

*Rainier Economic Development Council Minutes  
June 27, 2022  
Rainier City Hall  
106 West "B" Street  
Rainier, OR 97048*

**OPEN SUPPLEMENTAL BUDGET HEARING – ACCEPT PUBLIC COMMENT –  
CLOSE SUPPLEMENTAL BUDGET HEARING**

Board President Mike Kreger opened the public hearing at 5:38 p.m. City Administrator W. Scott Jorgensen explained that supplemental budgets are passed before the end of the fiscal year to reconcile projected spending with what was actually spent. Candis Forrest asked about a \$2,000 difference in operations. Jorgensen said that was due to the REDCO board wanting an audit instead of a review. Kreger closed the hearing at 5:44 p.m.

**Call Meeting to Order**

The meeting was called to order by Kreger at 5:44 p.m.

**1. Roll Call**

Board Present: Connie Budge, Scott Cooper, Robert duPlessis, Jeremy Howell and Mike Kreger

Board Absent: Levi Richardson and Denise Watson

**3. Agenda**

**a. Approve June 6, 2022 Meeting Minutes**

Scott Cooper moved to approve the minutes. That motion was seconded by Robert duPlessis and adopted unanimously.

**b. Approve Resolution #106, Adopting Supplemental Budget for Fiscal Year 2021-22**

Cooper moved to approve the resolution. That motion was seconded by Jeremy Howell and adopted unanimously, with Connie Budge abstaining.

**4. Adjourn Meeting**

Kreger adjourned the meeting at 5:52p.m.

\_\_\_\_\_  
Mike Kreger, President

Date \_\_\_\_\_

\_\_\_\_\_  
Robert duPlessis, Secretary

Date \_\_\_\_\_

**RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF  
RAINIER, OREGON  
(A Component Unit of the City of Rainier)**

**COLUMBIA COUNTY, OREGON**

**COUNCIL LETTER**

**FOR THE YEAR ENDED JUNE 30, 2021**



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



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

June 7, 2022

To the City Council of City of Rainier  
Rainier Economic Development Council  
Columbia County, Oregon

We have audited the modified cash basis basic financial statements of the governmental activities and each major fund of the Rainier Economic Development Council (the Council), a component unit of the City of Rainier, for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

### **Purpose of the Audit**

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

- The modified cash basis of accounting and generally accepted auditing standards
- the Oregon Municipal Audit Law and the related administrative rules

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

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the modified cash basis basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with the modified cash basis of accounting. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

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

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

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

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

### **Results of Audit**

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

### **Significant Audit Findings**

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2021. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the modified cash basis basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the modified cash basis basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the financial statements are the Fair Value of the Investments and value of receivables, which are based on active market values and collectability of receivables, respectively. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the modified cash basis basic financial statements taken as a whole.

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

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial.

#### *Disagreements with Management*

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

*Management Representations*

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

*Management Consultations with Other Independent Accountants*

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

*Other Audit Findings or Issues*

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

*Supplementary Information*

We were engaged to report on the supplementary information, which accompany the modified cash basis basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the modified cash basis basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the modified cash basis basic financial statements or to the modified cash basis basic financial statements themselves.

We do not express an opinion or provide any assurance on the Management Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on it.

*Other Information*

The listing of council members containing their term expiration dates, located before the table of contents, has not been subject to the auditing procedures applied in the audit of the modified cash basis basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

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

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

**GASB 87 – LEASES**

This Statement is effective for fiscal years beginning after June 15, 2021, as extended by GASB 95. The primary objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

**GASB 89 – ACCOUNTING FOR INTEREST COST INCURRED BEFORE THE END OF A CONSTRUCTION PERIOD**

This Statement is effective for fiscal years beginning after December 15, 2020, as extended by GASB 95. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 2009 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

**GASB 91 – CONDUIT DEBT OBLIGATIONS**

This Statement is effective for fiscal years beginning after December 15, 2021, as extended by GASB 95. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

**Best Practices – Not Significant Deficiencies**

1. Governing Body Monitoring

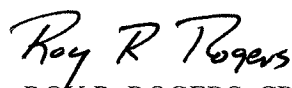
An integral part of internal controls is the monitoring of financial activities by those charged with the governance (the City Council). This can be accomplished by asking specifically designed questions to senior staff, by reviewing financial statements and projections and by comparing financial results to pre-established benchmarks. While the City Council participates in the budget adoption process and receives staff prepared financial statements, these only partially fulfill the monitoring function.

We recommend that the City Council articulate their monitoring practices and record in the minutes when those activities occur.

2. Fidelity Insurance

In reviewing fidelity (employee honesty) insurance coverage, we found that the City carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Council examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.

