

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FULL BOARD OF DIRECTORS
THURSDAY, DECEMBER 21, 2023
4:00 P.M.**

Virtual Only via Zoom: <https://us06web.zoom.us/j/83960737108>
Or call 346-248-7799, Meeting ID: 839 6073 7108

BOARD MEETING AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order/Introductions	5 minutes	Information
Loan Client Spotlight	5 minutes	Information
Audit Report- <i>Tara Kamp</i>	10 minutes	Information
New Travel Training Project for Klickitat and Skamania Counties <i>Emily Reed and Eve Elderwell</i>	15 minutes	Information
Sept. 2023 Minutes	5 minutes	Approval
Financial Report	10 minutes	Information
Executive Director Report <i>District Expansion Update Strategic Planning Process Symposium Review</i>	15 minutes	Discussion
Committee Reports Executive Committee	10 minutes	Information
Loan Administration Board		
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i>		
<i>Regular Session Reconvened</i>		
Staff Reports	20 minutes	Information
Regional Updates- <i>MCEDD Board members</i>	25 minutes	Discussion
New Business	5 minutes	Discussion
Adjournment		

Accessibility: The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance, please contact us at least 48 hours before the meeting.

Public Comment: Individuals wishing to address the Board on items not already listed on the Agenda may do so in an orderly fashion throughout the meeting. Please wait for the current topic to conclude and raise your hand to be recognized by the Chair for direction. Speakers are asked to give their name and address and to limit comments to three minutes unless extended by the Chair.

Agenda Times: Times on the agenda are approximate. The Chair reserves the opportunity to change the order and time of agenda items if unforeseen circumstances arise.

Consent Agenda: Items of a routine and non-controversial nature are placed on the Consent Agenda to allow the Board to spend its time and energy on the important items and issues. Any Board member may request an item be "pulled" from the Consent Agenda and be considered separately. Items pulled from the Consent Agenda will be placed on the Agenda following the end of the action items.

Loan Client Highlight: Gander & Goose

In July 2023, Sam Schauer received a MCEEDD microloan to open Gander & Goose at 216 E. Jewett Blvd in White Salmon, WA. Gander & Goose is a cocktail bar concept that features unique cocktails representing the botanical diversity of the area, along with curated dessert and other menu options. Sam has over 20 years of experience in the service industry and has been workshopping this concept for years. The business opened this fall and was highlighted in CCC News with an article at <https://columbiacommunityconnection.com/the-dalles/gander-and-goose-brings-wildcrafted-botanical-cocktails-to-white-salmon>. MCEEDD funding supported the start-up costs of the business, including equipment, working capital and leasehold improvements.

Photo credits from CCC News.



Memorandum

To: MCEDD Board of Directors

From: Jessica Metta, MCEDD Executive Director

Date: December 12, 2023

Re: FY23 Audit

Overview

Tara Kamp of Pauly, Rogers, and Co., P.C. of Tigard, Oregon will present the audit report for the year ending June 30, 2023. The electronic packet includes the audit and the letter to the Directors from our auditor. MCEDD members who receive printed packets may find the audit in the electronic packet in your email or may request a printed copy of the audit be mailed to them, if preferred.

Recommendation

Receive the FY23 Audit.

**MID-COLUMBIA ECONOMIC DEVELOPMENT
DISTRICT
WASCO COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2023



**12700 SW 72nd Ave.
Tigard, OR 97223**

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

For the Year Ended June 30, 2023

ANNUAL FINANCIAL REPORT

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

BOARD OF DIRECTORS

Administrative Office: 802 Chenowith Loop Rd.
The Dalles, OR 97058

Executive Director: Jessica Metta

<u>Member</u>	<u>Constituency</u>	<u>Representation</u>
Pat Albaugh	Washington Ports	Port Government
Steve Kramer, Chair	Wasco County	County Government
Ryan O'Connor	Klickitat County	Private Sector
Ken Bailey	Agriculture	Private Sector
Kevin Greenwood	Hood River County	Port Government
Mike Foreaker	Wasco County	City Government
Leana Kinley, Vice-Chair	Cities of Skamania County	City Government
Les Perkins	Hood River County	County Government
Jason Hartmann	White Salmon	City Government
Lori Zoller	Klickitat County	County Government
Meinrad Kuettel	Sherman County	City Government
Jonathan Lewis	Washington Chambers of Commerce	Chambers
Tom Lannen	Skamania County	County Government
Eric Proffitt	Workforce	Private Sector
Mark Zanmiller	Cities of Hood River County	City Government
Tonya Brumley	Oregon Chambers of Commerce	Chambers
Dr. Marta Cronin	Higher Education	Private Sector
Robert Kimmes	Healthcare	Private Sector
Judge Joe Dabulskis, Sec/Treasurer		
	Sherman County	County Government
Scott Clements	Private Business	Private Sector
Buck Jones	Food and Beverage	Private Sector

Registered Agent: Jessica Metta

All board members can be contacted at
802 Chenowith Loop Rd.
The Dalles, OR 97058

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WASCO COUNTY, OREGON
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WASCO COUNTY, OREGON
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Pauly, Rogers, and Co., P.C.
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www.paulyrogersandcocpas.com

December 4, 2023

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mid-Columbia Economic Development District
Wasco County, Oregon

Qualified and Unmodified Opinions

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

Summary of Opinions

<u>Opinion Units</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business Type Activities	Qualified
Each Major Fund	Unmodified
Aggregate Remaining Fund Information	Qualified

In our opinion, except for the effects of not providing an actuarially determined liability for other postemployment benefits as described in the paragraph below, 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 the aggregate remaining fund information of Mid-Columbia Economic Development District, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of Mid-Columbia Economic Development District, as of June 30, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Mid-Columbia Economic and Development District 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.

Matter Giving Rise to Qualified Opinion

Management has not obtained an actuarial valuation of the post-employment benefit obligation related to the implicit healthcare subsidy in accordance with GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Accounting principles generally accepted in the United States of America require that actuarially determined annual required contributions related to postemployment benefits, other than retirement benefits, attributable to employee services already rendered be recorded as expenses as employees earn the benefits, which, if not funded, would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect net position, liabilities and expenses of the governmental activities is not reasonably determinable.

Change in Accounting Principal

The District adopted new accounting guidance, *GASB Statement No. 96 – Subscription-based Information Technology Arrangements* during the fiscal year under audit. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Mid-Columbia Economic Development District'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.

Auditors' 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 auditors' 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 and *Government 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Mid-Columbia Economic Development District'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 Mid-Columbia Economic Development District'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 and other required supplementary information as noted in the table of contents, 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 basic financial statements. The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, 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, as listed in the table of contents, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises of the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2023 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 4, 2023 on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT Management's Discussion and Analysis

As management of Mid-Columbia Economic Development District, located in The Dalles, Oregon, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of MCEDD for the fiscal year ending June 30, 2023.

FINANCIAL HIGHLIGHTS

- The net position at June 30, 2023 was \$9,960,138, an increase from prior year of \$813,749. Of that increase, \$578,681 was restricted for recapitalization and an increase of \$280,869 was unrestricted and Special Revenue Funds. The net investment in Capital Assets decreased by \$41,801.
- Government Activity Liabilities increased by \$99,288 from the prior year, due to the payroll liabilities.
- Business Type Activities Liabilities decreased by \$289,675 from prior year, primarily due to unearned revenue.

OVERVIEW OF MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT

Mid-Columbia Economic Development District (the District) is governed by a twenty-one member Board of Directors. As required by generally accepted accounting principles in the United States of America, all activities of the District have been included in these financial statements.

There are various governmental agencies and special service districts which provide services within the five-county area served by the District. However, the District is not financially accountable for any of these entities and accordingly their financial information is not included in the general purpose financial statements.

The District was organized to assist the counties of Wasco, Hood River, and Sherman in Oregon, and Klickitat and Skamania in Washington in obtaining and coordinating grants and loans for economic development and other related projects.

The District has a sub-grant agreement with the U.S. Department of Commerce to administer Economic Development Administration (EDA) Title IX Grants. The purpose of the grants is to provide funds through revolving loan funds to assist eligible recipients with projects to create new jobs pursuant with the Economic Development Act of 1965.

The District operates Intermediary Revolving Loan funds established through low-interest loans from U.S. Department of Agriculture (USDA) Rural Development's Intermediary Relending Program (IRP) and in partnership with Oregon Economic and Community Development, Mount Hood Economic Alliance, National Scenic Area Oregon Investment Board and Sherman County.

Additional loan funds have been established through grants from USDA Rural Development through Rural Business Enterprise Grants and through a Community Development Block Grant for Klickitat County businesses.

In February 2018, MCEDD expanded services to include operation of public transportation (The Link) in Wasco County. The Link is primarily funded by Federal and State grants received through Oregon Department of Transportation and service contracts with Wasco County.

OVERVIEW OF THE FINANCIAL STATEMENTS

Mid-Columbia Economic Development District's financial statements consist of three parts – management's discussion and analysis (this section), the basic financial statements and fund financial statements. The basic financial statements include the District-wide financial statements and notes to the financial statements.

- The District-wide financial statements provide information about the District's overall financial position and result of operations. They provide readers with a broad overview of MCEDD's finances, in a manner similar to the private sector business. These statements are presented on the accrual basis and consist of the Statement of Net Position, the Statement of Activities and the Statement of Cash Flows.
- The basic financial statements also include a "Notes to Financial Statements" section that provides additional information that is essential to a full understanding of the data provided in the District-wide statements.

Fund Accounting

The accounts of the District are organized based on funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate.

The District has the following funds:

Governmental Fund Type:

Special Revenue Funds – These funds (Grants, Contracted Services, and Local Contributions) account for specific revenues from federal grants and contributions from member counties and other municipalities that are designated to finance particular functions or activities and the undesignated local fund balance.

Proprietary Fund Types:

Enterprise Funds – These funds account for the issuance, collection, and administrative expenses associated with the revolving loans and intermediary relending programs.

Fiduciary Fund:

Fiduciary Fund, referred to as Component unit in prior year financial statements, includes Columbia River Gorge National Scenic Act Funds, which are administered by MCEDD for the State of Oregon.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

AN OVERVIEW OF THE DISTRICT-WIDE FINANCIAL POSITION AND OPERATIONS

Mid-Columbia Economic Development District	2023	2022
Statement of Net Position		
Current Assets	\$6,808,403	\$6,983,580
Total capital assets, net of depreciation	2,133,505	2,132,103
Loans Receivable, net of allowance for Uncollectibles	<u>2,738,954</u>	<u>1,941,817</u>
Total Assets	11,680,862	11,057,500
Current Liabilities	348,251	475,083
Non-Current Liabilities	<u>1,372,473</u>	<u>1,436,028</u>
Total Liabilities	1,720,724	1,911,111
Net Position:		
Net investment in capital assets	2,090,302	2,132,103
Restricted for Recapitalization	6,523,662	5,948,981
Restricted for economic development	264,824	83,482
Unrestricted (Includes Special Revenue Funds)	<u>1,081,350</u>	<u>981,823</u>
Total Net Position	\$9,960,138	\$9,146,389

Assets

Mid-Columbia Economic Development District's Total Assets increased from the prior year's balance by \$623,362. Decrease of \$175,177 in Current Assets is primarily due to decreased accounts receivable in the Business Type Activities. Loans Receivable increased by \$797,137 primarily due to an increase new loans being funded.

Liabilities

Total liabilities for MCEDD decreased by \$190,387, primarily due to decreases in unearned revenue and payroll liabilities.

**Mid-Columbia Economic Development District
Statement of Activities**

	<u>2023</u>	<u>2022</u>
Revenues:		
Federal	\$1,233,942	\$ 1,801,488
State	871,932	812,184
Local	85,949	78,768
Loan Interest Income	310,678	273,473
Donated Revenue	0	0
Other	1,010,062	873,073
Total Revenues	3,512,563	3,838,986
Expenses:		
Personnel Expenses	1,912,054	1,832,605
Consulting and Professional Services	517,603	591,440
Travel and Conferences	23,471	11,571
Supplies	23,344	26,859
Other	207,894	198,909
Bad Debt Expense	71,490	(209,238)
Interest Expense	17,984	15,130
Capital Purchase	61,233	438,055
Total Expenses	2,835,073	2,905,231
Other Income:		
Interest on Investments	136,259	8,836
Miscellaneous		2,842
Increase/Decrease in Net Position	813,749	945,433
Net Position (Fund Balance) - July 1	9,146,389	8,201,100
Prior Period Adjustment	0	(144)
Net Position (Fund Balance) - June 30	\$9,960,138	\$9,146,389

ANALYSIS OF OPERATIONS

Revenue:

The Federal revenue for FY23 decreased from the prior year by \$567,546 and can be attributed once again to COVID-19 relief funding. The same can be said for the majority of the State revenue decrease of \$59,748. Increased Other revenues of \$136,989 are primarily comprised Loan Fees, Farebox Revenue, and Fee-for-Service contracts which include projects from prior years which were completed and billed in FY 2023. There was no Donated Revenue in FY 2023.

Expenses:

Overall expenses decreased by \$70,158 in FY23. Personnel expenses had an increase of \$79,449 attributed to an increase in personnel as well as budgeted Cost of Living Increase for all positions and wage scale adjustments for the Transportation positions. Professional Services decreased \$73,837 which is reflective of special project contracts.

BUDGET ANALYSIS

MCEDD did not adopt a supplemental budget in FY23, mainly due to a budgeted grant receipt of \$1,900,000 and associated expenses that did not occur in FY23.

ADDITIONAL COMMENTS

The District continues to carry five loans with USDA Rural Development through the Intermediary Relending Program as noted in the overview.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF NET POSITION
June 30, 2023**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 991,449	\$ 5,153,493	\$ 6,144,942
Accounts Receivable	439,139	75,000	514,139
Prepaid Expenses	18,698	786	19,484
Accrued Interest Receivable	-	8,928	8,928
Due From Other Funds	120,910	-	120,910
Total Current Assets	<u>1,570,196</u>	<u>5,238,207</u>	<u>6,808,403</u>
Capital Assets:			
Capital Assets, Non-Depreciable	172,681	-	172,681
Capital Assets, Net of Depreciation	1,960,824	-	1,960,824
Total Capital Assets, Net of Depreciation	<u>2,133,505</u>	<u>-</u>	<u>2,133,505</u>
Noncurrent Assets:			
Note Receivable - Due Within One Year	-	377,261	377,261
Note Receivable - Due in More Than One Year	-	2,265,646	2,265,646
Restricted Cash	-	96,047	96,047
Total Noncurrent Assets	<u>-</u>	<u>2,738,954</u>	<u>2,738,954</u>
Total Assets	<u>3,703,701</u>	<u>7,977,161</u>	<u>11,680,862</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	71,818	414	72,232
Payroll Liabilities	73,211	2,902	76,113
Interest Payable	-	4,798	4,798
Accrued Compensated Absences	78,993	-	78,993
Due to Other Funds	-	116,115	116,115
Noncurrent Liabilities:			
Due Within One Year:			
Long Term Debt	15,462	108,117	123,579
Due in More Than One Year:			
Long Term Debt	27,741	1,221,153	1,248,894
Total Liabilities	<u>267,225</u>	<u>1,453,499</u>	<u>1,720,724</u>
NET POSITION			
Net Investment in Capital Assets	2,090,302	-	2,090,302
Restricted for:			
Recapitalization	-	6,523,662	6,523,662
Specific Economic Development Projects	264,824	-	264,824
Unrestricted	1,081,350	-	1,081,350
Total Net Position	<u>\$ 3,436,476</u>	<u>\$ 6,523,662</u>	<u>\$ 9,960,138</u>

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	
<u>Functions/Programs</u>				
Government				
Governmental Activities				
Economic Development	\$ 2,613,396	\$ 1,173,086	\$ 1,675,379	\$ -
Total Governmental Activities	2,613,396	1,173,086	1,675,379	-
Business-Type Activities				
Economic Development	203,693	233,603	430,495	-
Interest on Long-Term Debt	17,984	-	-	-
Total Business-Type Activities	221,677	233,603	430,495	-
Total Primary Government	\$ 2,835,073	\$ 1,406,689	\$ 2,105,874	\$ -

General Revenues

Interest Income

Total General Revenues

Change in Net Position

Net Position - Beginning of year

Net Position - End of year

See accompanying notes to basic financial statements

**Net Revenue (Expenses) and
Changes in Net Position**

Governmental Activities	Business-Type Activities	Total
\$ 235,069	\$ -	\$ 235,069
235,069	-	235,069
-	460,405	460,405
-	(17,984)	(17,984)
-	442,421	442,421
235,069	442,421	677,490
-	136,259	136,259
-	136,259	136,259
235,069	578,680	813,749
3,201,407	5,944,982	9,146,389
\$ 3,436,476	\$ 6,523,662	\$ 9,960,138

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023**

	GENERAL FUND	LINK/TRANSIT CENTER FUND	SPECIAL PROJECTS FUND	PLANNING GRANT FUND	TOTAL
ASSETS					
Cash and Cash Equivalents	\$ 54,156	\$ 520,840	\$ 367,834	\$ 48,619	\$ 991,449
Accounts Receivable	-	227,981	211,158	-	439,139
Due From Other Funds	881,616	-	-	489	882,105
Prepaid Expenses	4,994	12,079	125	1,500	18,698
Total Assets	<u>\$ 940,766</u>	<u>\$ 760,900</u>	<u>\$ 579,117</u>	<u>\$ 50,608</u>	<u>\$ 2,331,391</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$ 5,928	\$ 24,682	\$ 41,111	\$ 97	\$ 71,818
Payroll Liabilities	27,389	23,946	17,289	4,587	73,211
Unearned Revenue	-	119,764	119,426	-	239,190
Due To Other Funds	-	525,343	235,852	-	761,195
Total Liabilities	<u>33,317</u>	<u>693,735</u>	<u>413,678</u>	<u>4,684</u>	<u>1,145,414</u>
Fund Balance					
Nonspendable	4,994	12,079	125	1,500	18,698
Restricted	-	55,086	165,314	44,424	264,824
Unassigned	902,455	-	-	-	902,455
Total Fund Balance	<u>907,449</u>	<u>67,165</u>	<u>165,439</u>	<u>45,924</u>	<u>1,185,977</u>
Total Liabilities and Fund Balance	<u>\$ 940,766</u>	<u>\$ 760,900</u>	<u>\$ 579,117</u>	<u>\$ 50,608</u>	<u>\$ 2,331,391</u>

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO STATEMENT OF NET POSITION
June 30, 2023**

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.

