



Falls City Oregon City Council Meeting

Monday, February 5, 2024 at 6:00 pm

Meeting Location

320 N Main St • Falls City, OR 97344

How to Attend and/or Participate

1. In Person: 320 N Main St. Falls City, OR 97344
2. Call-in: a. 1-253-215-8782 b. Meeting ID: 878 7406 4319
You will be muted but may “raise your hand” to indicate you wish to comment.
3. Web Application: Zoom Webinar <https://us06web.zoom.us/j/87874064319>
You will be muted but may “raise your hand” to indicate you wish to comment during Public Comments.
4. Write-In: Using regular mail or email. a. info@fallscityoregon.gov; 299 Mill St. Falls City, OR 97344

The City of Falls City does not discriminate in providing access to its programs, services, and activities on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, physical or mental disability, or any other inappropriate reason prohibited by law or policy of the state or federal government. Should a person need special accommodations or interpretation services, contact the City at 503.787.3631 at least one working day prior to the need for services and every reasonable effort to accommodate the need will be made.

1. CALL TO ORDER & ROLL CALL

Mayor TJ Bailey, Council President Houghtaling, Councilor Nick Backus, Councilor Martha Jirovec, Councilor Tony Meier, Councilor Dennis Sickles, Councilor Lori Jean Sickles

2. PLEDGE OF ALLEGIANCE

3. POLK COUNTY PRESENTATION

Attachments:

- **Overview** (5-Year-Strategic-Plan-Overview.pdf)
- **Packet** (Rural_Polk_County_5-Year_Strategic_Plan.pdf)

4. ANNOUNCEMENTS, APPOINTMENTS, APPRECIATIONS, & PROCLAMATIONS

5. PUBLIC COMMENTS & LETTER COMMUNICATIONS

In order to encourage an environment of openness, courtesy and respect for differing points of view, please refrain from behavior that is disruptive to the meeting such as making loud noises, clapping, shouting, booing, or any other activity that disrupts the orderly conduct of the meeting. Abusive language will not be tolerated.

Please limit your commentary to 3 minutes or less.

6. CONSENT AGENDA

a. January 8, 2024 Minutes

Attachments:

- **Minutes** (2024.01.08_Council_Minutes.pdf)
- **Letter** (Tracy_Young_Letter.pdf)

7. REPORTS OR COMMENTS FROM MAYOR AND COUNCIL MEMBERS

a. Mayor's Report

b. Councilor Comments

c. Historic Landmark Committee Report

Attachments:

- **Minutes** (HLC_Minutes.pdf)

8. REPORTS FROM CITY MANAGER & STAFF

a. Falls City Fire Report

Attachments:

- **Dec Report** (FD_December_Report.pdf)
- **Jan Report** (FD_January_Report.pdf)

b. Falls City Public Works Report

Attachments:

- **Report** (PW_January_Report.pdf)

c. City Manager's Report

Attachments:

- **Report** (2024.02.05_Monthly_Manager_s_Report.pdf)

d. City Financial Audit

Attachments:

- **Overview** (A_City_of_Falls_City_management_representation_letter_2023.pdf)
- **Audit** (A_City_of_Falls_City_financial_statements_2023_DRAFT.pdf)
- **Adjustments** (A_Falls_City_Adjustments.pdf)

9. RESOLUTIONS

a. Resolution 04-2024

Attachments:

- **Staff Report** (2024.2.5_SR_Dangerous_Building_Resolution_for_171_Dayton_St..pdf)
- **Resolution 04-2024** (2024.2.5_Exhibit_A_Resolution_04-2024_-_171_Dayton_DB.pdf)
- **Exhibit B** (2024.2.5_Exhibit_B_NOTICE_to_ABATE_DANGEROUS_BUILDING_at_171_Dayton.pdf)
- **Exhibit C** (2024.2.5_Exhibit_C_9.11.2023_Dangerous_Building_Ordinance_FC_Municipal_Code_90.45-90.99.pdf)
- **Exhibit D** (2024.2.5_Exhibit_D_9.11.2023_Definition_of_Dangerous_Building.pdf)
- **Exhibit E** (2024.2.5_Exhibit_E_Patrick_McKibben_Public_Comment.pdf)

10. ORDINANCES

a. Ordinance 565-2024

Attachments:

- **Staff Report** (Ordinance__565-2024_-_SR.pdf)
- **Ord. 565-2024** (Ordinance__565-2024_-_Garbage.pdf)

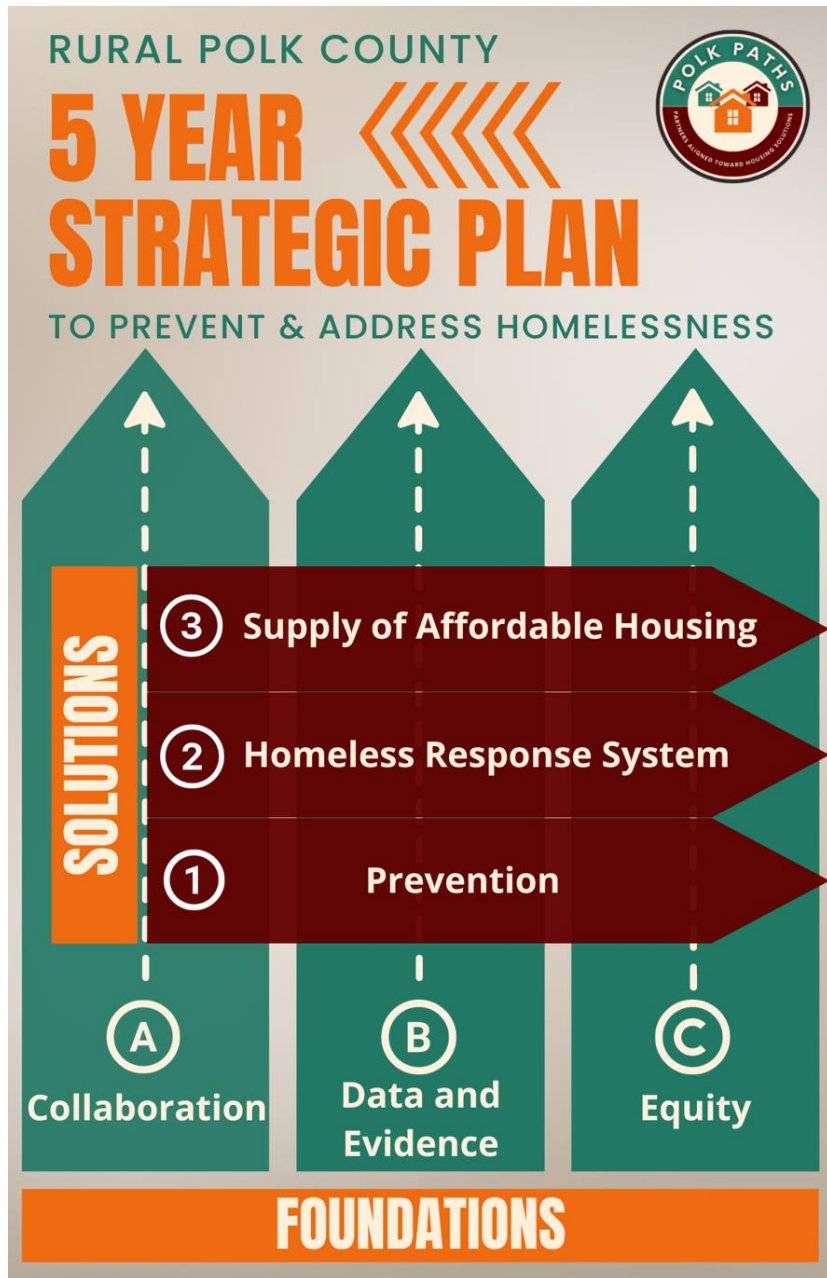
11. GOOD OF THE ORDER

12. EXECUTIVE SESSION

ORS 192.600.2.a: The governing body of a public body may hold an executive session to consider the employment of a public officer, employee, staff member or individual agent.

13. ADJOURN

Posted for Public at the City Hall Bulletin Board, Community Center, Falls City Website, Frink's General Store, Falls City Market, LCB Bulletin Board, Post Office, and City Facebook page



FOUNDATIONS

A. COLLABORATE ACROSS ALL LEVELS

Partner with Organizations

- Foster communication and break down silos to better serve clients, i.e. By-Name case conferencing
- Position PATHS to be effective i.e. Form work groups, add a voting member with lived experience, update this plan

Engage Community Members

- Provide information about homelessness to reduce stigma and myths, i.e. PATHS website, video project with youth/young adults who have lived experience, meetings

B. USE DATA & EVIDENCE TO MAKE DECISIONS

- Split Marion/Polk regional reports to show break-outs for rural Polk County
- Include data from more rural Polk County services and programs in regional reports
- Integrate data sources (align on definitions, identify overlap between data sources)
- Develop a data analysis plan with an equity lens to show race/ethnicity, LGBTQIA+ identities, and geographic location

C. ELEVATE EQUITY

- Identify barriers for equity in terms of race/ethnicity, LGBTQIA+, and geographic location
- Develop plans to decrease those barriers
- Elevate voices of lived experience

SOLUTIONS

1. PREVENT HOMELESSNESS

Increase Holistic Prevention

- Streamline access to a variety of services by opening the new Resource Center in Monmouth
- Increase availability and access to programs that foster self-sufficiency such as food, employment supports, housing choice vouchers

Resolve Imminent Risk – Prevent homelessness for 120 households in 2023 facing eviction and plan for 100 per year 2024-2027 (as needed per annual review)

- Administer funded programs to prevent homelessness for households with an eviction notice (or an impending one)
- Communicate with landlords and help solve problems to decrease evictions i.e. Hold monthly landlord meetings
- Secure funding for future years to offer assistance for rent, utilities, repairs, barrier removal

2. IMPROVE THE EFFECTIVENESS OF THE HOMELESS RESPONSE SYSTEM ACROSS THE HOUSING CONTINUUM

Increase Outreach and access to services

- More outreach with more coordination for more impact. i.e. Monthly outreach meeting with a commitment to geographic coverage.
- Develop a plan for a safe place unsheltered can sleep

Meet the need for Transitional Housing: Open 80 new beds in 2023, and plan for 50 per year 2024-2027 (as needed per annual review)

- Stand up transitional housing to serve specific populations such as tribal members, families, youth, adults 18+, justice-involved individuals, young adults, veterans, seniors
- Stand up transitional housing with equity (race/ethnicity, LGBTQIA+, geography)

Meet the need for Rapid Rehousing: House 75 households in 2023 and plan for 50 per year 2024-2027 (as needed per annual review)

- Support the Emergency Order funded projects in 2023
- Pursue funding for projects 2024-2027
- Build landlord relationships to foster communication
- Provide wrap-around services and supports that correlate with successful exits from homelessness

3. INCREASE THE SUPPLY OF AFFORDABLE HOUSING

Open 100 new affordable housing units by end of 2027. Have an additional 100 units of affordable housing in the pipeline by end of 2027.

- Each PATHS community is engaged in short-term and long-term efforts to decrease barriers to increase affordable housing
- Work with partner who are adding affordable housing in rural Polk County
- Seek to add Permanent Supportive Housing (PSH) in rural Polk County
- Explore cottage clusters
- Coordinate rural regional efforts with legislative initiatives



RURAL POLK COUNTY

5-YEAR STRATEGIC PLAN

2023-2027

**TO PREVENT AND ADDRESS
HOMELESSNESS**

PUBLISHED OCTOBER 2023

Contact Information

This plan was created by the Polk County Family & Community Outreach Department with input from the partners who represent the PATHS Committee and service providers in rural Polk County.

**FOR QUESTIONS ABOUT THIS PLAN, PLEASE CONTACT THE
POLK COUNTY FAMILY & COMMUNITY OUTREACH DIRECTOR,
BRENT DEMOE AT: DEMOE.BRENT@CO.POLK.OR.US**



Message from PATHS Board Chair



Polk County PATHS (Partners Aligned Toward Housing Solutions) is a local partnership between the Confederated Tribes of Grand Ronde, the cities of Dallas, Monmouth, Independence, Falls City, and Willamina, Polk County, and the Mid-Willamette Valley Community Action Agency. Together, we established a rural homelessness response office within Polk County Family and Community Outreach and worked in collaboration to develop this 5-year strategic plan to prevent and solve homelessness for rural Polk County households.

This has been important and timely work as housing affordability, housing availability, and other challenges are felt by an increasing number of Polk County residents. Our neighbors are spending more of their income on housing as average rents and home prices have increased dramatically since 2016, and especially since 2020. There are simply fewer affordable housing options for people who fall on hard times and less opportunity to achieve home ownership. And as a county commissioner, I hear a call to action from community members, county departments, and local partners.

Struggling community members could include the check-out person at the grocery store, the people you volunteer to serve at the local food bank, your favorite barista making your coffee in the morning, or your child's classmate. These are our community members and neighbors. For these reasons, it is critical that we connect with people who face housing challenges as soon as possible during a housing emergency and provide a pathway back to housing and self-sufficiency while being connected with appropriate supportive services. This will prevent prolonged trauma and hardship for these households and prevent more elaborate and expensive interventions in the future while improving the quality of life for all of us.

The growing homelessness challenge in our community is not a challenge we can ignore, and it is one that is best addressed when we center our efforts around data informed decision making, collaboration, and equal access to services. Our rural communities have too often been overlooked as areas of concern and I am happy to report that we have resources at our disposal to truly move the needle and leverage the incredible partnerships long established in Polk County.

I am so proud to live in a community with so many service providers, dedicated leaders, community members, and faith-based organizations who are working together to address these challenges every day.

JEREMY GORDON
Polk County Commissioner
PATHS Board Chair

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INTRODUCTION



Rural Polk County is pleased to be a Rural Homelessness Coordination Pilot (funded by House Bill 4123 in 2022). The Confederated Tribes of Grand Ronde, Polk County, Monmouth, Dallas, Independence, Willamina, and Falls City are committed to working together in a shared, strengths-based manner to address housing and homelessness issues in our region. Coordination of rural homelessness efforts will continue between Marion/Polk through the Mid-Willamette Valley Homeless Alliance.

Rural areas of Polk County are encompassed by a diverse population of roughly 56,000 residents. The Confederated Tribes of Grand Ronde include 5,400 enrolled tribal members located mainly in Polk and Yamhill counties, and membership expands throughout its ancestral lands. Demographic racial and economic intersections within rural Polk County will require localized, representative governance and intentional strategic planning to adequately address the unique nature of rural housing scarcity, homelessness prevention, and approaches to transitioning people to permanent housing.

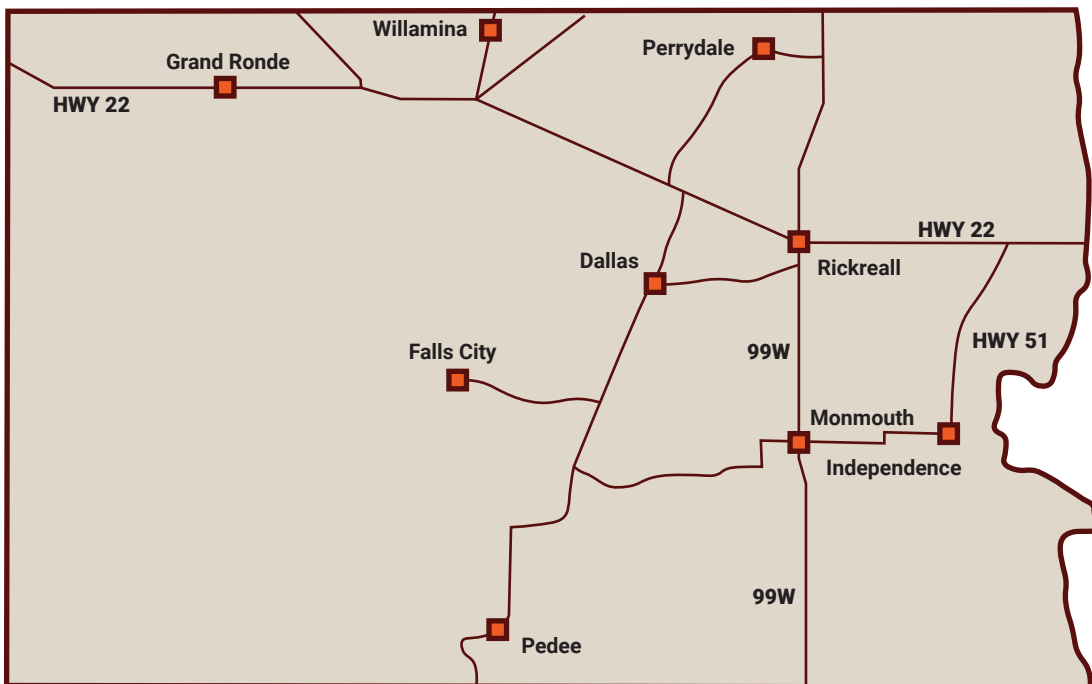
The nature of rural poverty presents unique challenges and opportunities for meaningful interventions. For example, Falls City suffers from the highest rate of youth homelessness in the state, and 20% of preschoolers in Grand Ronde are homeless. However, there is a strong and growing commitment to addressing local challenges in each of our partner jurisdictions. Planning for the coordination of services across agencies and geographic areas, transportation barriers, addiction resources, and more sheltering have been identified as a collective need. The resiliency of institutional ecosystems in rural areas suffers compared to our urban neighbors, but there is strength in our relationships, community connectivity, and resourcefulness amidst scarcity.

PARTNERS ALIGNED TOWARD HOUSING SOLUTIONS (PATHS) ADVISORY COMMITTEE: An advisory committee, called Partners Aligned Toward Housing Solutions (PATHS), first met in October 2022. Members are from Polk County, the cities of Dallas, Falls City, Independence, Monmouth and Willamina and the Confederated Tribes of Grand Ronde, Mid-Willamette Valley Community Action Agency, Polk County and any other interested parties. These partners coordinated efforts across communities to begin work on developing this 5-year strategic plan to prevent and address homelessness in rural Polk County.

“RURAL POLK COUNTY” REGION: “Rural Polk County” throughout this project and this strategic plan refers to all of Polk County, excluding West Salem, and including Grand Ronde and all of Willamina.

**RURAL POLK COUNTY OR PATHS SERVICE AREA = MOST OF POLK COUNTY
- WEST SALEM + ALL OF GRAND RONDE + ALL OF WILLAMINA**

Partners in rural Polk County convened to discuss preventing and addressing homelessness in rural areas. It quickly became evident that addressing homelessness in rural areas requires a vastly different approach than in urban areas. Partners across the region, including the City of Salem, agreed that the rural Polk County strategy would not directly include West Salem/urban areas. The main reason for this is the difference in approaches. West Salem is included in the efforts of the City of Salem and also the Marion-Polk regional response. The PATHS Service Area includes most of Polk County. The Confederated Tribes of Grand Ronde are full participants. Also, all of Willamina, which straddles the border of Polk and Yamhill Counties, is included in the service area and is a full participant. This map shows the geographic region referred to as “rural Polk County” and that makes up the PATHS service area:



MAP OF RURAL POLK COUNTY

EXECUTIVE SUMMARY



NEEDS:

About 53,000 people call rural Polk County home. The population growth and increasing cost of rent over the past several years make it difficult for an increasing number of residents to find housing and to stay housed. Thousands of rural Polk County households receive assistance from the Oregon Department of Human Services. Hundreds of households received direct financial assistance to prevent homelessness from Polk County Family & Community Outreach in the 2022-23 fiscal year. Homelessness in rural Polk County is increasing. In the 2022-23 warming season (Nov-March), 183 unique individuals stayed at least one night at a Polk Warming Center which is more than 4 times as many people as the previous year.

ASSETS:

Service Providers, city governments, county departments and faith based leaders have already been working hard day in and day out to support residents and address needs for housing initiatives. There is a great deal already in place and in the pipeline to address these needs.

GOALS:

We have goals to expand programs that are working and goals to develop plans to fill the gaps. The Rural Polk County Strategic Plan to Prevent and Address Homelessness is built around six pillars: three foundations (collaboration, data, and equity) and three solutions (prevention, homelessness response, and supply of affordable housing). All of these are necessary parts of preventing and addressing homelessness. The foundational priorities will shape all actions taken as part of the solutions so that all actions will be collaborative, data-informed, and equitable.





STATEMENT OF NEED

Housing affordability and homelessness are important issues in rural Polk County. A variety of measures indicate a need for increased homelessness prevention, homelessness response, and supply of affordable housing. In order to quantify the need, key data is shared here about the following topics:

1. Population & Demographics
2. Homelessness prevention
3. Homelessness and homelessness response
4. Housing data

POPULATION & DEMOGRAPHICS

In 2020, per the US Census, there were nearly 53,000 people in 14,855 households living in rural Polk County. This includes the communities of Dallas, Falls City, Grand Ronde, Monmouth and Willamina.

	POPULATION	HOUSEHOLDS
Dallas	16,854	6,612
Falls City	1,051	563
Grand Ronde	2,010	511
Independence	9,828	2,971
Monmouth	11,110	3,346
Willamina	2,239	852
Other	9,879	5,335
Rural Polk	52,971	14,855

(SOURCE: 2020 CENSUS)

Polk County (in total) has experienced steady and noteworthy population growth, which has included growth in rural communities. Over the past 5 years (2018 to 2023), Polk County was the third fastest growing county in Oregon (behind Deschutes and Crook Counties). In those years, the population of all of Polk County increased by 7.07%. The population growth rate for the same time period exceeded the county average in Dallas (9.50%) and Independence (9.88%).

POPULATION GROWTH IN POLK COUNTY

	2018	2020	2023	5YR INCREASE
Polk County	85,027	87,433	91,042	7.07%
Dallas	16,400	16,954	17,966	9.50%
Falls City	1,030	1,060	1,084	5.24%
Independence	9,600	10,015	10,549	9.88%
Monmouth	10,800	10,924	11,224	3.92%
Willamina	2,170	2,249	2,288	5.44%

(SOURCE: AMERICAN COMMUNITY SURVEY, US CENSUS)

Rural Polk County is home to individuals with diverse identities. It is home to a higher percentage of people who identify as Hispanic/Latinx (particularly in Independence and Monmouth) and people who identify as American Indian/Alaskan Native (particularly in Grand Ronde and Willamina) than the state of Oregon as a whole:



	STATE OF OREGON	POLK COUNTY COMMUNITIES WITH NOTEWORTHY REPRESENTATION
% Hispanic/Latinx	14%	Independence: 34% Monmouth: 19%
% American Indian/Alaskan Native	3%	Grand Ronde: 38% Willamina: 12%

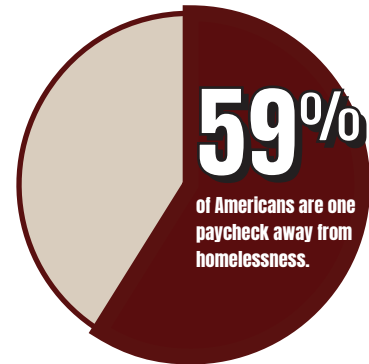
(SOURCE: 2020 CENSUS)

THE STUDENT POPULATION AT WESTERN OREGON UNIVERSITY IN MONMOUTH IS INCREASINGLY DIVERSE.

Among a student population of nearly 5,000:

- 20% indicate they are Hispanic/Latinx
- 24% identify as a member of the LGBTQIA+ community
- 5% identify as a gender other than singularly male or female

(Source: 2021 Western Oregon University survey among student body)



HOMELESSNESS PREVENTION

A national survey by Charles Schwab found that 59% of Americans are one paycheck away from homelessness. (<https://content.schwab.com/web/retail/public/about-schwab/Charles-Schwab-2019-Modern-Wealth-Survey-findings-0519-9JBP.pdf> pg. 7)

Homelessness and poverty are interrelated: when economic instability increases, so does the risk of homelessness. In rural Polk County, median household incomes are below the state of Oregon overall and below Polk County overall. Over 20% of residents in Falls City, Grand Ronde, and Monmouth are living in poverty. The result is that many people struggle to stay housed.

MEDIAN INCOMES AND POVERTY IN RURAL POLK COUNTY

	MEDIAN HOUSEHOLD INCOME (2021)	% PERSONS IN POVERTY (2021)
Oregon	\$70,084	12.2%
Polk County	\$70,238	12.1%
Dallas	\$60,511	14.5%
Falls City	\$37,969	28.6%
Grand Ronde	\$27,465	29%
Independence	\$65,019	9.5%
Monmouth	\$54,310	23.4%
Willamina	\$49,773	15.9%

(SOURCE: AMERICAN COMMUNITY SURVEY, US CENSUS BUREAU)

ASSISTANCE FOR LOW INCOME FAMILIES

Low Income households can qualify for assistance. These benefits help families with medical care, food, and childcare. They can help families make ends meet and stay housed. These services include:

- ERDC: Employment Related Day Care
- SNAP: Supplemental Nutrition Assistance Program
- TANF: Temporary Assistance for Needy Families

The number of families who qualify for benefits based on low income levels in rural Polk County helps to also quantify those who are at a greater risk of unstable housing and homelessness.

HOUSEHOLDS RECEIVING ODHS SERVICES (ERDC, MEDICAL, SNAP, TANF) SEPT 2023

CITY	ZIP CODE	HOUSEHOLDS
Dallas	97338	4,549
Falls City	97344	420
Grand Ronde	97347	683
Independence	97351	2,794
Monmouth	97361	2,952
Rickreall	97371	124
Willamina	97396	114
Total		11,636

(SOURCE: ODHS OFFICE OF SELF-SUFFICIENCY)

RENT/UTILITIES ASSISTANCE - POLK COUNTY FCO

Some people find themselves in an acute situation where they are on the cusp of losing their housing. Some have received an eviction notice and some know it is coming soon if something does not change. In order to quantify the current number of households

in rural Polk County who are at imminent risk of losing their housing, it is helpful to look at the number of households who reached out for this type of assistance. When someone comes to one of the resource centers, an intake is completed. This intake gathers information about the situation and the needs and then the team determines how to help. The funding for this assistance came from a variety of sources including Mid-Willamette Valley Community Action Agency (MWVCAA), the cities of Monmouth and Independence, Family Promise, West Valley Housing Authority, Polk County Service Integrations, Dallas Community Foundation, Marion & Polk Early Learning Hub, Inc., The Salvation Army, Dallas Ministerial Foundation, and Oregon Community Foundation.



Polk County Family & Community Outreach (FCO) met 158 requests for direct financial assistance in fiscal year 2021-22 and 628 requests in 2022-23:

DIRECT FINANCIAL ASSISTANCE FROM POLK COUNTY FCO BY CITY

	2021-22		2022-23	
	REQUESTS	\$	REQUESTS	\$
Dallas	63	\$149,529.00	193	\$223,405.45
Falls City	4	\$8,340.00	11	\$10,024.28
Independence	37	\$141,138.00	124	\$220,408.46
Monmouth	45	\$146,626.00	283	\$292,652.12
Other	9	\$19,213.00	17	\$12,125.30
Rural Polk Total	158	\$464,846.00	628	\$758,615.61

(SOURCE: POLK COUNTY FAMILY & COMMUNITY OUTREACH, ANNUAL REPORTS FOR FISCAL YEAR 2021-22 AND 2022-23)

In 2022-23, most of the requests were for rental assistance. The second most common category of requests is assistance with utilities:

DIRECT FINANCIAL ASSISTANCE FROM POLK COUNTY FCO BY TYPE

	2022-23 FISCAL YEAR # OF RURAL POLK HOUSEHOLDS SERVED	2022-23 FISCAL YEAR \$ ASSISTANCE PROVIDED TO RURAL POLK HOUSEHOLDS
Rent/Deposit Assistance	405	\$479,968
Utilities/other Assistance	196	\$272,161
Birth Certificates/IDs	15	\$678
Transportation	12	\$5,808
Total	628	\$758,615

(SOURCE: POLK COUNTY FAMILY & COMMUNITY OUTREACH)

POLK COUNTY FAMILY & COMMUNITY OUTREACH (FCO): HOMELESS OUTREACH & PREVENTION PROGRAM

Polk County FCO has a resource center in Dallas and one in Monmouth where community members can access a variety of services and supports, many of which assist households to remain self-sufficient and housed. The FCO Outreach & Prevention Program works with families and individuals in a variety of unstable housing situations. As of 9/1/23, 110 individuals who are at imminent risk of homelessness are on the FCO caseload. This includes 18 households of 2 or more people with 36 minor children. In many cases, these folks have been served an eviction notice.