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

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

**RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF  
RAINIER, OREGON**  
(A Component Unit of the City of Rainier)

**COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2021**



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



RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

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FINANCIAL REPORT

For the Year Ended June 30, 2021

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

GOVERNING BODY UNDER ORS 457

<u>COUNCIL MEMBERS AS OF JUNE 30, 2021</u>	<u>TERM EXPIRES</u>
Mike Kreger, President	December 31, 2024
Brenda Tschida, Council	December 31, 2022
Jenna Weaver, Council	December 31, 2024
Scott Cooper, Council	December 31, 2022
Robert DuPlessis, Secretary/ Treasurer	December 31, 2022
Connie Budge, Council	December 31, 2022
Levi Richardson, Council	December 31, 2024

Council Members receive mail at the address listed below.

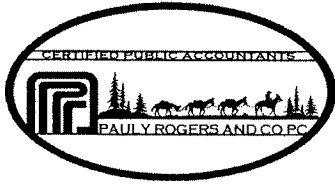
COUNCIL ADDRESS  
W. Scott Jorgenson, City Administrator/Finance Director/Recorder  
P.O. BOX 100  
RAINIER, OR 97048

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
(A Component Unit of the City of Rainier)

COLUMBIA COUNTY, OREGON

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www.paulyrogersandcocpas.com

June 7, 2022

To the Board of Directors  
Rainier Economic Development Council  
Rainier, Oregon

### INDEPENDENT AUDITORS' REPORT

#### **Report on the Financial Statements**

We have audited the accompanying modified cash basis basic financial statements of the governmental activities and each major fund of Rainier Economic Development Council (the Council), a component unit of the City of Rainier, as of and for the year ended June 30, 2021, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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

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

#### **Accountant's Responsibility**

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

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

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

## **Opinions**

In our opinion, the modified cash basis basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Rainier Economic Development Council (the Council) as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with the basis of accounting described in Note 1.

## **Emphasis of Matter**

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

## **Other Matters**

### *Supplementary Information*

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

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

We do not express an opinion or provide any assurance on the Management Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on it.

### *Other Information*

The listing of council members containing their term expiration dates, located before the table of contents, has not been subjected to the auditing procedures applied in the audit of the modified cash basis basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

## Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated June 7, 2022, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, slightly slanted style.

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

**RAINIER ECONOMIC DEVELOPMENT REDCO  
RAINIER, OREGON  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

This section of the Rainier Economic Development (REDCO's) annual financial report presents our discussion and analysis of the REDCO's financial performance during the fiscal year ended June 30, 2021. Please read it in conjunction with the REDCO's financial statements and notes, which follow this section.

**FINANCIAL HIGHLIGHTS**

- REDCO's total net position was \$670,064 at June 30, 2021.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Management has determined that the modified cash basis of accounting is appropriate for REDCO due to its lack of complexity and the necessity to account for, and plan for, the cash needed to operate REDCO.

This annual report consists of three parts: *management's discussion and analysis* (this section), the *basic financial statements, and supplementary information*. The basic financial statements include two kinds of statements that present different views of REDCO:

- The first two statements are *government-wide financial statements* that provide information about REDCO's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of REDCO, reporting the operations in more detail than the government-wide statements. *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *supplementary information* that further explains and supports the information in the financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Government-wide Statements**

REDCO only provides "governmental activities" as defined in GASB 34, and has no substantial business-type activities. REDCO has only two funds, and each are considered to be major funds under the provisions of GASB 34.

**Fund Financial Statements**

The fund financial statements provide more detailed information about REDCO's most significant *funds* – not REDCO as a whole. Funds are accounting devices that REDCO uses to keep track of specific sources of funding and spending for particular purposes.

REDCO's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the REDCO's programs. Because this information does not encompass the additional long-term focus on the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.

## **FINANCIAL ANALYSIS OF THE REDCO AS A WHOLE**

### **GOVERNMENT-WIDE CASH BALANCES**

	2020	2021	% Change
<b>ASSETS:</b>			
Cash and Investments	\$ 976,172	\$ 670,064	-31%
Taxes Receivable	14,896	13,333	-10%
Total Assets	991,068	683,397	-31%
<b>LIABILITIES</b>			
Deferred Tax Revenues	14,896	13,333	-10%
Total Liabilities	14,896	13,333	-10%
<b>NET POSITION</b>			
Restricted for Debt Services	165,918	177,745	7%
Unrestricted	810,254	492,319	-39%
Total Net Position	976,172	670,064	-31%

### **CHANGES IN CASH-BASIS NET POSITION**

	2020	2021	% Change
<b>REVENUES:</b>			
General Revenues:			
Property Taxes	280,842	286,827	2%
Interest/Misc	23,214	7,776	-66%
Total Revenues	304,056	294,603	-3%
<b>EXPENSES:</b>			
Materials, Supplies & Projects	12,579	13,211	5%
Debt Service	275,000	275,000	0%
Capital Projects	26,485	312,500	1080%
Total Expenses	314,064	600,711	91%
Change in Net Position	(10,008)	(306,108)	-2959%
Beginning Net Position	986,180	976,172	-1%
Ending Net Position	976,172	670,064	-31%

REDCO's main sources of revenue is property taxes. REDCO's main disbursements are debt service, capital projects and REDCO operations.



