



City of Salem
CITY OF SALEM AND SALEM URA
FINANCE COMMITTEE
MEETING AGENDA
January 19, 2024 4:00 PM

View Via YouTube: https://www.youtube.com/channel/UCQLj9RKZNHu4wfYcs_TC0TA

Si necesita ayuda para comprender esta información, por favor llame 503-588-6274

PARTICIPANTS

Board Members

Councilor Jose Gonzalez, Chair
Councilor Deanna Gwyn
Councilor Vanessa Nordyke
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Staff

Keith Stahley, City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Kali Leinenbach, Budget Manager
Jenny Mattechek, Chief Accountant
Jeremy Morgan, Supervisor
Anja Hill, Treasury Supervisor
Shengnan Thomas, Administrative Analyst I

Guests

Ryan Pasquarella, Grove, Mueller, Swank, REDW Advisors & CPAs
Toby Roth, Grove, Mueller, Swank, REDW Advisors & CPAs

AGENDA

1. Welcome and call to order
2. Approval of Minutes
 - a. November 20, 2023 (Package page 3)
3. Public Comment - Appearance of persons wishing to address the Board on any matter other than those which appear on this Agenda
4. Action Items

5. Management Update/Information Items
 - a. Grove, Mueller and Swank, P.C. presentation of City of Salem ACFR and Salem URA Annual Report (**Package page 6**)
6. Continued Business
7. New Business
 - a. 2024 meetings: days and times
8. Adjourn

Next Meeting: February 20, 2024

This meeting is being conducted virtually, with remote attendance by the governing body. No in-person attendance is possible. Interested persons may view the meeting online on [YouTube](#). To sign up to testify via Zoom or to submit public comment, contact the Finance Department via email at finance@cityofsalem.net or telephone at 503-588-6040 the day of the meeting by 1PM.

Special accommodations are available, upon request, for persons with disabilities or those needing sign language interpretation, or languages other than English. To request accommodations or services, please call 503-540-2371 (TTD/TTY 503-588-6439) at least two business days in advance.

It is the City of Salem's policy to assure that no person shall be discriminated against on the grounds of race, religion, color, sex, marital status, familial status, national origin, age, mental or physical disability, sexual orientation, gender identity, and source of income, as provided by Salem Revised Code 97. The City of Salem also fully complies with Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, and related statutes and regulations, in all programs and activities.

CITY OF SALEM AND SALEM URA FINANCE COMMITTEE Minutes

DATE: November 20, 2023

PLACE: ZOOM

CHAIRPERSON: Jose Gonzalez

STAFF LIAISON: Josh Eggleston, CFO 503-588-6130 JEggleston@cityofsalem.net

Members Present:

Councilor Jose Gonzalez, Chair
Councilor Deanna Gwyn
Councilor Micki Varney
Alternate-Councilor Linda Nishioka

Members Absent:

Councilor Vanessa Nordyke

Staff Present:

Keith Stahley, City Manager
Dan Atchison, City Attorney
Josh Eggleston, Chief Financial Officer
Kali Leinenbach, Budget Manager
Jenny Mattechek, CPA, Chief Accountant
Anja Hill, Treasury Supervisor
James Wharton-Hess, Senior Fiscal Analyst
Kelli Blechschmidt, Management Analyst II
Shengnan Thomas, Administrative Analyst I

Guest Present:

1. CALL TO ORDER: 4:00 PM / Quorum
2. APPROVAL OF COMMITTEE MINUTES
 - a. August 21, 2023

Motion was moved by Member Varney, seconded by Member Nishioka, and carried by the following vote:

Aye: Unanimous

Nay: None
Abstentions: None

3. PUBLIC COMMENT

- a. None

4. ACTION ITEMS

- a. None

5. MANAGEMENT UPDATE / INFORMATION ITEMS

- a. Quarterly Investment Report presentation by Josh Eggleston, Chief Financial Officer

Questions or comments: Chair Gonzalez, Members Varney and Nishioka

Answers or comments: Josh Eggleston, CFO; Anja Hill, Treasury Supervisor

- b. FY25-29 Five-Year Forecast Assumptions Presentation by Josh Eggleston, Chief Financial Officer

Questions or comments: Members Nishioka and Varney

Answers or comments: Josh Eggleston, CFO

- c. Citywide Performance Scorecard Presentation by Josh Eggleston, Chief Financial Officer

Questions or comments: Chair Gonzalez

6. CONTINUED BUSINESS

- a. None

7. New Business

- a. Cancel December Meeting

Questions or comments: Chair Gonzalez, Members Nishioka, Varney, and Nordyke

Answers or comments: Josh Eggleston, CFO

b. Staff Meet and Greet

Questions or comments: Chair Gonzalez, Members Nishioka and Varney

Answers or comments: Josh Eggleston, CFO

8. ADJOURNMENT: 4:45 PM

The next meeting is scheduled for Monday, January 16, 2023 at 4:00 PM.

