



AGENDA

URBAN RENEWAL AGENCY

91136 N Willamette Street

541-682-7852 | coburgoregon.org

Tuesday, February 11, 2025 at 6:00 PM

The public may attend this meeting at City Hall or via Zoom. To participate via Zoom, you must pre-register with the city by 3 PM the day of the meeting. Council meetings are recorded and live-streamed at www.coburgoregon.org (NO registration required). For questions, contact the City Recorder, Sammy Egbert, at sammy.egbert@ci.coburg.or.us or 541-682-7852.

CALL THE URBAN RENEWAL AGENCY MEETING TO ORDER

ROLL CALL

AGENDA REVIEW

PUBLIC COMMENT (*Sign up prior to meeting. Limit 3 minutes.*)

BUSINESS ITEMS

- [1.](#) June 11, 2024, Minutes for Approval
- [2.](#) Urban Renewal Agency Comprehensive Financial Report (ACFR) for Fiscal Year ending June 30, 2024, by Umpqua Valley Financial
- [3.](#) Finance Report

FUTURE MEETINGS

April 29 Budget Committee - URA
June 10 Urban Renewal Agency

ADJOURNMENT

The City of Coburg will make reasonable accommodations for people with disabilities. Please notify City Recorder 72 hours in advance at 541-682-7852 or sammy.egbert@ci.coburg.or.us.



MINUTES

Urban Renewal Agency Meeting

June 11, 2024 at 6:00 P.M.
Coburg City Hall
91136 N Willamette Street

MEMBERS PRESENT: Mayor Bell, Cathy Engebretson, John Lehmann, John Fox

MEMBERS ABSENT: Alan Wells, Claire Smith

GUESTS/STAFF PRESENT: Adam Hanks, City Administrator; Sammy Egbert, City Recorder

RECORDED BY: Madison Balcom, Administrative Assistant

CALL TO ORDER

Director Bell called the Coburg Urban Renewal Agency meeting to order at 6:12 pm.

ROLL CALL

Ms. Egbert called roll. A quorum was present.

PUBLIC COMMENT

There were no request(s) for public comment.

MINUTES APPROVAL

1. June 13, 2023 Urban Renewal Agency Meeting Minutes

There were no requested changes to the minutes.

MOTION

Mr. Fox moved, seconded by Ms. Engebretson to approve the June 13, 2023 Urban Renewal Agency Meeting minutes as presented.

Motion passed unanimously — 4:0.

COMMITTEE BUSINESS

1. Public Hearing

RESOLUTION 2024-01-U A RESOLUTION ADOPTING THE AGENCY’S BUDGET FOR FISCAL YEAR 2023-24 AND CREATING AN EXPENDITURE OF APPROPRIATIONS

Ms. Bell opened the public hearing for Resolution 2024-01-U at 6:16pm.

Mr. Hanks gave a brief report on the URA’s general fund, tasks and functions of the URA, the proposed amount of \$400,000 increased from \$375,000 the previous year, coming from URA to the wastewater fund this year, and a future conversation about the use of the URA funds.

Ms. Bell closed the public hearing for Resolution 2024-01-U at 6:20pm.

MOTION

Mr. Fox moved, seconded by Mr. Lehmann to adopt Resolution 2024-01-U adopting the agency budget for fiscal year 2024-25 and creating expenditure appropriations.

Motion passed unanimously — 4:0.

ADJOURNMENT

Director Bell adjourned the Urban Renewal Agency meeting at 6:23 pm.

APPROVED by the Heritage Committee of the City of Coburg on this _____ day of _____, 2024.

