



Sunset Empire Transportation District
BOARD OF COMMISSIONERS
BOARD MEETING AGENDA
THURSDAY FEBRUARY 23, 2023
9:00 AM
900 MARINE DR, ASTORIA, OR

<https://us02web.zoom.us/j/84203959772>

1-877-853-5247

AGENDA:

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. CHANGES TO AGENDA
5. PUBLIC COMMENT (3-minute limit)
6. APPROVAL OF BOARD MEETING MINUTES
7. REPORTS FROM CHAIR AND COMMISSIONERS
8. FINANCIAL REPORTS
9. CONTINUED BUSINESS
10. NEW BUSINESS
 - a. FY 2021 AUDIT
11. CORRESPONDENCE
12. EXECUTIVE DIRECTOR REPORT
13. LEADERSHIP TEAM REPORTS
14. ADJOURNMENT

Connection options and instructions to participate in the public meeting remotely

ONLINE MEETING ZOOM

At start of our Public Meetings, you will be able to join our online ZOOM meeting using your mobile or desktop device and watch the live video presentation and provide public testimony.

Step #1: Use this link: <https://us02web.zoom.us/j/84203959772>

Step #2: Install the Zoom software on your mobile device, or join in a web browser

Step #3: If prompted, enter the Meeting ID number: 84203959772

Note: Your device will automatically be muted when you enter the online meeting. At the time of public testimony, when prompted you may choose to select the option within the ZOOM software to "raise your hand" and notify staff of your desire to testify. Your device will then be un-muted by the Host, and you will be called upon, based on the name you entered within the screen when you logged in.

TELECONFERENCE ZOOM

At start of our Public Meetings, you will be able to **dial-in using your telephone** to listen and provide public testimony.

Step #1: Call this number: 253-215-8782 or 877-853-5247

Step #2: When prompted, enter the Meeting ID number: 84203959772

*Note: Your phone will automatically be muted when you enter the conference call. At the time of public testimony, when prompted, you may dial *9 to "raise your hand" and notify staff of your desire to testify. Your phone will then be un-muted by the Host and you will be called upon based on your phone number.*

SUNSET EMPIRE TRANSPORTATION DISTRICT

COMMONLY USED ACRONYM LIST

JANUARY

2023

AASHTO	AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS
ACT	ACTUAL
ACCTS	ACCOUNTS
ADA	AMERICANS WITH DISABILITIES ACT
ADS	ADVERTISEMENTS
AP	ACCOUNTS PAYABLE
APTA	AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
AR	ACCOUNTS RECEIVABLE
ARP	AMERICAN RESCUE PLAN
ASC	ASTORIA SENIOR CENTER
ATU	AMALGAMATED TRANSIT UNION
BG	BACKGROUND
BLDGING	BUILDING
BOC	BOARD OF COMMISSIONERS
BS	BALANCE SHEET
BUS REG FEE	BUS REGISTRATION FEE
CARES ACT	CORONAVIRUS, AID, RELIEF, AND ECONOMIC SECURITY ACT
CBA	COLLECTIVE BARGAINING AGREEMENT
CCC	CLATSOP COMMUNITY COLLEGE
CCCHD	CLATSOP CARE CENTER HEALTH DISTRICT
CCO	COORDINATED CARE ORGANIZATION
CK	CHECK
COMP	COMPUTER
CONF	CONFERENCE
CPCCO	COLUMBIA PACIFIC COORDINATED CARE ORGANIZATION
CRRSAA	CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT
CRS	CLATSOP REHABILITATION SERVICES
CSR	CUSTOMER SERVICE REPRESENTATIVE
CTAA	COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA
CTE	CENTER FOR TRANSPORTATION AND THE ENVIRONMENT
DAV	DISABLED AMERICAN VETERANS
DHS	DEPARTMENT OF HUMAN SERVICES
DIST	DISTRICT
DLSM	DRIVE LESS SAVE MORE
DMAP	DIVISION OF MEDICAL ASSISTANCE PROGRAM
DOJ	DEPARTMENT OF JUSTICE
DOT	DEPARTMENT OF TRANSPORTATION
ELA	EMERGING LEADERS' ACADEMY
EQUIP	EQUIPMENT
FHWA	FEDERAL HIGHWAY ADMINISTRATION
FTA	FEDERAL TRANSIT ADMINISTRATION
GF	GENERAL FUND
HR	HUMAN RESOURCES