CASELOAD FOR POLK COUNTY FCO (AS OF 9/1/23):

IMMINENT RISK	
Family Data (18)	
Children (Under 18)	36
Adults	19
Individual Data	
Adults w/o Children	55
Total Individuals (Unduplicated)	110

(SOURCE: POLK COUNTY FAMILY & COMMUNITY OUTREACH)

HOMELESSNESS AND HOMELESS RESPONSE

How many people are experiencing homelessness in rural Polk County? Although this question is straightforward to ask, it is complex to answer. While some individuals experience chronic homelessness, others cycle in and out of homelessness. And others endure it for a single episode often following a crisis. People facing homelessness often move frequently between couches, motels, shelters, cars, and locations, rather than staying in one living arrangement. Given the varied and fluid experiences of homelessness, it can be difficult to quantify. Data from service providers, the school districts' McKinney-Vento program, and the Point-in-Time (PIT) Count all contribute to understanding the situation. Currently, no single data set can present a full picture. But work is in place to improve that. Polk County Family & Community Outreach (FCO) has adopted the Point-in-Time survey questions as part of their ongoing intake interview. Also, across the county, there are partnerships in the works to take down silos and collaborate both with data and also with services.

HERE'S DATA FROM SERVICE PROVIDERS, THE MCKINNEY-VENTO PROGRAM, AND THE POINT-IN-TIME (PIT) COUNT TO HELP QUANTIFY HOMELESSNESS IN RURAL POLK COUNTY:

POLK COUNTY FAMILY & COMMUNITY OUTREACH (FCO): HOMELESS OUTREACH & PREVENTION PROGRAM

Polk County FCO has a resource center in Dallas and one in Monmouth where community members can access a variety of services and supports. FCO employs two full-time outreach workers who connect with people who are experiencing homelessness and people who are at imminent risk of losing their housing. Across the county, the outreach team goes out into the streets and parks. They respond to requests from community members and businesses as well as referrals from local service providers. They sit down with folks who come into one of the resource centers looking for housing supports. It can take time to develop relationships and to find solutions, and they work to connect individuals and families to resources.

The FCO Outreach & Prevention Program works with families and individuals in a variety of unstable housing situations. In addition to the families and individuals at imminent risk of losing their housing, this program serves people who are currently experiencing literal homelessness. This includes sleeping in a park, on the street, in a car, or in an RV without hook-ups. As of 9/1/23, 62 individuals who are experiencing literal homelessness are on the FCO caseload. This includes 10 households of 2 or more people with 28 minor children.

CASELOAD FOR POLK COUNTY FCO (AS OF 9/1/23):

LITERAL HOMELESS	
Family Data (10)	
Children (Under 18)	28
Adults	12
Individual Data	
Adults w/o Children	22
Total Individuals (Unduplicated)	62

*Family data represents 10 families experiencing literal homelessness

(SOURCE: POLK COUNTY FAMILY & COMMUNITY OUTREACH)

This means that 127 individuals in 90 households from rural Polk County are currently on a list waiting and hoping for a safe and stable place to sleep. These are families and individuals who are experiencing homelessness, who have a relationship with service providers, and who have asked for assistance.



MID-WILLAMETTE VALLEY COMMUNITY ACTION AGENCY (MWVCAA): COORDINATED ENTRY

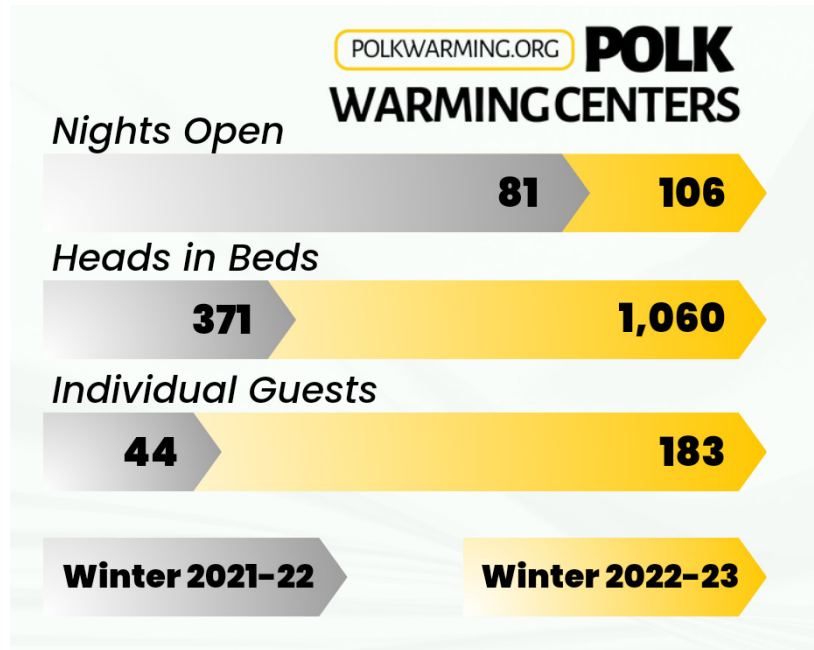
There are 127 individuals in 90 households from rural Polk County in Coordinated Entry for the period 7/1/22 and 6/30/23. An individual who needs housing is entered into Coordinated Entry by Mid-Willamette Valley Community Action Agency (MWVCAA) through a guided process with an intake interview where people provide information about themselves, their housing status, and their situation. MWVCAA conducts intake interviews one day per week at the Academy Building in Dallas. Rural Polk residents are welcome to complete their intake process at Marion County locations. Once people are entered into Coordinated Entry, they are placed on a housing list prioritized according to vulnerabilities and risk factors.

TOTAL HOUSEHOLDS IN RURAL POLK COUNTY 7/1/22 TO 6/30/23	90
HOUSING STATUS	
Unsheltered Households (Place not meant for Habitation)	55
Emergency Shelter/Hotel/Safe Haven	15
Unstable Housing	3
Other	17
Total	90
BY CITY	
Dallas	63
Falls City	1
Grand Ronde	0
Independence	17
Monmouth	6
Perrydale	2
Willamina	1
Total	90
SPECIAL POPULATION	
Total Chronically Homeless Households	8
Total # Homeless Family Households	27
Total Family Households - Unsheltered	18
Total Veteran Households - Unsheltered	6

(SOURCE: MWVCAA)

POLK WARMING CENTERS

Polk County FCO has been operating warming centers funded by MWVCAA for the past five years in partnership with local churches. During the warming season (November - March), Polk Warming Centers are open 7pm-7am on certain nights. One location rotates to different churches in Dallas/ Independence/ Monmouth. A second Warming Center opened in Falls City, new in the 2022-23 warming season. In the 2021-22 season, Polk Warming Centers were open 81 nights, served 44 unique guests, and provided 371 nights of shelter. In the 2022-23 season, Polk Warming Centers were open 106 nights, served 183 unique guests, and provided 1,060 nights of shelter.



(SOURCE: POLK WARMING CENTERS)

MCKINNEY-VENTO PROGRAM: STUDENTS EXPERIENCING HOMELESSNESS

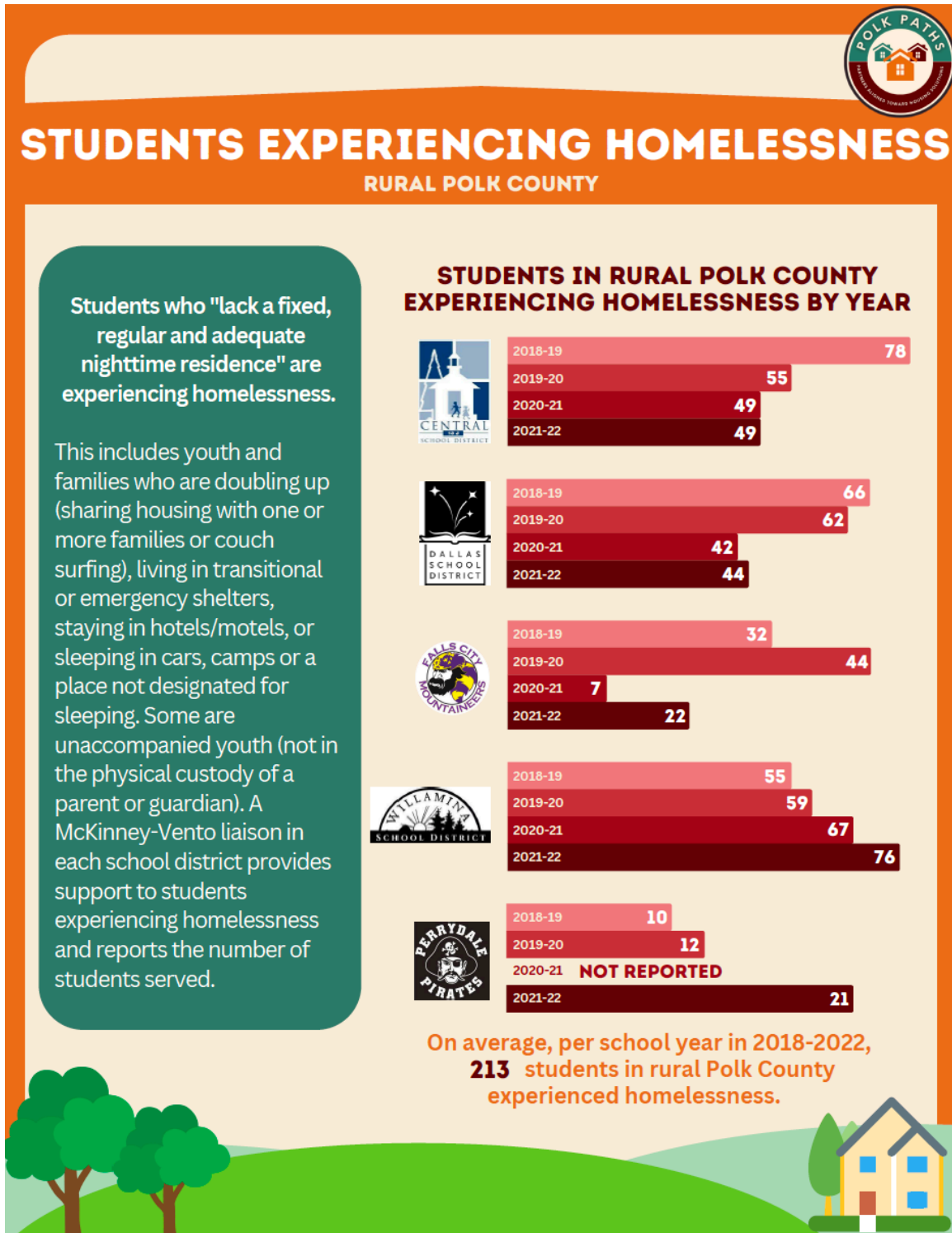
Per school year, 213 students experienced homelessness in rural Polk County on average for the school years 2018-2022. 191 of them experienced homelessness with their families and 19 of them were unaccompanied youth.

These data are gathered and reported by the McKinney-Vento liaisons in each school district and are posted on the Oregon Department of Education website. The McKinney-Vento Act is a federal act that helps students experiencing homelessness by decreasing barriers in education. Each school district has a McKinney-Vento liaison who works with students and families in the district who are experiencing homelessness.

The McKinney-Vento program defines homelessness as “lacking a fixed, regular and adequate nighttime residence.” This can include students who are living in transitional housing/shelters, hotels/motels, doubling up or couch surfing and unsheltered.

In rural Polk County, the majority of students who have been served by the McKinney-Vento program are doubling up or couch surfing. This means they are staying with others due to loss of housing or economic hardship. In 2021-22, about one quarter (24.6%) of the students were experiencing unsheltered homelessness. This includes

staying in cars, parks, camps, RVs without hook-ups, or bus stations. This is a higher percentage than in previous years. It is also a higher percentage than in Salem-Keizer schools that year (8% unsheltered).

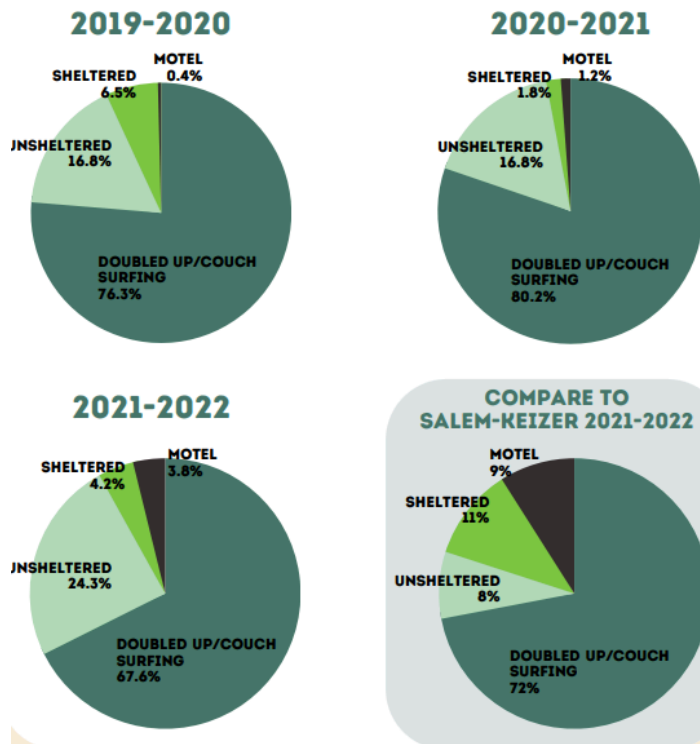




LIVING SITUATIONS OF STUDENTS EXPERIENCING HOMELESSNESS

RURAL POLK COUNTY

WHERE ARE THEY SLEEPING?

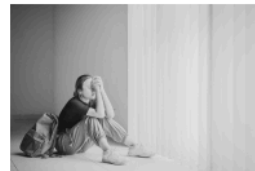


WHO ARE THEY WITH?

191 STUDENTS EXPERIENCED HOMELESSNESS WITH THEIR FAMILY

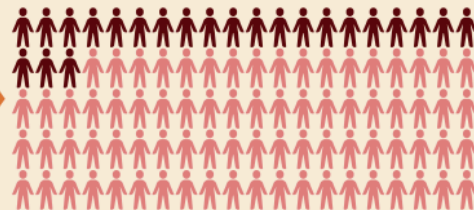


22 STUDENTS EXPERIENCED HOMELESSNESS AS UNACCOMPANIED YOUTH



(On average, per school year, in 2018-2022 in rural Polk County.)

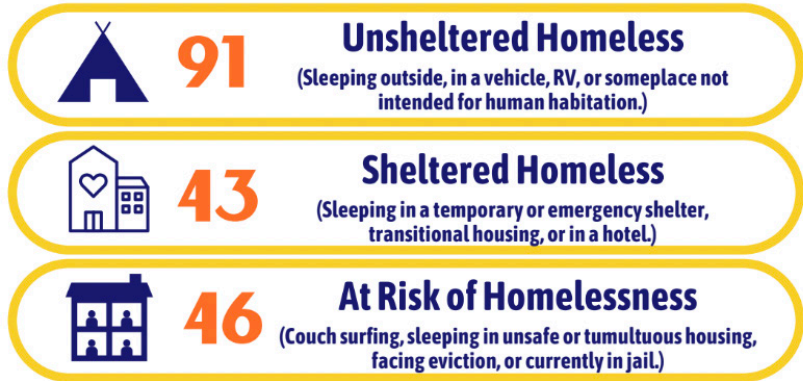
DATA REPORTED FOR THE 2019-20 SCHOOL YEAR SHOWED 23% OF STUDENTS IN FALLS CITY EXPERIENCED HOMELESSNESS, THE HIGHEST RATE OF STUDENT HOMELESSNESS IN THE STATE OF OREGON THAT YEAR.



Data available on the Oregon Department of Education website: <https://www.oregon.gov/ode/schools-and-districts/grants/esea/mckinney-vento/pages/default.aspx>

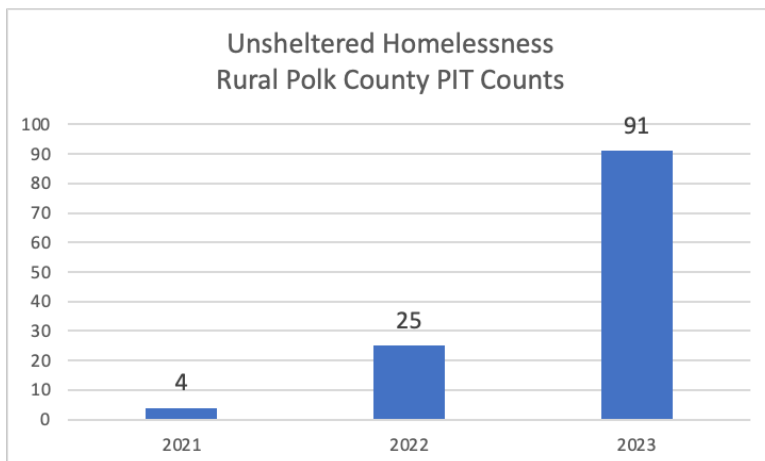
POINT-IN-TIME (PIT) COUNT

Each year during the end of January, communities across the nation conduct a “Point-in-Time Count” per HUD’s direction in order to count the number of people in their communities who experienced homelessness on one particular night. While service providers and volunteers strive to connect with everyone experiencing homelessness, there is a general acceptance that PIT Count is not a complete count.



In 2023, individuals were asked where they slept on the night of Monday, January 23rd. In rural Polk County, the community interviewed 91 individuals who experienced unsheltered homelessness on that night. In addition, 43 individuals experienced sheltered homelessness in rural Polk County on 1/23/23. Another category for consideration is “hidden homelessness” or people who are couch surfing or doubled up; 46 individuals completed the survey who were couch surfing or doubled up on the night in question. So at least 180 persons experienced some type of homelessness in rural Polk County on that night. 84% of the unsheltered individuals had a tie to the community in which they were staying at the time.

OVER THE PAST SEVERAL YEARS, PIT COUNT DATA SHOWS A MARKED INCREASE IN UNSHELTERED HOMELESSNESS IN RURAL POLK COUNTY.



While homelessness has increased in rural Polk County, the large increase from 2022 to 2023 can be partially attributed to a change in methodology. The team hosted a major community event called the “Community Connect” on 1/24/23. Community members were invited to attend and access services and resources.

Service providers had the opportunity to host a table. Almost 300 people attended and about 50 PIT Count surveys were completed at the Community Connect event. Community partners and volunteers also proactively reached out throughout the week of 1/23/23 to connect with known community members experiencing housing instability.

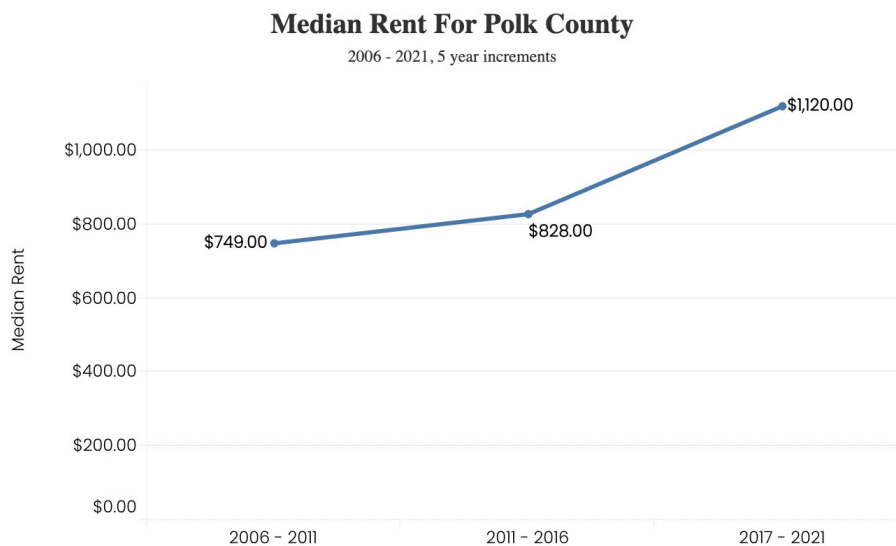
Since the 2023 PIT Count, Polk County FCO has added the PIT Count questions into its regular intake interview. So in rural Polk County, the understanding gained from PIT Count is ongoing.

HOUSING

As the population has increased, the number of housing units has not kept pace. In rural Polk County, rents are high and vacancies are low. Housing has been identified as an important issue by community members across the county. In fact, in the 2021 “Oregon Voices” survey conducted by the Ford Foundation, one of the top 3 findings from Polk County is that, “Respondents are overwhelmingly concerned about the prevalence of homelessness and unaffordable housing in their communities.” (Source: <https://orvoices.org/>)

Oregon Housing and Community Services (OHCS) gathers and reports Housing Data by county. Their dashboard is available here and is the source for several Polk County break-outs below: <https://public.tableau.com/app/profile/oregon.housing.and.community.services/viz/CountyProfiles2023-OregonHousing/LandingPage>

MEDIAN RENT



Polk County rents have been steadily increasing. The following chart shows median rents in 5-year increments. From 2006-2011 to 2011-2016, median rents increased 10% from \$729 to \$828. Then from 2011-2016 to 2017-2021, median rents jumped 35% from \$828 to \$1,120.

(SOURCE: OREGON HOUSING AND COMMUNITY SERVICES)

While county level data over the past two decades gives helpful context, it is meaningful within that context to consider current rental costs in rural Polk County communities. The West Valley Housing Authority releases a weekly report with rental listings. The following tables tally the # of listing by number of bedrooms and by community to show average rents for July-September 2023.



RENTAL LISTINGS: JULY-SEPT 2023 NUMBER OF BEDROOMS

	JULY 19, 2023		AUG 16, 2023		SEPT 20, 2023	
	# of Listings	Avg Rent	# of Listings	Avg Rent	# of Listings	Avg Rent
Studio	1	\$1,404.50	1	\$1,450.00	1	\$1,468.00
1 Bedroom	9	\$1,312.33	9	\$1,271.39	12	\$1,276.67
2 Bedrooms	21	\$1,401.64	15	\$1,382.60	13	\$1,483.65
3 Bedrooms	18	\$1,952.69	17	\$2,155.35	24	\$2,314.85
4 Bedrooms	7	\$2,435.00	10	\$2,540.00	7	\$2,571.43
5 Bedrooms	2	\$2,975.00	2	\$3,050.00	4	\$2,350.00
Total Rural Polk	58	\$1,737.82	54	\$1,884.68	61	\$1,910.77

(SOURCE: WEST VALLEY HOUSING AUTHORITY, RENTAL LISTINGS)

RENTAL LISTINGS: JULY-SEPT 2023

LOCATION OF RENTAL

	JULY 19, 2023		AUG 16, 2023		SEPT 20, 2023	
	# of Listings	Avg Rent	# of Listings	Avg Rent	# of Listings	Avg Rent
Dallas	13	\$1,706.73	18	\$1,828.19	15	\$2,026.77
Independence	20	\$1,739.90	21	\$1,903.14	18	\$1,992.25
Monmouth	23	\$1,749.48	13	\$2,026.85	24	\$1,857.29
Other	2	\$1,825.00	2	\$1,275.00	4	\$2,048.75
Total Rural Polk	58	\$1,737.82	54	\$1,884.68	61	\$1,910.77

(SOURCE: WEST VALLEY HOUSING AUTHORITY, RENTAL LISTINGS)

IN 2023, FAIR MARKET RENTS (FMR) ARE AT LEVELS BELOW THE AVERAGE RENTAL COSTS FOR RURAL POLK COUNTY AS FOLLOWS:

FEDERAL FY2023 FAIR MARKET RENTS & PAYMENT STANDARDS FOR THE SECTION 8 HOUSING CHOICE VOUCHER PROGRAM - EFFECTIVE 01/01/2023 -

	0-BEDROOM	1- BEDROOM	2-BEDROOM	3-BEDROOM	4-BEDROOM	5-BEDROOM	6-BEDROOM
Fair Market Rents (FMRs)	\$924	\$978	\$1,245	\$1,769	\$2,037	\$2,343	\$2,649
Voucher Payment Standards	\$1,016	\$1,075	\$1,369	\$1,945	\$2,240	\$2,577	\$2,913
	(110% of FMR)	(110% of FMR)	(110% of FMR)	(110% of FMR)	(110% of FMR)	(110% of FMR)	(110% of FMR)

ALL, INITIAL CONTRACT RENTS AND CONTRACT RENT INCREASES ARE BASED ON RENT REASONABLENESS, NOT THE MAXIMUM PAYMENT STANDARD AMOUNTS. Rent Reasonableness considers the high, medium, and low quality of a unit, locality of the unit, amenities, unit size, and unit type.

(SOURCE: WEST VALLEY HOUSING AUTHORITY)

For those who qualify for a housing choice voucher and have come up on the waitlist to receive it (after about 2 to 2 1/2 years), finding an available rental at or below the fair market rent is difficult. For example, the fair market rent for a 2-bedroom apartment in

Polk County is \$1,245. The average rent of 2-bedroom units available in July-Sept 2023 is \$1,422.63 with only a handful of units each month listing rent at or under the fair market rent.

For many, housing is not affordable. The hourly wage necessary to afford a 2 bedroom at the fair market rate of \$1,245 is \$23.94. The annual income needed to afford a 2 bedroom is \$49,800, meaning an individual would need 1.7 jobs (or 68 hours per week) earning minimum wage to afford the rent. To make things even more challenging, the average rental cost of 2-bedroom apartments listed for rent in rural Polk County in July-Sept of 2023 is higher than the fair market rent for the county.

(SOURCE: NATIONAL LOW INCOME HOUSING COALITION'S 2023 REPORT https://nlihc.org/sites/default/files/oor/Oregon_2023_OOR.pdf)

RENT BURDEN

One way that housing affordability is evaluated in a community is by measuring rent burden. If a renting household pays more than 50% of their income on rent + utilities, then they are classified as severely rent burdened. Each year, Oregon Housing and Community Services (OHCS) is required to review all cities with a population of 10,000 or more and then identify and notify any cities that have over 25% of their renters experiencing severe rent burden. In the 2022 report, all communities with a population of over 10,000 people in rural Polk County exceeded that mark.

OHCS 2022 REPORT ON RENT BURDEN

	% SEVERELY RENT BURDENED	# SEVERELY RENT BURDENED	# RENTAL HOUSEHOLDS	POPULATION
Dallas	30.9%	606	1,959	17,320
Independence	28.4%	376	1,324	10,081
Monmouth	33.0%	576	1,745	11,142

https://www.oregon.gov/lcd/UP/Documents/Annual_Severe_Rent_Burden_Announcement.pdf

Not only are rents expensive, but vacancy rates are low which increases the challenge of finding housing:

RENTAL VACANCY RATES IN RURAL POLK COUNTY COMMUNITIES

COMMUNITY	RENTAL VACANCY RATES
Dallas	Less than 1%
Independence	3.2% (housing vacancy, not just rental)
Monmouth	3%

(SOURCE: DALLAS = 2019 DALLAS HOUSING NEEDS ANALYSIS; INDEPENDENCE = HOUSING NEEDS ANALYSIS PROCESS; MONMOUTH = 2023 HOUSING PRODUCTION STRATEGY)

SUPPLY OF AFFORDABLE HOUSING UNITS

Oregon Housing & Community Services (OHCS) gathers and reports data at the county level about income and rental units. This helps to quantify the number of additional units of affordable housing needed. For all of Polk County, there is a deficit of 585 rental units affordable to residents earning below 80% AMI (Area Median Income). For those earning 0-50% AMI, the deficit is much bigger (2,490 units).

