
- f. ORS 279C.525: State law requires that solicitation documents for a public improvement contract make specific reference to federal, state, and local agencies that have enacted ordinances, rules, or regulations dealing with the prevention of environmental pollution or the preservation of natural resources that may affect the performance of this Contract. These agencies include, but are not limited to:
- i. Federal Agencies: Department of Agriculture, Forest Service, Soil and Water Conservation Service, Coast Guard, Department of Defense, Army Corps of Engineers, Department of Emergency, Federal Energy Regulatory Commission, Environmental Protection Agency, Department of Health and Human Services, Department of Housing and Urban Development, Solar Energy and Energy Conservation Bank, Department of Interior, Bureau of Land Management, Bureau of Indian Affairs, Bureau of Mines, Bureau of Reclamation, Geological Survey, Minerals Management Service, U.S. Fish and Wildlife Service, Department of Labor, Mine Safety and Health Administration, Occupation Safety and Health Administration, Department of Transportation, Federal Highway Administration, Water Resources Council.
  - ii. State Agencies: Department of Administrative Services, Department of Agriculture, Soil and Water Conservation Commission, Columbia River Gorge Commission, Department

of Energy, Department of Environmental Quality, Department of Fish and Wildlife, Department of Forestry, Department of Geology and Mineral Industries, Department of Human Resources, Department of Consumer and Business Services, Land Conservation and Development Commission, Department of Parks and Recreation, Division of State Lands, Department of Water Resources.

- iii. Local Agencies: City councils, county courts, county boards of commissioners, metropolitan service Port councils, design commissions, historic preservation commissions, planning commissions, development review commissions, special Port boards of directors, and other special Ports and special governmental agencies such as Tri-Met, urban renewal agencies, and port Ports.
  - iv. Tribal Governments.
- g. ORS 279C.530: Contractor shall promptly, as due, make payments to any person, copartnership, association, or corporation furnishing medical, surgical, and hospital care or other needed care and attention, incident to sickness or injury, to the employees of such Contractor, of all sums that Contractor agrees to pay for such services and all moneys and sums that Contractor collected or deducted from the wages of employees pursuant to any law, contract, or agreement for the purpose of providing or paying for such service.
- To the extent any of Contractor's employees are covered by the Oregon employment laws, Contractor, its subcontractors, if any, and all employers working under this Contract are subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage for all their subject workers. See Contractor Exemption Certification – Exhibit 4 if you believe you may be exempt from this requirement.
- h. ORS 279C.545: Workers employed by Contractor shall be foreclosed from the right to collect for any overtime under this Contract unless a claim for payment is filed with Contractor within 90 days from the completion of the Contract, providing Contractor has:
    - i. Caused a circular clearly printed in blackface pica type and containing a copy of this section to be posted in a prominent place alongside the door of the timekeeper's office or in a similar place that is readily available and freely visible to any or all workers employed on the work, and
    - ii. Maintained such circular continuously posted from the inception to the completion of the Contract on which workers are or have been employed.
  - i. ORS 279C.580(3): Contractor shall include in each subcontract for property or services with a first-tier subcontractor a clause that obligates Contractor to pay the first-tier subcontractor for satisfactory performance under its subcontract within 10 days out of such amounts as are paid to Contractor by Port. Contractor shall also include in each subcontract a clause that states that if Contractor fails to pay any claim for materials or labor furnished under this Contract within 30 days after being paid by Port, interest shall be due on such claim as specified in ORS 279C.515(2) at the end of the 10-day period that payment is due under ORS 279C.580(3). Contractor shall require each first-tier subcontractor to include a payment clause and interest clause conforming to the requirements of ORS 279C.580 in each of its subcontracts, and to require each of its subcontractors to include a similar clause in each contract with a lower-tiered subcontractor or supplier.
  - j. ORS 279C.800 to 279C.870:
    - i. This Contract is  /is not  subject to payment of prevailing wages under ORS 279C.800 to 279C.870. Each worker that Contractor, any subcontractor, or other person who is party to the contract uses in performing all or part of

the Contract must be paid not less than the applicable prevailing rate of wage for each trade or occupation as defined by the Director of the State of Oregon Bureau of Labor and Industries ("BOLI") in the applicable publication entitled *Definitions of Covered Occupations for Public Works Contracts in Oregon*. The prevailing wage rates for public works contracts in Oregon are contained in the following publications: *The Prevailing Wage Rates for Public Works Projects in Oregon*, dated January 1, 2022, as amended April 1, 2022, and the *PWR Apprenticeship Rates*, dated January 1, 2022, as amended April 1, 2022. Such publications can be reviewed electronically at [http://www.boli.state.or.us/BOLI/WHD/PWR/pwr\\_state.shtml](http://www.boli.state.or.us/BOLI/WHD/PWR/pwr_state.shtml) and are hereby incorporated as part of the Contract Documents.