Fund Balances	\$ 1,185,977
The cost of capital assets (land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress) is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the City as a whole.	
Net Capital Assets	2,133,505
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.	
Accrued Compensated Absences	(78,993)
Long Term Debt is not due and payable in the current period and therefore are not reported in the funds.	
Long Term Debt	(43,203)
Other assets are not available to pay for current-period expenditures and therefore are considered unavailable in the funds.	
Unearned revenue	<u>239,190</u>
Total Net Position	<u><u>\$ 3,436,476</u></u>

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2023**

	GENERAL FUND	LINK/TRANSIT CENTER FUND	SPECIAL PROJECTS FUND	PLANNING GRANT FUND	TOTAL
REVENUES					
Intergovernmental Revenues					
Federal Sources	\$ -	\$ 701,967	\$ 21,480	\$ 80,000	\$ 803,447
State Sources	-	454,177	417,755	-	871,932
Contract Revenue	-	98,972	651,425	-	750,397
Interest on Investments	207	-	-	-	207
Other Misc Sources	34,957	109,629	96,132	75,671	316,389
Total Revenues	35,164	1,364,745	1,186,792	155,671	2,742,372
EXPENDITURES					
Current:					
Economic Development	33,608	1,234,323	1,080,188	148,240	2,496,359
Capital Outlay	-	61,233	-	-	61,233
Total Expenditures	33,608	1,295,556	1,080,188	148,240	2,557,592
Excess of Revenues Over, (Under) Expenditures	1,556	69,189	106,604	7,431	184,780
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	26,556	2,071	28,627
Transfers Out	(2,071)	(12,929)	(13,627)	-	(28,627)
Subscription Proceeds	-	-	-	-	-
Total Other Financing Sources, (Uses)	(2,071)	(12,929)	12,929	2,071	-
Net Change in Fund Balance	(515)	56,260	119,533	9,502	184,780
FUND BALANCE - BEGINNING OF YEAR	907,964	10,905	45,906	36,422	1,001,197
FUND BALANCE - END OF YEAR	\$ 907,449	\$ 67,165	\$ 165,439	\$ 45,924	\$ 1,185,977

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS - TO
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2023**

Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fi
the government-wide statement of activities

Excess of Revenues over Expenditures \$ 184,780

Governmental funds report capital outlays as expenditures. However, in
the statement of activities the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense. This is the amount
by which capital outlays exceeded depreciation in the current period.

Capitalized Additions	\$ 61,233
Depreciation Expense	<u>(119,729)</u>

Net Adjustment (58,496)

Under the modified accrual basis of accounting used in the governmental funds,
expenditures are not recognized for transactions that are not normally paid with
expendable available financial resources. In the statement of activities, however,
which is presented on the accrual basis of accounting, expenses and liabilities
are reported regardless of when financial resources are available. This
adjustment combines the net changes in liability balances.

Accrued Compensated Absences	(14,003)
Long Term Debt payments	16,695

Revenues in the statement of activities that do not provide current financial
resources are not reported as revenues in the funds.

Change in Unearned Revenue	<u>106,093</u>
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Change in Net Position	<u><u>\$ 235,069</u></u>
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**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023**

	<u>REVOLVING LOAN FUND</u>	<u>RLF HOUSING FUND</u>	<u>INTERMEDIARY RELENDING PROGRAM FUND</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 887,239	\$ 1,389,901	\$ 1,640,467
Accounts Receivable	-	-	-
Accrued Interest Receivable	3,074	1,726	2,924
Due From Other Funds	-	-	7,442
Prepaid Expenses	-	-	786
Loans Receivable, Net (current)	140,549	49,095	106,956
Noncurrent Assets			
Restricted Cash	-	-	96,047
Loans Receivable, Net of Allowance	656,346	670,905	680,194
Total Assets	<u>1,687,208</u>	<u>2,111,627</u>	<u>2,534,816</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	63	-	321
Accrued Interest Payable	-	-	3,246
Payroll Liabilities	472	68	1,637
Due To Other Funds	74,549	4,445	-
Loans Payable - current	-	-	90,249
Noncurrent Liabilities			
Loans Payable	-	-	860,858
Total Liabilities	<u>75,084</u>	<u>4,513</u>	<u>956,311</u>
NET POSITION			
Restricted for Recapitalization	<u>1,612,124</u>	<u>2,107,114</u>	<u>1,578,505</u>
Total Net Position	<u><u>\$ 1,612,124</u></u>	<u><u>\$ 2,107,114</u></u>	<u><u>\$ 1,578,505</u></u>

See accompanying notes to basic financial statements

<u>RURAL BUSINESS ENTERPRISE GRANT FUND</u>	<u>IRP WASHINGTON FUND</u>	<u>IRP SHERMAN FUND</u>	<u>USDA NSA FUND</u>	<u>NONMAJOR PROPRIETARY FUNDS</u>	<u>TOTAL PROPRIETARY FUNDS</u>
\$ 535,124	\$ 262,353	\$ 149,881	\$ 3,457	\$ 285,071	\$ 5,153,493
-	-	-	75,000	-	75,000
-	213	231	620	140	8,928
23,759	1,906	3,570	-	460	37,137
-	-	-	-	-	786
-	21,696	22,816	30,659	5,490	377,261
-	-	-	-	-	96,047
-	11,430	44,378	174,893	27,500	2,265,646
<u>558,883</u>	<u>297,598</u>	<u>220,876</u>	<u>284,629</u>	<u>318,661</u>	<u>8,014,298</u>
-	10	20	-	-	414
-	739	813	-	-	4,798
96	171	233	214	11	2,902
-	-	-	71,152	3,106	153,252
-	10,837	7,031	-	-	108,117
-	221,350	138,945	-	-	1,221,153
<u>96</u>	<u>233,107</u>	<u>147,042</u>	<u>71,366</u>	<u>3,117</u>	<u>1,490,636</u>
<u>558,787</u>	<u>64,491</u>	<u>73,834</u>	<u>213,263</u>	<u>315,544</u>	<u>6,523,662</u>
<u>\$ 558,787</u>	<u>\$ 64,491</u>	<u>\$ 73,834</u>	<u>\$ 213,263</u>	<u>\$ 315,544</u>	<u>\$ 6,523,662</u>

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	<u>REVOLVING LOAN FUND</u>	<u>RLF HOUSING FUND</u>	<u>INTERMEDIARY RELENDING PROGRAM FUND</u>
OPERATING REVENUES			
Loan Fees	\$ 11,707	\$ 8,981	\$ 6,784
Intergovernmental	218,450	-	-
Loan Interest	68,107	37,650	67,994
Total Operating Revenues	<u>298,264</u>	<u>46,631</u>	<u>74,778</u>
OPERATING EXPENSES			
Salary and Fringe Benefits	22,748	5,167	74,090
Consulting and Professional Services	5,453	3,031	12,670
Travel and Conference	917	5	286
Supplies	19	-	350
Interest Expense	-	-	14,044
Indirect Expenses	32,700	7,495	(59,236)
Miscellaneous	17,169	30,217	3,840
Total Operating Expenses	<u>79,006</u>	<u>45,915</u>	<u>46,044</u>
Operating Income (Loss)	219,258	716	28,734
NON-OPERATING REVENUES (EXPENSES)			
Interest on Investments	17,963	47,804	47,884
Total Non-Operating Revenues,	<u>17,963</u>	<u>47,804</u>	<u>47,884</u>
Change in Net Position	237,221	48,520	76,618
NET POSITION - BEGINNING	<u>1,374,903</u>	<u>2,058,594</u>	<u>1,501,887</u>
NET POSITION - ENDING	<u>\$ 1,612,124</u>	<u>\$ 2,107,114</u>	<u>\$ 1,578,505</u>

See accompanying notes to basic financial statements

RURAL BUSINESS ENTERPRISE GRANT FUND	IRP WASHINGTON FUND	IRP SHERMAN FUND	USDA NSA FUND	NONMAJOR PROPRIETARY FUNDS	TOTAL PROPRIETARY FUNDS
\$ 991	\$ 720	\$ -	\$ 3,821	\$ -	\$ 33,004
-	-	-	212,045	-	430,495
715	5,927	5,180	11,498	3,528	200,599
1,706	6,647	5,180	227,364	3,528	664,098
5,240	2,850	4,321	4,020	1,674	120,110
1,607	335	424	54	186	23,760
-	-	-	-	-	1,208
-	-	-	-	-	369
-	2,411	1,529	-	-	17,984
7,603	4,139	6,271	5,834	2,431	7,237
(662)	36	195	194	20	51,009
13,788	9,771	12,740	10,102	4,311	221,677
(12,082)	(3,124)	(7,560)	217,262	(783)	442,421
15,404	429	436	-	6,339	136,259
15,404	429	436	-	6,339	136,259
3,322	(2,695)	(7,124)	217,262	5,556	578,680
555,465	67,186	80,958	(3,999)	309,988	5,944,982
\$ 558,787	\$ 64,491	\$ 73,834	\$ 213,263	\$ 315,544	\$ 6,523,662

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	REVOLVING LOAN FUND	RLF HOUSING FUND	INTERMEDIARY RELENDING PROGRAM FUND
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 297,246	\$ 44,905	\$ 75,353
Payments to Suppliers	(55,188)	(40,748)	26,810
Payments to Employees	(23,752)	(5,161)	(74,700)
Net Cash Provided by Operating Activities	<u>218,306</u>	<u>(1,004)</u>	<u>27,463</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Due To/From Other Funds	4,853	(2,022)	9,962
Payments on Loans Payable			(89,169)
Net Cash Provided, (Used) by Noncapital Financing Activities	<u>4,853</u>	<u>(2,022)</u>	<u>(79,207)</u>
CASH FLOWS FROM CAPITAL AND RELATED INVESTING ACTIVITIES			
Interest	17,963	47,804	47,884
Change in Loans Receivable	(195,749)	(720,000)	110,278
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(177,786)</u>	<u>(672,196)</u>	<u>158,162</u>
Net Increase, (Decrease) in Cash and Cash Equivalents	45,373	(675,222)	106,418
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>841,866</u>	<u>2,065,123</u>	<u>1,630,096</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 887,239</u>	<u>\$ 1,389,901</u>	<u>\$ 1,736,514</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ 219,258	\$ 716	\$ 28,734
Adjustments			
(Increase), Decrease in Accrued Interest Receivable	(1,018)	(1,726)	575
(Increase), Decrease in Prepaid Expenses	1,097	-	(786)
(Increase), Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Deferred Revenue	-	-	-
Increase (Decrease) in Payroll Liabilities	(1,004)	6	(610)
Increase, (Decrease) in Accounts Payable	(27)		(450)
Net Cash From Operations	<u>\$ 218,306</u>	<u>\$ (1,004)</u>	<u>\$ 27,463</u>

See accompanying notes to basic financial statements

RURAL BUSINESS ENTERPRISE GRANT FUND	IRP WASHINGTON FUND	IRP SHERMAN FUND	USDA NSA FUND	NONMAJOR PROPRIETARY FUNDS	TOTAL PROPRIETARY FUNDS
\$ 1,771	\$ 8,034	\$ 5,319	\$ 152,510	\$ 3,568	\$ 588,706
(8,548)	(6,954)	(8,414)	(6,172)	(2,637)	(101,851)
<u>(5,247)</u>	<u>(2,751)</u>	<u>(4,344)</u>	<u>(4,232)</u>	<u>(1,755)</u>	<u>(121,942)</u>
(12,024)	(1,671)	(7,439)	142,106	(824)	364,913
299	2,556	3,473	(64,660)	2,094	(43,445)
	<u>(10,678)</u>	<u>(6,911)</u>	-		<u>(106,758)</u>
299	(8,122)	(3,438)	(64,660)	2,094	(150,203)
15,404	429	436	-	6,339	136,259
<u>19,581</u>	<u>49,194</u>	<u>4,806</u>	<u>(73,989)</u>	<u>8,742</u>	<u>(797,137)</u>
34,985	49,623	5,242	(73,989)	15,081	(660,878)
23,260	39,830	(5,635)	3,457	16,351	(446,168)
511,864	222,523	155,516	-	268,720	5,695,708
<u>\$ 535,124</u>	<u>\$ 262,353</u>	<u>\$ 149,881</u>	<u>\$ 3,457</u>	<u>\$ 285,071</u>	<u>\$ 5,249,540</u>
\$ (12,082)	\$ (3,124)	\$ (7,560)	\$ 217,262	\$ (783)	\$ 442,421
65	1,387	139	146	40	(392)
-	-	-	-	-	311
-	-	-	62,045	-	62,045
-	-	-	(137,045)	-	(137,045)
(7)	99	27	(212)	(81)	(1,782)
-	<u>(33)</u>	<u>(45)</u>	<u>(90)</u>	-	<u>(645)</u>
<u>\$ (12,024)</u>	<u>\$ (1,671)</u>	<u>\$ (7,439)</u>	<u>\$ 142,106</u>	<u>\$ (824)</u>	<u>\$ 364,913</u>

See accompanying notes to basic financial statements

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF NET POSITION
FIDUCIARY FUND - CUSTODIAL FUND
June 30, 2023**

ASSETS

Cash and Cash Equivalents	\$	1,404,506
Accrued Interest Receivable		5,912
Noncurrent Assets:		
Note Receivable - Due Within One Year		5,358
Note Receivable - Due in More Than One Year		1,472,244

Total Assets 2,888,020

LIABILITIES

Due To Other Funds 4,795

Total Liabilities 4,795

NET POSITION

Restricted for:
 Individuals, Organization and other Governments 2,883,225

Total Net Position \$ 2,883,225

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND - CUSTODIAL FUND
For the Year Ended June 30, 2023**

ADDITIONS	
Loan Fees	\$ 15,198
Loan Interest	110,078
Interest Earnings	<u>47,713</u>
Total Additions	<u>172,989</u>
DELETIONS	
Professional Services	100,191
Advertising	106
Miscellaneous	<u>25,757</u>
Total Deletions	<u>126,054</u>
Net Increase (Decrease) in Fiduciary Net Position	46,935
NET POSITION, BEGINNING	<u>2,836,290</u>
NET POSITION, ENDING	<u><u>\$ 2,883,225</u></u>

See accompanying notes to basic financial statements

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Mid-Columbia Economic Development District, Oregon, have been prepared in conformity with accounting principles generally accepted in the United State of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

THE FINANCIAL REPORTING ENTITY

The Mid-Columbia Economic Development District (The District) is a municipal corporation governed by a twenty-one member Board of Directors. As required by general accepted accounting principles in the United States of America, all activities of the District have been included in these financial statements.

The District was organized to assist the counties of Wasco, Hood River, and Sherman in Oregon, and Klickitat and Skamania in Washington, in obtaining and coordinating grants and loans for economic development and other related projects. The District was organized as a Council of Governments under ORS 190.

Accounting principles generally accepted in the United States of America require that these financial statements represent the District (the primary government) and all component units, if any. Component units, as defined by the Governmental Accounting Standards Board (GASB) Statement No. 61, are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. The District has no component units.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-Wide Statements: The statement of net position and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-accounting of internal activities. These statements distinguish between the governmental and business-type activities of the District. Governmental activities generally are financed through intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Each fund is considered to be a separate accounting entity. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

There are the following *major governmental funds*:

General Fund – This is the primary operating fund. It accounts for all the financial operations except those required to be accounted for in another fund.

Link/Transit Center Fund – This fund accounts for the transportation program the entity took over. They received donated assets and funding from the Mid-Columbia Council of Governments, Oregon Department of Transportation, and Washington Department of Transportation to operate a regional transportation program.

Special Projects Fund – This fund accounts for the revenues and expenditures of various economic development projects in which the District is involved.

Planning Grant Fund – This fund accounts for grants received from federal agencies and contributions from local member Counties and municipalities that are designated for planning and coordinating regional development strategies.

The District reports the following *major enterprise funds*:

Revolving Loan Fund, Revolving Loan Housing Fund, Intermediary Relending Program Fund, Rural Business Enterprise Grant Fund, Intermediary Relending Program – Washington, Intermediary Relending Program – Sherman, and USDA NSA Fund. These funds account for the issuance, collection, and administrative expenses associated with the lending of funds for economic development.

The District reports the following *fiduciary – custodial fund*:

The National Scenic Act Fund, is responsible for administering funds received from the U.S. Department of Agriculture under the National Scenic Act Fund. It is governed by the Oregon Investment Board which is financially accountable for the Fund because it approves the Fund's budget and must approve all loans and debt issuances. Resource flows between the District and National Scenic Act Fund consist of management fees of \$97,850 paid to the District and are reported as external transactions.

Government-wide and Proprietary Fund Financial Statements

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using 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 District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Expenditures are recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net resources available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

BUDGETS

The District is subject to Budget Law (ORS 294.900 through 294.930) as a Council of Governments. The District has annually adopted a budget as required. The budget laws do not require the District to appropriate funds and allow the District to over expend budget amounts and to spend unappropriated ending fund balances. The budget rules are designed to allow for public input on the annual budget.

The District does not budget by individual fund, but for all funds in total. Therefore, a budget is not adopted for individual funds because it is not required.

ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

Deposits and Investments

The cash and cash equivalents balances of substantially all funds are held in FDIC insured bank accounts. Investments for the District are reported at fair value. Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Fair Value Inputs and Methodologies and Hierarchy

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

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/ from other funds” (i.e., the current portion of inter fund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Receivables of the enterprise funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and enterprise funds are stated net of an allowance for uncollectibles.

Capital Assets

Capital assets, which include property, plant, and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Buildings	50-100 years
Improvements	20-50 years
Equipment and Furniture	2-15 years

Gains or losses from sales or retirements of capital assets are included in operations of the current period.

Subscription Assets

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated compensatory time and vacation balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Under the District's policy for compensated absences, all personal time off (PTO) is accrued in the government-wide financial statements at encumbered amount (75% of maximum of 195 hours).

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. The separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District doesn't have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District doesn't have any items that qualify for reporting in this category.

Unearned Revenue

Payments of grants and contracts received in advance of expenditures are recorded as unearned revenue. In governmental funds payments received after 60 days are also classified as unearned revenue.

Long-term Obligations

In the government-wide financial statements, and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable business-type activities, or proprietary fund type statement of net position.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subscription Liabilities

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

Net Position/Fund Balance Classifications

Net position comprises the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories.

Invested in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

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

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories, prepaid items and a nonspendable jurisdictional exchange deposit.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The City Manager and Finance Director have the authority to classify portions of ending fund balances as assigned.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

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

Cost Allocation Plan

The District has a formal plan to allocate costs across funds based on the direct salary charges. Charges are made directly to funds when they can be assigned. All other costs are grouped into cost allocation pools for overall administration. Allocations are made for the District as a whole, which are calculated each month. These allocated indirect expenses are included in direct expenses on the Statement of Activities.

General Administrative Expenses

Expenses which are not directly the result of one or more District programs (i.e. Audit, Insurance, Bookkeeping, etc.) are compiled monthly and charged out to all funds as described in the cost allocation plan description above. These expenses are reported as Indirect Expenses in each fund. The total of all Indirect Expenses for the year are detailed in a separate "Statement of Revenues, Expenditures, and Changes in Fund Balance."

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Allowance for Uncollectible accounts has been subject to estimation.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. DEPOSITS AND INVESTMENTS

The cash management policies are governed by state statutes. A cash management pool is maintained that is available for use by all funds. Each fund type's portion of this pool is reported on the combined balance sheet as Cash and Investments. Interest earnings are distributed monthly based on average daily balances.

Cash and Investments as of June 30, 2023 are as follows:

Demand Deposits and Petty Cash	<u>Carrying Value</u>	<u>Fair Value</u>
District Funds	\$ 2,509,500	\$ 2,509,500
Investments	5,039,948	5,039,948
Certificates of Deposits		
District Funds	<u>96,047</u>	<u>96,047</u>
Total Cash and Investments	<u>\$ 7,645,495</u>	<u>\$ 7,645,495</u>

Reconciliation of Deposits Reported in:

Cash and cash equivalents	\$ 6,144,942
Fiduciary Fund	1,404,506
Restricted cash	<u>96,047</u>
Total Cash and Investments	<u>\$ 7,645,495</u>

Deposits

Deposits with financial institutions consist of bank demand deposits. The total bank balance per the bank statements for all pooled cash at June 30, 2023 was \$2,549,262. Of these deposits, \$250,000 was covered by Federal Depository Insurance, and the remaining was deposited at an approved depository as prescribed by the Oregon State Treasurer.

The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. Effective July 1, 2008, state statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295.001 to 295.108. As long as the bank depository has entered into an agreement (ORS 295.008(2)(b)) and has deposited securities pursuant to state statutes (ORS 295.015(1)), there may now be on deposit at any one bank depository and its branches, a sum in excess of the amount insured by the Federal Deposit Insurance Corporation.