SUNSET EMPIRE TRANSPORTATION DISTRICT
COMMONLY USED ACRONYM LIST
JANUARY
2023

IGA	INTERGOVERNMENTAL AGREEMENT
IJA	INFRASTRUCTURE INVESTMENT AND JOBS ACT
INFO	INFORMATION
INT	INTEREST
IS	INCOME STATEMENT
INS	INTEGRATED NETWORK SYSTEM
IT	INFORMATION TECHNOLOGY
KTH	KEY TRANSIT HUBS
LCC	LOWER COLUMBIA CONNECTOR
LGIP	LOCAL GOVERNMENT INVESTMENT POOL
LGPI	LOCAL GOVERNMENT PERSONNEL INSTITUTE
LRCTP	LONG RANGE COMPREHENSIVE TRANSPORTATION PLAN
MAINT	MAINTENANCE
MASA	MEDICAL AIR SERVICES ASSOCIATION
MBRC	MILES BETWEEN ROAD CALLS
MISC	MISCELLANEOUS
MM	MOBILITY MANAGEMENT
MOS	MONTH
MOU	MEMORANDUM OF UNDERSTANDING
NADTC	NATIONAL AGING AND DISABILITY TRANSPORTATION CENTER
NCTMN	NORTH COAST TOURISM MANAGEMENT NETWORK
NEMT	NON-EMERGENCY MEDICAL TRANSPORTATION
NHMP	NATURAL HAZARDS MITIGATION PLAN
NRTAP	NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM
NTI	NATIONAL TRANSIT INSTITUTE
NWACT	NORTHWEST AREA COMMISSION ON TRANSPORTATION
NWOTA	NORTHWEST OREGON TRANSIT ALLIANCE
OAR	OREGON ADMINISTRATIVE RULES
ODOT	OREGON DEPARTMENT OF TRANSPORTATION
OHA	OREGON HEALTH AUTHORITY
OHP	OREGON HEALTH PLAN
OrCPP	OREGON COOPERATIVE PROCUREMENT PROGRAM
ORS	OREGON REVISED STATUTES
OPTC	OREGON PUBLIC TRANSPORTATION CONFERENCE
OPTIS	OREGON PUBLIC TRANSIT INFORMATION SYSTEM
OPTP	OREGON PUBLIC TRANSPORTATION PLAN
OR	OREGON
OTA	OREGON TRANSIT ASSOCIATION
OTC	OREGON TRANSPORTATION COMMISSION
OTP	OREGON TRANSPORTATION PLAN
P&L	PROFIT AND LOSS
PARA	PARA-TRANSIT
PCA	PERSONAL CARE ATTENDANT