## **FINANCIAL ANALYSIS OF THE REDCO'S FUNDS**

Governmental fund balances totaled \$976,172 at June 30, 2021. A summary of changes in governmental fund balances follows:

	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>Change</u>
General Fund	\$ 810,254	\$ 492,319	\$ (317,935)
Debt Service Fund	<u>165,918</u>	<u>177,745</u>	<u>11,827</u>
Total	<u>\$ 976,172</u>	<u>\$ 670,064</u>	<u>\$ (306,108)</u>

## **CAPITAL ASSETS**

REDCO does not maintain any fixed assets on its books. Capital assets are the property of the City of Rainier when projects are completed.

## **LONG TERM DEBT**

At June 30, 2021, REDCO had \$2,063,224 in outstanding debt payable. More detailed information about REDCO's long term debt is presented in the notes to the financial statements.

## **CONTACTING THE REDCO'S FINANCIAL MANAGEMENT**

Our financial report is designed to provide our taxpayers, ratepayers, investors and creditors with an overview of REDCO's finances. If you have any questions about this report or need any clarification of information please contact Scott Jorgensen, City Administrator at the Rainier Economic Development Council (REDCO). Our Address is: PO Box 100, Rainier, Oregon, 97048.

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
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COLUMBIA COUNTY, OREGON

COMPONENT UNIT BASIC FINANCIAL STATEMENTS

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
(A Component Unit of the City of Rainier)  
COLUMBIA COUNTY, OREGON

Statement of Net Position (Modified Cash Basis)  
June 30, 2021

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ASSETS:	
Cash and Investments	\$ 670,064
Taxes receivable	<u>13,333</u>
Total Assets	<u>683,397</u>
LIABILITIES:	
Unearned Tax Revenue	<u>13,333</u>
Total Liabilities	<u>13,333</u>
NET POSITION:	
Restricted for Debt Service	177,745
Unrestricted	<u>492,319</u>
Total Net Position	<u><u>\$ 670,064</u></u>

See accompanying notes to basic financial statements.

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
 THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
 (A Component Unit of the City of Rainier)  
 COLUMBIA COUNTY, OREGON

Statement of Activities - Modified Cash Basis  
 For the Year Ended June 30, 2021

FUNCTIONS	DISBURSEMENTS	PROGRAM RECEIPTS		NET (DISBURSEMENTS) RECEIPTS AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Materials and Services	\$ 13,211	\$ -	\$ -	\$ (13,211)
Capital Projects	312,500	-	-	(312,500)
Debt Service	275,000	-	-	(275,000)
Total Governmental Activities	<u>\$ 600,711</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(600,711)</u>
General Receipts:				
Taxes				286,827
Income Not Restricted to Specific Programs:				
Interest and Investment Earnings				5,908
Miscellaneous				1,868
Total General Receipts				<u>294,603</u>
Changes in Net Position				(306,108)
Net Position - Beginning				<u>976,172</u>
Net Position - Ending				<u>\$ 670,064</u>

See accompanying notes to basic financial statements.

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
 THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
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BALANCE SHEET- GOVERNMENTAL FUNDS- MODIFIED CASH BASIS

June 30, 2021

	GOVERNMENTAL FUND TYPES		
	GENERAL FUND	DEBT SERVICE FUND	TOTAL
ASSETS:			
Cash and Investments	\$ 492,319	\$ 177,745	\$ 670,064
Taxes Receivable	-	13,333	13,333
Total Assets	\$ 492,319	\$ 191,078	\$ 683,397
LIABILITIES AND FUND BALANCES:			
Liabilities:			
Unearned Tax Revenue	\$ -	\$ 13,333	\$ 13,333
Total Liabilities	-	13,333	13,333
Fund Balances:			
Restricted for Debt Service	-	177,745	177,745
Unassigned	492,319	-	492,319
Total	492,319	177,745	670,064
Total Liabilities and Fund Balances	\$ 492,319	\$ 191,078	\$ 683,397

See accompanying notes to basic financial statements.

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
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 (A Component Unit of the City of Rainier)  
 COLUMBIA COUNTY, OREGON

STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES- MODIFIED CASH BASIS

For the Year Ended June 30, 2021

	GENERAL FUND	DEBT SERVICE FUND	TOTAL
RECEIPTS:			
County Taxes	\$ -	\$ 286,827	\$ 286,827
Interest	5,908	-	5,908
Other Income	1,868	-	1,868
Total Receipts	7,776	286,827	294,603
DISBURSEMENTS:			
Material and Services	13,211	-	13,211
Capital Outlay	312,500	-	312,500
Debt Service	-	275,000	275,000
Total Disbursements	325,711	275,000	600,711
Net Change in Fund Balance	(317,935)	11,827	(306,108)
Beginning Fund Balance	810,254	165,918	976,172
Ending Fund Balance	\$ 492,319	\$ 177,745	\$ 670,064

See accompanying notes to basic financial statements.