ALL POLK COUNTY	RESIDENTS	AFFORDABLE RENTAL UNITS	DEFICITS/SURPLUS
Extremely Low Income (0-30% AMI)	2380	615	-1765
Very Low Income (30%-50% AMI)	1965	1240	-725
Low Income (50%-80% AMI)	2500	4405	1905
Total	6845	6260	-585

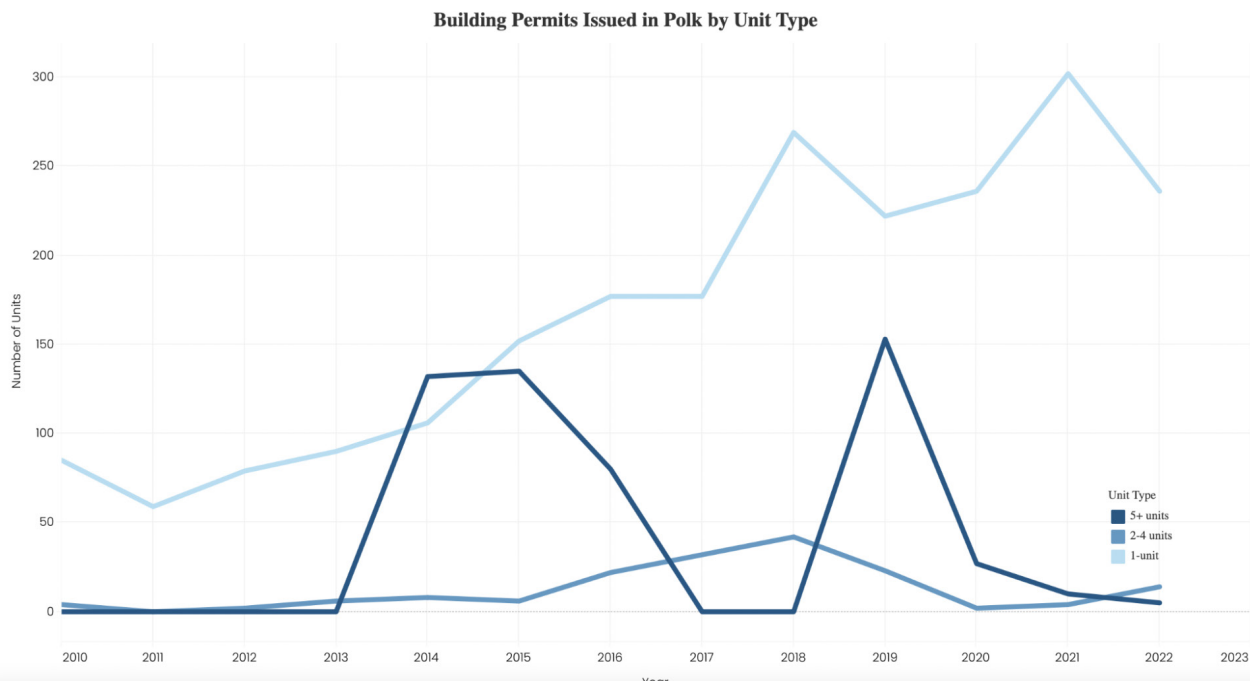
(SOURCE OHCS: <https://public.tableau.com/app/profile/oregon.housing.and.community.services/viz/CountyProfiles2023-OregonHousing/LandingPage>)

Without more granular data to allow a report specific to rural Polk County, an estimate of the deficit of affordable housing can be arrived at by assuming a “fair share” based on population. ~60% of the Polk County population lives in rural Polk County, so if 60% of the gap is also in rural Polk County, then the deficit for affordable housing is 351 units in rural Polk County. Again, the deficit for those earning 0-50% AMI is much bigger (1,494 units).

RURAL POLK COUNTY "FAIR SHARE" (60%)	RESIDENTS	AFFORDABLE RENTAL UNITS	DEFICITS/ SURPLUS
Extremely Low Income (0-30% AMI)	1428	369	-1059
Very Low Income (30%-50% AMI)	1179	744	-435
Low Income (50%-80% AMI)	1500	2643	1143
Total	4107	3756	-351

The building permits already issued provide information on developments already underway. In Polk County, the vast majority of building permits issued are for single family houses. In 2022, permits for 236 units of single family houses were issued in contrast to permits for 5 units in 5+ unit buildings and 14 units in buildings with 2-4 units. Very little medium-density or high-density development is already in the works.

Rents are high, vacancies are low. In rural Polk County, there is a deficit of about 350 units of affordable housing. But the current pipeline of housing under construction is almost all single family homes.



(SOURCE: OHCS)

DATA SUMMARY

POPULATION

- About 53,000 people live in rural Polk County,
- Polk County is the 3rd fastest growing county in Oregon and rural communities are a major part of that growth

PREVENTING HOMELESSNESS

- Over 20% of residents in Falls City, Grand Ronde, and Monmouth live in poverty (compared to 12.2% in Oregon overall)
- In 2022-23, 634 households in rural Polk County received direct financial assistance to prevent losing their housing (such as for rent and/or utilities) in the amount of \$767,135
- As of 9/1/23, 110 individuals (from 72 households) on the FCO caseload are at imminent risk of losing their housing

HOMELESSNESS RESPONSE

- 62 individuals (from 22 households) on FCO's caseload as of 9/1/23 who are in rural Polk County and who are experiencing literal homelessness
- 127 individuals (from 90 households) who are from rural Polk County currently in Coordinated Entry who have asked for assistance and are waiting for housing
- 183 unique individuals slept at a Polk County Warming Center in the 2022-23 warming season
- 213 students in rural Polk County experienced homelessness (per the McKinney-Vento definition which includes being doubled up or couch surfing out of economic necessity) on average per school year in the 2018-2022 school years. On average, 22 per year experienced homelessness as an unaccompanied minor. About 50 per year experienced unsheltered homelessness.
- 91 individuals were counted as part of the annual PIT Count experiencing unsheltered homelessness in rural Polk County in January 2023.

HOUSING

- Rents are increasing (up 35% comparing 2011-2016 to 2017-2021)
- Rents are not affordable for many people. A single worker earning minimum wage would have to work 68 hours per week in order to afford rent at the fair market rate.



- If a renting household pays more than 50% of their income on rent + utilities, then it is classified as severely rent burdened. In Dallas, Independence and Monmouth, over 25% (benchmark requiring notification and action) of renting households are severely rent burdened.
- Vacancies are low (1-3% in rural Polk County)
- There is a deficit of about 350 units of affordable housing in rural Polk County
- Building permits issued in Polk County in 2020-2022 are almost all for single family homes, so the current construction will not alleviate the need for affordable medium-density or high-density housing

MAPPING ASSETS & GAPS



As described above, in rural Polk County rents are high, vacancies are low, and homelessness is increasing. Service providers and government agencies are already working hard to help meet the community's needs. An important part of developing a strategic plan is to review the resources that are already in place and the great work that is already being done. That review in the PATHS service area reveals a landscape of local leaders and service providers who are working day in and day out to aid community members in need and who are making a major impact.

PATHS and partners have been working on goals and action items even as this action plan has been under development. Services already in place by 12/31/22 are included in this section; actions taken 1/1/23 or later are included below in the Goals section that follows.

FOUNDATIONS

(A) COLLABORATE AT ALL LEVELS:

Before this strategic plan was in the works, partners and agencies across rural Polk County were working in partnership. For example:

- Community partner meetings (April-June 2022):
 - Tribal/City Leadership Perspective (4/11/22)
 - Public Safety Perspective (4/25/22)
 - Service Providers Perspective (5/9/23 and 5/23/22)
 - School District and West Valley Housing Authority Perspective (6/6/22)
- Service Integration Team (SIT) meetings are held monthly in each of the 6 school districts in Polk County (Central, Dallas, Falls City, Perrydale, West Salem, Willamina). In the 2022-23 school year, 107 partner organizations participated in SIT, and 815 individuals were on the newsletter distribution list.
- PATHS (Partner Aligned Toward Housing Solutions) advisory board began meeting in October of 2022.

GAPS (AS OF 1/1/23):

- Engagement with community members

- A community-facing website that includes information about homelessness, local data, and community news.

(B) USE DATA AND EVIDENCE TO MAKE DECISIONS:

Family & Community Outreach uses a system called Need Navigator to effectively track supports provided across service teams. MWVCAA (Community Action) is the lead agency for Coordinated Entry (CE) and the Homelessness Management Information System (HMIS) in Polk County.

GAPS (AS OF 1/1/23):

- Most rural Polk County providers are not using HMIS
- Continuum of Care (CoC) reports are all at the aggregate level for Marion + Polk County; opportunity is to split the data by geography to inform decisions at the local level

(C) ELEVATE EQUITY:

Most service providers consistently provide materials in English and Spanish. Many recruit diverse employees and offer increased compensation for bi-lingual and bi-cultural employees. There is also recruiting that explicitly values lived experience with homelessness.

GAPS (AS OF 1/1/23):

- CoC data shows minority racial/ethnic groups experiencing homelessness at a disproportionately high rate in our region. For example, 2020 Census data shows 2% of Marion-Polk residents identify as American Indian, Alaska Native, or Indigenous while 2022 PIT Count data for Marion + Polk shows 9% of the unsheltered homelessness population do.
- State and national data indicates members of the LGBTQIA+ community are over-represented among those experiencing homelessness. There’s an opportunity to gather local data.
- Opportunities for voices of lived experience to shape policy and decisions.

SOLUTIONS

(1) PREVENT HOMELESSNESS:

Partner organizations throughout rural Polk County work everyday to provide basic needs, employment supports, housing supports, healthcare, etc. to help residents be self-sufficient. Preventing homelessness can include holistic programs that indirectly help people stay housed as well as interventions in response to imminent risk of homelessness.

HOLISTIC:

These holistic efforts indirectly help community members remain housed. Some programs support individuals with their education and work and thereby increase their incomes. Other programs provide food or healthcare, which decrease the overall household expenses thereby making it easier to make rent.

Programs currently available in rural Polk County that provide holistic support and indirectly help prevent homelessness include:

- Education/Employment supports provided by CSC (Community Services Consortium), Job Corp, and Work Source.
- Polk County Behavioral Health provides behavioral health services to the Medicaid eligible residents and indigent population in Polk County. They provide services to individuals seeking assistance for issues related to mental health and/or substance use. In 2022, Polk County Behavioral Health served 3,652 unique individuals. In addition, the crisis team served 742 unique individuals.
- DHS: Fiscal Year from September 2022 - August 2023; DHS has enrolled 75 new clients into SNAP benefits.
- Northwest Human Services (NWHHS) operates the Total Health Community Clinic (THCC), located in Monmouth. As a Federally Qualified Community Health Center (FQCH), the focus is on serving low-income, homeless and uninsured or under-insured individuals and families. In Jan-Jun of 2022, 1,958 patients completed a visit with THCC. The majority of them (1,214, 62%) use Medicaid/CHIP. 71 (3.6%) were uninsured and 407 (21%) used Medicare. NWHHS also provides rent, mortgage, and utility assistance and they operate the Crisis & Information hotline.
- West Valley Housing Authority: Served 470 rural Polk County households in 2022. Housing choice vouchers provide ongoing funds for rent, allowing families and individuals to remain stably housed when rent would otherwise be unaffordable for them.
- Marion-Polk Food Share: In rural Polk County in 2022, Marion-Polk Food Share served 30,819 households, 41,309 meals, and 115,535 individuals
- Food Banks/Pantries open at the following locations and hours:



FOOD BANKS/PANTRIES: SCHEDULE IN RURAL POLK COUNTY

	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
9:00-10:00 AM					
10:00-11:00 AM		9-11:30 AM Mon/Ind	9-11 AM Dallas	9-11:30 AM Mon/Ind	9-11 AM Dallas
11:00-12:00 PM			10-2 PM Grand Ronde		10-2 PM Grand Ronde
12:00-1:00 PM					
1:00-2:00 PM	1-3 PM Dallas	1-3 PM Dallas		1-3 PM Dallas	
2:00-3:00 PM					
3:00-4:00 PM					
4:00-5:00 PM	4-6 PM Mon/Ind	4-6 PM Mon/Ind	4-6 PM Willamina		4-5 PM Falls City
5:00-6:00 PM					

FOOD IS ALSO AVAILABLE AT:

- Food boxes also available from Polk County FCO
- Food for students provided by the Kindness Club in Dallas (sends food home for the weekends), the Gate in Monmouth/Independence, and school lunches
- James 2 Kitchen serves 300 meals/week in Dallas
- The ROCC (Recovery Outreach Community Center) serves meals every day at its day center in Dallas

IMMINENT RISK:

When a household is at imminent risk of losing its housing, programs can provide direct financial assistance, most often for rent or utilities, to help them stay housed.

- Family & Community Outreach (FCO): In 2022-23 fiscal year, provided \$767,135 in direct financial support to 634 households in rural Polk County, primarily for rental assistance and utilities.
- Mid-Willamette Valley Community Action Agency (MWVCAA): Energy Services program served 113 households in rural Polk County in July-Nov 2022 with \$105,000 to support utilities. They also funded other prevention programs throughout the County.

GAPS (AS OF 1/1/23):

- Food Insecurity: The food resources being provided are not enough to meet the need. The food distribution process is scattered and with spotty hours, making access difficult.
- Need for increased flexible barrier removal funds
- Opportunity to work with landlords to prevent evictions

(2) IMPROVE THE EFFECTIVENESS OF THE HOMELESS RESPONSE SYSTEM:

The homeless response system begins by connecting with people experiencing homelessness through outreach to give them access to resources and options for housing. Individuals may choose to stay in transitional housing where they have a short-term, safe and stable place to live. Rapid rehousing helps individuals settle into their own long-term housing.

OUTREACH: MEETING IMMEDIATE NEEDS FOR STABILIZATION AND RELATIONSHIPS

In an urban setting, outreach workers can stop by large camps or shelters and connect with people experiencing homelessness. In rural settings, there are not as obvious places to go to do outreach. It can take time to develop a relationship of trust before people will talk about what they need with an outreach worker. Collaboration across partners is the most effective way to do outreach in rural settings.

- Family & Community Outreach (FCO) has two full-time case managers focused on street outreach.
- Mid-Willamette Valley Community Action Agency (MWVCAA) has two outreach workers who come to rural Polk County two days per week.
- Recovery Outreach Community Center (ROCC) does street outreach in rural Polk County one day per week. ROCC (Recovery Outreach Community Center): From opening in July 2022 to the end of 2022, the ROCC-Polk served 120 individuals. From Jan-July of 2023, they served 191 individuals.
- McKinney-Vento Liaisons and School-Based Mental Health Team do outreach through the schools
- Abby's House does outreach on the Western Oregon University campus
- Polk County Behavioral Health provides behavioral health services to the Medicaid eligible residents and indigent population in Polk County. As of 8/22/23, Polk County Behavioral Health had 2,052 patients enrolled, 3% of which identified as transient or homeless.
- Northwest Human Services (NWHS) operates the Total Health Community Clinic (THCC), located in Monmouth. As a Federally Qualified Community Health Center (FQCH), the focus is on serving low-income, homeless and uninsured or under-insured individuals and families. In Jan-Jun of 2022, 1,958 patients completed visits with THCC. 263 of them were noted as experiencing homelessness (and 19 of them as street homeless).

GAPS (AS OF 1/1/23):

- Increased collaboration and communication across service providers
- Limited places intended/designed to camp/park overnight (i.e. bathrooms facilities, water, trash)

TRANSITIONAL HOUSING/SHELTER: PROVIDING TEMPORARY SHELTER IN A SAFE AND STABLE PLACE

- **GALE'S LODGE** is transitional housing with 6 beds for male veterans, located in Dallas. In the fiscal year ending 6/30/22, 8 veterans from the Gale's Lodge program were placed in long-term, stable housing.
- **POLK COUNTY WARMING CENTERS** offer a safe, warm place for people to sleep. Every night where the temperature dips below freezing, they are open in both Falls City (at the community center) and in Dallas/Independence/Monmouth (location rotates every two weeks between churches). The Dallas/Independence/Monmouth location is also open every Thursday, Friday, and Saturday nights Nov-March regardless of weather. In the 2021-22 season, Polk Warming Centers were open 81 nights, served 44 unique guests, and provided 371 nights of shelter. In the 2022-23 season, Polk Warming Centers were open 106 nights, served 183 unique guests, and provided 1,060 nights of shelter.
- **SABLE HOUSE** serves survivors of domestic violence. They have a shelter and also offer hotel/motel vouchers. In 2022, they served 53 individuals in their shelter for a total of 1,466 shelter nights and 79 individuals in hotels for a total of 564 hotel nights.
- **POLK COUNTY PAROLE & PROBATION:** 4 temporary beds for corrections clients, maximum 30-day stay. Run by the Parole & Probation Office.

GAPS (AS OF 1/1/23):

- Individuals experiencing homelessness in rural Polk County in 2022 had limited options to stay in their communities. For a short term place to stay, many had to go to Salem or Corvallis or McMinnville.
- Transitional housing options needed that are designed to meet needs of populations like youth, young adults, families, seniors.

RAPID REHOUSING: PROVIDING CASE MANAGEMENT AND HOUSING NAVIGATION FOR LONG TERM INDIVIDUAL HOUSING SOLUTIONS

- West Valley Housing Authority served 470 households in 2022, some received emergency vouchers
- Housing Stabilization Program (HSP) has funding available to families with Temporary Assistance for Needy Families (TANF) who are experiencing homelessness.
- FCO staff help clients
 - To overcome barriers to housing such as obtaining vital records and resolving issues with past landlords
 - To apply for a housing voucher and understand their voucher once they receive it
 - To locate a qualifying unit and secure application fees and deposit assistance

GAPS (AS OF 1/1/23):

- Need a program with funding to assist people exiting homelessness to get into housing and have support through that transition.

(3) INCREASE THE SUPPLY OF AFFORDABLE HOUSING:

Cities and communities participating in PATHS have taken steps to understand and address the housing needs in their communities. Here are actions taken in the recent past:

- Dallas: Completed a new Housing Needs Analysis (HNA) (2019) which showed deficits of 1 acre of high density residential and 20 acres of medium residential land supply needed over the 20 year planning horizon. Completed zone changes to add to these supplies of land.
- Falls City: Revised development code to increase housing density by reducing the minimum square footage of Equivalent Dwelling Units (EDUs), allow Accessory Dwelling Units (ADUs) on properties, allow cottage clusters in residential zones. Approached Polk CDC, Community Action Agency, Habitat for Humanity and United Way to develop affordable housing on city owned land (2.3 AC in residential zone)
- Grand Ronde: Planning and preparation to stand up transitional housing
- Independence: Revised System Development Charge (SDC) structure to provide a reduction in SDCs for Accessory Dwelling Units (ADUs); Allowed attached houses in all residential zones by right; Reduced minimum lot sizes
- Monmouth: Updated Housing Needs Analysis (HNA) in 2020
- Willamina: Revamped the City Development Code to allow for cottage clusters in the city and also to allow for the building of housing with up to 3 attached units (an increase from two-unit townhomes)
- Polk Community Development Corporation (Polk CDC) is a non-profit organization with a mission to provide the low and moderate income residents of Polk County with opportunities for high-quality, affordable housing. At the conclusion of 2022, they were managing 182 units of affordable housing, all in rural Polk County.

GAPS (AS OF 1/1/23):

- Significant deficit of housing units that are affordable for residents earning 0-50% of Area Median Income (AMI)
- PATHS is an advisory board and not a group of real estate developers or investors; limited tools to accomplish the goal of increasing the supply of affordable housing
- Need incentives for multi-family housing projects in the face of increased expenses related to building (materials, interest rates, etc.) and probability of greater profit with higher-end single-family homes



GOALS & STRATEGIES

GOALS/STRATEGIES

This strategic plan document has outlined the needs in rural Polk County and the work already being done (as of 12/31/22) to meet those needs. This section will use the following framework to list goals and action items targeted for 2023-2027 to fill the gaps between what is currently available and what is needed.

FOUNDATIONS

- A- Collaborate at all levels
 - Partner with organizations
 - Engage with the community
- B- Use data and evidence to make decisions
- C- Elevate equity



A: COLLABORATE AT ALL LEVELS

PARTNER WITH ORGANIZATIONS

STRATEGIES	ACTION ITEMS	TIMELINE
A.1 Foster communication between service providers.	A.1.1 Continue to host Service Integration Team (SIT) Meetings and to send out the SIT newsletter.	Ongoing
	A.1.2 Gather input from service providers about successes and challenges in housing.	Partner survey Feb 2023, Annual
	A.1.3 Host an annual “Homelessness Update” meeting each spring and invite service providers, elected officials, etc.	First one held 4/20/23, Annual
A.2 Break down silos across departments and agencies to better serve clients.	A.2.1 Develop a process to honor client confidentiality while sharing information across partners.	May 2023
	A.2.2 Host by-name case conferencing to serve specific clients experiencing homelessness.	First one held 6/20/23, Monthly
	A.2.3 Add “On the spot” case conferencing to facilitate collaboration to meet immediate needs	Summer 2023, Ongoing
	A.2.4 Maintain contracts and partnerships with and between service organizations such as MWVCAA, NWHS, DHS, Behavioral Health, C@P, etc. Go beyond keeping each other informed to actively partner to serve clients together.	Ongoing
	A.2.5 Seek out partnerships across the service landscape with additional service providers (including those who may be small organizations or new to Polk County)	Ongoing
A.3 Position PATHS as an effective advisory board	A.3.1 Hold regular PATHS meetings	Ongoing
	A.3.2 Maintain PATHS membership with a voting member from each rural Polk Community	Ongoing
	A.3.3 Have at least one person with lived experience with homelessness as a voting PATHS Board member	Dec 2023
	A.3.4 Secure funding for staff support (beyond the funding from House Bill 4123)	Dec 2023

	A.3.5 Integrate PATHS voices into the local Continuum of Care	Ongoing
	A.3.6 Form PATHS workgroups	Fall 2023
	A.3.7 Revisit and revise this strategic plan annually so that it is a living document that serves the community's evolving needs.	Annually
ENGAGE WITH THE COMMUNITY		
A.4 Continuously engage community members with an eye to reduce the stigma and myths around homelessness	A.4.1 Develop and publish a community facing PATHS website that provides information about homelessness, local providers, local news.	Website launched June 2023
	A.4.2 Host community meetings to provide information to community members about homelessness, service providers and programs.	First Community Info Summit 6/23/23, Webinar 9/19/23 Ongoing
	A.4.3 Host meetings/events for community members to hear directly from people with lived experience	Youth Panel 2/16/23, Storytelling event Fall 2023, Ongoing
	A.4.4 Create and share video content to platform stories of lived experience	First installment Fall 2023
A.5 Bring together service providers, community members and people experiencing homelessness	A.5.1 Host an annual Community Connect	Jan, annually



IT MAKES ME FEEL AWFUL TO READ THE COMMENTS PEOPLE POST AND THE ASSUMPTIONS PEOPLE MAKE ABOUT HOMELESSNESS. I WENT THROUGH ABOUT 8 YEARS OF MY LIFE IN CONSTANT UPHEAVAL. I WAS HOMELESS WHEN MY DAUGHTER WAS 3 AND AGAIN WHEN SHE WAS 8. I NEVER DID DRUGS, I WAS NOT AN ALCOHOLIC. I WAS WORKING TWO JOBS. WE JUST COULDN'T GET BACK ON OUR FEET. IT DESTROYS ME TO KNOW THAT THERE ARE FAMILIES IN OUR COMMUNITY FACING THIS NOW AND THAT PEOPLE ARE PASSING JUDGMENT. THEY JUST DON'T UNDERSTAND.

B: USE DATA AND EVIDENCE TO MAKE DECISIONS

STRATEGIES	ACTION ITEMS	TIMELINE
B.1 Develop plans to report data split to show rural Polk County	B.1.1 Partner with CoC data team to get regional reports to show a break out for rural Polk County (instead of just data in aggregate for both Marion + Polk counties)	2023
	B.1.2 Partner with MWVCAA to get reports broken out to show rural Polk County	2023
B.2 Improve quality/ completeness of data gathering in rural Polk County	B.2.1 Conduct rural Polk County PIT Count locally using methodology specific to rural communities and using local partners, contacts and volunteers	Every January
	B.2.2 Support a Rural Committee for PIT Count	Ongoing
	B.2.3 Match changes in race/ethnicity and gender questions coming to HMIS in rural Polk data gathering	Nov 2023
	B.2.4 Explore best practices to add a question regarding LGBTQIA+ identities	End 2023
B.3 Integrate rural Polk County data into regional data	B.3.1 Develop and implement a standardized set of definitions for terms like “homeless,” “prevention,” “chronically homeless,” etc. so that rural Polk County provider data sets are consistent.	2024
	B.3.2 Overcome barriers to link Need Navigator with HMIS	2024
	B.3.3 Provide training and overcome barriers so rural Polk County providers can utilize HMIS (i.e. Polk Warming Centers)	2024
	B.3.4 Add Polk County representatives to CoC data conversations, such as the HMIS users work group and the Performance & Evaluation team	Ongoing
B.4 Develop a plan for data analysis/reporting with an equity lens	B.4.1 Convene data leads at Polk County service providers to develop plan and overcome barriers	2024
B.5 Report data broadly to community partners and community members	B.5.1 Post local and recent data to the PATHS website.	Ongoing
	B.5.2 Develop a data dashboard to be housed on the PATHS website.	2024

C: ELEVATE EQUITY

Strategies	Action Items	Timeline
C.1 Increase understanding of the experiences and needs of members of marginalized groups as	C.1.1 Partner with culturally specific organizations, starting with Latino and Native American communities	2023
	C.1.2 Expand outreach and services to migrants workers	2024
	C.1.3 Form a work group that includes individuals who identify as LGBTQIA+ to make recommendations on better serving the population	2024
C.2 Amplify voices of lived experience	C.2.1 Host meetings/events for community members to hear directly from people with lived experience (see A.4.2)	Youth Panel 2/16/23, Storytelling event Fall 2023
	C.2.2 Create video content to platform stories of lived experience (see A.4.4)	Start 2024
	C.2.3 Include voices of lived experience in the decision making conversations	Ongoing
C.3 Develop a plan for data analysis/reporting with an equity lens	C.3.1 Convene data leads at Polk County service providers to develop plan and overcome barriers (see B.4.1)	2024
C.4 Then develop a plan to rectify any inequities identified	C.4.1 Convene stakeholders to respond to any inequities identified and to develop a plan to address them.	2025
C.5 Strive for geographic equity in providing services across the various communities in rural Polk County	C.5.1 Develop solutions regarding prevention, homeless response, and affordable housing that are accessible to residents in all communities in the PATHS service area.	2027
C.6 Support employment practices among service providers to honor diversity	C.6.1 Encourage recruiting and hiring practices that value diversity and voices of lived experience.	Ongoing
	C.6.2 Bring training to rural Polk County service providers including a Service Integration Team meeting each year with a diversity/inclusion focus.	2024, Annual

SOLUTIONS

1- PREVENT HOMELESSNESS

- Increase programs that offer holistic prevention
- Provide help in the face of imminent risk/eviction

2- IMPROVE THE EFFECTIVENESS OF THE HOMELESS RESPONSE SYSTEM ACROSS THE HOUSING CONTINUUM

- Increase outreach and access to services
- Meet the need for transitional housing / emergency shelter
- Meet the need for rapid rehousing

