

CITY OF RAINIER
CASH ON HAND/GENERAL LEDGER RECONCILIATION REPORT
CHECKING ACCOUNTS AND LOCAL GOVERNMENT POOL ACCOUNT
1/1/2024-1/31/2024

ACCOUNT REGISTER SUMMARY	CKS/DEBITS	DEP/CREDITS	
Ending Balance	425,196.46		
New Ending Balance	425,196.46	0.00	0.00
			<u>425,196.46</u>

BANK STATEMENT SUMMARY	CKS/DEBITS	DEP/CREDITS		
Ending Balance SHCU 760072-1	34,367.77			
Ending Balance SHCU 760072-2	463,233.40			
Deposits not Shown on Statement		7,198.90		
Outstanding Cks and Other Debits	58,205.49			
PERS Outstanding	21,398.12			
PERS Adjustment				
Ending Balance	497,601.17	79,603.61	7,198.90	
				<u>425,196.46</u>
				0.00

LGIP STATEMENT SUMMARY				
Beginning Balance	6,521,544.92			
Deposits		\$	13,288.66	
Withdrawals				
Interest			27,656.52	
S/C		0.05		
Ending Balance	6,521,544.92	0.05	40,945.18	
				<u>6,562,490.05</u>

TOTAL CASH **6,987,686.51**

GENERAL LEDGER RECONCILIATION
1/1/2024-1/31/2024

	01/01/24	Total	Total		01/31/24	
Fund	Beginning Balance	Revenue	Expense	Liabilities	Ending Balance	
10 General	3,796,793.22	219,099.15	180,863.11		3,835,029.26	
20 Debt	23,283.62	0.00	8,371.00		14,912.62	
30 Sewer	218,523.86	65,840.88	72,571.65		211,793.09	
40 Water	211,332.32	66,666.43	62,641.02		215,357.73	
50 Timber	1,599,424.81	0.00	365.60		1,599,059.21	
60 Street	69,525.03	14,148.69	17,667.84		66,005.88	
65	0.00	0.00			0.00	
70	0.00	0.00			0.00	
81 Special Projects	276,828.20	0.00	5,103.18		271,725.02	
83 Sewer Capital	319,804.96	56,317.63	20,240.08		355,882.51	
84 Water Capital	358,493.96	9,298.50	56,575.65		311,216.81	
85 Transportation Capital	29,408.54	0.00	0.00		29,408.54	
90 Library Trust	77,392.01	52.11	148.28		77,295.84	
					0.00	
General Ledger Total	<u>6,980,810.53</u>				<u>6,987,686.51</u>	0.00

Completed by: _____ Date: _____ Approved by: _____ Date: _____

City of Rainier
2023/2025 Budget Year
1/31/2024

Budget Compared to Actual-Major Funds

Income/Expense

	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
General Fund			
*Revenue	3,686,050	2,213,173	60.04%
**Expenditures	3,135,759	745,122	23.76%
Sewer Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,940,700	499,686	25.75%
Expenditures	2,217,829	578,497	26.08%
Water Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,816,000	551,616	30.38%
Expenditures	1,997,618	488,738	24.47%
Timber Fund			
	2023/2025	1/31/2024	1/31/2024
		YTD Actual	YTD % Variance
*Revenue	400,000	0	0.00%
Expenditures	442,063	30,835	6.98%
Street Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	518,300	94,032	18.14%
Expenditures	588,936	105,903	17.98%
Special Projects Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	659,099.00	0	0.00%
Expenditures	858,015.00	40,560	4.73%
Sewer Capital Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,116,630.00	19,144	0.00%
Expenditures	1,448,990	687,997	47.48%
Water Capital Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	610,800	1,840	0.00%
Expenditures	1,008,766	108,019	0.00%
Transportation Capital Fund			
	2023/2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	370,000	0	0.00%
Expenditures	586,947	442,695	75.42%

*Excludes Beginning Balance

**Excludes Transfers

City of Rainier
2023/2025 Budget Year
1/31/2024
Budget Compared to Actual-Major Funds
Budget Variance by Appropriation

	2023-2025	1/31/2024	1/31/2024
General Fund	Budget	YTD Actual	YTD % Variance
*Revenue	3,686,050	2,213,173	60.04%
Expenditures			
10 **General Government	199,845	69,457	34.76%
20 City Building Maintenance	35,000	7,421	21.20%
30 Land Use & Development	67,351	18,967	28.16%
50 Library	156,422	40,752	26.05%
60 Attorney	20,000	4,165	20.83%
70 Finance & Administration	121,924	24,137	19.80%
80 Municipal Court	138,790	40,604	29.26%
90 Public Properties	324,823	79,021	24.33%
100 Police Department	2,071,604	460,598	22.23%
Sewer Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,940,700	499,686	25.75%
Expenditures			
Personnel Services	992,316	272,867	27.50%
Material & Services	602,245	208,012	34.54%
Capital Outlay	0	0	0.00%
Transfers	416,400	97,618	23.44%
Contingencies	206,868	0	0.00%
Water Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,816,000	551,616	30.38%
Expenditures			
Personnel Services	1,067,944	293,451	27.48%
Material & Services	470,295	125,951	26.78%
Capital Outlay	0	0	0.00%
Transfers	238,800	69,336	29.04%
Contingencies	220,579	0	0.00%
Timber Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	400,000	0	0.00%
Expenditures			
Material & Services	209,745	30,835	14.70%
Capital Outlay	0	0	0.00%
Contingencies	36,000	0	0.00%
Propery Purchase Reserve	196,318	0	0.00%
Street Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	518,300	94,032	18.14%
Expenditures			
Personnel Services	139,091	43,618	31.36%
Material & Services	279,845	62,285	22.26%
Capital Outlay	0	0	0.00%
Contingencies	70,000	0	0.00%
Transfers	100,000	0	0.00%
Special Projects Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	659,099.00	0	0.00%
Expenditures			
Capital Outlay	858,015	40,560	4.73%
Sewer Capital Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	1,116,630	19,144	1.71%
Expenditures			
Capital Outlay	1,448,990	687,997	47.48%
Water Capital Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	610,800	1,840	0.30%
Expenditures			
Capital Outlay	1,008,766	108,019	10.71%
Transportation Capital Fund	2023-2025	1/31/2024	1/31/2024
	Budget	YTD Actual	YTD % Variance
*Revenue	370,000	0	0.00%
Expenditures			
Capital Outlay	586,947	442,695	75.42%

*Excludes Beginning Balance

**Excludes Transfers

**City of Rainier
City Council Meeting
March 4, 2024
6 p.m.
Rainier City Hall**

Mayor Jerry Cole called the council meeting to order at 6 p.m.

Council Present: Connie Budge, Robert duPlessis, Jeremy Howell, Mike Kreger, Paul Langner and Denise Watson

Council Absent: Scott Cooper

City Attorney Present: No

City Staff Present: W. Scott Jorgensen, City Administrator; Sarah Blodgett, City Recorder; Gregg Griffith, Police Chief

Flag Salute

Additions/Deletions from the Agenda: There were no additions or deletions at this time.

Mayor's Address: Mayor Jerry Cole said that the city was featured in a recent *Oregonian* article. He was pleased with how it turned out.

Visitor Comments: Candis Forrest said she had concerns about the budget. City Administrator W. Scott Jorgensen said the budget is based on projections. The Budget Committee will be reconvened in a few weeks to do a mid-biennial adjustment.

Approval of the Consent Agenda

Consider Approval of the February 5, 2024 Regular Council Meeting Minutes and Financial Statements—Councilor Paul Langner moved to approve the consent agenda. That motion was seconded by Council President Mike Kreger and adopted unanimously.

New Business

- a. Interim Public Works Director Appointment—Cole said the previous interim director, Pat McCoy, had other opportunities elsewhere. The City had to find another interim director. Russ Reigel interviewed and applied for it. There is an immediate need. Cole convened the public works council liaisons and they interviewed Reigel. Councilor Jeremy Howell said Reigel has a good work history, has been in Rainier for a long time and wants to stay here. Councilor Robert duPlessis said he spoke with Reigel about his experience and was impressed. Reigel has done much project management and he's level-headed. That's what the City needs at this time. duPlessis moved to appoint Reigel as the interim public works director. That motion was seconded by Kreger. There was a discussion about having Reigel and members of the public works staff obtain water and wastewater certifications. Reigel said he's open to training and has spent the last 10 years managing projects and overseeing multi-million dollar contracts, including budgets and timeframes. Kreger said he's worked beside Reigel. He stepped

- into difficult situations, handled them well and is a problem solver. The motion passed unanimously.
- b. Timber Sale Discussion—Jorgensen said that McCoy was ill and unable to make it to the meeting. But he's spoken with him about the timber sale. The City decided against doing a sale last year because the market was bad and it's even worse now. There are several timber mills all over Oregon that have closed in recent weeks. The recommendation is that the council does not do a timber sale and wait to see if the market improves over the next year. Council agreed by consensus.
 - c. Library Board Appointment—Councilor Connie Budge moved to appoint Erika Ladage to the library board. That motion was seconded by Howell and adopted unanimously.
 - d. Appointment of Councilor Paul Langner to Col-Pac Board of Directors and Col-Pac Loan Administration Board—Kreger moved to appoint Langner to those boards. That motion was seconded by Howell and adopted unanimously, with Langner abstaining.
 - e. Nuisance Abatement at 422 West C Street—Police Chief Gregg Griffith said the police department followed the process set forth in city ordinance. A letter was sent to the property owner, a citation was issued, calls were made and no response was received by the department. Jorgensen said that the property owner did not show up for a scheduled court appearance to address the citation. A couple of councilors have been complaining about the nuisance. The City will not incur much cost for the cleanup. Public works would just have to haul the garbage to the dump. Kreger moved to declare the property a nuisance. That motion was seconded by duPlessis and adopted unanimously.
 - f. Legislative Update—Jorgensen said that the Legislature is passing two main bills. The first is Senate Bill 1537 and that deals with housing issues. The second is House Bill 4002, which is the fix to Measure 110.
 - g. Planning Update—Jorgensen said that Winterbrook Planning has signed a contract with the Department of Land Conservation and Development to begin the urban growth boundary (UGB) land exchange process. A residential buildable land inventory is scheduled for April, then there will be an alternatives analysis that will include a memo on the feasibility of extending public facilities to areas currently within the UGB. Work sessions with the planning commission and council would take place in August or September, with hearings to take place in early fall. The last step of the process would be hearings with the county planning commission and board of commissioners in November or December.
 - h. Senior Center Expansion—Jorgensen explained that the City would have to take the lead on permitting the project and would need architectural drawings to obtain that. He's spoken with Lower Columbia Engineering about what it would take to make it happen. Cole said he would like to see a more specific request, including dollar amount, and which line item it would be used to fund it. Jorgensen said he would obtain that information and bring it back to the next council meeting.

Unfinished Business

- a. Second Reading of Ordinance 1095—Adding a New Chapter to Rainier Municipal Code (RMC) Title 18, Division V Regarding Accessory Dwelling Units, Amending RMC Section 18.05.100, Chapters 18.15, 18.20 and 18.25 and Repealing RMC Section 18.25.100—Kreger moved to approve the ordinance. That motion was seconded by Budge and adopted unanimously.
- b. Second Reading of Ordinance 1096—Street Vacation for a Portion of Hickory Street Between View Street and Old Rainier Road—Kreger moved to approve the ordinance. That motion was seconded by Langner and adopted unanimously, with Budge abstaining.

- c. Second Reading of Ordinance 1097—Street Vacation for the 20-Foot Alley Lying Within Block 39, Plat of Unit “C” in West Rainier—Kreger moved to approve the ordinance. That motion was seconded by Councilor Denise Watson and adopted unanimously.
- d. Fox Creek Update—Jorgensen said he applied for \$1.8 million in federal grant funding for the design work and environmental permitting for the project.

Staff Report—Griffith said that Officer Mark Nielsen has started at the police academy and will be back in June.

Council Reports—Langner said he attended the council of governments meeting. There was a discussion there about having regular bus service from Rainier to Longview. Budge promoted the library’s upcoming murder mystery event and attended the first meeting of the writing group.

City Calendar/Announcements—The council goal setting session is scheduled for Monday, March 18 at 5 p.m. at the senior center.

Cole adjourned the meeting at 7:13 p.m.

Mayor Jerry Cole

W. Scott Jorgensen, City Administrator

City of Rainier
City Council Goal Setting Work Session
March 18, 2024
5 p.m.
Rainier Senior Center

The meeting was called to order at 5:19 p.m.

Council Present: Connie Budge, Scott Cooper, Jeremy Howell, Mike Kreger, Paul Langner and Denise Watson

Council Absent: Robert duPlessis

City Attorney Present: No

City Staff Present: Sarah Blodgett, City Recorder; Gregg Griffith, Police Chief; W. Scott Jorgensen, City Administrator; Russ Reigel, Public Works Director

Flag Salute

2023 Year in Review—City Administrator W. Scott Jorgensen gave a review of steps the council took to achieve its goals last year and the ordinances it passed.

Collaborative Projects Status Update—Jorgensen provided an update on several collaborative projects the city is working on with other state and federal agencies, including Fox Creek and Veterans Way.

Review of 2023 Council Goals—Jorgensen went over the council's goals from 2023.

Public Works Priority Projects—Public Works Director Russ Reigel said that the park bathrooms should be repaired soon. He expects the docks to be fixed by the end of March and is looking at having the county's work crew help out with landscaping maintenance around the city.

2024 Council and City Committee Goals—Jan Rich said she would like to finish the Senior Center expansion. Jorgensen read into the record the goals submitted by Councilor Robert duPlessis, who was unable to attend. They include DEQ compliance, inflow and infiltration repairs, city hall repairs, completing road projects funded by Small City Allotment (SCA) grants, examining water and wastewater components such as life cycles, spares, lead times and risk, having a full police staff, more traffic patrols and a sixth officer position, finishing the city hall break room, having AEDs available at city hall, new park restrooms, lighting for the riverfront trail, replacing the water fountain and plaque on A Street, pedestrian safety improvements on Veterans Way and getting the city reservoir online. Councilor Scott Cooper said he would like to look into having wi-fi available for all city residents. Library Board Chair Marcia Roberts said that body plans to work on a five-year plan and a mission statement, grants, reviewing and revising its policies, duties and responsibilities, doing a self-evaluation, changing the duties of the chair to include being a community liaison, documenting volunteer hours, organizing the library collection by genre, forming a friends group, increasing partnerships with the senior center, having more speakers, classes and a writers group, examining the most productive use of the space, having more activities for children and men

and book deliveries for the homebound. She noted that there has been a 33 percent increase in patronage since Allen Snider took over as library director. Mayor Jerry Cole said his goals are DEQ compliance, fixing inflow and infiltration issues, finishing the SCA grant project, getting more training for public works staff, reviewing purchasing policies and procedures, the break room for administrative staff, Veterans Way and getting the reservoir online. Councilor Connie Budge wants to formalize the council liaison system and review the charter and agreements for compliance. Cooper listed Veterans Way as a priority, along with reviewing park projects and the availability of public works staff to carry them out. Cole said he would like to see a friends of the park group and a dog park. Budge would like to have a community garden. Councilor Paul Langner said the city should consider having a three cent per gallon gas tax to fund street improvements and paint the obelisk at its entrance blue in honor of Ralph Painter. Councilor Jeremy Howell said he wants to see Veterans Way fixed and look into having a building official and better code enforcement from the county. Councilor Denise Watson said she would like to review the county permitting process. Cole said he wants to see regular bus service between Rainer and Longview.

Cole adjourned the meeting at 6:54 p.m.