Custodial Credit Risk

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2023, none of the bank balance was exposed to custodial credit risk because it was unsecured or collateralized.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

2. DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

The purpose of the District's investment policy is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment related activities. The District has delegated investment responsibilities to management, who is primarily responsible for implementing the investment policy.

Credit Risk - Investments

State statutes authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, certain commercial papers and the State Treasurer's investment pool, among others. The District has no formal investment policy that further restricts its investment choices.

Interest Rate Risk

The District does not have a formal investment policy that explicitly limits investment maturities as a means of managing its exposure to fair value loss arising from increasing interest rates.

Custodial Credit Risk

This is the risk that, in the event of the failure of a counterparty, the District will not be able to recover the value of its investments of collateralized securities that are in the possession of an outside party. The District does not have a policy that limits the amount of investments that can be held by counterparties.

Concentration Risk

The District does not have a formal policy that places a limit on the amount that they may be invested in any one investment.

3. CAPITAL ASSETS

Capital asset activity for governmental activities of the primary government for the year ended June 30, 2023 was as follows:

Description	GOVERNMENTAL ACTIVITIES CAPITAL ASSETS			
	June 30, 2022	Additions	Disposals	June 30, 2023
Capital assets not being depreciated				
Land	\$ 172,681	\$ -	\$ -	\$ 172,681
Total Capital Assets not being depreciated	<u>172,681</u>	<u>-</u>	<u>-</u>	<u>172,681</u>
Other Capital Assets				
Buildings	1,453,177	61,233	-	1,514,410
Equipment	773,440	-	-	773,440
Subscription right to use asset - intangible	-	59,898	-	59,898
Total other Capital Assets	<u>2,226,617</u>	<u>121,131</u>	<u>-</u>	<u>2,347,748</u>
Less Accumulated Depreciation and Amortization				
Buildings	(143,774)	(38,762)		(182,536)
Equipment	(123,421)	(64,272)		(187,693)
Subscription right to use asset - intangible	-	(16,695)		(16,695)
Total Accumulated Depreciation and Amortization	<u>(267,195)</u>	<u>(119,729)</u>	<u>-</u>	<u>(386,924)</u>
Total Governmental Activities	<u>\$ 2,132,103</u>	<u>\$ 1,402</u>	<u>\$ -</u>	<u>\$ 2,133,505</u>

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

3. CAPITAL ASSETS (CONTINUED)

Depreciation Expense for governmental activities is charged to functions as follows:

<u>Function</u>	<u>Governmental Activities</u>
Economic Development	\$ 119,729
Total	<u>\$ 119,729</u>

4. RECEIVABLES

The District shows their receivables net of an allowance for uncollectible accounts.

Grants and other receivables from government agencies are generally expected to be collectible, and, therefore an allowance for uncollectable is not considered necessary or recorded.

Notes receivable in the Proprietary Funds consist of Intermediary Relending Program and Revolving Loan Funds loans that are generally not expected or scheduled to be collected completely in the subsequent year.

All other accounts receivable are expected to be collected within one year.

5. LOANS RECEIVABLE

As of June 30, 2023, loans receivable were as follows:

	<u>Enterprise Funds</u>	<u>Fiduciary Fund</u>
Oregon Investment Board Loan Fund	\$ -	\$ 1,545,137
EDA Revolving Loan Fund	837,232	-
Intermediary Relending Programs	932,769	-
Rural Development Grant Programs	-	-
MCEDD Regional Strategies Loan Fund	27,337	-
Attainable Housing Development Fund	750,000	-
USDA NSA Fund	211,034	-
MCEDD Micro Loan	<u>7,281</u>	<u>-</u>
Loans Receivable before Allowance	2,765,653	1,545,137
Less Allowance for Doubtful Accounts	<u>(122,746)</u>	<u>(67,535)</u>
Net Notes Receivable	<u>\$ 2,642,907</u>	<u>\$ 1,477,602</u>

Loans receivable are carried at unpaid principal balances. Past due status is determined based on contractual terms. The District's policy is to charge off any loan or portion of a loan when the loan is determined by management to be uncollectible due to the borrower's failure to meet repayment terms, the borrower's deteriorating or deteriorated financial condition, the depreciation of the underlying collateral, or for other reasons.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

5. LOANS RECEIVABLE (CONTINUED)

Loans are placed on nonaccrual when management believes, after considering economic conditions, business conditions, and collection efforts that the loans are impaired or collection of interest is doubtful. Uncollected interest previously accrued is charged off. Interest income on nonaccrual loans is recognized only to the extent cash payments are received.

Interest on loans is recognized over the term of the loan and is calculated using the simple-interest method on principal amounts outstanding.

The following tables present informative data by class of financing receivable regarding their age and interest accrual status at June 30, 2023:

June 30, 2023	Past Due					Total Past Due	Total Financing Receivable	Status of Interest Accounts	
	Current	30-59 days	60-89 days	>90 days	>90 days			Financing Receivables on NonAccrual Status	Receivables Past Due > 90 Days and Still Accruing Interest
EDA Revolving	\$ 831,895	\$ 2,100	\$ 1,980	\$ 1,257	\$ 5,337	\$ 837,232	-	-	
IRP Loan Fund	825,059	1,053	-	-	1,053	826,112	-	-	
IRP Sherman	70,194	-	-	-	-	70,194	-	-	
IRP Washington	35,263	1,200	-	-	1,200	36,463	-	-	
MCEDD Regional	27,337	-	-	-	-	27,337	-	-	
USDA National Sc	211,034	-	-	-	-	211,034	-	-	
MCEDD Micro	7,281	-	-	-	-	7,281	-	-	
Attainable Housing	750,000	-	-	-	-	750,000	-	-	
Total	\$ 2,758,063	\$ 4,353	\$ 1,980	\$ 1,257	\$ 7,590	\$ 2,765,653	-	-	
Fiduciary Fund	\$ 1,534,382	\$ 2,381	\$ 2,338	\$ 6,036	\$ 10,755	\$ 1,545,137	-	-	

Future contractual maturities of loans receivable are as follows:

	Enterprise Funds	Fiduciary Fund	Total
2023-2024	\$ 377,261	\$ 5,358	\$ 382,619
2024-2025	145,042	243,796	388,838
2025-2026	478,606	57,935	536,541
2026-2027	459,933	210,467	670,400
2027-2028	1,006,379	210,763	1,217,142
Thereafter	298,432	816,818	1,115,250
Total	\$ 2,765,653	\$ 1,545,137	\$ 4,310,790

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

6. EMPLOYEE DEFERRED COMPENSATION PLAN

The District participates in a Section 457(b) deferred compensation plan administered by Nationwide Retirement Solutions that provides retirement benefits to eligible employees. Plan members are allowed to make voluntary contributions to the plan. The District contributes 8.75% of the annual covered payroll plan participants. During the fiscal year 24 participants were covered by the plan. Total contributions for the year ended June 30, 2023 were \$116,539 by the District and \$55,600 by employees.

No amount was forfeited by employees due to ending employment with the District prior to fiscal year end.

7. INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2023 consisted of the following individual fund receivables and payables:

Fund	Receivables	Payables
Governmental Funds:		
General Fund	\$ 881,616	\$ -
Planning Fund	489	-
Link/Transit Center Fund	-	525,343
Special Projects Fund	-	235,852
Proprietary Funds:		
Revolving Loan Fund	-	74,549
Housing RFL	-	4,445
IRP Fund	7,442	-
Rural Business Enterprise	23,759	-
IRP Washington	1,906	-
IRP Sherman	3,570	-
USDA NSA Fund	-	71,152
Nonmajor Proprietary Funds	460	3,106
Fiduciary Fund		
National Scenic Fund	-	4,795
Total	<u>\$ 919,242</u>	<u>\$ 919,242</u>

Interfund balances reflect amounts owed to other funds due to pooled cash accounts as well as amounts unofficial lending between funds.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT

Long Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2023 are as follows:

	Payable at July 1, 2022	Additions	Deletions	Payable at June 30, 2023	Due within one year
Governmental Activities:					
Compensated Absences	\$ 64,990	\$ 78,993	\$ 64,990	\$ 78,993	\$ 78,993
Subscription Liabilities	-	59,898	16,695	43,203	15,462
Total Governmental	<u>\$ 64,990</u>	<u>\$ 138,891</u>	<u>\$ 81,685</u>	<u>\$ 122,196</u>	<u>\$ 94,455</u>
Business-Type Activities					
Loan #1	\$ 285,323	\$ -	\$ 39,597	\$ 245,726	\$ 39,993
Loan #2	286,515	-	22,605	263,910	22,831
Loan #3	468,438	-	27,154	441,284	27,425
Loan #4	242,865	-	10,739	232,126	10,837
Loan #5	152,887	-	6,663	146,224	7,031
Total Business-Type	<u>\$ 1,436,028</u>	<u>\$ -</u>	<u>\$ 106,758</u>	<u>\$ 1,329,270</u>	<u>\$ 108,117</u>

The compensated absences liability attributable to governmental activities is liquidated by the fund that incurs the liability.

Governmental Activities – Other Debt – Subscription Liabilities

On 07/01/2022, The District entered into the following subscription based software agreements:

- Caselle – 48 month subscription with the initial liability recorded as \$38,381. The District is required to make monthly payments of \$933. The subscription has an interest rate of 1.5%.
- Portfol – 36 month subscription with the initial liability recorded as \$9,710. The District is required to make quarterly payments of \$600 with one additional annual payment of \$1,023. Contract renews automatically at the end of each term. The subscription has an interest rate of 1.5%.
- Microsoft – 36 month subscriptions with the initial liability recorded as \$1,228. The District is required to make monthly payments in the amount of \$36. The subscription has an interest rate of 1.5%.
- Zoom – 36 month subscription with the initial liability recorded as \$760. The District is required to make annual payments in the amount of \$300. The subscription has an interest rate of 1.5%.
- Docusign – 48-month subscription with the initial liability recorded as \$909. The District is required to make annual payments in the amount of \$300. The subscription has an interest rate of 1.5%.
- Constant Contact – 36 month subscription with the initial liability recorded as \$1,832. The District is required to make monthly payments in the amount of \$52. The subscription has an interest rate of 1.5%.
- Google – 36 month subscription with the initial liability recorded as \$2,497. The District is required to make monthly payments in the amount of \$82. The subscription has an interest rate of 1.5%.
- Adobe – 36 month subscription with the initial liability recorded as \$4,581. The District is required to make monthly payments in the amount of \$155. The subscription has an interest rate of 1.5%.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

The future maturities are as follows:

Year ended <u>June 30</u>	Subscription Liabilities		Total <u>Requirements</u>
	Principal	Interest	
2024	\$ 15,462	\$ 1,140	\$ 16,602
2025	16,114	724	16,838
2026	11,363	172	11,535
2027	264	35	299
Total	\$ 43,203	\$ 2,071	\$ 45,274

Business-Type Activities – Direct Borrowings and Placements

Debt service requirements on long-term debt from Direct Borrowings and Direct Placements at year ended June 30, 2023 are as follows:

Intermediary Relending Loan #1

The District entered into an agreement with the USDA Rural Development Department in June 1999 to borrow \$1,000,000 for a term of 30 years. These funds are to be used for the Intermediary Relending Program (IRP) which is included in proprietary funds. The loan accrues interest at the fixed rate of 1% per annum from the date funds are advanced. Interest payments only are required for the first three years, after which the principal and interest will be due in 27 equal amortized installments beginning in June, 2003 with any remaining balance due and payable 30 years from the date of the note. The loan is secured by MCEDD's portfolio of investments derived from the proceeds of this loan awarded, which is included in the notes receivable classification and has a carrying value of \$2,642,907 at June 30, 2023. Of that amount, \$887,470 relates directly to the IRP.

Current Portion: \$39,993

Total: \$245,726

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Intermediary Relending Loan #2

The District entered into an agreement with the USDA Rural Development Department in June, 2004 to borrow \$600,000 for a term of 30 years. These funds are to be used for the Intermediary Relending Program (IRP) which is included in proprietary funds. The loan accrues interest at the fixed rate of 1% per annum from the date funds are advanced. Interest payments only are required for the first three years, after which principal and interest will be due in 27 equal amortized installments beginning in June, 2008 with any remaining balance due and payable 30 years from the date of the note. The loan is secured by MCEDD's portfolio of investments derived from the proceeds of this loan award, which is included in the notes receivable classification and has a carrying value of \$2,642,907 at June 30, 2023. Of that amount, \$887,470 relates directly to the IRP.

Current Position: \$22,831

Total: \$263,910

Intermediary Relending Loan #3

The District entered into an agreement with the USDA Rural Development Department in November, 2007 to borrow \$750,000 for a term of 30 years. These funds are to be used for the Intermediary Relending Program (IRP) which is included in proprietary funds. The loan accrues interest at the fixed rate of 1% per annum from the date funds are advanced. Interest payments only are required for the first three years, after which principal and interest will be due in 27 equal amortized installments beginning in November, 2011 with any remaining balance due and payable 30 years from the date of the note. The loan is secured by MCEDD's portfolio of investments derived from the proceeds of this loan award, which is included in the notes receivable classification and has a carrying value of \$2,642,907 at June 30, 2023. Of that amount, \$887,470 relates directly to the IRP.

Current Position: \$27,425

Total: \$441,284

Intermediary Relending Loan #4

The District entered into an agreement with the USDA Rural Development Department in June, 2012 to borrow \$310,000 for a term of 30 years. These funds are to be used for the Intermediary Relending Program (IRP) which is included in proprietary funds. The loan accrues interest at the fixed rate of 1% per annum from the date funds are advanced. Interest payments only are required for the first three years, after which principal and interest will be due in 27 equal amortized installments beginning in August, 2016 with any remaining balance due and payable 30 years from the date of the note. The loan is secured by MCEDD's portfolio of investments derived from the proceeds of this loan award, which is included in the notes receivable classification and has a carrying value of \$2,642,907 at June 30, 2023. Of that amount, \$887,470 relates directly to the IRP.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Current Position: \$10,837
Total: \$232,126

Intermediary Relending Loan #5

The District drew \$200,000 against another IRP loan initially designated for loans in Sherman County, Oregon. These funds are to be used for the Intermediary Relending Program (IRP) which is included in proprietary funds. The loan accrues interest at the fixed rate of 1% per annum from the date funds are advanced. Interest payments only are required for the first three years, after which principal and interest will be due in 27 equal amortized installments with any remaining balance due and payable 30 years from the date of the note. The loan is secured by MCEDD's portfolio of investments derived from the proceeds of this loan award, which is included in the notes receivable classification and has a carrying value of \$2,642,907 at June 30, 2023. Of that amount, \$887,470 relates directly to the IRP.

Current Position: \$7,031
Total: \$146,224

The maturities of long-term debt borrowings are as follows:

Intermediary Relending Loan #1			
Year ended June 30	Principal	Interest	Total Requirements
2024	\$ 39,993	\$ 2,457	\$ 42,450
2025	40,393	2,057	42,450
2026	40,797	1,653	42,450
2027	41,205	1,245	42,450
2028	41,617	833	42,450
Thereafter	41,721	417	42,138
Total	\$ 245,726	\$ 8,662	\$ 254,388

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Intermediary Relending Loan #2			
Year ended June 30	Principal	Interest	Total Requirements
2024	\$ 22,831	\$ 2,639	\$ 25,470
2025	23,059	2,411	25,470
2026	23,290	2,180	25,470
2027	23,523	1,947	25,470
2028	23,758	1,712	25,470
2029-33	122,402	4,948	127,350
Thereafter	25,047	250	25,297
Total	\$ 263,910	\$ 16,087	\$ 279,997

Intermediary Relending Loan #3			
Year ended June 30	Principal	Interest	Total Requirements
2024	\$ 27,425	\$ 4,413	\$ 31,838
2025	27,699	4,139	31,838
2026	27,976	3,862	31,838
2027	28,256	3,582	31,838
2028	28,539	3,299	31,838
2029-33	147,031	12,159	159,190
2034-38	154,358	4,660	159,018
Total	\$ 441,284	\$ 36,114	\$ 477,398

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

8. LONG TERM DEBT (CONTINUED)

Intermediary Relending Loan #4			
Year ended June 30	Principal	Interest	Total Requirements
2024	\$ 10,837	\$ 2,303	\$ 10,837
2025	10,946	2,195	10,946
2026	11,056	2,085	11,056
2027	11,204	1,974	11,204
2028	11,269	1,862	11,269
2029-33	58,114	7,594	58,114
2034-38	61,084	4,624	61,084
2039-43	57,616	1,503	57,616
Total	\$ 232,126	\$ 24,140	\$ 232,126

Intermediary Relending Loan #5			
Year ended June 30	Principal	Interest	Total Requirements
2024	\$ 7,031	\$ 1,459	\$ 8,490
2025	7,101	1,389	8,490
2026	7,172	1,318	8,490
2027	7,244	1,246	8,490
2028	7,316	1,174	8,490
2029-33	37,693	4,757	42,450
2034-38	39,616	2,834	42,450
2039-43	33,051	817	33,868
Total	\$ 146,224	\$ 14,994	\$ 161,218

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. GRANTS

In the normal course of operations, the District received grand funds from various Federal and State agencies, the grant programs are subject to audit by agents of the granting authority to ensure compliance with conditions of the grant. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

10. INTERNAL TRANSFERS

Internal transfers for the fiscal year ended June 30, 2023 consist of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Governmental Funds:		
General Fund	\$ -	\$ 2,071
Link/Transit Center	-	12,929
Special Projects Fund	26,556	13,627
Planning	<u>2,071</u>	<u>-</u>
Total Transfers	<u>\$ 28,627</u>	<u>\$ 28,627</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

11. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for any of the past three years.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

SUPPLEMENTARY INFORMATION

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**COMBINING STATEMENT OF NET POSITION
ALL NON-MAJOR PROPRIETARY FUNDS**

June 30, 2023

	REGIONAL STRATEGIES FUND	CDBG MICRO ENTERPRISE	MCEDD MICRO LOAN FUND	TOTAL
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 157,082	\$ 109,596	\$ 18,393	\$ 285,071
Accrued Interest Receivable	105	-	35	140
Due From Other Funds	460	-		460
Loans Receivable - Current Portion	3,330	-	2,160	5,490
Noncurrent Assets:				
Loans Receivable - Net of Allowance	22,854	-	4,646	27,500
Total Assets	<u>183,831</u>	<u>109,596</u>	<u>25,234</u>	<u>318,661</u>
LIABILITIES				
Current liabilities:				
Payroll Liabilities	-	11	-	11
Due To Other Funds	-	1,406	1,700	3,106
Total Liabilities	<u>-</u>	<u>1,417</u>	<u>1,700</u>	<u>3,117</u>
Net Position				
Restricted:				
Recapitalization	<u>183,831</u>	<u>108,179</u>	<u>23,534</u>	<u>315,544</u>
Total Net Position	<u>\$ 183,831</u>	<u>\$ 108,179</u>	<u>\$ 23,534</u>	<u>\$ 315,544</u>