3- INCREASE THE SUPPLY OF AFFORDABLE HOUSING

1: PREVENT HOMELESSNESS

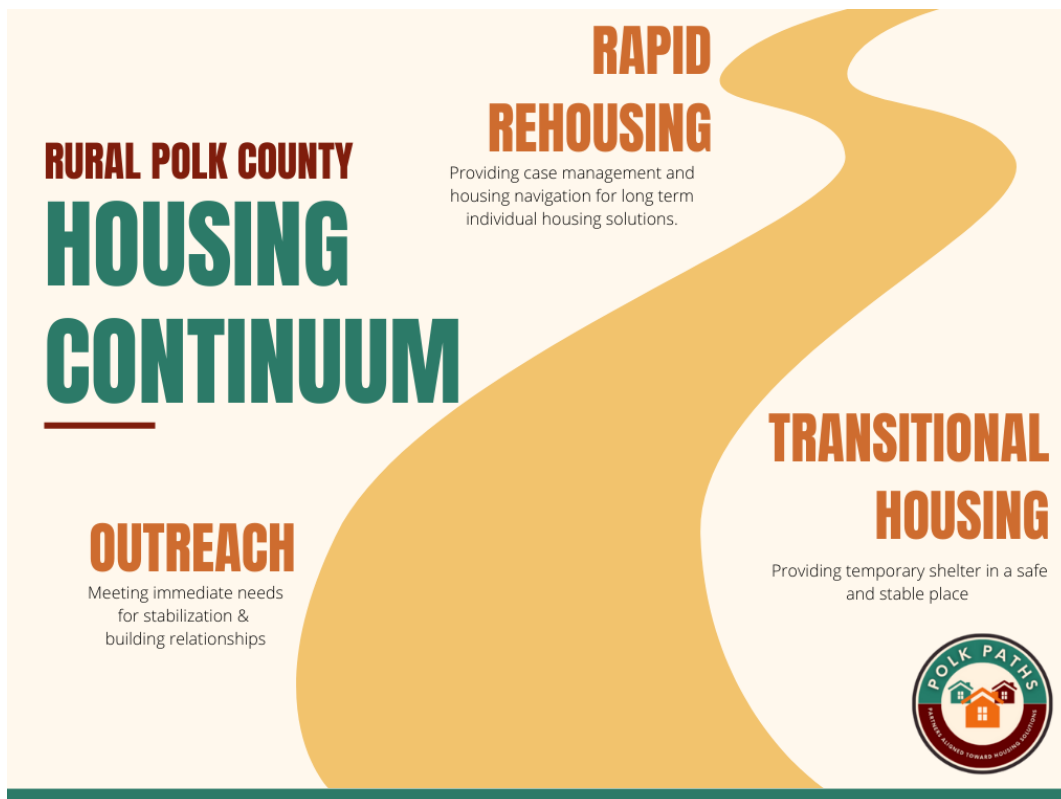
1. PREVENT HOMELESSNESS		
INCREASE PROGRAMS THAT OFFER HOLISTIC PREVENTION PROVIDE HELP IN THE FACE OF IMMINENT RISK/EVICTION		
PREVENTION - HOLISTIC		
STRATEGIES	ACTION ITEMS	TIMELINE
1.1 Increase prevention education	1.1.1 Increase the number of budgeting classes, financial literacy classes, parenting classes, RentWell and other supports.	2024 and ongoing
1.2 Streamline access to a multitude of services that support individuals and families	1.2.1 Open new Polk Community Resource Center in Monmouth, a resource center housing multiple county services and 10-15 non-profit organizations with a goal to serve people in one stop (including: OHP, benefits, veterans service office, DHS, public health, MWVCAA, pediatric clinic, emergency financial assistance, community mailboxes, emergency food boxes, housing navigation, homeless prevention and outreach)	2024

	1.2.2 Explore possible locations for additional resource center(s) in rural Polk County.	2024
1.3 Increase availability of and access to services that support self-sufficiency	1.3.1 Update and publish the Community Resources Guide listing organizations with contact info to help community members in categories such as: basic needs, employment supports, health and wellness, housing. In English and in Spanish.	Annual
	1.3.2 Address gaps in current efforts to end food insecurity by increasing the amount of food available and increasing the distribution hours.	2024
	1.3.3 Explore how to address gaps in employment supports (geographic location, hours, etc.)	2024
	1.3.4 Develop and publish a Community Resources Guide targeted to youth and young adults; update annually.	First one by end of 2023, then annual
	1.3.5 Increase the number of Resource Connector(s) on the school-based mental health team to help meet needs of students and families	Starting 2024-2025 school year
1.4 Partner with areas' housing authorities to increase reach and impact	1.4.1 Explore practices of other local housing authorities (housing navigators on staff, lottery instead of wait list, utilization of more voucher types, etc.)	2023
	1.4.2 Partner with West Valley Housing Authority to reach their goal of getting their lease up to 525 households. (In 2022, West Valley Housing Authority served 470 households; had funding for 525; and voucher allotment from HUD of 763).	525 by end 2024

RESOLVE IMMINENT RISK: PREVENT HOMELESSNESS FOR 120 HOUSEHOLDS IN 2023 FACING EVICTION AND PLAN FOR 100 PER YEAR 2024-2027 (AS NEEDED PER ANNUAL REVIEW)

STRATEGIES	ACTION ITEMS	TIMELINE
1.5 Administer funding already secured for prevention	1.5.1 FCO to administer funding totaling \$1.5 million provided for this fiscal year by MWVCAA, city of Independence, city of Monmouth, West Valley Housing Authority, DHS, ODHS, and small non-profits (Family Promise, etc.) for prevention efforts such as rental assistance, utility assistance, housing navigation, application and deposit assistance, barrier removal, etc.	2023-24
	1.5.2 Support the administration of Executive Order (EO) funding for preventing homelessness. EO funding provided \$593,947 to Polk County with the goal of preventing homelessness for 200 households which have been served an eviction notice or are at-risk of eviction. Rural Polk County's fair share is ~60% so that's ~\$350,000 and ~120 households. (See 1.8.1)	By Jan 2024
1.6 Secure funding for prevention efforts in future years	1.6.1 Seek out funding streams, apply for grants, etc.	2025-2027
1.7 Support programs of partners (Behavioral Health, FCO, MWVCAA, NWHS, Polk CDC, Sable House) across rural Polk to meet the need for housing-focused emergency financial assistance	1.7.1 Secure and administer funding for additional rental assistance	2024-2027
	1.7.2 Secure and administer funding for additional utility/energy assistance	2024-2027
	1.7.3 Secure and administer funding for weatherization and repairs to make housing units habitable	2024-2027
	1.7.4 Secure and administer funding for barrier removal	2024-2027
	1.7.5 Track demographics of households receiving financial assistance in order to identify priority populations for outreach	Ongoing

1.8 Decrease evictions	1.8.1 Support the administration of Executive Order (EO) funding for preventing homelessness. EO funding provided \$593,947 to Polk County with the goal of preventing homelessness for 200 households which have been served an eviction notice or are at-risk of eviction. Rural Polk County's fair share is ~60% so that's ~\$350,000 and ~120 households. (See 1.5.2)	2023
	1.8.2 Build relationships with local landlords, including holding quarterly meetings, to foster collaboration to prevent evictions.	First meeting June 2023, quarterly
	1.8.3 Support Oregon Health Authority's proposal to prevent homelessness using Medicaid by providing six months of rent to those at risk of losing their housing, starting Nov 1, 2024. Help build awareness and help eligible rural Polk residents access this benefit.	Nov 2024-2027



THERE'S A LOT OF HOMELESS IN RURAL POLK COUNTY. BUT WE ARE SO FAR AWAY FROM EVERYTHING SO IT FEELS LIKE THERE ISN'T HELP. GET OUT THERE. BE IN THE COMMUNITIES. GET THE WORD OUT ABOUT HELP THAT IS AVAILABLE.



2: IMPROVE THE EFFECTIVENESS OF THE HOMELESS RESPONSE SYSTEM

2: IMPROVE THE EFFECTIVENESS OF THE HOMELESS RESPONSE SYSTEM ACROSS THE HOUSING CONTINUUM

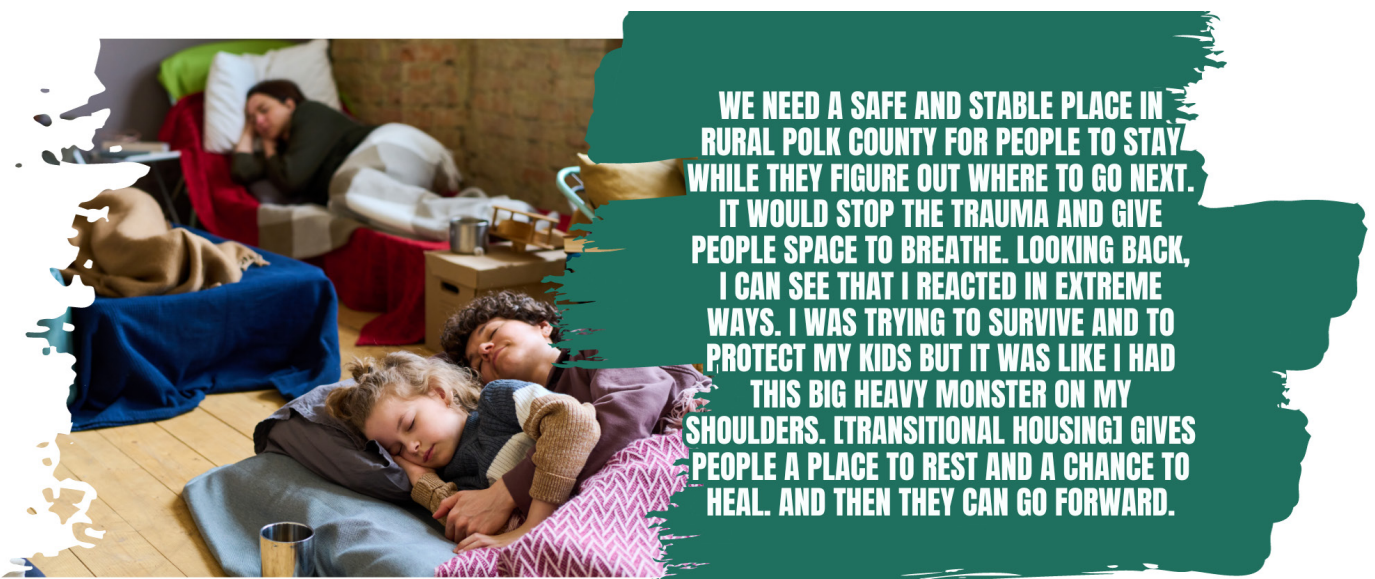
OUTREACH TRANSITIONAL HOUSING RAPID REHOUSING

OUTREACH: INCREASE OUTREACH AND ACCESS TO SERVICES (INCLUDING CASE MANAGEMENT, BEHAVIORAL HEALTH, ADDICTION RECOVERY, MEDICAL/ DENTAL, EMPLOYMENT SUPPORTS, BASIC NEEDS LIKE FOOD/CLOTHING/ HYGIENE, ETC.)

STRATEGIES	ACTION ITEMS	TIMELINE
2.1 Increase outreach capacity and outreach collaboration	2.1.1 Secure funding for additional outreach workers, including a bilingual/ bicultural outreach worker	Ongoing
	2.1.2 Hold monthly outreach team meetings to facilitate collaboration between FCO, ROCC, MWVCAA, HOME with a commitment to geographic coverage	Begin 2024 and then ongoing
	2.1.3 Host by-name case conferencing to serve specific clients experiencing homelessness. (See A.2.2)	First one held 6/20/23, Monthly
	2.1.4 Add "On the spot" case conferencing to facilitate collaboration to meet immediate needs (See A.2.3)	Summer 2023, Ongoing

	2.1.5 Add outreach specific to youth/ young adults as part of MWVCAA-HOME's YHDP funded "hub" project.	2023
2.2 Streamline resources and services	2.2.1 Open new Polk Community Resource Center in Monmouth – co-location resource center housing multiple county services and 10-15 non-profit organizations with a goal to serve people in one stop (including: OHP, benefits, veterans service office, DHS, public health, MWVCAA, pediatric clinic, emergency financial assistance, community mailboxes, emergency food boxes, housing navigation, homeless prevention and outreach)	Jan 2024
	2.2.2 Explore an additional location in rural Polk County for a wellness and resource center such as Falls City, Perrydale, and Willamina	2024
2.3 Increase availability of services	2.3.1 Address geographic gaps in availability of services (including food, behavioral health, addiction recovery, and healthcare)	2024-2027
	2.3.2 Address gaps in current efforts to end food insecurity by increasing the amount of food coming to rural Polk County and increasing the distribution hours as needed	2024-2027
	2.3.3 Explore opportunities to increase access to behavioral health supports with partners such as Polk County Behavioral Health	2024
	2.3.4 Explore opportunities to increase access to addiction recovery services with partners including Polk County Behavioral Health and Bridgeway	2024
	2.3.5 Explore opportunities to increase access to healthcare services with partners including Northwest Human Services and Salem Health	2024

2.4 Overcome transportation barriers for individuals/families accessing services	2.4.1 Convene stakeholders (including Salem Health’s program Connections) to develop plan to increase transportation options for healthcare appointments	2024
	2.4.2 Support the renewal of the funding for the Monmouth-Independence Trolley	2025
2.5 Create safe place for unsheltered to sleep overnight	2.5.1 Share strategies around compliance with case law about homeless camping affecting jurisdictional regulation of homelessness	2023
	2.5.2 Explore the development of a “Safe Park” program offering place(s) where people who are sleeping in their cars or RVs can safely park	2024
	2.5.3 Explore PATHS subcommittee regarding code enforcement/law enforcement for information sharing, education and coordination.	2024
	2.5.4 Educate outreach teams and equip them to provide information to clients and the public	Ongoing



TRANSITIONAL HOUSING: MEET THE NEED FOR TRANSITIONAL HOUSING / SHELTER BY ADDING 80 BEDS IN 2023 WITH A TARGET OF 50 BEDS (TO BE ADJUSTED PER ANNUAL DATA REVIEW INCLUDING DATA FROM LOCAL SERVICE PROVIDERS AND PIT COUNT DATA) PER YEAR 2024-2027

STRATEGIES	ACTION ITEMS	TIMELINE
2.6 Add transitional housing / shelter for tribal members and their families	2.6.1 Open two micro shelter sites in Grand Ronde (Site 1: 10 units measuring 10x10; Site 2: 15 units measuring 10x15) with a total of 50 beds	Feb & April 2023
	2.6.2 Open Warriors of Hope DV homes with 20 beds	June & July 2023
2.7 Add transitional housing / shelter for families	2.7.1 Open Ediger Hall at Dallas Alliance Church with funding assistance from the United Way, offering temporary housing to one family at a time, with case management provided by FCO (3 bedrooms, ~6 beds)	June 2023
	2.7.2 Stand up Church @ the Park transitional housing with 40 beds for families and individuals 18+ using \$1.57 million of EO funding (see 2.9.1)	Jan 2024
	2.7.3 Develop a plan for additional transitional housing for families, as needed	2024-2027
2.8 Add transitional housing / shelter for youth (ages 18 and under)	2.8.1 Open the YHDP House funded in part by YHDP, for youth ages 14-18 (5 beds)	Fall 2023
2.9 Add transitional housing / shelter for adults 18+	2.9.1 Stand up Church @ the Park transitional housing with 40 beds for families and individuals 18+ using \$1.57 million of EO funding (see 2.7.2)	Jan 2024
	2.9.2 Partner with Polk County Community Corrections and Polk County Behavioral Health to develop a plan to stand up transitional housing / shelter for Justice-Involved Individuals as set out as the #1 priority goal in the March 2023 "Sequential Intercept Model Mapping Report"	2024-2027

	2.9.3 Explore the need and options to stand up transitional housing / shelter for Young Adults (ages 18-24)	2024-2027
	2.9.4 Develop a plan for additional transitional housing for veterans as needed	2024-2027
	2.9.5 Explore the need and options to stand up transitional housing / shelter for Seniors (ages 55+)	2024-2027
2.10 Expand the Warming Center program to other geographies in the county	2.10.1 Open a Warming Center in Willamina for the 2023-24 season	Winter 2023
2.11 Roll out new transitional housing / shelter in a way that elevates equity	2.11.1 Consider geographic equity in the plans for transitional housing with a goal to have something in each of the PATHS communities by the end of this 5-year plan	2023-2027
	2.11.2 Work with partners running transitional housing / shelter to provide a safe and stable place to stay for people of all gender identities and all sexual orientations.	Ongoing
	2.11.3 Work with partners running transitional housing / shelter to provide a safe and stable place to stay for people of all races/ethnicities.	Ongoing

RAPID REHOUSING: MEET THE NEED FOR RAPID REHOUSING WITH A TARGET OF 75 HOUSEHOLDS IN 2023 AND A TARGET (TO BE ADJUSTED PER ANNUAL DATA REVIEW) OF 50 HOUSEHOLDS PER YEAR IN 2024-2027		
STRATEGIES	ACTION ITEMS	TIMELINE
2.12 Support the Rapid Rehousing Projects funded by the state's Emergency Order funding to rapidly rehouse ~75 Polk County households by 1/31/2024	2.12.1 Support MWVCAA rapid rehousing project; MWVCAA awarded \$1,056,067 with goal of serving 50 households (all in Polk County)	2023
	2.12.2 Support Sable House rapid rehousing project; Sable House awarded \$410,850 with goal of serving 20 households (all survivors of domestic violence in Polk County)	2023

	2.12.3 Support Salem Housing Authority rapid rehousing project; Salem Housing Authority awarded \$454,586 with goal of serving 65 households (in Marion-Polk, so assume about 10 will be in Polk).	2023
2.13 Support the Rapid Rehousing project funded by YHDP for young adults 18-24	2.13.1 Support the Rapid Rehousing project funded by YHDP for young adults 18-24 with the goal of housing 8 young adults per year	2023-2027
2.14 Support Rapid Rehousing projects 2024-2027	2.14.1 Sustain rapid rehousing projects in 2.12 and 2.13 beyond current funding windows	2024-2027
	2.14.2 Partner with Polk County Community Corrections and Polk County Behavioral Health to develop a plan rehousing for Justice-Involved Individuals as set out as the #5 priority goal in the March 2023 “Sequential Intercept Model Mapping Report”	2024
	2.14.3 Explore the needs and options for rapid rehousing for other priority populations (veterans, families, seniors, etc).	2025-2027
2.15 Deliver wrap-around services to those in rapid rehousing programs	2.15.1 MWVCAA to develop and roll out training called “Rapid Rehousing Case Manager Academy” to set standards for home visits, motivational interviews, etc.	2024
	2.15.2 Foster connections between case managers and local service providers in rural Polk County	Ongoing
2.16 Facilitate people exiting homelessness in getting and using a housing voucher	2.16.1 Explore with the area’s housing authorities the possibility of adding a priority for people exiting homelessness.	2023
	2.16.2 Explore possibility to “buy down rent” for people exiting homelessness so that more units are available for voucher use.	2024-2027
2.17 Communicate regularly with landlords to facilitate rapid rehousing	2.17.1 Build relationships with local landlords, including holding quarterly meetings, to foster collaboration to support rapid rehousing.	First meeting June 2023, quarterly

3: INCREASE THE SUPPLY OF AFFORDABLE HOUSING

In rural Polk County, there is a need for additional affordable housing units. The U.S. Department of Housing and Urban Development defines affordable housing as housing where the occupant is paying no more than 30% of gross income for housing costs, including utilities.

(<https://archives.hud.gov/local/nv/goodstories/2006-04-06glos.cfm>)

PATHS is an advisory board; not a group of developers nor real estate investors. The need for additional affordable housing is clear, and it is one that PATHS has limited tools to solve. Increasing the supply of affordable housing will take money, land, and time. PATHS communities are taking short-term and long-term actions to decrease barriers to adding affordable housing. In housing needs analyses and production strategies, cities are also seeking to address adding more units that are affordable at all income ranges. That relies in large part on housing rehab funds, private/non-profit development of housing, and other measures not in the control of the public sector to increase supply of units. Action items here include working with partners and exploring options like Permanent Supportive Housing and cottage clusters.

SOLUTIONS GOAL 3: INCREASE THE SUPPLY OF AFFORDABLE HOUSING		
GOAL: OPEN 100 AFFORDABLE HOUSING UNITS BY THE END OF 2027. ADD AN ADDITIONAL 100 AFFORDABLE HOUSING UNITS TO THE HOUSING PRODUCTION PIPELINE BY THE END OF 2027.		
STRATEGIES	ACTION ITEMS	TIMELINE
3.1 Support near-term efforts (2023) in each community to add affordable housing units.	3.1.1 Dallas: · In regards to cottage clusters, the planning commission is recommending an increase in the per lot maximum from 4-6 to up to 12 cottages per lot, consistent with density allowances. · Changing affordable housing metrics to make it more enticing for developers to choose the affordable housing option, · Reviewing housing variety standards.	2023
	3.1.2 Falls City: Working on securing funding for a Housing Needs Analysis (HNA); Changed ordinances to allow for cottage clusters and Accessory Dwelling Units (ADUs).	2023

	3.1.3 Grand Ronde: Purchase Sheridan Inn property (20 rooms) for programming and housing for tribal members with behavioral health diagnoses.	2023
	3.1.4 Independence: <ul style="list-style-type: none"> · Conducting Housing Needs Analysis (HNA), results expected August 2023. · Created a Vertical Housing Zone which provides tax incentives to developers to build housing above commercial properties · Reduced the parking space requirements · Kicked-off a new grant funded project to review a large area of Independence holistically and with an eye toward missing middle housing options, walkable, bikeable, public transportation, to provide additional opportunities for mixed types of housing 	2023
	3.1.5 Monmouth: <ul style="list-style-type: none"> · Zoning code changed in 2023 to remove barriers to affordable housing development (e.g. reduce parking requirements, increase density, reduce lot sizes, increase range of allowed housing types, streamline review procedures) 	2023
	3.1.6 Willamina: Hosted four “Community Conversation” meetings about Homelessness; Engaged City Council in two work sessions about House Bill 3115.	2023
3.2 Support long-term (2024-2027) efforts in each community to add affordable housing units.	3.2.1 Dallas: <ul style="list-style-type: none"> · Developing mixed use zone code provisions, supporting middle and affordable housing unit development. · Supporting the redevelopment of the former mill site property as a mixed use development. · Supporting the development of the La Creole master planned area, including high density and mixed use land. 	2024-2027

	3.2.2 Falls City: Continue to work with regional partners to develop new affordable housing developments	2024-2027
	3.2.3 Grand Ronde: Renovate and open Sheridan Inn property (20 rooms) for programming and housing for tribal members with behavioral health diagnoses.	2024-2027
	3.2.4 Independence: <ul style="list-style-type: none"> · Applied for a grant to proceed with a Housing Production Strategy · Applied for a grant to assess infill opportunities · System Development Charge reductions for accessory dwelling units (ADU) 	2024-2027
	3.2.5 Monmouth: <ul style="list-style-type: none"> · Implement high priority HPS strategies: Rezone land for high density (multi-family) housing Public-Private Partnerships to create more affordable housing Systems Development Charge exemptions or reductions UGB adjustment Public outreach and education 	2024-2027
	3.2.6 Willamina: Consider opportunities to decrease barriers to add affordable housing	2024-2027
3.3 Work with partner organizations who are adding units of affordable housing	3.3.1 Support Polk CDC's opening 10 units of veterans housing at 458 Hart Land in Dallas	2023
	3.3.2 Support Polk CDC's plans to open 100-120 new affordable housing units at new developments such as: 845 Ellendale (~20 units), 520 Hankel St (5-20 units), 179 Washington St (57 units), Carson Commons (20 units, includes 9 YHDP units reserved for young adults)	2024-2027

	3.3.3 Partner with Polk CDC as they pursue opportunities to add additional units of affordable housing in the pipeline by the end of 2027	End 2027
	3.3.4 Explore feasibility for specialty housing programs for hard-to-house populations.	Ongoing
3.4 Seek to add Permanent Supportive Housing (PSH) in rural Polk County	3.4.1 Research Permanent Supportive Housing in Oregon and understand best practices.	2023
	3.4.2 Explore potential partners (such as Polk County Behavioral Health and MWVCAA and the housing authorities) and funding for PSH	2024
3.5 Explore adding cottage clusters	3.5.1 Converse with churches and other large landowners in rural Polk County about the possibility of siting cottage clusters on their land.	Ongoing
	3.5.2 Meet with United Way to understand the cottage cluster project in Salem and explore the possibility of a similar project in rural Polk County.	2024
3.6 Coordinate rural regional efforts with legislative initiatives	3.6.1 Bring rural perspective to the legislature through lobbying and advocacy.	Ongoing

CONCLUSION

Rural Polk County is taking action to prevent and solve homelessness. PATHS (Partners Aligned Toward Housing Solutions) has set goals building on the foundations of collaboration, data and evidence, and equity. Partners will work together to prevent homelessness, increase the effectiveness of the homeless responses system, and increase the supply of affordable housing.



APPENDICES

APPENDIX A: LISTENING SESSIONS

Listening sessions were held with a variety of community partners and voices of lived experience to lay the foundation for this plan.

GROUP	PRESENTERS
4/11/22 Tribal/City Leadership Perspective	Dana Ainan (Social Services Department, Grand Ronde), Kenna West (City Manager, Willamina), Marty Wine (City Manager, Monmouth), Amy Houghtaling (Council President, Falls City), TJ Bailey (Mayor, Falls City), Brian Latta (City Manager, Dallas)
4/25/22 Public Safety Perspective	Sergeant Todd Fenk (Polk County Sheriff's Office), Jodi Merritt (Polk County Community Corrections Director), Aaron Felton (Polk County District Attorney), Ben Stange (Chief, Polk County Fire District 1), AJ Foscoli (City Manager, Falls City), Derek Trombla (Community Support and Code Enforcement Officer, Willamina), Charlie Mitchell (Economic & Community Development Director, Dallas), Sergeant David King (Dallas Police Department), Lieutenant Matt Olafson (Monmouth Police Department), Chief Lyle Gilbert (Independence Police Department), Jake McKnight (Grand Ronde Police Chief), Steve Warden (Grand Ronde Chief of Emergency Management)
5/9/22 Service Providers Perspective	Trisha Vickers (Northwest Human Services, Jennifer Broadus/Jennifer Von Derahe/Denyc Boles (West Valley Hospital), Breezy Aguirre and Robert Marshall (Mid-Willamette Valley Community Action Agency)

GROUP	PRESENTERS
5/23/22 Service Providers Perspective (cont.)	Kerry Hammerschmith (Polk County Behavioral Health), Ben Smith (Polk County Resource Center), Family Promise (TJ Putman), Dana Goodale (Polk County School Based Mental Health Program)
6/6/22 School District and West Valley Housing Authority Perspective	Ryan Sticka (McKinney/Vento Liaison, Dallas School District), Amy Houghtaling (Falls City School District), Ana Gil (McKinney/Vento Liaison, Central School District, Lynne Shore (McKinney/Vento Liaison, Willamina School District), Tammy Luker (Family Self-Sufficiency Coordinator, West Valley Housing Authority)
1/24/23 Community Members including Voices of Lived Experience Perspective, Community Connect	Dot survey conducted to invite conversation among attendees at the Community Connect around the following questions: “How serious of a problem do you think homelessness is in Polk County?” And “Which of the following resources would be helpful to you?” 171 people (community members including voices of lived experience, service providers, elected officials, etc.) participated in the dot survey and the conversations.

APPENDIX B: ACRONYM LIST

ADU	Accessory Dwelling Unit
AMI	Area Median Income
BIPOC	Black, Indigenous and People of Color
C@P	Church @ the Park
CE	Coordinated Entry
CHIP	Children’s Health Insurance Program
COC	Continuum of Care
CSC	Community Services Consortium
CTGR	Confederated Tribes of Grand Ronde
DHS	Department of Human Services
DV	Domestic Violence
EDU	Equivalent Dwelling Unit
EO	Emergency Order

ERDC	Employment Related Day Care
FCO	Family & Community Outreach (Polk County Department)
FMR	Fair Market Rents
FQCH	Federally Qualified Community Health Center
HB	House Bill
HMIS	Homelessness Management Information System
HNA	Housing Needs Analysis
HPS	Housing Production Strategy
HUD	U.S. Department of Housing and Urban Development
HYS	Home Youth Services (a program of MWVCAA)
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer/Questioning, Intersex, Asexual
MWVCAA	Mid-Willamette Valley Community Action Agency
NWHS	Northwest Human Services
OHA	Oregon Health Authority
OHCS	Oregon Housing & Community Services
OHP	Oregon Health Plan
PIT	Point-In-Time (annual count of people experiencing homelessness)
PATHS	Partners Aligned Toward Housing Solutions
PCBH	Polk County Behavioral Health
POLK CDC	Polk Community Development Corporation
PSH	Permanent Supportive Housing
ROCC	Recovery Outreach Community Center
RRH	Rapid Rehousing
RV	Recreational Vehicle
SIT	Service Integration Team
SHA	Salem Housing Authority
SNAP	Supplemental Nutrition Assistance Program
TANF	Temporary Assistance for Needy Families
TH	Transitional Housing
THCC	Total Health Community Clinic (NWHC medical clinic in Monmouth)
WIC	Special Supplemental Nutrition Program for Women, Infants, and Children
WOU	Western Oregon University
WVHA	West Valley Housing Authority
YHDP	Youth Homelessness Demonstration Program

APPENDIX C: DEFINITIONS

HOMELESSNESS and TYPES OF HOMELESSNESS

FROM HUD (UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT):

<https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-esg-homeless-eligibility/four-categories/>

Within the homeless definition there are four categories of homelessness:

CATEGORY 1: LITERALLY HOMELESS

Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- Has a primary nighttime residence that is a public or private place not meant for human habitation; or
- Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
- Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

Literally Homeless includes unsheltered and sheltered homeless which HUD defines as follows:

UNSHeltered Homeless: individuals and families with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground.