Mayor Jerry Cole

W. Scott Jorgensen, City Administrator

Accounts Payable

Checks by Date - Summary by Check Date

User: Elisha
Printed: 3/11/2024 12:28 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
13122	3000	ALS Group USA, Corp.	01/03/2024	658.00
13123	2220	Baker & Taylor	01/03/2024	148.28
13124	520	BCX, Inc.	01/03/2024	1,120.00
13125	673	Cintas Corporation	01/03/2024	336.84
13126	244	Clatskanie PUD	01/03/2024	9,835.72
13127	3572	Cole's Appliance	01/03/2024	357.50
13128	043	Cowlitz Clean Sweep Inc	01/03/2024	1,170.00
13129	057	Cowlitz River Rigging Inc	01/03/2024	62.53
13130	094	Cowlitz Wahkiakum Government	01/03/2024	483.23
13131	3570	Engraving Emporium Inc.	01/03/2024	68.00
13132	3831	First Citizens Bank & Trust Co. (CiT)	01/03/2024	191.91
13133	053	Grainger	01/03/2024	73.69
13134	1020	HOPE	01/03/2024	100.00
13135	3545	InRoads Credit Union	01/03/2024	662.01
13136	3545	InRoads Credit Union	01/03/2024	121.81
13137	3545	InRoads Credit Union	01/03/2024	78.83
13138	UB*00062	MICHAEL KOHLHOFF	01/03/2024	50.00
13139	3655	Leeway Engineering Solutions, LLC	01/03/2024	9,101.09
13140	3884	Jim Line	01/03/2024	1,044.59
13141	163	Northwest Occupational Med Ctr	01/03/2024	765.00
13142	390	OAWU	01/03/2024	491.85
13143	3817	ODP Business Solutions	01/03/2024	103.71
13144	3186	Pitney Bowes Global Financial Services LI	01/03/2024	143.91
13145	3822	Pointe Pest Control -OR LLC	01/03/2024	120.00
13146	382	Postmaster	01/03/2024	382.82
13147	692	Potter Webster Company	01/03/2024	53.85
13148	186	QCL, Inc	01/03/2024	120.00
13149	029	Quill Corporation	01/03/2024	211.12
13150	3835	Solutions YES LLC	01/03/2024	28.81
13151	132	SBRK Finance Holdings Inc. Springbrook (01/03/2024	152.00
13152	135	Star Rentals & Sales	01/03/2024	1,311.95
13153	3883	Sterling Technologies, LLC	01/03/2024	1,517.45
13154	2126	Sunset Auto Parts, Inc.	01/03/2024	738.36
13155	3512	Verizon	01/03/2024	213.44
13156	078	Watkins Tractor & Supply Co	01/03/2024	1,822.09
13157	035	Wilcox & Flegel	01/03/2024	260.20
13158	035	Wilcox & Flegel	01/03/2024	253.12
13159	3512	Verizon	01/03/2024	395.17
Total for 1/3/2024:				34,748.88
13160	009	Bob's Merchandise	01/17/2024	93.02
13161	3885	Chris Gatewood Industries, Inc	01/17/2024	4,950.00
13162	2262	Christina Ishii	01/17/2024	50.00
13163	673	Cintas Corporation	01/17/2024	336.84
13164	3041	CIS Trust	01/17/2024	1,711.65
13165	097	Columbia County Treasurer	01/17/2024	141.85

Check No	Vendor No	Vendor Name	Check Date	Check Amount
13166	044	Columbia River PUD	01/17/2024	306.01
13167	3513	Comcast	01/17/2024	1,126.75
13168	3669	Comcast Business	01/17/2024	440.94
13169	3514	Core & Main LP	01/17/2024	3,378.13
13170	3574	Correct Equipment, Inc.	01/17/2024	1,438.80
13172	3886	Integrated Power Services CWH Enterprise	01/17/2024	3,925.49
13173	3785	Norman J Faris (Valar Cons. Eng)	01/17/2024	2,375.00
13174	837	Global Security & Comm. Inc.	01/17/2024	74.85
13175	053	Grainger	01/17/2024	77.16
13176	581	Home Depot Credit Services	01/17/2024	334.74
13177	2044	IACP Net	01/17/2024	275.00
13178	020	Lakeside Industries	01/17/2024	264.47
13179	130	Les Schwab Tire Center	01/17/2024	385.17
13180	3021	Marlin Business Bank	01/17/2024	223.42
13181	3824	Rian Allen Snider Mirrored Lamp LLC	01/17/2024	5,225.00
13182	3644	More Power Computers, Inc.	01/17/2024	2,559.85
13183	182	NW Natural	01/17/2024	323.40
13184	060	One Call Concepts Inc	01/17/2024	29.40
13185	996	Oregon Department of Revenue	01/17/2024	340.46
13186	091	Oregon DEQ	01/17/2024	8,371.00
13187	605	Points S Tire Factory	01/17/2024	122.81
13188	3372	Polydyne Inc.	01/17/2024	4,165.99
13189	3657	Quadient, Inc.	01/17/2024	15,747.00
13190	096	Rainier Police Department	01/17/2024	228.00
13191	3664	SAIF	01/17/2024	2,323.92
13192	069	Sierra Springs	01/17/2024	124.00
13193	132	SBRK Finance Holdings Inc. Springbrook (01/17/2024	393.00
13194	135	Star Rentals & Sales	01/17/2024	285.00
13195	022	Stephen D. Petersen, LLC	01/17/2024	540.00
13196	1054	The Automation Group, Inc.	01/17/2024	3,301.76
13197	3807	TMG Services, INC.	01/17/2024	505.00
13198	3569	Trojan Technologies Group ULC	01/17/2024	8,970.42
13199	030	True Value	01/17/2024	155.54
13200	469	United Battery	01/17/2024	311.52
13201	3797	Ventek/Caracal Enterprises LLC	01/17/2024	1,140.00
13202	3577	Wasco County Landfill, Inc.	01/17/2024	1,044.80
13203	078	Watkins Tractor & Supply Co	01/17/2024	139.58
13204	035	Wilcox & Flegel	01/17/2024	90.42
Total for 1/17/2024:				78,347.16
ACH	1123	OR DEPT OF JUSTICE	01/30/2024	627.00
ACH	3832	VEBA	01/30/2024	650.00
ACH	FED TX	EFT Federal tax dep	01/30/2024	8,755.36
ACH	FICA	EFT EE/ER FICA	01/30/2024	11,525.26
ACH	Medicare	EFT EE/ER Medicare	01/30/2024	2,695.44
ACH	OR ST Tx	EFT Employee Oregon St Tx	01/30/2024	6,373.56
ACH	PERSEE	EFT PERS Employee /Employer Pa	01/30/2024	4,916.43
ACH	PERSER	EFT PERS Employer Paid	01/30/2024	16,479.25
ACH	PERU	EFT PERS Units	01/30/2024	2.48
13206	985	AFLAC	01/30/2024	188.73
13207	077	CIS Trust	01/30/2024	246.42
13208	3618	Office of the Trustee	01/30/2024	550.00
13209	ORSGP	Oregon Savings Growth Plan	01/30/2024	400.00
13210	079	Oregon Teamster Employer Trust	01/30/2024	23,769.62
13211	995	Teamsters Local No. 58	01/30/2024	858.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
			Total for 1/30/2024:	78,037.55
13212	3000	ALS Group USA, Corp.	01/31/2024	510.00
13213	673	Cintas Corporation	01/31/2024	336.84
13214	017	City of Clatskanie	01/31/2024	90.00
13215	244	Clatskanie PUD	01/31/2024	9,737.97
13216	3513	Comcast	01/31/2024	1,219.62
13217	3514	Core & Main LP	01/31/2024	303.16
13218	3521	Cowlitz County Solid Waste	01/31/2024	145.87
13219	1119	Feltons' Heating & Cooling, Inc.	01/31/2024	340.80
13220	3831	First Citizens Bank & Trust Co. (CiT)	01/31/2024	125.00
13221	053	Grainger	01/31/2024	80.74
13222	778	Kenneth Holly	01/31/2024	299.36
13223	3545	InRoads Credit Union	01/31/2024	1,012.69
13224	3545	InRoads Credit Union	01/31/2024	746.76
13225	3545	InRoads Credit Union	01/31/2024	1,686.56
13226	031	L.G. Isaacson Co., Inc.	01/31/2024	479.71
13227	3772	Lower Columbia Engineering LLC	01/31/2024	732.50
13228	3457	Janet L. Moon	01/31/2024	800.00
13229	3644	More Power Computers, Inc.	01/31/2024	585.00
13230	426	NCL of Wisconsin	01/31/2024	81.95
13231	3025	Northstar Chemical, Inc.	01/31/2024	1,141.25
13232	3817	ODP Business Solutions	01/31/2024	38.93
13233	19	Oregon Assoc. Chief of Police	01/31/2024	300.00
13234	029	Quill Corporation	01/31/2024	69.99
13235	3343	Radarsign, LLC	01/31/2024	1,295.00
13236	3774	Ridgecrest Products, Inc.	01/31/2024	559.50
13237	3512	Verizon	01/31/2024	213.90
13238	035	Wilcox & Flegel	01/31/2024	458.89
13239	035	Wilcox & Flegel	01/31/2024	185.93
			Total for 1/31/2024:	23,577.92
			Report Total (125 checks):	214,711.51

E2C Corp
presents
City of Rainer, OR
Event Business
Proposal

Who Is E2C Corporation?

E2C, Corp. has a long history in event development, implementation and execution. We have developed inspired and designed successful gatherings for the past 45 years. Events have ranged from the Computer & Technology Showcase in over 20 markets which was sold in its 11th year, to family friendly activities like Reindeer Village and Kids Camps. The CIO Summit became an established international event that was sold after 3 years with participants that boasted the largest oil companies to public sector CIO's in major cities.

Most recently The NW Food & Wine Festival in Portland was sold after 10 years of success. After 6 years E2C, Corp. sold Echo Expo a successful start up event decorating company that supplied pipe and drape and all event services in major convention centers to a major convention decorating company. This company resided in Orlando Florida, a major hub of event activity. Echo Expo provided major military events like the AFC4A and many others with exceptional service. This successful startup allowed for E2C, Corp principals to engage in all aspects of event logistics and learn the intimate details of every aspect of management within the industry. Currently E2C, Corp. also owns and manages the Award Winning 44th Annual Monterey Wine Festival. This festival is the longest running multi day festival in the United States within the wine industry. E2C, Corp has engaged in many small projects and events. To name just two Cats at Cold Creek, a unique gourmet jazz music event series that showcases gourmet food, incredible world class music with fine wines and the International Tequila Festival, a small gathering for connoisseurs of fine sipping tequila had guests waiting for the next series. E2C, Corp. has also consulted for various restaurants including local Portland establishments like Le Chon and Kimpton Riverplace Hotel.

E2C, Corp. is uniquely qualified to create and maintain successful events. In 2013 the City Council made the bold move to reorganize the tourism program for the City of St. Helens, Or and E2C, Corp. became the onsite and hands on tourism consultant and catalyst for what tourism is today. Since that time the City of St. Helens, has been using their expertise in creating new and sustainable events that are beneficial in a multitude of ways. From small Air BnB introductions to major events like Spirit of Halloweentown and now branded worldwide E2C, Corp continues to create additional benefits for tourism.

STARTING SOMETHING GOOD 2024

*Bring people
together.*

*Increase
livability in your
community.*

*Family Friendly
& FREE.*





RIVERTIME IN RAINIER, OR

FREE
Music at the River

HUMP DAY NEVER LOOKED SO GOOD

Beer Garden, Live Music, Food Trucks,
Strolling Entertainment and More!

JUNE - AUGUST RIVERFRONT CONCERTS

Wednesdays 6 - 8PM

DISCOVERCOLUMBIACOUNTY.COM

Mitigate Risk and Reap the Rewards with E2C Corporation

How does the business plan work?

City of Rainer, OR Agrees to:

- Provide area within City of Rainer, OR on river or as appropriate based on specific event execution required and available within the City of Rainer, OR.
- Provide adequate storage of any assets needed for implementation of approved event. E.g. Staging
- Provide city work force to place agreed upon structures or staging. Example – music stage.
- Assist as necessary for information, placement, and cleanup of public or rental facilities and garbage.
- City of Rainer social media and available promotion vehicles utilized as applicable. Cost to implement by staff is reimbursable upon agreed media.

E2C Corp agrees to:

- 1) Produce, operate, and execute all approved events by City of Rainer, OR including Rivertime in Rainer, OR a summer music series.
- 2) Pay all expenses related to the production and execution of Rivertime in Rainer, OR, and any other approved and agreed upon event specific to the City of Rainer, OR.
- 3) Pay all expenses relating to building leases and utilities.
- 4) Pay all bills relating to garbage and temporary facilities relating to event production.
- 5) Pay all event staffing excluding activities related to information and timeframes that are necessary for permits and execution meetings by city staff.
- 6) Invite community involvement as applicable as fund raisers.
- 7) Continue to explore new events and bring tourism dollars to Rainer, OR. E2C
- 8) Corp would be responsible for all expenses resulting from execution of any new projects or events unless an agreed upon change is in writing.
- 9) Provide necessary insurance for events listening City of Rainer as additional insured.
- 10) Future revenue donations create ancillary income for the City of Rainer, OR. Up to 20% of gross proceeds are possible with successful concerts.
- 11) City of Rainer OR may receive donations of tourism assets from E2C Corp annually.
- 12) Operate and manage all vendors, sponsors and participants in events managed by E2C Corp.
- 13) Procure all appropriate insurances and licenses as it pertains to events managed by E2C Corp.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON

COUNCIL LETTER

FOR THE YEAR ENDED JUNE 30, 2023



12700 SW 72nd Ave.
Tigard, OR 97223



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

October 27, 2023

To the City Council
City of Rainier
Columbia County, Oregon

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Rainier for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

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

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

Our Responsibility under U.S. Generally Accepted Auditing Standards

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

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

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 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 City of Rainier 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 City of Rainier or to acts by management or employees acting on behalf of the City of Rainier. We also communicated any internal control related matters that are required to be communicated under professional standards.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment, except for items noted on Pages 53-54.
3. 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. 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 modified cash basis basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the modified cash basis basic financial statements are the Fair Value of the Investments and collectability of property taxes. 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.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Pauly, Rogers and Co., P.C.

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. We identified the following significant risks during our audit: Risk of management override of controls. The risk of management override of controls is addressed by procedures in the general audit programs. Such procedures include assignment of audit staff based on consideration of audit risk, extent of supervision of audit staff, emphasis of the need for professional skepticism, procedures to incorporate an element of unpredictability in the audit from period to period, scrutiny of the selection and application of significant accounting principles, examination of journal entries, review of accounting estimates for bias, evaluation of business rationale for unusual transactions, evaluation of the appropriateness of fraud-related inquiries performed.

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 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.

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.

Best Practices – Not Significant Deficiencies

1. Governing Body Monitoring

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

We recommend that the City of Rainier continue to articulate their monitoring practices and record in the minutes when those activities occur.

Since monitoring activities, including benchmarking, are unique to each entity we are available to assist the City of Rainier in establishing checklists, questions and benchmarks that are customized for your use.

2. Fidelity Insurance Coverage

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

3. IT Controls

During our review of IT Control Internal Procedures, we found that the City does not have an internal procedure or policy regarding the use of special characters or numbers in passwords, or in length of passwords. We recommend that the City consider implementing an internal procedure or policy to strengthen passwords used to the accounting systems to enhance internal control.

4. Service Organization Control Report (SOC Report) - 403(b) and 457 Plan Compliance

The Internal Revenue Service (IRS) has published final 403(b) regulations providing updated guidance on several administrative compliance requirements. The City has contracted with a third party to outsource compliance with these requirements. Noncompliance subjects the City to potential penalties and fines. During our review of payroll we did not see evidence that the third party service provider provides the City with a SSAE 18 service provider report or internal control report covering their operations. We recommend that the City monitor current practices to determine compliance with accountability requirements for Section 403(b) and Section 457 plans and consider the sufficiency of documentation received from the third party vendor to reduce the City's risks in this area.

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



Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023**



12700 SW 72nd Ave.
Tigard, OR 97223

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

MODIFIED CASH BASIS BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

2022-2023 COUNCIL MEMBERS AND OFFICERS

CITY COUNCIL

TERM EXPIRES

Jerry Cole - Mayor

December 31, 2024

Mike Kreger – Council President

December 31, 2024

Connie Budge

December 31, 2026

Jeremy Howell

December 31, 2026

Robert DuPlessis

December 31, 2026

Scott Cooper

December 31, 2026

Denise Watson

December 31, 2024

Paul Langner

December 31, 2024

Council members receive mail at the address listed below.

OFFICIALS

W. Scott Jorgenson, City Administrator/Finance Director/Recorder (Registered agent)
P.O. Box 100
Rainier, Oregon 97048

CITY ATTORNEY

Stephen D. Petersen, P.C.
P.O. Box 459
Rainier, Oregon 97048

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

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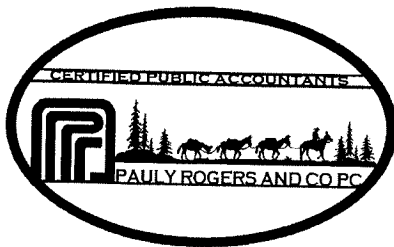
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October 27, 2023

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Rainier
Columbia County, Oregon

Opinions

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

In our opinion, the modified cash basis basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Rainier, as of June 30, 2023, and the respective changes in modified cash basis basic financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter – Basis of Accounting

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic financial statements in accordance with the modified cash basis 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 modified cash basis basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Rainier's ability to continue as a going concern for twelve months beyond the basic 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 modified cash basis basic 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Rainier's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Rainier'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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the modified cash basis basic financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the modified cash basis basic financial statements. The supplementary information, 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 modified cash basis basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the modified cash basis basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the modified cash basis basic financial statements or to the modified cash basis basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the modified cash basis basic financial statements as a whole with the exception of the Management Discussion and Analysis or schedules of PERS and RHIA because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the modified cash basis basic financial statements and our auditors' report thereon. Our opinions on the modified cash basis 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 modified cash basis basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the modified cash basis 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 Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 27, 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.

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

Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

This section of the City of Rainier's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the City's financial statements and notes, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's total net position was \$7,086,443 at June 30, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report is prepared by the City using the concepts in the Governmental Accounting Standards Board Statement No. 34 (GASB 34), which sets reporting standards for governmental units under generally accepted accounting principles (GAAP). However, the City's statements are not prepared under GAAP, but have been prepared on the modified cash basis of accounting described in Note 1 to the basic financial statements. Accordingly, the City's basic financial statements do not include all of the statements, reconciliations and disclosures that would normally be required.

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

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

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

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

Government-wide Statements

The City provides “governmental activities” as defined in GASB 34, and has substantial business-type activities. The City has a total of eleven funds. Eight of the funds are classified as governmental funds. Three of these are considered major funds, while the other five are deemed minor funds. The three remaining funds are classified as enterprise funds.