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NON-MAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	REGIONAL STRATEGIES ADMIN FUND	CDBG MICRO ENTERPRISE	MCEDD MICRO LOAN FUND	TOTAL
OPERATING REVENUES				
Loan Interest	\$ 2,471	\$ -	\$ 1,057	\$ 3,528
Total operating revenues	2,471	-	1,057	3,528
OPERATING EXPENSES				
Salaries and Fringe Benefits	612	123	939	1,674
Consulting and Professional Services	116	25	45	186
Indirect Expenses	889	178	1,364	2,431
Miscellaneous	14	3	3	20
Total Operating Expenditures	1,631	329	2,351	4,311
Operating Income (Loss)	840	(329)	(1,294)	(783)
NON-OPERATING REVENUES (EXPENSES)				
Interest Income	3,590	2,749	-	6,339
Total Non-Operating Revenues, (Expenditures)	3,590	2,749	-	6,339
Change in Net Position	4,430	2,420	(1,294)	5,556
NET POSITION - BEGINNING	179,401	105,759	24,828	309,988
NET POSITION - ENDING	\$ 183,831	\$ 108,179	\$ 23,534	\$ 315,544

**MID COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**COMBINING STATEMENT OF CASH FLOWS - NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2023**

	REGIONAL STRATEGIES ADMIN FUND	CDBG MICRO ENTERPRISE	MCEDD MICRO LOAN FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received From Customers and Users	\$ 2,478	\$ -	\$ 1,090	\$ 3,568
Cash Payments to Employees for Services	(1,019)	(206)	(1,412)	(2,637)
Cash Payments - Other Operating Expenses	(663)	(112)	(980)	(1,755)
Net Cash Provided by Operating Activities	<u>796</u>	<u>(318)</u>	<u>(1,302)</u>	<u>(824)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due To/From Other Funds	<u>373</u>	<u>21</u>	<u>1,700</u>	<u>2,094</u>
Net Cash Provided, (Used) by Noncapital Financing Activities	<u>373</u>	<u>21</u>	<u>1,700</u>	<u>2,094</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Interest and Dividends	3,590	2,749		6,339
Change in Loans Receivable	1,935	-	6,807	8,742
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>5,525</u>	<u>2,749</u>	<u>6,807</u>	<u>15,081</u>
Net Increase, (Decrease) in Cash and Cash Equivalents	6,694	2,452	7,205	16,351
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>150,388</u>	<u>\$ 107,144</u>	<u>\$ 11,188</u>	<u>268,720</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 157,082</u>	<u>\$ 109,596</u>	<u>\$ 18,393</u>	<u>\$ 285,071</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 840	\$ (329)	\$ (1,294)	\$ (783)
Adjustments				
(Increase), Decrease in Accrued Interest Receivable	7	-	33	40
Increase (Decrease) in Payroll Liabilities	(51)	11	(41)	(81)
Net Cash From Operations	<u>\$ 796</u>	<u>\$ (318)</u>	<u>\$ (1,302)</u>	<u>\$ (824)</u>

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**INDEPENDENT AUDITORS' REPORT REQUIRED
BY OREGON STATE REGULATIONS**



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December 4, 2023

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Mid-Columbia Economic Development District, Oregon as of and for the year ended June 30, 2023, and have issued our report thereon dated December 4, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of 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.**
- **Insurance and fidelity bonds in force or required by law.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded from outside sources.**

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

OAR 162-10-0230 Internal Control

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

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



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

AUDIT DELIVERABLES REQUIRED BY THE UNIFORM GUIDANCE

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2023**

FEDERAL GRANTOR/ PROGRAM TITLE	Grant Number	Grant Period	FEDERAL AL NUMBER	TOTAL AWARDS EXPENDED	PASS THROUGH
U.S. Department of Commerce:					
<u>Direct Programs:</u>					
Economic Development Support for Planning Organizations	ED22SEA3020021	04/01/22 - 3/31/25	11.302	\$ 80,000	\$ -
Economic Adjustment Assistance - CARES Planning Grant - COVID-19	07-79-07613	07/23/20-07/23/22	11.307	870,130	- (1)
Total U.S. Department of Commerce				<u>950,130</u>	<u>-</u>
U.S. Department of Agriculture					
<u>Intermediary Relending Program</u>					
Intermediary Relending Program	N/A	Varies	10.767	149,877	-
Rural Business Development Grant - Tech Assistance/Business Resilience	629769447	10/01/21 - 09/30/23	10.351	212,045	-
Total U.S. Department of Agriculture				<u>361,922</u>	<u>-</u>
U.S. Department of Transportation					
<u>Pass Through: Washington Department of Transportation</u>					
Enhanced Mobility for Seniors and Individuals with Disabilities	PTD0345	07/01/21 - 6/30/25	20.513	35,830	-
<u>Pass Through: Oregon Department of Transportation</u>					
Enhanced Mobility for Seniors and Individuals with Disabilities	35332	07/01/22 - 06/30/24	20.513	274,457	-
Enhanced Mobility for Seniors and Individuals with Disabilities - DFR	35175	07/01/21-06/30/23	20.513	92,012	-
Total				<u>402,299</u>	<u>-</u>
<u>Pass Through: Oregon Department of Transportation</u>					
Oregon Dept of Transportation - Planning	35132	07/01/21-6/30/23	20.515	9,523	-
Highway Planning and Construction Cluster					
Oregon Department of Transportation Grant - FHWA	32501	07/01/18 - 06/30/23	20.205	20,185	-
Total				<u>20,185</u>	<u>-</u>
<u>Pass Through: Washington Department of Transportation</u>					
Highway Planning and Construction Cluster					
Statewide and Metropolitan Planning	PTD0346	07/01/21 - 6/30/23	20.505	26,001	-
Total				<u>26,001</u>	<u>-</u>
<u>Pass Through Oregon Department of Transportation</u>					
Formula Grants for Rural Areas - Operations - COVID-19	34985	07/01/21 - 06/30/23	20.509	249,756	-
Oregon Dept of Transportation - CARES Funding - COVID-19	34530	11/01/20 - 6/30/23	20.509	115,357	-
Total				<u>365,113</u>	<u>-</u>
Total U.S Department of Transportation				<u>823,121</u>	<u>-</u>
Total Expenditures				<u>\$ 2,135,173</u>	<u>\$ -</u>

(1) Major Program

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A - Purpose of the Schedule:

The accompanying Schedule of Expenditures of Federal Awards (SEFA) is a supplementary schedule to Mid- Columbia Economic Development District's financial statements and is presented for purposes of additional analysis. Because the SEFA presents only selected portion of the activities of MCEDD, it is not intended to and does not present either the financial position, results of operations, or changes in fund balances/equity of the District.

Note B - Significant Accounting Policies:

The reporting entity is fully described in Note 1 to MCEDD's statements. The SEFA includes all federal programs administered by the District for the year ended June 30, 2023.

Basis of Presentation

The accompanying Schedule includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2, *U.S. Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Federal Financial Assistance

Pursuant to the Single Audit Act and the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between an entity and the federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Single Audit Act and the Uniform Guidance establish criteria to be used in defining major programs. Major programs for Mid-Columbia Business Development are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

Basis of Accounting

The receipt and expenditure of federal awards are accounted for under the same basis of accounting as the fund in which they are recorded. Federal awards recorded in proprietary funds are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Federal awards recorded in governmental funds are reported using the modified accrual basis of accounting. Revenues are recognized when measurable and available. Expenditures are recorded when the related liability is incurred. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Indirect Cost

The District uses the 10% de minimis indirect cost rate.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note C - Intermediary Relending Program: A summary of changes in the Intermediary Relending Program are as follows:

	<u>New Federal Money</u>	<u>Revolved Money</u>	<u>Total</u>
Balance July 1, 2022	\$ 153,012	\$ 942,559	\$ 1,095,571
New Loans Made	-	184,473	184,473
Subtotal	<u>153,012</u>	<u>1,127,032</u>	<u>1,280,044</u>
Principal Payments Received 22-23	(3,135)	(344,139)	(347,274)
Loans Written Off 22-23	<u>-</u>	<u>-</u>	<u>-</u>
Balance June 30, 2023	<u>\$ 149,877</u>	<u>\$ 782,893</u>	<u>\$ 932,770</u>

Note D - Subsidized Interest:

Low interest loans are federal financial assistance to the extent of the interest subsidy. Assuming fair value loan rate to be 7%, and knowing the actual loan rate to be 1%, subsidized interest is approximately \$92,414.

Note E - EDA Revolving Loan Fund:

A summary of changes in EDA Revolving Loan Fund balances are as follows:

Note E: EDA

Balance July 1, 2022	\$ 497,551
New Loans Made	247,527
Defederalized Loans	-
Subtotal	<u>745,078</u>
Principal Payments Received	<u>(178,821)</u>
Balance June 30, 2023	566,257
Cash Balance June 30, 2023	324,406
Due to General Fund	(48,856)
Admin Expenses	<u>28,323</u>
Total Awards Expended	870,130
Multiply by Federal Share of RLF (100%)	<u>x 1.0000</u>
Total Expenditures per SEFA	<u>\$ 870,130</u>

Note F -CDBG Klickitat:

A summary of changes in the CDBG Klickitat Revolving Loan Fund are as follows:

	<u>New Federal Money</u>	<u>Revolved Money</u>	<u>Total</u>
Balance July 1, 2022	\$ -	\$ -	\$ -
New Loans Made	-	-	-
Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
Principal Payments Received 22-23	-	-	-
Balance June 30, 2023	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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December 4, 2023

To the Board of Directors
Mid-Columbia Economic Development District
Wasco County, Oregon

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mid-Columbia Economic Development District as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 4, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



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December 4, 2023

To the Board of Directors
Mid-Columbia Economic Development District
Wasco County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mid-Columbia Economic Development District's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Mid-Columbia Economic Development District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Mid-Columbia Economic Development District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its federal programs.

Auditors' Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and

corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued	Qualified	
Internal control over financial reporting:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(s) identified that are not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Any GAGAS audit findings disclosed that are required to be reporting in accordance with section 512(d)(2) of the Uniform Guidance?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

FEDERAL AWARDS

Internal control over major programs:		
Material weakness(es) identified?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no
Significant deficiency(s) identified that are not considered to be material weaknesses?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> none reported
Type of auditors’ report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 512(d)(2) of the Uniform Guidance?	<input type="checkbox"/> yes	<input checked="" type="checkbox"/> no

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
WASCO COUNTY, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2023

IDENTIFICATION OF MAJOR PROGRAMS

11.307 Economic Adjustment Assistance

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None Noted

SECTION III – FEDERAL AWARD FINDINGS

None Noted

SECTION IV – SCHEDULE OF PRIOR AUDIT FINDINGS

FS-2021-01 Significant Deficiency: QuickBooks Accounting Software is used.

Current Status: The District obtained new fund accounting software during the current fiscal year. Resolved.

SA-2022-01 Significant Deficiency

Federal Program: 11.307 - Economic Adjustment Assistance

Condition: During our testing of Economic Development Cluster Loans, we noted an instance where a loan required Life Insurance policy lapsed, the District did not thoroughly document their follow up in the lapse in coverage.

Current Status: Resolved for the year under audit.



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December 4, 2023

To the Board of Directors
Mid-Columbia Economic Development District
Wasco County, Oregon

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mid-Columbia Economic Development District for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and the Uniform Guidance*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

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

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules
- federal, state and other agency rules and regulations related to expenditures of federal awards

Our Responsibility under U.S. Generally Accepted Auditing Standards and the Uniform Guidance

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

In planning and performing our audit, we considered internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of the basic financial statement amounts. However, providing an opinion on compliance with those provisions is not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB's Compliance Supplement applicable to each of the major federal programs for the purpose of expressing an opinion on compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on compliance with those requirements.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic

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financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Planned Scope and Timing of the Audit

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

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

Results of Audit

1. Audit opinion letter – a qualified opinion on the basic financial statements has been issued.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Federal Awards - We found no issues of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the internal control system, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. Management letter – No separate management letter was issued.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023, except for the implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. Sensitive estimates affecting the basic financial statements were Management's estimate of Accounts Receivable and Capital Asset Depreciation, which are based on estimated collectability of receivables and useful lives of assets. We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no difficulties in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

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

Management Representations

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

Management Consultations with Other Independent Accountants

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

Other Audit Findings or Issues

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

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on it.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain

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inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information, which accompanies the basic financial statements but is not required supplementary information. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Matters – Future Accounting and Auditing Issues

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

GASB 99 – OMNIBUS 2022

The requirements of this Statement that are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

GASB 100 – ACCOUNTING CHANGES AND ERROR CORRECTIONS – an amendment of GASB 62

The requirements of this Statement are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

GASB 101 – COMPENSATED ABSENCES

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

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With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

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

A handwritten signature in cursive script that reads "Tara M. Kamp, CPA".

Tara M. Kamp, CPA
PAULY, ROGERS AND CO., P.C.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
Thursday, September 21, 2023
Hood River Fire Department, 1785 Meyer Parkway, Hood River, OR 97031
w/Virtual Remote Attendance Option via Zoom**

BOARD MEMBERS: Leana Kinley (Vice Chair), Garret Stump, Jim Herman, Colin Robinson, Ryan O’Connor, Scott Clements, Joe Dabulskis (Secretary/ Treasurer), Eric Proffitt, Tonya Brumley, Meinrad Kuettel, Kevin Greenwood, Ken Bailey, Jonathan Lewis, Tom Lannen

STAFF: Jessica Metta (Executive Director), Jacque Schei (Project Manager), Ami Beaver (Loan Fund Manager), Jill Brandt (Administrative Assistant), Kathy Fitzpatrick (Senior Mobility Manager), Jesus Mendoza (Transportation Operations Manager), Dana Woods (Finance Manager), Lindsay McClure (Energy Project Manager), Sara Crook (Travel Trainer), Tanya Hoiseth (Office Administrator)

GUESTS: Miland Walling (Goldendale City Council), Pat Shannon (Gilliam County Commissioner), Kryn Sausedo (ECO Northwest)

CALL TO ORDER/ INTRODUCTIONS

Vice-Chair Leana Kinley called the meeting to order at 4:02 p.m. A quorum was present. A round table of introductions took place.

RECOGNITION OF OUTGOING MEMBERS

Leana appreciated the outgoing members for their service and wished them well.

PRIVATE SECTOR APPOINTMENTS

For the new members, Jessica gave a brief overview of the annual appointments process that occurs at the September meeting each year for Private sector members for both the MCEDD Board and the Loan Administration Board. This occurs first on the agenda so that the new members can vote on later agenda items. The Executive Committee has reviewed all of the appointments and has recommended approval for the slate of existing members who wish to be reappointed, plus the recommendations for the vacant seats in Healthcare, Higher Education, and the vacant Loan Administration Board seat. The recommended appointments are as follows:

MCEDD Private Sector Board Representatives:

- Ken Bailey, agriculture
- Scott Clements, housing and private business
- Buck Jones, food and beverage, Native American community
- Colin Robinson, healthcare
- Eric Proffitt, workforce
- Dr. Kenneth Lawson, higher education
- Ryan O’Connor, high tech
- Garrett Stump, forestry

MCEDD Private Sector Loan Administration Board Representatives:

- Scott Clements
- AJ Tarnasky
- Matt Stoneberg

Jessica opened the floor for questions or comments. *There were none.*

Tom Lannen motioned to approve the eight private sector seat appointments to the MCEDD Board and the three appointments to the Loan Administration Board as recommended by the Executive Committee. Kevin Greenwood seconded the motion. All voted in favor, and the new members were approved.

NOMINATING COMMITTEE REPORT; ELECTIONS

Jonathan Lewis reported on the committee's meeting on August 4th and reviewed the actions taken. The committee consisted of himself, Ken Bailey, and Kevin Greenwood. The committee voted to continue the current slate of officers for the next year in order to retain the experience and guidance for the Board's leadership roles. The Committee has nominated Steve Kramer as Chair, Leana Kinley as Vice-Chair, and Joe Dabulskis as Secretary/ Treasurer. The Committee also recommended keeping the same Private Sector members on the Executive Committee: Ken Bailey, Eric Proffitt and Scott Clements.

Garret Stump motioned to approve the Nominating Committee's recommendation for the slate of Board officers for the next year. Tom Lannen seconded the motion. All voted in favor and the appointments were approved.

Jim Herman motioned to approve the nomination of Ken Bailey, Eric Proffitt and Scott Clements to the Executive Committee private sector seats for the next year. Both Tom Lannen and Kevin Greenwood seconded the motion. All voted in favor, and the appointments were confirmed.

CONSENT AGENDA

The following items were brought before the Board for Approval as Consent Agenda: June 2023 MCEDD minutes, 2024 Meeting Schedule, Personnel Policy, Drug and Alcohol Policy, Local Assessments. Vice-Chair Leana Kinley asked for any questions or comments on the consent agenda.

Garret Stump motioned to approve the Consent Agenda as presented. Ryan O'Connor seconded the motion. All voted in favor, and the motion was passed unanimously.

FINANCIAL REPORT

Dana Woods presented the financials through July 2023. The July Balance sheet shows the total cash balance of \$7,474,403, with the Accounts Receivable balance of \$501,492, most of which was attributed to Transportation. MCEDD loans receivable balance was \$2,997,540, and the month's high note was closing three new loans. One client was funded from two loan funds, so four funds were affected in total from the closings. On the Operation Budget vs. Actual, YTD expenses showed at 5.8%, which is within the acceptable margin to look for. The biggest expense to note was for vehicle costs for repairs and maintenance that were higher than expected from the findings in the annual DOT inspections. Fuel expenses were also higher because fuel costs continue to rise, plus The Link expanded service by adding the Hood River run. Building repairs and maintenance were also higher than budgeted for because MCEDD switched to a landscaping firm with a higher contract fee after the budget was created. The high general fund travel and conference expenses will be offset from ODOT training reimbursement grants when they comes in. Dana opened the floor for any questions.

Joe Dabulskis and Tonya Brumley entered the meeting at 4:12.

Discussion: Tom asked if MCEDD has a contract with a supplier for better fuel costs. Dana replied that the Link is supplied by Wasco County and also Pacific Pride. Leana asked how long the audit would take. Dana said one week.

Jim Herman motioned to approve the financial report as presented. Garrett Stump seconded the motion. All voted in favor, and the motion passed.

REGIONAL INNOVATION HUB REPORT

Jessica gave an overview. This is a two-phase project, and each of Oregon's regions was eligible for the Phase 1 planning grant. Only a select few will receive the second grant, based on the outcome of the Phase 1 planning conclusions. MCEDD included all five counties in this project even though it was funded by Business Oregon. Jessica noted that there is also funding through WA Commerce for similar work - the ICAP grant that is focused on the Gorge's Washington drone companies. Jessica introduced Kryn Sausedo from ECONorthwest, MCEDD's consultant for this project, who proceeded to give a presentation summary of the Regional Innovation Hub project findings.

Kryn summarized the work that was done and the project's conclusions. The project looked at local trade sector businesses and identified that bringing high growth entrepreneurs will bring more money into the region, which in turn will support higher employee counts in the future.

A gap analysis was conducted by asset mapping of resources on the ground. Existing venture capital and mentorships options were discovered in the SBDC, CGCC's Skills Center, The Next Door, the Ports, and high-tech companies like Sightline and Overwatch.

In the interviews with established Gorge Tech companies, it was discovered that there is more need for venture capital rather than business loans. As an Innovation Hub, the region will draw in more venture capital. Through meeting and connecting industry leaders, other needs such as mentorship and flex space (which already exist) can also grow. By promoting the region through branding and marketing, our companies will more easily connect with other networking events and more resources throughout the state. Kryn noted that the SBDC will be a key player in this.

The Innovation Hub comes in during the early part of the startup cycle to help build and promote a company's connections and available resources, both within the region and in the wider state. The Hub is not a physical space (incubator), but rather is designed to meet entrepreneurs where they are at. The MCEDD region has some excellent resources, the GTA for tech companies and the Skills Center for workforce training. Pendleton was awarded funding for UAS (drones) and will be a growing asset for the UAS industry. The role of the Hub will be to broaden the engagement of the region's entrepreneurs, thereby leveraging the assets that exist. The projected funding of \$230,000 per year from the grant (if awarded) will create one to two staff positions that will be dedicated to these efforts.