SUNSET EMPIRE TRANSPORTATION DISTRICT
COMMONLY USED ACRONYM LIST
JANUARY
2023

PM	PREVENTATIVE MAINTENANCE
PTAC	PUBLIC TRANSPORTATION ADVISORY COMMITTEE
PTD	PUBLIC TRANSIT DIVISION
PTSP	PUBLIC TRANSPORTATION SERVICE PROVIDER
QE	QUALIFIED ENTITY
QTR	QUARTER
RAC	RULES ADVISORY COMMITTEE
RC	RIDECARE
REHAB	REHABILITATION
RFP	REQUEST FOR PROPOSALS
RFQ	REQUEST FOR QUOTES
RIBTC	RURAL AND INTERCITY BUS TRANSPORTATION CONFERENCE
SDAO	SPECIAL DISTRICTS ASSOCIATION OF OREGON
SDIS	SPECIAL DISTRICTS INSURANCE SERVICES
SETD	SUNSET EMPIRE TRANSPORTATION DISTRICT
SETD GF	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SETD GEN	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SIP	SERVICE IMPROVEMENT PROGRAM
SSP/0401	ACCOUNT FROM OREGON DEPARTMENT OF HUMAN SERVICES
STF	SPECIAL TRANSPORTATION FUND
STIF	STATEWIDE TRANSPORTATION IMPROVEMENT FUND
STIP	STATEWIDE TRANSPORTATION IMPROVEMENT PROGRAM
STN	STATEWIDE TRANSPORTATION NETWORK
STP	SURFACE TRANSPORTATION PROGRAM
SUN	SMALL URBAN NETWORK
SWIP	SIDEWALK IMPROVEMENT PROGRAM
TAC	TECHNICAL ADVISORY COMMITTEE
TAC	TRANSPORTATION ADVISORY COMMITTEE (STF/5310/STIF)
TCTD	TILLAMOOK COUNTY TRANSPORTATION DISTRICT
TECH	TECHNOLOGY
TGM	TRANSPORTATION AND GROWTH MANAGEMENT
TO	TRANSPORTATION OPTIONS
TPJCC	TONGUE POINT JOB CORPS CENTER
TRB	TRANSPORTATION RESEARCH BOARD
TSP	TRANSPORTATION SYSTEMS PLAN
VETP	VETERANS ENHANCED TRANSPORTATION PROGRAM
YTD	YEAR TO DATE
ZEB	ZERO EMISSION BUS
ZEP	ZERO EMISSION PROPULSION
ZEBRA	ZERO EMISSION BUS RESOURCE ALLIANCE



**Sunset Empire Transportation District
Board of Commissioners
January 26, 2023
Board Meeting Astoria, Oregon**

1. CALL TO ORDER: Chair Debbie Booth-Schmidt called meeting to order at 9:00 AM.
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL: Present: Chair Boothe-Schmidt, Secretary/Treasurer Diana Nino, Commissioner Pamela Alegria, Commissioner Rebecca Read, Commissioner Charles Withers and Commissioner Guillermo Romero. Vice Chair Tracy MacDonald excused.

Staff: Executive Director Jeff Hazen and Executive Assistant Mary Parker

4. CHANGES TO AGENDA- None
5. PUBLIC COMMENT (3 Minutes) – None
6. APPROVAL OF MEETING MINUTES

a. DECEMBER 9, 2022, BOARD MEETING MINUTES

Commissioner Read moved to approve the December 9, 2022, Board meeting minutes
Commissioner Romero seconded the motion
Discussion- Commissioner Alegria and Commissioner Nino made several spelling corrections.

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
0-Nay
Motion passed unanimously

b. JANUARY 19, 2023, SPECIAL BOARD MEETING MINUTES

Commissioner Read moved to approve the January 19, 2023, Special Board Meeting Minutes as presented.
Commissioner Romero seconded the motion
Discussion- None

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
0-Nay
Motion passed unanimously

7. FINANCIAL REPORTS

a. DECEMBER 2022-

Commissioner Read moved to approve the December 2022 Financial Report
 Commissioner Alegria seconded the motion
 Discussion- Commissioner Alegria asked why the Timber Sales code on the on Exceptions Report is different than on the Condensed report. Kelley said she would correct that. There was further discussion and clarification of items on the report, but no further changes or corrections made.

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
 0-Nay
 Motion passed unanimously

b. NOVEMBER 2023

Commissioner Withers moved to approve the November 2022 Financial Reports
 Commissioner Read seconded the motion
 Discussion- There was discussion and clarification of items on the report, but no changes.