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
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Notes to Component Unit Basic Financial Statements

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

On April 19, 1993, the City of Rainier's City Council adopted ordinance No. 944 establishing the Rainier Economic Development Council – Urban Renewal Agency of the City of Rainier, Oregon (REDCO). Provisions of ordinance No. 944 require the Mayor, subject to approval of the City Council, to appoint seven people to the governing board of REDCO. The seven people serve at the pleasure of the City Council and may be removed at any time by a majority vote of the City Council. REDCO was formed as a municipal corporation pursuant to ORS 457 to have urban renewal authority under Oregon law. The Council is planning the economic development program that focuses on the Rainier Waterfront.

REDCO is a component unit of the City of Rainier because the Rainier City Council exercises oversight authority as demonstrated by the designation of Council Members and economic dependency. Generally accepted accounting principles require that these basic financial statements present the Council and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement No. 61, are separate organizations that are included in the Council's reporting because of the significance of their operational or financial relationships with the Council. All significant activities and organizations with which the Council exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The government-wide basic financial statements report information irrespective of fund activity, and the fund financial statements report information using funds. In total, the results presented using both of these methods are the same due to the use of the modified cash basis of accounting. Accordingly, there is no need for reconciling statements, except that any interfund transfers between the General and Debt Service funds are eliminated in the government wide statement of cash receipts and disbursements activities.

General receipts are property and related taxes and interest. All disbursements are categorized as program disbursements.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.



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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. BASIS OF PRESENTATION (CONTINUED)

Financial operations are accounted for in the following governmental funds:

GENERAL FUND

This fund accounts for the general operations. It is used to account for all transactions not specifically related to other funds. Disbursements are made to finance planning and economic development.

DEBT SERVICE FUND

This fund is primarily reserved for the payment of debt. Its primary source of revenue is Urban Renewal Tax collection and transfers from the General Fund.

Each of the two funds is considered a "major fund" in accordance with GASB 34.

C. BASIS OF ACCOUNTING

The governmental funds are maintained using the modified cash basis of accounting whereby receipts are recognized when collected rather than when measurable and available, and disbursements are recognized when paid rather than when incurred. For disclosure purposes only, taxes receivable and an offset to unearned tax revenue are disclosed on the Statement of Net Position. Governmental funds include the general fund and debt service fund. Governmental funds are accounted for on a spending measurement focus. Governmental fund operating statements present increases (receipts and other financing sources) and decreases (disbursements and other financing uses) in cash.

The above basis of accounting is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America, which requires the modified accrual basis for governmental fund types and accrual for government-wide statements.

D. BUDGETS

A budget is prepared for each governmental fund type in accordance with the cash basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in early spring with a public hearing being held approximately three weeks later. The Council may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30.

The expenditure budgets are appropriated at the following levels:

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. BUDGETS (CONTINUED)

LEVEL OF CONTROL

Materials and Services  
Debt Service  
Capital Outlay  
Operating Contingency  
Transfers

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

Budget amounts shown in the basic financial statements reflect the original budget amounts.

Expenditures in all funds were within authorized appropriations for the year ended June 30, 2021.

E. FUND BALANCE

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

Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items, if they exist.

Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).

Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.

Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balance as Assigned is granted to the City Manager and Mayor.

Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. FUND BALANCE (CONTINUED)

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

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

F. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Operating interfund transactions are reported as transfers. Interfund transactions are eliminated in the government wide basic financial statements.

G. PROPERTY TAXES

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens so there is no allowance for uncollectible amounts.

H. CAPITAL ASSETS

Capital assets are owned and maintained by the City of Rainier and accordingly, are not included in these basic financial statements.

I. ESTIMATES

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Accordingly, actual results could differ from those estimates.

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. NET POSITION

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

Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Since capital assets are owned by the City and are not shown in the statement of net position there is no investment in capital assets recorded.

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

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

K. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

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

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

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

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

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

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per the bank statements is \$8,924. The entire amount of these deposits is covered by federal deposit insurance. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. At June 30, 2021 all depository accounts were held at approved depositories identified by the Treasury.

INVESTMENTS

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

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

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

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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2. CASH AND INVESTMENTS (CONTINUED)

Cash and investments at June 30, 2021 (recorded at fair value) consisted of:

Cash and Investments at June 30, 2021  
 (recorded at fair value) consisted of:

	2021
Deposits With Financial Institutions:	
Demand Deposits	\$ 8,924
State of Oregon Treasurer's Local Government Investment Pool	661,140
	\$ 670,064

There are the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
State Treasurer's Investment Pool	\$ 661,140	\$ 661,140	\$ -	\$ -
Total	\$ 661,140	\$ 661,140	\$ -	\$ -

Interest Rate Risk - Investments

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

Credit Risk – Investments

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

Concentration of Credit Risk - Investments

At June 30, 2021, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in the Local Government Investment Pool. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2021, investments appear to be in compliance with all percentage restrictions.

