



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES
AGENDA

Columbia Gateway Urban Renewal Agency
City Council Chamber
313 Court Street, The Dalles, Oregon

Meeting Conducted in a Handicap Accessible Room

Monday, October 27, 2014
Immediately Following the City Council Meeting

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF AGENDA

IV. PRESENTATIONS

A. 2013-14 Audit Presentation

V. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for Agency Board consideration.

VI. APPROVAL OF MINUTES

A. Approval of October 13, 2014 Regular Meeting Minutes

VII. DISCUSSION ITEMS

A. Granada Block Redevelopment Update

VIII. ADJOURNMENT



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
COLUMBIA GATEWAY URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
October 27, 2014		

TO: Urban Renewal Board
FROM: Kate Mast, Finance Director
THRU: Nolan K. Young, City Manager *ny*
DATE: October 10, 2014

ISSUE: Presentation of FY 13/14 Audit by Merina & Company, LLC.

BACKGROUND: This presentation is scheduled to take place immediately after the presentation of the City’s audit report during the Council meeting.

The Auditor’s letter to the Board (AU-C 260) is attached to this report.

There were no findings during the audit of the Urban Renewal Books.

BUDGET IMPLICATIONS: None.

ALTERNATIVES:

- A. **Staff Recommendation:** *Move to accept the FY13/14 Audit as presented.*

October 8, 2014

To the Board of Directors
Columbia Gateway Urban Renewal Agency

We have audited the financial statements of the governmental activities and each major fund of Columbia Gateway Urban Renewal Agency, a component unit of the City of The Dalles, Oregon for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under general accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 15, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Columbia Gateway Urban Renewal Agency are described in Note I to the financial statements. As described in Note III.H to the financial statements, the Columbia Gateway Urban Renewal Agency implemented one new accounting pronouncement issued by the Governmental Accounting Standards Board (GASB). This pronouncement includes:

GASB Statement No. 65 Items Previously Reported as Assets and Liabilities

We noted no transactions entered into by Columbia Gateway Urban Renewal Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

There was one prior period adjustment that was included in the financial statements:

Bond Issuance Cost – Based on implementation of GASB Statement No. 65, the Agency restated the beginning net position for the Governmental Funds which states that bond issuance costs are current period costs. The beginning net position was reduced by \$145,740, the amount of the unamortized bond issuance costs reported on June 30, 2013.

Accounting estimates are an integral part of the 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 financial statements and because of the possibility that future events

affecting them may differ significantly from those expected. The most sensitive estimate affecting the Agency's financial statements was:

Management's estimate of the accumulated depreciation is based on historical cost or estimated historical cost if purchased or constructed and donated capital assets are recorded at estimated fair market value at the date of donation.

We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements were:

The disclosure of Capital Assets in Note III.D to the financial statements summarizes the changes in capital assets for the year ended June 30, 2014.

The disclosure of Long-Term Obligations in Note III.E to the financial statements summarizes the changes in long-term obligations, balances due, and amount due within one year as of June 30, 2014.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant 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 trivial, and communicate them to the appropriate level of management. No misstatements were noted during the 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 financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 8, 2014.

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 Columbia Gateway Urban Renewal Agency’s financial statements or a determination of the type of auditor’s 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 retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management’s discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit management’s discussion and analysis and do not express an opinion or provide any assurance on this information.

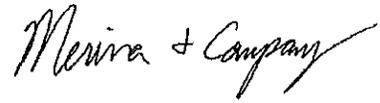
We were engaged to report on the supplementary information, which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the 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 financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

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

If you should have any questions or comments, we would be pleased to discuss this report with you at your convenience.

Very truly yours,

A handwritten signature in cursive script that reads "Merina & Company". The signature is written in black ink and is positioned above the printed name of the firm.

Merina & Company, LLP
Certified Public Accountants and Consultants

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
REGULAR MEETING
OF
OCTOBER 13, 2014

CITY COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Chair Steve Lawrence

AGENCY PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

AGENCY ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger, Administrative Fellow Daniel Hunter

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 7:23 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all members present.

APPROVAL OF AGENDA

It was moved by Miller and seconded by Wood to approve the agenda as presented. The motion carried unanimously.

AUDIENCE PARTICIPATION

None.

APPROVAL OF MINUTES

It was moved by Dick and seconded by Wood to approve the September 22, 2014 Agency meeting minutes, as presented. The motion carried unanimously.

ACTION ITEMS

Approval of Grant for UCC Congregational Church for Window Replacement Project

The staff report was reviewed by City Manager Young.

Chair Lawrence invited Eric Gleason to provide comments regarding the application.

Eric Gleason, 704 Case Street, The Dalles, said he had a passion for historic preservation and was strongly opposed to the application. He said he had a lot of knowledge regarding restoration of windows and believed the Church should develop a plan to restore the windows instead of replace them. Gleason said very little energy was lost from the windows and new windows would not be of the same high quality as the current ones. He said there was now a local contractor who could perform restoration and that each window should be evaluated individually to develop a restoration plan. Gleason said a new window would have a life of 20 to 40 years, so replacing the windows would have an overall higher cost than restoring the old windows.

Spatz noted that the Historic Landmarks Commission had approved the project.

Gleason said the Landmarks Commission had approved the project, though he had voted against it. He said the State Historic Preservation Office determined the replacement was allowed, but that it would be better to restore than replace the windows.

Dixie Parker, 2445 East 15th Street, The Dalles, said the Church Board had done extensive research before developing the project and that testimony had been presented at the Historic Landmarks Commission hearing as to the research done to prepare for the project.

Nikki Lesich, 1814 East 14th Street, the Dalles, said this was the second phase of the project and that the windows they proposed to install were the same as those approved for the Commodore II Building, also a historic building.

Joe Howell, Gorge Glass, 616 East Third Street, The Dalles said the quality of the windows was very high and energy efficient. He said they would last for a long time.

Ms. Lesich said the Church had asked the PUD to conduct an energy audit, which showed that energy was being lost from the windows and it was recommended they be replaced.

In response to a question, it was noted that many other groups use the Church for community activities, such as Alcoholics Anonymous, Boy Scouts, Habitat for Humanity, Start Smart, AFS, and the Sister City Association.

Dixie Parker noted that Mr. Gleason mentioned funding of the project, but that was never a criteria for approval by Historic Landmarks Commission. She said it was inappropriate to mention and was irrelevant to the approval.

Agency member Miller said the Advisory Committee had suggested the church put a little more of their own funds toward the project. Ms. Lesich said they had contributed an additional \$2,000 toward the project.

It was moved by McGlothlin and seconded by Spatz to approve a \$43,000.00 Urban Renewal Property Rehabilitation Grant to United Church of Christ Congregational to be used for replacing 40 windows in the building located at 111 East Fifth Street, as requested by the applicant. The motion carried unanimously.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:53 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Chair

ATTEST:

Julie Krueger, MMC, City Clerk