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
 0-Nay
 Motion passed unanimously

8. REPORTS FROM COMMISSIONERS

Commissioner Boothe-Schmidt- Thanked everyone for the Christmas Party and said it was fun and always nice to meet the drivers and others that work here that we don't see all the time. Commissioner Boothe-Schmidt said it is nice that the Seaside Office is up and running. Commissioner Boothe-Schmidt reported that she has been to events where they introduce elected officials which ends up being only the city and county officials. We need to remember that we are also elected officials and bring that up front more along with the Fire Districts, Water Districts and other small districts. Commissioner Boothe-Schmidt also added that the Cares Act money went to states, counties and cities but we had to fight to get what we needed here. We need to start making sure that people know that the SETD Board of Commissioners are elected officials and that we get recognition because a lot of people see that ballot and have no idea what they are voting on when it comes to special districts. Commissioner Boothe-Schmidt recommended that if a Board member is somewhere and they are introducing elected officials, you might let that person know there are also Special Districts elected officials present.

Executive Director Hazen shared the 2017 Census of Governments report he had just received which showed there are 38,542 Special Districts in the United States. Commissioner Alegria suggested that an article be submitted to the Daily Astorian about Special Districts. Commissioner Read said she would be willing to work on that under the umbrella of the Transportation District if that would be appropriate. Executive Director Hazen said if the board is ok with Commissioner Read taking on that task and writing a column, he would help with that and since it was not on the agenda we do not need a vote, only a consensus. Commissioner Withers commented that he had no idea there were 38,000 Special Districts and

he thought that there may be more about this issue at the upcoming Special Districts Association of Oregon Conference. Kathy Kleczek reported that Special Districts Association of Oregon are doing their absolute best to reinforce the role that they play. There was just a legislative day in Salem for Special Districts. Kathy said that when you hear city counselors or county commissioner mention AOC, the Association of Counties or LOC, the League Of Cities, Special Districts Association of Oregon (SDAO) is the equivalent of that in Oregon. SDAO does not have any enforcement power, but they are your collective voice to shout your voice higher and it is our job down here to reinforce those things for ourselves and for our fellow special districts. Kathy said there are letters and forms on the SDAO website that you can use to help get that message out. Kathy also said that Special Districts missed out on ARPA funds but also missed out on money from the opioid settlement because people forget that we are not under cities and counties we are an equal and separate entity that is an elected body. Kathy also explained we had to sign off on the opioid settlement, but we did not receive any funds, so when you are in a meeting with stakeholders and they are talking about cities and counties be sure and raise your hand and say can you please include special districts as well. Even county commissioners do not understand that special districts are not under them and that they are separate and equal.

Commissioner Romero- Reported that he had Covid in November and is just recently getting back to his level of energy and looking forward to the challenges of this New Year in the domestic front and in our community.

Commissioner Read-Reported she is ready to have a productive year and feels like she is understanding more about the work ahead of us and looking forward to being a big contributor. Commissioner Read said she is happy to be part of this organization.

Commissioner Withers-Thanked Jeff and his staff for the wonderful Christmas Party which was very festive. Withers said he and his wife really enjoyed themselves and wished everyone a very positive and productive New Year.

Commissioner Alegria-Reported that it was a great Christmas Party and thanked everyone who made it successful and enjoyable.

Commissioner Nino- Said she had nothing to report but she was very happy the Seaside Transit Office is opening. Commissioner Nino thanked Mary for bringing our meeting packets and materials down to Seaside and closer to us and wished everybody a wonderful 2023!

9. CONTINUED BUSINESS-

- a. WEBSITE DISCUSSION- Executive Director Hazen explained that at the November 5th Strategic Plan Work Session there was discussion about a new website. Hazen said it was obvious we needed to have a longer conversation about that. He said his goal today is to gather input from the Board Members about what you like and do not like about the website and he will make those changes to the website or have Trillium make the changes. Hazen explained the website was funded through ODOT. The NWTa group received a grant to build a website several years ago which would be set up so other any transit agency could use the template for setting up their own website. Hazen reviewed design details and said it was important to design a website with a trip planner that comes up first and then takes you to the provider route schedules. Hazen discussed the history of the current web design and each page. There was Board discussion and input about web changes and improvements to the website and that to it is very important to improve how the web functions on cell phones. Executive Director Hazen made a list of the suggested changes and improvements from the Board and will make the changes he can and work with Trillium for other changes that involve Google. Hazen said he will look at making changes from the riders perspective.

