

City of Brookings

MEETING AGENDA

CITY COUNCIL

Monday, April 28, 2025, 7:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

A. Call to Order

B. Pledge of Allegiance

C. Roll Call

D. Communications from the audience

(*Public Comments on non-agenda items – five (5) minute limit per person, please submit Public Comment Form in advance)

E. Consent Calendar

1. Approve Council minutes for April 14, 2025 [Pg. 1]
2. Receive monthly financial report for March 2025 [Pg. 3]

F. Staff Reports/Public Hearings/Ordinances/Resolutions/Final Orders

1. Independent Audit Services Contract [Pg. 9]
 - a. Proposal – KDP Certified Public Accountants, LLP [Pg. 11]
 - b. Proposal – Moss Adams LLP [Pg. 23]
 - c. Proposal – Sensiba [Pg. 40]
2. Adoption of an updated Master Fee Schedule [Pg. 75]
 - a. Resolution 25-R-1273 [Pg. 76]
 - b. Master Fee Schedule with proposed 2025 revisions [Pg. 77]
3. Annual Yard of the Month Program [Pg. 82]

G. Remarks from Mayor, Councilors and City Manager

H. Adjournment

URBAN RENEWAL AGENCY

A. Call to Order

B. Roll Call

C. Consent Calendar

1. Approve Urban Renewal meeting Minutes for December 9, 2024 [Pg. 83]

D. Staff Reports

1. Independent Audit Services Contract [Pg. 84]
 - a. Proposal – KDP Certified Public Accountants, LLP [Pg. 11]
 - b. Proposal – Moss Adams LLP [Pg. 23]
 - c. Proposal – Sensiba [Pg. 40]

E. Agency Remarks

F. Adjournment

*Public Comment forms and the agenda packet are available on-line at www.brookings.or.us, and at Brookings City Hall. Return completed Public Comment forms to the City Recorder before the start of the meeting or during regular business hours. All public meetings are held in accessible locations. Auxiliary aids will be provided upon request with at least 72 hours advance notification. Please contact 541-469-1102 if you have any questions regarding this notice. You can view City Council meetings LIVE on television on Charter PEG Channel 181, or stream/view on the City's YouTube Channel: <https://www.youtube.com/@cityofbrookingsoregon8039> clicking on "Live" or search 'City of Brookings Oregon YouTube' in your browser.

City of Brookings
CITY COUNCIL MEETING MINUTES
City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, April 14, 2025

Call to Order

Mayor Isaac Hodges called the meeting to order at 7:05 PM

Roll Call

Council Present: Mayor Isaac Hodges, Councilors Andy Martin, Kristi Fulton, Clayton Malmberg and Phoebe Pereda; a quorum present

Staff present: City Manager Tim Rundel, Public Works and Development Services Director Tony Baron and City Recorder Brooklyn Osterhage

Media Present: None

Others Present: approximately 10 audience members

Oral Requests and Communications from the Audience

1. Neal Rydall, 96440 Shorewood Terrace – addressed Council on the street conditions of Shorewood Terrace and property owners' property value.
2. Amanda Whittemore, 1033 Chetco Avenue – inquired about the requirements of a City Business License and of her concern for nuisance wildlife in the County.
3. Victoria Victor, 96428 Shorewood Terrace – addressed Council on the street conditions of Shorewood Terrace and property owners' property value.
4. Don Bemis & Debra Salzman, 99396 Braynard Lane – invited the public to volunteer. Presented Mayor Isaac Hodges with a Certification of Appreciation on behalf of Wreaths Across America.

Consent Calendar

1. Approve Council minutes for March 24, 2025
2. Accept Planning Commission minutes for March 4, 2025

Councilor Pereda moved and Councilor Malmberg seconded to approve the Consent Calendar as presented. Motion passed; Councilors Martin, Fulton, Malmberg, Pereda and Mayor Hodges voting "aye" [5:0].

Staff Reports and Public Hearings

1. Vacant Building Registration Ordinance

Staff Report provided by Tony Baron

Councilor Pereda moved and Councilor Malmberg seconded to read Ordinance 25-O-817 the first time by title only. Motion passed; Councilors Martin, Fulton, Malmberg, Pereda and Mayor Hodges voting "aye" [5:0].

Councilor Pereda moved and Councilor Malmberg seconded to read Ordinance 25-O-817 the second time by title only. Motion passed; Councilors Martin, Fulton, Malmberg, Pereda and Mayor Hodges voting "aye" [5:0].

Councilor Pereda moved and Councilor Malmberg seconded to adopt Ordinance 25-O-817. Motion passed; Councilors Fulton, Malmberg, Pereda and Mayor Hodges voting "aye", and Councilor Martin voting "nay" [4:1].

2. Wastewater Treatment Plant Generator Replacement

Staff Report provided by Tony Baron

Councilor Martin moved and Mayor Hodges seconded to authorize City Manager to execute an agreement with Rehlko in the amount of \$92,444 for the replacement of an emergency power generator at the City's Wastewater Treatment Plant. Motion passed; Councilors Martin, Fulton, Malmberg, Pereda and Mayor Hodges voting "aye" [5:0].

Adjournment

Mayor Isaac Hodges adjourned the meeting at 7:59 PM.

Respectfully submitted:

ATTESTED:

this 28th day of April, 2025:

Isaac Hodges, Mayor

Brooklyn Osterhage, City Recorder

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	4,410,740.00	227,684.35	4,079,817.74	330,922.26	92.5
LICENSES AND PERMITS	307,000.00	61,450.25	270,776.88	36,223.12	88.2
INTERGOVERNMENTAL	298,500.00	7,209.41	119,944.84	178,555.16	40.2
CHARGES FOR SERVICES	1,058,500.00	19,034.40	280,901.90	777,598.10	26.5
OTHER REVENUE	140,500.00	97,067.48	300,408.75	(159,908.75)	213.8
TRANSFERS IN	732,236.00	.00	732,236.00	.00	100.0
	6,947,476.00	412,445.89	5,784,086.11	1,163,389.89	83.3
<u>EXPENDITURES</u>					
JUDICIAL:					
PERSONAL SERVICES	38,866.00	3,982.56	34,311.95	4,554.05	88.3
MATERIAL AND SERVICES	12,850.00	357.44	3,957.24	8,892.76	30.8
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	51,716.00	4,340.00	38,269.19	13,446.81	74.0
FINANCE AND ADMINISTRATION:					
PERSONAL SERVICES	453,018.00	35,591.30	305,381.23	147,636.77	67.4
MATERIAL AND SERVICES	241,300.00	5,040.83	117,522.36	123,777.64	48.7
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	694,318.00	40,632.13	422,903.59	271,414.41	60.9
POLICE:					
PERSONAL SERVICES	3,642,146.00	299,226.39	2,700,364.00	941,782.00	74.1
MATERIAL AND SERVICES	244,000.00	16,510.01	191,327.32	52,672.68	78.4
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	99,496.00	.00	.00	99,496.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	3,985,642.00	315,736.40	2,891,691.32	1,093,950.68	72.6
FIRE:					
PERSONAL SERVICES	266,529.00	16,511.94	178,585.20	87,943.80	67.0
MATERIAL AND SERVICES	109,500.00	4,720.79	98,085.87	11,414.13	89.6
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	29,990.00	.00	29,678.72	311.28	99.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	406,019.00	21,232.73	306,349.79	99,669.21	75.5

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

GENERAL FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
PLANNING AND BUILDING:					
PERSONAL SERVICES	284,123.00	22,615.15	194,474.10	89,648.90	68.5
MATERIAL AND SERVICES	94,600.00	1,113.13	16,566.82	78,033.18	17.5
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	378,723.00	23,728.28	211,040.92	167,682.08	55.7
PARKS & RECREATION:					
PERSONAL SERVICES	319,181.00	27,189.67	228,408.52	90,772.48	71.6
MATERIAL AND SERVICES	143,500.00	15,771.11	89,151.98	54,348.02	62.1
CAPITAL OUTLAY	.00	.00	.00	.00	.0
DEBT SERVICE	9,981.00	.00	9,980.00	1.00	100.0
TRANSFERS OUT	.00	.00	.00	.00	.0
	472,662.00	42,960.78	327,540.50	145,121.50	69.3
GOLF COURSE:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	900,000.00	.00	.00	900,000.00	.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	900,000.00	.00	.00	900,000.00	.0
SWIMMING POOL:					
PERSONAL SERVICES	.00	.00	.02	.02	.0
MATERIAL AND SERVICES	90,500.00	113.52	41,744.68	48,755.32	46.1
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	90,500.00	113.52	41,744.70	48,755.30	46.1
NON-DEPARTMENTAL:					
MATERIAL AND SERVICES	169,300.00	12,593.24	91,442.22	77,857.78	54.0
CAPITAL OUTLAY	.00	.00	.00	.00	.0
TRANSFERS OUT	624,000.00	.00	624,000.00	.00	100.0
CONTINGENCIES AND RESERVES	774,596.00	.00	.00	774,596.00	.0
	1,567,896.00	12,593.24	715,442.22	852,453.78	45.6
	8,547,476.00	461,337.08	4,954,982.23	3,592,493.77	58.0
	(1,600,000.00)	(48,891.19)	829,103.88	(2,429,103.88)	51.8

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

STREET FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
INTERGOVERNMENTAL	525,000.00	47,278.37	383,806.72	141,193.28	73.1
OTHER REVENUE	22,000.00	100.00	14,043.14	7,956.86	63.8
TRANSFER IN	100,000.00	.00	100,000.00	.00	100.0
	<u>647,000.00</u>	<u>47,378.37</u>	<u>497,849.86</u>	<u>149,150.14</u>	<u>77.0</u>
<u>EXPENDITURES</u>					
EXPENDITURES:					
PERSONAL SERVICES	261,092.00	21,078.41	184,722.43	76,369.57	70.8
MATERIAL AND SERVICES	326,700.00	21,487.00	169,100.24	157,599.76	51.8
CAPITAL OUTLAY	15,000.00	.00	438.75	14,561.25	2.9
DEBT SERVICE	1,073.00	.00	1,068.02	4.98	99.5
TRANSFERS OUT	243,809.00	.00	243,809.00	.00	100.0
CONTINGENCIES AND RESERVES	144,326.00	.00	.00	144,326.00	.0
	<u>992,000.00</u>	<u>42,565.41</u>	<u>599,138.44</u>	<u>392,861.56</u>	<u>60.4</u>
	<u>992,000.00</u>	<u>42,565.41</u>	<u>599,138.44</u>	<u>392,861.56</u>	<u>60.4</u>
	<u>(345,000.00)</u>	<u>4,812.96</u>	<u>(101,288.58)</u>	<u>(243,711.42)</u>	<u>(29.4)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

WATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	.00	.00	.00	.00	.0
CHARGES FOR SERVICES	2,025,000.00	168,928.25	1,583,551.17	441,448.83	78.2
OTHER INCOME	60,000.00	12,171.95	74,639.71	(14,639.71)	124.4
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>2,085,000.00</u>	<u>181,100.20</u>	<u>1,658,190.88</u>	<u>426,809.12</u>	<u>79.5</u>
<u>EXPENDITURES</u>					
WATER DISTRIBUTION:					
PERSONAL SERVICES	451,449.00	37,074.74	335,372.33	116,076.67	74.3
MATERIAL AND SERVICES	183,600.00	15,430.48	155,730.29	27,869.71	84.8
CAPITAL OUTLAY	50,000.00	322.50	44,029.12	5,970.88	88.1
DEBT SERVICE	22,434.00	1,780.00	17,088.02	5,345.98	76.2
TRANSFERS OUT	35,000.00	.00	35,000.00	.00	100.0
	<u>742,483.00</u>	<u>54,607.72</u>	<u>587,219.76</u>	<u>155,263.24</u>	<u>79.1</u>
WATER TREATMENT:					
PERSONAL SERVICES	37,757.00	2,961.11	22,924.32	14,832.68	60.7
MATERIAL AND SERVICES	613,523.00	47,058.17	416,229.99	197,293.01	67.8
CAPITAL OUTLAY	10,000.00	.00	.00	10,000.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	757,257.00	.00	757,257.00	.00	100.0
CONTINGENCIES AND RESERVES	173,980.00	.00	.00	173,980.00	.0
	<u>1,592,517.00</u>	<u>50,019.28</u>	<u>1,196,411.31</u>	<u>396,105.69</u>	<u>75.1</u>
DEPARTMENT 24:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>2,335,000.00</u>	<u>104,627.00</u>	<u>1,783,631.07</u>	<u>551,368.93</u>	<u>76.4</u>
	<u>(250,000.00)</u>	<u>76,473.20</u>	<u>(125,440.19)</u>	<u>(124,559.81)</u>	<u>(50.2)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

WASTEWATER FUND

	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
SOURCE 03	(4,500.00)	.00	.00	(4,500.00)	.0
CHARGES FOR SERVICES	3,650,300.00	279,694.29	2,700,020.56	950,279.44	74.0
OTHER REVENUE	25,000.00	.00	87,299.46	(62,299.46)	349.2
TRANSFER IN	.00	.00	.00	.00	.0
	<u>3,670,800.00</u>	<u>279,694.29</u>	<u>2,787,320.02</u>	<u>883,479.98</u>	<u>75.9</u>
<u>EXPENDITURES</u>					
WASTEWATER COLLECTION:					
PERSONAL SERVICES	682,000.00	55,122.82	492,487.37	189,512.63	72.2
MATERIAL AND SERVICES	395,800.00	18,994.70	129,782.22	266,017.78	32.8
CAPITAL OUTLAY	15,000.00	.00	630.85	14,369.15	4.2
DEBT SERVICE	22,434.00	1,780.00	17,087.44	5,346.56	76.2
TRANSFERS OUT	264,204.00	.00	264,204.00	.00	100.0
	<u>1,379,438.00</u>	<u>75,897.52</u>	<u>904,191.88</u>	<u>475,246.12</u>	<u>65.6</u>
WASTEWATER TREATMENT:					
PERSONAL SERVICES	51,243.00	3,956.56	31,342.36	19,900.64	61.2
MATERIAL AND SERVICES	1,294,047.00	92,882.38	821,700.15	472,346.85	63.5
CAPITAL OUTLAY	15,000.00	.00	7,531.77	7,468.23	50.2
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	1,382,517.00	.00	1,382,517.00	.00	100.0
CONTINGENCIES AND RESERVES	393,055.00	.00	.00	393,055.00	.0
	<u>3,135,862.00</u>	<u>96,838.94</u>	<u>2,243,091.28</u>	<u>892,770.72</u>	<u>71.5</u>
	<u>4,515,300.00</u>	<u>172,736.46</u>	<u>3,147,283.16</u>	<u>1,368,016.84</u>	<u>69.7</u>
	<u>(844,500.00)</u>	<u>106,957.83</u>	<u>(359,963.14)</u>	<u>(484,536.86)</u>	<u>(42.6)</u>