Discussion: Garrett asked for clarification that the funding award money will be targeted towards hiring one or two individuals. Kryn affirmed that the award would mostly go

towards staffing but also some events such as more pitch competitions. Garrett asked for more specific details on what will be looked for to fill this role. Kryn replied this could be an Event Coordinator position to organize meetings and competitions.

Ryan asked if the potential new position would be similar to Jason's role. Jessica agreed that it would be similar, but expanded. Garrett asked if this is a proposal that will be used to apply for the second round of grant funding. Jessica replied that MCEDD is in the process of polishing up the report that is due to be submitted to Business Oregon at the end of October. The open grant application period for Phase 2 might open in November, and it is MCEDD's intention to apply once approved by the Executive Committee.

Leana asked how long the position would be funded with the grant money. Jessica explained that the funding will last through a biennium- two years.

Kryn added that the two years of technical assistance will be needed to build the Hub's reputation and trust within the business community so that people will feel confident in using the Hub as a resource.

Tom wanted to know if this funding could be utilized for the Washington side of the region. Kryn clarified that this is funding from Business Oregon. But as Jessica mentioned, if this is successful other sources of funding can be looked for. Jessica added that MCEDD is involved with a similar project on the Washington side with Commerce's ICAP Launch program. ICAP will also have phase 2. This work could also set MCEDD up for other potential funding sources, notably the USDA.

Jessica thanked Kryn for his presentation. Kryn left the meeting at 4:34 pm.

COMMITTEE AND STAFF REPORTS

Jessica noted that committee and staff reports were in the meeting packet but would not be verbally presented today to allow for more networking time. She instead asked for any questions.

Discussion: Joe Dabulskis asked if there has been any interest or action in Wasco or Hood River County on the CPACE program. Jessica explained that Lindsay McClure was the staff person heading up this program in Carrie's absence, and that the only known response so far has been a letter of interest from Hood River County. Jessica thanked Joe for the reminder that more promotion of the program was needed.

Tom Lannen questioned how the allowance for doubtful loans was calculated in the Finance report. Dana explained that historically the Board used to designate 6%. Last year, the Auditor recommended basing the number on prior years' performance rather than a flat rate. The past five years of write-offs were looked at and averaged to come up with 4%. The auditors also recommended not to adjust one time at the end of the year only, but to adjust the allowance as loans are made and paid off throughout the year.

REGIONAL UPDATES

Leana Kinley announced that the City of Stevenson received a loan to help the Port develop property.

Joe Dabulskis noted that Sherman County received grant funding for three EVs plus charging stations. The County also received over \$1 million for industrial development. The Fair arena is now finished. He thanked MCEDD for its help with these projects.

Tonya Brumley reported on the past quarter's activity in the Oregon Chambers. The Hood River Chamber has a Travel Oregon grant to conduct DEI training for all Chamber businesses. The Dalles Chamber received grant funding through Travel Oregon specifically for business training support for Latino businesses. The Oregon Frontier Chamber has been successfully administering \$150,000 through the Small Business Assistance Program leading to an influx of small business development. The chamber is also in collaboration with Gilliam County Court on a second story housing initiative, making prudent use of their capital investment funds for housing improvements. Notably, the County court has recently approved \$2 million for Fairgrounds upgrades and an additional \$1.5 million to expand the Early Learning Center. To enhance community engagement, the Frontier Chamber has also expanded the Ambassador Team, ensuring robust outreach and coverage across all three counties. Chamber Director K'Lynn Lane has accepted a position with the Ford Family Foundation, and her ED position is currently vacant.

Jim Herman noted that concrete will be poured for a bus stop at the Port of Klickitat in Bingen tomorrow.

Kathy Fitzpatrick joined the meeting at 4:49.

Tom Lannen reported that Skamania County just lost its transportation grant for Veterans because it is no longer considered a highly rural county by VA rules, which is defined as having a population below seven individuals per square mile. Skamania County's population has been at 6.8 for many years but has just been re-calculated at 7.2. The County is now scrambling to figure out how to cover this hole in transportation funding. He cautioned the Board's other county reps to keep alert on this requirement. Kathy responded to Tom with an explanation on how the State of Oregon has set aside money for rural designation that will supplement the "highly rural" federal transportation funding from the VA. She explained that in this situation, it is important that Skamania County makes this issue known to state legislators and to WSDOT, and that Commissioner Leckie should also bring this to the RTC who can also take it to the legislature to support the Veterans in Skamania County who need this transportation. Kathy offered to work with the Skamania County commissioners and with Sophie on this problem to solve for solutions, possibly by providing Gorge Passes or some other possible work-around solution.

Kevin Greenwood submitted his report for the Port of Hood River as follows:

1. Received word from Sen. Merkley and Rep. Blumenauer's field reps that the Port of Hood River received a \$1.97M grant from the Investment for Public Works and Economic Development Facilities program. The \$3.7M project will re-configure roads on the Port's waterfront including the extension of utilities to Nichols Basin allowing for development of Lot 1. The Port will be looking for additional non-federal funding to complete the project.
2. The Port received five bids on the final grading project at the Lower Hanel Mill Lot 902. The lowest bid was under engineering cost estimates and will complete grading, environmental work and prepare the entire 11 acre light industrial ready for development.
3. A market analysis was also completed this week for the Lower Hanel Mill site. The study, funded in part by the Oregon Business Port Planning & Marketing fund, recommended that

20,000 sf flex-use space sub-dividable into 2500 sf units would be the target size. The Port will look at a variety of scenarios to fund the \$4M construction.

4. Pier 6 and 8 (on the Oregon side of bridge) are undergoing epoxy injections to fill cavities discovered during an underwater scour evaluation. The cost of the project is budgeted at \$500,000.
5. Nov. 3-6 is the date for a 96-hour full bridge closure due to replacing the lift span cables.

ADJOURNMENT

Leana Kinley adjourned the official meeting at 4:43 pm for networking and refreshments.

Sara Crook shared the introduction video from her recently completed Travel Training videos. Appreciation for this work was expressed all around.

Several Board members stayed until 5:30 pm but no MCEDD business was discussed.

Respectfully submitted by Jill Brandt, Administrative Assistant.



FINANCIAL SUMMARY

As of October 31, 2023

Balance Sheet

Total Cash balance as of 10/31/23 is \$6,738,019. Accounts Receivable (1202) balance is \$798,591, the majority of which is made due to the Transportation quarterly invoicing. MCEDD Loans Receivable balance is currently \$3,492,222, an increase of \$513,314 from the prior month. There were four new loans funded in the month of October. Current Net Position as of 10/31/23 is \$14,545,962.

Operations Budget vs. Actual

Total Revenues through the month of October are at 24.82% of budget. Investment interest is exceeding our expectations and is a direct result of moving funds to the LGIP. Total expenses through the month of October are 24.84% of budget, which is lower than what we would anticipate seeing at this point in the year. Personnel expenses through the month of October are 29.95% of budget. At four months into the new fiscal year, we would expect expenses to be at or below 33%.

Other Updates

One of the entities that MCEDD does books for (CREA) unfortunately had their checking account compromised. Their checking account number was being used to initiate several fraudulent ACH payments to two credit card companies. For Business Accounts, there is only a 24-hour period to note if ACH payments are fraudulent. Umpqua Bank's recommendation was to sign up for a service called Positive Pay. This is also a recommendation that MCEDD's auditors have discussed. There are additional monthly fees associated with using Positive Pay (\$35 per account), along with additional staff time, but the process would stop fraudulent transactions as any ACH payments would require authorization from a signer on the account prior to those transactions being processed. The additional fees and staff time would be minimal compared to the potential exposure of someone gaining access to any of MCEDD's checking accounts. The Executive Committee discussed this option at their December meeting and approved signing up for Positive Pay for MCEDD's accounts.

Respectfully Submitted,

Dana Woods
Finance Manager

Mid-Columbia Economic Development District

Balance Sheet

As of October 31, 2023

10/31/2023

Checking/Savings

1000 Bank Demand Deposits

1010 MCEDD Checking

1038 MCEDD Micro Loan \$ 19,345.32

1060 Link Cash \$ 154,171.79

1010 MCEDD Checking \$ 483,435.64

Total MCEDD Checking \$ 656,952.75

1020 IRP

1021 IRP Sherman \$ 175,658.35

1022 IRP WA \$ 28,175.80

1020 IRP Other \$ 38,609.10

Total IRP \$ 242,443.25

1030 Loan Funds

1036 EDA RLF's \$ 11,908.07

1037 EDA CARES RLF \$ 206,294.78

1045 Reg Strat \$ 55,722.47

1050 RBEG-OR \$ 58,218.56

1055 RBEG-WA \$ 13,113.43

1057 RBEG-KL \$ 26,628.17

1067 CDBG Microenterprises \$ 32,422.10

Total Loan Funds \$ 404,307.58

1031 Housing RLF \$ 123,037.74

1070 National Scenic Fund \$ 113,060.35

1120 LGIP - IRP \$ 1,312,116.57

1136 LGIP Loan Funds \$ 1,117,738.04

1131 LGIP Housing RLF \$ 1,310,962.80

1171 LGIP National Scenic Fund \$ 1,361,202.55

Total Bank Demand Deposits \$ 6,641,821.63

1100 CDs

1121 IRP Reserve \$ 96,047.64

Total 1100 CDs \$ 96,047.64

1122 IRP-DDM Product \$ -

1125 LINK Petty Cash \$ 150.00

Mid-Columbia Economic Development District

Balance Sheet

As of October 31, 2023

TOTAL CHECKING / SAVINGS	\$ 6,738,019.27
Accounts Receivable	
1202 Accounts Receivable	\$ 798,590.77
1205 Interfund Loan Receivable	<u>\$ 26,585.40</u>
TOTAL ACCOUNTS RECEIVABLE	\$ 825,176.17
Other Current Assets	
1200 - Receivables & Accruals	
1210 Accrued Revenue	\$ 7,500.00
1240 Prepaid Expenses	\$ 20,151.08
1260 Accrued Loan Interest	<u>\$ 18,935.30</u>
TOTAL RECEIVABLES & ACCRUALS	\$ 46,586.38
1300 - Loans Receivable	
1330 - MCEDD Loans Receivable	
1320 IRP	\$ 1,099,164.69
1321 IRP - Sherman	\$ 211,029.22
1322 IRP - WA	\$ 138,907.84
1336 EDA RLF's	\$ 358,525.65
1337 EDA RLF CARES	\$ 700,979.35
1345 Reg Strat	\$ 26,648.87
1350 RBEG-OR	\$ -
1371 Housing RLF	\$ 743,532.05
1372 MCEDD Micro Loan	\$ 6,579.73
1373 USDA NSA	<u>\$ 206,854.94</u>
Total 1330 - MCEDD Loans Receivable	<u>\$ 3,492,222.34</u>
1370 OIB Loans Receivable	<u>\$ 1,494,277.87</u>
TOTAL 1300 - Loans Receivable	\$ 4,986,500.21
1400 - Loan Payments Holding	
TOTAL 1400 - Loan Payments Holding	\$ 1,137.06

Mid-Columbia Economic Development District

Balance Sheet

As of October 31, 2023

1500 - Allowance for Doubtful Loans	
1520 IRP Allowance	\$ (38,961.53)
1521 IRP-SH Co	\$ (3,000.00)
1522 IRP-WA	\$ (3,337.38)
1536 EDA RLF's Allowance	\$ (11,047.82)
1537 EDA RLF CARES Allowance	\$ (29,288.53)
1545 Reg Strat Allowance	\$ (1,152.95)
1555 RBEG Allowance	\$ -
1571 Housing RLF Allowance	\$ (30,000.00)
1572 MCEDD Micro Allowance	\$ (474.66)
1573 USDA NSA Allowance	\$ (5,481.80)
1575 OIB Allowance	\$ (67,535.30)
TOTAL 1500 - Allowance for Doubtful Loans	<u>\$ (190,279.97)</u>

Total Other Current Assets \$ 5,669,119.85

TOTAL CURRENT ASSETS \$ 12,407,139.12

Fixed Assets

1600 - Fixed Assets

1605 Vehicles	\$ 773,440.00
1610 Land	\$ 172,681.00
1620 Buildings	\$ 1,514,410.00
1650 Accumulated Depreciation	\$ (370,229.00)
1660 SBITA Net Present Value	\$ 59,898.16
1665 SBITA Accumulated Depreciation	\$ (16,694.70)

Total 1600 -Fixed Assets \$ 2,133,505.46

Other Assets

Due To / From Internal Accounts

1800 Due From Accounts	\$ 1,155,620.11
1801 Due To Accounts	\$ (1,150,302.83)

Total Due To/Due From Internal Accounts \$ 5,317.28

TOTAL ASSETS \$ 14,545,961.86

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2005 Interfund Loan Payable	\$ (31,903.03)
2010 A/P General	\$ (64,030.68)

Total Accounts Payable \$ (95,933.71)

Mid-Columbia Economic Development District

Balance Sheet

As of October 31, 2023

Other Current Liabilities

2030 Accrued Loan Payment	\$	(38,417.68)
2035 Accrued Interest Payable	\$	(91.14)
2050 PTO-Accrued	\$	(78,993.79)
2060 Deferred Comp Payable	\$	(153.94)
2070 Health Insurance Payable	\$	(12,809.90)
2080 Life & Disability Payable	\$	(1,321.41)
2085 Retirement Payable	\$	(1,673.17)
2090 WC SAIF ins	\$	(4,933.38)
2100 Payroll Liabilities	\$	(8,042.00)
2101 - Wages Payable	\$	(55,664.09)
2105 - WBF Payroll Assessment	\$	(163.68)
2110 - Federal Payroll Liability	\$	(6,393.76)
2115 - OR-SUTA Payroll Liabilities	\$	3,305.04
2120 - State Payroll Liabilities	\$	(919.88)
2180 - Payroll Liabilities - Prior Per	\$	-
2100 - Payroll Liabilities - Other	\$	(8,042.00)
2200 SBITA Payable	\$	(43,203.46)
2800 Deferred Revenue	\$	6,666.76
2900 Unavailable Revenue A/R	\$	(239,190.33)

Total Other Current Liabilities \$ (490,041.81)

Total Current Liabilities \$ (585,975.52)

Long Term Liabilities

2820 IRP Loan Payable \$1 Million	\$	(245,726.29)
2821 IRP Loan Payable \$600,000	\$	(263,909.46)
2822 IRP Loan Payable \$750,000	\$	(413,859.75)
2823 IRP Loan Payable - WA \$310,000	\$	(226,734.40)
2824 IRP Loan Payable - SH \$200,000	\$	(138,895.06)

Total Long Term Liabilities \$ (1,289,124.96)

TOTAL LIABILITIES \$ (1,875,100.48)

Equity

3100 Fund Balances	\$	(5,309,797.45)
3110 Carryforward Balance	\$	-
3900 Retained Earnings	\$	(7,299,733.31)
Net Income	\$	(61,330.62)

Total Equity \$ (12,670,861.38)

TOTAL LIABILITIES & EQUITY **\$ (14,545,961.86)**

**Mid-Columbia Economic Development District
Budget vs Actual FY24**

		10/31/2023	6/30/2024		
Account	Account Title	Balance	Budget	Unearned/Unexpended	% of Budget
4005	Prior Period Adjustment	\$ (459.05)	\$ -	\$ 459.05	
4010	Trans Frm/To Fund (Match)	\$ 4,637.77	\$ (249,745.00)	\$ (254,382.77)	-1.86%
4012	Trans Frm/To Fund (Support)	\$ 1,763.18	\$ 306,137.00	\$ 304,373.82	0.58%
4014	STIF Student Tickets	\$ 120.00	\$ -	\$ (120.00)	
4100	Federal	\$ 202,665.75	\$ 2,003,458.00	\$ 1,800,792.25	10.12%
4200	State	\$ 358,494.77	\$ 1,079,842.00	\$ 721,347.23	33.20%
4300	Local Match	\$ 52,500.00	\$ 134,000.00	\$ 81,500.00	39.18%
4400	Local Assessment	\$ 95,454.00	\$ 95,455.00	\$ 1.00	100.00%
4500	Contract Reimbursement	\$ 145,637.96	\$ 512,590.00	\$ 366,952.04	28.41%
4600	Loan Interest	\$ 113,450.43	\$ 314,633.00	\$ 201,182.57	36.06%
4700	Loan Processing Fees	\$ 13,283.45	\$ 27,396.00	\$ 14,112.55	48.49%
4705	Loan Filing Fees	\$ 2,977.16	\$ 6,000.00	\$ 3,022.84	49.62%
4710	Loan Late Fee	\$ (65.75)	\$ 3,400.00	\$ 3,465.75	-1.93%
4750	Investment Interest	\$ 78,126.89	\$ 128,961.00	\$ 50,834.11	60.58%
4820	Greyhound Sales	\$ 901.19	\$ 7,000.00	\$ 6,098.81	12.87%
4825	Greyhound Commission	\$ 92.45	\$ 1,400.00	\$ 1,307.55	6.60%
4800	Other Revenue	\$ 24,297.12	\$ 46,244.00	\$ 21,946.88	52.54%
4805	Farebox Revenue	\$ 11,458.29	\$ 37,236.00	\$ 25,777.71	30.77%
Total Income		\$ 1,105,335.61	\$ 4,454,007.00	\$ 3,348,212.34	24.82%
Expense					
5000	Personnel Expense	\$ 691,071.05	\$ 2,307,254.00	\$ 1,616,182.95	29.95%
6110	Travel & Conference	\$ 7,001.36	\$ 25,111.00	\$ 18,109.64	27.88%
6190	Event Services	\$ 1,378.00	\$ 10,007.00	\$ 8,629.00	13.77%
6200	Equipment	\$ 3,722.22	\$ 6,628.00	\$ 2,905.78	56.16%
6300	Supplies	\$ 7,083.57	\$ 33,820.00	\$ 26,736.43	20.94%
6400	Professional Services	\$ 167,074.95	\$ 841,745.00	\$ 674,670.05	19.85%
6500	Vehicle Costs	\$ 69,674.53	\$ 173,935.00	\$ 104,260.47	40.06%
6600	Communications	\$ 5,091.73	\$ 37,259.00	\$ 32,167.27	13.67%
6700	Building Costs	\$ 34,466.75	\$ 60,284.00	\$ 25,817.25	57.17%
6800	Bonds & Insurance	\$ 916.00	\$ 27,983.00	\$ 27,067.00	3.27%
6900	Other Materials & Supplies	\$ 3,094.56	\$ 55,445.00	\$ 52,350.44	5.58%
9000	Indirect Spread	\$ -	\$ 2.00	\$ 2.00	0.00%
9040	Transportation Facility Spread	\$ -	\$ (2.00)	\$ (2.00)	0.00%
9050	Loan Fund Costs Allocated	\$ -	\$ 1.00	\$ 1.00	0.00%
9060	Transportation Admin Spread	\$ -	\$ (1.00)	\$ (1.00)	0.00%
9100	Capital Purchase	\$ 8,212.50	\$ 458,812.00	\$ 450,599.50	1.79%
9600	Transfer to/from Source	\$ 4,637.77	\$ 2,000.00	\$ (2,637.77)	231.89%
Total Expense		\$ 1,003,424.99	\$ 4,040,283.00	\$ (3,036,858.01)	24.84%
Net Ordinary Income		\$ 101,910.62	\$ 413,724.00	\$ (515,634.62)	
Other Income/Expense					
7010	Bad Debt Expense	\$ -	\$ -	\$ -	
7300	Student Tickets	\$ 120.00	\$ -	\$ (120.00)	
7400	Loan Payment	\$ 40,460.00	\$ 121,380.00	\$ 80,920.00	33.33%
7050	Unrestricted Carryover	\$ -	\$ 92,616.00	\$ 92,616.00	0.00%
7540	Restricted Carryover	\$ -	\$ 795,849.00	\$ 795,849.00	0.00%
Total 7500	Carryover to Next Year	\$ -	\$ 888,465.00	\$ 888,465.00	
Total Other Expense		\$ 40,580.00	\$ 1,009,845.00	\$ (969,265.00)	4.02%
Net Other Income		\$ (40,580.00)	\$ (1,009,845.00)	\$ 969,265.00	4.02%
Net Income		\$ 61,330.62	\$ (596,121.00)	\$ 453,630.38	