- ii. This Contract is  /is not  also subject to payment of prevailing wages under the federal Davis-Bacon Act (40 U.S.C. 3141 et seq.). Notwithstanding subsection j(i) of this section, if this Contract is subject to payment of prevailing wages under the Davis-Bacon Act, Contractor and any subcontractors must pay the higher of the federal prevailing wage rate or the state prevailing wage. The latest state prevailing wages can be reviewed as set forth in subsection j(i) of this section. The latest federal prevailing wage rates can be reviewed electronically at <http://www.wdol.gov/Index.aspx> (Search for Oregon, Multnomah County, Building Construction Type) and are hereby incorporated by reference as part of the Contract Documents. Contractors shall follow all prevailing wage rules including posting the Davis Bacon Poster at the worksite and submitting certified payroll records. The poster is available at <http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>. The payroll form is at <http://www.dol.gov/whd/forms/wh347instr.htm>.
- iii. Port shall pay a fee to the Commissioner of the Oregon Bureau of Labor and Industries as provided in ORS 279C.825. The fee shall be paid to the Commissioner under the administrative rule of the Commissioner.
- iv. Contractor and any subcontractors shall post the prevailing wage rates in a conspicuous and accessible place in or about the Project.
- k. ORS 279C.836: If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870, Contractor shall:
- File a public works bond with the Construction Contractors Board pursuant to ORS 279C.836 before starting Work on the Project, unless exempt under ORS 279C.836(2), (7), or (8).
  - Include in every subcontract a provision requiring the subcontractor to file a public works bond with the Construction Contractors Board pursuant to ORS 279C.836 before starting work on the project, unless exempt under ORS 279C.836(2), (7), or (8).
- l. ORS 279C.845: If this Contract is subject to payment of prevailing wages under ORS 279C.800 to 279C.870:
- Contractor or Contractor's surety and every subcontractor or subcontractor's surety shall file with Port a certified statement on a form provided by BOLI certifying the hourly rate of wage paid each worker employed by Contractor or subcontractor on the Work and that no such worker has been paid less than the prevailing rate of wage or wage specified under the Contract.
  - Notwithstanding ORS 279C.555 or 279C.570(7), Port shall retain 25% of all amounts earned by Contractor until Contractor has filed the certified statements as required by ORS 279C.845. In addition, Contractor shall retain 25% of any amount earned by a first-tier subcontractor until such

subcontractor has filed the certified statements with Port. Port and/or Contractor shall pay any such retained amounts within 14 days after such certified statements are filed.