10. NEW BUSINESS-

- a. SDAO VOTING DELAGATE SELECTION- Kathy Kleczek said she had asked to have this put on this month’s agenda because she wanted to highlight not only that we need to choose our voting delegate but how important it is to have one. Kathy explained that the voting delegate will attend the SDAO Annual meeting where people can also get nominated from the floor, and will also attend the Caucus meetings. Kathy said everyone is welcome to attend both meetings which are great places to network, exchange information and receive information directly from our lobbyists and our SDAO Executive Director. Kathy encouraged everyone to attend and to make sure we have a voting delegate. She said that her position is up for re-election and asked that the Board vote for her. Both meetings are in person only.

Commissioner Withers moved to nominate Diana Nino as the voting delegate
 Commissioner Boothe-Schmidt seconded the motion
 Discussion- None

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
 0-Nay
 Motion passed

- b. QUALIFIED ENTITY REVIEW OR STIF DISCRETIONARY PROJECT-LEGISLATIVE ADVOCACY POLICY ADOPTION- Executive Director Hazen explained that we have already applied to expand the Columbia Connector Route to the Portland Airport. As part of the review process they have asked that the local area commissions on transportation have an opportunity to weigh in on all the discretionary applications in their jurisdiction as well as the Qualified Entity (QE). We are the Qualified Entity for Clatsop County and also the service provider. Commissioner Read said she thought our application was very good and she didn’t know if adding more and expanding what you have written down here is really necessary and asked if people are looking for more? Executive Director Hazen displayed and reviewed the QE Funding Recommendation Additional Comments the he is proposing be submitted. Chair Boothe-Schmidt said she would like to see “downtown Portland” added to description at the beginning. Commissioner Read said she would like to add “and down the Oregon Coast to Yachats”. Commissioner Nino asked that a correction be made to the spelling of fulfill. Commissioner Alegria asked that the “ease of transfer for everyone” should be emphasized in the report.

Commissioner Nino moved to provide comments about the project that will be compiled for ODOT on their application to extend service to the Portland Airport.
 Commissioner Romero seconded the motion
 Discussion- None

Name	Boothe-Schmidt	MacDonald	Nino	Alegria	Withers	Read	Romero
Aye	x	excused	x	x	x	x	x
Nay							

6-Aye
 0-Nay
 Motion passed unanimously

11. EXECUTIVE DIRECTOR REPORT

12. LEADERSHIP TEAM REPORT

13. ADJOURNMENT

Meeting was adjourned 11:00 PM

Mary Parker, Recording Secretary

Secretary/Treasurer _____ Date _____
Diana Nino

DRAFT

Sunset Empire Transportation District
JAN FINANCIAL EXCEPTIONS & INFORMATION REPORT
For the February 2023 Board of Commissioner's Meeting

NOTE on Reviewing Financials: Month 7 = 58% of Fiscal Year Budget*

Preliminary General Fund Profit and Loss

The District's General Fund Total Year to Date (YTD) Income was \$2,910,276 (\$90,309 more than budget), YTD Total Materials & Services was \$661,782 (\$92,976 under budget).