Fund Financial Statements

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

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

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

GOVERNMENT-WIDE MODIFIED CASH BALANCES PRIMARY GOVERNMENT

	2023	2022
ASSETS:		
Cash and Investments	\$ 7,164,063	\$ 7,345,233
Property Tax Receivable	76,417	73,351
Total Assets	<u>7,240,480</u>	<u>7,418,584</u>
LIABILITIES:		
Accrued Compensated Absences	77,620	63,893
Total Liabilities	<u>77,620</u>	<u>63,893</u>
DEFERRED INFLOW OF RESOURCES:		
Deferred Revenue	<u>76,417</u>	<u>73,351</u>
NET POSITION:		
Unrestricted	5,777,943	5,950,915
Restricted	<u>1,308,500</u>	<u>1,330,425</u>
Total Net Position	<u>\$ 7,086,443</u>	<u>\$ 7,281,340</u>

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

CHANGES IN MODIFIED CASH NET POSITION

	2023	2022
RECEIPTS		
Changes for Services and Contributions	\$ 714,787	\$ 313,907
Governmental Activities		
Business-Type Activities:		
Water	939,465	934,110
Sewer	931,108	1,113,203
Timber	-	514,494
General Revenues		
Property Taxes	1,817,697	1,671,031
Other Taxes/Fees	111,932	99,339
Operating Grants	154,366	168,862
Interest	250,211	39,212
Investments	-	(72,302)
Miscellaneous/Other	51,209	1,015,092
Total Receipts	<u>4,970,775</u>	<u>5,796,948</u>
DISBURSEMENTS		
Governmental Activities:		
General Government	69,947	90,106
City Building and Maintenance	5,690	4,604
Land Use and Development	30,318	22,472
Library	64,171	64,455
Attorney	6,634	8,674
Finance & Administration	44,241	45,489
Municipal Court	56,978	52,989
Public Properties	134,475	146,766
Police Department	877,391	760,696
Street	195,846	164,440
Library Trust	7,396	8,537
Capital Outlay	1,252,962	1,395,768
Debt Service Payments	940,629	929,373
Business-Type Activities		
Water	693,879	648,628
Sewer	705,735	741,198
Timber	79,380	62,078
Total Disbursements	<u>5,165,672</u>	<u>5,146,273</u>
Beginning Net Position	7,281,340	6,630,665
Change in Net Position	(194,897)	650,675
Ending Net Position	<u>\$ 7,086,443</u>	<u>\$ 7,281,340</u>

The main sources of revenue are property tax receipts, user fees, and project related grants and timber proceeds. The main disbursements include public safety, water and sewer utilities, street maintenance, and special projects.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental fund balances totaled \$5,091,085 at June 30, 2023. A summary of changes in governmental fund balances follows:

CHANGES IN GOVERNMENTAL FUND BALANCES

	June 30, 2023 2023	June 30, 2022 2022	Change
General Fund	\$ 2,340,455	\$ 2,131,225	\$ 209,230
Other Funds	2,750,630	2,625,461	125,169
Total	<u>\$ 5,091,085</u>	<u>\$ 4,756,686</u>	<u>\$ 334,399</u>

CAPITAL ASSETS

The City does not have information available regarding the City's capital assets or depreciation.

LONG TERM DEBT

The City's Long Term Debt associated with the City's capital assets is not disclosed in the Basic Financial Statements because the City is on the modified cash basis of accounting.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our taxpayers, ratepayers, investors and creditors with an overview of the City's finances. If you have any questions about this report or need any clarification of information please contact the City of Rainier. Our address is: PO Box 100, Rainier, OR 97048.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS
June 30, 2023**

	PRIMARY GOVERNMENT			COMPONENT
	GOVERNMENTAL	BUSINESS TYPE	TOTAL	UNIT (UNAUDITED)
ASSETS				
Cash and Investments	\$ 5,091,085	\$ 2,072,978	\$ 7,164,063	\$ 684,458
Property Tax Receivable	54,553	21,864	76,417	12,202
Total Assets	5,145,638	2,094,842	7,240,480	696,660
LIABILITIES				
Accrued Compensated Absences	77,620	-	77,620	-
Total Liabilities	77,620	-	77,620	-
DEFERRED INFLOW OF RESOURCES				
Unavailable Property Tax Revenue	54,553	21,864	76,417	12,202
Total Deferred Inflows of Resources	54,553	21,864	76,417	12,202
NET POSITION:				
Restricted for:				
Street	77,878	-	77,878	-
Library	82,137	-	82,137	-
Debt Service	364,096	-	364,096	197,096
SDC Charges	472,104	-	472,104	-
Special Projects	312,285	-	312,285	-
Unrestricted	3,704,965	2,072,978	5,777,943	487,362
Total Net Position	\$ 5,013,465	\$ 2,072,978	\$ 7,086,443	\$ 684,458

See accompanying notes to basic financial statements.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF ACTIVITIES - MODIFIED CASH BASIS
For the year ended June 30, 2023**

Functions/Programs	Program Cash Receipts				Net Receipts (Disbursements) and Changes in Net Position			Component Unit (UnAudited)
	Cash Disbursements	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
Governmental Activities								
General Government	\$ 69,947	\$ -	\$ -	\$ -	\$ (69,947)	\$ -	\$ (69,947)	\$ -
City Building and Maintenance	5,690	-	-	-	(5,690)	-	(5,690)	-
Land Use and Development	30,318	9,076	-	-	(21,242)	-	(21,242)	-
Library	64,171	-	1,000	-	(63,171)	-	(63,171)	-
Attorney	6,634	-	-	-	(6,634)	-	(6,634)	-
Finance & Administration	44,241	151,379	-	-	107,138	-	107,138	-
Municipal Court	56,978	43,375	-	-	(13,603)	-	(13,603)	-
Public Properties	134,475	110,557	-	-	(23,918)	-	(23,918)	-
Police Department	877,391	1,422	3,926	-	(872,043)	-	(872,043)	-
Street	195,846	-	149,440	-	(46,406)	-	(46,406)	-
Library Trust	7,396	-	-	-	(7,396)	-	(7,396)	-
Capital Outlay	1,252,962	-	-	398,978	(853,984)	-	(853,984)	-
Debt Service Payments	940,629	-	-	-	(940,629)	-	(940,629)	-
Total Governmental Activities	3,686,678	315,809	154,366	398,978	(2,817,525)	-	(2,817,525)	-
Business-Type Activities								
Water	693,879	939,465	-	-	-	245,586	245,586	-
Sewer	705,735	931,108	-	-	-	225,373	225,373	-
Timber	79,380	-	-	-	-	(79,380)	(79,380)	-
Total Business Activities	1,478,994	1,870,573	-	-	-	391,579	391,579	-
Total Primary Government	\$ 5,165,672	\$ 2,186,382	\$ 154,366	\$ 398,978	(2,817,525)	391,579	(2,425,946)	-
Component Unit								
Rainier Economic Development Council	\$ 288,984	\$ -	\$ -	\$ -	-	-	-	(288,984)
General Receipts								
Property Taxes - General Fund					1,191,930	-	1,191,930	283,544
Property Taxes - Street Fund					129,545	-	129,545	-
Property Taxes - Sewer Fund					-	488,864	488,864	-
Interest on Delinquent Taxes					766	-	766	-
Property Tax Reimbursements					6,592	-	6,592	-
Other Taxes and State Revenue Sharing					111,932	-	111,932	-
Interest and earnings on investments					250,211	-	250,211	19,737
Miscellaneous					29,145	22,064	51,209	50
Transfers (net)					1,418,076	(1,418,076)	-	-
Total General Receipts and Transfers					3,138,197	(907,148)	2,231,049	303,331
Change in Net Position					320,672	(515,569)	(194,897)	14,347
Beginning Net Position					4,692,793	2,588,547	7,281,340	670,111
Ending Net Position					\$ 5,013,465	\$ 2,072,978	\$ 7,086,443	\$ 684,458

See accompanying notes to basic financial statements

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
June 30, 2023**

	GENERAL FUND	DEBT SERVICE FUND	STREET FUND	SPECIAL PROJECT FUND
ASSETS:				
Cash and Investments	\$ 2,340,455	\$ 364,096	\$ 77,878	\$ 312,285
Taxes Receivable	49,205	-	5,348	-
Total Assets	<u>\$ 2,389,660</u>	<u>\$ 364,096</u>	<u>\$ 83,226</u>	<u>\$ 312,285</u>
DEFERRED INFLOWS OF RESOURCES:				
Unavailable Property Tax Revenue	49,205	-	5,348	-
Total Deferred Inflows of Resources	<u>49,205</u>	<u>-</u>	<u>5,348</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Street	-	-	77,878	-
Library	-	-	-	-
Debt Service	-	364,096	-	-
SDC Charges	-	-	-	-
Special Projects	-	-	-	312,285
Unassigned	2,340,455	-	-	-
Total Fund Balances	<u>2,340,455</u>	<u>364,096</u>	<u>77,878</u>	<u>312,285</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,389,660</u>	<u>\$ 364,096</u>	<u>\$ 83,226</u>	<u>\$ 312,285</u>

(continued on 3B)

See accompanying notes to basic financial statements.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**BALANCE SHEET - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
June 30, 2023**

WATER CAPITAL IMPROVEMENT	SEWER CAPITAL IMPROVEMENT	NON-MAJOR FUNDS	TOTAL
\$ 417,395	\$ 1,024,735	\$ 554,241	\$ 5,091,085
-	-	-	54,553
<u>\$ 417,395</u>	<u>\$ 1,024,735</u>	<u>\$ 554,241</u>	<u>\$ 5,145,638</u>
-	-	-	54,553
-	-	-	54,553
-	-	-	77,878
-	-	82,137	82,137
-	-	-	364,096
417,395	1,024,735	472,104	1,914,234
-	-	-	312,285
-	-	-	2,340,455
417,395	1,024,735	554,241	5,091,085
<u>\$ 417,395</u>	<u>\$ 1,024,735</u>	<u>\$ 554,241</u>	<u>\$ 5,145,638</u>

(continued from 3A)

See accompanying notes to basic financial statements.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**Reconciliation of the Governmental Funds
Balance Sheet - Modified Cash Basis to the Statement of Net Position - Modified Cash Basis
June 30, 2023**

Total Fund Balances - Governmental Funds	\$ 5,091,085
Liabilities applicable to the governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.	
Liabilities	
Accrued Compensated Absences	<u>(77,620)</u>
Net Position	<u>\$ 5,013,465</u>

See accompanying notes to basic financial statements.

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the year ended June 30, 2023**

	GENERAL FUND	DEBT SERVICE FUND	STREET FUND	SPECIAL PROJECT FUND
RECEIPTS:				
Current Property Taxes	\$ 1,169,208	\$ -	\$ 127,076	\$ -
Prior Property Taxes	22,722	-	2,469	-
Interest on Delinquent Taxes	766	-	-	-
Property Tax Reimbursement	6,592	-	-	-
Other State Taxes	45,966	-	-	-
State Liquor Taxes	37,790	-	-	-
State Cigarette Taxes	1,402	-	-	-
Boating Fees	57,649	-	-	-
Municipal Court Fines	43,375	-	-	-
Fees and Permits	160,455	-	-	-
State Revenue Sharing	26,774	-	-	-
State Street Allotment	-	-	149,440	-
Mineral Royalties	2,263	-	-	-
Leases	52,908	-	-	-
Interest and Earnings on Investments	249,586	-	-	-
Vehicle Impoundment	1,422	-	-	-
Police Training & USDOJ	3,926	-	-	-
Libr Plan GR-Ford Foundation	1,000	-	-	-
Administrative Support	7,380	-	-	-
Federal Infrastructure Aid	-	-	-	-
System Development Charges	-	-	-	-
WTP Insurance Reimbursement	-	-	-	-
Miscellaneous	16,877	-	337	2,288
Total Receipts	1,908,061	-	279,322	2,288
DISBURSEMENTS:				
Personnel Services	961,127	-	80,814	-
Materials and Services	316,845	-	113,178	-
Capital Outlay	38,306	-	4,289	275,417
Debt Service	-	940,629	-	-
Total Disbursements	1,316,278	940,629	198,281	275,417
Excess of Receipts Over, (Under) Disbursements	591,783	(940,629)	81,041	(273,129)
Other Financing Sources, (Uses)				
Operating Transfers In	-	940,629	-	300,000
Operating Transfers Out	(382,553)	-	(224,829)	-
Total Other Financing Sources, (Uses)	(382,553)	940,629	(224,829)	300,000
Net Change in Fund Balances	209,230	-	(143,788)	26,871
Beginning Fund Balance	2,131,225	364,096	221,666	285,414
Ending Fund Balance	\$ 2,340,455	\$ 364,096	\$ 77,878	\$ 312,285

See accompanying notes to basic financial statements

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
GOVERNMENTAL FUNDS
For the year ended June 30, 2023**

WATER CAPITAL IMPROVEMENT	SEWER CAPITAL IMPROVEMENT	NON-MAJOR FUNDS	TOTAL
\$ -	\$ -	\$ -	\$ 1,296,284
-	-	-	25,191
-	-	-	766
-	-	-	6,592
-	-	-	45,966
-	-	-	37,790
-	-	-	1,402
-	-	-	57,649
-	-	-	43,375
-	-	-	160,455
-	-	-	26,774
-	-	-	149,440
-	-	-	2,263
-	-	-	52,908
-	-	625	250,211
-	-	-	1,422
-	-	-	3,926
-	-	-	1,000
-	-	-	7,380
111,613	111,613	-	223,226
2,760	7,935	-	10,695
165,057	-	-	165,057
-	-	-	19,502
<u>279,430</u>	<u>119,548</u>	<u>625</u>	<u>2,589,274</u>
-	-	-	1,041,941
-	-	7,396	437,419
519,338	309,340	106,272	1,252,962
-	-	-	940,629
<u>519,338</u>	<u>309,340</u>	<u>113,668</u>	<u>3,672,951</u>
(239,908)	(189,792)	(113,043)	(1,083,677)
300,000	260,000	224,829	2,025,458
-	-	-	(607,382)
<u>300,000</u>	<u>260,000</u>	<u>224,829</u>	<u>1,418,076</u>
60,092	70,208	111,786	334,399
<u>357,303</u>	<u>954,527</u>	<u>442,455</u>	<u>4,756,686</u>
<u>\$ 417,395</u>	<u>\$ 1,024,735</u>	<u>\$ 554,241</u>	<u>\$ 5,091,085</u>

See accompanying notes to basic financial statements

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**Reconciliation of the Governmental Funds
Statement of Receipts, Disbursements, and Changes in Fund Balances - Modified Cash Basis
to the Statement of Activities - Modified Cash Basis
For the year ended June 30, 2023**

Total Net Changes in Fund Balances - Governmental Funds	\$ 334,399
Payment of accrued compensated absences is a disbursement in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Position. Additions to accrued compensated absences is an expense for the Statement of Net Position but not the governmental funds.	<u>(13,727)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 320,672</u></u>

See accompanying notes to basic financial statements.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
June 30, 2023**

	WATER FUND	SEWER FUND	TIMBER FUND	TOTAL
ASSETS:				
Cash and Investments	\$ 152,480	\$ 290,604	\$ 1,629,894	\$ 2,072,978
Taxes Receivable	-	21,864	-	21,864
Total Assets	<u>\$ 152,480</u>	<u>\$ 312,468</u>	<u>\$ 1,629,894</u>	<u>\$ 2,094,842</u>
DEFERRED INFLOWS OF RESOURCES AND NET POSITION:				
Deferred Inflows of Resources:				
Unavailable Property Tax Revenue	\$ -	\$ 21,864	\$ -	\$ 21,864
Total Deferred Inflows of Resources	-	21,864	-	21,864
Net Position				
Unrestricted	152,480	290,604	1,629,894	2,072,978
Total Net Position	<u>152,480</u>	<u>290,604</u>	<u>1,629,894</u>	<u>2,072,978</u>
Total Deferred Inflows of Resources and Net Position	<u>\$ 152,480</u>	<u>\$ 312,468</u>	<u>\$ 1,629,894</u>	<u>\$ 2,094,842</u>

See accompanying notes to basic financial statements.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES NET POSITION - MODIFIED CASH BASIS
PROPRIETARY FUNDS
For the year ended June 30, 2023**

	WATER FUND	SEWER FUND	TIMBER FUND	TOTAL
OPERATING RECEIPTS				
Water Deposits	\$ 1,035	\$ -	\$ -	\$ 1,035
Water Revenue	936,930	-	-	936,930
Hook-Up Fees	1,500	300	-	1,800
Sewer Revenue	-	730,694	-	730,694
Sludge Revenue	-	200,114	-	200,114
Total Receipts	939,465	931,108	-	1,870,573
OPERATING DISBURSEMENTS				
Personnel Services	485,990	448,673	-	934,663
Materials and Services	203,600	252,773	75,091	531,464
Capital Outlay	4,289	4,289	4,289	12,867
Total Operating Disbursements	693,879	705,735	79,380	1,478,994
Operating Income (Loss)	245,586	225,373	(79,380)	391,579
NONOPERATING RECEIPTS (DISBURSEMENTS)				
Property Taxes	-	488,864	-	488,864
Miscellaneous	21,480	584	-	22,064
Total Nonoperating Receipts (Disbursements)	21,480	489,448	-	510,928
Income (Loss) Before Contributions and Transfers	267,066	714,821	(79,380)	902,507
Other Financing Sources (Uses)				
Transfer Out	(462,336)	(955,740)	-	(1,418,076)
Change in Modified Cash Basis Net Position	(195,270)	(240,919)	(79,380)	(515,569)
Beginning Net Position	347,750	531,523	1,709,274	2,588,547
Ending Net Position	\$ 152,480	\$ 290,604	\$ 1,629,894	\$ 2,072,978

See accompanying notes to basic financial statements

**CITY OF RAINIER
COLUMBIA COUNTY OREGON**

**COMBINING STATEMENT OF CASH FLOWS - MODIFIED CASH BASIS
PROPRIETARY FUNDS
For the year ended June 30, 2023**

	WATER FUND	SEWER FUND	TIMBER FUND	TOTAL
Cash Flows from Operating Activities:				
Cash Received from Customers	\$ 939,465	\$ 931,108	\$ -	\$ 1,870,573
Payments to Suppliers	(207,889)	(257,062)	(79,380)	(544,331)
Payments to Employees	(485,990)	(448,673)	-	(934,663)
Net Cash From Operations	<u>245,586</u>	<u>225,373</u>	<u>(79,380)</u>	<u>391,579</u>
Cash Flows From Capital and Related Financing Activities:				
Property Taxes	-	488,864	-	488,864
Transfers To Other Funds	(462,336)	(955,740)	-	(1,418,076)
Net Cash (Used) By Capital and Related Financing Activities	<u>(462,336)</u>	<u>(466,876)</u>	<u>-</u>	<u>(929,212)</u>
Cash Flows From Investing Activities				
Miscellaneous	21,480	584	-	22,064
Net Cash (Used) By Investing Activities	<u>21,480</u>	<u>584</u>	<u>-</u>	<u>22,064</u>
Net Increase In Cash and Investments	(195,270)	(240,919)	(79,380)	(515,569)
Cash and Investments at Beginning of Year	<u>347,750</u>	<u>531,523</u>	<u>1,709,274</u>	<u>2,588,547</u>
Cash and Investments at End of Year	<u><u>\$ 152,480</u></u>	<u><u>\$ 290,604</u></u>	<u><u>\$ 1,629,894</u></u>	<u><u>\$ 2,072,978</u></u>
Reconciliation of Cash Flows From Operating Activities to Operating Income				
Operating Income	\$ 245,586	\$ 225,373	\$ (79,380)	\$ 391,579
Adjustments				
(Increase), Decrease in Accounts Receivable	-	546	-	546
Increase, (Decrease) in Deferred Revenue	-	(546)	-	(546)
Net Cash From Operations	<u><u>\$ 245,586</u></u>	<u><u>\$ 225,373</u></u>	<u><u>\$ (79,380)</u></u>	<u><u>\$ 391,579</u></u>

See accompanying notes to basic financial statements.