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

3. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; errors and omissions; and natural disasters. The Council is covered by the City of Rainier's commercial insurance to minimize its exposure to these risks. Settled claims for the last three fiscal years have not exceeded this commercial coverage.

4. OPERATIONS

During 2020-21 the operations were handled by council members and consultants. Council members are responsible for adopting the budget and performing management functions. Consultants provide services necessary for implementing the improvements authorized by management.

5. PROPERTY TAX LIMITATIONS

The State of Oregon voters imposed a constitutional limit on property taxes for schools and nonschool government operations. The limitation provides that property taxes for nonschool operations are limited to \$10 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt.

The State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction was accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

6. LONG-TERM DEBT

A promissory note was entered into during 1999-2000 for a principal amount not to exceed \$3,410,000. The payments are due on December 1 and June 1 beginning December 1, 2006. The note payable below is a loan from the United States Gypsum Company (USGC). The applicable interest rate on the loan is 6% per annum.

During the FY 2008-09, litigation was entered into against USGC regarding the interpretation of the note's payment terms. A settlement of \$4,750,000 was reached in FY 2011-12 with an immediate payment of \$1,000,000 and the below updated payment schedule. Since the council uses the modified cash basis of accounting debt is not shown in the basic financial statements.

Total long-term liability activity for the year ended June 30, 2021 was as follows:

	<u>Balance</u> <u>7/1/2020</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
Notes Payable	\$ 2,270,120	\$ -	\$ 206,896	\$ 2,063,224	\$ 213,103
Total Long-term Liabilities	<u>\$ 2,270,120</u>	<u>\$ -</u>	<u>\$ 206,896</u>	<u>\$ 2,063,224</u>	<u>\$ 213,103</u>

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NOTES TO COMPONENT UNIT BASIC FINANCIAL STATEMENTS

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6. LONG-TERM DEBT (CONTINUED)

Future payments are due as follows:

<u>Payments Due</u>	<u>Prinicpal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 213,103	\$ 61,897	\$ 275,000
2023	219,496	55,504	275,000
2024	226,081	48,919	275,000
2025	232,864	42,136	275,000
2026	239,850	35,150	275,000
2027-2030	<u>931,830</u>	<u>66,456</u>	<u>998,286</u>
	<u>\$ 2,063,224</u>	<u>\$ 310,062</u>	<u>\$ 2,373,286</u>

7. PAYROLL

There are no employees. Services are performed by contracted labor through consultants.

8. TAX ABATEMENTS

As of June 30, 2021, the Rainier Economic Development Council had tax abatements through one state wide program: Enterprise Zone.

Enterprise Zone (ORS 285C.175):

The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2021, the Rainier Economic Development Council had abated property taxes totaling \$7,131 under this program.

9. COMMITMENTS AND CONTINGENCIES

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the impact of the reduction of economic activity is not determinable.



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Supplementary Information

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
 THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
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SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
 GENERAL FUND -ACTUAL AND BUDGET  
 For the Year Ended June 30, 2021

	<u>GENERAL FUND</u>			VARIANCE FAVORABLE (UNFAVORABLE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
RECEIPTS				
Interest	\$ 2,000	\$ 2,000	\$ 5,908	\$ 3,908
Miscellaneous	-	-	1,868	1,868
Total Receipts	<u>2,000</u>	<u>2,000</u>	<u>7,776</u>	<u>5,776</u>
DISBURSEMENTS				
Materials and Services	14,500	14,500 (1)	13,211	1,289
Capital Outlay	679,500	679,500 (1)	312,500	367,000
Contingency	129	129 (1)	-	129
Total Disbursements	<u>694,129</u>	<u>694,129</u>	<u>325,711</u>	<u>368,418</u>
Net Change in Fund Balance	(692,129)	(692,129)	(317,935)	374,194
Beginning Fund Balance	<u>692,129</u>	<u>692,129</u>	<u>810,254</u>	<u>118,125</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 492,319</u>	<u>\$ 492,319</u>

(1) Appropriation Level

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
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SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN CASH BALANCES  
 -ACTUAL AND BUDGET-  
 For the Year Ended June 30, 2021

	<u>DEBT SERVICE FUND</u>			VARIANCE
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>FAVORABLE (UNFAVORABLE)</u>
RECEIPTS:				
County Taxes	\$ 275,000	\$ 275,000	\$ 286,827	\$ 11,827
Total Receipts	<u>275,000</u>	<u>275,000</u>	<u>286,827</u>	<u>11,827</u>
DISBURSEMENTS				
Debt Service	275,000	275,000 (1)	275,000	-
Contingency	<u>275,000</u>	<u>275,000 (1)</u>	<u>-</u>	<u>275,000</u>
Total Disbursements	<u>550,000</u>	<u>550,000</u>	<u>275,000</u>	<u>275,000</u>
Net Change in Fund Balance	(275,000)	(275,000)	11,827	286,827
Beginning Fund Balance	<u>275,000</u>	<u>275,000</u>	<u>165,918</u>	<u>(109,082)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,745</u>	<u>\$ 177,745</u>