CITY OF BROOKINGS
FUND SUMMARY
FOR THE 9 MONTHS ENDING MARCH 31, 2025

URBAN RENEWAL AGENCY FUND

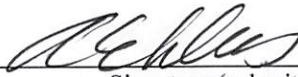
	BUDGET	PERIOD ACTUAL	YTD ACTUAL	REMAINING BUDGET	PCNT
<u>REVENUE</u>					
TAXES	781,400.00	31,699.99	786,642.52	(5,242.52)	100.7
INTERGOVERNMENTAL	.00	.00	.00	.00	.0
OTHER REVENUE	25,000.00	.00	53,136.12	(28,136.12)	212.5
TRANSFERS IN	.00	.00	.00	.00	.0
	<u>806,400.00</u>	<u>31,699.99</u>	<u>839,778.64</u>	<u>(33,378.64)</u>	<u>104.1</u>
<u>EXPENDITURES</u>					
GENERAL:					
PERSONAL SERVICES	.00	.00	.00	.00	.0
MATERIAL AND SERVICES	185,256.00	.00	12,046.16	173,209.84	6.5
CAPITAL OUTLAY	2,021,144.00	.00	54,821.93	1,966,322.07	2.7
DEBT SERVICE	.00	.00	.00	.00	.0
TRANSFERS OUT	.00	.00	.00	.00	.0
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>2,206,400.00</u>	<u>.00</u>	<u>66,868.09</u>	<u>2,139,531.91</u>	<u>3.0</u>
DEPARTMENT 20:					
CAPITAL OUTLAY	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 22:					
MATERIAL AND SERVICES	.00	.00	.00	.00	.0
DEBT SERVICE	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
DEPARTMENT 24:					
CONTINGENCIES AND RESERVES	.00	.00	.00	.00	.0
	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.00</u>	<u>.0</u>
	<u>2,206,400.00</u>	<u>.00</u>	<u>66,868.09</u>	<u>2,139,531.91</u>	<u>3.0</u>
	<u>(1,400,000.00)</u>	<u>31,699.99</u>	<u>772,910.55</u>	<u>(2,172,910.55)</u>	<u>55.2</u>

CITY OF BROOKINGS

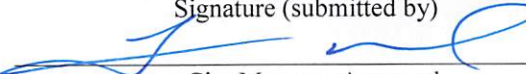
COUNCIL AGENDA REPORT

Meeting Date: April 28, 2025

Originating Dept: Finance & HR



Signature (submitted by)



City Manager Approval

Subject:

Independent Audit Services Contract

Recommended Motion:

Accept the audit services proposal from Sensiba LLP and authorize the City Manager to execute a three year contract.

Financial Impact:

Selecting Sensiba LLP is projected to save the City approximately \$22,255 over three years compared to the proposal from the current auditor, Moss Adams LLP. The proposed costs for Years 2 and 3 are subject to annual adjustments based on the Consumer Price Index (CPI). For reference, the total cost of the FY 2023–24 audit was \$59,015, which included \$49,965 for the City audit and \$9,050 for the Urban Renewal Agency.

Background/Discussion:

The City issued a Request for Proposals (RFP) for independent audit services, distributing the solicitation to 51 firms listed on the Oregon Municipal Auditor Roster. In response, the City received three proposals. The Finance & Human Resources Director conducted a thorough review of each submission, including reference checks.

All three responding firms are highly qualified, with extensive experience in municipal auditing, and each submitted competitive proposals. Key cost variables include the preparation of Financial Statements, the requirement for a Single Audit (triggered by the City's USDA funding and other federal funds), and the level of Urban Renewal Agency (URA) expenditures. Due to the USDA funding, Single Audits will be required for the next three fiscal years, and associated costs are included in the totals below.

While KDP & Co., LLC submitted a proposal, they did not provide a cost estimate for travel related costs which would be additional.

The proposed costs for the three-year contract period are as follows:

City of Brookings

	Year 1	Year 2	Year 3	Total
Moss Adams LLP	58,200	59,946	61,744	\$ 179,890
Sensiba LLP	54,500	56,135	57,819	\$ 168,454
KDP & Co LLC	49,100	50,600	49,400	\$ 149,100

Urban Renewal Agency

	Year 1	Year 2	Year 3	Total
Moss Adams LLP	9,300	9,579	9,866	\$ 28,745
Sensiba LLP	5,800	5,974	6,153	\$ 17,927
KDP & Co LLC	12,000	12,500	13,000	\$ 37,500

3 Year Totals City and URA

Moss Adams LLP	\$ 208,635
Sensiba LLP	\$ 186,381
KDP & Co LLC	\$ 186,600

Attachment(s):

- a. Proposal – KDP Certified Public Accountants, LLP
- b. Proposal – Moss Adams LLP
- c. Proposal – Sensiba

RECEIVED

MAR 28 2025

CITY OF BROOKINGS

CITY OF BROOKINGS

**PROPOSAL FOR PROFESSIONAL
SERVICES**

**KDP Certified Public Accountants, LLP
841 O'Hare Parkway, STE 200
Medford, Oregon 97504**

**Contacts: Ben Cohn, Engagement Leader
Don Ewalt, Partner**

**Phone: (541) 773-6633
Fax: (541) 773-1965**

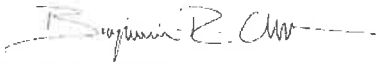
March 27, 2025



the audits and management report to the City Council. Additionally, we will provide the City with bound copies and electronic copies of the finalized financial statements audited.

The City will be a very important client to our firm. We trust this proposal expresses our enthusiasm and desire to build a trusting relationship and look forward to discussing it with you in more detail in the near future. In the interim, please call Ben Cohn or Don Ewalt with any questions you may have.

Sincerely,



Ben Cohn, CPA
Director & Engagement Leader
bcohn@kdpadvisors.com
541.773.6633



Don Ewalt, CPA
Partner
dewalt@kdpadvisors.com
541.773.6633

FIRM INFORMATION

Demographics

We are headquartered in Medford, Oregon at 841 O'Hare Parkway, Suite 200. Additionally, we have offices located in Bend, Oregon, and Boise, Idaho. The proximity of these offices has allowed us to serve a variety of clients, both locally and throughout the country.

Our mission at KDP is to create trusting relationships. We begin this relationship building by providing a level of service that is difficult to match. Our firm has thrived as a result of a commitment to 1) **Client Service** and 2) **Professional Competence**. We take our role and the technical aspects of our profession very seriously. We invest in training and technology in order to ensure we maintain our loyal client base. The firm currently has approximately 30 team members who specifically work on governmental entities, including nine municipal licensed auditors and 12 CPAs.

Our Team to Serve the Organization

Our firm has the professional environment and resources needed to attract and retain top professionals. Our talent pool allows us to serve our clients with flexible staffing models and to address a wide spectrum of requirements.

The quality of your assurance services aligns directly with the knowledge and accessibility of your team. We have assembled a high-quality team specifically to address your needs. In constructing our team, we have developed a combination of professional backgrounds to ensure comprehensive service.

Ben Cohn, CPA, (Director & Engagement Leader) will be the central communication point for the City Council, and management, and will be deeply involved throughout all phases of the audit process. In his role as Engagement Lead, he will direct the team, supervise work, and coordinate assistance and involvement of our firm's resources. Ben will be available during on-site fieldwork to assist the team with technical issues that may arise during the audit, making certain that such issues are resolved in a timely manner. Additionally, Ben is a municipal auditor, license # 1648.

Ben will work closely with **Don Ewalt, CPA** (Quality Review Partner). Don has significant experience in public accounting, is a licensed municipal auditor, license # 1636, and has been involved in municipal audits for many years.

Nicole Truitt, CPA, (Senior Manager) will serve as the onsite manager. Nicole is a licensed municipal auditor, license # 1691, and has many years of experience auditing similar entities. As the onsite manager, Nicole will oversee all day-to-day audit activities.

Sophia Otiker (Senior Associate) will serve as the senior for the City. As a senior, Sophia will also be onsite for fieldwork and will work to complete procedures.

The City will benefit from the combined insight of the team based upon their significant experience, which includes many similar entities. This joint approach increases the timeliness of our report sign-offs, increases flexibility, and provides a higher quality audit.

Our Focus on Team Continuity

We maintain staffing continuity on engagements because we involve multiple leaders on each engagement, maintaining the flexibility to rotate the lead and reviewing partners as seen fit. We do this to ensure continuity and to mitigate counterproductive disruptions in service.

Continuity translates into cost-effectiveness, efficiency, and wealth of historical knowledge and a sense of ownership through long-term commitment. All of the individuals selected to serve the City have been selected because of the alignment of their experience with the City's needs. We do not anticipate any turnover in the near future with the staff selected for your engagement.

OUR AUDIT APPROACH

How We're Different

Contrary to popular belief, all audits are not created equal. Some business professionals may assume that audit methodology is not a significant factor in selecting auditors. Generally Accepted Auditing Standards (GAAS) does not mean that all accounting firms perform an audit in the same way. In truth, GAAS is a standard, not a methodology. Audit methodologies differ, and at KDP our methodology is designed specifically for each client.

Our firm has the professional environment and resources needed to attract and retain top professionals. Our talent pool allows us to serve our clients with flexible staffing models and to address a wide spectrum of requirements. In addition, we use a variety of software products to perform our engagements. In addition to using some of the more familiar, commercially available software programs for spreadsheets and word processing, our firm has a number of tools and technologies that will help us to deliver quality service to the City. Our audit workpapers are entirely software-based to ensure security of your confidential information.

Effective and open communication is a fundamental component of our audit relationships. We utilize a team approach with a focus on client objectives. We have a team of experienced auditors that research technical accounting and audit issues and communicate those issues with you in order to collaborate on appropriate solutions. Our approach to interactions with the Council and management is based on the co-development of transparent, honest, and proactive communication protocols designed to avoid surprises. We recognize that a three-party approach works best in regard to communication - effective communication among the Council, management and our firm. As a rule, our communications with the Council focus on areas of significance resulting from the audit and/or other matters we deem worthy of their attention. Day-to-day operational issues are addressed with management as they arise, including proposed audit adjustments, recommendations, and noted strengths and weaknesses in internal controls, accounting systems, and compliance. The City's staff will be utilized as necessary during fieldwork to obtain necessary documents and information.

Audit Methodology

Our audit approach is designed to address your short-term needs while never losing sight of your long-term objectives. Fundamental to our approach is the belief that assurance and insight come through shared vision. Our methodology goes beyond the traditional role of assurance to encompass business issues that affect your financial and operational performance.

We structure an audit that reflects your business risks, considers industry trends and challenges, and generates value-producing ideas for your management team. Our firm has transformed our audit methodology into a process of continual innovation, focusing on ideas and values that will help you succeed. By combining our understanding of your objectives and our industry experience, we will continue to develop a relationship in which we are contributing valuable advice to the City.

Our audits are performed using a risk-based approach. We walk through all routine, non-routine, and estimation processes to gain an understanding of the flow of transactions. Additionally, we identify and, where efficient, test controls for routine data processes. Based on the results of our testing, the ability to rely on controls allows us to reduce our substantive procedures related to processes with effective controls. Using the most efficient mix of controls testing and substantive procedures helps us to reduce hours required by our staff as well as the City's staff and contain costs.

In addition, we work to leverage the resources that exist within the City. This teaming enables us to eliminate unnecessary duplication of effort, increase audit quality and further increase the cost-effectiveness of our relationship. We consistently provide constructive suggestions to our clients during and after fieldwork regarding audit progress, best practices with internal controls, reporting, and other areas of significance, including holding an exit interview with management to discuss relevant and material items.

FEE PROPOSAL

Audit Fees

We approach our professional fees with a focus on confirming that we can provide high quality service under a fair and equitable arrangement. We aim to craft a fee relationship that is mutually beneficial, allowing us to devote the quantity and quality of talented people to deliver the required level of service.

We do not offer pricing that is **knowingly low** to secure the engagement, only to require numerous additional "out-of-scope" billings and poor service as the audit work unfolds. As a result, we often have

proposal fees higher than some of our competitor's fees, yet we believe the final amount paid is often lower and the service received is greater. We want to maintain an open, honest relationship with you, and part of this begins with establishing a realistic fee arrangement.

We aim to help you derive as much value as possible from our services, and we are able to demonstrate that commitment through frank fee discussion. *We don't want fees to be an issue and would be happy to discuss our estimates further should you have any questions.* With that in mind, our proposed fees are as follows:

Position	Hourly Rate	Estimated Total Hours	Professional Fees
Quality Review Partner	\$ 450	6	\$ 2,700
Engagement Leader	370	25	9,250
Senior Manager	330	33	10,890
Senior	210	61	12,810
Associate	180	181	32,580
Fees, unadjusted			\$ 68,230
Service discount (Roughly 30%)			(21,730)
Proposed 2025 Audit Fees			\$ 46,500
Breakdown of Proposed 2025 Audit Fee			
Audit base fee			\$ 33,500
**Financial statement preparation & disclosure checklist			5,000
Single audit			8,000
Total Proposed 2025 Audit Fees			\$ 46,500
<i>**Elective - may be performed by city staff (fees will not apply)</i>			

Estimated Future Audit Fees		
	2026	2027
Audit base fee	\$ 34,800	\$ 36,000
Estimated financial statement preparation & disclosure checklist	5,500	6,200
Single audit	8,000	8,000
Estimated Audit Fees	\$ 48,300	\$ 50,200

ENGAGEMENT TEAM



Ben Cohn, CPA

Director
Governmental and Non-Profit
Assurance & Associated Advisory

Ben was born in Singapore and raised internationally until he attended college at the University of California, San Diego, where he earned a bachelor's degree in economics. He then attended SOU to attain his post-baccalaureate certificate in Public Accounting.

Ben began his accounting career at KDP in January 2016 as an intern in both the tax and audit departments where he provided a variety of tax and accounting services. In the summer of 2016, he graduated from SOU and accepted a full-time offer with KDP as an audit associate. Ben was licensed as a Certified Public Accountant by the Oregon Board of Accountancy in 2019.

Managing an array of clients, Ben has gained a wealth of knowledge across multiple industries. He has been involved in every aspect of the audit and assurance practice, refining his skillset to include GAAP compliant financial reporting, effective audit procedures, and client relationships. Also involved with many associated advisory projects, he is able to provide a fresh perspective regarding internal policies and procedures.

Ben currently manages the engagements of many of KDP's clients, always building on his experience and ability to add value during the audit process.