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CITY OF RAINIER
COLUMBIA COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION AND THE FINANCIAL REPORTING ENTITY

The City of Rainier (the City) is a municipal corporation organized under ORS 221 of the State of Oregon and uses a council form of government. The City Council, composed of an elected Mayor and the elected council members, forms the legislative branch of the City's government and, along with an appointed City Administrator, manages the operations. Police protection, water and sewer services, street maintenance, a library, parks, land use planning and building inspection services are provided for all its citizens.

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

Based upon the above criteria, the following is a brief description of a component unit of the City:

Rainier Economic Development Council (REDCO) – was formed in April 1993 to have urban renewal authority under Oregon law. REDCO does planning and economic development that focuses on the Rainier Waterfront. Receipts are primarily from property taxes. Disbursements are made for planning and economic development.

Although it is legally separate from the City, REDCO's council is appointed by the City Council and because of the significance of its financial relationship with the City, REDCO should be reported as if it were part of the reporting entity (City). The audited financial statements of REDCO for fiscal year 2022-23 are included in the City's modified cash basis basic financial statements.

B. BASIS OF PRESENTATION – FUND ACCOUNTING

Funds are used to report the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The following major governmental funds are reported:

General Fund - This fund accounts for all receipts and disbursements, except those required to be accounted for in another fund. The principal receipt sources are property taxes, franchise fees, fines and state-shared receipts. Disbursements are made primarily to finance current operations, the library and for public safety.

Debt Service Fund - This fund provides for the payment of principal and interest on the Water Improvement Bonds and notes payable debt. Principal receipt sources are transfers from other funds.

Street Fund – This fund accounts for receipts from gas tax apportionments received from the State of Oregon, property taxes, and disbursements for maintenance of public streets.

Special Project Fund – This fund is used for the planning, engineering, design, professional services and construction for site and building improvements and other various projects, and the expenditure of anticipated grant funds and other revenue sources.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Water Capital Improvement Fund – This fund is used for the construction, replacement, repair, planning, engineering and site improvements for the city's water department and related infrastructure.

B. BASIS OF PRESENTATION – FUND ACCOUNTING (CONTINUED)

Sewer Capital Improvement Fund – This fund is used for the construction, replacement, repair, planning, engineering and site improvements for the city's sewer department and related infrastructure.

ENTERPRISE FUNDS

These funds account for the acquisition, operation and maintenance of facilities and services, which are entirely or predominantly self-supporting through service charges to customers. The following funds are included in this category:

Water Fund
Sewer Fund
Timber Fund

OTHER FUNDS

These funds account for receipts derived from specifically designated sources which are legally restricted to finance particular functions or activities that the City Council desires to account for separately. Funds included within this category are:

Library Fund
Transportation Capital Improvement Fund

C. BASIS OF ACCOUNTING

The City follows the modified cash basis of accounting. Under the modified cash basis of accounting, receipts are recognized when collected rather than when measurable and available, and disbursements are recognized when paid rather than when incurred. Fund operating statements present increases (receipts and other financing sources) and decreases (disbursements and other financing uses) in cash. The modified cash basis of accounting is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

This basis of accounting is specifically allowed under Oregon State Law, and the City considers the use of this basis to be an appropriate reflection of the City's financial status and results of operations. Accounting principles generally accepted in the United States of America would require that all funds considered to be governmental funds be accounted for on the modified accrual basis of accounting and proprietary funds under the accrual method. Under these bases receipts are recorded when measurable and available, and disbursements are recorded when incurred, with certain modifications. The principal modifications from the cash basis are the recording of compensated absences and uncollected property taxes which are disclosed as deferred inflows of resources but not recorded as a receipt.

Proprietary funds distinguish operating receipts and disbursements from non-operating items. Operating receipts and disbursements generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating receipts of the enterprise funds are charges to customers for sales and services. Operating disbursements for enterprise funds include the cost of sales and services, and administrative disbursements. All receipts and disbursements not meeting this definition are reported as non-operating receipts and disbursements.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements report information on the primary government under the modified cash basis of accounting. Under this modification capital assets and related depreciation, long term debt and pension liabilities are not reported. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental receipts, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

E. BUDGETS

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

The General Fund is budgeted by organizational unit. The disbursement budgets for the other remaining funds are appropriated at the following levels:

LEVEL OF CONTROL

Personnel Services	Contingencies and Transfers
Materials and Services	Debt Service
Capital Outlay	

Disbursements cannot legally exceed the above appropriation levels except in the case of grants which could not be estimated at the time of budget adoption and are appropriated by Council resolution. Management may amend line items in the budget without Council approval as long as appropriation levels (the legal level of control) are not changed. The Council may make appropriation transfers by resolution as long as total appropriations by fund are not increased. Supplemental appropriations may occur if the Council approves them due to a need which exists which was not determined at the time the budget was adopted. Budget amounts shown in the financial statements reflect the original budget amounts and one appropriation transfer resolution. Disbursements in the various funds were within authorized appropriations for the year ended June 30, 2023, except the General Fund Land Use and Development Program Unit was overspent by \$260.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. PROPERTY TAXES

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are levied on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent. As the basic financial statements are presented on the modified cash basis, uncollected property taxes are shown in the combined balance sheet with the offset to unavailable property tax revenue. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens.

G. CAPITAL ASSETS

Capital asset records are not maintained. Accordingly, the modified cash basis basic financial statements do not include capital assets and the related depreciation in the proprietary and government-wide financial statements. The amount of capital assets and related depreciation are not known. Acquisitions of capital assets are recorded as disbursements in the various funds when purchased. Receipts from the sale of capital assets are accounted for as receipts in the fund that purchased the asset. Maintenance and repairs are charged to disbursement accounts when paid.

H. LONG-TERM OBLIGATIONS

Long-term debt associated with capital assets is not reported in the modified cash basis basic financial statements because they are presented on the modified cash basis of accounting. The Debt Service Fund makes payments for general obligation debt. All other long-term debt is paid by the Water and Sewer Funds. All debt principal and interest is budgeted in the Debt Service, Water and Sewer Funds.

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the modified cash basis basic financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The PERS and RHIA pension related deferrals are disclosed in these footnotes but not recorded in the basic financial statements because the City uses the modified cash basis of accounting.

In addition to liabilities, the modified cash basis basic financial statements 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 City has two types of items which qualify for reporting in this category, unavailable property tax receipts and pension related deferrals. Unavailable property tax receipts are deferred and recognized as an inflow of resources in the period that the amounts are received. At June 30, 2023 there were deferred inflows representing unavailable property taxes reported on both the Statement of Net Position and the Balance Sheets. The PERS and RHIA pension related deferrals are disclosed in these footnotes but not recorded in the basic financial statements because the City uses the modified cash basis of accounting.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. RETIREMENT PLANS

Substantially all of the City's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

K. FUND BALANCE

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

- Nonspendable fund balance represents amounts that are not in a spendable form.
- 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.
- 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.
- 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.

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

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

L. VESTED COMPENSATED ABSENCES

Vested or accumulated vacation leave is reported in the government wide financial statements. In accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. Unpaid sick pay lapses upon termination of employment.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. CONTRIBUTED CAPITAL

Grants and other contributions are recorded when received but contributed capital is not recorded.

N. NET POSITION

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

- Net Investment in Capital Assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Since capital assets are not shown in the statement of financial position there is no investment in capital assets recorded.
- Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

O. INTERFUND TRANSACTIONS

Transactions that constitute reimbursements to a fund for disbursements initially made from it that are properly applicable to another fund are recorded as disbursements in the reimbursing fund and as reductions of disbursements in the fund that is reimbursed. Operating interfund transactions are reported as transfers. Quasi-external transactions are accounted for as receipts or disbursements as paid or received.

P. ESTIMATES

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

Q. GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the balance sheet and Statement of Net Position. For the year ending June 30, 2023, there were no receipts received in excess of disbursements to be recorded in the balance sheet or Statement of Net Position.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS

The cash management policies are governed by state statutes. Statutes authorize investing in bankers acceptances, commercial paper, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Oregon State Treasurer's Local Government Investment Pool.

A cash 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.

Cash and Investments (recorded at cost) consist of:

Deposits with Financial Institutions:	
Demand Deposits	\$ 346,029
Investments	<u>6,818,034</u>
	<u>\$ 7,164,063</u>

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits. The total bank balance per the bank statements is \$444,315 of which \$250,000 is covered by federal depository insurance and the remaining amount is collateralized by the Oregon Public Funds Collateralization Program (PFCP).

Credit Risk – Deposits

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 policy for custodial credit risk. As of June 30, 2023, none of the bank balance was exposed to custodial credit risk because it was insured or collateralized.

INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2023. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool.

The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2023, the fair value of the position in the **LGIP is 99.63%** of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The City booked a fair market value gain of \$46,982 for the change in the difference between the pool fair market value and the book value.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

The audited financial reports of the Oregon Short Term Fund can be found here:

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

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

The investments at June 30, 2023 consisted of the following:

Investment Type	Maturities (in months)			
	Fair Value	Less than 3	3-18	18-59
State Treasurer's Local Government Investment Pool	\$ 6,818,034	\$ 6,818,034	\$ -	\$ -
Total	\$ 6,818,034	\$ 6,818,034	\$ -	\$ -

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date greater than 3 months.

Credit Risk - Investments

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

Concentration of Credit Risk

At June 30, 2023, 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in State Treasurer's Investment Pool.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

3. PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

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

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

3. PENSION PLAN (CONTINUED)

b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.

i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.

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

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2019 actuarial valuation, which became effective July 1, 2021. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2023 were \$196,292, excluding amounts to fund employer specific liabilities. In addition, approximately \$71,735 in employee contributions were paid or picked up by the City in 2022-2023.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

3. PENSION PLAN (CONTINUED)

Pension Asset or Liability – Since the City’s financial statements are reported on the (modified) cash basis, no amounts are reported on the balance sheet for pension related assets, deferred outflows, liabilities or deferred inflows. Had the City’s financial statements been reported in accordance with GAAP, it would have reported a net pension liability of \$1,716,133 at June 30, 2023 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2020. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2022 and 2021, the City’s proportion was 0.011 percent and 0.010 percent, respectively. Pension expense for the year ended June 30, 2023 was \$19,619, but is not recorded in the financial statements due to the (modified) cash basis of accounting being used.

The rates in effect for the year ended June 30, 2023 were:

- (1) Tier 1/Tier 2 – 20.54%
- (2) OPSRP general services – 13.64%
- (3) OPSRP police and fire – 18.00%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 83,304	\$ 10,702
Changes in assumptions	269,271	2,460
Net difference between projected and actual earnings on pension plan investments	-	306,811
Net changes in proportionate share	196,543	7,053
Differences between City contributions and proportionate share of contributions	-	331,616
Subtotal - Amortized Deferrals (below)	549,118	658,642
City contributions subsequent to measuring date	196,292	-
Deferred outflow (inflow) of resources	<u>\$ 745,410</u>	<u>\$ 658,642</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2024.

Subtotal amounts related to pension as deferred outflows of resources \$549,118, and deferred inflows of resources, \$(658,642), net to \$(109,524) and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2023	\$ (24,213)
2024	(53,175)
2025	(149,330)
2026	124,609
2027	(7,415)
Thereafter	-
Total	<u>\$ (109,524)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated February 2, 2023. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2022-Annual-Comprehensive-Financial-Report.pdf>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

3. PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2021 through June 30, 2023, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Market value of assets
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision; blend based on service
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

3. PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	25.0%	35.0%	30.0%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Risk Parity	0.0%	3.5%	2.5%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2022 PERS ACFR; p. 104)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
Assumed Inflation - Mean		2.40%

(Source: June 30, 2022 PERS ACFR; p. 74)

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

3. PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2022 and 2021 was 6.90 percent, for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate – The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	<u>1% Decrease</u> <u>(5.90%)</u>	<u>Discount Rate</u> <u>(6.90%)</u>	<u>1% Increase</u> <u>(7.90%)</u>
District's proportionate share of the net pension liability	\$ 3,043,413	\$ 1,716,133	\$ 605,261

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the City are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

3. PENSION PLAN (CONTINUED)

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

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

Contributions:

Employees of the City pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The City did not make any optional contributions to member IAP accounts for the year ended June 30, 2023.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

4. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA)

Plan Description:

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

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

4. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the City currently contributes 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2023. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The City's contributions to RHIA are included with PERS and equaled the required contributions for the year.

Since the City's financial statements are reported on the (modified) cash basis, no amounts are reported on the balance sheet for OPEB related assets, deferred outflows, liabilities or deferred inflows. Had the City's financial statements been reported in accordance with GAAP, it would have reported a net OPEB asset of \$27,035 for its proportionate share of the net OPEB asset. The OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2020. Consistent with GASB Statement No. 75, paragraph 59(a), the City's proportion of the net OPEB asset is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement dates of June 30, 2022 and 2021, the City's proportion was 0.008 percent and 0.009 percent, respectively. OPEB income for the year ended June 30, 2023 was \$3,283, but is not recorded in the financial statements due to the (modified) cash basis of accounting being used.

Components of OPEB Expense/(Income):

Employer's Proportionate share of collective system OPEB Expense/(Income)	\$ (4,048)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	952
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's total OPEB Expense/(Income)	<u>\$ (3,096)</u>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

4. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expended and actual experience	\$ -	\$ 733
Changes of assumptions	212	901
Net Difference between project and actual earning on investment	-	2,062
Changes in proportionate share	2,441	337
Differences between employer contributions and employer's proportionate share of system contributions	-	-
Subtotal - Amortized Deferrals (below)	2,653	4,033
Contributions subsequent to measurement date	-	-
Deferred outflow (inflow) of resources	\$ 2,653	\$ 4,033

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2024.

Subtotal amounts related to OPEB as deferred outflows of resources, \$2,653, and deferred inflows of resources, \$(4,033), net to \$(1,380) and will be recognized in OPEB expense as follows:

Year of June 30,	
2023	\$ (298)
2024	(441)
2025	(1,301)
2026	660
2027	-
Thereafter	-
Total	\$ (1,380)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2022. That independently audited report was dated February 2, 2023 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2022/GASB-75-RHIA-2022.pdf>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

4. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2020
Experience Study Report	2020, Published July 20, 2021
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 27.5%; Disabled retirees: 15%
Mortality	Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation. Disabled retirees: Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.

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

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2022 and June 30, 2021 was 6.90 percent for both years. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

4. OTHER POST-EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Global Equity	30.62%	5.85%
Private Equity	25.50%	7.71%
Core Fixed Income	23.75%	2.73%
Real Estate	12.25%	5.66%
Master Limited Partnerships	0.75%	5.71%
Infrastructure	1.50%	6.26%
Commodities	0.63%	3.10%
Hedge Fund of Funds - Multistrategy	1.25%	5.11%
Hedge Fund Equity - Hedge	0.63%	5.31%
Hedge Fund - Macro	5.62%	5.06%
US Cash	-2.50%	1.76%
<i>Assumed Inflation - Mean</i>		2.40%

(Source: June 30, 2022 PERS ACFR; p. 74)

Sensitivity of the City's proportionate share of the net OPEB asset to changes in the discount rate – The following presents the City's proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the City's proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	<u>1% Decrease (5.90%)</u>	<u>Discount Rate (6.90%)</u>	<u>1% Increase (7.90%)</u>
City's proportionate share of the net OPEB liability (asset)	(24,366)	(27,035)	(29,322)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2022 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

5. DEFERRED COMPENSATION PLAN

A deferred compensation plan is available to employees wherein they may execute an individual agreement with the City for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are termination by reason of resignation, death, disability, or retirement; unforeseeable emergency; or by requesting a de minimis distribution from inactive accounts valued less than \$5,000. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the City.

6. PROPERTY TAX LIMITATIONS

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

Also, the state voters passed a second limit on property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit. This second limit has reduced the amount of operating property tax receipts available to the City for its 1999-00 fiscal year and thereafter. This reduction was accomplished by rolling assessed property values back to their 1995-96 values, less 10% and limiting future assessment value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The Constitution also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues.

7. INTERFUND TRANSFERS

Transfers are made to finance operations between funds.