Nancy Bell, Director

ATTEST: _____
Sammy L. Egbert, City Recorder

**THE URBAN RENEWAL AGENCY OF THE
CITY OF COBURG**

(A Component Unit of the City of Coburg)



ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

**THE URBAN RENEWAL AGENCY OF THE
CITY OF COBURG**

P.O. Box 8316
Coburg, OR 97408
(541) 682-7870

DISTRICT OFFICIALS

- | | |
|---|-----------------|
| NANCY BELL
PO Box 8316, Coburg, OR 97408 | Chairman |
| JOHN LEHMAN
PO Box 8316, Coburg, OR 97408 | Agency Official |
| KYLE BLAIN
PO Box 8316, Coburg, OR 97408 | Agency Official |
| JOHN FOX
PO Box 8316, Coburg, OR 97408 | Agency Official |
| CLAIRE SMITH
PO Box 8316, Coburg, OR 97408 | Agency Official |
| CATHY ENGBRETSON
PO Box 8316, Coburg, OR 97408 | Agency Official |
| ALAN WELLS
PO Box 8316, Coburg, OR 97408 | Agency Official |

ADMINISTRATION

- | | |
|---|--------------------|
| ADAM HANKS
PO Box 8316, Coburg, OR 97408 | City Administrator |
| GREGORY PECK
PO Box 8316, Coburg, OR 97408 | Finance Director |

**THE URBAN RENEWAL AGENCY OF THE
CITY OF COBURG**

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INDEPENDENT AUDITOR’S REPORT

To the Officials of the Urban Renewal Agency of the City of Coburg
(A component Unit of the City of Coburg)

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund information of the Urban Renewal Agency of the City of Coburg as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Coburg’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 and each major fund of the Urban Renewal Agency of the City of Coburg as of June 30, 2024, 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 of Opinions

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

Responsibilities of Management for the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, 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 to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency of the City of Coburg'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 Urban Renewal Agency of the City of Coburg's ability to continue as a going concern for a reasonable period.

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, schedules of revenues, expenditures, and changes in fund balances – budget and actuals 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, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The schedule of revenues, expenditures, and changes in fund balances – budget and actuals is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedule of revenues, expenditures and changes in fund balances – budget and actuals 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 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenditures, and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Reports on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, we have issued our report dated January 24, 2025, on our consideration of the Urban Renewal Agency of the City of Coburg'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 this report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on the Urban Renewal Agency of the City of Coburg's compliance.



Steve Tuchscherer, CPA
Umpqua Valley Financial, LLC
Roseburg, Oregon
January 24, 2025

MANAGEMENT'S
DISCUSSION
AND ANALYSIS

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG**Management's Discussion and Analysis (MD&A)****For the Fiscal Year Ended June 30, 2024**

The management discussion and analysis of the Urban Renewal Agency of the City of Coburg, Oregon, financial performance provides an overview of the Agency's financial activities for the fiscal year that ended June 30, 2024. This discussion and analysis evaluate the Agency's financial performance. Readers should also review the basic financial statements and notes to enhance their understanding of the Agency's financial performance.

The Urban Renewal Agency of the City of Coburg, Oregon (the agency), a component unit of the City of Coburg, Oregon (the City), was started in 2001 with the goals of (1) provision of adequate facilities and (2) water quality. At that point in time, Coburg did not have a municipal sewer system. Private on-site septic tanks and drain fields serve the City. This scenario contributed to groundwater contamination. Development in the industrial area had occurred with the expectation that a sewer system would be forthcoming. The Agency Plan and Report explains the goals of the Agency.

Vacant and underdeveloped properties in the Coburg Industrial Area were selected for inclusion in the Urban Renewal Area. This selection ensured that any future development would be done with adequate sewer facilities to protect water quality. It also enabled the safe and hygienic development of vacant and underdeveloped properties.

In 2015, the Sewer project was completed, and any loans from the agency to the project were paid back. The entity now operates for the purpose of supporting the sewer system with contributions annually to the Wastewater debt service.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2024, are as follows:

- The Agency's net position increased by \$90,093 (77%) as reported in the statement of activities. The net position at year's end was \$207,081.
- Total revenue for the Agency was \$471,527, reflecting an increase of 28,388 (6%) over the prior year. The Agency collected \$455,256 in taxes and assessments and earned \$16,271 in interest and investment earnings.
- The Agency expended a total of \$381,434 for various Urban Renewal Project related activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduce the Agency's basic financial statements. The basic financial statements include: 1) governmental fund financial statements and (2) notes to the basic financial statements. This report also includes required supplementary information, other supplementary data, and accompanying information to supplement the basic financial statements.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG**Management's Discussion and Analysis (MD&A)****For the Fiscal Year Ended June 30, 2024**

Governmental Fund Financial Statements

Governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike government-wide financial statements, these statements report short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the fiscal year.