Municipal license #1648



Nicole Truitt, CPA

Senior Manager
Governmental and Non-Profit
Assurance & Associated Advisory

Nicole Truitt earned an M.S. in Accounting and B.A in Accounting and Finance from Eastern Michigan University. Prior to joining KDP, she served a variety of public sector organizations for several years and worked in the commercial real estate industry for five years as a property accountant, preparing financial statements and other reports required by management.

Nicole joined the governmental and non-profit assurance team at KDP in 2022 and quickly demonstrated her knack for managing fieldwork, reviewing financial statements, and advising clients on how the latest technical standards affect their organization and ways to prepare for implementation. She is equally talented in understanding the day to day details faced by an organization as well as being able to step back and assess the bigger picture. Nicole is a licensed CPA in the states of Michigan and Oregon.

Municipal license #1691



THE RBH GROUP LLC
CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

To the Partners of
KDP Certified Public Accountants, LLP
and the Peer Review Committee of the Oregon Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of KDP Certified Public Accountants, LLP (the firm) in effect for the year ended May 31, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; and an examination of a service organization (SOC 2® engagement).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of KDP Certified Public Accountants, LLP in effect for the year ended May 31, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. KDP Certified Public Accountants, LLP has received a peer review rating of *pass*.

The RBH Group, LLC

Pendleton, Oregon
September 16, 2024

- Management's estimate of its net pension liability and associated deferred outflows and inflows based on information provided by the Oregon Public Employees Retirement System (OPERS). This information is subject to significant assumptions. In addition to testing certain contributions made by the City we have relied on the audit of OPERS plan. Based on the audit of OPERS and the procedures performed, the pension related entries appear reasonably stated.
- Management's estimate of its total OPEB liability and associated deferred outflows and inflows based on information provided by management's actuary. This information is subject to significant assumptions. We reviewed the assumptions used by the actuary as well as sampled census provided to the actuary for calculation of the estimate. We are satisfied that the assumptions and information provided to the actuary are reasonable.
- Management's estimate of property taxes receivable is based on information obtained from [REDACTED] County tax assessor. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements as a whole.
- Management's estimate of allowance for doubtful accounts on receivables is based on historical collection rates. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:

- The disclosure of Defined Benefit Pension Plans in *Note 10* to the financial statements.
- The disclosure of Other Post-Employment Benefits in *Note 11* to the financial statements.

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

Audit Adjustments and Uncorrected Misstatements

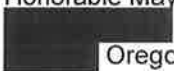
There were no material adjustments made to the original trial balance presented to us to begin our audit.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Disagreements With Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Honorable Mayor and City Council

 Oregon

Page 4

Closing

During our audit we found the management and staff to be very receptive to our comments and suggestions. They were hard-working, diligent, and conscientious about their assigned responsibilities and duties. They were a pleasure to work with.

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the City.

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

Very truly yours,



Donald F. Ewalt, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon

Significant Account Estimates

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 estimates affecting the City's financial statements are the following:

- Management's estimate of the property taxes receivable is based on information obtained from the [REDACTED] County Tax Department. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate for allowance for uncollectible accounts is based on historical collection rates. We evaluated the key factors and assumptions used to develop the estimate in determining that is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of depreciation expense is based on standard calculations incorporating estimated useful lives. We reviewed the capital asset listing, selected a sample and recalculated the accumulated and current year depreciation expense. We were satisfied that the calculations used were reasonable in relation to the financial statements taken as a whole.
- There are two estimates of other post-employment benefits (OPEB) included in the Statement of Net Position. One is an asset and one is a liability. The OPEB asset and associated deferred outflows and deferred inflows of resources is related to the Oregon Public Employees Retirement System (OPERS) Retirement Health Insurance Account (RHIA) which is management's estimate of the cost of Medicare companion health insurance premiums of eligible retirees. This information is subject to significant assumptions. In addition to testing certain contributions made by the City we have relied on the audit of OPERS plan. Based on the audit of OPERS and the procedures performed the pension related entries appear reasonably stated. The other OPEB is a liability and the estimate is a valuation of implicit rate subsidy retirees receive from medical insurance they purchase through the City. Management contracted with an outside party to perform an actuarial analysis to estimate these benefits. The actuary performed the valuation based on information provided by management. We reviewed the information provided by the actuary and applied the report to the financial statements.
- There is one estimate of pension liabilities in the Statement of Net Position. This estimate is of the net pension liability and the associated deferred outflows and deferred inflows of resources related to the OPERS cost-sharing multiple-employer defined benefit plan and is based on information provided by OPERS. This information is subject to significant assumptions. In addition to testing certain contributions made by the City we have relied on the audit of OPERS plan. Based on the audit of OPERS and the procedures performed the pension related entries appear reasonably stated. We reviewed the information provided by the actuary and applied it to the financial statements.

Our Responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. KDP is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The City's Responsibilities

- Timely inform KDP, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, or officers.
 - Change in entity structure impacting affiliates such as add-on acquisitions or exits.
- Provide necessary affiliate information such as new or updated investment structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the City and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with KDP.
- Not entering into relationships resulting in close family members of KDP covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the City.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 18, 2024.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the City.

During our audit we found the management and staff to be very receptive to our comments and suggestions. They were hard-working, diligent, and conscientious about their assigned responsibilities and duties. They were a pleasure to work with.

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

Very truly yours,



Donald F. Ewalt, CPA, Partner
KDP Certified Public Accountants, LLP
Medford, Oregon

RECEIVED

MAR 31 2025

CITY OF BROOKINGS

Audit Proposal for

City of Brookings, Oregon

Amanda Moore, Partner

Alise Horsley, Senior Manager

Moss Adams LLP
221 Stewart Avenue, Suite 301
Medford, OR 97501
(541) 857-1040

www.mossadams.com



MOSSADAMS

March 31, 2025

Anella Ehlers
Finance Director

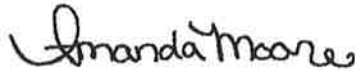
City of Brookings
898 Elk Drive
Brookings, OR 97415

- **Consistent team.** With Moss Adams, the people who serve you today will be the same people who serve you tomorrow. Less turnover means less of your time wasted retraining a new engagement team and more time spent focusing on your day-to-day business during the audit. By keeping your audit team consistent from year to year, we can complete the audit more efficiently because the team members are already familiar with your organization.
- **Competitive fees.** We strongly believe we're the most qualified firm to serve the City. However, if fees become a deciding factor for you, please reach out to us to discuss them prior to making your final decision.

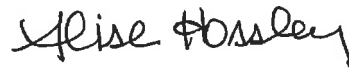
You'll find that Moss Adams offers an exceptional combination of experience and resources to not only meet your needs but also add value to the City at a competitive price. We bring a rare blend of inspiration and technical excellence to help our clients discover and claim the future. Our focus on helping you recognize and take advantage of rising opportunities is what sets us apart from other firms.

We commit to continue making the City a long-term and extremely satisfied client of Moss Adams. We're enthusiastic about the opportunity to continue serving you and appreciate your consideration of our firm.

Sincerely,



Amanda Moore, CPA
Partner
(541) 732-3865
amanda.moore@mossadams.com



Alise Horsley, CPA
Senior Manager
(541) 732-3822
alise.horsley@mossadams.com

5.2.1 Name and Address

Moss Adams LLP	
SEATTLE HEADQUARTERS 999 Third Avenue, Suite 2800 Seattle, WA 98104 Office: (206) 302-6500 Fax: (206) 662-9975	MEDFORD OFFICE 221 Stewart Ave., Suite 301 Medford, OR 97501 Office: (541) 857-1040 Fax: (541) 773-2102

5.2.2 Point of Contact

Amanda Moore, CPA, Partner



221 Stewart Ave., Suite 301
Medford, OR 97501
(541) 732-3865
amanda.moore@mossadams.com



5.2.4 Firm Qualifications and Experience

OUR GROWTH AND COMMITMENT TO CONTINUE SERVING YOU

We understand you already know Moss Adams; we've been your auditor for several years. However, this proposal process gives us the opportunity to reaffirm our absolute commitment to serving you and provide you with updates on our growing firm and Government Services Practice.

Moss Adams has grown in the time we've served you. We've brought on new professionals at all levels, added to our service capabilities, pursued training, invested in technology, and even added new offices. We're proud of our growth, as it shows we're committed to the profession and your industry, but remain locally based. Oregon continues to serve as the center of excellence for our Government Services Practice, serving 27 cities and counties throughout the state, and your team is based in our Medford and Eugene offices. Below are some quick facts and figures to bring you up to speed on our firm's growth.

MOSS ADAMS BY THE NUMBERS

▲ **110+**
years in business

▲ **30+**
industries

▲ **400+**
partners

▲ **30+**
locations

▲ **4,800+**
professionals

▲ **\$1.32+**
billion in revenue



Moss Adams is a business and personal advisory firm with 4,800 professionals across more than 30 locations. Through a full spectrum of accounting (assurance and tax), consulting (IT, strategy & operations, transactions, and specialty), and individual and institutional wealth management services, we bring the deep industry specialization and unconventional thinking our clients seek.

Since we put down roots in the Pacific Northwest more than 100 years ago, we've steadily expanded to serve clients across the nation and globally. Moss Adams is one of the 15 largest US accounting and consulting firms and a founding member of Praxity, a global alliance of independent accounting firms. This alliance provides clients with local expertise in the major markets of North America, South America, Europe, and Asia.

Our Oregon Presence

Our Oregon locations include Portland, Eugene, and Medford. With our proximity to you, our partners and professionals are highly accessible and available to meet with you as needed. More than 360 professionals, including 50 partners, provide assurance, tax, and consulting to numerous public and private businesses headquartered or operating throughout the state.

Service	Our Experience
Audits of Government Pension, Health, and Other Employee Benefit Plans and Trusts	Moss Adams audits over 1,800 plans of all types annually. Our benefit plan clients range in size from 100 to 100,000 participants with \$100,000 to over \$10 billion in assets. We audit large retirement and retiree health plans such as New Mexico Educational Retirement Board, New Mexico Public Employees Retirement Association, Kansas Public Employees Retirement System, Los Angeles City Employees' Retirement System, and American Samoa Government Employees' Retirement Fund, to name a few.
Airports Council International-North America (ACI-NA)	Moss Adams is a world business partner of ACI-NA. Olga Darlington, partner, represents our firm as a member of the Council's Accounting & Finance Working Group.
Audits of Airports	We audit many airports and their federal programs including the Airport Improvement Program, CARES Act funding, Transportation Security Administration and TIGER grants, the Passenger Facility Charge Program, and the Customer Facility Charge Program. In addition, we've performed consulting services such as construction audits, CFC rate examination projects, concession services audits, payment system IT security and cybersecurity audits, as well as operations and strategic planning projects.
Audits of Wastewater Utilities	Our professionals provide accounting, IT, and consulting services for water; wastewater; and solid waste utilities.

City Experience

Our firm not only has an extensive Government Services Practice but also deep experience specific to cities. The majority of the cities we work with are running on tight budgets and challenged to find innovative ways to reduce costs while maintaining the service levels their constituents expect.

Working with Moss Adams means you'll continue having a team that blends creativity and experience to help the City to reduce risk, maintain efficiencies, and continue taking advantage of unique opportunities as they develop. By bringing innovation and creativity together, you'll again work with a team that understands and specializes in cities like yours.

CITY EXPERIENCE



The depth of our practice means we still understand the issues you face today and can continue providing the specialized services you need now and in the future—such as single audits; accounting for complex investment transactions; benefit plan audits; performance audits; IT hardware, software, and cybersecurity evaluations; fraud investigations; and forensic accounting. All of this gives us the deep resources necessary to not only address governmental accounting and tax-exempt bond issues but also provide the holistic services governments need to thrive.

In fact, Erica Forhan one of our National Office partners, is the immediate past chair of the AICPA Governmental Audit Quality Center (GAQC) Executive Committee. Our professionals have conducted federal compliance audits for many types of organizations and programs. This makes them well-suited to anticipate and solve potential problems and complete these audits in a timely manner.

WHICH FIRM SERVES MORE ORGANIZATIONS SIMILAR TO YOURS?

Selecting one advisor over another is much easier when a particular firm has experience working with organizations similar to yours in scope or organizational mission. For example, it allows for a clearer understanding of the specific issues you face, what to anticipate when conducting an audit, and how long it will take. This results in a more efficient experience and effective solution for you. Listed below are some organizations our firm serves that are similar to the City.

Oregon Governmental Audit Clients		
• City of Ashland	• Clean Water Services	• North Clackamas County Water Commission
• City of Bend	• Columbia County	• Northern Wasco County Public Utility District
• City of Beaverton	• Curry County	• Oregon Secretary of State
• City of Brookings	• Deschutes County	• Port of Coos Bay
• City of Eugene	• Eugene Water and Electric Board	• Port of Portland
• City of Grants Pass	• Jackson County	• Portland Metro
• City of Gresham	• Josephine County	• Springfield Utility Board
• City of Hillsboro	• Klamath County	• Tillamook People's Utility District
• City of Medford	• Lane County	• Tri-County Metropolitan Transportation District
• City of Portland	• Lane Transit District	• Tualatin Valley Water District
• City of Tigard	• Marion County	
• Clackamas County	• McMinnville Water & Light	
• Clackamas River Water District	• Multnomah County	

Amanda Moore, CPA, Partner

Education

- BS, accounting, Southern Oregon University

Keith Simovic, CPA, Partner



*Concurring Review
Partner*

Professional Experience

Keith has practiced public accounting since 2007 and provides assurance services to clients in the local government and utility industries. He has significant experience in advanced accounting topics including capital project cost accounting, pension accounting, and regulatory deferral accounting. Keith also has a strong track record of evaluating internal controls and providing insightful recommendations to help his clients improve, grow, and thrive.

Keith is a regular presenter for the Oregon Government Finance Officers Association, Oregon Society of Certified Public Accountants, American Public Power Association, Western Energy Institute, and Northwest Public Power Association on subjects including internal controls, fraud, and budgeting.

Professional Affiliations

- Member, American Institute of Certified Public Accountants
- Member, Oregon Society of Certified Public Accountants
- Board treasurer, Oregon Repertory Singers

Education

- BS, accounting, Oregon State University (*summa cum laude*)

Alise Horsley, CPA, Senior Manager



*Engagement Senior
Manager*

Professional Experience

Alise has practiced public accounting since 2014 and primarily works on financial statement audits. She focuses on serving clients in the government and not-for-profit industries. Alise works with entities that are audited under GAAS, GAGAS, the Single Audit Act, and Uniform Guidance. She also has experience and serves clients in a variety of other industry groups, including health care organizations. Alise is currently on the special review committee for the GFOA certificate program.