Revenue

- 4010 Fares: Revenues for the month were \$10,583; \$2,083 more than monthly budget and \$13,484 less than YTD budget.
- Lower Columbia Connector: Revenues for the month were \$3,567; \$2,933 less than monthly budget and \$3,679 less than YTD budget.
- 4021 Medicaid Fares: Revenues for the month were \$2,254; \$2,746 less than monthly budget and \$16,040 less than YTD budget (monthly billing went out late due to staff shortage).
- 4022 Paratransit Fares: Revenues for the month were \$1,359; \$59 more than monthly budget and \$2,149 less than YTD budget.
- 4030 Contracted Services-IGA: Revenues for the month were \$0.00; \$2,500 less than monthly budget and \$11,500 less than YTD budget. This route is not currently operating due to driver shortages.
- 4110 NW Navigator: Under budget YTD by \$305.
- 4205-4207 Property Taxes: \$11,942 collected in Jan. Over budget YTD \$35,779.
- 4250 Timber Sales: No Timber Sales collected in Jan.
- 4420 Parking: All Spaces Rented.
- 4605 Other Income: 2019 & 2020 FSA YE Forfeiture.
- 5000 Grants: Received \$3,384 in Jan.

Expense

- 6010-6210 Wages/Taxes/Benefits: Over Monthly Budget \$27,441 – this should continue to adjust as our pay-periods even back out.
 - 7010 VET Provider Payments: Rides for the month of Jan totaled \$241.
 - 8000 Audit: Over Monthly Budget \$4,000 – Finish FY21 Audit.
 - 8041 Utilities: Over Monthly Budget \$1,338 – Colder Months
 - 8060 Travel/Training: Over Monthly Budget \$900 – SDAO Conference.
 - 8100 Insurance: Over Monthly Budget \$5,933 – Cyber Insurance.
 - 8170 Fuel: Under Monthly Budget \$12,252; under YTD budget \$53,466.
 - 8180 Shop Supplies: Over Monthly Budget \$574 – Gear Oil
 - END
- ** Fuel under budget YTD \$53,466. Materials & Services (without capital expense) is under budget for MTD by \$35,689 and under budget YTD \$92,976.

Follow up Items:

***Disclaimer:** The percentage of the year's budget cited above is just to be used as a basic benchmark for the fiscal year. Individual budget line items will vary based on expenditure time cycles. Items such as Fuel, Wages, & Bldg. Grounds and Maintenance are more consistent on a monthly basis and can be used to gauge against the percentage. However, other items such as Insurance and Legal Counsel have irregular payment cycles and therefore are not as good to judge against the percentage. Page 1 of 1