Amounts are comprised of the following:

	<u>Transfer Out</u>	<u>Transfer In</u>
Governmental Funds		
General	\$ 382,553	\$ -
Debt Service	-	940,629
Street Fund	224,829	-
Special Projects Fund	-	300,000
Water Capital Improvement Fund	-	300,000
Sewer Capital Improvement Fund	-	260,000
Non-Major Funds	-	224,829
Subtotal Governmental Funds	<u>607,382</u>	<u>2,025,458</u>
Proprietary Funds		
Sewer Fund	955,740	-
Water Fund	462,336	-
Subtotal Proprietary Funds	<u>1,418,076</u>	<u>-</u>
	<u>\$ 2,025,458</u>	<u>\$ 2,025,458</u>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

8. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of City/County Insurance Services (CCIS), a public entity risk pool operating as a common risk management and insurance program for participating Oregon cities and counties. An annual premium is paid to CCIS for its general insurance coverage and for its workers compensation insurance coverage. The agreement with CCIS provides that CCIS will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event.

Commercial coverage is purchased for employee health and accident insurance and for errors and omissions insurance. Settled claims have not exceeded this commercial coverage for any of the past three fiscal years.

9. LONG-TERM OBLIGATIONS

The following changes occurred in the liabilities reported during the year ended June 30, 2023:

Name	Interest Rates	Original Issue	Outstanding 7/1/2022	Issued	Matured and Redeemed	Outstanding 6/30/2023	Due Within One Year
ECDD Notes Payable	5.01 - 6.00%	\$ 2,097,654	\$ 380,632	\$ -	\$ (140,375)	\$ 240,257	\$ 54,920
OBDD Notes Payable	3.42 - 3.56%	1,085,747	954,706	-	(38,647)	916,059	39,205
DEQ Notes Payable	1.50 - 2.87%	9,856,180	4,789,826	-	(543,609)	4,246,217	559,174
Total Long Term Debt			<u>\$ 6,125,164</u>	<u>\$ -</u>	<u>\$ (722,631)</u>	<u>\$ 5,402,533</u>	<u>\$ 653,299</u>

Future minimum payments:

Year ending June 30,	Notes Payable	
	Principal	Interest
2024	\$ 653,299	\$ 169,129
2025	673,183	147,996
2026	698,752	126,177
2027	720,028	103,402
2028	672,703	79,891
2029-2033	1,290,115	185,161
2034-2038	410,856	82,621
2039-2043	150,442	21,407
2044-2048	76,260	7,450
2049-2052	56,895	1,720
Total	<u>\$ 5,402,533</u>	<u>\$ 924,954</u>

In the event of default, the Department of Environmental Quality (DEQ) lender has the ability to make all outstanding principal and interest immediately due and payable, as well as cease the disbursements of the bond proceeds. In addition, the lender may direct the State to divert any state funds due to the City to be applied to the payment of the loans.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS**

9. LONG-TERM OBLIGATIONS (CONTINUED)

In the event of default, the Oregon Business Development Department lender (OBDD) may pursue any or all remedies available by law. In addition, OBDD may terminate any other commitments or obligation to make any further disbursement of financing proceeds under the contract and declaring all payments under the contract immediately due and payable. OBDD may also prevent the City from applying for any future awards and issue foreclosing liens and security interest pursuant to this contract or any other financing documents.

None of these obligations are recorded in the basic financial statements because the modified cash basis of accounting is used.

10. TAX ABATEMENTS

As of June 30, 2023, the City had no state allowed tax abatements that impact levied taxes.

11. COMMITMENTS AND CONTINGENCIES

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. The ultimate impact on the School's finances is not determinable.

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED JUNE 30, 2023

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CITY OF RAINIER
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION
June 30, 2023

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2023	0.011 %	\$ 1,716,133	\$ 1,133,724	151.4 %	84.5 %
2022	0.010	1,236,413	1,099,671	112.4	87.6
2021	0.010	2,198,327	920,567	238.8	75.8
2020	0.009	1,608,636	872,570	184.4	80.2
2019	0.010	1,447,457	943,746	153.4	82.1
2018	0.010	1,291,886	941,920	137.2	83.1
2017	0.008	1,209,613	905,241	133.6	80.5
2016	0.007	414,540	877,461	47.2	91.9
2015	0.010	(227,765)	835,934	(27.2)	103.6
2014	0.010	512,777	768,791	66.7	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ 196,292	\$ 196,292	\$ -	\$ 1,243,531	15.8 %
2022	182,973	182,973	-	1,133,724	16.1
2021	145,849	145,849	-	1,099,671	13.3
2020	126,812	126,812	-	920,567	13.8
2019	107,421	107,421	-	872,570	12.3
2018	109,752	109,752	-	943,746	11.6
2017	90,322	90,322	-	941,920	9.6
2016	85,406	85,406	-	905,241	9.4
2015	60,207	60,207	-	877,461	6.9
2014	60,682	60,682	-	835,934	7.3

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years.

CITY OF RAINIER
COLUMBIA COUNTY, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2023

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (NOA)	(b) Employer's proportionate share of the net OPEB asset (NOA)	(c) Employer's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB asset
2023	0.0076 %	\$ 27,035	\$ 1,133,724	2.385 %	194.6 %
2022	0.0092	31,630	1,099,671	2.876	183.9
2021	0.0081	17,406	920,567	1.891	150.1
2020	0.0088	15,663	872,570	1.737	144.5
2019	0.0010	9,819	943,746	1.040	124.0
2018	0.0010	4,039	941,720	0.429	108.9

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

Amounts for covered payroll (c) use the prior year's data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2023	\$ N/A	\$ N/A	\$ -	\$ 1,243,531	- %
2022	N/A	N/A	-	1,133,724	-
2021	N/A	N/A	-	1,099,671	-
2020	N/A	N/A	-	920,567	-
2019	N/A	N/A	-	872,570	-
2018	N/A	N/A	-	943,746	-

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

All statutorily required contributions were made and are included with PERS contributions (See p. 32)

CITY OF RAINIER
COLUMBIA COUNTY, OREGON

SUPPLEMENTARY INFORMATION

Combining, Individual Fund, Account Group
and Other Financial Schedules

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

	<u>GENERAL FUND</u>			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Current Levy	\$ 1,053,683	\$ 1,053,683	\$ 1,169,208	\$ 115,525
Prior Years' Levies	42,147	42,147	22,722	(19,425)
Interest Delinquent Taxes	300	300	766	466
Property Tax Reimbursement	-	-	6,592	6,592
State Marijuana Tax	70,000	70,000	45,966	(24,034)
State Liquor Taxes	31,000	31,000	37,790	6,790
State Cigarette Taxes	1,500	1,500	1,402	(98)
State Marine Board	14,250	14,250	-	(14,250)
State Revenue Sharing	25,000	25,000	26,774	1,774
Grants	1,000	1,000	-	(1,000)
Municipal Court Fines	50,000	50,000	43,375	(6,625)
Franchise Fees	140,000	140,000	125,874	(14,126)
Business License Fees	22,000	22,000	25,505	3,505
Planning Fees	3,000	3,000	9,026	6,026
Library Fees	300	300	-	(300)
Building Permits	-	-	50	50
Boat Launching	25,000	25,000	32,665	7,665
Boat Storage	20,000	20,000	24,984	4,984
Mineral Royalties	6,000	6,000	2,263	(3,737)
Leases	40,000	40,000	52,908	12,908
Miscellaneous	6,000	6,000	16,877	10,877
Interest and Earnings on Investments	30,000	30,000	249,586	219,586
Police Training	3,500	3,500	3,926	426
Libr Plan GR-Ford Foundation	-	-	1,000	1,000
Vehicle Impoundment	100	100	1,422	1,322
Administrative Support	7,200	7,200	7,380	180
Total Receipts	<u>\$ 1,591,980</u>	<u>\$ 1,591,980</u>	<u>\$ 1,908,061</u>	<u>\$ 316,081</u>

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
DISBURSEMENTS:				
General Government:				
Personnel Services	\$ 4,500	\$ 4,500	\$ 1,035	\$ 3,465
Materials and Services	80,518	80,518	68,250	12,268
Capital Outlay	6,125	6,125	10,778	(4,653)
Total General Government	91,143	91,143 (1)	80,063	11,080
City Building Maintenance:				
Materials and Services	13,500	13,500	5,690	7,810
Capital Outlay	4,000	4,000	2,528	1,472
Total City Building Maintenance	17,500	17,500 (1)	8,218	9,282
Land Use and Development:				
Personnel Services	16,458	16,458	16,558	(100)
Materials and Services	13,600	13,600	13,760	(160)
Total Land Use and Development	30,058	30,058 (1)	30,318	(260)
Library:				
Materials and Services	73,960	73,960	63,563	10,397
Total Library	73,960	73,960 (1)	63,563	10,397
Attorney:				
Materials and Services	9,600	9,600	6,571	3,029
Total Attorney	9,600	9,600 (1)	6,571	3,029
Finance and Administration:				
Personnel Services	42,881	42,881	36,614	6,267
Materials and Services	6,850	6,850	7,208	(358)
Total Finance and Administration	\$ 49,731	\$ 49,731 (1)	\$ 43,822	\$ 5,909

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**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

<u>GENERAL FUND</u>				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
DISBURSEMENTS (CONTINUED):				
Municipal Court:				
Personnel Services	\$ 37,685	\$ 37,685	\$ 37,438	\$ 247
Materials and Services	24,900	24,900	19,000	5,900
Total Municipal Court	62,585	62,585 (1)	56,438	6,147
Public Properties:				
Personnel Services	90,473	90,473	87,867	2,606
Materials and Services	63,950	63,950	45,335	18,615
Capital Outlay	25,000	25,000	25,000	-
Total Public Properties	179,423	179,423 (1)	158,202	21,221
Police:				
Personnel Services	811,093	811,093	781,615	29,478
Materials and Services	115,268	115,268	87,468	27,800
Total Police	926,361	926,361 (1)	869,083	57,278
Operating Contingency	60,000	60,000 (1)	-	60,000
Total Disbursements	1,500,361	1,500,361	1,316,278	184,083
Excess of Receipts Over (Under) Disbursements	91,619	91,619	591,783	500,164
Other Financing Sources, (Uses)				
Operating Transfers Out	(382,553)	(382,553) (1)	(382,553)	-
Total Other Financing Sources, (Uses)	(382,553)	(382,553)	(382,553)	-
Net Change in Fund Balance	(290,934)	(290,934)	209,230	500,164
Beginning Fund Balance	2,019,400	2,019,400	2,131,225	111,825
Ending Fund Balance	<u>\$ 1,728,466</u>	<u>\$ 1,728,466</u>	<u>\$ 2,340,455</u>	<u>\$ 611,989</u>

(1) Appropriation Level

Continued from pages -34- & -35-

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
DISBURSEMENTS:				
Debt Service	\$ 940,629	\$ 940,629	(1) \$ 940,629	\$ -
Total Disbursements	<u>940,629</u>	<u>940,629</u>	<u>940,629</u>	<u>-</u>
Other Financing Sources, (Uses)				
Operating Transfers In	<u>940,629</u>	<u>940,629</u>	<u>940,629</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>364,096</u>	<u>364,096</u>	<u>364,096</u>	<u>-</u>
Ending Fund Balance	<u><u>\$ 364,096</u></u>	<u><u>\$ 364,096</u></u>	<u><u>\$ 364,096</u></u>	<u><u>\$ -</u></u>

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

	<u>STREET FUND</u>			
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)</u>
RECEIPTS:				
Current Levy	\$ 114,480	\$ 114,480	\$ 127,076	\$ 12,596
Prior Years' Levies	4,579	4,579	2,469	(2,110)
State Street Allotment	140,000	140,000	149,440	9,440
Miscellaneous	-	-	337	337
Total Receipts	<u>259,059</u>	<u>259,059</u>	<u>279,322</u>	<u>20,263</u>
DISBURSEMENTS:				
Personnel Services	68,076	68,076	80,814	(12,738)
Materials and Services	126,150	126,150	113,178	12,972
Capital Outlay	7,500	7,500	4,289	3,211
Contingency	27,000	27,000	-	27,000
Total Disbursements	<u>228,726</u>	<u>228,726</u>	(1) 198,281	<u>30,445</u>
Excess of Receipts Over (Under) Disbursements	30,333	30,333	81,041	50,708
Other Financing Sources (Uses)				
Operating Transfers Out	<u>(224,829)</u>	<u>(224,829)</u>	(1) (224,829)	<u>-</u>
Total Other Financing Sources (Uses)	<u>(224,829)</u>	<u>(224,829)</u>	<u>(224,829)</u>	<u>-</u>
Net Change in Fund Balance	(194,496)	(194,496)	(143,788)	50,708
Beginning Fund Balance	<u>258,823</u>	<u>258,823</u>	<u>221,666</u>	<u>(37,157)</u>
Ending Fund Balance	<u>\$ 64,327</u>	<u>\$ 64,327</u>	<u>\$ 77,878</u>	<u>\$ 13,551</u>

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

SPECIAL PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
NOEA-WRA Wetland Migration	\$ 34,099	\$ 34,099	\$ -	\$ (34,099)
ODOT TGM Grant	150,000	150,000	-	(150,000)
Strategic Planning Grant	75,000	75,000	-	(75,000)
Miscellaneous	-	-	2,288	2,288
Total Receipts	259,099	259,099	2,288	(256,811)
DISBURSEMENTS:				
Capital Outlay	759,000	759,000	275,417	483,583
Total Disbursements	759,000	759,000 (1)	275,417	483,583
Excess of Receipts Over (Under) Disbursements	(499,901)	(499,901)	(273,129)	226,772
Other Financing Sources (Uses)				
Operating Transfers In	300,000	300,000	300,000	-
Total Other Financing Sources (Uses)	300,000	300,000	300,000	-
Net Change in Fund Balance	(199,901)	(199,901)	26,871	226,772
Beginning Fund Balance	219,000	219,000	285,414	66,414
Ending Fund Balance	\$ 19,099	\$ 19,099	\$ 312,285	\$ 293,186

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

WATER CAPITAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
System Development Charges	\$ 5,000	\$ 5,000	\$ 2,760	\$ (2,240)
Federal Infrastructure Aid	111,613	111,613	111,613	-
WTP Insurance Reimbursement	100,000	100,000	165,057	65,057
Water System Master Plan Grant	70,000	70,000	-	(70,000)
Total Receipts	286,613	286,613	279,430	(7,183)
DISBURSEMENTS:				
Capital Outlay	928,071	928,071 (1)	519,338	408,733
Total Disbursements	928,071	928,071	519,338	408,733
Net Change Fund Balance	(641,458)	(641,458)	(239,908)	401,550
Other Financing Sources, -Uses				
Operating Transfers In	300,000	300,000	300,000	-
Total Other Financing Sources, -Uses	300,000	300,000	300,000	-
Excess of Receipts Over (Under) Disbursements	(341,458)	(341,458)	60,092	401,550
Beginning Fund Balance	341,656	341,656	357,303	15,647
Ending Fund Balance	\$ 198	\$ 198	\$ 417,395	\$ 417,197

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

SEWER CAPITAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Federal Infrastructure Aid	\$ 111,613	\$ 111,613	\$ 111,613	\$ -
Sewer SDC	8,000	8,000	7,935	(65)
Total Receipts	119,613	119,613	119,548	(65)
DISBURSEMENTS:				
Capital Outlay	1,217,584	1,217,584	309,340	908,244
Total Disbursements	1,217,584	1,217,584 (1)	309,340	908,244
Net Change in Fund Balance	(1,097,971)	(1,097,971)	(189,792)	908,179
Other Financing Sources, -Uses				
Operating Transfers In	260,000	260,000	260,000	-
Total Other Financing Sources, -Uses	260,000	260,000	260,000	-
Excess of Receipts Over, -Under Disbursements and Transfers	(837,971)	(837,971)	70,208	908,179
Beginning Fund Balance	838,151	838,151	954,527	116,376
Ending Fund Balance	\$ 180	\$ 180	\$ 1,024,735	\$ 1,024,555

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**COMBINING BALANCE SHEET - MODIFIED CASH BASIS
ALL NON-MAJOR FUNDS
June 30, 2023**

	LIBRARY FUND	TRANSPORTATION CAPITAL IMPROVEMENT FUND	TOTAL
ASSETS:			
Cash and Investments	\$ 82,137	\$ 472,104	\$ 554,241
Total Assets	<u>\$ 82,137</u>	<u>\$ 472,104</u>	<u>\$ 554,241</u>
Fund Balances:			
Restricted	\$ 82,137	\$ 472,104	\$ 554,241
Total Fund Balance	<u>82,137</u>	<u>472,104</u>	<u>554,241</u>
Total Liabilities and Fund Balances	<u>\$ 82,137</u>	<u>\$ 472,104</u>	<u>\$ 554,241</u>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**COMBINING SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES
MODIFIED CASH BASIS - ALL NON-MAJOR FUNDS
For the year ended June 30, 2023**

	LIBRARY FUND	TRANSPORTATION CAPITAL IMPROVEMENT FUND	TOTAL
RECEIPTS:			
Interest and Earnings on Investments	\$ 625	\$ -	\$ 625
Total Receipts	625	-	625
DISBURSEMENTS:			
Materials and Services	7,396	-	7,396
Total Disbursements	7,396	106,272	113,668
Excess of Receipts Over (Under) Disbursements	(6,771)	(106,272)	(113,043)
Other Financing Sources (Uses)			
Operating Transfers In	-	224,829	224,829
Total Other Financing Sources (Uses)	-	224,829	224,829
Net Change in Fund Balance	(6,771)	118,557	111,786
Beginning Fund Balance	88,908	353,547	442,455
Ending Fund Balance	\$ 82,137	\$ 472,104	\$ 554,241

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

LIBRARY TRUST FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Interest and Earnings on Investments	\$ 625	\$ 625	\$ 625	\$ -
Total Receipts	625	625	625	-
DISBURSEMENTS:				
Materials and Services	7,500	7,500 (1)	7,396	104
Total Disbursements	7,500	7,500	7,396	104
Net Change in Fund Balance	(6,875)	(6,875)	(6,771)	104
Beginning Fund Balance	85,043	85,043	88,908	3,865
Ending Fund Balance	<u>\$ 78,168</u>	<u>\$ 78,168</u>	<u>\$ 82,137</u>	<u>\$ 3,969</u>