(1) Appropriation Level

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
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COLUMBIA COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES  
 OF TAXES UNCOLLECTED  
 For the Year Ended June 30, 2021

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2020	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2021
<u>DEBT SERVICE FUND</u>						
CURRENT:						
2020-2021	\$ 291,244	7,800	(428)	\$ 128	\$ 277,123	\$ 6,021
PRIOR YEARS:						
2019-2020	7,225	-	(62)	195	3,850	3,508
2018-2019	3,962	-	(59)	228	1,939	2,192
2017-2018	2,251	-	(29)	311	1,787	746
2016-2017	719	-	(29)	133	655	168
2015-2016	187	-	(19)	27	95	100
Prior	552	-	(5)	89	238	398
TOTAL	<u>\$ 306,140</u>	<u>\$ 7,800</u>	<u>\$ (631)</u>	<u>\$ 1,111</u>	<u>\$ 285,687</u>	<u>\$ 13,133</u>

RECONCILIATION TO RECEIPTS:

Cash Collections by County Treasurer Above	285,687
Timing differences in transmittals	<u>1,140</u>
Total Receipts	<u>\$ 286,827</u>

RAINIER ECONOMIC DEVELOPMENT COUNCIL  
THE URBAN RENEWAL AGENCY OF THE CITY OF RAINIER, OREGON  
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COLUMBIA COUNTY, OREGON

Independent Auditors' Report Required by Oregon State Regulations



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

June 7, 2022

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

We have audited the modified cash basis basic financial statements of the Rainier Economic Development Council (the Council), a component unit of the city of Rainier, as of and for the year ended June 30, 2021, and have issued our report thereon dated June 7, 2022. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

#### Compliance

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

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

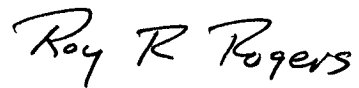
- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Highway receipts used for public highways, roads,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

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

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

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

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

A handwritten signature in black ink that reads "Roy R Rogers". The signature is written in a cursive, slightly slanted style.

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

## REDCO

Oregon State Treasury (LGIP), Period Ending 05/31/2022

## RECONCILIATION REPORT

Reconciled on: 07/14/2022

Reconciled by: Imichelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary		USD
Statement beginning balance		667,027.30
Interest earned		420.90
Checks and payments cleared (1)		-15,000.00
Deposits and other credits cleared (1)		1,342.47
Statement ending balance		<u>653,790.67</u>
Register balance as of 05/31/2022		653,790.67

## Details

## Checks and payments cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/27/2022	Transfer			-15,000.00
Total				-15,000.00

## Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/11/2022	Deposit		Columbia County Treasurer	1,342.47
Total				1,342.47





**Account Statement**

For the Month Ending **May 31, 2022**

**RAINIER ECONOMIC DEV COUNCIL - RAINIER ECONOMIC DEVELOPMENT COUNCIL - 5606**

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Balance
<b>Oregon LGIP</b>					
<b>Opening Balance</b>					
05/11/22	05/11/22	Columbia County Treasurer - Turnover 2021-13	1.00	1,342.47	668,369.77
05/27/22	05/27/22	Redemption - ACH Redemption	1.00	(15,000.00)	653,369.77
05/31/22	06/01/22	Accrual Income Div Reinvestment - Distributions	1.00	420.90	653,790.67
<b>Closing Balance</b>					
					<b>653,790.67</b>

	Month of May	Fiscal YTD July-May	
<b>Opening Balance</b>	667,027.30	661,139.68	<b>Closing Balance</b>
<b>Purchases</b>	1,763.37	287,651.04	<b>Average Monthly Balance</b>
<b>Redemptions</b>	(15,000.00)	(295,000.05)	<b>Monthly Distribution Yield</b>
			0.75%

<b>Closing Balance</b>	<b>653,790.67</b>	<b>653,790.67</b>
<b>Dividends</b>	420.90	3,063.47

REDCO

Oregon State Treasury (LGIP), Period Ending 06/30/2022

RECONCILIATION REPORT

Reconciled on: 07/14/2022

Reconciled by: lmicelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary	USD
Statement beginning balance	653,790.67
Service charge	-0.05
Interest earned	503.56
Checks and payments cleared (0)	0.00
Deposits and other credits cleared (1)	4,802.14
Statement ending balance	<u>659,096.32</u>
Register balance as of 06/30/2022	659,096.32

Details

Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
06/15/2022	Deposit		Columbia County Treasurer	4,802.14
Total				4,802.14