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
 REVENUES WITH COMPARISON TO BUDGET
 FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

FEDERAL GRANTS

	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
<u>REVENUE</u>					
100-4100 FEDERAL	6,666.67	26,666.68	80,000.00	53,333.32	33.3
100-4300 LOCAL MATCH	6,666.67	26,666.68	80,000.00	53,333.32	33.3
100-4800 OTHER REVENUE	.00	4,000.00	2,000.00	(2,000.00)	200.0
TOTAL FUND REVENUE	<u>13,333.34</u>	<u>57,333.36</u>	<u>162,000.00</u>	<u>104,666.64</u>	<u>35.4</u>

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

FEDERAL GRANTS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
100-5050 WAGES - PAID LEAVE	.00	2,479.12	.00	(2,479.12)	.0
100-5100 WAGES	6,086.32	24,324.39	94,782.00	70,457.61	25.7
100-5500 FRINGE BENEFITS	1,423.01	5,568.40	24,335.00	18,766.60	22.9
100-5550 FRINGE BENEFITS - PAID LEAVE	.00	704.00	.00	(704.00)	.0
100-5700 PAYROLL TAXES	559.16	2,233.04	10,709.00	8,475.96	20.9
100-5750 PAYROLL EXPENSES - PAID LEAVE	.00	293.89	.00	(293.89)	.0
100-6110 TRAVEL & CONFERENCE	148.80	1,595.93	4,452.00	2,856.07	35.9
100-6190 EVENT SERVICES	850.00	850.00	1,200.00	350.00	70.8
100-6300 SUPPLIES	64.15	202.65	900.00	697.35	22.5
100-6420 AUDIT SERVICES	.00	.00	1,771.00	1,771.00	.0
100-6450 CONTRACTUAL	.00	1,500.00	.00	(1,500.00)	.0
100-6630 PRINTING	121.50	121.50	.00	(121.50)	.0
100-6650 TELEPHONE & NETWORKING	.00	.00	540.00	540.00	.0
100-6710 BUILDING RENT	534.37	2,170.21	4,447.00	2,276.79	48.8
100-6715 REMODEL ALLOC (ADMIN)	30.83	121.62	336.00	214.38	36.2
100-6716 REMODEL ALLOC (TRANSIT CENTER)	.00	.00	2,037.00	2,037.00	.0
100-6910 DUES AND FEES	.00	.00	3,650.00	3,650.00	.0
100-7050 UNRESTRICTED CARRYOVER	.00	.00	275.00	275.00	.0
100-9000 INDIRECT SPREAD	652.99	1,333.10	10,342.00	9,008.90	12.9
100-9040 TRANSPORTATION FACILITY SPREAD	267.19	1,085.08	2,224.00	1,138.92	48.8
 TOTAL FUND EXPENDITURES	 10,738.32	 44,582.93	 162,000.00	 117,417.07	 27.5
 NET REVENUE OVER EXPENDITURES	 2,595.02	 12,750.43	 .00	 (12,750.43)	 .0

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

LOAN FUNDS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUE</u>					
300-4050 UNRESTRICTED ENTERPRISE FUNDS	.00	.00	44,627.00	44,627.00	.0
300-4100 FEDERAL	.00	.00	500,000.00	500,000.00	.0
300-4600 LOAN INTEREST	19,503.96	74,740.03	198,636.00	123,895.97	37.6
300-4650 PRINCIPAL PAYMENTS	.00	.00	12,901.00	12,901.00	.0
300-4700 LOAN PROCESSING FEES	8,310.00	13,283.45	23,821.00	10,537.55	55.8
300-4705 LOAN FILING FEES	1,483.98	2,977.16	5,250.00	2,272.84	56.7
300-4710 LOAN LATE FEE	315.36	515.36	2,650.00	2,134.64	19.5
300-4750 INVESTMENT INTEREST	15,710.22	57,808.31	98,839.00	41,030.69	58.5
 TOTAL FUND REVENUE	 45,323.52	 149,324.31	 886,724.00	 737,399.69	 16.8

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

LOAN FUNDS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
300-5050 WAGES - PAID LEAVE	.00	2,858.67	.00	(2,858.67)	.0
300-5100 WAGES	9,741.54	34,407.78	103,950.00	69,542.22	33.1
300-5500 FRINGE BENEFITS	2,105.19	7,192.01	26,689.00	19,496.99	27.0
300-5550 FRINGE BENEFITS - PAID LEAVE	.00	729.95	.00	(729.95)	.0
300-5700 PAYROLL TAXES	908.14	3,423.52	11,746.00	8,322.48	29.2
300-5750 PAYROLL EXPENSES - PAID LEAVE	.00	353.99	.00	(353.99)	.0
300-6110 TRAVEL & CONFERENCE	5.90	313.33	4,150.00	3,836.67	7.6
300-6300 SUPPLIES	19.99	54.97	180.00	125.03	30.5
300-6410 LEGAL SERVICES	.00	.00	5,793.00	5,793.00	.0
300-6420 AUDIT SERVICES	.00	.00	4,944.00	4,944.00	.0
300-6450 CONTRACTUAL	.00	600.00	3,425.00	2,825.00	17.5
300-6470 FILING FEES	19.84	3,502.72	5,250.00	1,747.28	66.7
300-6710 BUILDING RENT	833.40	2,982.44	4,877.00	1,894.56	61.2
300-6715 REMODEL ALLOC (ADMIN)	48.76	168.27	369.00	200.73	45.6
300-6716 REMODEL ALLOC (TRANSIT CENTER)	.00	.00	2,235.00	2,235.00	.0
300-6910 DUES AND FEES	.00	.00	771.00	771.00	.0
300-6930 BANK SERVICE CHARGES	46.32	116.27	.00	(116.27)	.0
300-6931 ACH COLLECTION FEES	40.16	205.77	.00	(205.77)	.0
300-6940 OTHER MATERIALS & SERVICES	.00	.00	9,663.00	9,663.00	.0
300-7050 UNRESTRICTED CARRYOVER	.00	.00	74,510.00	74,510.00	.0
300-7400 LOAN PAYMENT	10,115.00	40,460.00	121,380.00	80,920.00	33.3
300-7540 RESTRICTED CARRYOVER	.00	.00	493,008.00	493,008.00	.0
300-8000 LGIP FMV ADJUSTMENT	.00	(14,126.00)	.00	14,126.00	.0
300-9000 INDIRECT SPREAD	938.57	1,832.07	11,344.00	9,511.93	16.2
300-9040 TRANSPORTATION FACILITY SPREAD	416.69	1,491.21	2,439.00	947.79	61.1
300-9050 LOAN FUND COSTS ALLOCATED	.00	.00	1.00	1.00	.0
 TOTAL FUND EXPENDITURES	 25,239.50	 86,566.97	 886,724.00	 800,157.03	 9.8
 NET REVENUE OVER EXPENDITURES	 20,084.02	 62,757.34	 .00	 (62,757.34)	 .0

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

SPECIAL PROJECTS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUE</u>					
500-4010 TRANS FRM/TO FUND (MATCH)	.00	4,637.77	10,000.00	5,362.23	46.4
500-4040 RESTRICTED CARRYOVER	.00	.00	198,273.00	198,273.00	.0
500-4050 UNRESTRICTED ENTERPRISE FUNDS	.00	.00	20,000.00	20,000.00	.0
500-4100 FEDERAL	.00	13,327.57	337,959.00	324,631.43	3.9
500-4200 STATE	.00	63,715.00	406,000.00	342,285.00	15.7
500-4300 LOCAL MATCH	5,125.00	53,498.22	80,445.00	26,946.78	66.5
500-4500 CONTRACT REIMBURSEMENT	35,046.25	87,716.00	438,390.00	350,674.00	20.0
500-4550 ACCRUED CONTRACT REIMBURSEMENT	10,000.00	40,000.00	.00 (	40,000.00)	.0
500-4800 OTHER REVENUE	.00	3,492.87	18,344.00	14,851.13	19.0
 TOTAL FUND REVENUE	 50,171.25	 266,387.43	 1,509,411.00	 1,243,023.57	 17.7

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

SPECIAL PROJECTS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
500-5050 WAGES - PAID LEAVE	.00	12,778.18	.00	(12,778.18)	.0
500-5100 WAGES	35,356.68	147,775.53	543,616.00	395,840.47	27.2
500-5500 FRINGE BENEFITS	7,384.43	32,731.58	139,575.00	106,843.42	23.5
500-5550 FRINGE BENEFITS - PAID LEAVE	.00	3,500.32	.00	(3,500.32)	.0
500-5700 PAYROLL TAXES	3,417.34	14,949.81	61,419.00	46,469.19	24.3
500-5750 PAYROLL EXPENSES - PAID LEAVE	.00	1,622.52	.00	(1,622.52)	.0
500-6110 TRAVEL & CONFERENCE	612.62	2,740.97	13,309.00	10,568.03	20.6
500-6190 EVENT SERVICES	.00	528.00	7,807.00	7,279.00	6.8
500-6300 SUPPLIES	91.99	2,682.20	6,065.00	3,382.80	44.2
500-6410 LEGAL SERVICES	40.00	717.12	1,500.00	782.88	47.8
500-6420 AUDIT SERVICES	.00	.00	4,182.00	4,182.00	.0
500-6450 CONTRACTUAL	6,850.75	87,172.93	456,825.00	369,652.07	19.1
500-6470 FILING FEES	.00	9.92	300.00	290.08	3.3
500-6610 ADVERTISING	.00	.00	3,264.00	3,264.00	.0
500-6620 POSTAGE & FREIGHT	.00	1.14	390.00	388.86	.3
500-6630 PRINTING	28.99	39.99	1,923.00	1,883.01	2.1
500-6650 TELEPHONE & NETWORKING	23.17	68.51	695.00	626.49	9.9
500-6710 BUILDING RENT	3,057.28	12,983.81	25,509.00	12,525.19	50.9
500-6715 REMODEL ALLOC (ADMIN)	175.51	730.51	1,930.00	1,199.49	37.9
500-6716 REMODEL ALLOC (TRANSIT CENTER)	.00	.00	11,680.00	11,680.00	.0
500-6910 DUES AND FEES	.00	.00	300.00	300.00	.0
500-6940 OTHER MATERIALS & SERVICES	.00	.00	10,570.00	10,570.00	.0
500-7050 UNRESTRICTED CARRYOVER	.00	.00	15,034.00	15,034.00	.0
500-7540 RESTRICTED CARRYOVER	.00	.00	131,452.00	131,452.00	.0
500-9000 INDIRECT SPREAD	3,848.63	7,975.68	59,314.00	51,338.32	13.5
500-9040 TRANSPORTATION FACILITY SPREAD	1,528.65	6,491.94	12,752.00	6,260.06	50.9
 TOTAL FUND EXPENDITURES	 62,416.04	 335,500.66	 1,509,411.00	 1,173,910.34	 22.2
 NET REVENUE OVER EXPENDITURES	 (12,244.79)	 (69,113.23)	 .00	 69,113.23	 .0

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

TRANSPORTATION OPS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUE</u>					
600-4010 TRANS FRM/TO FUND (MATCH)	.00	.00	(259,745.00)	(259,745.00)	.0
600-4012 TRANS FROM/TO FUND (SUPPORT)	.00	1,763.18	306,137.00	304,373.82	.6
600-4014 STIF STUDENT TICKETS	.00	120.00	.00	(120.00)	.0
600-4040 RESTRICTED CARRYOVER	.00	.00	291,320.00	291,320.00	.0
600-4050 UNRESTRICTED ENTERPRISE FUNDS	.00	.00	25,000.00	25,000.00	.0
600-4100 FEDERAL	.00	162,671.50	1,085,499.00	922,827.50	15.0
600-4200 STATE	.00	294,779.77	673,842.00	379,062.23	43.8
600-4300 LOCAL MATCH	.00	.00	59,000.00	59,000.00	.0
600-4500 CONTRACT REIMBURSEMENT	.00	17,921.96	69,200.00	51,278.04	25.9
600-4800 OTHER REVENUE	4,425.05	12,168.25	25,900.00	13,731.75	47.0
600-4805 FAREBOX REVENUE	2,082.56	11,458.29	37,236.00	25,777.71	30.8
600-4820 GREYHOUND SALES	.00	901.19	7,000.00	6,098.81	12.9
600-4825 GREYHOUND COMMISSION	12.04	92.45	1,400.00	1,307.55	6.6
 TOTAL FUND REVENUE	 6,519.65	 501,876.59	 2,321,789.00	 1,819,912.41	 21.6

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

TRANSPORTATION OPS

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
600-5050 WAGES - PAID LEAVE	.00	2,025.64	.00 (	2,025.64)	.0
600-5100 WAGES	67,267.64	262,073.27	839,252.00	577,178.73	31.2
600-5500 FRINGE BENEFITS	18,468.73	66,046.16	245,677.00	179,630.84	26.9
600-5550 FRINGE BENEFITS - PAID LEAVE	.00	494.03	.00 (	494.03)	.0
600-5700 PAYROLL TAXES	8,523.45	33,660.05	90,325.00	56,664.95	37.3
600-5750 PAYROLL EXPENSES - PAID LEAVE	.00	233.10	.00 (	233.10)	.0
600-6110 TRAVEL & CONFERENCE	43.23	246.09	2,000.00	1,753.91	12.3
600-6190 EVENT SERVICES	.00	.00	500.00	500.00	.0
600-6200 EQUIPMENT	1,800.00	1,800.00	6,028.00	4,228.00	29.9
600-6210 EQUIPMENT PURCHASED	.00	620.85	.00 (	620.85)	.0
600-6220 EQUIP LEASED/RENTED	220.48	881.92	.00 (	881.92)	.0
600-6300 SUPPLIES	490.82	1,281.74	9,875.00	8,593.26	13.0
600-6420 AUDIT SERVICES	.00	.00	15,682.00	15,682.00	.0
600-6450 CONTRACTUAL	2,509.92	30,016.34	190,777.00	160,760.66	15.7
600-6460 TESTING/TRAINING/SCREENING	515.00	1,136.00	1,550.00	414.00	73.3
600-6470 FILING FEES	40.00	40.00	.00 (	40.00)	.0
600-6500 VEHICLE COSTS	.00	13.27	36,000.00	35,986.73	.0
600-6510 REPAIRS & MAINTENANCE	2,275.16	27,405.28	41,939.00	14,533.72	65.4
600-6520 FUEL	9,720.42	42,199.36	95,996.00	53,796.64	44.0
600-6610 ADVERTISING	180.00	765.00	11,861.00	11,096.00	6.5
600-6620 POSTAGE & FREIGHT	.00	8.56	.00 (	8.56)	.0
600-6630 PRINTING	227.25	227.25	5,774.00	5,546.75	3.9
600-6650 TELEPHONE & NETWORKING	673.44	2,193.12	8,212.00	6,018.88	26.7
600-6720 UTILITIES AND JANITORIAL	1,331.35	5,440.64	17,250.00	11,809.36	31.5
600-6730 REPAIRS AND MAINTENANCE	2,900.00	10,889.65	8,200.00 (	2,689.65)	132.8
600-6810 INSURANCE - VEHICLE	.00	.00	13,020.00	13,020.00	.0
600-6820 INSURANCE - BUILDING	.00	.00	3,350.00	3,350.00	.0
600-6900 OTHER MATERIALS & SUPPLIES	.00	.00	250.00	250.00	.0
600-6910 DUES AND FEES	.00	1,050.00	900.00 (	150.00)	116.7
600-6935 ONLINE PROCESSING FEES	13.47	50.09	.00 (	50.09)	.0
600-6940 OTHER MATERIALS & SERVICES	.00	.00	3,200.00	3,200.00	.0
600-7050 UNRESTRICTED CARRYOVER	.00	.00	5,325.00	5,325.00	.0
600-7300 STUDENT TICKETS	.00	120.00	.00 (	120.00)	.0
600-7540 RESTRICTED CARRYOVER	.00	.00	133,879.00	133,879.00	.0
600-9000 INDIRECT SPREAD	6,965.89	13,630.99	91,573.00	77,942.01	14.9
600-9040 TRANSPORTATION FACILITY SPREAD	(2,212.53)	(9,068.23)	(17,417.00)	(8,348.77)	(52.1)
600-9060 TRANSPORTATION ADMIN SPREAD	.00	.00	(1.00)	(1.00)	.0
600-9100 CAPITAL PURCHASE	.00	8,212.50	458,812.00	450,599.50	1.8
600-9600 TRANSFER TO/FROM SOURCE	.00	4,637.77	2,000.00 (	2,637.77)	231.9
 TOTAL FUND EXPENDITURES	 121,953.72	 508,330.44	 2,321,789.00	 1,813,458.56	 21.9
 NET REVENUE OVER EXPENDITURES	 (115,434.07)	 (6,453.85)	 .00	 6,453.85	 .0

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

GENERAL FUND

<u>REVENUE</u>	<u>PERIOD ACTUAL</u>	<u>YTD ACTUAL</u>	<u>BUDGET</u>	<u>UNEARNED</u>	<u>PCNT</u>
800-4005 PRIOR PERIOD ADJUSTMENT	(459.05)	(459.05)	.00	459.05	.0
800-4050 UNRESTRICTED ENTERPRISE FUNDS	.00	.00	4,000.00	4,000.00	.0
800-4300 LOCAL MATCH	(6,791.67)	(27,664.90)	(85,445.00)	(57,780.10)	(32.4)
800-4400 LOCAL ASSESSMENT	.00	95,454.00	95,455.00	1.00	100.0
800-4500 CONTRACT REIMBURSEMENT	.00	.00	5,000.00	5,000.00	.0
800-4750 INVESTMENT INTEREST	6.21	30.96	2.00	(28.96)	1548.0
800-4800 OTHER REVENUE	4,636.00	4,636.00	.00	(4,636.00)	.0
 TOTAL FUND REVENUE	 (2,608.51)	 71,997.01	 19,012.00	 (52,985.01)	 378.7