- m. ORS 468A.710: If this Contract requires asbestos abatement, Contractor or subcontractor must possess an asbestos abatement license as required by ORS 468A.700 et seq.
- n. ORS 671.560, 701.055: If Contractor is performing work as a landscape contractor as defined in ORS 671.520(2), Contractor must have a current, valid landscape contractor's license issued under ORS 671.560. If Contractor is performing work as a construction contractor as defined in ORS 701.005(2), Contractor must have a current, valid construction contractor's license issued under ORS 701.701.055. Contractor shall maintain in effect all licenses, permits, and certifications required for the performance of the Work. Contractor shall notify Port immediately if any license, permit, or certification required for performance of this Contract shall cease to be in effect for any reason.
- 21. Quality of Goods and Services.** Unless otherwise specified, all materials shall be new and both workmanship and materials shall be of the highest quality. All workers and subcontractors shall be skilled in their trade.
- 22. Delay.** Contractor shall furnish sufficient staffing, materials, and equipment and work such hours, including night shifts, overtime, and weekend and holiday work, as may be necessary to insure the production of the Work in accordance with the date of Substantial Completion and the approved construction schedule. If Contractor fails to perform in a timely manner in accordance with the Contract Documents and, through the fault of Contractor or any subcontractor, or by reason of any delay that is within Contractor's reasonable control, fails to meet the approved construction schedule, then Contractor shall take such steps as may be necessary to immediately improve its progress by increasing the number of workers, shifts, overtime operations, or days of work, all without additional cost to Port. Port will not be liable for any damages or extra costs resulting from any delay in Contractor's work not caused by Port, nor will Port be obligated to grant any extension of the Contract Time for any delay in Contractor's work not caused by Port. All such damages or costs shall be paid by Contractor.
- 23. Errors.** Contractor shall perform such additional work as may be necessary to correct errors in the Work required under this Contract without undue delay and without additional cost.
- 24. Access to Records.** Contractor agrees that Port and its authorized representatives shall have access to the books, documents, papers, and records of Contractor that are directly pertinent to the specific Contract for the purpose of making audit, examination, excerpts, and transcripts.
- 25. Maintenance of Records.** Contractor shall maintain all fiscal records directly relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that Port's duly authorized representatives shall have access to such fiscal records and other books, documents, papers, plans, and writings of Contractor that are pertinent to this Contract to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such fiscal records, books, documents, papers, plans, and writings for a minimum of three (3) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract or until the conclusion of any audit, controversy, or litigation arising out of or related to this Contract, whichever date is later.
- 26. Ownership of Work.** All work products created by Contractor as part of Contractor's performance of this Contract, including background data, documentation, and staff work that are preliminary to final reports, shall be the exclusive property of Port. If any such work products contain intellectual property of Contractor that is or

could be protected by federal copyright, patent, or trademark laws, Contractor hereby grants Port a perpetual, royalty-free, fully paid-up, non-exclusive, and irrevocable license to copy, reproduce, deliver, publish, perform, dispose of, use, re-use, in whole or in part, and to authorize others to do so, all such work products. Port shall have no rights in any pre-existing work product of Contractor provided to Port by Contractor in the performance of this Contract except to copy, use, and re-use any such work product for Port use only. If this Contract is terminated by either party or by default, Port, in addition to any other rights provided by this Contract, may require Contractor to transfer and deliver such partially completed work products, reports, or other documentation that Contractor has specifically developed or specifically acquired for the performance of this Contract.

**27. Warranty.**

- a. Contractor warrants to Port and Owner's Design Professional that materials and equipment furnished under the Contract will be of good quality and new unless otherwise required or permitted by the Contract Documents, that the Work will be free from defects not inherent in the quality required or permitted, and that the Work will conform to the requirements of the Contract Documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, modifications not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by Owner's Design Professional or Port, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.
- b. Port In addition to Contractor's other obligations under this contract, including but not limited to the Section 27.a above, Contractor shall, for a period of one (1) year after Substantial Completion (the "Correction Period"), correct work that is defective or that does not otherwise conform to the requirements of the Contract Documents.
- c. If, during the Correction Period and after 10 days' notice, Contractor fails to proceed to cure any defective or nonconforming Work, Port may have the defects corrected and Contractor and its surety shall be liable for all expenses incurred. In case of an emergency where, in the opinion of Port or Owner's Design Professional, delay would cause serious loss or damage, corrective work may be undertaken without advance notice to Contractor, but Contractor and its surety shall remain liable for all expenses incurred. The remedies stated in this subsection are not exclusive, but are cumulative of any other remedies Port may have.
- d. Contractor shall assign all manufacturers' warranties to Port and all guarantees and warranties of goods supplied under this Contract shall be deemed to run to the benefit of Port. Contractor shall provide Port with all manufacturers' warranty documentation and operations and maintenance manuals not later than the date of final acceptance of the Work by Port.

**28. Indemnification.** Contractor shall defend, indemnify, and hold the Port, its officers, agents and employees (the "Indemnified Parties"), harmless against all liability, claims, loss, costs, or expenses, including attorney's fees, based upon or arising out of damage or injury (including death) to persons or property caused by any act or omission of an act arising from Contractor's performance of the Work. In claims against any person or entity indemnified under this Section by an employee of Contractor, a subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation this Section shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Contractor or a subcontractor under workers' compensation acts, disability benefit acts, or other employee benefit acts. Notwithstanding anything to the contrary in this Section

28, Contractor is not required to indemnify the Indemnified Parties for, from, and against liability for damage arising out of death or bodily injury to persons or damage to property caused in whole or in part by the negligence or willful misconduct of the Indemnified Parties, but Contractor is required to indemnify the Indemnified Parties for, from, and against liability for damage arising out of death or bodily injury to persons or damage to property to the extent that the death or bodily injury to persons or damage to property arises out of the fault of Contractor, or the fault of Contractor's agents, representatives, or subcontractors.