Professional Affiliations

- Member, American Institute of Certified Public Accountants
- Member, Oregon Society of Certified Public Accountants

Staffing Plan

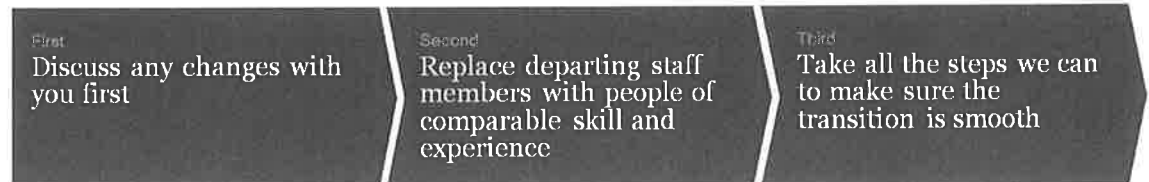
To help conduct the best audit possible, Alise Horsley will continue serving as senior manager for the City's engagement. She is highly experienced in auditing governmental entities and will be on-site for the majority of the audit to provide daily supervision of the in-charge and staff accountants. This will involve directing and reviewing the efforts of the staff members performing the engagement and making sure engagement objectives are accomplished. Supervision will occur as work is performed to identify and resolve issues or inefficiencies in real time.

In addition, Amanda Moore, engagement partner, will continue her involvement throughout the process and remain available for technical questions and support. Amanda will also be on-site with Alise for portions of the fieldwork because we believe this improves client service and facilitates rapid responses to any questions that arise during fieldwork.

Continuity of Your Engagement Team

Your Moss Adams engagement team has been remarkably consistent since the first year we served as your service provider. Your engagement partner and concurring review partner have remained the same, as has your engagement manager, Alise Horsley, who received a promotion from manager to senior manager in 2022, demonstrating our commitment to advancing the careers of our employees. Mikayla Mehl has worked on the engagement for the past three years and advanced from a staff to a senior role in the engagement. Additionally, Trindy Flinders, senior, has worked on the audit for six years, primarily assisting with the preparation of the financial statements.

This consistency is the result of two factors: First, it's our firmwide policy not to arbitrarily change engagement. Changes are only made when absolutely necessary, such as when a person leaves the firm or if you request a rotation. Second, our firm has an outstanding staff retention record. Over the past three years, our firm has averaged well over 80% retention, an excellent rate for the industry. Still, if it were to become necessary to change members of your engagement team, we pledge to:



5.2.7 Service Approach

BENEFITS OF RETAINING MOSS ADAMS AS YOUR AUDITOR

Changing auditors is extremely difficult; and the transition results in learning curves, growing pains, and extra time and money. Retaining Moss Adams will avoid any disruption to your staff, management team, and business that can typically occur when switching firms. Throughout our relationship, we've demonstrated consistency with the teams that serve you, and we're committed to maintaining this consistency in the future. Since the City isn't public, and mandated rotation isn't an issue, your current team will continue to serve you unless a staff member leaves the firm or elects to change his or her professional focus to a different practice area. We assure you that every one of your team members enjoys working with the City and intends to stay directly involved.

FINANCIAL STATEMENT AUDIT APPROACH



The City will benefit from our customized, risk-based audit approach as well as the timely and effective communication and coordination of our audit activities. With dedicated and ongoing involvement from our partners and senior-level professionals, the audit will be planned and executed by an experienced team that understands your industry. During the audit, your Moss Adams engagement partner, Amanda Moore, will review the work in progress and address any issues with management. This reduces time spent on post-audit procedures and wrap-up.

Our emphasis on tailoring an audit to focus on the areas of significant risks allows us to complete the audit in an efficient and effective manner. Our audit will include the following:

- Plan the engagement based on a thorough understanding of your business risks and transactions
- Communicate and coordinate activities with management and the audit committee based on an agreed-upon timeline
- Conduct continuous audit procedures to increase efficiency and reduce the burden on your personnel at year-end
- Work with management to resolve any complex accounting or reporting issues as early as possible in the audit process
- Provide recommendations to management for areas of improvement

Specific PBC requests may include the following:

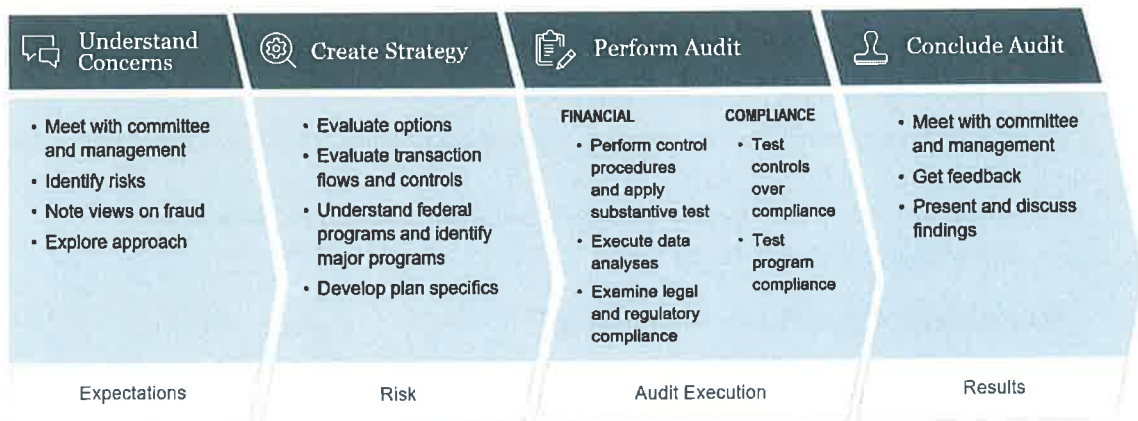
- Providing systems descriptions, policies and procedures manuals, and other internal control–related documents
- Fulfilling preparation of cash, investment, and other confirmation requests
- Providing a reconciled trial balance (in electronic format)
- Completing lead and other schedules and supporting documents
- Completing various questionnaires and checklists
- GASB 34 entries

We'll establish a client service plan with management that sets the expected due dates for each stage of the engagement and includes audit status meetings with your team. The quality control reviewer will be involved throughout the engagement during the planning, fieldwork, and reporting process to help prevent surprise issues from appearing at the end of the engagement.

Separation of Responsibilities in the Audit

Auditor's Responsibilities	Client's Responsibilities
Plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. You've requested that the auditor draft the financial statements, which will require a member of management with skills, knowledge, and experience to review them and take responsibility for them.	Prepare necessary information in order to draft financial statements, as well as review and take responsibility for the fair and accurate presentation of the financial statements and related footnotes in accordance with the appropriate financial reporting framework.
Form and express an opinion (or disclaim an opinion) on the fair presentation, in all material respects, of the financial statements in accordance with the appropriate financial reporting framework, such as generally accepted accounting principles.	Provide complete supporting documentation for the account balances before the auditor begins audit fieldwork.
Communicate significant matters related to the financial statements that are relevant to the governing body's responsibilities in overseeing the financial reporting process.	Those charged with governance oversee the financial reporting process and provide the auditor with information relevant to matters related to the audit.

FEDERAL COMPLIANCE AUDIT APPROACH AND PROCEDURES



- We use an assessment that includes the materiality of the issue to each major program and an analysis of the pervasiveness of the issue.
- We identify and report only those major systemic problems that put the organization at risk or constitute significant noncompliance as required by professional standards. Isolated instances and administrative errors not required to be reported more broadly are usually reported only to management.

TIMELINE

The following is a proposed first-year engagement schedule for the City. We'll discuss any adjustments you may need when we meet with you.

Service Description	Proposed Timing
AUDIT PLANNING	
Meet with management for pre-audit planning and to obtain an understanding of systems, internal controls, and current-year issues	June 2025
Provide management with a detailed list of items needed to perform the audit, including the timing of when items are needed	June 2025
AUDIT FIELDWORK	
Perform interim audit fieldwork and tests of internal controls	June 2025
Send confirmations of cash, investment, and other accounts as deemed necessary	July 2025
Perform substantive audit fieldwork	September 2025
REPORT PREPARATION	
Present draft of financial statements, audit report, and management letter to senior management	November 2025
Present draft of financial statements, audit report, and management letter to the audit committee or board of trustees	November 2025
BOARD COMMUNICATIONS	
Present final audit report, financial statements, and management letter to the board of directors or trustees	No later than December 15, 2025

Fee Details

Subject	The Details
Progress Billing	Progress billings are based on hours and expenses completed at the time of billing. Bills are due upon receipt. We reserve the right to charge interest on accounts over 30 days past due.
Expenses	Our engagement letter will provide an estimate of the expenses for the services to be provided. Direct travel expenses will be billed monthly as incurred.
Cost Overruns	During the course of the audit, we'll measure our progress against our planned budget. If situations arise that are significantly different than our expectations, we'll bring them to your attention immediately and discuss various options before we proceed. We'll meet weekly during the course of fieldwork with the appropriate parties to ensure there are open lines of communication between our organizations.
Future New Audit, Review, and Accounting Standards	Our fee estimate discussed herein is based on accounting and professional standards that exist and are applicable as of the date of this proposal. To the extent that future rulemaking activities require modification to our audit approach, procedures, scope of work, etc., we'll advise you of such changes and the impact on our fee proposal. If we're unable to agree on the additional fees, if any, that may be required to implement any new accounting, auditing, and review standards that are required to be adopted and applied as part of our engagement, we reserve the right to withdraw from the engagement, regardless of the stage of completion.
Routine Phone Calls and Emails	Our policy is to not charge for short telephone calls seeking miscellaneous advice unless those consultations require significant additional work or research. If a matter requires further follow-up, we'll discuss a fee estimate with you before incurring significant time.
Minor Research and Consultation	If we're requested to provide minor research or consultation service, we'll estimate the number of hours necessary to provide the requested services. We'll then provide a fee quote for your approval before commencing any work. Our fees for these services are generally at our standard billing rates.
Single Audit	Our fee estimate for the single audit is based on the assumption that you'll have one (1) major program(s) for the fiscal year ending June 30, 2025, and that there may be more or fewer major programs in each subsequent fiscal year. If additional major programs are required to be audited, we estimate the additional cost at \$7,500 per major program.
Audit Preparation	Our proposed fees are based on the presumption that your books and records will be ready for audit and minimal audit adjustments will be required. If accounting assistance is required to reconcile accounts, we'll discuss the issues with you, and additional fees will be billed separately, at our standard rates. Additionally, our fee quote assumes that we won't identify any audit findings, including significant deficiencies or material weaknesses. If potential audit findings are identified, costs for investigating and reporting them will be in addition to our audit fees.

5.2.10 Sample Management Reports



MOSSADAMS

Communications of Internal Control Related Matters

To the Board of County Commissioners

██████████ Oregon

In planning and performing our audit of the financial statements of ██████████, Oregon (the County), as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

During our engagement, the following matters came to our attention that we believe are control deficiencies, however, they do not rise to the level of a significant deficiency or material weakness:

1. The County's Assistant Finance Director has system administrator capabilities within Central Square, the County's financial reporting software. MA recommends a formal review of user access on a regular basis.
2. The County Treasurer has administrator access over Tax Collection module of the financial reporting system. MA recommends a formal review of user access in this module.
3. There is no formal process to review user access for appropriateness. We recommend the IT department formally implement an annual review of user access to remove any terminated users and adjust inappropriate access permissions and maintains a record of this review.
4. The County has not updated their Uniform Guidance Policy for procurement since the adoption of Uniform Guidance. Since this time, the micro-purchase threshold has been updated multiple times. While this has not resulted in errors or instances of noncompliance, it would be prudent for the County to use the increased micro-purchase threshold in the future.
5. The County's Assessor has any and all rights to A&T Pro, which is unnecessary for the function of their role. MA recommends a formal review of user access and analysis of proper privileges.

Management Advisory Comments

Monthly reporting package

During our interview with one of the Commissioners, we noted that there is minimal board oversight over operations in the finance department and the Commissioners do not get a monthly finance packet for review.

Recommendation: The County prepares budgets and they are compared to actual results by management and department heads regularly. These analyses should be included in the monthly reports to the board of commissioners to help them understand the financial results and to help the board make informed decisions.

Capital Assets

During our review of internal controls over capital assets, we noted the County does not inventory their capital assets annually.

Recommendation: We recommend the County perform a physical inventory of capital assets. In connection with this inventory, tags should be placed on each asset with numbers that are recorded in the detail property records. This will help improve the tracking of assets for disposal and impairment purposes.

Property tax receivable and unavailable revenue

The balance for the current year property tax receivable and related deferred inflow of resources (unavailable revenue) was not updated to agree to the reconciliation in the current year. The difference was insignificant; however, all property tax receivables and unavailable revenue should be reconciled and tried up annually in the general ledger.

Recommendation: We recommend the County implement a closing procedure checklist that is prepared and reviewed by separate finance and accounting staff. The checklist should include all accounts that require reconciliation at year end to ensure all accounts are reconciled and tried up as necessary.

Reserve for closure/post-closure costs

During our review of the closure/post-closure costs, we noted the County uses a straight-line method to amortize costs instead of the GASB requirement to amortize based on usage. The landfill has been closed since 1990, and we noted the post-closure trust is currently overfunded.

Recommendation: Although the projected adjustment to the post-closure reserve is expected to be immaterial, we recommend management calculates the potential financial statement impact and analyzes the result for proper financial statement reporting.

5.2.11 Additional Information

WHY YOU SHOULD STAY WITH MOSS ADAMS

The City needs a firm that understands your mission, knows your history, and has a strong relationship with your audit committee. Your firm should provide services that not only meet minimum audit requirements but also exceed your expectations, transcend the audit itself, and provide a variety of extra benefits to you.

For the past several years, that firm has been Moss Adams. It's been our privilege and pleasure to work with you, and we hope to continue this great relationship well into the future. Below, we briefly summarize some of the key reasons why we're still an excellent choice for you.

QUALITY CLIENT SERVICE

- You receive extensive proactive communication from us throughout the year.
- Your audit committee is kept in the loop during the audit and through the year.
- Your engagement team makeup has been consistent from year to year.
- Your engagement team consists of extensively trained professionals.
- You receive highly relevant tax support if and when you need it.

RISK-BASED AUDITS WITH CLEAR BENEFITS TO YOUR ORGANIZATION

- We offer effective quality control and strong client confidentiality safeguards.
- You receive high amounts of partner and senior manager attention.
- We offer a timely work plan; your audit has been completed on time every year.
- Our audit plan focuses on your highest-risk areas to uncover vulnerabilities.
- You enjoy as few disruptions as possible to your daily activities during the audit.