The first of the governmental fund statements is the Statement of Net Position. This is the Agency statement of position presenting information that includes all the Agency's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the Agency's financial position is improving or deteriorating.

The second government-wide statement is the Statement of Activities which reports how the Agency's net position changed during the current fiscal year. All current-year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the Statement of Activities is to show the financial reliance on property tax revenues.

Notes to the Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the governmental fund financial statements. The notes to the basic financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements, budgetary comparison schedules are included as Required Supplementary Information for the Coburg Urban Renewal Agency Fund. The Required Supplementary Information section immediately follows the Notes to the Financial Statements.

The budgetary comparison schedules demonstrate compliance with the City's adopted and final revised budget.

FINANCIAL ANALYSIS OF THE AGENCY

Recall that the Statement of Net Position provides the perspective of the Agency. Net positions may serve over time as a useful indicator of a government's financial position.

The Agency's net position at the fiscal year end is \$207,081, a surplus of \$90,093 from the prior year, reflecting a 77% increase.

The Agency's net position reflects cash and investments of \$193,053 and Property Taxes Receivable of \$14,028. The Agency does not own Capital Assets. As of June 30, 2024, the Agency had no liabilities.

The Agency's financial position is the product of several financial transactions, including the receipt of tax receipts, payment of administrative expenses, and an annual payment to the City of Coburg for debt service in the Sewer Fund.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

Management's Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2024

The following table provides a summary of the Agency's net position for the current and prior years.

Summary of Net Position

	Governmental Activities	
	2024	2023
Assets		
Current and Other Assets	\$ 207,081	\$ 116,989
Total Assets	207,081	116,989
Liabilities		
Current Liabilities	-	-
Total Liabilities	-	-
Net Position		
Restricted	207,081	116,989
Total Net Position	\$ 207,081	\$ 116,989

Summary of Changes in Net Position

	Governmental Activities	
	2023-24	2022-23
Revenues		
Taxes and Assessments	\$ 455,256	\$ 435,985
Interest & Investment Earnings	16,271	7,154
Total Revenues	471,527	443,139
Program Expenses		
Urban Renewal Projects	381,434	376,695
Total Expenses	381,434	376,695
Change in Net Position	90,093	66,444
Beginning Net Position	116,988	50,545
Ending Net Position	\$ 207,081	\$ 116,989

The Statement of Activities shows revenues received and the cost of Agency activities in its service to the City Urban Renewal District. These functions solely support the debt service of the Sewer Project.

As discussed previously, the focus of the Agency is to provide financial support to Urban Renewal Projects such as the City Sewer Project.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG**Management's Discussion and Analysis (MD&A)****For the Fiscal Year Ended June 30, 2024**

As the Agency completed the year, the ending fund balance was \$207,081, an increase of \$91,482 (89%) from the previous year. The fund balance constitutes restricted funds for Urban Renewal Projects.

Revenue – Taxes and Assessments revenue increased by \$19,271 (4%) from the prior year.

Expenses – represent the administrative costs of managing the Urban Renewal Agency and the annual budgeted transfer to wastewater debt. The Urban Renewal Projects accounted for total expenses of \$381,434.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The URA's total budgeted appropriations for 2024-25 are \$411,000. From those funds, the agency budgeted \$11,000 for Materials and Services and a payment of \$400,000 to the City for Sewer Debt. The Agency indicates an additional \$108,575 of unappropriated funds.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the City of Coburg at (541) 682-7870. The office is inside City Hall at 91136 N. Willamette Street, Coburg, Oregon 97408.