**29. Insurance.** Unless otherwise provided below, Contractor shall at all times maintain in force at Contractor's expense, the following insurance coverage:

- a. **Workers' Compensation and Employer's Liability:** As required by ORS 656.017, subject employers shall provide workers' compensation coverage in accordance with ORS Chapter 656 for all subject workers. Contractor and all subcontractors of Contractor with one or more employees shall have this insurance unless exempt under ORS 656.027. Contractor shall purchase and maintain employer's liability insurance of at least \$500,000 per accident.
- b. **Commercial General Liability:** Contractor shall purchase and maintain CGL insurance with occurrence-based coverage on ISO Form CG 0001 (12/04 or later) or an equivalent form approved in advance by Port. The CGL insurance shall include all major coverage categories including bodily injury, property damage, and completed operations coverage maintained for at least six years following final payment. The CGL insurance will also include the following: (1) separation of insured; (2) incidental medical malpractice; and (3) personal injury with employment exclusion deleted. Contractor shall maintain CGL insurance coverage of at least \$1,000,000 for each claim, incident, or occurrence, and at least \$2,000,000 annual aggregate coverage.
- c. **Motor Vehicle Liability:** Contractor shall purchase and maintain motor vehicle liability insurance with coverage for owned, hired, and non-owned vehicles on ISO form CA 00 01 or an equivalent form approved in advance by Port. The automobile liability insurance shall include pollution liability coverage with vehicle overturn and collision. Contractor shall maintain motor vehicle liability insurance of at least \$1,000,000 for each claim, incident, or occurrence, and at least \$2,000,000 annual aggregate coverage.
- d. [Reserved.]
- e. **Additional Requirements:** All insurance coverage shall be provided by an insurance company having an A.M. Best rating of at least A- and/or licensed to do business in Oregon. Contractor alone is responsible for paying all deductibles and retentions. A cross-liability clause or separation of insureds condition shall be included in all general liability policies required by this Contract. Contractor's coverage shall be primary in the event of loss.
- f. **Certificate of Insurance:** Contractor shall furnish to Port a current certificate of insurance for each of the above required coverages prior to conducting Work under this Contract. Additional insured endorsements must be written on ISO Form CG 2010 (11/85) or CG 2037 (07/04) together with CG 2033 (07/04), or their equivalent. Each certificate must provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days' prior written notice from Contractor or its insurer to Port. Each certificate shall also state the relevant deductible or retention level. For commercial general liability and automobile liability coverage, the certificate shall also provide that Port, its agents, officers, and employees are additional insureds with respect to Contractor's services provided under this Contract. If requested by Port, Contractor shall also provide complete copies of insurance policies to Port.

**30. Notice of Injury or Damage to Person or Property.** If any person suffers physical injury or property damage arising from the Work

regardless of the cause, Contractor shall give notice of such injury or damage, whether or not insured, immediately to Port's authorized representative and Contractor's authorized representative. The notice shall provide sufficient detail to enable Port and any other party affected to investigate the matter.

31. **Waiver.** Waiver of any default under this Contract by Port shall not be deemed to be a waiver of any subsequent default or a modification of the provisions of this Contract.
32. **Litigation.** Any Claim arising out of or related to the Contract, except those waived as provided for in Section 19, shall be resolved by litigation in the Circuit Court of Curry County or the U.S. District Court for the District of Oregon in Medford, Oregon.
33. **Governing Law.** The provisions of this Contract shall be construed in accordance with the laws of the State of Oregon as they exist at the time of execution of this Contract or any subsequent amendment.
34. **Severability.** If any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held invalid.
35. **Merger Clause.** This Contract and the attached exhibits constitute the entire agreement between the parties. All understandings and agreements between the parties and representations by either party concerning this Contract are contained in this Contract. No waiver, consent, modification, or change in the terms of this Contract shall

bind either party unless in writing signed by both parties. Any written waiver, consent, modification, or change shall be effective only in the specific instance and for the specific purpose given.