AN ENGAGEMENT TEAM YOU ALREADY KNOW AND TRUST

- Your engagement partner, Amanda Moore, has been with you from the start of our working relationship. She has extensive experience auditing city and county governmental engagements.
- Your in-charge auditor, Alise Horsley, has been a part of the City of Brookings team since 2017 and in that time has grown from senior staff to senior manager. She works primarily with government and not-for-profit organizations.
- Your engagement team consists of seniors and staff, one of whom was promoted during her tenure on your service team, who dedicate their time and continue their education focused on governmental audits of cities and counties.

We understand you may be considering a change in accounting firms as a way to gain efficiencies and potentially provide a new perspective to your engagement, but it's also important to maintain a valuable relationship with a firm that knows you well and you already trust.

Webcasts



Continuing education is vitally important to us, and we're happy to share our knowledge with you and your staff. We offer a wide range of topical online seminars, many of which are archived and available on demand, allowing you to watch them on your schedule—play, pause, or resume later. Visit mossadams.com/industries/government-services to learn more and browse webcasts currently available on demand.

Currently Available On Demand

- [Implementation of the 2024 Revisions to OMB Uniform Guidance](#) (presented November 2024)
- [Governmental Accounting Standards Board Updates](#) (presented July 2024)
- [2024 Revisions to OMB Uniform Guidance](#) (presented July 2024)
- [Recognize Fraud Schemes Targeting Local Governments](#) (presented June 2024)
- [Achieve Your Goals with an Organizational Assessment](#) (presented December 2023)
- [ESG Reporting Considerations for Governmental Organizations](#) (presented November 2023)
- [Performance Measures for Success and Sustainability](#) (presented September 2023)
- [Key Internal Controls for Fraud Detection and Prevention](#) (presented August 2023)
- [Indirect Costs: Not-for-Profits, Governments, and Tribes](#) (presented July 2023)

Other topics covered in our webcast series include the following:

- Cybersecurity
- Construction Audits
- Performance Audits

Seminars and Events



You'll be invited to attend numerous conferences and networking events presented by our firm and distinguished guest speakers. Our events are opportunities for you and your staff to meet our professionals, share best practices with industry peers, and earn CPE. Professionals from our Government Services Practice have participated in the following events:

- Association of Government Accountants – local chapters
- Business of Airports Conference
- California Society of Municipal Finance Officers (CSMFO) Annual Conference
- Central Region Government Seminar
- GFOA Annual Conference
- Medford Governmental Accounting Conference
- National Airports Conference (NAC)
- National Council on Teacher Retirement (NCTR) Annual Conference
- New Mexico Society of CPAs (NMSCPA) Government Finance Experts Conference
- Oregon Government Finance Officers Association (OGFOA) Spring and Fall Conferences
- Oregon Governmental Accounting Conference
- Public Pension Financial Forum (P2F2) Conference
- Washington Region Governmental Technical Update/Seminar
- Washington Society of CPAs (WSCPA) Governmental Accounting & Auditing Conference

CERTIFICATE OF INSURANCE

Moss Adams maintains insurance coverage policies and limits that will satisfy the insurance requirements set for this engagement. Should Moss Adams be selected for this engagement, we'll provide all necessary third-party certificates of insurance coverage in accordance with the requirements of any finalized contract negotiated by the parties.

RFP EXCEPTIONS

This proposal is contingent upon satisfaction of applicable professional standards (including communications with the prior auditors) and execution of a mutually acceptable contract. In addition, pursuant to professional standards and firm practice, we'd expect to confirm our understanding of each engagement on an annual basis in the form of an engagement letter outlining the scope of work and obligations/responsibilities specific to that year's audits.

With regard to the sample Professional Services Contract included in the RFP, Moss Adams suggests the following: (i) providing for mutuality in termination rights (§5); (ii) clarifying remedies upon termination (§7); (iii) access and audits focused on information pertaining to fees and expenses charged and access shall not include facilities or systems housing confidential information of Moss Adams or Moss Adams' other clients (§9); (iv) addressing access to our workpapers (which may be made available to oversight entities) to protect the integrity of the audit (§9); (v) clarifying City's ownership of final deliverables and Moss Adams' ownership (and retention) of intellectual property, working papers, works in progress, and general skills and know-how (§10); (vi) focusing and clarifying indemnification provisions (including to protect auditor independence) (§12, Exhibit D); (vii) addressing mutual limitation on liability for special and consequential damages (new); (viii) removing liquidated damages (§15); (ix) providing for representations in lieu of warranties (throughout); (x) clarifying compliance with applicable laws (Exhibit B); (xi) clarifying insurance requirements to comport with existing policies, including providing for confidentiality of insurance structure (including deductibles, retention levels, and declaration pages), notification only goes to primary insured, and additional insureds are added via blanket endorsement (Exhibit C); and (xii) clarifying no bond requirements (Exhibit E).

Moss Adams previously executed a contract with the City in May 2022 for audit services and requests language similar to the language negotiated in the May 2022 agreement to address most of the contract changes set forth above.

We've successfully signed professional services agreements with thousands of clients and we commit to working in good faith to successfully negotiate a mutually agreeable agreement for this engagement on a timely basis should we be awarded this work.



PROPOSAL FOR

Audit Services

March 27, 2025

Prepared for

Anella Ehlers

Finance Director, City of Brookings

Prepared by

Brenda Bartlett

Municipal Audit Partner, Sensiba LLP

bbartlett@sensiba.com | 541-388-7888

RECEIVED

MAR 28 2025

CITY OF BROOKINGS

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Anella Ehlers, Finance Director
City of Brookings
898 Elk Drive
Brookings, OR 97415

Dear Ms. Ehlers,

Thank you for the opportunity to present our proposal to provide professional auditing services to the City of Brookings ("City"), in response to the City's request for proposal.

Sensiba LLP ("Sensiba") is a Certified B Corp, demonstrating our commitment to social and environmental responsibility. Our dedication and commitment to keeping our promises and ensuring completion of the audit in accordance with regulatory deadlines, as well as our genuine enjoyment of working with city finance teams, sets us apart from other firms.

At Sensiba, we emphasize training and professional competence for our governmental audit team. Our team of professionals has extensive experience and training in local governmental audits, including the additional training that is necessary to perform a successful federal program audit. Our municipal auditing team has a history of extremely low turnover, and you can expect our team to be comprised of the same individuals year over year.

Sensiba is properly licensed for public practice in Oregon, and our municipal audit partner and manager are Oregon licensed municipal auditors. Our firm and each of our proposed audit team members are independent of the City under Generally Accepted Auditing Standards, as well as *Government Auditing Standards* promulgated by the GAO.

Thank you for considering us for your auditing service needs.

Sincerely,



Brenda Bartlett, Municipal Audit Partner

Profile of Proposer

Firm's Legal Name

Sensiba LLP

Firm Local Address

499 SW Upper Terrace Drive, Suite A, Bend OR 97702

Firm Telephone and Fax Numbers

p. 541-388-7888

f. 541-388-0739

Primary Contact Information

Brenda Bartlett, CPA

Municipal Audit Partner

499 SW Upper Terrace Drive, Suite A, Bend, OR 97702

bbartlett@sensiba.com

541-388-7888 ext. 7055

Project Understanding

Our financial statement audit will be conducted under generally accepted accounting principles (“GAAP”), Minimum Standards for Audits of Oregon Municipal Corporations (“OMS”), and *Government Auditing Standards* (“GAS”). As part of conducting a financial statement audit under these standards, we will issue our reports opining on the fair presentation of the financial statements, compliance with specified Oregon laws and regulations, a report on internal control over financial reporting, and a report on compliance and other matters. Included in our financial statement audit will be the City’s component unit, Brookings Urban Renewal Agency (“URA”).

Related to single audit services, we will perform a federal program audit in accordance with the Single Audit Act and the Uniform Guidance. (“UG”). We will select and test major federal programs for compliance based on criteria established by the UG. As part of our audit under the UG, we will develop an understanding and perform tests of internal controls over compliance with the requirements of the selected federal programs using the COSO framework to assist us in determining key controls suitable for testing. Reporting under the UG will include a report on internal control over compliance and a report on compliance with major federal programs. We will also prepare the Schedule of Findings and Questioned Costs. Our financial statement auditors’ report will include an “in relation to” opinion on the Schedule of Expenditures of Federal Awards (“SEFA”) as required by the UG.

If financial statement or federal program findings are identified, we will discuss them with management prior to including them in the Schedule of Findings and Questioned Costs to fully understand the cause and context, ensuring our recommendations are sufficiently detailed for management to understand and remedy the finding going forward.

We will assist the City in drafting the financial statements using information provided by management. Because the City is subject to the requirements under *Government Auditing Standards*, this work will be assigned to a team member outside of our core audit team.

If, during the course of our audit, we identify internal control or operating procedure improvements, we will discuss these recommendations with management during our exit conference and formalize these in our management comment letter.

Upon completion of the audits, we will submit the Summary of Revenues and Expenditures to the Secretary of State. For the single audit, we will complete the auditors' portion of the Federal Audit Clearinghouse submission within 30 days of our audit report. We will be available to present our audit results to City Council and the Urban Renewal Agency at their next regularly scheduled meetings.

Qualifications

Qualifications of the Firm

Sensiba was founded in 1977 and has served a broad range of clients with comprehensive assurance, tax, and consulting services for over 45 years. Through many years of working with clients to solve problems, we understand the best approach for serving clients is based on hard work, resourcefulness, good judgment, and a thorough understanding of the facts and the client's objectives.

We are a community- and family-oriented firm who treat our clients the way that we would like others to treat us. Kindness in all that we do is a core value of our firm, and we live it every day.

In addition to our governmental auditing and consulting services, our clients have access to Sensiba's internal team of experts, which include 25 partners and over 400 additional professionals across the U.S. Working alongside your team, our team will help you successfully manage ongoing issues that will help define the overall success of the business. We recognize government organizations are accountable to many different stakeholders, including oversight agencies, elected officials and taxpayers. That's why we commit significant continuing education to our municipal audit team, building technical expertise in all areas of government.

Experience with Municipal Engagements

We have been providing governmental auditing services for over 30 years to clients in Oregon. Our significant experience working with Oregon local governments means our professionals are more likely to help you spot potential problems, create effective solutions, and understand the pressures municipalities face with providing excellent service to their citizens with often-scarce resources.

We work with a variety of local government clients including small cities, school districts, libraries, fire districts, charter schools and various utility districts.

Our governmental audit team partner and manager are licensed in Oregon to conduct municipal audits and our firm is a member of the AICPA Governmental Audit Quality Center ("GAQC"), which was established to promote the quality of governmental audits, demonstrating our commitment to governmental audit quality.

Audit Staffing

Principals to be Assigned to the Engagement

- ◆ Brenda Bartlett, CPA, Municipal Audit Partner, Licensed Oregon Municipal Auditor. Brenda will assume overall responsibility for the audit, including reviewing and executing the team's plan in accordance with GAS, as well as *Government Auditing Standards*, and providing technical assistance to the team and City management as needed. As our local office municipal audit partner, Brenda will be the sole point of contact for the City at the partner level.
- ◆ Kristen Barrett, CPA, Municipal Audit Manager, Licensed Oregon Municipal Auditor. As our municipal audit manager Kristen will be the in-charge and main point of contact for the City and is authorized to make recommendations and decisions. She is responsible for making sure audit deliverables are provided to the City in a timely manner, audit planning, and day-to-day supervision of the audit team.
- ◆ Katrina Kaypaghian, CPA, Experienced Senior Associate. Katrina will be assigned to the high-risk areas of the audit, working closely with Kristen on these complex areas.
- ◆ Justin Scripps, CPA, Partner. Justin will serve as the Engagement Quality Control Review ("EQCR") partner on the engagement, ensuring our internal system of internal quality control. He will conduct a quality review of the audit plan, significant risk areas of fieldwork and financial statements and audit reports issued. Justin is highly experienced in review of Oregon governmental audit engagements, including extensive experience with single audit engagements.

Brenda Bartlett, CPA

Audit Partner

Oregon Municipal Audit License #1512

Licensed Oregon CPA #9443

bbartlett@sensiba.com

With over 25 years of experience, Brenda Bartlett specializes in governmental accounting, audit and reporting.

Brenda has directed and supervised a variety of audit and attest engagements for local governments. Over the course of her career, she has worked as a finance manager for a large Oregon school district, as well as a controller in a variety of other industries, resulting in a well-rounded range of experience.

As a licensed CPA in Oregon, she is a member of the American Institute of Certified Public Accountants (AICPA) and the Oregon Society of Certified Public Accountants (OSCPA).

Brenda invests her time in the local governmental accounting community by regularly leading presentations for local governments in the area of internal control, fraud prevention, and upcoming changes in governmental accounting.

Audit quality is a passion area for Brenda. Currently, she serves as the chairman of the Oregon Board of Accountancy's Peer Review Oversight Committee, which serves to ensure Oregon's peer review program is of the highest quality and standards.

Brenda receives over 40 hours of specific governmental auditing annually, by attendance at the AICPA National governmental accounting and auditing conference as well as the Oregon governmental conference sponsored by OSCP.





Kristen Barrett, CPA

Audit Manager

Oregon Municipal Audit License #1693

kbarrett@sensiba.com

541-388-7888

Kristen Barrett earned her Bachelor of Science degree in accounting from Oregon State University and is a licensed CPA in Oregon. Kristen began her accounting career with Sensiba in 2016 and was quickly promoted in a variety of roles to her current manager position. Kristen has over nine years of governmental auditing and accounting experience and is highly experienced in auditing the more complex areas for our Oregon municipal audit clients.

As a licensed CPA in Oregon, she is a member of the American Institute of Certified Public Accountants and the Oregon Society of Certified Public Accountants.

Kristen specializes in Oregon municipal audits, and maintains the training required to plan and supervise engagements, which requires 80 biannual hours of directly relevant governmental accounting and auditing continuing professional education. In the past five years, courses have included intensive training related to GASB statements 87-102, the Uniform Guidance and how to effectively plan the engagement under those requirements, and ongoing Yellow Book training. Additionally, Kristen conducts internal governmental accounting training opportunities to associates each summer and is the municipal niche representative for the Sensiba summer intern program mentoring college students interested in a future position with our firm.



Katrina Kaypaghian, CPA
Senior Audit Associate
kkaypaghian@sensiba.com
925-605-4968

With more than eight years of experience in accounting, Senior Associate Katrina Kaypaghian specializes in overseeing Oregon municipal audits from planning to completion, including supervising staff associates and managing client communications. During her tenure working with the Sensiba governmental auditing team, Katrina has successfully overseen clients including rural school districts and charter schools.