Sheltered Homeless: individuals and families living in a supervised publicly or privately operated shelter designated to provide a temporary living arrangement (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals).

CATEGORY 2: IMMINENT RISK OF HOMELESSNESS

An individual or family who will imminently lose their primary nighttime residence, provided that:

- Residence will be lost within 14 days of the date of application for homeless assistance;
- No subsequent residence has been identified; and
- The individual or family lacks the resources or support networks needed to obtain other permanent housing.

CATEGORY 3: HOMELESS UNDER OTHER FEDERAL STATUTES

Unaccompanied youth under 25 years of age, or families with Category 3 children and youth, who do not otherwise qualify as homeless under this definition, but who:

- Are defined as homeless under the other listed federal statutes;
- Have not had a lease, ownership interest in permanent housing during the 60 days prior to the homeless assistance application;
- Have experienced persistent instability as measured by two moves or more during in the preceding 60 days; and
- Can be expected to continue in such status for an extended period of time due to special needs or barriers

CATEGORY 4: FLEEING/ATTEMPTING TO FLEE DOMESTIC VIOLENCE

Any individual or family who:

- Is fleeing, or is attempting to flee, domestic violence;
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing

CHRONIC HOMELESSNESS

- A homeless individual with a disability as defined in section 401(9) of the McKinney-Vento Assistance Act (42 U.S.C. 11360(9)), who:
 - Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter, and
 - Has been homeless and living as described for at least 12 months* or on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living as described.
- An individual who has been residing in an institutional care facility for less, including jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria of this definition before entering that facility**; or
- A family with an adult head of household (or, if there is no adult in the family, a minor head of household) who meets all of the criteria of this definition, including

a family whose composition has fluctuated while the head of household has been homeless.

AT RISK OF HOMELESSNESS

An individual or family who:

- Has an annual income below 30 percent of Median Family Income (MFI) for the area, as determined by HUD;
- Does not have sufficient resources or support networks, (e.g., family, friends, faith-based or other social networks), immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the “homeless” definition in this section; and
- Meets one of the following conditions:
 1. Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 2. Is living in the home of another because of economic hardship;
 3. Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance;
 4. Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 5. Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
 6. Is exiting a publicly funded institution, or system of care (such as a health-care facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 7. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient’s approved consolidated plan.

FROM THE MCKINNEY-VENTO ACT

<https://nche.ed.gov/mckinney-vento-definition/>

THE MCKINNEY-VENTO DEFINITION OF HOMELESS

Subtitle VII-B of the McKinney-Vento Homeless Assistance Act (per Title IX, Part A of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act) defines homeless as follows:

The term “homeless children and youths”–

(A) means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 103(a)(1)); and

(B) includes–

(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals;*

(ii) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings (within the meaning of section 103(a)(2) (C));

(iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and

(iv) migratory children (as such term is defined in section 1309 of the Elementary and Secondary Education Act of 1965) who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (i) through (iii).

OTHER KEY TERMS: HOMELESSNESS AND TYPES OF HOMELESSNESS

COUCH-SURF: to stay overnight with a series of hosts who typically provide basic accommodations (such as a couch to sleep on) at no cost

<https://www.merriam-webster.com/dictionary/couch-surf>

DOUBLED UP: Temporarily sharing the housing of other persons due to loss of housing, economic hardship or a similar reason

<https://www.oregonsd.org/Page/5371>

TYPES OF HOMELESSNESS

(Note: HUD defines Chronic Homelessness. The others are used by service providers and advocates but are not part of federal policy statements)

<https://rednoseday.org/news/what-are-four-types-homelessness>

<https://www.caringworksinc.org/did-you-know-there-are-four-types-of-homelessness/>

CHRONIC HOMELESSNESS (SEE HUD DEFINITION ABOVE): Continuously homeless for more than a year, or has had at least 4 episodes of homelessness in the previous 3 years. People experiencing chronic homelessness tend to be older and are often struggling with complex health issues, disabilities, mental illness, or addiction.

EPISODIC HOMELESSNESS: Experiencing repeat episodes of homelessness but do not meet the definition of chronic homelessness. May have a seasonal job. May be struggling with health issues or addiction.

TRANSITIONAL HOMELESSNESS: A state of homelessness that's a result of a major life change or catastrophic event. These life changes might be job loss, a health condition, divorce, domestic abuse, a substance use disorder, or personal or family crisis, among many others, resulting in people losing their homes.

HIDDEN HOMELESSNESS: Those who are temporarily staying with friends of family. They are doubled up or couch surfing. They have no guarantee that they will be able to stay long-term and no immediate way to find a home. This type of homelessness often goes unrecorded.

HOUSING / SHELTERS AND TYPES OF HOUSING / SHELTERS

AFFORDABLE HOUSING: Housing on which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities.

Emergency Shelter: any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific populations of the homeless.

PERMANENT HOUSING (PH): A community-based housing model, the purpose of which is to provide housing without a designated length of stay. Includes Permanent Supportive Housing (PSH) and Rapid Rehousing (RRH).

PERMANENT SUPPORTIVE HOUSING (PSH): Permanent housing in which housing assistance (e.g., long-term leasing or rental assistance) and supportive services are provided to assist households with at least one member (adult or child) with a disability in achieving housing stability.

RAPID REHOUSING (RRH): Permanent housing that provides short-term (up to three months) and medium-term (4-24 months) tenant-based rental assistance and supportive services to households experiencing homelessness.

TRANSITIONAL HOUSING (TH): Temporary housing with supportive services to individuals and families experiencing homelessness with the goal of interim stability and support to successfully move to and maintain permanent housing. TH projects can cover housing costs and accompanying supportive services for program participants for up to 24 months.

FOR MORE INFORMATION:

<https://www.hudexchange.info/homelessness-assistance/coc-esg-virtual-binders/coc-program-components/coc-program-components-overview/>
https://archives.huduser.gov/portal/glossary/glossary_all.html

FALLS CITY CITY COUNCIL		MONDAY, JANUARY 8, 2024
The Falls City City Council met in regular session on Monday, January 8, 2024 at 6:01 p.m. in the Community Center located at 320 N. Main Street		
Council Members Present: Council President Amy Houghtaling, Councilor Nick Backus, Councilor Martha Jirovec, Councilor Tony Meier, and Councilor Lori Jean Sickles arrived at 6:22 pm. Councilor Dennis Sickles was excused.		
Staff Present: City Manager AJ Foscoli, City Recorder Jeremy Teal		
AGENDA		ACTION
Announcements, Appointments, Appreciations & Proclamations		<p>Mayor Bailey read a Letter of Appreciation from the Falls City School District for the City’s Public Works personnel Jon Creekmore and Larry Inman.</p> <p>Mayor Bailey thanked the Falls City Fire Department for their quick response to the RV park fire and the Carey Court incident.</p>
Public Comment		<p>Mayor Bailey opened the public comments at 6:06 pm</p> <p>Tracy Young, 68 Prospect, noted she spoke with Manager Foscoli regarding the IGA with Polk County Sheriff and about possible code enforcement officer. She noted in the last 16 years code enforcement hasn’t worked and none of the dangerous buildings have been dealt with. She mentioned that including an officer with code enforcement would cost the residents \$14 per household and cure a lot of issues. She read a letter from a concerned citizen regarding Falls City and the issues and freedoms it allows a copy of which will be included in these minutes.</p> <p>Mayor Bailey closed the public comments at 6:16 pm</p>
Public Hearing a) Sewer Rate Increase Staff Report Council Questions		<p>Mayor Bailey opened the Public Hearing at 6:16 p.m.</p> <p>Mayor Bailey read the public hearing notice in its entirety for the record.</p> <p>There were none.</p>

<p>c) Council President Election</p> <p>d) Public Works Report</p> <p>e) Historic Landmark Committee Report</p>	<p>helpful. Mr. Gilbert suggested a loading dock of some sort.</p> <p>Council President Houghtaling noted that herself, Mayor Bailey, and Mr. Foscoli met regarding dangerous buildings in town.</p> <p>Councilor Meier mentioned a small car was parked in front of the old doctor’s office and the back end of the car was sticking out in the road. Council President Houghtaling noted the parking lines all needed to be painted to help people with parking in town.</p> <p>It was moved by Councilor LJ Sickles to nominate Amy Houghtaling as Council President. It was duly seconded by Council Meier and CARRIED with a vote of 5-0 with Councilors Backus, Jirovec, Meier, LJ Sickles and Council President Houghtaling voting YES.</p> <p>There were no comments.</p> <p>Councilor Backus stated the committee discussed oral history and the next meeting would be Wednesday, December 10 at 6 pm.</p>
<p>Reports from City Manager & Staff</p> <p>a) Falls City Fire Report</p> <p>b) Public Works Reports</p> <p>c) City Manager’s Report</p>	<p>Interim Chief Gilbert read the election results for the Fire Department and asked that the Council approve the appointments.</p> <p>It was moved by Councilor LJ Sickles to approve the appointments for the Fire Department Association and Fire Chief. The motion was duly seconded by Councilor Backus and CARRIED with a vote of 5-0 with Councilors Backus, Jirovec, Meier, LJ Sickles and Council President Houghtaling voting YES.</p> <p>There were no comments.</p> <p>Mr. Foscoli gave his report regarding the wastewater treatment plant and Strider hitting lines at the school and noted they would be paying for them. He mentioned the No Parking signs had been put up on N Main and would need better weather for pole placement to erect the others. He reported the Pacific Power E-</p>

	<p>Mobility Grant electric vehicle was acquired with the help of Synergize Motors in Dallas. He noted the city was learning all about it and would be open to the community. Mayor Bailey noted he would be willing to do weekends to help people get groceries and prescriptions.</p> <p>Mayor Bailey stated the speed test from the Sheriff noted the hours of the highest rate of speed through town. He noted a little help from the sheriff's office during those times would be helpful.</p> <p>Tina Thompson noted that the road in front of the grade school, Prospect, was dangerous with speeders. Mayor Bailey stated he would email the parent club members and Sheriff Garton regarding that situation.</p>
<p>Resolutions</p> <p>a) Resolution 01-2024 – Sewer Rate Increase</p> <p>b) Resolution 02-2024 – RARE Application</p> <p>c) Resolution 03-2024 - Falls City 2023-2024 Budget Adjustment 1</p>	<p>Mr. Foscoli reported the grants and other funds for the wastewater treatment plant would not cover the entire cost and a \$5 increase in sewer rates annually would cover the remainder.</p> <p>It was moved by Councilor Jirovec to approve Resolution 01-2024. The motion was duly seconded by Councilor LJ Sickles. The motion was carried with a ROLL CALL vote of 5-0 with Councilors Backus, Jirovec, Meier, LJ Sickles, and Council President Houghtaling voting YES.</p> <p>Mr. Foscoli reported that DEQ would provide financial assistance for small communities to help with the TMDL reporting.</p> <p>It was moved by Council President Houghtaling to approve Resolution 02-2024. The motion was duly seconded by Councilor Meier. The motion was carried with a ROLL CALL vote of 5-0 with Councilors Backus, Jirovec, Meier, LJ Sickles, and Council President Houghtaling voting YES.</p> <p>Mr. Foscoli reported the supplement had a few changes with adding the Weyerhaeuser grant back into the budget. He noted that Green Haven RV park had certain lot designation that was added as well as the wastewater grant that included the contract numbers for more clarity.</p>

	<p>He mentioned the Insurance rate increases were also added.</p> <p>Mr. Foscoli thanked Councilor Jirovec for her work with the budget.</p> <p>It was moved by Council President Houghtaling to approve Resolution 03-2024. The motion was duly seconded by Councilor Backus. The motion was carried with a vote of 5-0 with Councilors Backus, Jirovec, Meier, LJ Sickles, and Council President Houghtaling voting YES.</p>
<p>Good of the Order</p>	<p>Council President Houghtaling noted the Fire Department Toys for Tots fulfilled applications that didn't get turned in time. She stated the operation was quite impressive and incredible.</p> <p>Councilor Jirovec reported the Resilience grant would be available next week and could apply for a loading dock at the resource center and possibly pay for other half of RARE student. She noted that the activities at the LCB the 4th Wednesday would be board games, the 3rd Tuesday would be knitting and stitching. She mentioned there would be a Valentines' Day and Mother's day card creating sessions, and she noted she was looking for Yoga sessions for balance and flexibility classes.</p> <p>Mayor Bailey stated the TOTS actually went to the schools and interacted with kids while handing out presents. He thanked the fire department and noted it was great seeing the Falls City fire department at Walmart. He mentioned the dangerous building ordinance was in place to look at houses and identified 4 main categories of code violations. He noted the abatement process was the next step and to bring information back to Council.</p> <p>Council President Houghtaling asked city staff to prepare a resolution and declare 171 Dayton a dangerous building based on numbers 2, 15, 18, and 20.</p> <p>Ms. Thompson suggested Ellis Street be added to the list. Council President Houghtaling stated the process was robust and the notifications process</p>

	<p>to the owner and occupants was time consuming. She noted the city didn't have the resources or staff to work on more than one property at a time. She noted that she agreed that Ellis needed to be on the list.</p> <p>Mayor Bailey noted the dangerous building in effect and with limited staff the complaints will be handled one at a time. He mentioned that residents should take all complaints to City Hall and start the process.</p> <p>Ms. Thompson suggested calling for volunteers to set up a committee to help abate some of these properties. Mr. Gilbert asked if a list of resident addresses prioritizing abatement would be included in the group's agenda. He also voiced more concerns with the dangerous properties in in a case of a fire, as he noted that he would have to draw the line and decide what to protect in an emergency. Ms. Thompson suggested that the Fire Department perspective would be valuable.</p> <p>Mayor Bailey asked if the Council could set up a work session on this subject.</p>
<p>Executive Session ORS 192.600.2.a: The governing body of a public body may hold an executive session to consider the employment of a public officer, employee, staff member or individual agent.</p>	<p>Mayor Bailey opened the Executive Session at 7:43 p.m.</p> <p>Mayor Bailey closed the Executive Session at 8:05 p.m.</p>
<p>Adjourn</p>	<p>There being no further business the meeting was adjourned at 8:05 p.m.</p>
<p>Read and approved this ____ day of _____ 2024.</p> <p>Mayor: _____</p> <p>ATTEST:</p> <p>City Recorder: _____</p>	

01/18/2024

To whom it may concern:

Private property rights are fundamental to American democracy, and they rightly command particular respect in rural towns such as Falls City. I'd imagine one of the major reasons people enjoy living here, aside from the beautiful surroundings, is the freedom to enjoy one's land without excessive government interference.

However, it's also recognized under American constitutional law that communities have the right to draw the line and set some boundaries to protect the properties of other landowners. It's no secret that some properties in Falls City have crossed that line, often brazenly and without regard to the town's welfare.

It'd be unfair to compare these properties to landfills, since those are at least regulated to preserve human health and environmental safety. Not only are massive amounts of garbage strewn across certain properties in town, but they're also populated with the burned-out wrecks of structures and vehicles. An example of this can be seen at 171 Ellis Street.

For neighboring landowners, the damage to property values from these eyesores is obvious, but that's not the only harm they inflict on our community.

Oftentimes, the garbage piles up so high that the occupants simply set fire to it, subjecting everyone else in town to noxious fumes. The smell of burning plastic at these times is pervasive, which is known to contain cancer-causing dioxins from which other residents cannot escape. Litter from these garbage-strewn properties also blows onto neighboring lands during our frequent high winds, and there's no doubt that punctured containers of motor oil, pesticides and other dangerous chemicals are seeping into the community's groundwater.

Nobody wants to impose the standards of some upscale homeowner's association onto Falls City, with code enforcers going around measuring the length of lawns and confiscating people's roosters. However, it's reasonable for the town's residents not to be subjected to toxic fumes and unsanitary conditions that spill onto their properties and markedly reduce their home values.

Beyond the immediate environmental and health risks posed by the trash heaps and fire wreckage on certain properties, they also undermine the livability of Falls City more broadly.

How can the city's administrators expect people to comply with permitting requirements and other codes, when some landowners are allowed to blatantly violate most every standard without any consequence?

I'd argue there is a balance to be struck between keeping Falls City a town that respects property rights and a place where people don't have to worry about being exposed to grossly unhygienic and hazardous conditions.

Right now, however, the city is sending the message that anything goes, which will only encourage more serious violations.

Respectfully,

Concerned Falls City landowners

City of Falls City
Historic Landmark Commission
Wednesday January 10, 2024 at 6:00 pm
Meeting Location: 320 N Main Street Falls City

Commission Members Present

Amy Houghtaling, Mike McConnell, Paul King, Nick Backus, Member absent Guy Mack.

1) Roll Call

Chair Houghtaling called the meeting to order at 6:03 PM, took roll call.

2) Pledge of Allegiance

Chair Houghtaling led the Commission in the Pledge of Allegiance.

3) Motion to Adopt the entire Agenda

Member Backus moved and member King seconded **to adopt the Entire Agenda**. Motion passed 4-0-0 Ayes. Amy Houghtaling, Mike McConnell, Paul King, Nick Backus.

4) Consent Agenda Motion

Member McConnell moved and member Backus seconded to approve minutes for 12/13/23. Motion passed 4-0-0 Ayes. Amy Houghtaling, Mike McConnell, Paul King, Nick Backus.

5) Public Comment - None

6) Old Business

a. Best Practices for recording Oral History

Chair Houghtaling discussed keeping the integrity of the interviews and having some uniform questions for all interviews and then the interviews could go 'off script'. Chair Houghtaling further stated that the procedure doesn't have to be as formal as some but that we should be prepared with questions and make sure the interviewers are aware of expectations. Fellow Commission members agreed. Chair Houghtaling also suggested drafting a letter to be presented to possible candidates so that they can learn about the project and be able to make an informed decision as to whether to participate.

7) New Business

a. Brainstorm Grant Application Ideas

The Commission reviewed the grant application and discussed possible answers to the questions.

8) Correspondence, Comments and Ex-Officio Report

9) Committee Announcements

Commission members agreed that the next meeting would not be until April or May 2024 so at that meeting they can work on the grant application. Meeting date to be determined later.

9) Adjourn

Member Backus moved and Member King seconded **we adjourn**. Motion carried 4-0-0 Ayes. Amy Houghtaling, Mike McConnell, Paul King, Nick Backus.. Meeting adjourned at 6:40 pm.

_____ Historic Landmark Commissioner Chair Houghtaling

Attested: _____ Historic Landmark Committee Member

Potential Interviewees

Ron/Paulette Carey
Michael Cox
Wayne/Leotta Scott
Philip Ames
Kenny Graham
Jim Krummel
Bruce/Keith/Jim Ferguson
Karen/Steve/Tom Gilmore
Mary/Ramona Frink
Shirley McBeth
George/Mike Roberts
Alan Wade
Jack/Mary Kidd
Doug Inman
Milli Woolers (?)

Nancy Hibbs
Michael/Joey(?) McAllister
Bill Gilbert
Philip Jones
David Graham
Lois Grippin
Rick/Steve Ferguson
Bill Diehm
John/Cheryl Barton
Bonnie Overhauser (?)
Dennis/Lori/etc..Sickles
Don Poe
Julie Sutherland
Brian Dowell

There are many more I could name but I am limiting this now and we can add ,more later.

Call Volume for Falls City Volunteer Fire Dept. 2023 Calls (JANUARY-DECEMBER)

2023 MONTH	MEDICAL	PUBLIC ASSIST	MV A	STRUCTURE FIRE / FALSE ALARMS	GRASS BRUSH TREE / BURN CO	POWER LINE	SW CALLS FCFD RESPOND ON	SW ASSISTED FCFD CALLS	MO. TOTAL CALLS
JAN	6	1	0	0	0	1	0	0	8
FEB	6	0	1 SW	0	2	0	0	1 med 1 mva	9
MAR	7	0	0	2	0	0	0	1 fire	9
APR	11	0	0	4	0	0	0	2 fire	17
MAY	3		0	1 RV	0 1 Burn Co	0	1 car fire	0	6
JUNE	9	0	0	0	0	0	0	0	9
JULY	11	2	0	1 House 1 RV	5	0	1 grass fire	0	24
AUG	7	2	0	1 false alarm	3	0	0	0	13
SEPT	8	0	0	0	1 camp fire	0	0	0	9
OCT	12	2	0	3 false alarm	2 Burn Co	0	0	0	19
NOV	11	0	1sw	0	1 Burn Co	0	(Black Rock MVA)	0	13
DEC	11		1sw	1 RV	1 burn co 1 debris	1 CO2 alarm	(1) MVA	0	16
YR TOTALS To Date	102	7	3	10/ 4	12 / 5	2	3	5	152

Fire Department Report for December 2023 Council Meeting:

2024 Brings some new changes for our Dept. This year our beloved Fire Chief Robert Young of 42 years of service plans to retire later this year. We are planning an early retirement celebration for him on Saturday, February the 24th, from Noon to 5:00 pm at the fire station. Everyone is welcome to attend or drop by to wish him well. You may bring a salad or dessert if you like. Contact John Gilbert or Sharon Volk Greve for questions. (Car pooling is encouraged)

December was our busiest month as far as community service! On Dec. 2nd we held our 10th annual Toys for Tots drive at Walmart. We had lots of donations, including one gentlemen from Falls City who donated \$1500. for us to “shop” for toys for the kids! This year we broke an all time state wide record of more toys collected in one day than any other fire dept. We collected 48 very large bags of toys, versus our last years best of 28 bags.

Dec 20th. Santa helpers delivered gifts to children at their homes in Falls City. (Santa arrives in a red fire truck!) :-)

Dec. 21st Santa and his helpers visited all the school kids and delivered small presents for everyone.

Dec. 24th Christmas Cheer Food Box distribution at the fire station. We distributed many boxes stuffed full of food and Christmas dinner specials. Any surplus food goes to the local food bank in Falls City.

Thank you for all your support and hard work for our community! HAPPY NEW YEAR!

Call Volume for Falls City Volunteer Fire Dept. 2024 Calls (JANUARY-DECEMBER)

2024 MONTH	MEDICAL	PUBLIC ASSIST	MV A	STRUCTURE FIRE / FALSE ALARMS	GRASS BRUSH TREE / BURN CO	POWER LINE	SW CALLS FCFD RESPOND ON	SW ASSISTED FCFD CALLS	MO. TOTAL CALLS
JAN	16	1	1 SW	1		1	1	0	20
FEB									
MAR									
APR									
MAY									
JUNE									
JULY									
AUG									
SEPT									
OCT									
NOV									
DEC									
YR TOTALS To Date	16	1	1	1	0	1	1	0	20

Fire Department Report for February 2024 Council Meeting:

2024 Brings some new changes for our Dept. This year our beloved Fire Chief Robert Young of 42 years of service plans to retire later the end of this fiscal year. Chief Young started volunteering for the Falls City Fire Dept in January, 1982. Our new Interim Chief is John Gilbert, working with Chief Young at this time. John will take over as full time Fire Chief beginning fiscal year, 2024.

We are planning an early retirement celebration for Chief Young on Saturday, February the 24th, from Noon to 5:00 pm at the fire station. Everyone is welcome to attend or drop by to wish him well. You may bring a salad or dessert if you like. Contact John Gilbert or Sharon Volk Greve for questions. **(Car pooling is highly encouraged!)**

We had an increase in medical calls in January. Some calls were due to the icy roads and weather conditions we recently had. Lots of slips and falls on the ice. However, Falls City lucked out with only one power line down and limited power loss, which helped keep our water pipes, etc. from freezing.

Thank you for all of your community support and services!
Happy Valentines Day!

Prepared by Sharon Volk Greve, Assistant Chief, Falls City Fire and EMS. Cell: (503) 871-5140



Public Works Report January of 2024

Administration

Normal operations.

Water Division

Repaired a water leak on 7th street.

Had C-More Pipe clean out the Intake Splitter box at the Water Treatment Plant on the 30th.

Sewer Division

Normal operations.

Streets Division

Normal operations.

Parks & Cemeteries Division

Normal operations.

Non-Sewer Wastewater Division (TMDL)

Jon Creekmore attended a Virtual TMDL Summit on the 23rd.



City of Falls City
299 Mill Street
Falls City, OR 97344
Ph 503.787.3631

City Manager's Report February 5, 2024

Introduction

It doesn't feel like a new year unless Falls City experiences some kind of a freak weather event, and 2024 did not disappoint! This time, our community was not alone as most of the Willamette Valley experienced similarly disrupting conditions, but overall, our staff handled what was thrown at them with expediency and professionalism. The city council and community owe a great debt of gratitude to Jon Creekmore and Larry Inman for their diligence and commitment to the health & safety of the residents. Their work in plowing the main roads in Falls City ensured that if residents needed to travel, they could do so in relative safety. In addition, they made sure that all of our temperature sensitive infrastructure was working as it should throughout the inclement weather period.

Wastewater Project – Though we usually meet on a biweekly basis with Strider Construction and our contract engineers, due to the ice storm, we had to adjust our schedule, and this led to a gap in face-to-face communication with the project group. This in turn led to a shortened notice of the in-ground work on Fair Oaks and Ellis, which contributed to a lot of panicked communication to City Hall regarding the work. The Mayor and Council President had to shoulder a lot of the residents' frustration throughout town and for that I feel personally responsible and owe them a sincere apology. I have reiterated to Westech Engineering and Strider Construction that ample notice has to be given for any work that may conceivably disrupt residents' lives, and thus we will be alternating our biweekly meetings with formal weekly email check-ins, so that we will know each week of exactly what construction will be happening. For reference, the work on Fair Oaks and Ellis will be continuing for the next 2 weeks at least, possibly into a 3rd week depending on how the digging and boring work proceeds to bypass and decommission the pump station on Fair Oaks, and have all sewer lines in that area gravity feed down to N. Main Street. Once that is over, there will be some minor work continuing at the lagoon site, but no road or road adjacent work will happen inside city limits (N. Main Street) until April or May. If that schedule changes due to a drier spring than normal, we will let the council and community know. There is currently an administrative modular at the high school's lower parking lot, but that will be moved to the lagoon site in the next few days. As stated before, once the bulk of the construction work at the High School is complete, there will be some minor follow-up tasks that will be confined to small areas of campus (electrical panel work etc.) As much as possible, Strider is encouraged to work on these tasks on Fridays when there are no students on campus.

Towing Services – City staff has placed No-Parking signs on N. Main Street between Ellis and the city limits in order to ensure health and safety of pedestrian traffic in the school zone. In

Note: If you have questions/concerns, please respond to me individually by email, phone, or in person. This way we avoid violating any public meetings laws with a "reply all" response, or multiple councilors discussing on the same thread.

addition, Dallas Towing signs have also been placed in order to tow any vehicles that ignore the No-Parking signs. The larger RV that was on N. Main Street across from the high school has been moved off the street, and we are now working on getting the second one removed. If council members notice any vehicles that have been parked for an extended period of time, please let staff know and we will coordinate with Dallas Towing to have those removed.

Pacific Power E-Mobility Grant –The city has taken possession of a Chevrolet Bolt EV. Its current range of 171 miles is due to the newly installed battery which is limited from reaching 100% of its capacity for the first 6,500 miles. We are working on improving the range by driving it more often as possible for business meetings and other Public Works responsibilities such as meter reads, water sample testing (round-trip to Corvallis) and other work-related trips. We welcome any council members who would like to use the vehicle to let staff know so we can make it available.