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

GENERAL FUND

	PERIOD ACTUAL		YTD ACTUAL		BUDGET		UNEXPENDED		PCNT
<u>EXPENDITURES</u>									
800-5050 WAGES - PAID LEAVE	314.10	(	19,674.01)		.00		19,674.01		.0
800-5100 WAGES	8,694.56		39,793.79		84,088.00		44,294.21		47.3
800-5500 FRINGE BENEFITS	3,900.98		12,472.97		21,590.00		9,117.03		57.8
800-5550 FRINGE BENEFITS - PAID LEAVE	.00	(	5,428.32)		.00		5,428.32		.0
800-5700 PAYROLL TAXES	871.75		3,951.17		9,501.00		5,549.83		41.6
800-5750 PAYROLL EXPENSES - PAID LEAVE	.00	(	2,503.50)		.00		2,503.50		.0
800-6110 TRAVEL & CONFERENCE	157.92		2,105.04		1,200.00	(	905.04)		175.4
800-6190 EVENT SERVICES	.00		.00		500.00		500.00		.0
800-6220 EQUIP LEASED/RENTED	75.23		419.45		600.00		180.55		69.9
800-6300 SUPPLIES	340.58		2,862.01		16,800.00		13,937.99		17.0
800-6410 LEGAL SERVICES	.00		.00		1,000.00		1,000.00		.0
800-6420 AUDIT SERVICES	.00		.00		8,634.00		8,634.00		.0
800-6450 CONTRACTUAL	933.00		9,052.00		37,555.00		28,503.00		24.1
800-6460 TESTING/TRAINING/SCREENING	29.00		29.00		.00	(	29.00)		.0
800-6470 FILING FEES	.00		9.92		.00	(	9.92)		.0
800-6520 FUEL	.00		56.62		.00	(	56.62)		.0
800-6610 ADVERTISING	.00		.00		850.00		850.00		.0
800-6620 POSTAGE & FREIGHT	175.03		703.70		850.00		146.30		82.8
800-6630 PRINTING	.00		.00		500.00		500.00		.0
800-6640 PUBLICATIONS & SUBS	.00		138.00		800.00		662.00		17.3
800-6650 TELEPHONE & NETWORKING	34.99		139.96		600.00		460.04		23.3
800-6715 REMODEL ALLOC (ADMIN)	(255.10)	(	1,020.40)	(	2,635.00)	(	1,614.60)	(	38.7)
800-6716 REMODEL ALLOC (TRANSIT CENTER)	.00		.00	(	15,951.00)	(	15,951.00)		.0
800-6800 BONDS & INSURANCE	.00		916.00		11,613.00		10,697.00		7.9
800-6910 DUES AND FEES	485.50		1,135.50		16,016.00		14,880.50		7.1
800-6930 BANK SERVICE CHARGES	359.00		409.00		.00	(	409.00)		.0
800-6931 ACH COLLECTION FEES	.00		92.28		.00	(	92.28)		.0
800-7050 UNRESTRICTED CARRYOVER	.00		.00	(	2,528.00)	(	2,528.00)		.0
800-9000 INDIRECT SPREAD	(12,406.08)	(	24,771.84)	(	172,571.00)	(	147,799.16)	(	14.4)
TOTAL FUND EXPENDITURES	3,710.46		20,888.34		19,012.00	(	1,876.34)		109.9
NET REVENUE OVER EXPENDITURES	(6,318.97)		51,108.67		.00	(	51,108.67)		.0

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
REVENUES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

OIB

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>REVENUE</u>					
975-4600 LOAN INTEREST	9,636.00	38,710.40	115,997.00	77,286.60	33.4
975-4700 LOAN PROCESSING FEES	.00	.00	3,575.00	3,575.00	.0
975-4705 LOAN FILING FEES	.00	.00	750.00	750.00	.0
975-4710 LOAN LATE FEE	.00	(581.11)	750.00	1,331.11	(77.5)
975-4750 INVESTMENT INTEREST	5,645.62	20,287.62	30,120.00	9,832.38	67.4
 TOTAL FUND REVENUE	 15,281.62	 58,416.91	 151,192.00	 92,775.09	 38.6

MID-COLUMBIA ECONOMIC DEVELOPMENT DIST
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 4 MONTHS ENDING OCTOBER 31, 2023

OIB

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>EXPENDITURES</u>					
975-6410 LEGAL SERVICES	.00	20.00	2,000.00	1,980.00	1.0
975-6450 CONTRACTUAL	8,317.25	33,269.00	99,807.00	66,538.00	33.3
975-6470 FILING FEES	.00	.00	750.00	750.00	.0
975-6610 ADVERTISING	600.00	600.00	1,000.00	400.00	60.0
975-6650 TELEPHONE & NETWORKING	.00	85.00	.00	(85.00)	.0
975-6910 DUES AND FEES	.00	.00	125.00	125.00	.0
975-6930 BANK SERVICE CHARGES	.00	.05	.00	(.05)	.0
975-6931 ACH COLLECTION FEES	8.90	35.60	.00	(35.60)	.0
975-6950 GRANTS DISBURSED	.00	.00	10,000.00	10,000.00	.0
975-7540 RESTRICTED CARRYOVER	.00	.00	37,510.00	37,510.00	.0
975-8000 LGIP FMV ADJUSTMENT	.00	(4,591.00)	.00	4,591.00	.0
TOTAL FUND EXPENDITURES	8,926.15	29,418.65	151,192.00	121,773.35	19.5
NET REVENUE OVER EXPENDITURES	6,355.47	28,998.26	.00	(28,998.26)	.0

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FY 24 PIPELINE**

SPECIAL PROJECTS SUMMARY		ANTICIPATED FY 24	SUBMITTED	IN PROCESS	FY 24 TOTAL	FY 24 CONFIRMED %
	Special Projects - Anticipated Revenue	1,704,105	198,090	20,000	1,922,195	88.65%
	Budgeted Expenses (Excludes In-Kind)	1,208,904				
	Gap/Surplus	495,201				
PROJ CODE	SPECIAL PROJECTS DETAILS	FY24	NOTES			
206	Rural Opportunity Initiative	-				
208	Rural Capacity	20,000	FY24 is est. carryforward			
209	Regional Innovation Hub	28,000				
210	ICAP Launch	50,000				
211	CPACE Admin	-	\$1,500 in budget. Payments only if there are applications.			
5571	GTA Staffing	60,000				
534	Crystal Springs	2,500				
549	CL-HR Enterprise Zone	4,000				
550	WSU Broadband Planning	128,334	FY24 is est. carryforward from WSU Broadband Planning			
551	EPA Brownfields Assessment	168,750				
554	Sherman Co EDC	47,500				
555	Northern Wasco County Parks & Rec.-Financial	11,805				
559	Wasco Co EDC	80,000				
574	Hood River Energy Plan	42,000	Estimate for FY24			
574	Energy - Meyer Memorial Trust	49,662	carryforward			
582	Hood River EDG	8,400				
587	HR Drive Less Connect - ODOT	47,031				
590	Gorge Pass Marketing	167,000				
5011	CREA - Financial Services	6,000				
5112	Biggs Water Development	12,500				
5113	CL Wastewater System Upgrade	17,500				
5114	HR Stormwater	15,000	Reduced as a result of ending contract early			
5115	City of TD - Dog River	14,000				
5116	Sherman County Bus Barn	5,000				
5117	HRV Adult Center	10,000				
5711	Mobility Management	285,123				
583	WA State Microenterprise Assoc. Grant	-				
5118	Cascade Locks EDA Substation Project	4,000	Multi-year project - \$18k likely over 2 years			
5745	MOVER Grant Support for Energy Council	5,000	Total contract is 25,000 over a few years			
	Oregon HB3395 Funding for Grant Writing	415,000	Two-year project, amount shown is total grant amount			
TOTAL ANTICIPATED REVENUE		1,704,105				
PROPOSALS SUBMITTED						
	WA State Microenterprise Assoc. Grant	7,040				
	Biz OR Rural Opportunity Initiative	191,050	Two-year project, amount shown is total grant amount			
TOTAL PROPOSALS SUBMITTED		198,090				
IN DEVELOPMENT						
	Energy Trust of OR for Energy Council work	20,000				
TOTAL IN DEVELOPMENT		20,000				
DECLINED						
TOTAL DECLINED		-				

MCEDD Dashboard

Loan Program	Target	Q2 FY2023 (Oct 1 - Dec 31)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Lending Activity	\$215,000 loaned/quarter	\$ 38,000.00	\$ 102,569.00	\$ 112,800.00	\$ 331,500.00
Loan Utilization Rate- All RLFs	75% or more	44.60%	44.76%	44.78%	39.00%
Loan Utilization rate- EDA RLFs	75% or more	84.99%	*	64.90%	*
Loan Delinquency Rate (>30 days)	5% or less	2.50%	1.56%	(In development)	1.71%
Job creation and retention/\$ loaned	1 job/\$35,000 loaned	1 / \$19,500	1 / \$14,683	1/\$37,800	1/\$36,833
Inquiries/outreach	20 inquiries per quarter 5 outreach visits per quarter	28 Inquiries, 9 Outreach Visits	24 Inquiries, 13 Outreach Visits	22 Inquiries, 10 Outreach Visits	35 Inquiries, 7 Outreach Visits
Reporting Completed on Time	All	ALL	ALL	ALL	ALL
Finance	Target	Q2 FY2023 (Oct 1 - Dec 30)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Special Projects Revenue Gap	At or exceeding budget	106,244	119,744	28,250	80,201
Local Jurisdiction Participation	100%	100%	100%	100%	100%
Average days of accounts receivable	33 or less	28.73	28.61	28.61	(Cannot get this number from Caselle)

Key: Yellow Highlight= Watch. Red Highlight= Action Needed.

Operational YTD Actual vs. Budget by Revenue & Expenses	Revenue: => Percentage of Budget Year Completed Expenses: <= Percentage of Budget Year Completed	Revenue: 61.7% Expenses: 68.4%	Revenue: 51.96% Expenses: 68.61%	Revenue: 67.64% Expenses: 85%	Revenue: 21.94% Expenses: 19.8% (at 33% of the budget year completed)
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Human Resources	Target	Q2 FY2023 (Oct 1 - Dec 30)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Performance Evaluation Completed on Time	100%	95%	93%	95%	95%
Average Employment Length (Years) - Econ Dev / Admin	3 years	4.24	4.49	4.74	4.81
Average Employment Length (Years) - Transportation	3 years	2.58	2.51	2.60	2.81

Transportation Ride Data	Target	Q2 FY2023 (Oct 1 - Dec 30)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Dial A Ride	Not set, provided as info	1342	1561	1293	1208
Fixed Route	Not set, provided as info	1497	1428	1971	3885
Senior / Disabled	Not set, provided as info	1998	1983	1630	1417

Board of Directors	Target	Q2 FY2023 (Oct 1 - Dec 30)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Board Meeting Attendance	75%	86%	91%	68%	72%
Meetings Lacking Quorum	0	0	1	0	1
Board Vacancies	0	0	0	0	0

Project Mgmt/ Regional Coordination	Target	Q2 FY2023 (Oct 1 - Dec 30)	Q3 FY2023 (Jan 1 - Mar 31)	Q4 FY2023 (Apr 1 - June 30)	Q1 FY2024 (July 1 - Sept 30)
Number of objectives addressed from CEDS	2/quarter	6	6	5	7
Reporting Completed on Time	All	95%	All	All	All

Key: Yellow Highlight= Watch. Red Highlight= Action Needed.



Executive Director's Report
Prepared for the December 2023 Full Board Meeting

Regional Work and Outreach

- **District Expansion Update:** In early October, I received an email from the EDA requesting additional information to consider the boundary modification request that would move Gilliam County into MCEDD's district and out of Greater Eastern Oregon Development Corporation's (GEODC) district. Among other items, the EDA requested a resolution or letter of support from each County. I sent a draft for our five counties to review in December. The largest time requirement is a requirement to update our Comprehensive Economic Development Strategy (CEDS) to include Gilliam County and have GEODC submit an updated CEDS. GEODC's CEDS is in process and is expected to be completed next Spring. I will be hosting a meeting in Arlington on Jan 17 to work through the process of developing a Gilliam County addendum to our CEDS with their community leaders. The goal is to have it included in the CEDS update we hold annually at the March Full Board meeting.
- **Strategic Planning Process:** As discussed during the FY24 budget process, we included funding to work with a consultant to develop MCEDD's first-ever Strategic Plan for the organization. I issued an RFP for a Strategic Planning consultant in October. We received one response, from Alison Hart, and staff and the MCEDD Officers agreed the proposal was well done, her work is well known in the region, and decided to move forward. As approved in the budget, I successfully applied for a Ford Family Foundation technical assistance grant of \$5000 to help cover the costs of this project. We have scheduled two in-person meetings with the Full Board: March 21, 2-4pm will be a Board Training and April 18, 9am to 3pm will be the Board Retreat. Both will likely be at the Hood River Fire Station. Please prioritize attending both events.
- **Symposium Review:** Our 2023 Columbia Gorge Economic Symposium was held November 3 at The Port of Cascade Locks Pavilion. We had about 115 registrations (down from 130 in 2022) and perhaps about 100 attendees. We sought some additional sponsorship to help cover the costs of the Keynote Speaker which resulted in Umpqua Bank as a new sponsor, plus East Cascade Works, NW Natural and The Dalles Area Chamber. The event included a presentation about CEDS projects that were completed or had progress this year, keynote from Futurist Steve Brown on Artificial Intelligence, our two economists, and a diverse business panel on current challenges and opportunities. We incorporated additional networking time and made sure to have time for questions after each speaker. New this year was an optional networking lunch after the event with attendees paying extra for a boxed lunch. We sent out a post-event survey as usual and received 18 responses. In general responses were very positive, with all agenda items being well received. The economist presentations continue to be tricky, although I feel the information is important to include. The nine written responses provide some additional insight – please let Jessica know if you'd like to see the survey results.
- We had moved forward far in the process of being considered to host an **EDA Economic Recovery Corps Fellow** position, including required participation in trainings and development of a work plans and job description. Unfortunately, we were cut from the running prior to the interview stage with feedback that they had more rural projects than rural Fellow applicants. The work completed could be helpful for other grant applications.
- We hosted a meeting of the **Hood River Economic Development Group** in September focused on an update on Hood River County projects and in November focused on Visit Hood River projects. I also served on the interview panel for the new Hood River County Administrator.
- I had invited Oregon **EDA** rep Wes Cochran to visit the region in October and planned out an agenda of visits focused on the eastern counties but had to cancel when all EDA travel was put on hold. I was

disappointed to learn our Washington EDA rep Laura Ives' position was eliminated due to budget issues at the EDA.

- Washington Dept of Commerce issued a new funding opportunity that could help our WA partners hire grant writers (such as MCEDD) to move CEDS projects forward, if there was the intention of applying for federal funding between January and June 2024. I sent this information to our partners and have had some follow up with Klickitat Valley Health.
- I reached out to each of the five counties to start the annual process of updating the CEDS priority projects lists. This item will be part of the March Board meeting.
- I engaged in regional outreach through hosting a meeting of the Mid-Columbia Economic Resiliency Team (Oregon state resiliency lead staff person as guest), and with meetings with One Gorge, Goldendale/ Klickitat County/ WA federal legislators, City and Port of Cascade Locks, Business Oregon, Klickitat County Economic Development, Association of Oregon Counties, Washington State Microenterprise Association, and Gorge Commission.

Business Assistance

- We submitted a Business Oregon Rural Opportunity Initiative (ROI) grant application in partnership with the business incubator Maupin Works. The grant would be almost \$200,000 and allow MCEDD to host pub talks in our three OR counties, two annual pitch fests, and support youth entrepreneurship. MCEDD would also receive funds for Maupin Works to help their new initiative get on its feet. We hope to hear in December or January if we are successful.
- The final report for the Regional Innovation Hub was submitted to Business Oregon. We are on hold with the work, waiting for the release of a Request for Grant Applications in late December or early January for Phase 2 funding to implement the plan.
- I developed a grant application of \$7040 for a Washington State Microenterprise Association Grant for hosting training/ networking events in Skamania and Klickitat Counties. This work would cover five events between January and June 2024 held in partnership with Skamania EDC, Mt Adams Chamber, Goldendale Area Chamber, Gorge Women in Business, and The Next Door. We are waiting to hear the result.

County Assistance

The following are highlights from work in Sherman and Wasco County by Jacque Schei over the last quarter:

- Staff continues to support regular meetings of the four Sherman County cities and Sherman County projects like the solar + storage project and EV pilot project. Staff was assisting the Moro Clinic in preparing for the next round of OR Dept of Energy CREP (community renewable energy grant program).
- Staff worked with Grass Valley on their Wastewater project, Pine Grove and Tooley Water District on their drinking water projects and met with Maupin about their water and wastewater projects.
- Much of the focus of the last quarter was on the Community Enhancement Project process for Wasco County, which helps develop the top ten list of priority projects that feeds into MCEDD's CEDS list.
- Staff participated in work sessions to discuss EV charging needs and strategies for Wasco County hosted by Forth. The key objectives of the meetings were to discuss education about EVs and charging, identify locations of interest for EV charging in the County and start to develop a plan, and identify funding sources.
- Staff participated in a tour hosted by South Wasco Alliance in October. The purpose of the tour was to introduce county, regional, and state level partners to what's available in the South County area and to think about strategies to support continued economic development that would lead to job creation and a better standard of living for the community. The tour was very well attended, including state agencies, state representatives, regional partners, and foundations that support community and economic development in South Wasco County.

- Jacque continues to work for MCEDD in a limited part-time, temporary capacity to help close out four grant administration projects that are close to ending: Biggs Service District water project, Dog River Pipeline, Hood River Valley Adult Center kitchen remodel, and Cascade Locks wastewater treatment project.

Facilities, Trainings and Operations

- Much of my time has been taken up with (valuable!) conferences this fall: USDA's NW Rural Investment Strategy Summit at Skamania Lodge, Oregon Economic Development District Association's fall in-person conference hosted at the MCEDD office, National Association of Development Organizations Annual Training Conference in Cleveland. I am grateful for these opportunities to learn and network from other economic development professionals. Other staff attended the Oregon Infrastructure Summit, but we were unfortunately not able to cover the Washington Infrastructure conference.
- In the office, we have completed some IT upgrades with new phones and replacement of four laptops. We successfully applied for a grant through Special Districts Insurance Services for 50% of the cost to replace our primary server (about \$8000 total).
- Staff are meeting to complete the draft of our Diversity, Equity and Inclusion (DEI) plan and I hope to bring a draft to the Executive Committee soon.
- We have an excellent opportunity coming to MCEDD with about \$400,000 that we expect to receive before the end of the year from the State of Oregon to boost our work in grant writing and project development in our Oregon counties. There is a lot of opportunity in the region to build out our project development, grant writing and grant administration services. These funds will help jump start this work over the next eighteen months and the hope is that ongoing contributions from Oregon will be received, and possibly some from Washington. We could also market these services more broadly as a fee-for-service. I worked with staff to develop a new full-time Senior Project and Grants Manager position which is posted and closes Dec. 15. The Executive Committee approved this position in December. We discussed the second position desired, an Economic Development Program Manager position, would be created after approval of a Supplemental Budget, possibly at the March meeting.
- We held the annual meeting of the Four Rivers Community Corporation, MCEDD's 501(c)3 nonprofit organization that can receive donations and grants for others. The nonprofit status of the entity was revoked due to the need to submit our annual IRS filings electronically, and we are working with the IRS to solve the issue. At the annual meeting, the Board approved filing for reinstatement if needed (a cost of \$600).
- We developed a Disciplinary Guidelines Table that provided clear guidance to all staff about consequences for different unsatisfactory behaviors. The Executive Committee reviewed the draft and recommended adjusting the table to cover more than just Bus Drivers and pursuing review by legal counsel. We will bring this back to the Executive Committee and then the Full Board for approval.
- We have received our preliminary Insurance renewal package from our insurance agent Columbia River Insurance. Our premium might end up 15.58% higher this year (we budgeted a 5% increase) because of: 1) increased rates, 2) exposures are up slightly from a few minor vehicle accidents, and 3) the property values and the materials and services budget are up slightly. In the SDIS pool, most districts saw a 13.5% increase, although our agent is seeing most local districts up about 20%. New this year, SDIS is offering Cyber coverage, and we qualified for a \$50,000 policy. Dana and I are meeting with them to review the package.
- I held an annual eval for Loan Fund Manager Ami Beaver and a three-month eval for Project Manager Jason Hartmann and Office Admin Tanya Hoiseth.