**Account Statement**

For the Month Ending **June 30, 2022**

**RAINIER ECONOMIC DEV COUNCIL - RAINIER ECONOMIC DEVELOPMENT COUNCIL - 5606**

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Balance
<b>Oregon LGIP</b>					
<b>Opening Balance</b>					
06/01/22	06/01/22	LGIP Fees - ACH Redemption (1 @ \$0.05 - From 5606) - May 2022	1.00	(0.05)	653,790.62
06/15/22	06/15/22	Transfer from Columbia County Treasurer - COLUMBIA COUNTY TREASURER UNSEGREGATED	1.00	4,802.14	658,592.76
06/30/22	07/01/22	Accrual Income Div Reinvestment - Distributions	1.00	503.56	659,096.32
<b>Closing Balance</b>					<b>659,096.32</b>

	Month of June	Fiscal YTD July-June	
<b>Opening Balance</b>	653,790.67	661,139.68	<b>Closing Balance</b>
<b>Purchases</b>	5,305.70	292,956.74	<b>Average Monthly Balance</b>
<b>Redemptions</b>	(0.05)	(295,000.10)	<b>Monthly Distribution Yield</b>
			0.93%

<b>Closing Balance</b>	<b>659,096.32</b>	<b>659,096.32</b>
<b>Dividends</b>	503.56	3,567.03

## REDCO

Public Fund Checking - 1, Period Ending 05/31/2022

## RECONCILIATION REPORT

Reconciled on: 07/14/2022

Reconciled by: Imichelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary		USD
Statement beginning balance		7,442.29
Checks and payments cleared (1)		-10.00
Deposits and other credits cleared (1)		15,000.00
Statement ending balance		<u>22,432.29</u>
Uncleared transactions as of 05/31/2022		0.00
Register balance as of 05/31/2022		22,432.29
Cleared transactions after 05/31/2022		0.00
Uncleared transactions after 05/31/2022		-10.00
Register balance as of 07/14/2022		<u>22,422.29</u>

## Details

## Checks and payments cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/02/2022	Expense		InRoads	-10.00
Total				-10.00

## Deposits and other credits cleared (1)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/27/2022	Transfer			15,000.00
Total				15,000.00

## Additional Information

## Uncleared checks and payments as of 05/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/02/2022	Expense		InRoads	-10.00
Total				-10.00

## Uncleared deposits and other credits as of 05/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/24/2022	Deposit		InRoads	10.00
Total				10.00

## Uncleared checks and payments after 05/31/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
06/02/2022	Expense		InRoads	-10.00
Total				-10.00



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Statement Date

05/31/22

Account #

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**Statement Summary**

Deposit Accounts		Total Balance: <b>\$22,437.29</b>		
Account Type	Previous Balance	Deposits	Withdrawals	Ending Balance
Public Funds Savings (1)	5.00	0.00	0.00	5.00
Public Fund Checking (2)	7,442.29	15,000.00	10.00	22,432.29

**Public Funds Savings (1) 05-01-22 To 05-31-22**

Previous Balance: <b>\$5.00</b>	
Ending Balance: <b>\$5.00</b>	
Dividends YTD	0.00

**Public Fund Checking (2) 05-01-22 To 05-31-22**

Previous Balance: <b>\$7,442.29</b>					
Post Date	Tran Date	Description	Deposits	Withdrawals	Ending Balance
05-02		Miscellaneous Debit Business Acct Service CHG \$10.00		-10.00	7,432.29
05-27		Electronic Deposit Oregon ST Treas Lgip ACH	15,000.00		22,432.29
<b>Ending Balance:</b>					<b>\$22,432.29</b>

**Deposits, Dividends, and Other Credits**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
05-27	15,000.00						
<u>Total Count Dividends</u>		<u>Total Amount Dividends</u>		<u>Total Count Credits</u>		<u>Total Amount Credits</u>	
0		0.00		1		15,000.00	

**Withdrawals, Fees, and Other Debits**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
05-02	-10.00						
<u>Total Count Fees</u>		<u>Total Amount Fees</u>		<u>Total Count Debits</u>		<u>Total Amount Debits</u>	
1		-10.00		0		0.00	
Dividends YTD		0.00					



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**Monthly Activity**

Deposits	0
Withdrawals	0
ACH Debits	0
Checks Deposited	0
Checks Cleared	0
<hr/>	
Total Monthly Activity	0

Service Fee	\$10.00
Total Relationship*	\$7,448.00
Relationship Credit	\$0.00
Adjusted Service Fee	\$10.00

\*Total relationship includes the average balances for the prior month for all deposits and all month-end loan balances for the prior month combined.

## REDCO

## Public Fund Checking - 1, Period Ending 06/30/2022

## RECONCILIATION REPORT

Reconciled on: 07/14/2022

Reconciled by: Imichelle@cityofrainier.com

Any changes made to transactions after this date aren't included in this report.