TO: Finance Committee of the Salem City Council and the Urban
Renewal Agency of City of Salem

THROUGH: Josh Eggleston, Chief Financial Officer

FROM: Jennifer Mattechek, CPA, Chief Accountant

SUBJECT:

Fiscal Year (FY) 2023 Financial Audit of the City of Salem, Oregon

ISSUE:

Results of the FY 2023 financial audit of the City of Salem, Oregon

RECOMMENDATION:

Information Only

SUMMARY:

The certified public accounting firm of Grove, Mueller & Swank, PC, completed the annual financial audit of the City for the fiscal year ending June 30, 2023. There were no formal findings or recommendations for improvement as a result of the audit.

Mr. Ryan Pasquarella, CPA, will present the results of the FY 2022-23 Annual Comprehensive Financial Report (ACFR) to the joint meeting of the Salem City Council Finance Committee and the Urban Renewal Agency Finance Committee. As in prior years, the audit will be provided to City Council as an information item.

The FY 2023 Federal Grant Compliance Report is pending completion of final audit procedures and will be finalized no later than March 31, 2024, in accordance with the Federal Grant Compliance Reporting requirements.

FACTS AND FINDINGS:

This was the sixth consecutive annual audit performed by Grove, Mueller & Swank, PC, pursuant to its current contract with the City and Urban Renewal Agency. Mr. Ryan Pasquarella of Grove, Mueller & Swank, PC, managed the City's audit engagement.

The financial reports can be found on the City's webpage at:

<https://www.cityofsalem.net/government/budget-finance/financial-reports>

BACKGROUND:

Oregon law requires an annual audit of the City's financial statements and for the results to be presented to the governing body. A report for the ACFR will be presented to the full City Council at their regular meeting on January 22, 2024.

Attachments:

1. Independent Auditors Report - FY 2023 City of Salem



GROVE, MUELLER & SWANK

redw
Advisors & CPAs

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council Members
City of Salem
Salem, Oregon

Report on the Audit of Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, 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 Salem, Oregon, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Salem Housing Authority (SHA), which represent 3 percent, 4 percent, and 9 percent, respectively, of the assets, net position, and revenues of the City. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for SHA, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller general of the United States. 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, 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

As discussed in the notes to the financial statements, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 96 *Subscription-Based Information Technology Arrangements*, in the current period, which resulted in changes to the presentation of Information Technology subscription related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and 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'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 GAAS 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 GAAS, 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'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'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 (MD&A), the defined benefit pension plan (PERS) schedules, the schedule of changes in total other post-employment benefits liability and related ratios - implicit rate subsidy, and the defined benefit other post-employment plan (RHIA) schedules be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to management's discussion and analysis, PERS schedules and OPEB schedules described earlier in this paragraph 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's basic financial statements. The supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory section, other financial schedules, statistical section, and SEC Rule 15c2-12 disclosures but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Legal and Regulatory Requirements


Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely 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 an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 15, 2024, on our consideration of the City's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, Principal
January 15, 2024

TO: Finance Committee of the Salem City Council and the Urban
Renewal Agency of City of Salem

THROUGH: Josh Eggleston, Chief Financial Officer

FROM: Jennifer Mattecheck, Chief Accountant

SUBJECT:

Fiscal Year (FY) 2023 Urban Renewal Agency (URA) Financial Report

ISSUE:

Receive the FY 2023 URA Financial Report.

RECOMMENDATION:

Information only

SUMMARY:

Under ORS 457.460, each year an Urban Renewal Agency must prepare a report on its finances and file that report with the governing body of the municipality where the agency is located. This report will be forwarded to the full Urban Renewal Agency Board during its regular meeting on January 19, 2024.

FACTS AND FINDINGS:

ORS 457.460 requires an urban renewal agency to report:

1. The tax increment revenue received in FY 2023 and budgeted in FY 2024.
2. The debt service payments made in FY 2023 and budgeted in FY 2024.
3. The amount of debt issued in FY 2023 and budgeted in FY 2024.
4. The amount and purpose of actual expenditures in FY 2023, and budgeted expenditures in FY 2024.
5. An analysis of the impact, if any, of the urban renewal plan on the tax collections for FY 2023 for all taxing districts included under ORS 457.430.
6. The maximum indebtedness for each urban renewal area included in an urban renewal plan of the agency, including the amount of indebtedness incurred through the end of the immediately preceding fiscal year.