BASIC FINANCIAL
STATEMENTS

Government-Wide
Financial Statements

THE URBAN RENEWAL AGENCY OF THE
CITY OF COBURG

(A Component Unit of the City of Coburg)

STATEMENT OF NET POSITION

June 30, 2024

	Governmental Activities
<u>ASSETS:</u>	
Current Assets:	
Cash and Investments	\$ 193,053
Property Taxes Receivable	14,028
Total Assets	207,081
<u>NET POSITION:</u>	
Restricted For:	
Urban Renewal Projects	207,081
Total Net Position	\$ 207,081

The accompanying notes to the basic financial statements are an integral part of this statement.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2024

Functions / Programs	(Expenses)	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	
<u>GOVERNMENTAL ACTIVITIES:</u>				
Urban Renewal Projects	\$ 381,434	\$ -	\$ -	\$ (381,434)
Total Governmental Activities	\$ 381,434	\$ -	\$ -	\$ (381,434)

GENERAL REVENUES:

Taxes	
Property Taxes, Levied for Debt Service	455,256
Interest and Investment Earnings	16,271
Transfer to Primary Government	-
Subtotal - General Revenues	<u>471,527</u>
Change in Net Position	90,093
Net Position, July 1, 2023	<u>116,988</u>
Net Position, June 30, 2024	<u>\$ 207,081</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL
STATEMENTS

Fund Financial Statements

(A Component Unit of the City of Coburg)

BALANCE SHEET
GOVERNMENTAL FUNDS

June 30, 2024

	Urban Renewal General Fund
<u>ASSETS:</u>	
Cash and Investments	\$ 193,053
Property Taxes Receivable	<u>14,028</u>
Total Assets	<u><u>\$ 207,081</u></u>
<u>DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES:</u>	
DEFERRED INFLOWS OF RESOURCES:	
Deferred Property Tax Revenue	<u>12,620</u>
Total Deferred Inflows of Resources	<u>12,620</u>
FUND BALANCES:	
Restricted for:	
Urban Renewal Projects	<u>194,461</u>
Total Fund Balances	<u>194,461</u>
Total Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 207,081</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

**RECONCILIATION OF THE BALANCE SHEET -- GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION**

June 30, 2024

Total Fund Balances - Governmental Funds **\$194,461**

**Amounts reported for governmental activities in the
Statement of Net Position are different because:**

Property taxes receivables not collected within 60 days of the
current period ending date are deferred in the governmental funds. 12,620

Net Position of Governmental Activities **\$207,081**

The accompanying notes to the basic financial statements are an integral part of this statement.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

**STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE**

GOVERNMENTAL FUNDS

For The Fiscal Year Ended June 30, 2024

	Urban Renewal General Fund
<u>REVENUES:</u>	
Taxes and Assessments	\$ 456,645
Interest and Investment Earnings	16,271
Total Revenues	<u>472,916</u>
<u>EXPENDITURES:</u>	
Current Operating:	
Urban Renewal Projects	381,434
Total Expenditures	<u>381,434</u>
Net Change in Fund Balance	91,482
Fund Balance - July 1, 2023	102,979
Fund Balance - June 30, 2024	<u><u>\$ 194,461</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

**RECONCILIATION OF THE STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

For The Fiscal Year Ended June 30, 2024

Net changes in fund balances - total governmental funds **\$ 91,482**

**Amounts reported for governmental activities in the Statement
of Activities are different because:**

Some revenues will not be collected for several months after the City's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue.

However, these funds are recorded as revenue in the Statement of Activities.

The changes in amounts deferred are as follows:

Property Taxes	<u>(1,389)</u>
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Changes in net position of governmental activities	<u>\$ 90,093</u>
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The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL
STATEMENTS

Notes to the Basic
Financial Statements

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

Item 2.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting Entity

The Urban Renewal Agency of the City of Coburg, Oregon (Agency) was established in 2001. The Agency is organized under general laws pertaining to urban renewal agencies in Oregon. The governing body is comprised of the Mayor and the Agency Board of the City of Coburg.

The Agency is a separate legal entity governed by the City of Coburg. The Agency Board has the ability to impose its will over the Agency as determined based on budget adoption, taxing authority, and funding for the Agency. Therefore, under the criteria set by the Governmental Accounting Standards Board, the Agency is considered a component unit of the City of Coburg, and the Agency's financial activities are included as a blended component unit in the basic financial statements of the City of Coburg.