Summary	USD
Statement beginning balance	22,432.29
Checks and payments cleared (6)	-2,572.50
Deposits and other credits cleared (0)	0.00
Statement ending balance	<u>19,859.79</u>
Uncleared transactions as of 06/30/2022	-8,850.00
Register balance as of 06/30/2022	<u>11,009.79</u>

## Details

## Checks and payments cleared (6)

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
05/26/2022	Check	1183	City of Rainier	-600.00
05/26/2022	Check	1185	City of Rainier	-600.00
05/26/2022	Check	1184	City of Rainier	-600.00
05/26/2022	Check	1188	City of Rainier	-162.50
05/26/2022	Check	1182	City of Rainier	-600.00
06/02/2022	Expense		InRoads	-10.00
<b>Total</b>				<b>-2,572.50</b>

## Additional Information

## Uncleared checks and payments as of 06/30/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
02/02/2022	Expense		InRoads	-10.00
05/26/2022	Check	1187	Pauly, Rogers, & Co, P.C.	-3,300.00
05/26/2022	Check	1186	Pauly, Rogers, & Co, P.C.	-5,550.00
<b>Total</b>				<b>-8,860.00</b>

## Uncleared deposits and other credits as of 06/30/2022

DATE	TYPE	REF NO.	PAYEE	AMOUNT (USD)
01/24/2022	Deposit		InRoads	10.00
<b>Total</b>				<b>10.00</b>



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Statement Date

06/30/22

Account #

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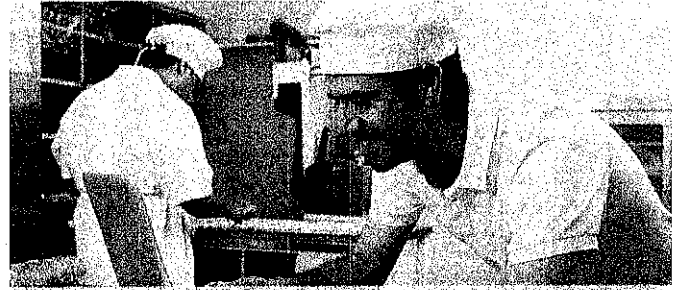


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**Statement Summary**

Deposit Accounts		Total Balance:		
Account Type	Previous Balance	Deposits	Withdrawals	Ending Balance
Public Funds Savings (1)	5.00	0.00	0.00	5.00
Public Fund Checking (2)	22,432.29	0.00	2,572.50	19,859.79
		<b>\$19,864.79</b>		

Public Funds Savings (1) 06-01-22 To 06-30-22		Total Balance:		
		Previous Balance:	Ending Balance:	
		\$5.00	\$5.00	
Dividends YTD	0.00			

Public Fund Checking (2) 06-01-22 To 06-30-22		Total Balance:			
Post Date	Tran Date	Description	Deposits	Withdrawals	Ending Balance
		Previous Balance:			\$22,432.29
06-02		Miscellaneous Debit Business Acct Service CHG \$10.00		-10.00	22,422.29
06-09		Share Check		-162.50	22,259.79
		Check# 1188 \$-162.50 NC Trace:00000000000240355583			
06-09		Share Check		-600.00	21,659.79
		Check# 1182 \$-600.00 NC Trace:00000000000233197230			
06-09		Share Check		-600.00	21,059.79
		Check# 1183 \$-600.00 NC Trace:00000000000230792979			
06-09		Share Check		-600.00	20,459.79
		Check# 1184 \$-600.00 NC Trace:00000000000235509123			
06-09		Share Check		-600.00	19,859.79
		Check# 1185 \$-600.00 NC Trace:00000000000237940534			
			<b>Ending Balance:</b>		<b>\$19,859.79</b>

**Withdrawals, Fees, and Other Debits**

Date	Amount	Date	Amount	Date	Amount	Date	Amount
06-02	-10.00						
<b>Total Count Fees</b>		<b>Total Amount Fees</b>		<b>Total Count Debits</b>		<b>Total Amount Debits</b>	
1		-10.00		0		0.00	

**Cleared Items This Period**

Date	Check #	Amount	Date	Check #	Amount	Date	Check #	Amount
06-09	1182	600.00	06-09	1184	600.00	06-09	*1188	162.50
06-09	1183	600.00	06-09	1185	600.00			



*\* Indicates a break in check number sequence*

Dividends YTD	0.00
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May 2022

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501

**Monthly Activity**

Deposits	0
Withdrawals	0
ACH Debits	0
Checks Deposited	0
Checks Cleared	0
<hr/>	
Total Monthly Activity	0

Service Fee	\$10.00
Total Relationship*	\$9,857.00
Relationship Credit	\$0.00
Adjusted Service Fee	\$10.00

\*Total relationship includes the average balances for the prior month for all deposits and all month-end loan balances for the prior month combined.

**RAINIER ECONOMIC DEVELOPMENT COUNCIL**

**7/25/2022**

**Accounts Payable Listing:**

**Approve Accounts Payable:**

<b>Vendor</b>	<b>Invoice #</b>	<b>Inv Date</b>	<b>Amount</b>
<b>Secretary of State, Audits Division</b>			<b>\$ 200.00</b>

<b>Total</b>			<b><u><u>\$ 200.00</u></u></b>
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\_\_\_\_\_  
Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Date