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

TRANSPORTATION CAPITAL IMPROVEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
TSP Grant	\$ 212,461	\$ 212,461	\$ -	\$ (212,461)
SCA Grant	100,000	100,000	-	(100,000)
Total Receipts	312,461	312,461	-	(312,461)
DISBURSEMENTS:				
Capital Outlay	880,696	880,696 (1)	106,272	774,424
Total Disbursements	880,696	880,696	106,272	774,424
Excess of Receipts Over (Under) Disbursements	(568,235)	(568,235)	(106,272)	461,963
Other Financing Sources (Uses)				
Operating Transfers In	224,829	224,829	224,829	-
Total Other Financing Sources (Uses)	224,829	224,829	224,829	-
Net Change in Fund Balance	(343,406)	(343,406)	118,557	461,963
Beginning Fund Balance	347,029	347,029	353,547	6,518
Ending Fund Balance	<u>\$ 3,623</u>	<u>\$ 3,623</u>	<u>\$ 472,104</u>	<u>\$ 468,481</u>

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

WATER FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Hook-Up Fees	\$ 2,500	\$ 2,500	\$ 1,500	\$ (1,000)
Water Deposits	500	500	1,035	535
Water Revenue	960,000	960,000	936,930	(23,070)
Miscellaneous	4,000	4,000	21,480	17,480
Total Receipts	967,000	967,000	960,945	(6,055)
DISBURSEMENTS:				
Water Operations				
Personnel Services	486,105	486,105	485,990	115
Materials and Services	212,550	212,550	203,600	8,950
Capital Outlay	7,500	7,500	4,289	3,211
Subtotal Water Operations	706,155	706,155 (1)	693,879	12,276
Contingency	9,000	9,000 (1)	-	9,000
Total Disbursements	715,155	715,155	693,879	21,276
Excess of Receipts Over (Under) Disbursements	251,845	251,845	267,066	15,221
Other Financing Sources (Uses)				
Transfers Out	(462,336)	(462,336) (1)	(462,336)	-
Total Other Financing Sources (Uses)	(462,336)	(462,336)	(462,336)	-
Net Change in Fund Balance	(210,491)	(210,491)	(195,270)	15,221
Beginning Fund Balance	399,616	399,616	347,750	(51,866)
Ending Fund Balance	\$ 189,125	\$ 189,125	\$ 152,480	\$ (36,645)

(1) Appropriation Level

CITY OF RAINIER
COLUMBIA COUNTY, OREGON

SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023

SEWER FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
RECEIPTS:				
Property Taxes-Current	\$ 486,453	\$ 486,453	\$ 488,864	\$ 2,411
Hook-Up Fees	500	500	300	(200)
Sewer Revenue	720,000	720,000	730,694	10,694
Sludge Revenue	280,000	280,000	200,114	(79,886)
Miscellaneous	100	100	584	484
Total Receipts	1,487,053	1,487,053	1,420,556	(66,497)
DISBURSEMENTS:				
Sewer Operations Program				
Personnel Services	451,696	451,696	448,673	3,023
Materials and Services	315,100	315,100	252,773	62,327
Capital Outlay	7,500	7,500	4,289	3,211
Subtotal Sewer Operations	774,296	774,296 (1)	705,735	68,561
Contingency	48,000	48,000 (1)	-	48,000
Total Disbursements	822,296	822,296	705,735	116,561
Excess of Receipts Over (Under) Disbursements	664,757	664,757	714,821	50,064
Other Financing Sources (Uses)				
Transfers Out	(955,740)	(955,740) (1)	(955,740)	-
Total Other Financing Sources (Uses)	(955,740)	(955,740)	(955,740)	-
Net Change in Fund Balance	(290,983)	(290,983)	(240,919)	50,064
Beginning Fund Balance	454,199	454,199	531,523	77,324
Ending Fund Balance	\$ 163,216	\$ 163,216	\$ 290,604	\$ 127,388

(1) Appropriation Level

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCE -
MODIFIED CASH BASIS - ACTUAL AND BUDGET
For the year ended June 30, 2023**

TIMBER FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET FAVORABLE (UNFAVORABLE)
DISBURSEMENTS:				
Timber Operations				
Materials and Services	\$ 90,300	\$ 90,300	\$ 75,091	\$ 15,209
Capital Outlay	14,000	14,000	4,289	9,711
Subtotal Timber Operations	104,300	104,300 (1)	79,380	24,920
Contingency	50,000	50,000 (1)	-	50,000
Total Disbursements	154,300	154,300	79,380	74,920
Net Change in Fund Balance	(154,300)	(154,300)	(79,380)	74,920
Beginning Fund Balance	1,200,000	1,200,000	1,709,274	509,274
Ending Fund Balance	<u>\$ 1,045,700</u>	<u>\$ 1,045,700</u>	<u>\$ 1,629,894</u>	<u>\$ 584,194</u>
(1) Appropriation Level				

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - GENERAL FUND
For the year ended June 30, 2023**

TAX YEAR	<u>GENERAL FUND</u>					BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/2023
	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/2022	DEDUCT DISCOUNTS	ADJUST- MENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	
CURRENT:						
2022-2023	\$ 1,226,376	\$ 33,236	\$ 1,680	\$ 436	\$ 1,169,209	\$ 26,047
PRIOR YEARS:						
2021-2022	23,375	(6)	(889)	829	11,003	12,318
2020-2021	11,904	(6)	(843)	841	4,635	7,273
2019-2020	6,523	(6)	(1,290)	1,283	4,473	2,049
2018-2019	2,287	(4)	(655)	637	1,912	361
Prior	1,858	-	(434)	431	698	1,157
Total Prior	45,947	(22)	(4,111)	4,021	22,721	23,158
Total	<u>\$ 1,272,323</u>	<u>\$ 33,214</u>	<u>\$ (2,431)</u>	<u>\$ 4,457</u>	<u>\$ 1,191,930</u>	<u>\$ 49,205</u>

RECONCILIATION TO REVENUE:

Cash Collections by County Treasurer Above	\$ 1,191,930
Interest on Delinquent Taxes	766
Reimbursements	6,592
Total Revenue	<u>\$ 1,199,288</u>

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - STREET FUND
For the year ended June 30, 2023**

TAX YEAR	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/2022	DEDUCT DISCOUNTS	STREET FUND		CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/2023
			ADJUST- MENTS TO ROLLS	ADD INTEREST		
CURRENT:						
2022-2023	\$ 133,289	\$ 3,612	\$ 182	\$ 47	\$ 127,075	\$ 2,831
PRIOR YEARS:						
2021-2022	2,541	(1)	(97)	90	1,196	1,339
2020-2021	1,294	(1)	(92)	91	504	790
2019-2020	709	(1)	(140)	139	486	223
2018-2019	249	-	(71)	69	208	39
Prior	201	-	(46)	47	76	126
Total Prior	4,994	(3)	(446)	436	2,470	2,517
Total All Funds	\$ 138,283	\$ 3,609	\$ (264)	\$ 483	\$ 129,545	\$ 5,348

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED - SEWER FUND
For the year ended June 30, 2023**

TAX YEAR	IMPOSED LEVY OR BALANCE UNCOLLECTED AT 7/01/2022	DEDUCT DISCOUNTS	<u>SEWER FUND</u>		CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEG- REGATED AT 6/30/2023
			ADJUST- MENTS TO ROLLS	ADD INTEREST		
CURRENT:						
2022-2023	\$ 501,071	\$ 13,580	\$ 686	\$ 178	\$ 477,713	\$ 10,642
PRIOR YEARS:						
2021-2022	10,817	(3)	(411)	383	5,092	5,700
2020-2021	5,872	(3)	(416)	415	2,286	3,588
2019-2020	3,378	(3)	(667)	664	2,317	1,061
2018-2019	1,254	(2)	(359)	349	1,048	198
Prior	1,089	-	(257)	251	408	675
Total Prior	22,410	(11)	(2,110)	2,062	11,151	11,222
Total All Funds	<u>\$ 523,481</u>	<u>\$ 13,569</u>	<u>\$ (1,424)</u>	<u>\$ 2,240</u>	<u>\$ 488,864</u>	<u>\$ 21,864</u>

CITY OF RAINIER
COLUMBIA COUNTY, OREGON

OTHER INFORMATION

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS
June 30, 2023**

	TOTAL REQUIREMENTS		DEQ STATE REVOLVING LOANS		WATER FUND OREGON SPECIAL PUBLIC WORKS FUND	
Original Amount			\$9,856,180		\$886,347	
Interest Rate			1.13 - 2.87%		6.00%	
YEAR OF MATURITY	PRINCIPAL	INTEREST	PRINCIPAL DUE 6/1, 8/1 12/1 and 2/1	INTEREST DUE 6/1, 8/1 12/1 and 2/1	PRINCIPAL DUE 12/1	INTEREST DUE 12/1
2023-2024	\$ 653,299	\$ 169,129	\$ 559,174	\$ 112,616	\$ 54,920	\$ 14,415
2024-2025	673,183	147,996	575,184	96,606	58,216	11,120
2025-2026	698,752	126,177	591,657	80,133	61,709	7,627
2026-2027	720,028	103,402	608,602	63,188	65,412	3,925
2027-2028	672,703	79,891	626,035	45,755	-	-
2028-2029	696,320	59,773	643,971	27,819	-	-
2029-2030	387,935	38,862	334,875	9,369	-	-
2030-2031	65,987	31,559	12,187	4,555	-	-
2031-2032	66,941	28,854	12,370	4,372	-	-
2032-2033	72,932	26,113	12,557	4,185	-	-
2033-2034	73,959	23,086	12,746	3,996	-	-
2034-2035	80,025	20,021	12,938	3,804	-	-
2035-2036	81,130	16,665	13,133	3,609	-	-
2036-2037	87,276	13,270	13,330	3,412	-	-
2037-2038	88,466	9,579	13,531	3,211	-	-
2038-2039	29,220	5,843	13,735	3,007	-	-
2039-2040	29,978	5,085	13,942	2,800	-	-
2040-2041	30,758	4,305	14,151	2,591	-	-
2041-2042	31,562	3,501	14,364	2,378	-	-
2042-2043	28,924	2,673	14,580	2,162	-	-
2043-2044	14,800	1,942	14,800	1,942	-	-
2044-2045	15,022	1,720	15,022	1,720	-	-
2045-2046	15,249	1,493	15,249	1,493	-	-
2046-2047	15,478	1,264	15,478	1,264	-	-
2047-2048	15,711	1,031	15,711	1,031	-	-
2048-2049	15,948	794	15,948	794	-	-
2049-2050	16,188	554	16,188	554	-	-
2050-2051	16,432	310	16,432	310	-	-
2051-2052	8,327	62	8,327	62	-	-
TOTALS	\$ 5,402,533	\$ 924,954	\$ 4,246,217	\$ 488,738	\$ 240,257	\$ 37,087

DEQ State Revolving Loans consist of three loans.

LOAN NO.	BALANCE DUE
R75262	\$ 1,086,202
R75263	2,772,902
R75264	387,113
TOTAL	\$ 4,246,217

**CITY OF RAINIER
COLUMBIA COUNTY, OREGON**

**SCHEDULE OF FUTURE DEBT SERVICE REQUIREMENTS
June 30, 2023**

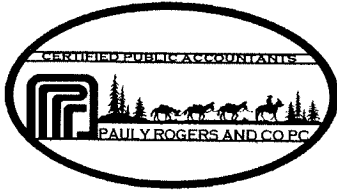
<u>SPECIAL PROJECTS FUND</u>		<u>SPECIAL PROJECTS FUND</u>	
<u>OREGON SPECIAL</u>		<u>OREGON SPECIAL</u>	
<u>PUBLIC WORKS FUND</u>		<u>PUBLIC WORKS FUND</u>	
\$785,747		\$300,000	
3.42%		3.56%	
PRINCIPAL DUE 12/1	INTEREST DUE 12/1	PRINCIPAL DUE 12/1	INTEREST DUE 12/1
\$ 30,042	\$ 32,940	\$ 9,163	\$ 9,158
30,294	31,438	9,489	8,832
35,559	29,923	9,827	8,494
35,837	28,145	10,177	8,144
36,129	26,354	10,539	7,782
41,435	24,547	10,914	7,407
41,757	22,475	11,303	7,018
42,095	20,388	11,705	6,616
42,449	18,283	12,122	6,199
47,822	16,160	12,553	5,768
48,213	13,769	13,000	5,321
53,624	11,359	13,463	4,858
54,055	8,677	13,942	4,379
59,508	5,975	14,438	3,883
59,983	2,999	14,952	3,369
-	-	15,485	2,836
-	-	16,036	2,285
-	-	16,607	1,714
-	-	17,198	1,123
-	-	14,344	511
-	-	-	-
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<u>\$ 658,802</u>	<u>\$ 293,432</u>	<u>\$ 257,257</u>	<u>\$ 105,697</u>

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CITY OF RAINIER
COLUMBIA COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the City of Rainier as of and for the year ended June 30, 2023, and have issued our report thereon dated October 27, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

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

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

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

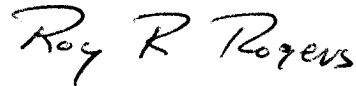
In connection with our testing nothing came to our attention that caused us to believe the City of Rainier was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules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

1. Expenditures were within authorized appropriations, except as noted on page 12 in the notes to the basic financial statements.
2. During review of the LB1 and line item budget document we noted the unappropriated balance(s) published in the LB1 was \$54,723 more than the unappropriated balances in the proposed line item budget document.

OAR 162-10-0230 Internal Control

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

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

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, stylized "R" and "R".

Roy R. Rogers, CPA
PAULY, ROGERS AND CO., P.C.

LETTER AGREEMENT
2023 City of Rainier, Oregon

December 18, 2023

Jerry Cole
Mayor
PO Box 100
Rainier, OR 97048

Dear Mayor Cole:

SL Environmental Consulting, LLC would like to present this proposal to provide technical assistance and facility oversight for interim coverage to comply with the State of Oregon. For convenience, this proposal is presented in a form that can be accepted and signed as an agreement between SL Environmental Consulting, LLC, Inc. and the City of Rainier, Oregon.

SCOPE of SERVICES

SL Environmental Consulting understands the City of Rainier is required by the State of Oregon to have a certified operator in responsible charge of the Wastewater Treatment Plant. The operator must hold a current certification of a Wastewater Treatment Grade III or above.

The City is required to have a certified operator as a Level II with a Filter Endorsement for the Water Treatment Plant, OHA No. 00689.

The City of Rainier operates the Wastewater Treatment Plant under NPDES Permit #OR0020389.

The facility is operating under a Mutual Agreement and Order with DEQ and has had substantial non-compliance issues due primarily to high influent flows from inflow and infiltration. understands the operation due to the existing condition of the facility may result in non-compliance until the system is returned to standard conditions. The City agrees to hold SL Environmental Consulting harmless in the event of a non-compliance associated with the current plant condition.

This proposal is to provide direction, training, and oversight for the existing facilities and to provide technical assistance to bring the plant into compliance with the MAO. SL Environmental Consulting will provide oversight of the plant and monitoring required for the reporting requirements for the State of Oregon.

The City of Rainier will manage the day-to-day operations of the system and perform all necessary tasks under the direction of the consultant for the operation and maintenance of the system.

A list of roles and responsibilities will be developed with the Public Works Director and Water/Wastewater operator within the first month of the contract to ensure the overall needs of the City's Water and Wastewater Treatment Plants will be met.

SL Environmental Consulting, LLC

The consultant is expected to be onsite for a minimum of 4 hours a week with additional time spent completing reports, emails and other communications.

The consultant will be available 24 hours a day and able to respond within 4 hours of an emergency.

The agreement will be in effect from January 1, 2024 to March 31, 2024. This contract may be renewed for 3 additional months or may be terminated for any reason by either party with a thirty (30) day written notice.

COST

Up to 8 hours a week with a minimum of 4 hours onsite is expected. Weekly compensation for 8 hours is \$1000. Any time over 8 hours will be charged at an hourly rate of \$125.00 per hours.

ACCEPTANCE

To accept this proposal, please sign and date two copies and return one copy to SL Environmental Consulting, LLC prior to December 31, 2023. We look forward to the opportunity to perform the work for you.

Sincerely,

SL Environmental Consulting, LLC

City of Rainier

Sue Lawrence
Printed Name

Printed Name

President
Title

Mayor
Title

Signature

Signature

Date

Date

SL Environmental Consulting, LLC
EIN: 20-4472984

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:)
CITY OF RAINIER)
Permittee.)
MUTUAL AGREEMENT
AND ORDER
NO. WQ-M-NWR-2022-044
COLUMBIA COUNTY

WHEREAS:

1. On August 1, 2012, the Department of Environmental Quality (DEQ) issued National Pollutant Discharge Elimination System (NPDES) Waste Discharge Permit Number 102571 (the Permit) to the City of Rainier (Permittee). The Permit authorizes the Permittee to construct, install, modify or operate a wastewater treatment control and disposal facility (Facility or Facilities) and discharge adequately treated wastewaters into the Columbia River, a water of the state, in conformance with the requirements, limitations and conditions set forth in the Permit. The Permit expired on July 31, 2017, but has been administratively extended because Permittee made a timely application for renewal.