Although a component unit of the City of Coburg, the Agency exists and operates separately from the City of Coburg. Accordingly, the Agency's financial statements will also be included in the financial statements of the City of Coburg.

The Agency has no potential component units.

Basis of Presentation

The Urban Renewal Agency's (Agency) financial statements for the City of Coburg have been prepared per Generally Accepted Accounting Principles (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Basic financial statements are presented at both the government-wide and fund financial levels. The Agency's activities are governmental and are normally supported by taxes and intergovernmental revenues.

Government-wide financial statements display information about the reporting government. The effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The Statement of Activities demonstrates the degree to which program revenues offset the direct expenses of a given function or segment. *Direct expenses* are identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as *general revenues*.

Fund financial statements display information at the individual fund level. Each fund is a separate accounting entity. The Agency has only governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG
(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Basis of Presentation (Cont.)

The financial transactions of the Agency are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The GASB 34 model sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Agency has elected to report its only fund, the General Fund, as a major fund to assist in compiling a complete and accurate picture of the financial position of the Agency.

General Fund - The General Fund is the general operating fund of the Agency. It is used to account for all the financial resources. The principal sources of revenue are tax increment revenues and interest on investments. Primary expenditures of the General Fund are used for the construction of and debt service (if required) for the sewer project of the City of Coburg.

Measurement Focus/Basis of Accounting

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the city receives value without giving equal value in exchange, include property taxes, grants, entitlements, and donations. On the accrual basis of accounting revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the city funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the city's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The city considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Property taxes, interest, and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when the cash is received by the government and is recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the "susceptible to accrual" criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Capital asset acquisitions are reported as expenditures in governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

Item 2.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Measurement Focus/Basis of Accounting (Cont.)

Similar to the way revenues are recorded, governmental funds only record those expenditures that affect current financial resources. Principal and interest in general long-term debt are recorded as fund liabilities only when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. In the government-wide financial statements, however, with a full accrual basis of accounting, all expenditures affecting the economic resource status of the government must be recognized. Thus, the expense and related accrued liability for long-term portions of debt must be included.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund-based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Agency's practice to use restricted resources first, then unrestricted resources when they are needed.

Cash and Investments

For the statement of cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts, and any short-term, highly liquid investments with initial maturity dates of three months or less.

The Agency has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the Agency to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The Agency's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The Agency's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. The fair value of the LGIP is the same as the Agency's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision, or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short-Term Fund (OSTF) established by the State Treasurer. In seeking to serve best the local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury on the management and investment options of the LGIP.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG
(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):

Property Taxes

The assessment date for the tax year is July 1. Personal and real property taxes are a lien on July 1. Total personal property tax becomes due and is delinquent when any installment is not paid by its due date. Real property tax is due and payable on November 15. However, a taxpayer may pay real property taxes in three equal installments, due on the 15th day of November, February, and May. Real property taxes become delinquent if not paid by May 15.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables." All other outstanding balances between funds are reported as "due to/from other funds."

Deferred Inflows of Resources:

In the governmental funds, property taxes that have not been collected within sixty days subsequent to year-end are not considered measurable and available and are not recognized as revenue but rather as deferred inflows of resources.

Capital Assets

All capital assets which include property and infrastructure assets (e.g., roads, bridges, sidewalks, etc.) become City of Coburg (primary government) capital assets and therefore are not reported on the Agency's Statement of Net Position.

Long-Term Obligations

The Agency has no long-term obligations.

Equity Classifications

Government-Wide Statements - Equity is classified as net position, which represents the difference between assets and liabilities. Net position is displayed in two components:

1. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
2. Unrestricted net position - All other net positions that do not meet the definition of "restricted".

The Agency's policy is first to apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

Item 2.

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT):

Equity Classifications (Cont.)