36. **Anti-discrimination Clause.** Contractor must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes and shall not discriminate based on race, religion, color, sex, sexual orientation, marital status, familial status, national origin, age, mental or physical disability, or political affiliation in programs, activities, services, benefits, or employment.
37. **Attorney Fees.** If a suit or action is filed to enforce any of the terms of this Contract, the prevailing party shall be entitled to recover from the other party, in addition to costs and disbursements provided by statute, any sum that a court, including any appellate court, may adjudge reasonable as attorney fees. In the event the prevailing party is represented by "in-house" counsel, the prevailing party shall nevertheless be entitled to recover reasonable attorney fees based on the reasonable time incurred.
38. **Rule of Construction.** The rule of construction that a contract is construed against the drafter shall not apply to any dispute over the interpretation of application of the Contract.
39. **Removal of Debris.** Contractor shall remove all trash and debris from the site for disposal. Contractor shall clean the work area and remove all trash, debris, and tools at least daily prior to leaving the job site and as needed to maintain a safe work area.

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*[Signature page follows]*

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**EXHIBIT 2**  
**PORT OF BROOKINGS HARBOR**  
**SMALL CONSTRUCTION PROJECTS CONTRACT**  
**STATEMENT OF WORK, COMPENSATION,**  
**PAYMENT, and RENEWAL TERMS**

1. Contractor shall perform the following Work: Removal of one damaged wood pile and replacement with one new .5" x 12" x 60' pipe pile with fusion bond epoxy coating in the same location located in Basin 2 16200 Lower Harbor Road, as further described in the Solicitation.
2. The total Contract Price shall be \$51,550.00.
3. Port shall pay Contractor as described in Section 10 of the Contract.

**Payments shall be made to the address below:**

Name: Billeter Marine LLC  
Attn: \_\_\_\_\_  
Address: 520 3<sup>rd</sup> Court  
Coos Bay, OR 97420

4. Contractor will invoice Port for the Work as follows:

**Invoices shall be submitted to the address below:**

Name: Port of Brookings Harbor  
Attn: Port Manager  
Address: PO Box 848  
Brookings, OR 97415

EXHIBIT 3  
PORT OF BROOKINGS HARBOR  
SMALL CONSTRUCTION PROJECTS CONTRACT  
CERTIFICATION STATEMENT FOR CORPORATION  
OR INDEPENDENT CONTRACTOR

NOTE: Contractor Must Complete A or B below

**A. CONTRACTOR IS A CORPORATION, LIMITED LIABILITY COMPANY, OR A PARTNERSHIP.**

I certify under penalty of perjury that Contractor is a [check one]:

Corporation  Limited Liability Company  Partnership authorized to do business in the State of Oregon.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

OR

**B. CONTRACTOR IS A SOLE PROPRIETOR WORKING AS AN INDEPENDENT CONTRACTOR.**

Contractor certifies under penalty of perjury that the following statements are true:

1. If Contractor is providing labor or services under this Contract for which registration is required under ORS Chapter 701, Contractor has registered as required by law, and
2. If Contractor performed labor or services as an independent contractor last year, Contractor filed federal and state income tax returns last year in the name of the business (or filed a Schedule C in the name of the business as part of a personal income tax return), and
3. Contractor represents to the public that the labor or services Contractor provides are provided by an independently established business, and
4. All of the statements checked below are true.

**NOTE: Check all that apply. You must check at least four (4) to establish that you are an Independent Contractor.**

- A. The labor or services I perform is primarily carried out at a location that is separate from my residence or is primarily carried out in a specific portion of my residence that is set aside as the location of the business.
- B. I purchase commercial advertising or I have business cards for my business, or I am a member of a trade association.
- C. My business telephone listing is separate from my personal residence telephone listing.
- D. I perform labor or services only under written contracts.
- E. Each year I perform labor or services for at least two different persons or entities.
- F. I assume financial responsibility for defective workmanship or for service not provided by purchasing performance bonds, errors and omission insurance, or liability insurance, or providing warranties relating to the labor or services I provide.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



Billeter Marine, LLC  
 520 3rd Court  
 Coos Bay, OR 97420  
 CCB# 166653



Office: 541-269-8600  
 Fax: 1-266-0532  
 www.billetermarine.com

### Billeter Marine Project Quote

Date: 3/22/2022

To: Port of Brookings Address: P.O. Box 848 16330 Lower Harbor Rd Brookings OR 97415	Contact: Travis Webster Phone: (541) 469-2218 Email:
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**Project: Piling Replacement**

Description of work:
Remove 1 existing wood piling on dock finger, Basin 2, O Dock per map provided, Install 1 new .5 x 12 x 60' Pipe Pile with fusion bond epoxy coating in same location. Disposal of existing wood piling by others.