2. Condition 1 of Schedule A of the Permit requires Permittee to meet the following waste discharge limitations:

a. Outfall Number 001 (May 1 – October 31):

<u>Parameter</u>	<u>AVERAGE EFFLUENT CONCENTRATIONS</u>		<u>EFFLUENT LOADINGS</u>		
	<u>Monthly</u>	<u>Weekly</u>	<u>Monthly Average lbs/day</u>	<u>Weekly Average lbs/day</u>	<u>Daily Maximum Lbs</u>
BOD	10 mg/L	15 mg/L	83	130	170
TSS	10 mg/L	15 mg/L	83	130	170

b. Outfall Number 001 (November 1 – April 30):

<u>Parameter</u>	<u>AVERAGE EFFLUENT CONCENTRATIONS</u>		<u>EFFLUENT LOADINGS</u>		
	<u>Monthly</u>	<u>Weekly</u>	<u>Monthly Average lbs/day</u>	<u>Weekly Average lbs/day</u>	<u>Daily Maximum Lbs</u>
BOD	10 mg/L	15 mg/L	130	190	250
TSS	10 mg/L	15 mg/L	130	190	250

3. Permittee has violated the Permit as follows:

October 28, 2021	The reported daily maximum BOD loading of 260 lb/d exceeds the permit limit by 53%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
October 2021	The reported weekly average BOD loading of 149 lbs/d exceeds the permit limit by 14%	This is a Class III violation pursuant to OAR 340-012-0055(3)(b)
October 2021	The reported weekly average BOD concentration of 19 mg/L exceeds the permit limit by 26%.	This is Class II violation pursuant to OAR 340-012-0055(2)(a)
October 2021	The reported monthly average TSS loading of 866 lbs/d exceeds the permit limit by 904%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
October 28, 2021	The reported daily maximum TSS of 6256 lbs/d exceeds the permit limit by 357%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
October 2021	The reported monthly average TSS concentration of 113 mg/L exceeds the permit limit by 1030%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)

October 2021	The reported weekly average TSS loading of 3281 lbs/d exceeds the permit limit by 2423%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
October 2021	The reported weekly average TSS concentration of 388 mg/L exceeds the permit limit by 2486%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
October 2021	The reported monthly average TSS removal efficiency of 84% was below the permit limit by 1%	This is a Class III violation pursuant to OAR 340-012-0055(3)(c)
November 2021	The reported monthly average TSS concentration of 15 mg/L exceeds the permit limit by 50%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
November 2021	The reported weekly average TSS concentration of 23 mg/L exceeds the permit limit by 53%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
December 20, 2021	The reported daily maximum TSS loading of 250 lbs/d exceeds the permit limit by <1%	This is a Class III violation pursuant to OAR 340-012-0055(3)(b)
December 2021	The reported monthly average TSS concentration of 13 mg/L exceeds the permit limit by 30%	This is a Class II violation pursuant to OAR 340-012-0055(2)(a)
December 2021	The reported weekly average TSS loading of 203 lbs/d exceeds the permit limit by 6%	This is a Class III violation pursuant to OAR 340-012-0055(3)(b)
December 2021	The reported weekly average TSS	This is a Class I violation pursuant to

	concentration of 27 mg/L exceeds the permit limit by 80%	OAR 340-012-0055(1)(k)
January 2022	The reported monthly average TSS loading of 158 lbs/d exceeds the permit limit by 21%	This is a Class II violation pursuant to OAR 340-012-0055(2)(a)
January 4, 2022	The reported daily maximum TSS loading of 554 lbs/d exceeds the permit limit by 121%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
January 2022	The reported monthly average TSS concentration of 16 mg/L exceeds the permit limit by 50%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
January 2022	The reported weekly average TSS loading of 546 lbs/d exceeds the permit limit by 187%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
January 2022	The reported weekly average TSS concentration of 46 mg/L exceeds the permit limit by 206%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
March 2022	The reported monthly average TSS loading of 146 lbs/d exceeds the permit limit by 12%	This is a Class III violation pursuant to OAR 340-012-0055(3)(b)
March 2022	The reported monthly average TSS concentration of 29 mg/L exceeds the permit limit by 190%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
March 2, 2022	The reported daily maximum TSS loading of 377 lbs/d exceeds the permit limit by	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)

	50%	
March 2022	The reported weekly average TSS loading of 261 lbs/d exceeds the permit limit by 37%	This is a Class II violation pursuant to OAR 340-012-0055(2)(a)
March 2022	The reported weekly average TSS concentration of 42 mg/L exceeds the permit limit by 180%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
April 2022	The reported daily maximum TSS loading of 616 lbs/d exceeds the permit limit by 146%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
April 2022	The reported monthly average TSS concentration of 34 mg/L exceeds the permit limit by 240%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
April 2022	The reported monthly average TSS loading of 190 lbs/d exceeds the permit limit by 46%	This is Class II violation pursuant to OAR 340-012-0055(2)(a)
April 2022	The reported weekly average TSS concentration of 59.0 mg/L exceeds the permit limit by 293%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
April 2022	The reported weekly average TSS loading of 435.0 lbs/d exceeds the permit limit by 129%	This is a Class I violation pursuant to OAR 340-012-0055(1)(k)
November 3, 2022	The reported daily maximum TSS loading of 2351 lbs/d exceeds the permit limit by 840%	This is a Class 1 violation pursuant to OAR 340-012-0055(1)(k). However, the cause of the violation was determined to

		be beyond the permittee's reasonable control, so this violation was not included in the civil penalty calculation.
November 2022	The reported weekly average TSS loading of 949 lbs/d exceeds the permit limit by 399%	This is a Class 1 violation pursuant to OAR 340-012-0055(1)(k). However, the cause of the violation was determined to be beyond the permittee's reasonable control, so this violation was not included in the civil penalty calculation.
November 2022	The reported monthly average TSS concentration of 300.9 lbs/d exceeds the permit limit by 131%	This is a Class 1 violation pursuant to OAR 340-012-0055(1)(k). However, the cause of the violation was determined to be beyond the permittee's reasonable control, so this violation was not included in the civil penalty calculation.
November 2022	The reported weekly average TSS concentration of 202 mg/L exceeds the permit limit by 1247%	This is a Class 1 violation pursuant to OAR 340-012-0055(1)(k). However, the cause of the violation was determined to be beyond the permittee's reasonable control, so this violation was not included in the civil penalty calculation.
November 2022	The reported monthly average TSS concentration of 68 mg/L exceeds the permit limit by 580%	This is a Class 1 violation pursuant to OAR 340-012-0055(1)(k). However, the cause of the violation was determined to be beyond the permittee's reasonable

		control, so this violation was not included in the civil penalty calculation.
--	--	---

4. On April 11, 2022, a sanitary sewer overflow (SSO) event occurred at a manhole located at West 3rd and A Street. During the event, approximately 121,900 gallons of untreated wastewater mixed with stormwater was discharged to the Columbia River. OAR 340-041-0009(3) prohibits the discharge of untreated sewage into the waters of the State. This is a Class I violation of ORS 468B.025(1)(b) which prohibits any person from discharging any wastes into the waters of the State if the discharge reduces the quality of such waters below established water quality standards.

5. From November 4, 2022, through November 6, 2022, an SSO event occurred at a manhole located at East 3rd and A Street. During the event, approximately 715,219 gallons of untreated wastewater mixed with stormwater was discharged to the Columbia River. OAR 340-041-0009(3) prohibits the discharge of untreated sewage into the waters of the State. This is a Class I violation of ORS 468B.025(1)(b) which prohibits any person from discharging any wastes into the waters of the State if the discharge reduces the quality of such waters below established water quality standards.

6. On November 30, 2022, an SSO event occurred at a Constructed Overflow on East 3rd and A Street. During the event, approximately 270,719 gallons untreated wastewater mixed with stormwater was discharged to the Columbia River. OAR 340-041-0009(3) prohibits the discharge of untreated sewage into the waters of the State. This is a Class I violation of ORS 468B.025(1)(b) which prohibits any person from discharging any wastes into the waters of the State if the discharge reduces the quality of such waters below established water quality standards.

7. DEQ and Permittee recognize that until new or modified Facilities are constructed and put into full operation, Permittee may continue to violate the permit effluent limitations listed in Paragraphs 2a. and 2b. at times and may discharge raw sewage to waters of the state

1 from a sanitary sewer overflow caused by the system being overwhelmed by stormwater.

2 8. DEQ and Permittee recognize that the Environmental Quality Commission has the
3 authority to impose a civil penalty and to issue an abatement order for violations of the Permit.
4 Therefore, pursuant to ORS 183.417(3), DEQ and Permittee settle the past violations referred to
5 in Paragraphs 3–6 by this Mutual Agreement and Order (MAO).

6 9. The U.S. Environmental Protection Agency appropriately delegated the federal
7 NPDES permitting program to DEQ, making DEQ the primary administrator and enforcer of
8 NPDES permits. This MAO furthers the goals of the NPDES permitting program by ensuring
9 progress towards compliance and is consistent with DEQ's goal of protecting human health and
10 the environment. However, DEQ and Permittee recognize that this MAO does not eliminate the
11 possibility of additional enforcement of Permit requirements by the U.S. Environmental
12 Protection Agency or citizens under the federal citizen suit provisions.

13 10. This MAO is not intended to limit, in any way, DEQ's right to proceed against
14 Permittee in any forum for any past or future violations not expressly settled herein.

15 II. FINAL ORDER

16 11. The Environmental Quality Commission hereby enters a final order:

17 A. Requiring Permittee to comply with the following conditions and corrective
18 action schedule:

19 Task	Due Date
20 1. <u>Wastewater System Planning, Permitting and Funding:</u>	
21 a. Complete and submit to DEQ for review an evaluation of 22 the storm water impacts from Conrad Forest Products.	January 31, 2023
23 2. <u>Collection System:</u>	
24 a. Complete additional field investigations and submit to 25 DEQ a report with maps showing the investigation	September 30, 2023

1	findings and proposed initial peak flow reduction projects.	
2	3. <u>Wastewater Treatment System:</u>	
3	a. Complete Initial Wastewater Treatment Plant Flow and	April 30, 2023
4	Load Capacity Evaluations and submit preliminary	
5	findings to DEQ for review.	
6	b. Interim Treatment Plant Improvements:	
7	i. Submit a proposed interim improvements plan and	September 30, 2023
8	schedule to DEQ for review and comment.	
9	ii. Revise the interim improvements plan and schedule	Within 30 days of the
10	consistent with DEQ's comments.	completion of DEQ's
11		review
12	iii. Complete interim improvements	September 30, 2024
13	4. <u>Wastewater Master Plan (Combined Collection and</u>	
14	<u>Treatment)</u>	
15	a. Complete and submit to DEQ for review and comment a	March 31, 2024
16	Wastewater Master Plan.	
17	b. Revise the Wastewater Master Plan consistent with	Within 30 days of the
18	DEQ's comments.	completion of DEQ's
19		review.
20	c. Obtain all necessary project approvals and funding	June 30, 2024
21	5. <u>Wastewater System Design and Construction</u>	
22	a. Complete design and obtain DEQ approval for Collection	June 30, 2025
23	System and WWTP projects.	
24	b. Complete construction of collection system and WWTP	June 30, 2027
25	upgrades.	
26		

1 B. Requiring Permittee to continue to meet the effluent limitations set forth in
2 the Permit; except at any point prior to June 30, 2027, when influent flow exceeds the Peak
3 Instantaneous Flow design capacity of the Facility (2.77 MGD) for a 1-hour period on any day,
4 Permittee must not exceed:

- 5 a. 45 mg/L TSS Daily Maximum when the 24-hour composite tests end
6 within 48 hours after a flow event of 2.77 MGD average for a 1-hour
7 period.
8 b. 30mg/L TSS Weekly Average for those weeks when one or more tests
9 ended within 48 hours after a flow event of 2.77 MGD average for a 1-
10 hour period.
11 c. 580 lb TSS/day when the 24-hour composite tests end during the next
12 48 hours.
13 d. 490 lb TSS/day Weekly Average for weeks when one or more tests
14 ended within 48 hours after a flow event of 2.77 MGD average for a 1-
15 hour period.

16 C. Requiring Permittee, upon receipt of a written Penalty Demand Notice from
17 DEQ, to pay the following civil penalties:

- 18 a. \$600 per day, per violation of the corrective action schedule set forth in
19 Paragraph 11.A.
20 b. For exceedance of the interim effluent limits in Paragraph 11.B.:
21 1. \$300 for any exceedance of 50% or more of the limit,
22 2. \$150 for any exceedance of 20% or more, but less than 50% of the
23 limit, and
24 3. \$50 for any exceedance of less than 20% of the limit.
25 c. \$2,400 per SSO event caused by the system being overwhelmed by
26 stormwater.

1 D. Requiring Permittee to pay a civil penalty of \$52,650 for the violations listed
2 in Paragraphs 3–6 above. The determination of the civil penalty is attached as Attachments A
3 and B.

4 a. In accordance with DEQ's Internal Management Directive on
5 Supplemental Environmental Projects (SEPs), DEQ agrees to mitigate the \$52,650 civil penalty
6 to \$10,530 and Respondent agrees to satisfactorily complete the approved SEP proposal as set
7 forth in Attachment C and incorporated by reference. Respondent agrees to refrain from using
8 the value of the SEP as a tax deduction or as part of a tax credit application; and, whenever
9 Respondent publicizes the SEP or the results of the SEP, Respondent will state in a prominent
10 manner that the project was undertaken as settlement of a DEQ enforcement action. Respondent
11 will be deemed to have completed the SEP when DEQ receives a Final SEP Report verifying that
12 the project, as described in the approved SEP, has been completed. The Final SEP Report must
13 include a detailed description of the project's expenses, copies of relevant receipts, an
14 explanation of measurable results, and a certification that the SEP is complete as described in the
15 report.

16 F. Requiring Respondent to submit the Final SEP Report by December 31,
17 2023, otherwise the remaining civil penalty (\$42,120) is due and owing to DEQ on December
18 31, 2023.

19 G. Requiring Respondent to pay the civil penalty set forth in Paragraph 11.D
20 above via check or money order payable to "Department of Environmental Quality" and sent to
21 the DEQ, Revenue Section, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232.

22 12. If any event occurs that is beyond Permittee's reasonable control and that causes or
23 may cause a delay or deviation in performance of the requirements of this MAO, Permittee shall
24 immediately notify DEQ verbally of the cause of delay or deviation and its anticipated duration,
25 the measures that have been or will be taken to prevent or minimize the delay or deviation, and
26 the timetable by which Permittee proposes to carry out such measures. Permittee shall confirm

1 in writing this information within five (5) working days of the onset of the event. It is Permittee's
2 responsibility in the written notification to demonstrate to DEQ's satisfaction that the delay or
3 deviation has been or will be caused by circumstances beyond the control of and despite the due
4 diligence of Permittee. If Permittee so demonstrates, DEQ shall extend times of performance of
5 related activities under this MAO as appropriate. Circumstances or events beyond Permittee's
6 control include, but are not limited to, acts of nature, unforeseen strikes, work stoppages, fires,
7 explosion, riot, sabotage, or war. Increased cost of performance or a consultant's failure to
8 provide timely reports are not considered circumstances beyond Permittee's control.

9 13. Any violation of the Permit effluent limits referenced in Paragraph 2 above that do
10 not exceed the interim limits established in Paragraph 11.B will be addressed per DEQ's
11 Enforcement Guidance Internal Management Directive in effect at the time of the violation.

12 14. Pursuant to OAR 340-012-0030(19) and OAR 340-012-0145(2), the violations cited
13 in Paragraphs 3–6 of this MAO, will be treated as prior significant actions in the event a future
14 violation occurs.

15 15. Permittee and DEQ hereby waive any and all of their rights to any and all notices,
16 hearing, judicial review, and to service of a copy of the final order herein. DEQ reserves the
17 right to enforce this order through appropriate administrative and judicial proceedings.

18 16. Regarding the schedule set forth in Paragraph 11.A., Permittee acknowledges that
19 Permittee is responsible for complying with that order regardless of the availability of any
20 federal or state grant monies.

21 17. The terms of this MAO may be amended by mutual agreement of DEQ and
22 Permittee.

23 18. DEQ may amend or terminate this MAO upon finding that such modification or
24 termination is necessary because of changed circumstances or to protect public health and the
25 environment. DEQ shall provide Permittee a minimum of thirty (30) days written notice prior to
26 issuing an order amending or terminating the MAO. If Permittee contests the order, the

1 applicable procedures for conduct of contested cases in such matters shall apply.

2 19. This MAO shall be binding on the parties and their respective successors, agents,
3 and assigns. The undersigned representative of each party certifies that he or she is fully
4 authorized to execute and bind such party to this MAO. No change in ownership or corporate or
5 partnership status relating to the facility shall in any way alter Permittee's obligations under this
6 MAO, unless otherwise approved in writing by DEQ.

7 20. All reports, notices and other communications required under or relating to this
8 MAO to Randall Bailey, DEQ Northwest Regional Office, 700 NE Multnomah Street, Suite 600,
9 Portland, Oregon 97232, phone number 503-229-5019, unless otherwise notified by DEQ. The
10 contact person for Permittee shall be Sue Lawrence, Public Works Director, City of Rainier, 106
11 West "B" Street, P.O. Box 100, Rainier, Oregon, 97048, phone number 503-556-7301.

12 21. Permittee acknowledges that it has actual notice of the contents and requirements of
13 this MAO and that failure to fulfill any of the requirements hereof will constitute a violation of
14 this MAO and subject Permittee to the payment of civil penalties pursuant to Paragraph 11.C.
15 above.

16 22. Any stipulated civil penalty imposed pursuant to Paragraph 11.C. shall be due upon
17 written demand. Stipulated civil penalties shall be paid by check or money order made payable to
18 the "Department of Environmental Quality" and sent to: Business Office, Department of
19 Environmental Quality, 700 NE Multnomah Street, Suite 600, Portland, Oregon 97232. Within
20 20 days of receipt of a "Demand for Payment of Stipulated Civil Penalty" Notice from DEQ,
21 Permittee may request a hearing to contest the Demand Notice. At any such hearing, the issue
22 shall be limited to Permittee's compliance or non-compliance with this MAO. The amount of
23 each stipulated civil penalty for each violation and/or day of violation is established in advance
24 by this MAO and shall not be a contestable issue.