Fund Financial Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. The Agency did not have any nonspendable resources.
- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Agency has restricted funds for urban renewal projects.
- Committed: This classification includes fund balance amounts that are constrained for the specific purpose that is internally imposed by the government through the resolution of the highest level of decision-making authority, the Agency Board, and does not lapse at year-end. The Agency does not have committed resources.
- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the Agency Board or through the Agency Board delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories and negative fund balances of other governmental funds.

The Agency's policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

Use of Estimates

In preparing the Agency's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG
(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY:

Budgetary Information

Annual budgets for all funds are adopted on a basis consistent with Oregon Revised Statutes (ORS 294 -Local Budget Law). The Agency is required to budget all funds. The budget is prepared for each fund on the modified accrual basis of accounting. For all fund types, inter-fund loans are budgeted as sources and used in accordance with state budget laws. Estimated receipts and expenditures are budgeted for by fund and object. Information on the past two years' actual receipts and expenditures and current-year estimates are included in the budget document. The process under which the budget is adopted is described in the following paragraphs.

In the early spring, a preliminary budget calendar, budget preparation manual, and budget worksheets are distributed to appropriate department directors. The City Administrator (Agency Director) and the Finance Director develop a proposed budget, after which the Agency Director publishes two notices of Budget Committee meetings. No less than five days, or more than thirty days after the notices are published, the Budget Committee (consisting of the Agency Board and an equal number of citizens of the City of Coburg) meets to consider the proposed budget. The Budget Message is delivered, explaining the proposed budget and any significant changes in the Agency's financial position.

The Budget Committee conducts public meetings to obtain citizens' comments, deliberate on, and subsequently approve the proposed budget, which includes any additions or deletions from the one originally presented by the Agency Director. The Budget Committee then submits the approved budget to the Agency Board for final adoption. The board may not increase the approved expenditure for each fund by more than 10% without returning it to the Budget Committee for a second approval. After the board adopts the budget and certifies the total of ad valorem taxes to be levied, as the budget committee approves, no additional tax levy may be made for that fiscal year.

The Agency Board legally adopts the budget by resolution before July 1. The resolution establishes appropriations for each fund, and expenditures cannot legally exceed these appropriations. The level of control established by the resolution for each fund is the object group level (i.e., personal services, materials and services, capital outlay, and other expenditures). Appropriations lapse at the end of the year.

The Agency Board may change the budget throughout the year by resolution and adopting supplemental budgets authorized by Oregon Revised Statutes. Unexpected additional resources may be added to the budget using a supplemental budget. A supplemental budget requires hearings before the public, publications in newspapers, and approval by the board. Expenditure appropriations may not be legally over-expended except in the case of grant receipts that could not be reasonably estimated at the time the budget was adopted and for debt service on new debt issued during the budget year.

CASH AND INVESTMENTS:

For a discussion of deposit and investment policies and other related information, see the Cash and Investments note under the Summary of Significant Accounting Policies.

The Agency follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. State statutes impose various restrictions on deposits and investments. These restrictions are summarized in the Cash and Investment note under the Summary of Significant Account Policies.

Investments are stated at fair value, including amounts held in pool cash and investments. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

CASH AND INVESTMENTS (CONT.):

value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. State of Oregon Local Government Investment Pool (LGIP) investments are stated at fair value.

Deposits - All cash is deposited in compliance with Oregon statutes. Banking regulations and Oregon law establish the insurance and collateral requirements for deposits. FDIC insurance of \$250,000 applies to the deposits in each depository. Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories on the state treasurer’s website.

Qualifying depository banks must pledge securities with a particular value based on the bank’s level of capitalization. Balances that are more than the FDIC insurance are considered exposed to custodial credit risk.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the Agency's deposits may not be returned to it. The Agency does not have a deposit policy for custodial credit risk.

As of June 30, 2024, the Agency’s reported deposits were \$18,900, and the bank balance was \$19,334. Of the bank balance, the entire amount was covered by federal depository insurance or by pledged securities with the qualifying depository banks.

Investments - Oregon statutes authorize the Agency to invest in obligations of the U.S. Treasury and U.S. agencies, banker’s acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor’s Corporation or P-1 by Moody’s Commercial Paper Record, and the Local Governmental Investment Pool. The Agency has no credit risk or investment policy that would further limit its investment choices.