**Executive Committee Report
December 2023**

The MCEDD Executive Committee met in October and December to address business of the District. The activities of the committee included the following:

- Reviewed information about the Requests for Proposals process for a consultant to implement the \$1M EPA Brownfields Assessment Grant we received and approved contracting with Stantec.
- Reviewed and approved an Emergency Action Plan developed for the organization as good practice and in order to receive a 10% discount on our insurance.
- Approved submission of a grant application to Business Oregon's Rural Opportunities Initiative (ROI) program in partnership with Maupin Works, and an application to Washington State Microenterprise Association for a series of Pub Talks in Skamania and Klickitat Counties. The ROI grant would allow events like the June 2023 Pitch Fest to become an annual occurrence and support more entrepreneurship development activities.
- Discussed plans for the 2023 Economic Symposium and provided feedback to staff on the agenda. Later, reviewed the outcomes from the Symposium. When asked if we should continue to move it around the region or hold it always in the best venue, there was not a strong opinion.
- Discussed the additional requirements from EDA for the request to add Gilliam County to MCEDD's district.
- Approved creation of a Senior Project and Grant Manager position. Agreed a Supplemental Budget would need to be in place to approve an Economic Development Program Manager position.
- Reviewed draft Disciplinary Action Guidelines and directed staff to adjust them to be applicable to all staff and share a draft with legal counsel for review.
- Discussed how to handle Holiday Pay on a four-tens schedule. Staff will be working to update the Personnel Policy to have greater clarity on this topic and other topics to match state required changes.
- Held a meeting as Four Rivers Community Corporation. This annual meeting noted the members and officers, the funding strategy for the organization. Discussed the IRS 501(c)3 revocation issue and gave authority to staff to apply for reinstatement if needed (a \$600 cost).



Mid-Columbia Economic Development District

Loan Administration Board (LAB) Report Prepared for the December 21, 2023, MCEDD Full Board Meeting

Approved Loans; Loan Actions

Since the last MCEDD Board Meeting the following loans were approved:

Business	Amount	Purpose
Mountain Valley Butcher Block, LLC	\$299,000	Building purchase refinance (funds disbursed)
AniChe Cellars WA, LLC	\$175,000	Equipment purchase, remodel (funds disbursed)
My Place to Call Home, LLC	\$40,000	Furniture/working capital (funds disbursed)
O's Espresso, LLC	\$40,000	Equipment/working capital (funds disbursed)
Walking Distance, LLC	\$20,000	Equipment/working capital (funds disbursed)
Jack of All Trades, LLC	\$360,000	Building purchase (funds not yet disbursed)
Chris Almader Visual Art, LLC	\$29,000	Equipment purchase, working capital (funds not yet disbursed)

Updates on Clients

There are currently three loans with a past due balance. Staff continue to work with the clients to resolve the past due balances and are working with the Loan Administration Board on addressing these delinquencies. Other existing client updates include modifications for both The Bliss Café, LLC and Gorges Brewing, LLC.

Active Inquiries

Active inquiries with anticipated/received applications include:

- Building refinance – coffee shop
- Business purchase - coffee shop
- Building purchase - restaurant
- Debt refinance - restaurant
- Equipment/improvements – wine shop
- Working capital – current client
- Non-profit store
- Working capital – senior living facility
- Equipment – co-pack facility
- Equipment/working capital – brewing
- Equipment/start-up costs – market and RV park

Available to loan (11/30/23):
approximately
\$4,051,766 (including housing loan funds)
\$2,658,869 (without housing loan funds)

Other Activities

- Ami continues to attend The Dalles Area Chamber of Commerce, Mt. Adams Chamber of Commerce and Hood River Chamber of Commerce networking events.
- Ami is working with the SBDC on four of the loans currently in the pipeline.
- We hosted a Gorge Small Business Lending lunch at the Hood River Inn with financial support from the OIB, Business Oregon and Columbia Gorge SBDC on Oct 10 with about 15 bankers and partners to learn about the lending resources we have available.
- In order to have all LAB members attend, we have decided to move their regular meetings to the 2nd/ 4th Wednesday at 8am starting in December.
- We have received an “A” rating from the EDA on our loan program! This annual rating reflects the good work of our staff to meet all EDA requirements and achieve good outcomes with the loan program.
- The Columbia Gorge Small Business Development Center (SBDC) had funding available to help us translate all public facing loan documents into Spanish! We had a few items translated but this will make the program more fully accessible.

Support for Loan Boards

- The Oregon Investment Board (OIB) met and approved a \$360,000 loan for Jack of All Trades, LLC. The Oregon Investment Board also approved a loan modification for Gorges Brewing, LLC.
- We have lost one Wasco County OIB Board member and are recruiting for the position.
- The Mt Hood Economic Alliance (MHEA) met and approved a \$22,000 loan for Vibe Consignment, LLC.
- We worked with Hood River County to appoint Katie Kadlub of Visit Hood River to the Hood River County vacancy on the MHEA Board.



To: MCEDD Board of Directors
From: Kathy Fitzpatrick, Mobility Manager
Date: December 8, 2023
Re: Mobility Management Report

Gorge Translink Alliance

MCEDD's Mobility Manager Kathy Fitzpatrick coordinates the Alliance which seeks to enhance regional connectivity and develop a seamless network of transportation services in the five-county region. These providers include Mt Adams Transportation Service (Klickitat County), Skamania County Transit, Columbia Area Transit (CAT), the Link (Wasco County), and Sherman County Community Transit.

New Travel Trainer for Klickitat and Skamania Counties

With funding from the WSDOT Consolidated Grant Program, Kathy is working with the Gorge Pass Marketing consultant to develop a travel training program for Klickitat and Skamania Counties. The new travel trainer's first day was November 1st and she has already hit the ground running. Eve Elderwell has supported community health and resilience efforts at health organizations across the Pacific Northwest and is bilingual in Spanish and English. Eve will support MCEDD's Inclusive Outreach and Education public transportation project in Klickitat and Skamania counties and will provide travel training support to Mt Adams Transportation Services and Skamania County Transit.

Implementation of the Gorge Regional Transit Strategy

MCEDD received grants from ODOT and WSDOT to put the Gorge Regional Transit Strategy's recommendations into action. Kathy will lead this project, which will focus on the prioritized operational strategies and will also engage both policy makers and the Gorge community in outreach activities, culminating in a large community event. The Gorge TransLink Alliance will focus on operational strategies in 2024, with the goal of improving coordination of the regional transit system. The second goal of the project is to continue to build community and policymaker support for public transportation by demonstrating the importance of this regional system with data and with the stories of the many riders for whom transit is a lifeline.

Vanpool Programs

Both Columbia Area Transit and The Link Public Transit have budgeted funds to subsidize vanpools in Hood River and Wasco Counties. Vanpools are especially important in rural regions, where many communities are located long distances from the major job centers. If you know of an employer that might be interested in exploring a subsidized vanpool program for their employees, please contact Kathy at kathy@mcedd.org.



MCEDD Travel Training Program

MCEDD Travel Trainer Sara Crook manages the Gorge Transit Connect program, the Go Vets Columbia Gorge program, and is available to assist individuals with their travel training needs in Wasco and Hood River Counties.

Native American Transit Project: MCEDD recently received an ODOT Innovative Mobility Grant for a project that provides Gorge Passes and travel training services to the Native Americans living in the Columbia Gorge. Sara is accompanying partners that work one on one with residents the in-lieu and Treaty Access Fishing sites to bring passes and travel training education directly to the residents of these communities.

Travel Training Videos: The Travel Training video project was successfully completed this year. These videos are evergreen products that assist the travel training program. Check out them out on the new Travel Training webpage: <https://gorgetranslink.com/travel-training/>

Veterans' Services: Sara and Kathy assisted with the planning for the Wasco County Veterans' Stand Down, the first in the region in 6 years. Sara spent the day working with Veterans to understand their transportation needs and distributed the 12-month universal fare Gorge Passes to Veterans who were interested in using the regional transit system.



Our spot at the Stand Down event in October.



To: MCEDD Board of Directors
From: Lindsay McClure, Energy and Project Manager
Date: December 5, 2023
Re: **Project Management Report**

Regional Renewable Energy Coordination

- **Columbia Gorge Bi-State Renewable Energy Zone (CGBREZ):** Staff supported one CGBREZ meeting that included project updates on the Goldendale Energy Storage Project, Cascade Renewable Transmission Project, and the Hydrogen Fuel Cell and Climate Resilience District at Klickitat Valley Health. The next CGBREZ meeting will be held on Friday, January 5 at 9 a.m.

Hood River County Energy Council Coordination

- **Hood River County EV Charging Infrastructure Planning:** The Energy Council's transportation and land use subcommittee is working on a project that is developing an electric vehicle charging infrastructure plan for Hood River County. This project will emphasize the benefits of "dig-once" planning and includes collaboration with utilities, fleet operators, local planning offices, and other transportation decision makers. The Energy Council has convened a committee, which has met twice, that is informing the plan.
- **Energy Resilience Project Updates**
 - Mt. Hood Town Hall: Hood River County received planning funding from the Oregon Department of Energy (ODOE) Community Renewable Energy Grant Program (C-REP) to further develop a plan for a resilient solar + storage system at Mt. Hood Town Hall. This planning effort will determine the best size, configuration, and location at the facility for a solar + storage system, taking into consideration State Historic Preservation Office limitations and other factors that are specific to this site. Hood River County issued a Request for Qualifications to select a consultant to complete a feasibility report and solar + storage system design. The County received four proposals, and a committee that included Matt King, Lindsay McClure, Daron Ryan, Sheri Patterson, Bob Danko, and Tomas Endicott reviewed the proposals. Energy Council staff and the County are working on contracting with the selected consultant. The Energy Council is providing project management support.
 - Cascade Locks City Hall: The City of Cascade Locks received construction funding from ODOE C-REP for a solar and energy storage microgrid at Cascade Locks City Hall. The proposed system will include at least 64.8 kW of solar capacity, 136.8 kWh of battery storage, and a diesel generator. The City is also waiting to hear back from a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) 5% Initiative subapplication for the same project which, unlike the ODOE C-REP program, will help with a needed roof replacement. The City has been responding to Requests for Information from FEMA about the project. The City of Cascade will wait until they receive a decision from FEMA to move forward with the project. The Energy Council is providing project management support for this project.
 - Wy'east Middle School: [New Buildings Institute's](#) Microgrid Opportunities: Vehicles Enhancing Resiliency (MOVER) proposal to the Department of Energy (ODOE) was successful. The MOVER project will implement a nationally replicable pilot project that uses electric school buses and light duty fleet vehicles as storage for a PV microgrid at Wy'East

Middle School to provide backup power for portions of the school during long-duration power outages. The DOE grant will not fund equipment that will remain at the site after the project concludes, so ODOE C-REP funding will be pursued to cover portions of the solar + storage system. The Energy Council will lead the ODOE C-REP application, will support two community meetings, and will provide support and resources in other areas. NBI and MCEDD executed a subcontract to support MCEDD/Energy Council staff's work on this project.

- **Cascade Locks Port Commission Presentation:** Energy Council staff and Co-Chair Eric Strid shared a brief history of the Energy Council and highlighted current projects at a Cascade Locks Port Commission meeting on October 17. Following this presentation, the Port Commission considered and approved the Energy Council's FY 2024 budget request of \$5,000.
- **Hood River City Council Presentation:** Energy Council staff and Energy Council Co-Chair's Matt King and Eric Strid provided an update to the Hood River City Council on October 23. The presentation included a brief history of the Energy Plan and an update on the Energy Council's current work. Following the presentation, the Energy Council shared a list of low-effort, high-priority projects the City could pursue to help advance the goals of the Energy Plan. Councilor Coughlin has subsequently met with City Manager Abigail Elder and Mayor Paul Blackburn to talk about integrating these priorities into the City's work plan.
- **NW Energy Coalition Energy Advocates:** Energy Council staff has been attending weekly Energy Advocates work group sessions. The work group prepared and filed Round 1 comments in OPUC Docket LC 82, Pacific Power's Clean Energy Plan and Integrated Resource Plan. The Energy Council signed on to Energy Advocates' comments, which were filed on October 25, 2023.
- **Sustainable NW Fall Energy Symposium:** Energy Council staff attended Sustainable Northwest's Fall Energy Symposium November 2-3 in Corvallis, OR. The symposium included a field tour of Oregon State University's Wallace Energy Systems & Renewables Facility and the Hinsdale Wave Research Laboratory as well as panels on energy project funding, community energy resilience, energy-related farming innovations, and other topics.
- **Citizens Utility Board Energy Policy Conference:** Staff attended the Oregon Citizens' Utility Board (CUB) Energy Policy Conference on October 6. The focus of the conference was on equity and the built environment.
- **Energy Council Administration:** The Energy Council recently approved a couple of operational changes. First, the Energy Council created a new voting seat that will be reserved for a student representative. Second, the Energy Council created a Finance subcommittee, which will work closely with the Community Scale Solutions subcommittee to ensure the Energy Council has the financial resources and knowledge necessary to pursue the Energy Plan's goals.

MCEDD Brownfield Assessment Coalition Coordination

- MCEDD formed a coalition that received a \$1 million brownfield assessment coalition grant from the Environmental Protection Agency. The coalition includes Columbia Cascade Housing Corporation, Wasco County, Sherman County, and Klickitat County. The grant will fund environmental assessments and planning activities throughout the entire MCEDD five-county region. This four-year grant runs from October 2023 to September 2027. Staff convened a kickoff meeting for the Brownfield Advisory Committee (BAC) to give an overview of the project and start a conversation about eligible activities and initial prospects.



To: MCEDD Board of Directors
From: Jason Hartmann, Project Manager
Date: December 11, 2023
Re: Project Manager's Report

Gorge Technology Alliance (GTA)

MCEDD supports the GTA through contract project management services.

- **Membership / Sponsorship Drive:** Staff continues to recruit new and renewing members and sponsors, and currently has 68 (28 sponsors and 40 members), with commitments from a handful of others. The energy level and event attendance are high, which is encouraging. Staff will continue to find new ways to engage the community and bring value to existing a potential members/ sponsors.
- **Resources and Connections:** Staff participates in boards and committees in support of furthering the mission of the GTA. This quarter, staff supported the Gorge STEM Hub with their board meetings, community collaboratory meetings, and connecting STEM Hub with industry professionals. Staff also supported ESD112 (WA) with career and technical education (CTE) meetings and a visit from the Gates Foundation in pursuit of a \$4.8M grant.
- **GTA Winter Party & Tech Leader Awards Ceremony:** Staff worked on details and scheduling of this annual event to be hosted on December 12th in Mosier. It will be a sold-out event this year! The GTA Board reviewed applicants for the two awards and chose Steve Olson and Jordan Holt of Sightline Application as the Tech Leaders of the Year and Jack Perrin of Gorge MakerSpace as the STEM Educator of the Year, announced at the winter party.
- **Cmdr. Jeffrey Williams Visit:** Staff is working with the GTA board, regional partners, and former NASA astronaut Cmdr. Jeffrey Williams to bring Cmdr. Williams to the Gorge to speak in schools and to the community. The current plan includes Cmdr. Williams speaking at Henkle Middle School and Wy'east Middle School during the day, then attending a dinner with sponsors, then speaking at a public event at Hood River Middle School's auditorium in the evening. Staff is working with a committee of the GTA Board to raise sponsorship and plan the details.
- **Geek Lunch:** Staff held the first Geek Lunch post-Covid, with a presentation from Eden Grow Systems from White Salmon. Staff has identified a number of speakers/topics for future Geek Lunches and is excited to have this event back.

Innovation Cluster Accelerator Program (ICAP) Launch

- **Cluster Growth and Development:** Staff continues their work with WA Dept. of Commerce in support of the innovation cluster and this grant. Using tools provided by Commerce, staff is working through the steps of building an "official" innovation cluster. This will give the organization the ability to look to the states and federal government for additional funding sources. Staff is connecting with organizations like Oregon's and Washington's Departments of Aviation, as well as other innovation clusters to learn best practices and chart the course for growth and sustainment.
- **In-person Brainstorming Session:** Staff held its first in-person meeting of UAS professionals to consider project ideas, barriers to success, and other topics that would benefit from cluster consideration. Staff will use these insights to plan for next steps and continue to engage the stakeholders.

- **Innovation Cluster and GTA Partnership:** Staff is considering different models for the cluster’s relationship with GTA, including the possibility of having the cluster as an advisory committee that is part of GTA. The goal is for this innovation cluster to add value to GTA by working on projects that can promote the Gorge as an innovation hub and remove barriers to industry growth.

Broadband

- **Coordination and Collaboration:** Staff continues to work to organize local governments with industry professionals who can help bring fiber broadband to the rural parts of our five-county region.
- **BEAD:** The federal government’s (NTIA’s) BEAD (Broadband Equity, Access, and Deployment) grant is scheduled to bring up to ~\$80M to our five counties. These funds will primarily be deployed to regions that lack access to 100Mb internet service (underserved locations).
 - **Oregon:** The Oregon Broadband office has designated school district boundaries as “project areas” and will grant funds to ISPs who are willing to attempt to bring fiber to all underserved locations. ISPs will benefit by having the support of the local communities. Staff continues to work with local governments in Oregon who may request help in coordinating deployment projects, including Sherman County, Qliffe, and Maupin along with South Wasco County.
 - **Washington:** The Washington State Broadband Office is still determining what their project areas’ boundaries will be. It may end up as school district boundaries, or may be county-based, to include a designated number of underserved locations. Staff is in communication with ADOs and county leadership in Skamania and Klickitat Counties to try to find the best prospects for receiving grant funds to get fiber to the outer reaches of our counties.

To: MCEDD Board of Directors
From: Jesus Mendoza, Transportation Operations Manager
Date: December 11, 2023
Re: Report for The LINK

Grants: The CARES 5311(f) Federal Grant to support one (1) additional service hour on The Dalles/Hood River, Monday-Friday route was approved but we have not yet seen a contract. Once the grant agreement is executed, we will add the additional service hour.

Vehicles:

- The Link completed the vehicle annual inspections and the annual Winter tire rotation.
- The Link replaced its vehicle maintenance software system. Automotive Wolf has been replaced with Driveroo which allows the drivers to conduct pre- and post-trip inspections with the tablets they use for tracking rides instead of paper forms. It also ties in then with maintenance reports for the Field Supervisor to keep track of.

Facilities:

- We continue the process to install bus shelters in The Dalles. Applications have been submitted with the City and County. The application for installation at 5th and Court has been approved, but we are waiting for the license agreement from City of The Dalles. Foley Lakes and One Community Health permit applications are on hold pending updated site maps/engineering documents.
- Mid-Columbia Community Action Council expressed interest in a shelter for the Gloria Center.

Marketing/Outreach

- The Link participated in the The Dalles' Starlight Parade with decorated bus, distributed safety items, and promotional material. The event was one of our favorite outreach activities this December. (Picture at right)
- Jesus participated in an interview with Radio Tierra to promote The Link services and enhance outreach to the Latino population.
- We purchased Ad space in the South Wasco Times to increase South County shuttle awareness.



Staff: The Link added three (3) new drivers. We are happy to welcome Tim Curran as part-time Driver, Carmen Walker as full-time Driver, and Allan San Juan as a full-time position performing both Bus Driver and Dispatcher/ Scheduler duties.