Since this vehicle is now part of the city’s fleet, other uses are possible and encouraged. One possibility would be to use it as a mobile-library book delivery vehicle, as a way to bring back limited library service to Falls City. Chemeketa’s Community Regional Library system has been contacted about what that service might look like, and we will update the council once we hear back.

Mitchell Street Road Improvement Project – The Polk County road work being done on Mitchell Street is progressing well. Conway Construction has hired Mountain View Tree service to cut the trees along the road, both in the city’s right of way, and adjacent to residents’ properties. The timber owned by the city, that has been cut by the contractors, will be hauled by R.L. & Sons Logging, owned by Boyd and Rick Lamprecht, who attended the city council meeting last year to discuss a collaborative effort to reclaim as much of the timber from the project as possible. Once all of the logging has been completed, the city will receive a fair market value for the timber it owns from R.L. & Sons Logging.

In terms of the wood that is not marketable, Conway Construction has chipped it into several piles of bark chips at the upper park parking lot and it is available to the community for free.

Community Resource Center Project – The city is working very diligently with the Willamette Health Council, Polk County’s Family & Community Outreach, Falls City Thrives as well as several other resident volunteers to ensure that a Community Resource Center will be built in Falls City. Work to procure a building, contract with a construction company to place it and connected to infrastructure, and to enter into agreements with service providers to have office hours is ongoing. On Feb. 1, the **Community Resource Center Open House** gave the community’s residents the opportunity to voice their requests for the types of services to be represented in the building.

Sincerely,



Note: If you have questions/concerns, please respond to me individually by email, phone, or in person. This way we avoid violating any public meetings laws with a “reply all” response, or multiple councilors discussing on the same thread.

Clerk's Report

City Hall

- Fire Chief Bob Young's retirement party will be February 24 from noon til 6 pm with the retirement gift being presented at 2 pm.
- Agendas are posted at these locations and will be from this point forward: Community Center, City Hall, Frinks Market, Falls City Market, Post Office, LCB Bulletin Board, City Website and Facebook page.

Public Works

- Some Dallas Towing signs have been placed with the No parking signs on the north side of North Main Street. There is currently no one parking there. As soon as better weather arrives more signs will be placed.

February 5, 2024

Dougall Conradie LLC

This representation letter is provided in connection with your audit of the financial statements of City of Falls City, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with the cash basis of accounting.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 13, 2023, including our responsibility for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with the cash basis of accounting and include all properly classified funds and other financial information of the primary government required by the cash basis of accounting to be included in the financial reporting entity.
- 3) We acknowledge our responsibility 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the cash basis of accounting.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with the cash basis of accounting.
- 9) Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

- b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
 - 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
 - 13) We have no knowledge of any fraud or suspected fraud that affects the City and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
 - 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the City’s financial statements communicated by employees, former employees, regulators, or others.
 - 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
 - 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
 - 17) We have disclosed to you the identity of the City’s related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 22) There are no instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 23) There are no instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 24) There are no instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 25) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance, except for expenditures exceeding budget which have been made known to you.

- 26) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 27) The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral except for the assets pledged to secure the sewer loans as made known to you.
- 28) The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 29) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34.
- 30) All funds that meet the quantitative criteria in GASBS Nos 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 31) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 32) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 33) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 34) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 35) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 36) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 37) We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 38) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 39) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 40) With respect to the combining and individual fund statements
 - a) We acknowledge our responsibility for presenting the combining and individual fund statements in accordance with the cash basis of accounting, and we believe the combining and individual fund statements, including its form and content, is fairly presented in accordance with the cash basis of accounting. The methods of measurement and presentation of the combining and individual fund statements have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the combining and individual fund statements is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

41) The City has complied with all requirements of an Oregon Municipal Corporation except as made known to you.

City of Falls City

TJ Bailey, Mayor

AJ Foscolli, City Manager

CITY OF FALLS CITY
Annual Financial Report
For the Year Ended June 30, 2023

CITY OF FALLS CITY, OREGON
Officers and Members of the City Council
June 30, 2023

<u>Name</u>	<u>Term Expires</u>
TJ Bailey, Mayor	
Council Members	
Amy Houghtaling, President	December 31, 2024
Lori Jean Sickles	December 31, 2026
Nick Backus	December 31, 2026
Tony Meier	December 31, 2026
Dennis Sickles	December 31, 2024
Martha Jirovec	December 31, 2024

CITY MANAGER

AJ Foscolli

REGISTERED ADDRESS

299 Mill Street
Falls City, Oregon 97344

CITY OF FALLS CITY
For the year ended June 30, 2023
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Dougall Conrادية LLC
Certified Public Accountants

Geoffrey Dougall, CPA
Heather Jackson, CPA
Lee Owen, CPA
Richard Winkel, CPA
Members of AICPA & OSCPA

Independent Auditor's Report

To the City Council
Falls City, Oregon

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Falls City as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with the cash basis of accounting.

Basis for Opinions

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

Emphasis of Matter—Basis of Accounting

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial 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 City of Falls City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Falls City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Falls City's basic financial statements. The combining and individual fund budget to actual schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and

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

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Oregon Revised Statutes

In accordance with Oregon State Regulations, we have also issued our report dated [DATE] on our consideration of the City of Falls City's internal control over financial reporting and on our procedures to address its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is required by Oregon State Regulations.

DOUGALL CONRADIE LLC
Portland, Oregon
[DATE]

By: _____
Richard Winkel, Partner

MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF FALLS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

The management of the City of Falls City, Oregon, presents this narrative overview and analysis to facilitate both a short and long-term analysis of the financial activities of the City for the fiscal year ended June 30, 2023. This Management's Discussion and Analysis (MD&A) is based on currently known facts, decisions, and conditions that existed as of the date the financial statements are issued.

Financial Highlights

- The City's governmental activities assets exceed liabilities (net position) as of June 30, 2023 by \$1,045,987, an increase of \$70,174 from the prior year.
- The City's business-type activities assets exceed liabilities (net position) by \$814,221, a decrease of \$13,733 from the prior year.
- Total revenues for the year ended June 30, 2023 were \$1,359,362, a decrease of \$285,251 from the prior year. The decrease was due to higher grant revenue in the prior year.
- Total expenses at the City for the year ended June 30, 2023 were \$1,302,921, a decrease of \$250,733 from the prior year.

Overview of the Financial Statements

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

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

Government-wide financial statements - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position (cash basis) presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities (cash basis) presents information showing how the City's net position changed during the most recent fiscal year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the related cash flow occurs under the cash basis of accounting.

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

- General government
- Community development
- Fire service
- Parks
- Street

**CITY OF FALLS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

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

- Water
- Sewer

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

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

Supplementary information – The combining statements and schedules are presented as supplementary information.

Requests for information

The City's financial statements are designed to present users with a general overview of the City's finances and to demonstrate the City's accountability. If you have any questions about this report, please contact the City at 299 Mill Street, Falls City, Oregon 97344.

The City's assets, liabilities and net position for June 30, 2023 and 2022 are as follows:

Government-Wide Financial Analysis

	Governmental Activities		Business-type Activities		Totals	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Assets:						
Cash and investments	\$ 1,045,987	\$ 975,813	\$ 814,221	\$ 827,954	\$ 1,860,208	\$ 1,803,767
Total assets	<u>1,045,987</u>	<u>975,813</u>	<u>814,221</u>	<u>827,954</u>	<u>1,860,708</u>	<u>1,803,767</u>
Net Position:						
Restricted	153,352	138,514	-	-	153,352	138,514
Unrestricted	<u>892,635</u>	<u>837,299</u>	<u>814,221</u>	<u>827,954</u>	<u>1,706,856</u>	<u>1,665,253</u>
Total net position	<u>\$ 1,045,987</u>	<u>\$ 975,813</u>	<u>\$ 814,221</u>	<u>\$ 827,954</u>	<u>\$ 1,860,208</u>	<u>\$ 1,803,767</u>

A portion of the City's net position, \$153,352 or approximately 8%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position totaling \$1,706,856 represents the balance that may be used to meet the City's ongoing obligations to citizens and creditors.

**CITY OF FALLS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

The change in net position for the years ended June 30, 2023 and 2022 is as follows:

	Governmental Activities		Business-type Activities		Totals	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenues						
Program						
Charges for services	\$ 37,289	\$ 51,230	\$ 528,551	\$ 523,311	\$ 565,840	\$ 574,541
Operating grants and contributions	206,373	524,076	-	-	206,373	524,076
Capital grants	-	-	167,236	88,235	167,236	88,235
General						
Taxes and assessments	191,906	185,380	-	-	191,906	185,380
Franchise fees	58,785	62,199	-	-	58,785	62,199
Intergovernmental	118,234	120,178	-	-	118,234	120,178
Miscellaneous	50,988	90,004	-	-	50,988	90,004
Total revenues	<u>663,575</u>	<u>1,033,067</u>	<u>695,787</u>	<u>611,546</u>	<u>1,359,362</u>	<u>1,644,613</u>
Expenses						
General government	361,448	392,576	-	-	361,448	392,576
Community development	2,107	317,860	-	-	2,107	317,860
Fire service	125,241	112,518	-	-	125,241	112,518
Parks	25,353	29,121	-	-	25,353	29,121
Streets	75,953	301,085	-	-	75,953	301,085
Interest on long-term debt	3,299	2,957	-	-	3,299	2,957
Water	-	-	300,553	224,016	300,553	224,016
Sewer	-	-	408,967	173,521	408,967	173,521
Total expenses	<u>593,401</u>	<u>1,156,117</u>	<u>709,520</u>	<u>397,537</u>	<u>1,302,921</u>	<u>1,553,654</u>
Change in net position	70,174	(123,050)	(13,733)	214,009	56,441	90,959
Net position - beginning	<u>975,813</u>	<u>1,098,863</u>	<u>827,954</u>	<u>613,945</u>	<u>1,803,767</u>	<u>1,712,808</u>
Total net position	<u>\$ 1,045,987</u>	<u>\$ 975,813</u>	<u>\$ 814,221</u>	<u>\$ 827,954</u>	<u>\$ 1,860,208</u>	<u>\$ 1,803,767</u>

Financial Analysis of the City's Funds

Governmental funds – Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. However, unlike the government-wide financial statements, governmental fund financial statements focus on each major fund. Such information may be useful in evaluating the City's near term financial requirements.

**CITY OF FALLS CITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2023**

The City maintained seven individual governmental funds. Information for the funds that are considered significant (major) is presented separately in the governmental fund balance sheet (cash basis) and in the governmental fund statement of revenues, expenditures and changes in fund balances (cash basis). Two of the City's funds are considered to be major funds: General Fund and Street Fund.

The City adopts annual appropriated budgets for all funds. To demonstrate compliance with the budget, budgetary comparison statements have been provided for all funds.

The General Fund ended the year with a fund balance of \$950,921, a decrease of \$14,400 from the prior year. Revenues in the General Fund for fiscal year ended June 30, 2023 were \$469,567 and expenses were \$483,967. Total governmental funds ended the year with a fund balance of \$1,045,987, which was an increase of \$70,174 from the prior year.

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

The City uses enterprise funds to account for its water and sewer utility activities. The enterprise funds of the City are reported separately as proprietary fund financial statements in the basic financial statements.

The City presents six individual proprietary funds. Information is presented separately in the enterprise fund balance sheet and in the enterprise fund statement of revenue, expenditures and changes in fund balances for those funds that are considered significant (major) to the City taken as a whole. These financial statements report four major funds: Water, Sewer, Water Improvement, and Sewer Improvement. Data from the other four enterprise funds are combined into a single aggregated presentation.

The City's proprietary funds ended the year with a total net position of \$814,221, a decrease of \$13,733 from the prior year.

Budgetary Highlights

During the year ended June 30, 2023, General Fund revenues were over budget by \$90,508 and expenditures were under budget by \$156,850. General Fund budgetary appropriations exceeded actual expenditures in the Administration, Community Development, Council and Debt Principal categories.

Long-Term Obligations

At the end of the fiscal year, the City had revenue-backed bonded debt outstanding of \$695,000 and long-term loans in the amount of \$143,409. During the current year the City paid \$90,225 as principal payments to reduce the debt. The long-term debt is not included in the Statement of Net Position under the cash basis of accounting. Additional information on the City's long-term obligations can be found in Note 3 to the basic financial statements.

Economic Factors and Next Year's Budget

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the City. The City uses a conservative approach when preparing the budget each year.

BASIC FINANCIAL STATEMENTS

CITY OF FALLS CITY, OREGON

**Statement of Net Position
(Cash Basis)**

June 30, 2023

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
ASSETS			
Cash and cash equivalents	<u>\$ 1,045,987</u>	<u>\$ 814,221</u>	<u>\$ 1,860,208</u>
Total assets	1,045,987	814,221	1,860,208
NET POSITION:			
Restricted for:			
Community development	92,215	-	92,215
Fire service	61,137	-	61,137
Unrestricted	<u>892,635</u>	<u>814,221</u>	<u>1,706,856</u>
Total net position	<u><u>\$ 1,045,987</u></u>	<u><u>\$ 814,221</u></u>	<u><u>\$ 1,860,208</u></u>

CITY OF FALLS CITY, OREGON

**Statement of Activities
(Cash Basis)**

For the Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Totals
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
General government	\$ 361,448	\$ 37,289	\$ 152,942	\$ -	\$ (171,217)	\$ -	\$ (171,217)
Community development	2,107	-	-	-	(2,107)	-	(2,107)
Fire service	125,241	-	-	-	(125,241)	-	(125,241)
Parks	25,353	-	-	-	(25,353)	-	(25,353)
Street	75,953	-	53,431	-	(22,522)	-	(22,522)
Interest on long-term debt	3,299	-	-	-	(3,299)	-	(3,299)
Total governmental activities	593,401	37,289	206,373	-	(349,739)	-	(349,739)
Business-type activities:							
Water	300,553	372,448	-	-	-	71,895	71,895
Sewer	408,967	156,103	-	167,236	-	(85,628)	(85,628)
Total business-type activities	709,520	528,551	-	167,236	-	(13,733)	(13,733)
Total activities	\$ 1,302,921	\$ 565,840	\$ 206,373	\$ 167,236	(349,739)	(13,733)	(363,472)
General revenues:							
Property taxes					191,906	-	191,906
Franchise taxes					58,785	-	58,785
Intergovernmental					118,234	-	118,234
Miscellaneous					50,988	-	50,988
Total general revenues					419,913	-	419,913
Change in net position					70,174	(13,733)	56,441
Net position - beginning					975,813	827,954	1,803,767
Net position - ending					\$ 1,045,987	\$ 814,221	\$ 1,860,208

CITY OF FALLS CITY, OREGON

**Balance Sheet - Governmental Funds
(Cash Basis)
June 30, 2023**

	Special Revenue				Total
	General	Streets	Polk Community Development	Other Governmental Funds	
ASSETS:					
Cash and investments	\$ 607,691	\$ -	\$ 284,944	\$ 153,352	\$ 1,045,987
Due from other funds	343,230	-	-	-	343,230
 Total assets	 <u>\$ 607,691</u>	 <u>\$ -</u>	 <u>\$ 284,944</u>	 <u>\$ 153,352</u>	 <u>\$ 1,045,987</u>
LIABILITIES:					
Due to other funds	\$ -	\$ 343,230	\$ -	\$ -	\$ 343,230
 Total liabilities	 -	 343,230	 -	 -	 343,230
FUND BALANCES:					
Restricted for:					
Community development	-	-	-	92,215	92,215
Fire services	-	-	-	61,137	61,137
Committed to:					
Community development	-	-	284,944	-	284,944
Unassigned	950,921	(343,230)	-	-	607,691
 Total fund balances	 <u>950,921</u>	 <u>(343,230)</u>	 <u>284,944</u>	 <u>153,352</u>	 <u>1,045,987</u>
 Total liabilities and fund balances	 <u>\$ 950,921</u>	 <u>\$ -</u>	 <u>\$ 284,944</u>	 <u>\$ 153,352</u>	 <u>\$ 1,389,217</u>

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

CITY OF FALLS CITY, OREGON

**Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
(Cash Basis)**

For the Year Ended June 30, 2023

	Special Revenue			Other Governmental Funds	Total
	General	Streets	Polk Community Development		
REVENUES:					
Taxes and assessments	\$ 143,587	\$ -	\$ -	\$ 48,319	\$ 191,906
Franchise fees	58,785	-	-	-	58,785
Grants	152,942	53,431	-	-	206,373
Charges for services	37,289	-	-	-	37,289
Intergovernmental	36,244	81,990	-	-	118,234
Miscellaneous	40,720	-	10,268	-	50,988
Total revenues	469,567	135,421	10,268	48,319	663,575
EXPENDITURES:					
General government	361,448	-	-	-	361,448
Community development	-	-	-	-	-
Fire service	94,647	-	-	14,520	109,167
Parks	25,353	-	-	-	25,353
Streets	-	60,673	-	-	60,673
Debt payments					
Principal	2,107	-	-	16,074	18,181
Interest	412	-	-	2,887	3,299
Capital acquisitions	-	15,280	-	-	15,280
Total expenditures	483,967	75,953	-	33,481	593,401
Net change in fund balances	(14,400)	59,468	10,268	14,838	70,174
Fund balances, beginning of year	965,321	(402,698)	274,676	138,514	975,813
Fund balances, end of year	\$ 950,921	\$ (343,230)	\$ 284,944	\$ 153,352	\$1,045,987

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

CITY OF FALLS CITY, OREGON

**Statement of Net Position
Enterprise Funds**

(Cash Basis)

June 30, 2023

	Business-type Activities / Enterprise Funds			
	Water	Sewer	Utility Reserve	Total
ASSETS:				
Cash and investments	\$ 404,431	\$ 7,479	\$ 402,311	\$ 814,221
LIABILITIES:				
Due to other funds	-	-	-	-
NET POSITION:				
Restricted for:				
Debt service	-	-	-	-
Unrestricted	404,431	7,479	402,311	814,221
 Total net position	 \$ 404,431	 \$ 7,479	 \$ 402,311	 \$ 814,221

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

CITY OF FALLS CITY, OREGON

**Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds**

(Cash Basis)

For the Year Ended June 30, 2023

	Business-type Activities / Enterprise Funds			
	Water	Sewer	Utility Reserve	Total
Operating revenues				
Charges for services	\$ 320,881	\$ 156,103	\$ 51,567	\$ 528,551
Grants	-	167,236	-	167,236
Miscellaneous	-	-	-	-
Total operating revenues	320,881	323,339	51,567	695,787
Operating expenses				
Personal services	84,661	53,505	-	138,166
Materials and services	97,523	51,143	4,666	153,332
Total operating expenses	182,184	104,648	4,666	291,498
Operating income (loss)	138,697	218,691	46,901	404,289
Non-operating revenues (expenses)				
Capital acquisitions	-	(304,319)	(48,241)	(352,560)
Debt payments:				
Principal	(40,000)	-	-	(40,000)
Interest expense	(25,462)	-	-	(25,462)
Total non-operating revenues (expenses)	(65,462)	(304,319)	(48,241)	(418,022)
Change in net position	73,235	(85,628)	(1,340)	(13,733)
Net position, beginning of year	331,196	93,107	403,651	827,954
Net position, end of year	\$ 404,431	\$ 7,479	\$ 402,311	\$ 814,221

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

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Falls City, Oregon is governed by an elected mayor and six council members who comprise the City Council. The City Council exercises supervisory responsibilities over the City operations, but day-to-day management control is the responsibility of the city administrator, who report to the City Council.

The accompanying financial statements present all activities, funds, and component units for which the City is financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of this criteria, the City is a primary government with no includable component units.

As discussed further under *Measurement Focus and Basis of Accounting*, these financial statements are prepared under the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) established by the Governmental Accounting Standards Board (GASB). These cash basis financial statements generally meet the presentation and disclosure requirements applicable to GAAP, in substance, but are limited to the elements presented in the financial statements and the constraints of the measurement and recognition criteria of the cash basis of accounting.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either government or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements report information on all activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position (Cash Basis) and the Statement of Activities (Cash Basis).

The Statement of Net Position (Cash Basis) presents all the assets and liabilities of the City. Net position, representing assets less liabilities, is shown in two components. Restricted for special purposes (amounts which must be spent in accordance with legal restrictions) and unrestricted (the amount available for ongoing City activities).

The Statement of Activities (Cash Basis) demonstrates the degree to which the direct and allocated indirect expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Indirect expenses are those costs, usually administrative in nature, that support all City functions and enable direct services to be provided. Program revenues include (1) fees, fines, and charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or program, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary or fiduciary. Currently, the City has governmental funds (general and special revenue) and proprietary funds (enterprise). Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the supplemental information.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe what transactions or events are recorded within the various financial statements. Basis of accounting refers to when and how transactions or events are recorded, regardless of the measurement focus applied.

In the government-wide financial statements both governmental and business-type activities are accounted for using the economic resource measurement focus, within the limits of the cash basis of accounting as defined below.

The financial statements are presented on the cash basis of accounting, which is a basis of accounting other than GAAP established by GASB.

The cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods and services received but not yet paid and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value. Additionally, capital assets such as property and equipment, and long-term liabilities such as debt are only reported in the notes to the financial statements.

If the City utilized the basis of accounting recognized as generally accepted in the United States of America, the fund financial statements for the governmental funds would use the modified accrual basis of accounting, and the fund financial statements for the enterprise funds would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

The City's policy, although not in accordance with GAAP, is acceptable under Oregon Law (ORS 294.333), which leaves the selection of the method of accounting to the discretion of the municipal corporation.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges to customers for charges for services. Operating expenses for proprietary funds include payroll expense and materials and supplies. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, receipts and disbursements.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

General Fund – This is the City’s primary operating fund. It accounts for all the financial operations of the City, except for those required to be accounted for in another fund. Principal sources of revenue are property taxes, franchise fees and state and county shared revenues. Primary expenditures are for general government, parks, City Council, and municipal court.

Street Fund – This fund accounts for the cost of construction, reconstruction, improvement, repair and maintenance of public highways, roads and streets within the City. Principal sources of revenues are gas tax apportionments received from the State and grants. Expenditures are for street construction and maintenance.

Polk Community Development Fund – This fund accounts for rehabilitation housing loan repayments received from Polk Community Development Corporation (Polk CDC).

The City reports the following non-major governmental funds:

Wagner Library 80% Fund – This fund accounts for funds to restore the Wagner Public Library. Sources of revenues are contributions.

Fire Levy Fund – This fund accounts for the fire levy funds to augment the fire portion of the General Fund by providing equipment and funding to the City Fire Department. The principal source of revenue is the fire levy approved by voters.

The City reports the following major proprietary funds:

Water Fund – This fund accounts for the operations, maintenance, debt service and capital construction projects for the City’s water system. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collection. The water fund receives utility fees, construction fees, grants and debt proceeds to fund activities.

Sewer Fund – This fund accounts for the operations, maintenance, debt service and capital construction projects for the City’s sewer system. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and billing and collection. The sewer fund receives utility fees, construction fees, grants and debt proceeds to fund activities.

Utility Reserve Fund – This fund accounts for funds reserved for capital improvements and repairs for the water and sewer system and is funded by a utility capital improvement fee.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or regulations of other governments. Net position is classified in the following three categories:

Restricted net position – consists of net position with constraints placed on them by entities outside of the City.

Unrestricted net position – all other net positions that do not meet either of the criteria above.

Fund Balance

The City follows the guidance in GASB 54. Under this standard, the fund balances are classified within one of the fund balance categories listed below.

- Nonspendable fund balance represents amounts that are not in a spendable form.
- Restricted fund balance represents amounts constrained to specific purpose by their providers (such as grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision making authority for the City. Commitments may be established, modified or rescinded only through ordinances or resolutions approved by the City Council.
- Assigned fund balance represents amounts a government intends to use for a specific purpose; intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- Unassigned fund balance represents amounts that are available for any purpose; these amounts are reported only in the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds in certain circumstances.

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

Definitions of Governmental Fund Types

The General Fund is used to account for all financial resources not accounted for in another fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds of specific revenues sources” means that the revenue sources for the fund must be from restricted or committed sources, specifically that a substantial portion of the revenue must be from these sources and be expended in accordance with those requirements.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, the current financial resources measurement focus or the economic resources measurement focus is applied to the cash basis of accounting as appropriate:

- a. All governmental funds utilize a current financial resources measurement focus within the limitations of the cash basis of accounting. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds utilize an economic resource measurement focus within the limitations of the cash basis of accounting. The accounting objectives of this measurement focus are the determination of operating income, change in net position (or cost recovery), net financial position, and cash flows. All assets, deferred outflows, liabilities, and deferred inflows (whether current or noncurrent or financial or nonfinancial) associated with their activities are generally reported within the limitations of the cash basis of accounting.

Cash and Investments

The City maintains cash and cash equivalents in a common pool that is available for use by all funds. Each fund type's portion of this pool is displayed in the financial statements as cash and cash equivalents. The City considers cash on hand, demand deposits and savings accounts, and short-term investments with an original maturity of three months or less from the date of acquisition to be cash and cash equivalents. Oregon Revised Statutes authorize the City to invest in certificates of deposit, savings accounts, bank repurchase agreements, bankers' acceptances, general obligations of U.S. Government and its agencies, certain bonded obligations of Oregon municipalities and the State Treasurer's Local Government Investment Pool, among others.

Property Taxes

Real and personal property taxes are levied by the County Assessor and collected by the County Tax Collector. Property taxes are an enforceable lien on both real and personal property as of July 1 and are due and payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by the County Tax Collector and remitted to the City. Property tax revenues are recognized when collected under the cash basis of accounting, whereby revenues are recognized when they are received.

Fund Deficit

As of June 30, 2023 the Streets Fund had a fund deficit of \$343,230. The City plans to correct these deficits by controlling expenditures and through transfers from the General Fund in the year ended June 30, 2024.

Budget and Budgetary Accounting

A budget is prepared for each fund in accordance with the cash basis of accounting for all funds. The budget is adopted on a department basis for the General Fund and on an object basis (personal services, materials and services, capital outlay and debt service) for all other funds. Expenditures may not legally exceed appropriations. Appropriations lapse at the end of each fiscal year. Budget amounts include original approved amounts and all subsequent appropriation transfers approved by the City Council. After budget approval, the City Council may approve supplemental appropriations if an occurrence, condition, or need exists which had not been ascertained at the time the budget was adopted. Management may not amend the budget. A supplemental budget requires hearings before the public, publications in newspapers and approval by the City Council.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

2. CASH AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the financial statements as cash and investments.

Cash and investments are comprised of the following at June 30, 2023:

<i>Deposits</i>	
Cash on hand	\$ 306
Deposits with financial institutions	146,277
Cash held by fiscal agents	280,784
<i>Investments</i>	
Local Government Investment Pool	<u>1,432,841</u>
Total	<u>\$ 1,860,208</u>

Deposits

Deposits are secured to legal limits by federal deposit insurance. The remaining amount is secured in accordance with ORS 295 under a collateral program administered by the Oregon State Treasurer.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, the City's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the City's deposits with financial institutions up to \$250,000 for the aggregate of all demand deposits and the aggregate of all time deposit and interest bearing accounts at each institution. Deposits in excess of FDIC coverage are with institutions participating in the Oregon Public Funds Collateralization Program (PFCP). The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of the State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. As of June 30, 2023, bank balances were fully insured.

Investments

The State Treasurer of Oregon maintains the Oregon Short Term Fund, of which the Local Government Investment Pool (LGIP) is part. The state of Oregon's investment policies used in administering the LGIP are governed by statute and the Oregon Investment Council (the Council). The State Treasurer is the investment officer for the Council and is responsible for the funds on deposit in the State Treasury. The State Treasury's investments in short-term securities are limited by the portfolio rules established by the Oregon Short-term Fund Board and the Council. In accordance with Oregon statutes, the investment funds are invested and the investments are those funds managed, as a prudent investor would do, exercising reasonable care, skill, and caution.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

2. CASH AND INVESTMENTS (Continued)

Investments in the LGIP are carried at fair value, which approximates the value of the pool shares. Separate financial statements for the Oregon Short Term Fund are available from the Oregon State Treasurer.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the risk that its fair value will decline if interest rates rise. In order to manage the interest rate risk of its investments, the City only invests in the LGIP. The LGIP has rules that require at least 50 percent of its investments to mature within 93 days, not more than 25 percent may mature in over a year, and all other investments must mature in no more than three years.