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2024, the Agency’s investment in the Oregon State Treasurer’s Local Government Investment Pool (LGIP) was unrated.

As of June 30, 2024, the Agency's investments in financial institutions are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government Investment Pool (LGIP)	<u>\$ 174,153</u>	N/A
Total Investments	<u><u>\$ 174,153</u></u>	

Investments in the LGIP and federal agency notes do not require disclosure of credit rating quality.

Concentration of Credit Risk - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a concentration of credit risk. The Agency places no limit on the amount that may be invested in any one issuer. More than 5 percent of the Agency's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 100% of the Agency's total investment.

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2024

RISK MANAGEMENT:

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Agency carries commercial insurance. There has been no significant reduction in insurance coverage from the prior years. The Agency has not been required to pay any settlements in excess of insurance coverage during the past three fiscal years. The Agency's insurance is provided in combination with the City of Coburg.

REQUIRED
SUPPLEMENTARY
INFORMATION

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

(A Component Unit of the City of Coburg)

**Schedule of Revenues, Expenditures,
and Changes In Fund Balance - Budget and Actual**

URBAN RENEWAL GENERAL FUND

For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
<u>REVENUES:</u>				
Taxes and Assessments	\$ 417,000	\$ 417,000	\$ 456,645	\$ 39,645
Investment Revenue	2,000	2,000	16,271	14,271
Total Revenues	419,000	419,000	472,916	53,916
<u>EXPENDITURES:</u>				
Materials and Supplies	385,425	385,425	381,434	(3,991)
Total Expenditures	385,425	385,425	381,434	(3,991)
Net Change In Fund Balance	33,575	33,575	91,482	57,907
Fund Balance - July 1, 2023	75,000	75,000	102,979	27,979
Fund Balance - June 30, 2024	\$ 108,575	\$ 108,575	\$ 194,461	\$ 85,886

**REPORTS
ON
OTHER LEGAL
AND
REGULATORY
REQUIREMENTS**

THE URBAN RENEWAL AGENCY OF THE CITY OF COBURG

MANAGEMENT REPRESENTATION OF FISCAL AFFAIRS REQUIRED BY OREGON STATE REGULATIONS

As of June 30, 2024

To the Governing Body of the Urban Renewal Agency of the City of Coburg
Coburg, Oregon

We have audited the basic financial statements of the Urban Renewal Agency of the City of Coburg as of and for the year ended June 30, 2024, and have issued our report thereon dated January 24, 2025. 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 Urban Renewal Agency of the City of Coburg's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon 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 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.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the Agency 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 Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency internal control over financial reporting.

This report is intended solely for the information and use of the Agency governing body and management of the Urban Renewal Agency of the City of Coburg and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Steven L. Tuchscherer, CPA
Umpqua Valley Financial
Roseburg, Oregon
January 24, 2025

Management Representation Letter

The Urban Renewal Agency of the City of Coburg

January 24th, 2025

Umpqua Valley Financial, LLC
171 NE Exchange Avenue
Roseburg, Oregon 97470

This representation letter is provided in connection with your audit of the financial statements of The Urban Renewal Agency of the City of Coburg which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of June 30th, 2024, and the respective changes in financial position and, where applicable, cash flows for the fiscal year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of January 24th, 2025, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 15th, 2024, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S. GAAP.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.

- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the URA is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the URA from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the URA and involves
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the URA's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the names of the URA's related parties and all the related party relationships and transactions, including any side agreements.

Government-specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy identified and suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us, if applicable.
- 21) We have a process to track the status of audit findings and recommendations, if any.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 23) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.