A Certified Public Accountant in the state of California, Katrina holds a bachelor's degree in Accounting from Santa Clara University and is a member of the AICPA and the California Society of Certified Public Accountants.

Katrina's experience includes several years at a big-four national accounting firm prior to joining Sensiba. Katrina receives a minimum of 40 hours of annual training focused entirely on auditing and governmental accounting and reporting. Courses include federal program and single audit requirements, Yellow Book training, and Oregon Minimum Standard training. In the past five years, courses have included intensive training related to implementing GASB statements 87-102, and she has served as a valuable resource to our clients who are required to implement those standards.

Katrina mentors interns and incoming associates in our firm, ensuring they begin their careers at Sensiba with a solid foundation in accounting and auditing.

Justin Scripps, CPA, Audit Partner

JScripps@sensiba.com

408-286-7780

With over fourteen years of experience in accounting and financial reporting, Audit Partner Justin Scripps specializes in financial statement audits, reviews and compilations. In addition, he assists clients with guidance on technical accounting issues and new pronouncements.

Working closely with clients in a variety of industries has provided him with unique industry insight into the objectives, challenges, and risks businesses face day-to-day. Justin leverages this insight to train staff internally on industry-specific topics and provide a tailored service experience for clients. He is an expert in accounting, revenue recognition, and financial reporting best practices.

Justin received a bachelor's degree in business management economics from University of California, Santa Cruz, in 2010. Justin is a member of the AICPA, CalCPA, Construction Financial Management Association ("CFMA"), AGC of California, and United Contractors ("UCON").



Staff Continuity

Sensiba's approach to senior staff continuity is to ensure the ongoing presence of a dedicated team that has developed a deep understanding of the City's internal controls, transaction processes, and operating environment, while also fostering strong relationships with the City's finance team. As our associates gain more experience and improve their efficiency, they remain part of the team and are given the opportunity to handle more complex areas of the audit, rather than being rotated out.

At Sensiba, we prioritize a people-first culture. Our leadership is committed to providing team members with meaningful work that is balanced with ample time for family and community service. By emphasizing family, community, and the firm, in that order, we have achieved exceptionally low staff turnover. In fact, our governmental audit team has had no turnover over the past three years. While we continue to expand our team as our practice grows, we're proud to say that the principals assigned to the City's audit have been part of our municipal audit team since their arrival at the firm.

Due to the stability of our team, we maintain strong, ongoing relationships with our clients' finance teams, ensuring consistency and familiarity each year. The partner and manager work closely in the field with senior staff and associates, providing clear lines of communication throughout the audit process. Our continuous communication during fieldwork guarantees a smooth and efficient audit experience.

References

The following list of six references are local government audits we have completed in the past three years:

Audit Client	Nature of Project	Contact Information
City of La Pine	Financial Statement Audit; Single Audit	Ashley Ivans Finance Director 541.536.1432 ext. 104 aivans@lapineoregon.gov
City of Rogue River	Financial Statement Audit; Single Audit	Ryan Nolan City Administrator 541.582.4401 ext. 106 rnolan@cityofrogueoiver.org
Bend-La Pine Schools	Financial Statement Audit; Single Audit	Matt Gayman Asst Director Finance matt.gayman@bend.k12.or.us 541-355-1144
Redmond School District	Financial Statement Audit; Single Audit	Kathy Steinert Director of Fiscal Services kathy.steinert@redmondschools.org 541-923-8927
Deschutes Public Library	Financial Statement Audit	Robert Guzzo Business Services Manager robertg@dpls.lib.or.us 541-312-1036
High Desert Education Service District	Financial Statement Audit; Single Audit	Leah Bibeau Asst Director of Finance Leah.bibeau@hdesd.org 541-693-5623

Along with these references for governmental audit clients, we would also like to provide a reference from a governmental consultant we collaborate with on shared clients, who can speak to the quality of our services:

- ✦ Summer Sears, CPA. Phone: 541-350-2056 Email: summer@searscpa.com

Specific Audit Approach

Overall Audit Approach

Our team works collaboratively with our client's finance teams, reflecting our partnership with the City's finance team to ensure strong financial reporting and controls for the various stakeholders and users of the financial statements. During each day of scheduled interim and fieldwork weeks, we schedule working sessions where the audit team, including the manager and partner, have the opportunity to discuss questions and issues that come up during their work. This approach ensures that your team does not spend valuable time responding to unnecessary questions.

We conduct our audits using a risk-based approach, designed to spend our time working on high-risk transactions and balances to ensure an effective and efficient audit. We use our broad knowledge of municipal organizations, funding sources, and the overall environment to develop expectations so that we can use comparison of actual results to further focus our efforts.

Transitioning to Sensiba

Our goal in welcoming the City as a client is to minimize any disruption to your staff and ensure a seamless transition. We will prioritize establishing a strong relationship and designing a transition plan that is tailored to your specific needs. To start, our team will conduct a thorough review of your financial statements and operating environment, while also meeting with your team to develop a communication plan that outlines clear expectations and timelines for both parties.

Transition activities include:

- Planning sessions to discuss risks, expectations, the audit process, and timelines.
- Examination of your prior auditor's working papers.
- Developing an efficient and effective audit plan.

Interim Work

We will schedule interim for a week that is convenient for the City's finance team. At least three weeks prior to the scheduled work, we will provide an interim document request list to guide the finance team in preparation for the work. Our request lists are maintained in Box and are interactive so that both our team and yours can see progress in real time.

We meet with the City's finance team and our core audit team prior to interim work to discuss current year operating results and potential changes in the City's resources or requirements compared to the prior year which may impact our audit plan.

Our interim work focuses on internal control walkthroughs, Oregon Minimum Standard compliance work, and general audit inquiries designed to assist us in our audit planning.

At the conclusion of interim work, we will send the required communication to the governing body with details about our planning and timing of the audit. Within one week of completing interim work, we will provide the fall fieldwork request list to management. Both the engagement and EQCR partners will review the team's plan for obtaining sufficient audit evidence at the conclusion of interim work.

Single Audit

The single audit is one of the areas of higher risk where we devote a considerable amount of time. We ask our clients to provide a draft Schedule of Expenditures of Federal Awards ("SEFA") in August so we can determine major programs, the City's federal program environment, and how funding is spent prior to beginning fall fieldwork. Once major programs are selected, we provide the finance team with a questionnaire to assist them in identifying key controls over compliance for testing in the fall. At the time of fall fieldwork, we request the final SEFA to make sure that our initial determination of major programs remains appropriate.

During our testing of internal controls and compliance, we use statistical sampling methods to ensure an appropriate and sufficient level of coverage for testing of major programs.

Fall Fieldwork

Fall fieldwork will be scheduled for approximately one week. We build a second week into our audit calendar to give management time to resolve any outstanding items or questions from fieldwork. Our request lists include due dates, and we request the trial balance and selected general ledger detail be provided 1-2 weeks prior to the beginning of fieldwork, so that our team is ready to go on day one of fieldwork.

Exit Conference

Upon completion of fieldwork, we will hold an exit conference with management to review the audit fieldwork, potential management comments, financial statement internal control findings, as well as any single audit findings identified. We will also review open issues or items to be cleared prior to wrapping up the audit. As part of tracking open items, we maintain an interactive open request list to track the status of those items in real time.

During the conference, we review any proposed audit adjustments and discuss with management whether they wish to record the adjustments or pass on those considered immaterial.

Quality Technical Review

Once the audit partner has reviewed the work and is satisfied that we have obtained sufficient audit evidence to support our opinion, the file is turned over to our municipal EQCR partner, who performs the work remotely. The EQCR review includes review of significant risk areas, the single audit and the basic financial statements to ensure quality and adherence to professional standards.

Draft Financial Statements

Drafting of financial statements is assigned to a team member who is not part of our core audit team, to ensure that independence requirements under *Government Auditing Standards* are met. Draft financial statements are submitted to management for review, suggestions and approval.

The draft statements will include a draft of our audit reports, including the financial statement audit, Oregon Minimum Standard reporting, compliance and control reporting in accordance with *Government Auditing Standards*. We will also submit drafts of any reports which include findings identified during the audit for management review prior to finalizing them.

For any year where in which a single audit is required, we will prepare the Schedule of Findings and Questioned Costs and our report on compliance and controls over compliance reporting in accordance with the Uniform Guidance.

Draft financial statements, audit letters, and reports will be submitted to management no later than November 1 of each year.

Completion and Reporting Phase

Letters from attorneys will be requested as necessary. After management approval of the draft financial statements, we will request management to sign a management representation letter ("MRL") electronically to conclude the audit.

Upon receipt of the MRL, we will formally issue our reports and submit the full annual financial reporting package to management, along with the required audit letters. The final reporting package will be delivered to the City no later than December 1 of each year.

Upon delivery of the audit to management, we will submit the financial statements and Summary of Revenue and Expenditures to the Secretary of State. We will prepare and submit the auditor's portion of the Federal Audit Clearinghouse submission within 30 days of our audit report date.

Expectation of Documents to be Provided by the City

During the planning phase of the audit, we meet with the finance team and various other City personnel for inquiry and assistance with internal control walkthroughs. The meetings are generally limited to 30 minutes each. The interim request list is comprised of documentation related to the City's accounting processes, compliance with Oregon Minimum Standards (budget law, public contracting law, etc.), and some audit inquiry to assist in our planning.

Our fall request lists are comprised of support for significant year end balances, and include such documents as bank reconciliations, accounts receivable and payable detail, capital asset and long-term debt support, and payroll related documentation and support. We expect most of our requests can be satisfied with already existing support the City prepares in its internal closing the accounting records.

We are flexible as to format and generally are able to use documents that have been prepared for internal use rather than requiring special format documentation.

For single audits, our request list includes items such as the Schedule of Expenditures of Federal Awards using our standard template, inquiries with management and other finance team members who participate in accounting for federal programs, and filling out a questionnaire to assist us in documenting and testing the City's controls over compliance.

Constructive Suggestions and Internal Control Structure Approach

We develop our understanding of the City's internal control structure using internal control walkthroughs performed during interim fieldwork.

During the process of identifying and walking through key controls, we may identify areas where those controls do not appear to sufficiently prevent or detect fraud or errors. In these situations, we reach out to management to make sure our understanding of the control is correct. If we confirm our understanding of the control's operation, we will develop recommendations for improvement of controls over that particular transaction or balance. When developing recommendations, our team works closely with management to determine cost-beneficial recommendations to improve the identified control process.

Staff Hourly Schedule

The following table illustrates our current hourly rates for staff members expected to be assigned to the City's audit.

Partner	\$395
Manager	\$295
Experienced Senior Associate	\$235
Senior Associate	\$195
Experienced Associate	\$165
Associate	\$145

Disciplinary and Legal Matters

Sensiba and the staff members assigned to this audit have no disciplinary action taken or pending against it by Oregon Board of Accountancy or Oregon Secretary of State Audits Division, nor have been sued in connection to providing services to audit clients.

The firm has no pending or settled litigation related to audit services provided.

The Oregon Board of Accountancy disciplinary action report for all Oregon CPA firms may be accessed at this link: <https://www.oregon.gov/BOA/Pages/Disciplinary-Action-Report.aspx>. We encourage the City to review all respondents using this link.

Insurance Statement

Sensiba confirms we have in place, or are able to obtain, the required insurance coverage for this agreement.

Management Report Examples

Sample #1



City Council and Management
City of XXXX

We have audited the financial statements of the City of XXXX as of and for the year ended June 30, 2024, and have issued our report thereon dated January 31, 2025. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 4, 2024, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (US GAAP). Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of XXXX (the City) solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

We obtained an understanding of internal controls to assess the impact on determining the nature, timing and extent of audit procedures, and we have established an overall materiality limit for audit purposes. We conducted formal discussions among engagement team members to consider how and where the financial statements might be susceptible to material misstatement due to fraud or error.

We used this knowledge and understanding, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provided us with parameters within which to design the audit procedures for specific account balances and classes of transactions.

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Our risk assessment process at the account-balance or class-of-transactions level consisted of:

- An assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls); and
- An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the company's internal control).

We then determined the nature, timing and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them.

In planning the audit, the materiality limit is viewed as the maximum aggregate misstatements, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit was based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence. Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee of Sensiba LLP is permitted to own any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with Firm policy. In addition, our policies restrict certain non-audit services that may be provided by Sensiba LLP and requires audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

Significant Risks Identified

Under auditing standards, a significant risk is defined as an identified and assessed risk of material misstatement that, in the auditors' professional judgment, requires special audit consideration. As part of the risk assessment process, we are required to determine whether any risks identified are significant risks. In exercising this judgment, we exclude the effects of identified controls related to the risk, and consider the following area: risk of fraud; whether the risk is related to recent significant economic, accounting, or other developments and, therefore, requires specific attention; the complexity of transactions; whether the risk involves significant transactions with related parties; the degree of subjectivity in the measurement of financial information related to the risk, especially those measurements involving a wide range of measurement uncertainty; and whether the risk involves significant unusual transactions

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We identified the following significant risks:

- Payroll: one of the largest expenditures for the City, payroll is complex and subject to errors due to that complexity.
- Charges for services in the water and wastewater funds: areas where cash may be coming into the accounting system are higher risk due to their potential for fraud.
- Management override of internal controls is a presumed significant risk.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City are included in Note 1 to the financial statements. There have been no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- Reported value of capital assets, including infrastructure, which is based on management's estimate of useful lives over time.

Management's estimate of useful lives is based on industry standard and their experience with the lives of similar assets. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to the restatements of prior year financial statements.

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Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We identified no significant unusual transactions as a result of our audit procedures.

Identified or Suspected Fraud

We did not identify any fraud involving senior management or other fraud that causes a material misstatement of the financial statements, no illegal acts came to our attention and there were no disagreements with management or other serious difficulties encountered in performing the audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

- Various reclassifications to correct the direction (debit versus credit) of entries made during the City's financial closing process.
- Adjust the receivable and related deferred outflow related to property taxes in the general and urban renewal agency funds, \$5,507.
- Reverse duplicate billing to the county for snow plowing, \$26,103.
- Reduce compensated absences in the enterprise funds, \$16,176.
- Record an allowance for potentially uncollectible customer balances (>120 days past due), \$29,148.
- Adjustment to balances related to business license revenue receivables and deferrals, \$12,641.
- Allocation of payroll liability balance to individual funds and adjustment to accrue additional Oregon quarterly payroll liability, \$8,786.
- Reverse recognition of grant funding in the economic development fund, due to time restrictions placed on the funding by the grantor \$1,500,000.
- Record lease receivable, and related deferred outflow of resources, related to the cell tower long-term lease agreement, \$155,495.