25 23. This MAO shall terminate at the end of the day on the date the final compliance task
26 in Paragraph 11.A. above is to be completed. However, Permittee remains liable for stipulated

penalties for any violations of the MAO occurring during the period the MAO was in effect and demanded pursuant to Paragraph 11.C.

CITY OF RAINIER

Date

Jerry Cole, Mayor
City of Rainier

**DEPARTMENT OF ENVIRONMENTAL QUALITY
and ENVIRONMENTAL QUALITY COMMISSION**

Date

Kieran O'Donnell, Manager
Office of Compliance and Enforcement
on behalf of DEQ pursuant to OAR 340-012-0170
on behalf of the EQC pursuant to OAR 340-011-0505

ATTACHMENT A

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATIONS: Respondent violated ORS 468B.025(2) by the exceeding the TSS and BOD technology based effluent limits (TBELs) in its wastewater permit by 50% or more.

CLASSIFICATION: These are Class I violations pursuant to OAR 340-012-0055(1)(k)(A).

MAGNITUDE: The magnitude of the violation is minor pursuant to OAR 340-012-0135(2)(a)(C)(i) because Respondent's effluent was diluted by a factor of 10 or more by the receiving stream.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$750 for a Class I, minor magnitude violation in the matrix listed in OAR 340-012-0140(4)(b)(A)(iii) and applicable pursuant to OAR 340-012-0140(4)(a)(F)(i) because Respondent's facility has a permitted flow of less than two million gallons per day.

"P" is whether Respondent has any prior significant actions (PSAs), as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10 according to OAR 340-012-0145(2)(b) because Respondent has more than nine Class I equivalent violations stemming from Case Nos. WQ/M-NWR-2017-228 and WQ/M-NWR-2020-179.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) based on the following:

- On the following dates, Respondent's discharge exceeded the applicable TBEL:
 - October 28, 2021: daily maximum BOD loading (Class I violation)
 - October 2021: weekly average BOD loading (Class III violation)
 - October 2021: weekly average BOD concentration (Class II violation)
 - October 2021: monthly average TSS loading (Class I violation)
 - October 28, 2021: daily maximum TSS loading (Class I violation)
 - October 2021: monthly average TSS concentration (Class I violation)
 - October 2021: weekly average TSS loading (Class I violation)

- October 2021: weekly average TSS concentration (Class I violation)
 - October 2021: monthly average TSS removal (Class III violation)
 - November 2021: monthly average TSS concentration (Class II violation)
 - November 2021: weekly average TSS concentration (Class I violation)
 - December 20, 2021: daily maximum TSS loading (Class III violation)
 - December 2021: monthly average TSS concentration (Class II violation)
 - December 2021: weekly average TSS loading (Class III violation)
 - December 2021: weekly average TSS concentration (Class I violation)
 - January 2022: monthly average TSS loading (Class II violation)
 - January 4, 2022: daily maximum TSS loading (Class I violation)
 - January 2022: monthly average TSS concentration (Class I violation)
 - January 2022: monthly average TSS loading (Class I violation)
 - January 2022: weekly average TSS concentration (Class I violation)
 - March 2022: monthly average TSS loading (Class III violation)
 - March 2022: monthly average TSS concentration (Class I violation)
 - March 2, 2022: daily maximum TSS loading (Class I violation)
 - March 2022: weekly average TSS loading (Class II violation)
 - March 2022: weekly average TS concentration (Class I violation)
 - April 2022: daily maximum TSS loading (Class I violation)
 - April 2022: monthly average TSS concentration (Class I violation)
 - April 2022: monthly average TSS loading (Class II violation)
 - April 2022: weekly average TSS concentration (Class I violation)
 - April 2022: weekly average TSS loading (Class I violation)
- As set detailed above, Respondent experienced 30 total violations. DEQ is assessing a separate penalty only for the 19 Class I violations.
 - To arrive at “O”, DEQ divides the total number of violations by the number of violations penalized. Therefore, each assessed penalty represents 1.6 occurrences for an “O” factor value of 2.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. The TSS and BOD limits are express conditions of Respondent's permit. By failing to take necessary actions to comply with the limits, Respondent failed to exercise reasonable care to avoid the foreseeable risk a permit violation would occur.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 0 according to OAR 340-012-0145(6)(f) because the violation or the effects of the violation could not be corrected or minimized.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to “level the playing field” by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In

this case, “EB” receives a value of 0 according to OAR 340-012-0150(4) because there is insufficient information on which to make an estimate under the rule.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
 $= \$750 + [(0.1 \times \$750) \times (10+0+2+4+0)] + \0
 $= \$750 + [\$75 \times 16] + \$0$
 $= \$750 + \$1,200 + \$0$
 $= \$1,950$

ORS 468.140(2) states that each day of violation constitutes a separate occurrence of the offense. DEQ is assessing penalties only for the 19 Class I violations. The single occurrence violation penalty is therefore multiplied by 19 for a final civil penalty of \$37,050.

ATTACHMENT B

FINDINGS AND DETERMINATION OF RESPONDENT'S CIVIL PENALTY PURSUANT TO OREGON ADMINISTRATIVE RULE (OAR) 340-012-0045

VIOLATIONS: Respondent violated OAR 340-041-0009(3) and ORS 468B.025(1)(b) by discharging untreated sewage into the Columbia River.

CLASSIFICATION: This is a Class I violation pursuant to OAR 340-012-0055(1)(b).

MAGNITUDE: The magnitude of the violation is moderate pursuant to OAR 340-012-0130(1), as there is no selected magnitude specified in OAR 340-012-0135 applicable to this violation, and the information reasonably available to DEQ does not indicate a minor or major magnitude.

CIVIL PENALTY FORMULA: The formula for determining the amount of penalty of each violation is: $BP + [(0.1 \times BP) \times (P + H + O + M + C)] + EB$

"BP" is the base penalty, which is \$6,000 for a Class I, moderate magnitude violation in the matrix listed in OAR 340-012-0140(2)(b)(A)(ii) and applicable pursuant to OAR 340-012-0140(2)(a)(D).

"P" is whether Respondent has any prior significant actions (PSAs), as defined in OAR 340-012-0030(19), in the same media as the violation at issue that occurred at a facility owned or operated by the same Respondent, and receives a value of 10 according to OAR 340-012-0145(2)(b) because Respondent has more than nine Class I equivalent violations stemming from Case Nos. WQ/M-NWR-2017-228 and WQ/M-NWR-2020-179.

"H" is Respondent's history of correcting prior significant actions and receives a value of 0 according to OAR 340-012-0145(3)(c) because there is insufficient information on which to base a finding under paragraphs (3)(a) or (b).

"O" is whether the violation was repeated or ongoing, and receives a value of 2 according to OAR 340-012-0145(4)(b) because there were more than one but less than seven occurrences of the violation. Respondent experienced three SSO events.

"M" is the mental state of the Respondent and receives a value of 4 according to OAR 340-012-0145(5)(c) because Respondent's conduct was negligent. Respondent's permit expressly prohibits uncontrolled overflows where wastewater is likely to escape into a water of the state. By failing to take necessary actions to prevent the SSOs from occurring, Respondent failed to exercise reasonable care to avoid the foreseeable risk a violation would occur.

"C" is Respondent's efforts to correct or mitigate the violation and receives a value of 0 according to OAR 340-012-0145(6)(f) because the violation or the effects of the violation could not be corrected or minimized.

"EB" is the approximate dollar value of the benefit gained and the costs avoided or delayed as a result of the Respondent's noncompliance. It is designed to "level the playing field" by taking away any economic advantage the entity gained and to deter potential violators from deciding it is cheaper to violate and pay the penalty than to pay the costs of compliance. In this case, "EB" receives a value of 0 according to OAR 340-012-0150(4) because there is insufficient information on which to make an estimate under the rule.

PENALTY CALCULATION: $\text{Penalty} = \text{BP} + [(0.1 \times \text{BP}) \times (\text{P} + \text{H} + \text{O} + \text{M} + \text{C})] + \text{EB}$
= \$6,000 + $[(0.1 \times \$6,000) \times (10+0+2+4+0)] + \0
= \$6,000 + $[\$600 \times 16] + \0
= \$6,000 + \$9,600 + \$0
= \$15,600



Technical Memorandum

Prepared for: Sue Lawrence, Public Works Director
City of Rainier, Oregon

Project: Supplemental Environmental Project
West C Street Stormwater

Author: Rob Lee, PE, PMP
Leeway Engineering Solutions

Date: November 9, 2022

Subject: Budgetary Estimate

1 Introduction

The City of Rainier (City) has identified a potential project that could provide environmental and social benefits. Stormwater conveyance in the vicinity of W. C Street and Maple Drive has been an issue in the past, and this identified project could provide relief while also improving stormwater quality and beautification of the area.

The project would involve the design and construction of approximately 550' of new stormwater conveyance, a new green stormwater infrastructure (GSI) rain garden or bioswale, and stabilized outfall to Nice Creek. Figure 1 below shows the approximate project location.



Figure 1. Project Location

2 Project Budgetary Estimate

Leeway Engineering (Leeway) has developed the following budgetary estimate the following for the project.

Table 1. Project Estimated Cost

Item	Budgetary Cost
600 lineal feet of new 12-inch storm sewer	\$82,500
Bioswale	\$20,000
Construction Subtotal	\$102,500
Design and Administration (30%)	\$30,750
Contingency (20%)	\$20,500
Project Budgetary Estimate	\$153,750

Leeway estimates approximately one year is required from start of design to completion of construction.

Supplemental Environmental Project Application
Oregon Department of Compliance and Enforcement
700 NE Multnomah St., Suite 600
Portland, OR 97232

Case Name and No.: WQ-M-NWR-2022-044

Project Contact: Sue Lawrence
Public Works Director
City of Rainier
PO Box 100
Rainier, OR 97048
slawrence@cityofrainier.com

Type of Project: Separation of Storm and Sanitary Sewer with storm water – Reducing the amount and/or danger presented by some form of pollution, often by providing better treatment and disposal of the pollutant.

Type of Project Rationale: The project proposes to separate storm water from the sanitary sewer and install a green-streets type of stormwater facility that will reduce pollutants inherent to roadway generated runoff.

Who is conducting the project: The City of Rainier will be the project manager and will be hiring the design and construction.

Location where the project will take place:

The project will take place along West C Street within the City of Rainier, in this general area that could capture roadway runoff generated along W C St and Fern Hill and that would provide significant water quality treatment prior to discharge into Nice Creek. Currently, no water quality treatment exists for the roadway drainage. The proposed project location is advantageous in that it has the potential to utilize the City's existing stormwater infrastructure, utilizes downslope areas adjacent to the Creek that are within the City's Right-of-Way (ROW), and is public facing to provide additional community benefits and education.

General Project Location

Project description:

The project proposes to install a green-streets type stormwater facility along West C Street within the City's ROW. The facility would capture and treat roadway generated runoff from along West C Street that currently flows into the sanitary sewer and the drainage ditch into Nice Creek. Given supportive geotechnical findings, the facility will be a non-lined bioretention planter ("green street planter") which would also provide the benefits of infiltration in addition to water quality treatment (peak flow attenuation and volume reduction benefits). A non-lined facility would also minimize the complexities/costs associated with tie-in to existing stormwater infrastructure. Other similar design options are available if geotechnical findings do not support infiltrating practices. Optimizing the design

of the facility would utilize the knowledge/guidance from similar successful green-streets projects that have been constructed in the City of Portland; examples below from the City of Portland website.



Green Street Planter Examples

(images from City of Portland website; <https://www.portlandoregon.gov/bes/article/414873>)

What environmental benefits are expected?

The proposed project will provide multiple environmental benefits:

- Removal of stormwater from the sanitary sewer system
- Reduction of pollutants inherent to roadway generated stormwater runoff (engine oils, grease, rubber/tire wear, heavy metals, debris/garbage, etc.).
- Reduction of Total Suspended Solids (TSS) in stormwater discharged to Nice Creek.
- Reduction of runoff temperatures to Nice Creek.
- Habitat creation (through facility plantings and soil strata).
- Reduction of peak discharge flowrates and peak runoff volumes generated from the drainage area; reduction of erosive forces in Fox Creek during wet-weather.
- Potential for groundwater recharge (given approved infiltration facility).

Additionally, the project will also include such benefits as:

- Provide a public facing stormwater management/treatment facility; public engagement.
- Provide the community with a template and example for future stormwater retrofit projects.
- Continue to build upon previous community restoration efforts nearby and along Fox Creek.
- Increased roadway aesthetics with stormwater plantings.

How will you measure/assess the benefits?

The City will measure/assess the benefits of the project in multiple ways:

- Quantify the amount of impervious surface area that is provided treatment by the new facility.
- Provide estimates of the reduction of peak runoff flows and volumes.
- Document the condition and health of the stormwater plantings.

What is the total project cost?

The total project cost is \$150000

Project costs include: Estuary Partnership staff time (project coordination, stormwater facility design, construction inspections, facility as-built documentation, reimbursement for travel to/from site, etc.), permits, potential geotechnical services, potential surveying services, stormwater facility construction services, and construction materials and plantings.


What is the timeframe for the project (most projects are completed within one year)? Include milestones and final completion date:

The project is anticipated to be completed within one-year of the final approval of the SEP. We anticipate that the stormwater facility construction will occur in the spring/summer of 2022 when weather is conducive, while any applicable geotechnical/surveying/permitting and facility design to begin upon stakeholder consensus on specific project location. Assuming an award in AUG 2021, project milestones/schedule include:

- Design of storm system – March 2023
- Permitting (as applicable) – March 2023
- Site surveying (as applicable) – February 2023
- Geotechnical investigations and reporting (as applicable) – March 2023
- Preliminary stormwater facility design development – May 2023
- Facility construction – July/August 2023
- As-built facility documentation and final reporting – December 2023

Date: 11/16 2002

Signature:

 Public Works Director

BEFORE THE ENVIRONMENTAL QUALITY COMMISSION
OF THE STATE OF OREGON

IN THE MATTER OF:

CITY OF RAINIER

Permittee.

AMENDMENT NO. 1

MUTUAL AGREEMENT AND
ORDER NO. WQ-M-NWR-2022-044

WHEREAS:

1. On January 9, 2023, the Department of Environmental Quality (DEQ) and Permittee entered into Mutual Agreement and Order (MAO) No. WQ/M-NWR-2022-044.

2. Paragraph 17 of the MAO states that the MAO may be amended by mutual agreement of DEQ and the Permittee.

3. On November 17, 2023, the Permittee requested an extension of some of the deadlines established in the corrective action schedule set forth in Section II, Paragraph 11 of the MAO.

NOW THEREFORE, it is stipulated and agreed that MAO is amended as follows:

4. The corrective action schedule set forth in Section II, Paragraph 11.A. of the MAO is amended as follows:

Task	Due Date
<u>4. Wastewater Master Plan (Combined Collection and Treatment)</u>	
a. Complete and submit to DEQ for review and comment a Wastewater Master Plan.	August 31, 2024
b. Revise the Wastewater Master Plan consistent with DEQ's comments.	Within 30 days of the completion of DEQ's review.

c. Obtain all necessary project approvals and funding	November 31, 2024
5. Wastewater System Design and Construction	
a. Complete design and obtain DEQ approval for Collection System and WWTP projects.	September 30, 2025
b. Complete construction of collection system and WWTP upgrades.	June 30, 2027

5. The deadline to submit the Final SEP Report set forth in Section II, Paragraph 11.F. of the MAO is extended from December 31, 2023, to September 30, 2024.

CITY OF RAINIER (PERMITTEE)

11/8/24
Date


Jerry Cole, Mayor
City of Rainier

**DEPARTMENT OF ENVIRONMENTAL QUALITY
and ENVIRONMENTAL QUALITY COMMISSION**

**Kieran
O'Donnell**

Digitally signed by Kieran O'Donnell
DN: cn=Kieran O'Donnell, o=DEQ,
ou=OCE,
email=kieran.odonnell@deq.oregon.gov,
c=US
Date: 2024.01.09 15:30:19 -08'00'

1/9/2024
Date

Kieran O'Donnell, Manager
Office of Compliance and Enforcement
on behalf of DEQ pursuant to OAR 340-012-0170
on behalf of the EQC pursuant to OAR 340-011-0505

City Administrator Report
April 1, 2024 Rainier Council Meeting

Mayor Cole and Members of the Council,

On February 27, I met with representatives of the Department of Land Conservation and Development about the city's flood plain permitting process. I attended the organizational meeting of the library board's writing group two days later.

Along with Mayor Cole and Councilor Watson, I attended the March 4 ribbon cutting ceremony for the All About the Brisket food cart that recently opened. I participated in the Columbia County Jail Operating Citizens Advisory Committee meeting the following evening.

The governor's Regional Solutions team met with me at city hall March 7 and included representatives from several state agencies. We discussed paths forward and possible state assistance for the Fox Creek and Veterans Way projects.

I attended the March 8 library board meeting and spent part of March 11 onboarding interim public works director Russ Reigel. On March 12, I submitted a Supplemental Environmental Project proposal to the Department of Environmental Quality.

On March 13, Reigel, City Planner Skip Urling and I met with county officials to discuss the proposed Pacific Pride project in town.

The library board's St. Patrick's Day murder mystery took place March 16. I served as host and a good time was had by all.

Gustavo Guerrero Landros from Sen. Merkley's office stopped by City Hall on March 19 to talk about the city's priorities and challenges.

Lastly, I attended the March 20 Rainier Chamber of Commerce board meeting and met with Barry Verrill from KLTV the following day.

At Your Service,

W. Scott Jorgensen, Executive MPA
City Administrator