- 24) We have provided our views on reported findings, conclusions, and recommendations, if any, as well as our planned corrective actions, for the report.
- 25) The URA has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have appropriately identified, recorded, and disclosed all leases in accordance with GASBS No. 87 .
- 28) We have appropriately disclosed or recognized conduit debt obligations and/or certain arrangements associated with conduit debt obligations in accordance with GASBS No. 91 .
- 29) We have appropriately identified, recorded, and disclosed subscription-based information technology arrangements in accordance with GASBS No. 96 .
- 30) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 31) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 32) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
- 33) The URA has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 34) The URA has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 35) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 36) The financial statements include all fiduciary activities required by GASBS No. 84 , as amended.
- 37) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended.
- 38) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 39) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 40) Investments, derivative instrument transactions, and land and other real estate held by endowments are properly valued.
- 41) Provisions for uncollectible receivables have been properly identified and recorded.
- 42) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 43) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.

- 44) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 45) Special and extraordinary items are appropriately classified and reported, if any.
- 46) Deposits and investment securities and derivative instrument transactions, if any, are properly classified as to risk and are properly disclosed.
- 47) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 48) The government meets the GASB-established requirements for accounting for eligible infrastructure assets, if any, using the modified approach.
- 49) We have appropriately disclosed the URA's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 50) We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
- 51) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 52) With respect to the supplementary information on which an in-relation-to opinion is issued of the audited financial statements:
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

Signature: _____

Signature: _____

Title: _____

Title: _____

City of Coburg - Urban Renewal Agency
Balances
FY 2025
As of 12/31/2024

Cash Balances

	FY 2025	FY 2025	FY 2024	EOY
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>FY 2024</u>
General Fund	651,784	N/A	533,116	193,053

Fund Balances

	FY 2025	FY 2025	FY 2024	EOY
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>FY 2024</u>
General Fund	653,182	253,355	534,515	194,451

**City of Coburg - Urban Renewal Agency
Fund Statements
General Fund
FY 2025
As of 12/31/2024**

	FY 2025			FY 2024	
	Actual	Budget	% of B to A	Actual	EOY
Revenues:					
Taxes and Assessments	452,010	466,075	97%	427,557	456,634
Investment Revenue	6,720	15,000	45%	3,978	16,271
Total Revenue	<u>458,731</u>	<u>481,075</u>	95%	<u>431,535</u>	<u>472,905</u>
Expenditures					
Administration Department	0	11,000	0%	-	6,434
Debt Service:					
Principal	-	400,000	0%	-	375,000
Interest	-	-	N/A	-	-
Contingency	-	-		-	-
Total Expenditures	<u>0</u>	<u>411,000</u>	0%	<u>-</u>	<u>381,434</u>
Net Change	458,731	70,075	655%	431,535	91,471
Fund Balance - June 30,	<u>194,451</u>	<u>183,280</u>	106%	<u>102,980</u>	<u>102,980</u>
Fund Balance	<u><u>653,182</u></u>	<u><u>253,355</u></u>	258%	<u><u>534,515</u></u>	<u><u>194,451</u></u>
Fund Balance:					
Restricted for URA		108,575			
Unappropriated Ending Fund Balance		<u>108,575</u>			
Fund Balance		<u><u>108,575</u></u>			

**City of Coburg - Urban Renewal Agency
 Department Summary of Expenditures by Fund
 FY 2025
 As of 12/31/2024
 Target 50%**

	FY 2025			FY 2024	
	Actual	Budget	% of B to A	Actual	EOY
<u>General Fund</u>					
Administration Department					
Material and Services	0	11,000	0.00%		6,434
Total Administration Department	0	11,000	0.00%	-	6,434
Debt Service:					
Principal	-	400,000	0.00%		375,000
Interest	-	-	N/A		
Total Debt	-	400,000	0.00%	-	375,000
Total General Fund Expenditures	0	411,000	0.00%	-	381,434

City of Coburg - Urban Renewal Agency
Budgetary Compliance
FY 2025
Resolution 2025-01-U
As of 12/31/2024
Target 50%

	<u>Actual</u>	<u>Budget</u>	<u>% of B to A</u>	<u>Balance</u>
General Fund				
Administration Department	0	11,000	0%	11,000
Debt Service	-	400,000	0%	400,000
Contingency		-		-
Total General Fund	<u>0</u>	<u>411,000</u>		<u>411,000</u>
Total Appropriations	<u>0</u>	<u>411,000</u>	0%	<u>411,000</u>