Item #	Item Description	Quantity	Unit	Unit Price	Total Price
1	Pull Existing Piling	1	Each	\$400.00	\$400.00
2	.5x12x50' Pipe Pile Epoxy Coated	60	LF	\$165.00	\$9,900.00
3	100 Ton Truck Crane - Mobilization	1	LS	\$2,400.00	\$2,400.00
4	45 Ton Crawler Crane - Mobilization	1	LS	\$2,400.00	\$2,400.00
5	Flex Float Mobilization from Seattle to Brookings and Back	1	LS	\$2,800.00	\$2,800.00
6	Vibro Hammer Mobilization From Fife to Brookings & Back	1	LS	\$2,400.00	\$2,400.00
7	Small Tug Mobilization	1	LS	\$500.00	\$500.00
8	Flex Float Rent	1	MO	\$13,950.00	\$13,950.00
9	Vibro Hammer Rental	1	MO	\$4,200.00	\$4,200.00
10	Small Tug Rental	3	DY	\$350.00	\$1,050.00
11	Build up Barge, load Crane, Drive Pile, Tear Down & Load	3	DY	\$3,850.00	\$11,550.00
12					
13					
14					
15					
16					
17					
<b>Total Bid Price:</b>					<b>\$51,550.00</b>

Not Included	
Permits Survey Engineering Special Inspections Testing - Including but not limited to, compaction, concrete, grout, rock, asbestos, lead, water Site Utilities -Water, power, lighting or sanitary facilities Bonds, payment or performance. If bonds required add 3% Asbestos or lead based paint abatement Landscaping	Drafting of plans either original or "as built" unless required by contract Contract retainage Traffic control Diver or tender for underwater inspections or work Access to work site

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Billeter Marine, LLC  
520 3rd Court  
Coos Bay, OR 97420  
CCB# 166653



Office: 541-269-8600  
Fax: 1-266-0532  
www.billetermarine.com

Date: 3/22/2022

Port of Brookings  
P.O. Box 848  
16330 Lower Harbor Rd

Brookings | Project: Piling Replacement

**Please sign and return one copy of this proposal to signify an acceptance of this quote and its terms and conditions as stated or feel free to call me if you have any questions.**

**Notes:**

1. Billeter Marine, LLC reserves the right to pass on any material price increases that occur between the time this quote was given and the time of construction.
2. Billeter Marine, LLC is not liable for any possible damages to underground utilities not located by others prior to our work.
3. Quote good if accepted in writing within 15 days.

**Payment Terms:**

1. Any additional work will be billed on a cost plus 10% basis.
2. All material is guaranteed to be as specified. All work is to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the agreed upon price. All agreements contingent upon strikes, accidents or delay beyond our control. Owner to carry fire, tornado, and other necessity insurance. Our workers are fully covered by Workmen's Compensation Insurance.
3. Billeter Marine, LLC reserves the right to make progress billings on projects with durations greater than 1 month. This contract is to be paid in full within 30 days from the date the work has been substantially completed. Interest at the rate of ONE & ONE-HALF (1-1/2%) PER MONTH (18% PER ANNUM) will be charged on all balances not paid when due. In the event legal action is necessary to enforce the contract, the prevailing party will be entitled to court costs and reasonable attorney fees.
4. The prevailing party in any action or suit is entitled to costs and attorney fees. This receipt evidences a purchase as provided for in the ACCOUNT Plan Agreement between Billeter Marine, LLC and the above-named Purchaser. All provisions and agreements contained in the Account Plan Agreement, if applicable, are hereby incorporated by reference.
5. I hereby acknowledge that I have received the forms "Information to Owners About Construction Liens", "Consumer Protection Notice" and "notice of Procedure", as provided for by ORS 87.025 and as adopted by the Builders Board

**ACCEPTED**

The above prices, specifications and conditions are satisfactory and are hereby accepted.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date of Acceptance: \_\_\_\_/\_\_\_\_/20\_\_

**CONFIRMED**

Billeter Marine, LLC  
Authorized Signature

Jeff Brown, Estimator  
jeff@billetermarine.com