The City's Finance Department will ensure that the notice is published as required by ORS 457.460. The statement is on file with the City Recorder, 555 Liberty Street SE, Room 205, Salem, OR 97301, and is available to all interested persons.

Requirements 1-4 are displayed in table 1 below. Expenditures by project can be found on page 71 of the Annual Financial Report of the Urban Renewal Agency located through the link below:

Table 1:

	ORS 457 Requirement	Actual 2022-23	Budget 2023-24
Debt Service Fund			
Beginning balance		\$ 5,770,506	\$ 3,733,710
Tax increment revenue received	1	17,843,282	21,690,040
Debt service expenditures	2	(19,837,871)	(22,463,180)
Refunding debt		-	-
Other revenue sources		265,366	119,920
Other expenditures		-	-
Ending balance		\$ 4,041,283	\$ 3,080,490
Improvements Fund			
Beginning balance		\$ 58,265,997	\$ 63,996,060
Debt issuance proceeds received	3	17,543,790	20,156,400
Improvement expenditures	4	(14,843,868)	(92,504,020)
Other revenue sources		3,547,969	8,351,560
Ending balance		\$ 64,513,888	\$ -

Table 2 below meets requirement 5 and shows FY 2023 tax increment revenue that would have gone to the taxing districts if the urban renewal areas had not been in place. An expanded view of the tax increment revenue table below, including the breakout of tax increment revenue by Urban Renewal Plan Area, can be found on page 74 of the Annual Financial Report of the Urban Renewal located through the link above.

Table 2:

Taxing District	
Chemeketa Community College	\$ 624,286
Chemeketa Regional Library	77,642
City of Salem	5,535,075
City of Salem bonds	133,920
Marion County	2,523,491
MC & 4-H Extension Service District	41,708
Marion Soil & Water	41,708
Polk County	197,146
Polk 4-H/M Garden/Ag/Forest Ext Dist	8,373
Polk Soil/Water Conservation Dist	5,582
Salem Area Mass Transit	722,222
Salem-Keizer School Dist	4,291,145
Salem-Keizer SD bond after 2021	315,960
Willamette Regional ESD	281,618
Total	\$14,799,876

Table 3 below meets requirement 6 and shows the maximum indebtedness by area. This information can also be found on page 74 of this same document.

Table 3:

URBAN RENEWAL AGENCY OF THE CITY OF SALEM, OREGON Maximum Indebtedness Compliance <i>For the fiscal year ended June 30, 2023</i>				
Urban Renewal District	Maximum Indebtedness	Borrowed to Date	Borrowing Capacity Remaining	Outstanding Debt
Riverfront/Downtown	\$ 315,000,000	\$ 143,032,345	\$ 171,967,655	\$ 8,241,000
Fairview	6,286,000	6,281,615	4,385	-
North Gateway	101,466,402	87,998,004	13,468,398	-
West Salem	31,000,000	17,252,425	13,747,575	-
Mill Creek	26,000,000	18,336,299	7,663,701	7,284,501
McGilchrist	11,000,000	9,900,000	1,100,000	-
South Waterfront	24,000,000	4,722,000	19,278,000	-
Jory Apartments	20,725,125	173,790	20,551,335	-
				<u>\$ 15,525,501</u>

BACKGROUND:

The City's independent auditor, Grove, Mueller and Swank, P.C., have completed the audit of the Urban Renewal Agency for the year end date of June 30, 2023. Their review resulted with an unmodified opinion and no significant findings.

Attachments:

1. Independent Auditors Report - FY 2023 Salem Urban Renewal Agency



GROVE, MUELLER & SWANK

redw
Advisors & CPAs

INDEPENDENT AUDITOR'S REPORT

Agency Officials
Urban Renewal Agency of the City of Salem
Salem, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Urban Renewal Agency of the City of Salem, Oregon (a component unit of the City of Salem, Oregon), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency'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 and each major fund of the Urban Renewal Agency of the City of Salem, Oregon, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Agency 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.

Responsibilities of Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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 Agency'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 GAAS 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 GAAS, 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 Agency'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 Agency'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 management's discussion and analysis (MD&A) 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 Agency's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not required parts 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the agency officials, maps of urban renewal areas, and other information section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 15, 2024, on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and results of that testing and not to provide an opinion on compliance.

GROVE, MUELLER & SWANK
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Ryan T. Pasquarella, Principal
January 15, 2024