Custodial Risk - Investments

For an investment, this is the risk that, in the event of a failure of the counterparty, the City will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The City's investment policy limits the types of investments that may be held and does not allow securities to be held by the counterparty.

The LGIP is administered by the Oregon State Treasury with the advice of other state agencies and is not registered with the U.S. Securities and Exchange Council. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision, or public corporation of the state that by law is made the custodian of, or has control of any fund. The LGIP's portfolio rules provide that broker/dealers meet certain qualifications and that investments are delivered to and held by a third-party custodian which holds the securities in the state of Oregon's name.

Cash Held by Fiscal Agents

Cash held by fiscal agents is held by Polk CDC as part of the City's revolving loan fund.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

3. LONG-TERM OBLIGATIONS

As a result of the use of the cash basis of accounting, obligations related to long-term debt and other obligations are not reported as liabilities in the financial statements.

Long-term debt transactions for the year ended June 30, 2023 were as follows:

	<u>July 1, 2022</u>	<u>Additions</u>	<u>Payments</u>	<u>June 30, 2023</u>	<u>Due Within One Year</u>
<i>Governmental activities</i>					
<i>Direct borrowings</i>					
Fire truck lease	\$ 16,074	\$ -	\$ (16,074)	\$ -	\$ -
New fire truck lease	-	136,456	(32,045)	104,411	22,919
Polk CDC park loan	<u>41,186</u>	<u>-</u>	<u>(2,107)</u>	<u>39,079</u>	<u>2,128</u>
Total	<u>\$ 57,260</u>	<u>\$ 136,456</u>	<u>\$ (50,225)</u>	<u>\$ 143,490</u>	<u>\$ 25,047</u>
<i>Business-type activities</i>					
<i>Direct placement</i>					
Water bonds	<u>\$ 735,000</u>	<u>\$ -</u>	<u>\$ (40,000)</u>	<u>\$ 695,000</u>	<u>\$ 40,000</u>

Loans from Direct Borrowings – Governmental Activities

Fire Truck lease – In May 2019 the City entered into a lease-purchase agreement to acquire a fire truck. The loan was for \$85,170 and requires annual payments of \$18,961 including interest at 5.66% with the final payment due in May 2023. The loan is secured by the fire truck. This loan was paid off as of June 30, 2023.

Polk CDC park loan – In May 2010 the City entered into a loan agreement with Polk CDC to fund park improvements. The loan was for \$65,000 and requires annual payments of \$2,519 including interest at 1.0% through May 2040.

New Fire Truck lease – In April 2023 the City entered into a lease-purchase agreement to acquire a fire truck. The loan was for \$104,411 and requires annual payments of \$32,045 including interest at 8.74% with the final payment due in April, 2027. The loan is secured by the fire truck.

Bonds payable from Direct Placement Business-type activities

Full Faith and Credit Obligation – In October 2017 the City borrowed \$925,000 from US Bank through the Oregon Cities Financing Pool to refinance USDA water revenue bonds that had been issued in 2003. The loan requires semi-annual payments with coupon interest rates from 2.0% to 4.0% with maturity in April 2037.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

3. LONG-TERM OBLIGATIONS (Continued)

Future debt service requirements on these long-term obligations for each year ended June 30 are as follows:

Governmental Activities

Fiscal Year	Principal	Interest	Total
2024	\$ 25,047	\$ 9,516	\$ 34,563
2025	25,071	7,492	34,563
2026	29,271	5,292	34,563
2027	31,661	2,902	34,563
2028-2032	11,295	1,298	12,593
2033-2037	11,871	722	12,593
2038-2042	7,274	148	7,422
	<u>\$ 143,490</u>	<u>\$ 27,370</u>	<u>\$ 170,860</u>

Business-type Activities

Fiscal Year	Principal	Interest	Total
2024	\$ 40,000	\$ 23,063	\$ 63,063
2025	40,000	21,462	61,462
2026	45,000	19,862	64,862
2027	45,000	18,063	63,063
2028-2032	250,000	66,787	316,787
2033-2037	275,000	25,000	300,000
	<u>\$ 695,000</u>	<u>\$ 174,238</u>	<u>\$ 869,238</u>

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN

Plan Description

Employees of the City are provided with pensions through the Oregon Public Employees Retirement System (OPERS), a cost-sharing multiple-employer pension plan with both defined benefit and defined contribution components. The Oregon Legislature has delegated authority to the Public Employees Retirement Board to administer and manage the system. All benefits of OPERS are established by the legislature pursuant to ORS Chapters 238 and 238A. The Tier One/Tier Two Retirement Benefit plan, established by ORS Chapter 238, is closed to new members hired on or after August 29, 2003. The Oregon Public Service Retirement Plan (OPSRP Pension Program), established by ORS Chapter 238A, provides benefits to members hired on or after August 29, 2003.

The Individual Account Program (IAP) was created by the Oregon legislature in 2003 to provide an individual account-based retirement benefit for new workers hired on or after August 29, 2003, and for Tier One / Tier Two members active on or after January 1, 2004. The IAP benefit is a defined contribution plan, and it is in addition to the member's defined benefit plan (i.e., Tier One, Tier Two, or OPSRP Pension Programs). OPERS issues a publicly available Comprehensive Annual Financial Report and Actuarial Valuation that can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

Benefits Provided

Tier One/Tier Two Retirement Benefit:

Pension Benefits

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

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

Death Benefits

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

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

4. *PENSION PLAN (Continued)*

Disability Benefits

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 when determining the monthly benefit.

Benefit Changes After Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living (COLA) changes. The COLA is capped at 2.0 percent.

OPSRP Defined Benefit Pension Program

Pension Benefits

The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age. For general service members, 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. For police and fire members, 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement. A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.00%. The COLA for creditable service earned after October 2013 is calculated as 1.25% on the first \$60,000 of annual benefit and \$750 plus 0.15 percent on annual benefits above \$60,000.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN (Continued)

OPSRP Pension Program

Pension Benefits

The OPSRP Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated by formula for members who attain normal retirement age. For general service members, 1.5% is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit. For police and fire members, 1.8% is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement. A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and if the pension program is terminated, the date on which termination becomes effective.

Death Benefits

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

Disability Benefits

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

Benefit Changes After Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA for creditable service earned before October 2013 is 2.00%. The COLA for creditable service earned after October 2013 is calculated as 1.25% on the first \$60,000 of annual benefit and 0.15% on amounts above \$60,000 of annual benefit.

OPSRP Individual Account Program (IAP)

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP) may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN (Continued)

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2020 actuarial valuation. The rates based on a percentage of payroll first became effective July 1, 2021. Employer contributions for the year ended June 30, 2023 were \$31,226, excluding amounts to fund employer specific liabilities. The rates in effect for the fiscal year ended June 30, 2023 were 24.69 percent for Tier One/Tier Two General Service Member, 18.39 percent for OPSRP Pension Program General Service Members, 22.75 percent for OPSRP Police and Fire Members and 6.0 percent for OPSRP IAP.

Pension Assets, Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Since the City's financial statements are reported on the cash basis, no amounts are reported on the statement of net position for pension related assets, deferred outflows, liabilities or deferred inflows. Had the City's financial statements been reported in accordance with GAAP, at June 30, 2023, the City would have reported a liability of \$399,224 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2023, the City's proportion was 0.002607 percent, which was an increase from its proportion of 0.002044 percent measured as of June 30, 2022.

At June 30, 2023, the City had deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,379	\$ 2,490
Changes of assumptions	62,640	572
Net difference between projected and actual earnings on investments	-	71,373
Changes in proportionate share	107,712	-
Differences between employer contributions and employer's proportionate share of system contributions	-	65,3656
Total (prior to post-Measurement Date contributions)	189,731	139,800
Contributions subsequent to the Measurement Date	31,226	-
Total	\$ 220,957	\$ 139,800

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN (Continued)

The \$31,226 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows	
Amortization Period	
FY 2024	\$ 19,086
FY 2025	7,161
FY 2026	(20,518)
FY 2027	40,492
FY 2028	3,710
Total	\$ <u>49,931</u>

Actuarial Methods and Assumptions

The employer contribution rates effective July 1, 2022 through June 30, 2023 were set using the projected unit credit actuarial cost method. For the ORS 238 Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

For the ORS 238A OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an actuarially determined amount for funding a disability benefit component, and (3) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	December 31, 2020
Measurement Date	June 30, 2022
Experience Study	2020, published July 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation Rate	2.40%
Investment Rate of Return	6.90%
Discount Rate	6.90%
Projected Salary Increases	3.40%

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN (Continued)

Cost of Living Adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision; blend based on service
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employee, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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

Discount Rate

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

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
City's proportionate share of the net pension liability (asset)	\$ 707,989	\$ 399,224	\$ 140,802

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

4. PENSION PLAN (Continued)

Long-term Expected Rate of Return

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

Depletion Date Projection

GASB 68 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 68 (paragraph 67) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

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

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

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 68 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report.

Changes in Plan Provisions During the Measurement Period

There were no changes during the June 30, 2022 measurement period that require disclosure.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

5. OTHER POST-EMPLOYMENT HEALTH BENEFITS

Retirement Health Insurance Account

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

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

Participating governments are contractually required to contribute to RHIA at a rate assessed each year by OPERS. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution of the employers (ARC). The ARC represents a level of funding that is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The City's contributions for the year ended June 30, 2023 equaled the required contributions for the year.

6. REVOLVING LOAN FUND

The City has an agreement with Polk CDC to administer a revolving loan fund on behalf of the City. The loan fund provides Falls City home and business owners with low interest loans for renovation projects. At June 30, 2023 the loan fund had \$281,784 in cash and there were \$134,089 of outstanding loans.

7. CONTINGENCIES

The City purchases insurance to cover all commonly insurable risks, which includes property damage, liability and employee bonds. Most policies carry a small deductible amount. The City has not had any losses in the past three years that have exceeded policy coverage.

CITY OF FALLS CITY, OREGON
Notes to Financial Statements
June 30, 2023

8. EXPENDITURES IN EXCESS OF APPROPRIATIONS

Oregon law prohibits expenditures of a fund in excess of Council approved appropriations. Expenditures in excess of appropriations in individual funds were as follows for the year ended June 30, 2023:

<u>Fund / Appropriation Category</u>	<u>Appropriation</u>	<u>Disbursement</u>	<u>Variance</u>
General Fund			
Administration	\$ 208,692	\$ 349,930	\$ (132,894)
Fire	84,977	94,647	(9,670)
Parks and cemeteries	15,381	25,353	(9,972)
Council	2,622	2,822	(200)
Code enforcement and court	8,638	8,696	(58)
Debt principal	2,000	2,107	(107)
Debt interest	-	412	(412)
Street Fund			
Materials and services	29,143	42,576	(13,433)
Sewer Fund			
Materials and services	37,441	51,143	(13,702)
Capital outlay	122,000	304,319	(182,319)
Water Fund			
Debt service	35,000	40,000	(5,000)
Utility Reserve Fund			
Materials and services	-	4,666	(4,666)

9. SUBSEQUENT EVENTS

Management has evaluated subsequent events through [DATE], the date on which the financial statements were available to be issued noting no events that require disclosure in the accompanying financial statements.

SUPPLEMENTARY INFORMATION

CITY OF FALLS CITY, OREGON
Schedule of Proportionate Share of Net Pension Liability and Related Ratios

Year Ended	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/2023	0.002607%	\$ 399,224	\$ 197,935	201.69%	84.5%
6/30/2022	0.002044%	\$ 244,591	\$ 201,319	121.5%	87.6%
6/30/2021	0.001969%	\$ 429,719	\$ 187,356	229.4%	75.2%
6/30/2020	0.001674%	\$ 289,621	\$ 216,939	133.5%	80.2%
6/30/2019	0.001540%	\$ 233,299	\$ 233,641	99.9%	82.1%
6/30/2018	0.001469%	\$ 197,958	\$ 184,918	107.1%	83.1%
6/30/2017	0.002377%	\$ 356,784	\$ 157,064	227.2%	80.5%
6/30/2016	0.002089%	\$ 119,996	\$ 142,579	84.1%	91.9%

Note: 10-year trend information required by GASB Statement 68 will be presented prospectively

CITY OF FALLS CITY, OREGON
Schedule of the City's Contributions
Oregon Public Employees Retirement System

<u>Year Ended</u>	<u>Statutorily Required Contribution</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess / (Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
6/30/2023	\$ 31,226	\$ 31,226	\$ -	\$ 197,935	15.8%
6/30/2022	\$ 42,315	\$ 42,315	\$ -	\$ 201,319	21.0%
6/30/2021	\$ 31,312	\$ 31,312	\$ -	\$ 187,356	16.7%
6/30/2020	\$ 31,683	\$ 31,683	\$ -	\$ 216,939	14.6%
6/30/2019	\$ 23,944	\$ 23,944	\$ -	\$ 233,641	10.3%
6/30/2018	\$ 20,350	\$ 20,350	\$ -	\$ 184,918	11.0%
6/30/2017	\$ 17,732	\$ 17,732	\$ -	\$ 157,064	11.3%
6/30/2016	\$ 15,138	\$ 15,138	\$ -	\$ 142,579	10.6%

Note: 10-year trend information required by GASB Statement 68 will be presented prospectively

CITY OF FALLS CITY
Combining Balance Sheet -
Nonmajor Governmental Funds
(Cash Basis)

June 30, 2023

	Special Revenue		
	Wagner Library 80%	Fire Levy	Total
ASSETS:			
Current assets			
Cash and investments	\$ 92,215	\$ 61,137	\$ 153,352
FUND BALANCES:			
Restricted for fire service	\$ -	\$ 61,137	\$ 61,137
Restricted for community development	92,215	-	92,215
Total fund balance	\$ 92,215	\$ 61,137	\$ 153,352

CITY OF FALLS CITY

**Combining Statement Revenues, Expenses and Changes in Fund Balance -
Nonmajor Governmental Funds
(Cash Basis)**

For the Year Ended June 30, 2023

	Special Revenue		
	Wagner Library 80%	Fire Levy	Total
REVENUES:			
Taxes and assessments	\$ -	\$ 48,319	\$ 48,319
Grants	-	-	-
Miscellaneous	-	-	-
Total revenues	-	48,319	48,319
EXPENDITURES:			
Fire service	-	14,520	14,520
Debt service			
Principal	-	16,074	16,074
Interest	-	2,887	2,887
Total expenditures	-	33,481	33,481
Net change in fund balances	-	14,838	14,838
Fund balances, beginning of year	92,215	46,299	138,514
Fund balances, end of year	\$ 92,215	\$ 61,137	\$ 153,352

CITY OF FALLS CITY, OREGON

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
General Fund
(Budgetary Basis)
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Taxes and assessments	\$ 121,000	\$ 137,231	\$ 143,587	\$ 6,356
Franchise fees	55,550	55,550	58,785	3,235
Grants	118,000	118,000	152,942	34,942
Charges for services	6,800	6,800	37,289	30,489
Intergovernmental	28,500	28,500	36,244	7,744
Miscellaneous	29,000	32,978	40,720	7,742
Total revenues	358,850	379,059	469,567	90,508
EXPENDITURES:				
Administration	208,692	217,036	349,930	(132,894)
Community development	-	-	-	-
Fire	56,523	84,977	94,647	(9,670)
Parks and cemeteries	31,960	15,381	25,353	(9,972)
Council	3,100	2,622	2,822	(200)
Code enforcement and court	36,412	8,638	8,696	(58)
Debt service				
Principal	2,000	2,000	2,107	(107)
Interest	-	-	412	(412)
Contingency	310,163	310,163	-	310,163
Total expenditures	648,850	640,817	483,967	156,850
Net change in fund balances	(290,000)	(261,758)	(14,400)	247,358
Fund balances, beginning of year	300,000	965,321	965,321	-
Fund balances, end of year	\$ 10,000	\$ 703,563	\$ 950,921	\$ 247,358

CITY OF FALLS CITY, OREGON

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Street Fund
(Budgetary Basis)
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Intergovernmental	\$ 70,000	\$ 56,739	\$ 81,990	\$ 25,251
Grants	571,520	270	53,431	53,161
Total revenues	<u>641,520</u>	<u>57,009</u>	<u>135,421</u>	<u>78,412</u>
EXPENDITURES:				
Personal services	23,237	23,237	18,097	5,140
Materials and services	25,400	29,143	42,576	(13,433)
Capital outlay	571,520	571,520	15,280	556,240
Contingency	11,363	11,363	-	11,363
Total expenditures	<u>631,520</u>	<u>635,263</u>	<u>75,953</u>	<u>559,310</u>
Net change in fund balance	10,000	(578,254)	59,468	637,722
Beginning fund balance	<u>(10,000)</u>	<u>(593,000)</u>	<u>(402,698)</u>	<u>190,302</u>
Ending fund balance	<u>\$ -</u>	<u>\$ (1,171,254)</u>	<u>\$ (343,230)</u>	<u>\$ 828,024</u>

CITY OF FALLS CITY, OREGON

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Polk Community Development Fund
(Budgetary Basis)
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Miscellaneous	\$ 7,000	\$ 7,000	\$ 10,268	\$ 3,268
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>10,268</u>	<u>3,268</u>
EXPENDITURES:				
Materials and services	-	-	-	-
Contingency	<u>207,000</u>	<u>207,000</u>	<u>-</u>	<u>207,000</u>
Total expenditures	<u>207,000</u>	<u>207,000</u>	<u>-</u>	<u>207,000</u>
Net change in fund balance	(200,000)	(200,000)	10,268	210,268
Beginning fund balance	<u>200,000</u>	<u>200,000</u>	<u>274,676</u>	<u>74,676</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 284,944</u></u>	<u><u>\$ 284,944</u></u>

CITY OF FALLS CITY, OREGON

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Wagner Library 80% Fund
(Budgetary Basis)
For the Year Ended June 30, 2023**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Materials and services	30,000	30,000	-	30,000
Contingency	67,135	67,135	-	67,135
Total expenditures	<u>97,135</u>	<u>97,135</u>	<u>-</u>	<u>97,135</u>
Net change in fund balance	(97,135)	(97,135)	-	(97,135)
Beginning fund balance	<u>97,135</u>	<u>97,135</u>	<u>92,215</u>	<u>(4,920)</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 92,215</u></u>	<u><u>\$ 92,215</u></u>

CITY OF FALLS CITY, OREGON

**Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual
Fire Levy Fund
(Budgetary Basis)
For the Year Ended June 30, 2023**

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Taxes and assessments	\$ 45,000	\$ 45,000	\$ 48,319	\$ 3,319
Grants	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>48,319</u>	<u>3,319</u>
EXPENDITURES:				
Materials and services	22,300	22,300	14,520	7,780
Debt service				
Principal	16,575	16,575	16,074	501
Interest	3,390	3,390	2,887	503
Contingency	<u>2,735</u>	<u>2,735</u>	<u>-</u>	<u>2,735</u>
Total expenditures	<u>45,000</u>	<u>45,000</u>	<u>33,481</u>	<u>11,519</u>
Net change in fund balance	-	-	14,838	14,838
Beginning fund balance	<u>-</u>	<u>-</u>	<u>46,299</u>	<u>46,299</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,137</u></u>	<u><u>\$ 61,137</u></u>

CITY OF FALLS CITY

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Sewer Fund**

(Budgetary Basis)

For the Year Ended June 30, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES:				
Charges for services	\$ 131,000	\$ 96,018	\$ 156,103	\$ 60,085
Grants	120,000	120,000	167,236	47,236
Miscellaneous	-	-	-	-
Total revenues	<u>251,000</u>	<u>216,018</u>	<u>323,339</u>	<u>107,321</u>
EXPENDITURES:				
Personal services	94,500	94,500	53,505	40,995
Materials and services	36,500	37,441	51,143	(13,702)
Capital outlay	122,000	122,000	304,319	(182,319)
Contingency	98,000	98,000	-	98,000
Total expenditures	<u>351,000</u>	<u>351,941</u>	<u>408,967</u>	<u>(57,026)</u>
Net change in fund balances	<u>(100,000)</u>	<u>(135,923)</u>	<u>(85,628)</u>	<u>50,295</u>
Fund balance, beginning of year	<u>100,000</u>	<u>100,000</u>	<u>93,107</u>	<u>(6,893)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ (35,923)</u>	<u>\$ 7,479</u>	<u>\$ 43,402</u>

CITY OF FALLS CITY

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Water Fund**

(Budgetary Basis)

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Charges for services	\$ 316,500	\$ 215,749	\$ 320,881	\$ 105,132
Miscellaneous	-	-	-	-
Total revenues	316,500	215,749	320,881	105,132
EXPENDITURES:				
Personal services	133,769	131,614	84,661	46,953
Materials and services	141,625	163,498	97,523	65,975
Debt service				
Principal	35,000	35,000	40,000	(5,000)
Interest	26,800	26,800	25,462	1,338
Contingency	179,306	179,306	-	179,306
Total expenditures	516,500	536,218	247,646	288,572
Net change before transfers	(200,000)	(320,469)	73,235	393,704
OTHER USES:				
Transfers out	-	-	-	-
Net change in fund balances	(200,000)	(320,469)	73,235	393,704
Fund balance, beginning of year	200,000	200,000	331,196	131,196
Fund balance, end of year	\$ -	\$ (120,469)	\$ 404,431	\$ 524,900

CITY OF FALLS CITY

**Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
Utility Reserve Fund**

(Budgetary Basis)

For the Year Ended June 30, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES:				
Charges for services	\$ 55,000	\$ 33,951	\$ 51,567	\$ 17,616
Total revenues	55,000	33,951	51,567	17,616
EXPENDITURES:				
Materials and services	-	-	4,666	(4,666)
Capital outlay	295,000	295,000	48,241	246,759
Contingency	80,000	80,000	-	80,000
Total expenditures	375,000	375,000	52,907	322,093
Net change in fund balances	(320,000)	(341,049)	(1,340)	(304,477)
Fund balance, beginning of year	320,000	403,651	403,651	-
Fund balance, end of year	\$ -	\$ 62,602	\$ 402,311	\$ 339,709

**INDEPENDENT AUDITOR'S REPORT REQUIRED BY
OREGON STATE REGULATIONS**



Dougall Conradie LLC
Certified Public Accountants

Geoffrey Dougall, CPA
Heather Jackson, CPA
Lee Owen, CPA
Richard Winkel, CPA
Members of AICPA & OSCPA

Independent Auditor's Report Required by Oregon State Regulations

To the City Council
Falls City, Oregon

We have audited the basic financial statements of the City of Falls City (the City) as of and for the year ended June 30, 2023 and have issued our report thereon dated [DATE]. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

- Deposit of Public Funds with Financial Institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions and repayment
- Budgets legally required (ORS Chapter 294)
- Insurance and Fidelity Bond Coverage
- Public Contracts and Purchasing (ORS Chapters 279A, 279B, 279C)
- Highway revenues used for public highways, roads and streets
- Programs Funded From Outside Sources
- Authorized investment of surplus funds (ORS Chapter 294)

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

The City had the following expenditures that exceeded appropriations for the year ended June 30, 2023:

<u>Fund / Appropriation Category</u>	<u>Appropriation</u>	<u>Disbursement</u>	<u>Variance</u>
General Fund			
Administration	\$ 208,692	\$ 349,930	\$ (132,894)
Fire	84,977	94,647	(9,670)
Parks and cemeteries	15,381	25,353	(9,972)
Council	2,622	2,822	(200)
Code enforcement and court	8,638	8,696	(58)
Debt principal	2,000	2,107	(107)
Debt interest	-	412	(412)
Street Fund			
Materials and services	29,143	42,576	(13,433)
Sewer Fund			
Materials and services	37,441	51,143	(13,702)
Capital outlay	122,000	304,319	(182,319)
Water Fund			
Debt service	35,000	40,000	(5,000)
Utility Reserve Fund			
Materials and services	-	4,666	(4,666)

As of June 30, 2023 the Streets Fund had a fund deficit of \$343,230.

Internal Control Over Financial Reporting

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

Restriction on Use

This report is intended for the information and use of the city council and management of the City of Falls City and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

DOUGALL CONRADIE LLC
 Portland, Oregon
 [DATE]

By: _____
 Richard Winkel, Partner

Client: CITY OF FALLS CITY
Report: Adjustments

Account	Description	Debit	Credit	Net Income Effect
AJE1				
Reclass principal and interest on debt				
6010	DEBT SERVICE:922I1 Land Purchase Interest	411.86	0.00	
6000	DEBT SERVICE:790I1 Land Principal (Gen)	0.00	411.86	
6030	DEBT SERVICE:'17 H2O Bond Interest	12,331.22	0.00	
6025	DEBT SERVICE:'17 H2O Bond Principal (Water)	0.00	12,331.22	
Total		<u>12,743.08</u>	<u>12,743.08</u>	<u>0.00</u>
AJE2				
Reclass brush rig payment out of materials and services and into debt service				
6050	DEBT SERVICE:Brush Rig	32,044.64	0.00	
5050	Equipment O & M	0.00	32,044.64	
Total		<u>32,044.64</u>	<u>32,044.64</u>	<u>0.00</u>
Client1				
Reclass Pacific Power revenue to the correct accounts				
4510	FEES (NON-FRANCHISE):Land Use/Permit Fees	2,912.25	0.00	
4505	FEES (NON-FRANCHISE):Business License & OLCC F	1,122.76	0.00	
4600	FRANCHISE FEES:Pacific Power	0.00	4,035.01	
Total		<u>4,035.01</u>	<u>4,035.01</u>	<u>0.00</u>
Client2				
Adjust Polk CDC cash				
1020	Cash With Fiscal Agent	10,267.72	0.00	
4005	MISCELLANEOUS REVENUE	0.00	10,267.72	
Total		<u>10,267.72</u>	<u>10,267.72</u>	<u>10,267.72</u>
GRAND TOTAL		<u>59,090.45</u>	<u>59,090.45</u>	<u>10,267.72</u>

STAFF REPORT

TO: HONORABLE MAYOR, AND CITY COUNCIL
FROM: CITY MANAGER, AJ FOSCOLI
SUBJECT: DANGEROUS BUILDING RESOLUTION FOR 171 DAYTON ST.
DATE: 2/5/2024

SUMMARY

Council Approval of Dangerous Building Resolution for 171 Dayton St..

BACKGROUND

Since the Falls City City Council approved in its Municipal Code language that addresses the mitigation process for dwellings that are “dangerous”, staff has been working to identify the first candidate property to which the new language can be applied. The property on 171 Dayton St. has had several issues brought up against it at various times over the years by both neighbors and code enforcement officers, including but not limited to fire, intentionally damaged septic tank blow-outs, discontinued water service, discontinued power service, illegal indoor partitions etc. Within the Falls City Municipal Code 90.45-90.99 (Abatement Process for Nuisances) there are protocols in place to give ample recourse to residents to mitigate their potential nuisances, upon notice of non-compliance under the Nuisance Abatement process. It is the intention of staff to notify the owner and occupant of 171 Dayton St. that the property is a “dangerous Building” and as such needs to have remediation in order to fall in line with Falls City’s Municipal Code.

FINANCIAL IMPLICATIONS

§ 90.45, § 90.46, § 90.47 spell out the financial implications, which begin at the city’s mitigation of the property (to be assessed by a third party), plus 20% for administrative overhead. The overall cost as indicated will be assessed to, and become a lien against, the property unless paid 30 days from the date of the notice. For continued non-compliance, standard daily fines in line with other non-compliance issues will apply. Violations of §§ 90.01 through 90.99 shall be punishable upon conviction by a fine not to exceed \$500 for a non-continuing violation and a fine of not more than \$1,000 for a continuing offense. Additional fines may be assessed at a rate not to exceed \$1,000 per day for each day an ordinance violation continues.

STAFF RECOMMENDATION

Staff recommends the approval of Resolution 04-2024.