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- Recognize revenue for land use fees in lieu in the street fund previously classified as future obligations on the balance sheet, \$67,757.
- Adjustments in the water and sewer funds to record interim loan financing, permanent loan financing and grant revenue, \$28,218,435.
- Adjustments in the water and sewer funds to record construction in progress, \$14,232,057.
- Adjustments in the water and sewer funds to record a liability related to compensated absences, \$20,988.
- Reversal in the sewer fund related to accrued interim financing that was not received until October 2024, \$130,205.
- Record construction retainage withheld from the primary contractor, \$592,187.
- To record interest payable on interim loan financings in the water and sewer funds, \$88,112.

Existence of Material Misstatements that Affects the Financial Statements of a Prior Period in Which There Was a Predecessor Auditor

We have identified the existence of material misstatements that affect the prior period financial statements on which the predecessor auditor had previously reported without modification.:

- Unrecorded accounts receivable across funds, \$152,583.
- Reverse recognition of revenue related to economic development event deposits, \$13,850.
- Accrue Deschutes County invoice for police services received in the year ended June 30, 2023, \$214,672.
- Adjustment of interim loan financing balance in the water funds, \$17,000.
- Record construction retainage withheld from the primary contractor, \$1,025,967.
- To record interest payable on interim loan financings in the sewer fund, \$14,870.
- Record compensated absence liabilities in the governmental activities, water and sewer funds, \$25,112.

The impact of these adjustments on the current year financial statements, was a restatement of beginning equity across the City's funds which were impacted by prior year misstatements. We performed additional procedures, outside of the scope of the current year engagement, to audit the restatements and as a result of our procedures determined the restatements were reasonable in all material respects, thus no modification to our opinion on the current year financial statements was warranted. Management has communicated the prior year restatements to the previous auditor, who is required to consider the impact of the previously issued financial statements and users' reliance on those statements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

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Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No such circumstances were identified.

Representations Requested from Management

We have requested certain written representations from management, which are included in the letter dated January XX, 2025.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Communication of Internal Control Deficiencies

We have communicated certain internal control deficiencies identified during the course of our audit to management and board in our report in accordance with *Governmental Auditing Standards* dated January XX, 2025.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information, and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

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

Respectfully,

Sensiba LLP

Sensiba LLP
Bend, OR

Sample #2

City Council and Management
City of XXXX

We have audited the financial statements of the City of XXXX as of and for the year ended June 30, 2024, and have issued our report thereon dated December 23, 2024. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated April 25, 2024, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (US GAAP). Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of XXXX (the City) solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

We obtained an understanding of internal controls to assess the impact on determining the nature, timing and extent of audit procedures, and we have established an overall materiality limit for audit purposes. We conducted formal discussions among engagement team members to consider how and where the financial statements might be susceptible to material misstatement due to fraud or error.

We used this knowledge and understanding, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provided us with parameters within which to design the audit procedures for specific account balances and classes of transactions.

Our risk assessment process at the account-balance or class-of-transactions level consisted of:

- An assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls); and
- An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the company's internal control).

We then determined the nature, timing and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them.

In planning the audit, the materiality limit is viewed as the maximum aggregate misstatements, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit was based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence. Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee of Sensiba LLP is permitted to own any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with Firm policy. In addition, our policies restrict certain non-audit services that may be provided by Sensiba LLP and requires audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

Significant Risks Identified

Under auditing standards, a significant risk is defined as an identified and assessed risk of material misstatement that, in the auditors' professional judgment, requires special audit consideration. As part of the risk assessment process, we are required to determine whether any risks identified are significant risks. In exercising this judgment, we exclude the effects of identified controls related to the risk, and consider the following area: risk of fraud; whether the risk is related to recent significant economic, accounting, or other developments and, therefore, requires specific attention; the complexity of transactions; whether the risk involves significant transactions with related parties; the degree of subjectivity in the measurement of financial information related to the risk, especially those measurements involving a wide range of measurement uncertainty; and whether the risk involves significant unusual transactions

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We identified the following significant risks:

- Payroll: one of the largest expenditures for the City, payroll is complex and subject to errors due to that complexity.
- Charges for services in the water and wastewater funds: areas where cash may be coming into the accounting system are higher risk due to their potential for fraud.
- Management override of internal controls is a presumed significant risk.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City are included in Note 1 to the financial statements. There have been no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on 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 markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

- The proportionate share of the net pension obligation unfunded actuarial liability related to the City's participation in the Oregon PERS system, including estimated deferred inflows and outflows expected to be included in pension expense in future periods.

Management's estimate of the pension obligation is based on an actuarial valuation provided by Oregon PERS and audited by independent auditors engaged by Oregon PERS. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

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Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to the Oregon PERS unfunded pension liability, an estimate described above.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We identified no significant unusual transactions as a result of our audit procedures.

Identified or Suspected Fraud

We have not found any fraud involving senior management or other fraud that causes a material misstatement of the financial statements, no illegal acts came to our attention and there were no disagreements with management or other serious difficulties encountered in performing the audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management:

- Correct an overstatement of payroll liabilities, \$25,984.
- Allocate investment income among the funds based on their year end allocation of pooled cash, \$285,544
- Reduce compensated absences in the enterprise funds, \$16,176
- Record an allowance for potentially uncollectible customer balances (>120 days past due), \$29,148

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Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No such circumstances were identified.

Representations Requested from Management

We have requested certain written representations from management, which are included in the letter dated December 23, 2024.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.

Communication of Internal Control Deficiencies

We have communicated certain internal control deficiencies identified during the course of our audit to management and board in our report in accordance with *Governmental Auditing Standards* dated December 23, 2024.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the City's annual reports, does not extend beyond the information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information, and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Sensiba.com

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

Respectfully,

Sensiba LLP

Sensiba LLP
Bend, OR
December 23, 2024

[Sensiba.com](https://sensiba.com)

Additional Information

Certified B Corp. At Sensiba we recognize that good business makes an impact on companies, communities and people. We are accountants, consultants and experts in good business. We use deep industry experience to help the people in organizations solve problems, navigate complexity, and build a foundation for sustainable growth. As a Certified B Corp, we foster a culture where people and families thrive.

We are enthusiastic about working with you. We want your business and look forward to discussing the enclosed proposal with you. If selected as your auditor, our team has the passion and energy to ensure a successful, smooth audit process. Thank you for this opportunity and your consideration. Should you have any questions or comments, please contact us.

Peer Review. CPA firms offering audit services are required to obtain a peer review every three years. Peer review ensures that the firm is adhering to professional standards and confirms the firm is maintaining high-quality work.

Sensiba underwent a peer review for the year ended June 30, 2022, which included a review of specific government engagements. The peer review resulted in a rating of pass and our peer reviewer noted no matters or findings for further consideration. A copy of our report is in Appendix A.

Peer review results for all firms participating in the AICPA peer review program is publicly available at this link: <https://peerreview.aicpa.org/>.

Statement of Costs

Total Fees for Audit Services for Fiscal Year Ending June 30, 2025

	<i>Hours</i>	<i>Amount</i>
Financial Statement Audit - City	205	\$42,000
Financial Statement Preparation - City	44	\$8,000
Single Audit – one major program	20	\$4,500
Financial Statement Audit - URA	23	\$5,100
Financial Statement Preparation - URA	6	\$700
Total	298	\$60,300

Single Audit

The selection of major programs follows a prescribed methodology contained in the Uniform Guidance and the number of programs to be audited is not in the control of the auditor. Accordingly, our fee structure for single audits is based on the number of major programs required to be audited each year. Our estimated fee per major federal program required to be audited is \$4,500 per program. We have included one major program in our cost proposal, as we've concluded on program is the most likely scenario for the City.

Broadening of Scope

The City maintains various funds which were reported as non-major for the year ended June 30, 2024. Increased activity in one or more funds may result in additional major funds, requiring additional auditing procedures on the new major funds.

Our proposed fee includes auditing and reporting on GASB standards effective and implemented as of June 30, 2024. Two new GASB standards, GASB 101 and 102, require implementation for the year ending June 30, 2025. Auditing implementation of new GASB standards would incur additional fees.

Prior to charging fees related to broadening of scope, we will notify management in writing a description of the circumstances and an estimate of additional fees we expect to incur prior to performing additional procedures.

Certification and Contract Offer

CITY OF BROOKINGS, OREGON
FINANCE DEPARTMENT

REQUEST FOR PROPOSAL
TO PROVIDE:

ANNUAL INDEPENDENT AUDIT SERVICES

To City of Brookings
Brookings, Oregon

The undersigned Proposer warrants that he has carefully examined the Request for Proposal documents for providing the service described as follows:

ANNUAL INDEPENDENT AUDIT SERVICES FOR THE CITY OF BROOKINGS

The Proposer warrants that Proposer has made such investigation as is necessary to determine the complexities and requirements of the City of Brookings and, if Proposer's proposal is accepted, Proposer will contract with the City of Brookings, in the form of City of Brookings's Professional Services Agreement, to provide the required services as specified in the Request For Proposal document. The Proposer further warrants that the terms and conditions contained within the Request for Proposal document, which are, by reference, incorporated herein in their entirety, are acceptable for the Proposer and will be incorporated into any Personal Services Agreement resulting from award of this procurement and that such terms and conditions take precedence over any conflicting terms and conditions in Proposer's proposal.

The Proposer submits and proposes the fee schedule provided within the proposal as required within the Request for Proposal document. This proposal shall be effective for a period of sixty (60) days from the RFP closing date.

Name of Proposer: Sensiba LLP Date: 03/25/2025

Tax Identification Numbers: 94-2370906

Signature of authorized person: Brenda Bartlett Title: Municipal Audit Partner

Business Phone and FAX numbers: p. 541-388-7888; f. 541-388-0739

Appendix A – Peer Review Report



Report on the Firm's System of Quality Control

December 21, 2022

To the Partners of Sensiba San Filippo LLP and the National Peer Review Committee.

We have reviewed the system of quality control for the accounting and auditing practice of Sensiba San Filippo LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included an engagement performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, audits of employee benefit plans and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Sensiba San Filippo LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended June 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Sensiba San Filippo LLP has received a peer review rating of *pass*.

OlsenThielen & Co., LTD.

Olsen Thielen & Co., Ltd.

2675 Long Lake Road | Roseville, Minnesota | 55113-1117 | 651-483-4521 | 651-483-2467 FAX | otcpas.com
300 Prairie Center Drive, Suite 200 | Eden Prairie, Minnesota | 55344-7908 | 952-941-9242 | 952-941-0577 FAX

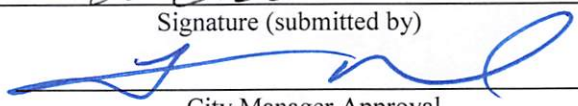
CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: April 28, 2025

Originating Dept: Finance & Admin


Signature (submitted by)


City Manager Approval

Subject:

Adoption of an updated Master Fee Schedule

Recommended Motion:

Adopt Resolution 25-R-1273, updating the Master Fee Schedule and repealing Resolution 24-R-1265, effective July 1, 2025.

Financial Impact:

Approximately 2.7% increase in revenues of specific fee categories per occurrence.

Background/Discussion:

The Master Fee Schedule is reviewed by staff annually to determine where changes are appropriate. The most recent 2024 Master Fee Schedule was adopted by Council on June 27, 2024, pursuant to Resolution 24-R-1265.

The 2025 Master Fee Schedule is attached as "Exhibit A". It includes a cost-of-living increase (CPI-W February) of 2.7% rounded to the nearest dollar on most items, and an increase in park use fees to account for increased maintenance costs. There are some costs that are not increased annually because of the amount (i.e. increase of less than \$0.50) and might be increased every few years.

Council discussed the Master Fee Schedule in a workshop on April 7, 2025. The consensus was to bring forward the updated schedule to a regular Council meeting with a 2.7% increase.

Attachment(s):

- a. Resolution 25-R-1273
- b. Master Fee Schedule with proposed 2025 revisions

**CITY OF BROOKINGS
STATE OF OREGON**

RESOLUTION 25-R-1273

A RESOLUTION OF THE CITY OF BROOKINGS UPDATING THE BROOKINGS MASTER FEE SCHEDULE REPEALING 24-R-1265.

WHEREAS, the City of Brookings adopted the Brookings Master Fee Schedule under Resolution 09-R-910; and

WHEREAS, Resolution 09-R-910 established the method of updating the Brookings Master Fee Schedule (Fee Schedule) by Resolution, recognizing that the establishment of certain fees from time to time is necessary to recover the true cost of providing services; and

WHEREAS, Resolution 09-R-910 also provides that the City Council may apply an annual CPI adjustment to the Fee Schedule; and

WHEREAS, the last update to the Fee Schedule was July 2024;

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Brookings, Curry County, Oregon, that the 2025 Brookings Master Fee Schedule, attached herein as Exhibit A, is hereby adopted, and Resolution 24-R-1265 is repealed.

BE IT FURTHER RESOLVED that the 2025 Brookings Master Fee Schedule will become effective on July 1, 2025.

Passed by the City Council April 28, 2025; effective July 1, 2025.

Attest:

Mayor Isaac Hodges

City Recorder Brooklyn Osterhage

		<u>2025 FEE</u>
<u>ADMINISTRATIVE - GENERAL</u>		
Building Code Violation Appeal Fee ⁽¹⁶⁾		204.00
Business Licenses		
Annual fee based on total number of employees reported on Form 132		
0-10		84.00
11-25		139.00
26-50		206.00
51-75		411.00
76-100		816.00
101-200		1,358.00
>200		2,069.00
Annual fee for businesses located outside City limits		100.00
Late Fee		10.00
Temporary 90-Day		\$35.00 or 1/4 annual fee, whichever is greater
Public Safety Fee per connection/unit/month		3.49
Copying of City Records < 200 pages (based on 8-1/2 x 11 side) ⁽¹⁾		B&W \$0.35 /Color \$0.45
Copying City Records using off-site services (when necessary)		Actual costs + staff time
Certified copies of City records (for notarized copies – see Notary fee)		
First page + copy costs		B&W \$1.30/Color \$1.40
Each additional page (per side) + copy costs		B&W \$0.70/Color \$0.80
Duplication of City audio/video recordings to CD or DVD		
Personal Copy		20.00
Certified Copy		25.00
Electronic document preparation ⁽¹⁰⁾		
Electronic documents or files copied to CD or DVD		18.00
Electronic documents, <10MB and 10 files, sent electronically		No additional cost
Electronic documents, ≥10MB and/or 10 files, sent electronically		16.00
Paper to electronic conversion (per side) to PDF format, ≤ 11” x 17”		\$0.20 per side
Fax - per page (single sided – 8-1/2 x 14 max)		\$1.40
GIS		
8-1/2 x 11 Curry County Print (per single sided page)		B&W \$0.35; Color \$0.45
11 x 17 Curry County Print (per single sided page)		B&W \$3.30; Color \$3.40
Large Format Print (> 11x17)		BW \$4/sq ft Color \$12/sq ft
Large Format Scanning (> 11 x 17, per single side sheet)	Per Sheet	25.00
Custom Map	Per Hour	59.00
Legal review of public records for exempt determination ⁽²⁾		Actual legal costs
Lien Search		30.00
Liquor License Application – New/Annual Renewal		30.00
Liquor License Application – Temporary/Annual		30.00
Meeting Room Rental – Council Chambers	Per Hour	25.00
Meeting Room Rental – Fire Hall	Per Hour	15.00
Monitoring of public review of City files		46.00
Payment Agreement- Set-up		
Set-Up Fee		139.00

		<u>2025 FEE</u>
Late Fee		45.00
Loan Rate		9%
Records Search	Per Hour	55.00
Returned (NSF) Check		48.00
Taxicab Driver's Permit/ Bi-Annual		36.00
Taxicab License/ Per Vehicle/Annual		91.00
Taxicab Photo Update		14.00
Transportation Network Company		91.00
Transportation Network Company Driver's Permit/Bi-Annual		37.00
Vacation – General (12)		1,661.00
<u>COURT</u>		
Community Service Sign Up Fee		65.00
Court Fee (Generally)		65.00
Driver's License Sanctions		32.00
Failure to Appear		64.00
Collections Fee		32.00
Payment Plan Fee (balance less than \$250)		32.00
Payment Plan Fee (balance greater than \$250)		63.00
Appeal Filing Motion		78.00
<u>FIRE</u>		
Burn Permits		15.00
Burn to Learn		2,014.00
Insurance Company Report		32.00
Copies of County Road Directory		20.00
Roadway Wash Down		139.00
<u>PARK FACILITY / DAILY USE FEES</u> (3)(4)		
Capella Use Fees		
Basic Use Fee	Per hour w/2 hour minimum	150.00
Musical Event Fee (minimum 3 event series)	Per hour w/2 hour minimum	50.00
Security Deposit	Per Event	300.00
Park Use/Standard		
City Residents; non-resident add 50%, non-profit subtract 50%		
	0-200	75.00
	201-400	150.00
	401-600	250.00
	601-1000	400.00
	> Each additional 100	75.00
Park Use/Commercial		
City Resident	1-100	75.00
	>Each additional 100	75.00
Non-City Resident	1-5	200.00
	6-30	300.00
	31-60	450.00
	61-100	600.00
	>Each additional 100	100.00

	<u>2025 FEE</u>
Other Park Facilities: <i>non-resident add 50%, non-profit subtract 50%</i>	
Bandshell/Stage Use	75.00
Concession Stand w/restrooms	150.00
Concession Restrooms Only	50.00
Folding Picnic Table / each, per event (8)	25.00
Tournaments per field per day	100.00
Soft Ball Field Lights per hour/per field	20.00
Recreational Sports (Soft Ball, Kick Ball, Soccer) per game/per team	30.00
Recreational Sports Courts/ Field Reservation per hour	30.00
Scoreboard Use/Remote Deposit	200.00
Tournament Cancellation fee 45 days or more \$25; 45 days or less 1/2 of deposit excl	
Key replacement	32.00
Expedited Plan Review for Special Events (20)	645.00
Capella/Park Use Cancellation Fee	50.00
Event Permit Request	
Event Permit (18)	50.00
Barricade and Cone Delivery (19)	111.00
Refundable Barricade/Cone Use	412.00
<u>PLANNING</u>	
Annexation (5)	6,852.00
Appeal to City Council (9)	Equal to Application Fee
Appeal to Planning Commission	206.00
Combined Preliminary/Final Plat Approval	1,101.00
Comprehensive Plan Amendment (5)	4,949.00
Conditional Use Permit (Generally)	3,509.00
Detailed Development Plan (5)	9,825.00
Extension of Time SUB/CUP	69.00
Home Occupation	54.00
Home Occupation Permit for Non-profit	No Fee
Lot Line Adjustment/Lot Line Vacation	194.00
LU Compatibility Statements	60.00
Master Plan Development (5)	11,581.00
Minor Change	1,352.00
Partition	2,701.00
Mural Application	104.00
Permit Clearance Review	229.00
Minor Additions & Repairs	76.00
Planned Unit Development (5)	6,037.00
Pre-Application Services (6)	710.00
Re-Notification	185.00
Sign Approval	178.00
Street Naming	134.00
Subdivision (5)	2,794.00
Subdivision Final Approval	206.00
Subdivision Replat (5)	2,757.00
Variance	3,287.00

	<u>2025 FEE</u>
Vacation – Land Use ⁽¹²⁾	3,323.00
Workforce Housing Accessory Dwelling Registration Fee	33.00
Zone Change (without Comp Plan Amendment)	3,708.00
<u>POLICE</u>	
Fingerprinting – per card	15.00
Intoxilizer	5.00
Police Reports/per report	11.00
Incident Reports	5.00
Digital Media Redact	Actual costs + staff time
Digital Media Duplication	37.00
Urinalysis	10.00
<u>PUBLIC WORKS</u>	
Building Inspection Fees	Pursuant to OR State Building Codes Div established fees
Vacant Property Registration Fees	
Compliant Commercial Property	
1st year Registration Fee	25.00
Subsequent Years	25.00
Maximum Annual Registration Fee	25.00
Non-Compliant Commercial Property	
1st year Registration Fee	250.00
Subsequent Years	Increases 50.00
Maximum Annual Registration Fee	750.00
Public Works / Right-of-Way Plan Review ⁽⁵⁾ ⁽¹³⁾ Per plan sheet	100.00
Public Works / Right-of-Way Permit and Inspection ⁽⁷⁾ ⁽¹⁷⁾	\$100.00 or 5% of project value, whichever is greater
Right to Use/Encroachment Permit ⁽¹⁷⁾	60.00
Hydrology report review ⁽⁵⁾	268.00
TV Inspection Fee 2 hour minimum	229.00
<u>SEWER & WATER</u>	
<i>Sewer</i>	
4” Sewer Tap-in ⁽¹⁴⁾	Actual time & materials with minimum of \$4,617
6” Sewer Tap-in (w/o existing lateral to property line) ⁽¹⁴⁾	Actual time & materials with minimum of \$6,242
BOD/SS Compiler ⁽¹⁵⁾	201.00
Flow Meter Data Logger ⁽¹⁵⁾	201.00
Oil & Grease Trap Inspection - stand alone	63.00
Oil & Grease Trap Inspection w backflow inspection	32.00
<i>Water</i>	
Annual Backflow Inspection	135.00
Meter Drop-in Connection Fee	

	<u>2025 FEE</u>
5/8 x 3/4"	527.00
3/4"	571.00
1"	736.00
1-1/2"	2,319.00
2"	2,721.00
4" (14)	Actual time & materials with estimated deposit
Hydrant Meter Installation (includes uninstal)	134.00
Service Extension inside City limits	
1 inch single service	5,017.00
2 inch single service	6,803.00
2 inch dual service	7,956.00
4" Service and larger	Contractor only
Service Extension Outside City Limits	Add 20% to inside City limit fees
4" Service and larger	Contractor only
SWIMMING POOL USE	Established annually by City

- (1) All copy charges are calculated based on a single-sided 8 1/2 x 11 page. An 8-1/2 x 14 page will be charged at one and one-half (1-1/2) the cost of singled sided page, and 11 x 17 pages will be charged as two (2) single sided pages. Large copying projects (>200 single sided pages or >100 double sided) will be charged actual copying and labor costs, with prior notification to, and acknowledgement of the requestor.
- (2) Determination of need for legal review must be made by the City Manager.
- (3) A refundable deposit will be charged equaling the total daily use fee, per application.
- (4) Park Use Fees will be waived for the Azalea Festival, American Music Festival, and Natures Coastal Holiday. The City Manager may waive Parks Use Fees for non-profit events when the total is less than \$100.
- (5) Base fee. If the City cost for processing the application exceeds the base fee, the applicant will be liable for, and billed monthly, for staff and/or consultant's time and other associated costs incurred with processing the application (including but not limited to planning, public works, engineering, City administration, legal and inspection services).
- (6) Pre-application meeting fee will be applied to the application fee if the application is submitted within one (1) year of the pre-application meeting. Each pre-application meeting increases the application fee by the same amount.
- (7) Fee is collected at time of permit issuance.
- (8) Tables may be rented at a reduced 50% rate with a minimum of 5 tables when both pick-up and delivery are handled by the applicant.
- (9) Appeal fee will be equal to the applicable application fee and adjusted, up or down, based on final cost recovery.
- (10) Fees noted are in addition to applicable records search fees. Any request requiring more than 1 hour of staff time for conversion, copying to disc, etc., will be charged the records search rate, in addition to standard fees, with prior notification to, and acknowledgement of the requestor. Sending and receiving of electronic files, and conversion of paper documents to PDF format, is limited to current available in-house technology.
- (11) Fee to be determined per event; based on staff requirements for pick-up, delivery and placement of barricades and cones.
- (12) Vacations requiring an additional hearing before the Planning Commission will be charged at twice the standard fee. (Standard fee includes a hearing before the City Council).
- (13) One-time fee. Incomplete submittals will not be accepted.
- (14) Deposit based on estimate to be applied to actual cost of time and materials. Any deposit amount exceeding actual costs will be refunded upon project completion. Amounts in excess of the deposit will be billed at the earliest known stage in the project, or upon project completion.
- (15) Subject to availability.
- (16) If appellant prevails, appeal fee will be refunded.
- (17) Fee will be doubled for failure to obtain permit in advance of performing work.
- (18) Non-contiguous recurring events will be charged the base fee for the first event and \$10 for each recurrence during a calendar year.
- (19) Barricade/cone fee for non-contiguous recurring events will be applied only once.
- (20) For event application forms submitted less than 14 days from date of event.

CITY OF BROOKINGS

COUNCIL AGENDA REPORT

Meeting Date: April 28, 2025

Originating Dept: Administration

Signature (submitted by)

City Manager Approval

Subject:

Annual Yard of the Month Program

Recommended Motion:

Approve the reinstatement of the Yard of the Month program for five months beginning May, 2025.

Financial Impact:

\$500

Background/Discussion:

This will be the City's 23rd year for recognizing residents and business owners for their beautification efforts through its annual Yard of Month Program.

The program includes the presentation of awards, May through September, in two categories: Best Residential Property and Best Commercial Property. Monthly winners receive a certificate, and a \$50 rebate toward their City utility bill. Winners are also recognized with signage, local media coverage and mention at a City Council meeting.

City of Brookings

URBAN RENEWAL AGENCY MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Monday, December 9, 2024

Call to Order

Chair Hodges called the meeting to order at 7:18 PM

Roll Call

Agency Present: Chair Isaac Hodges, Directors Clayton Malmberg, Phoebe Pereda, Andy Martin, and Kristi Fulton; a quorum present

Staff present: City Manager Tim Rundel, Public Works and Development Services Director Tony Baron, and Deputy City Recorder Brooklyn Osterhage

Media Present: 0

Others Present: 2 audience members

Consent Calendar

1. Approve Urban Renewal Meeting minutes for August 26, 2024

Director Pereda moved, Director Martin seconded, and Agency voted unanimously to approve the Consent Calendar.

Staff Reports

1. Audit Report for the fiscal year ended June 30, 2024

Staff Report provided by Lu Ehlers

Director Pereda moved, Director Malmberg seconded, and Agency voted unanimously to accept the Brookings Urban Renewal Agency's Audit for the fiscal year ended June 30, 2024.

Agency Remarks

Director Martin would like to follow up on the Vacant Commercial Property Ordinance topic from the latest December 2nd Workshop.

Adjournment

Chair Hodges moved and Agency voted unanimously to adjourn the meeting at 7:22 PM.

Respectfully submitted:

ATTESTED:

this 28th day of April, 2025:

Isaac Hodges, URA Chair

Brooklyn Osterhage, City Recorder

BROOKINGS URBAN RENEWAL AGENCY

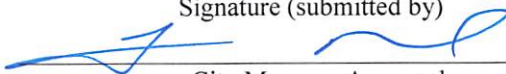
COUNCIL AGENDA REPORT

Meeting Date: April 28, 2025

Originating Dept: Finance & HR



Signature (submitted by)



City Manager Approval

Subject:

Independent Audit Services Contract

Recommended Motion:

Accept the audit services proposal from Sensiba LLP and authorize the City Manager to execute a three year contract.

Financial Impact:

Selecting Sensiba LLP is projected to save the City approximately \$22,255 over three years compared to the proposal from the current auditor, Moss Adams LLP. The proposed costs for Years 2 and 3 are subject to annual adjustments based on the Consumer Price Index (CPI). For reference, the total cost of the FY 2023–24 audit was \$59,015, which included \$49,965 for the City audit and \$9,050 for the Urban Renewal Agency.

Background/Discussion:

The City issued a Request for Proposals (RFP) for independent audit services, distributing the solicitation to 51 firms listed on the Oregon Municipal Auditor Roster. In response, the City received three proposals. The Finance & Human Resources Director conducted a thorough review of each submission, including reference checks.

All three responding firms are highly qualified, with extensive experience in municipal auditing, and each submitted competitive proposals. Key cost variables include the preparation of Financial Statements, the requirement for a Single Audit (triggered by the City's USDA funding and other federal funds), and the level of Urban Renewal Agency (URA) expenditures. Due to the USDA funding, Single Audits will be required for the next three fiscal years, and associated costs are included in the totals below.

While KDP & Co., LLC submitted a proposal, they did not provide a cost estimate for travel related costs which would be additional.

The proposed costs for the three-year contract period are as follows:

City of Brookings

	Year 1	Year 2	Year 3	Total
Moss Adams LLP	58,200	59,946	61,744	\$ 179,890
Sensiba LLP	54,500	56,135	57,819	\$ 168,454
KDP & Co LLC	49,100	50,600	49,400	\$ 149,100

Urban Renewal Agency

	Year 1	Year 2	Year 3	Total
Moss Adams LLP	9,300	9,579	9,866	\$ 28,745
Sensiba LLP	5,800	5,974	6,153	\$ 17,927
KDP & Co LLC	12,000	12,500	13,000	\$ 37,500

3 Year Totals City and URA

Moss Adams LLP	\$ 208,635
Sensiba LLP	\$ 186,381
KDP & Co LLC	\$ 186,600

Attachment(s):

- a. Proposal – KDP Certified Public Accountants, LLP
- b. Proposal – Moss Adams LLP
- c. Proposal – Sensiba