PROPOSED MOTION

Recommend a motion to approve Resolution 04-2024.

EXHIBIT

- A- Resolution 04-2024.
- B- Notice of Dangerous Building
- C- 90.35 Definition of Dangerous Building
- D- Falls City Municipal Code 90.45-90.99 (Abatement Process for Nuisances)
- E- 171 Dayton Resident Patrick McKibben Public Comment

Exhibit A

RESOLUTION 04-2024

A RESOLUTION DECLARING 171 DAYTON STREET A DANGEROUS BUILDING

Under these criteria 171 Dayton Street will be considered a dangerous building:

2. Any building or structure constituting a hazard to safety, health, or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage, or abandonment;

15. Whenever the building or structure has been so damaged by fire, wind, earthquake, or flood, or has become so dilapidated or deteriorated as to become (i) an attractive nuisance to children; (ii) a harbor for vagrants, criminals, or immoral persons; or as to (iii) enable persons to resort thereto for the purpose of committing unlawful or immoral acts.

18. Whenever a building or structure, used or intended to be used for dwelling purposes, because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate light, air or sanitation facilities, or otherwise is determined by the health officer to be unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.

20. Whenever any building or structure is in such a condition as to constitute a public nuisance known to the common law or inequity jurisprudence.

Now therefore, be it resolved by the City Council of Falls City as follows:

Section 1. This resolution takes effect immediately upon passage.

Approved by the City Council of Falls City this 5th day of February 2024.

Vote:

AYE_____ NAY_____ ABSTAIN_____ ABSENT_____

Attest:

TJ Bailey, Mayor

Jeremy Teal, City Recorder

Exhibit B

NOTICE TO ABATE DANGEROUS BUILDING

Dated February 6, 2024

After reviewing information presented in a public meeting, by Motion dated February 5, 2024 the City Council of Falls City, Oregon determined that a dangerous building nuisance, as described in FCMC Section 90.09 exists.

The Notice to Abate a Dangerous Building is given under FCMC Sec. 90.35.

1. The real property upon which the dangerous building exists is 171 Dayton Street, Falls City, Oregon.
2. You are hereby directed to abate the dangerous building within ten days from the date of this notice.
3. The property is deemed a Dangerous building based on:
 - a. FCMC Sec. 90.35.2. Any building or structure constituting a hazard to safety, health, or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage, or abandonment;
 - b. FCMC Sec. 90.35.15. Whenever the building or structure has been so damaged by fire, wind, earthquake, or flood, or has become so dilapidated or deteriorated as to become (i) an attractive nuisance to children; (ii) a harbor for vagrants, criminals, or immoral persons; or as to (iii) enable persons to resort thereto for the purpose of committing unlawful or immoral acts.
 - c. FCMC Sec. 90.35.18. Whenever a building or structure, used or intended to be used for dwelling purposes, because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate light, air or sanitation facilities, or otherwise is determined by the health officer to be unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.
 - d. FCMC Sec. 90.35.20. Whenever any building or structure is in such a condition as to constitute a public nuisance known to the common law or inequity jurisprudence.
 - e. If the dangerous building is not remediated within 10 days from the date of this notice, the City may abate the dangerous building and the cost of abatement shall become a lien against the property.
 - f. The owner of the property or other person in charge of the property may protest the abatement by giving written notice to the City Manager within 10 days from the date of this notice.

Exhibit B

CITY MANAGER

NOTICE POSTED ON THE PREMISES ON FEBRUARY ____, 2024 AT _____ O'CLOCK AM/PM
AND MAILED BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO THE OWNER
AND/OR PERSON IN CHARGE OF THE PROPERTY ON FEBRUARY ____, 2024 AT _____ O'CLOCK
AM/PM BY THE UNDERSIGNED WHO CERTIFIES HAVING DONE SO.

BY:

ABATEMENT OF NUISANCES

§ 90.45 ABATEMENT NOTICE.

(A) *Posting.* Upon determination by the Council that a nuisance, as described in this or any other chapter exists, the Council shall forthwith cause a notice to be posted on the premises where the nuisance exists, directing the owner or person in charge of the property to abate such nuisance.

(B) *Notice to owner.* At the time of posting, the Authorized Representative shall cause a copy of such notice to be forwarded by registered or certified mail, postage prepaid, to the owner and/or person in charge of the property at the last-known address of such owner or other person. At a minimum, the city shall utilize the records of the County Assessor and the City Utility Department to determine the last known address.

(C) *Notice, contents.* The notice to abate shall contain:

- (1) A description of the real property, by street address or otherwise, on that such nuisance exists;
- (2) A direction to abate the nuisance within ten days from the date of the notice;
- (3) A description of the nuisance;
- (4) A statement that unless such nuisance is removed the city may abate the nuisance and the cost of abatement shall be a lien against the property; and
- (5) A statement that the owner or other person in charge of the property may protest the abatement by giving notice to the Authorized Representative within ten days from the date of the notice.

(D) *Certificate of mailing and posting.* Upon completion of the posting and mailing, the person posting and mailing the notice shall execute and file a certificate stating the date and place of such mailing and posting.

(E) *Sufficiency of posted notice.* An error in the name or address of the owner or person in charge of the property or the use of a name other than that of the owner as listed with the County Assessor's Office and the City Utility Department to the address of record shall not make the notice void and in such a case the posted notice shall be sufficient.

(Prior Code, § 90.01) (Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008)

§ 90.46 ABATEMENT BY OWNER.

(A) Within ten days after the posting and mailing of the notice as provided in § 90.45, the owner or person in charge of the property shall remove the nuisance or show that no nuisance exists.

(B) The owner or person in charge protesting that no nuisance exists shall file with the City Recorder a written statement that shall specify the basis for so protesting.

(C) The statement shall be referred to the Council as a part of the Council's regular agenda at the next succeeding meeting. At the time set for consideration of the abatement, the owner or other person may appear and be heard by the Council and the Council shall thereupon determine whether or not a nuisance in fact exists and such determination shall be entered in the official minutes of the Council. Council determination shall be required only in those cases where a written statement has been filed as provided.

(D) If the Council determines that a nuisance does in fact exist, the owner or other person shall, within ten days after such Council determination, abate such nuisance.

(Prior Code, § 90.01) (Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008)

§ 90.47 ABATEMENT BY CITY.

(A) If, within the time allowed, the owner or person in charge of the property has not abated the nuisance, the Council may cause the nuisance to be abated.

(B) The officer charged with abatement of such nuisance shall have the right at reasonable times to enter into or upon property to investigate or cause the removal of a nuisance.

(C) The Authorized Representative shall keep an accurate record of the expense incurred by the city in abating the nuisance, and shall include therein a charge of 20% of the expense for administrative overhead.

(Prior Code, § 90.01) (Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008)

§ 90.48 ASSESSMENT OF COSTS.

(A) *Notice.* The Authorized Representative, by registered or certified mail, postage prepaid, shall forward to the owner or person in charge of the property a notice stating:

(1) The total cost of abatement including the administrative overhead;

(2) The cost as indicated will be assessed to, and become a lien against, the property unless paid 30 days from the date of the notice; and

(3) If the owner or person in charge of the property objects to the cost of the abatement as indicated, the objector may file a notice of objection with the Authorized Representative not more than ten days from the date of the notice.

(B) *Objections to assessment.* Upon the expiration of ten days after the date of the notice, the Council in the regular course of business shall hear and determine the objections to the costs to be assessed.

(C) *City liens.* If the costs of the abatement are not paid within 30 days from the date of the notice, an assessment of the costs, as stated or as determined by Council, shall be made by resolution and shall thereupon be entered in the docket of city liens and, upon such entry being made, shall constitute a lien upon the property from that the nuisance was removed or abated.

(D) *Lien enforcement.* The lien shall be enforced in the same manner as liens for street improvements are enforced, and shall bear interest at the rate allowed by law, or such lesser rate as the City Council may from time to time provide. Such interest shall commence to run from date of entry of the lien in the lien docket.

(E) *Assessment error.* An error in the name of the owner of the property as listed with the County Assessor's office and the city's Utility Department, shall not void the assessment, nor will a failure to receive the notice of the proposed assessment render the assessment void, but it shall remain a valid lien against the property.

(F) *Recovery of public costs for on-site assessment and clean up of property declared public health nuisance.*

Page 148

(1) If, after service of notice of the declaration of public health nuisance, the property owner fails to arrange appropriate assessment and clean up, the Authorized Representative is authorized to

proceed in a prompt manner to initiate the on-site assessment and clean up.

(2) If the city is unable to locate the property owner within ten days of the declaration of public health nuisance, the city is authorized to proceed in a prompt manner to initiate the on-site assessment and clean up.

(3) The city may abate the nuisance by removing the hazardous structure or building, or otherwise, according to O.R.S. Chapter 105.

(4) If the city abates the public health nuisance, in addition to any other legal remedy, the city shall be entitled to recover all costs plus an additional 25% of the costs for administration. The city may recover costs by civil action against the person or persons who own the property.

(Prior Code, § 90.01) (Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008)

§ 90.49 SUMMARY ABATEMENT.

(A) *General.* The procedures provided by this subchapter is not exclusive but is in addition to procedure provided by other ordinances. The Authorized Representative or such other persons as the City Council may designate, may proceed to abate a health or other nuisance that unmistakably exists and from that there is imminent threat or danger to human life or property.

(B) *Cost.* The cost of such summary abatement shall be assessed against the owner of the real property on that the nuisance exists shall be a lien against the real property and may be enforced and collected by the same procedures set forth in this subchapter for abatement.

(C) *Abatement notice of imminent threat.*

(1) Upon determination by the City Council that a nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city, as described in this or any other chapter of the city, exists, the Authorized Representative, or his or her designated representative, shall forthwith issue a citation to the property owner who, in the opinion of the Authorized Representative, are determined to be in violation of this chapter.

(2) At the time of issuing a citation as set forth above, the Authorized Representative shall contact the Mayor, and in his or her absence, the Council President, and discuss the issuance of any citation issued by the Authorized Agent, or the Council's designated representative, under this subchapter.

(3) The citation of nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city shall contain:

(a) Reference to the section of this chapter being violated and a description of the imminent threat;

(b) A description of the location upon that the violation occurred that may be a street address, a street name between intersecting streets, an approximate distance from a known point of reference, or otherwise, at or on that such imminent threat to the public health, safety, or property of the residents of the city exists;

(c) The month, day, year, and time of day of the citation;

(d) A direction to remove the imminent threat to the public health, safety, or property of the residents of the city within two hours from the time of issuance of the citation;

(e) A statement that unless such imminent threat to the public health, safety, or property of the residents of the city is removed within two hours after citation, the city will abate the nuisance and cost of abatement shall be a lien against the property;

(f) A statement that the person or person in charge may protest the citation and action by giving notice to the Authorized Representative within two hours from the time of citation; and

(g) An error in the name or address of the property owner, as listed with the County Assessor's office and the City Utility Department, shall not make the citation void, and in such a case, the citation shall be deemed sufficient.

(D) *Abatement by the owner of imminent threat.*

(1) Within two hours after citation, as provided in § 90.45(B), the property owner, as listed with the County Assessor's office and the City Utility Department, shall remove and abate the nuisance or protest that no nuisance exists.

(2) The property owner violating this chapter shall file with the Authorized Representative a written statement that shall specify the basis for contending that no nuisance exists.

(3) The statement shall be referred to the Authorized Representative during the first regular business day after receipt by the Authorized Representative, and the Authorized Representative shall advise the Mayor of such statement.

(4) (a) The Mayor shall refer the statement to the Council at a special Council meeting to be posted and held within three regular business days of filing of the statement with the Authorized Representative.

(b) At the time set for the consideration of the abatement, such person or person in charge may appear and be heard by the Council, and the Council shall, based upon the evidence presented, thereupon confirm whether a nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city in fact exists, and such confirmation shall be entered in the official minutes of the Council.

(5) Upon Council confirmation that a nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city in fact exist, the person or person in charge violating this chapter shall, within two hours after such Council confirmation or two hours after daylight of the next succeeding day, that ever is later, shall remove or abate such nuisance.

(E) *Abatement by the city of imminent threat.*

(1) If within the time fixed, as provided in this chapter, the property owner has not abated the nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city, the City Council shall cause the imminent threat, to be abated.

(2) The Authorized Representative shall maintain an accurate record of the expense incurred by the city in abating the imminent threat and shall include therein an overhead charge of 15% of the total cost for administration.

(3) The total cost, including the administrative overhead, shall thereupon be assessed to property of the person or person in charge as they may own in the city, whether or not said property shall be in the location of the violation of this chapter or not, in accordance with procedures set forth in § 90.48.

(4) If the person or person in charge does not own property in the city, the city shall file a civil action or suit to enforce the collection of the total cost, including the administrative overhead, as set forth in the resolution described in this section, in the appropriate court within the county.

(Prior Code, § 90.01) (Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008)

§ 90.99 PENALTY.

(A) (1) Each day's violation of a provision of this chapter constitutes a separate offense.

(2) The abatement of a nuisance is not a penalty for violating this chapter but is an additional remedy. The imposition of a penalty does not relieve a person of the duty to abate a nuisance.

(B) Violation of §§ 90.01 through 90.12 shall be punishable upon conviction by a fine not to exceed \$500 for a non-continuing violation and a fine of not more than \$1,000 for a continuing offense. Upon the Municipal Court Judge's judgment, "final judgment," or the issuance of a "default judgment" for failure to request a hearing regarding an ordinance violation, additional fines may be assessed at a rate not to exceed \$1,000 per day for each day an ordinance violation continues. Documentation of a continuing violation may consist of photographic and supplemental reports. The Municipal Court Judge shall have discretion to revise upward or downward to fines based on such factors as noncompliance, partial compliance, or acceptance of a court ordered compliance agreement. A continuing offense and subsequent proposed fine "notice of intent to assess a penalty and opportunity for a hearing" may also result from failure to comply with a city ordinance following the receipt of an official warning letter.

(1) The penalties imposed by this division (B) are not exclusive, and are in addition to any other remedies available under city ordinance or state statute.

(2) The abatement of a nuisance in accordance with the procedure set forth in § 90.46 within ten days after being cited for violation of this chapter, as set forth in § 90.45, shall not constitute a penalty for a violation of this chapter, but may, based upon the determination by the court of jurisdiction, be in addition to any penalty imposed for the violation of the chapter.

(3) The abatement of a nuisance resulting in an imminent threat to the public health, safety, or property of the residents of the city in accordance with the procedure set forth in § 90.01(C) within two hours after being cited for violation of this chapter, as set forth in § 90.01(B), shall not constitute a penalty for a violation of this chapter, but may, based upon the determination by the court of jurisdiction, be in addition to any penalty imposed for the violation of the chapter.

(4) A "notice of intent to assess a penalty and opportunity for a hearing" may be issued to violators of city ordinance in lieu of a citation. Violators/respondents will be given 21 days in which to request a hearing. The Municipal Court will hear all cases in a timely manner. A "final judgment" will be issued detailing the court's ruling and will be mailed to the violator/respondent. Should the violator/respondent fail to request a hearing within 21 days, a "final judgment" will be issued as a "default final judgment."

(5) All penalties/fines resulting from a "final judgment" or a "default final judgment" will be due and payable to the city, together with interest at 9% per annum.

(6) (a) In accordance with O.R.S. 221.359, whenever any person is convicted in the Municipal Court of any offense defined and made punishable by any city charter or ordinance, such person shall have the same right to appeal to the circuit court as pertains to justice courts.

(b) The appeal shall be taken and perfected in the manner provided by law for taking appeals from justice courts, except that in appeals taken under O.R.S. 221.359, 221.360, 221.380, and 221.390.

(c) Any notice of appeal shall be served upon the City Attorney (all appeals shall be filed within 30 days of the issuance of a "final judgment" or "default final judgment").

(7) If unpaid, civil penalties will be recorded by the City Recorder in the municipal lien docket and filed with the County Clerk's office as a lien against property ten days after the statutory period.

(8) All liens shall be enforced in the same manner as liens for street improvements.

(9) An error in the name of the owner or person in charge of the property shall not void the assessment, nor will a failure to receive the notice of the proposed assessment render the assessment void, but it shall remain a valid lien against the property.

(Prior Code, § 90.01)

(C) Any person who violates any of the provisions of § 90.13 shall, upon conviction, be punished by a fine not to exceed \$100.

(Prior Code, § 93.99)

(D) (1) A violation of any provision of §§ 90.25 through 90.30 is a Class A infraction, punishable upon conviction by a fine of not more than \$500. Each and every day during that any provision of §§ 90.25 through 90.30 is violated shall constitute a separate offense.

(2) All subsequent violations of this chapter within 30 days after any conviction for a violation of §§ 90.25 through 90.30 is a Class A infraction, punishable upon conviction by a fine of not more than \$1,000. Each and every day during that any provision of §§ 90.25 through 90.30 is violated shall constitute a separate offense.

(3) The City Council, acting in the name of the city, may maintain an action or proceeding in a court of competent jurisdiction to compel compliance with, or restrain by injunction the violation of, any provision of §§ 90.25 through 90.30.

(Ord. 285, passed 11-5-1962; Ord. 06-512, passed 7-5-2006; Ord. 07-516, passed 7-2-2007; Ord. 08-519, passed 5-12-2008; Ord. 556-2019, passed 2-14-2019)

DANGEROUS BUILDINGS

90.35 Definition of Dangerous Building

The term “dangerous building” as used in this section, shall mean any of the following:

1. Any building or structure that is structurally unsafe or not provided with adequate egress, or that constitutes a fire hazard, or is otherwise dangerous to human life;
2. Any building or structure constituting a hazard to safety, health, or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage, or abandonment;
3. Parapet walls, cornices, spires, towers, tanks, statuary and other appendages or structural members that are supported by, attached to, or a part of a building and which are in deteriorated condition or otherwise unable to sustain the design loads which are specified by the pertinent code.
4. Whenever any door, aisle, passageway, stairway, or other means of exit is not of sufficient width or size or is not so arranged as to provide safe and adequate means of exit in case of fire or panic.
5. Whenever the walking surface of any aisle, passageway, stairway, or other means of exit is so warped, worn, loose, torn or otherwise unsafe as to not provide safe and adequate means of exit in case of fire or panic.
6. Whenever the stress in any materials, member, or portion thereof, due to all dead and live loads, is more than one- and one-half times the working stress or stresses allowed in the Building Code for new buildings of similar structure, purpose, or location.
7. Whenever any portion thereof has been damaged by fire, earthquake, wind, flood or by any other cause, to such an extent that the structural strength or stability thereof is materially less than it was before such catastrophe and is less than the minimum requirements of the Building Code for new buildings of similar structure, purpose, or location.
8. Whenever any portion or member or appurtenance thereof is likely to fail, or to become detached or dislodged, or to collapse and thereby injure persons or damage property.
9. Whenever any portion of a building, or any member, appurtenance or ornamentation on the exterior thereof is not of sufficient strength or stability, or is not so anchored, attached or fastened in place so as to be capable of resisting a wind pressure of one half of that specified in the Building Code for new buildings of similar structure, purpose or location without exceeding the working stresses permitted in the Building Code for such buildings.
10. Whenever any portion thereof has wracked, warped, buckled, or settled to such an extent that walls or other structural portions have materially less resistance to winds or earthquakes than is required in the case of similar new construction.
11. Whenever the building or structure, or any portion thereof, because of (i) dilapidation, deterioration, or decay; (ii) faulty construction; (iii) the removal, movement, or instability of any portion of the ground necessary for the purpose of supporting such building; (iv) the deterioration, decay, or inadequacy of its foundation; or (v) any other cause, is likely to partially or completely collapse.
12. Whenever, for any reason, the building or structure, or any portion thereof, is manifestly unsafe for the purpose for which it is being used.
13. Whenever the exterior walls or other vertical structural members list, lean or buckle to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one third of the base.

Exhibit A to Ordinance #561-2023

14. Whenever the building or structure, exclusive of the foundation, shows 33 percent or more damage or deterioration of its supporting member or members, or 50 percent damage or deterioration of its non-supporting members, enclosing or outside walls or coverings.
15. Whenever the building or structure has been so damaged by fire, wind, earthquake, or flood, or has become so dilapidated or deteriorated as to become (i) an attractive nuisance to children; (ii) a harbor for vagrants, criminals, or immoral persons; or as to (iii) enable persons to resort thereto for the purpose of committing unlawful or immoral acts.
16. Whenever any building or structure has been constructed, exists, or is maintained in violation of any specific requirement or prohibition applicable to such building or structure provided by the building regulations of this jurisdiction, as specified in the Building Code or Housing Code, or of any law or ordinance of this state or jurisdiction relating to the condition, location, or structure of buildings.
17. Whenever any building or structure which, whether or not erected in accordance with all applicable laws and ordinances, has in any non-supporting part, member or portion less than 50 percent, or in any supporting part, member or portion less than 66 percent of the (i) strength, (ii) fire-resisting qualities or characteristics, or (iii) weather-resisting qualities or characteristics required by law in the case of a newly constructed building of like area, height and occupancy in the same location.
18. Whenever a building or structure, used or intended to be used for dwelling purposes, because of inadequate maintenance, dilapidation, decay, damage, faulty construction or arrangement, inadequate light, air or sanitation facilities, or otherwise is determined by the health officer to be unsanitary, unfit for human habitation or in such a condition that is likely to cause sickness or disease.
19. Whenever any building or structure, because of obsolescence, dilapidated condition, deterioration, damage, inadequate exits, lack of sufficient fire-resistive construction, faulty electric wiring, gas connections or heating apparatus, or other cause, is determined by the Fire Marshal or Building Official to be a fire hazard.
20. Whenever any building or structure is in such a condition as to constitute a public nuisance known to the common law or inequity jurisprudence.
21. Whenever any portion of a building or structure remains on a site after the demolition or destruction of the building or structure or whenever any building or structure is abandoned for a period in excess of six months so as to constitute such building or portion thereof an attractive nuisance or hazard to the public.

90.36 Dangerous Buildings Declared a Nuisance

Every building found by the council to be a dangerous building is declared to be a public nuisance and may be abated by the procedures specified in sections 90.45 to 90.99 or by a suit for abatement brought by the city.

Exhibit E

Tracy's Post

Falls City
Tracy Young · January 9 at 9:59 AM · 🌐

I was at council last night had my say but i see that it didn't help one bit the mayor and amy made Dayton st hse the first house to be on dangerous buildings ordinance probably because they live across the bridge from it so I see that the north side of town which I think has more dangerous buildings than Dayton st. Is gonna have to wait since they are only gonna declare one building a month because city staff can only do one a month they are short staffed. We also got 11,000... See more

👍👎 3 20 comments

👍 Like 💬 Comment 📧 Send

Top comments ▾

Laura Coe Schmuker
I don't know much about the other houses in town, aside from what I see when I drive by, but did they maybe choose the Dayton house because of the danger level? All the people that live there with no power or water. Do they think it's a higher risk then other properties in town?

3w Like Reply

Patrick Mckibben
Laura Coe Schmuker yeah the reason that there's no power here or no water is because the landlord will not fix the problem I've been living without water and power for a year I can afford it I could pay it every goddamn month you see but I have an absent landlord that will not fix his house so I have to fix everything just like I had to clean up the fire that wasn't my fault oh yeah but you guys don't ever say anything like that you just think in your mind that we can't afford shit and talk serious smack like I say you don't even have a clue of what goes on at 171 Dayton St.


Tracy Young Author +1
Patrick Mckibben dusty have you paid any rent since he cut off the utilities?

3w Like Reply

Patrick Mckibben
Well is he those movies all the time I will protect all of my shit in my property so yes go ahead and think of that I want to see you and talk bullshit that you don't know about

3w Like Reply

Exhibit E


 **Patrick Mckibben**
There's one big problem that I just heard city Council wants to give my place a nuisance and a dangerous place to live but it is a code what they're trying to do so you do have to have a code enforcement person come and check it out what they did was violate every rate I had and my landlords by trespassing on this property and do it their selves what does anybody think of that one you guys don't know what you're doing or or even talking about so that's all right we'll see what it's all done who gets what


3w Like Reply

AJ's Post ✕



someone's life.. I intentionally find a way to be a light in another person's life.. I know I don't have much to offer materialistically..so I just give the best of what I have to give.. my kindness..my time I'll spend when you're facing the darkness so that you don't have to be alone. I want to help shoulder your burdens.. if I can't.. I'll still have your back when you're not around. I want to be a part of your life because you simply matter to me cause you're you.

I just realized I have been writing as it flows from my heart.. feeling vulnerable. Mostly just hoping my attempts to speak life into another perspective in the truth from where I see it.. bleh.. just know you're not alone dusty and there's some awareness being exposed as public as they'll show how they go about representing the community process.. it's obvious that the position of authority that has the power to affect someone's quality of life essentially should seriously remember to approach the problem-solving process with the heart filtering the judgments.. I love this town and I love everybody here like my family and I feel like we should honor one another more on that scale first then we would like a criminal or some stranger we don't know. Anyway I'm done I hope someone takes me seriously someday LOL

1w Like Reply 

 **C Dawn Exline-Martin**
Thank you for your hard work and all that you do for our little town AJ, staff, and volunteers.

2w Like Reply


 **Patrick Mckibben**
OK I don't know where people are getting that 171 Dayton St. house structure is even burnt or damaged in anyway it's only the fucking siding on the side of the house they got chard took it off there's nothing wrong with the wood underneath you people need to get a clue and you're sitting here putting my name out when I didn't say nothing you better watch what you're doing might come back and bite you 

2w Like Reply

Exhibit E

AJ's Post

2w Like Reply

 **Krista Moore**
Another perspective to see this specific subject on blast as such.. I sympathize for **Patrick Mckibben** .. it's not easy being one of the last few strongholds that take in the strays when they have nowhere else to go. I honestly appreciate the fact that he's willing to be someone in the community who actually is to thank for all the homeless he's housed. Occasionally you'll see Riley at the church camped out from time to time.. as far as visual homelessness around here.. but that's pretty much it. If we didn't have someone around like Patrick I guarantee we'd see a lot more suffering on the streets and there would be a lot more complaining on another level. We should really remember to count our blessings and be grateful for one another. Some of us are on the front lines and dealing with things that others just can't handle and that's all right that's why we are here too 😊 in the end we all need to keep the family dynamic alive in this town that's one of the most special things about this place.

STAFF REPORT

TO: HONORABLE MAYOR, AND CITY COUNCIL
FROM: CITY RECORDER, JEREMY TEAL
SUBJECT: GARBAGE ORDINANCE
DATE: 2/05/2024

SUMMARY

This ordinance would enforce detouring people from entering, rummaging, throwing, or stealing items from the garbage receptacle.

BACKGROUND

Mr. Gilbert approached City Hall regarding an on-going issue with people rummaging, throwing, and stealing garbage out of the receptacles at the Fire Hall and the School District. This ordinance would allow Polk County Sheriffs to enforce the law and refrain people from bothering trash receptacles in Falls City.

FINANCIAL IMPLICATIONS

None.

STAFF RECOMMENDATION

Staff recommends the City Council to support the proposed Ordinance No. 565-2024

PROPOSED MOTION

Recommend a motion to support the proposed Ordinance No. 565-2024

EXHIBIT

A- ORDINANCE NO. 565-2024

ORDINANCE #565-2023

AN ORDINANCE ADOPTING A NEW HEALTH AND SANITATION AMENDMENT TO THE FALLS CITY
MUNICIPAL CODE CHAPTER 90: DISTURBANCE OF SOLID WASTE IN RECEPTACLES PROHIBITED

NOW THEREFORE THE CITY OF FALLS CITY ORDAINS AS FOLLOWS:

Section 14:

No person shall remove the lid from any solid waste receptacle OR remove, disturb, collect or scatter solid waste placed in such receptacle OR deposit solid waste into such receptacle, unless the person is authorized to do so by the generator.

READ FIRST TIME by the Council of the City of Falls City this 5th day of February, 2024.

AYES: NAYES: ABSTAIN: ABSENT:

READ SECOND TIME AND ADOPTED by the Council of the City of Falls City this 4th day of March, 2024.

AYES: NAYES: ABSTAIN: ABSENT:

TJ Bailey, Mayor

Jeremy Teal, City Recorder