**Consolidated Statement of Activity - MTD and YTD
January 31, 2023**

<u>Revenues</u>	<u>M-T-D Actual</u>	<u>M-T-D Budget</u>	<u>Variance</u>	<u>Y-T-D Actual</u>	<u>Y-T-D Budget</u>	<u>Variance</u>
4010 FIXED ROUTE FARES	10,583.13	8,500.00	2,083.13	71,015.64	84,500.00	(13,484.36)
4015 LOWER COLUMBIA CONNECTOR	3,567.08	6,500.00	(2,932.92)	50,820.94	54,500.00	(3,679.06)
4021 MEDICAID FARES - IGA	2,254.00	5,000.00	(2,746.00)	25,960.00	42,000.00	(16,040.00)
4022 PARATRANSIT FARES	1,359.25	1,300.00	59.25	7,551.20	9,700.00	(2,148.80)
4030 CONTRACTED SERVICES-IGA	0.00	2,500.00	(2,500.00)	0.00	11,500.00	(11,500.00)
4110 NW NAVIGATOR	160.14	150.00	10.14	1,544.89	1,850.00	(305.11)
4120 GREYHOUND	0.00	100.00	(100.00)	0.00	700.00	(700.00)
4130 OTHER-VENDING	0.00	150.00	(150.00)	164.05	400.00	(235.95)
4205 PROPERTY TAXES	10,906.22	20,000.00	(9,093.78)	1,078,525.89	1,040,000.00	38,525.89
4206 PRIOR YEAR TAXES	951.95	2,000.00	(1,048.05)	11,658.29	14,000.00	(2,341.71)
4207 PROPERTY TAX INTEREST	84.03	50.00	34.03	344.99	750.00	(405.01)
4310 TIMBER SALES	0.00	0.00	0.00	149,694.25	125,000.00	24,694.25
4315 MASS TRANSIT ASSESSMENT	25,294.73	25,000.00	294.73	91,397.17	65,000.00	26,397.17
4410 BILLBOARD LEASE	1,200.00	1,200.00	0.00	1,200.00	1,200.00	0.00
4420 PARKING SPACE LEASE	760.00	760.00	0.00	5,320.00	5,320.00	0.00
4425 CHARGING STATION	0.00	45.00	(45.00)	37.48	120.00	(82.52)
4505 INTEREST EARNED ON BANK ACCT	1,309.57	166.00	1,143.57	4,227.06	1,168.00	3,059.06
4605 OTHER INCOME	2,888.33	2,200.00	688.33	4,850.94	15,000.00	(10,149.06)
5201 OREGON STF FUNDS	23,233.00	23,233.00	0.00	69,699.00	69,699.00	0.00
5202 OREGON STIF FUNDS-DISCRETIONARY	0.00	0.00	0.00	129,742.00	260,000.00	(130,258.00)
5203 OREGON STIF FUNDS-FORMULA	0.00	0.00	0.00	346,131.00	362,412.00	(16,281.00)
5301 5311 ADMIN/OPERATIONS	0.00	0.00	0.00	720,979.00	275,000.00	445,979.00
5302 5310 MOBILITY MGT/PM	0.00	0.00	0.00	36,651.00	80,720.00	(44,069.00)
5304 TRANSPORTATION OPTIONS	3,384.50	0.00	3,384.50	52,710.95	48,900.00	3,810.95
5306 CARES ACT	0.00	0.00	0.00	50,050.00	250,528.00	(200,478.00)
Total Revenues	87,935.93	98,854.00	(10,918.07)	2,910,275.74	2,819,967.00	90,308.74

Expenses

	<u>M-T-D</u> <u>Actual</u>	<u>M-T-D</u> <u>Budget</u>	<u>Variance</u>	<u>Y-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Budget</u>	<u>Variance</u>
6010 WAGES	189,636.14	179,750.00	(9,886.14)	1,337,655.14	1,271,600.00	(66,055.14)
6111 TAXES	24,981.15	27,800.00	2,818.85	181,828.42	194,600.00	12,771.58
6210 BENEFITS	50,768.69	51,920.00	1,151.31	337,597.41	363,440.00	25,842.59
SUB TOTAL WAGES/TAXES/BENEFITS	265,385.98	259,470.00	(5,915.98)	1,857,080.97	1,829,640.00	(27,440.97)
7010 VET PROVIDER RIDES	240.70	833.00	592.30	3,162.31	5,832.00	2,669.69
8000 AUDIT	4,000.00	0.00	(4,000.00)	14,000.00	10,000.00	(4,000.00)
8001 PROFESSIONAL SERVICES	0.00	8,500.00	8,500.00	12,374.74	47,000.00	34,625.26
8002 LEGAL COUNSEL	0.00	410.00	410.00	16,886.50	2,905.00	(13,981.50)
8003 BANK/MERCHANT FEES	200.04	166.00	(34.04)	1,379.89	1,162.00	(217.89)
8010 EQUIP LEASE/RENT	188.00	225.00	37.00	1,336.00	1,575.00	239.00
8015 COMP/FURNITURE/DURABLE GOODS	119.96	4,275.00	4,155.04	15,583.84	29,625.00	14,041.16
8020 B&M	2,938.28	3,850.00	911.72	19,587.63	27,100.00	7,512.37
8023 BUILDING LEASE	1,008.00	1,250.00	242.00	7,469.61	8,750.00	1,280.39
8024 SANITATION	312.25	300.00	(12.25)	872.92	2,100.00	1,227.08
8031 ONLINE SUB/IT SERVICES	5,205.50	8,500.00	3,294.50	75,950.36	59,900.00	(16,050.36)
8040 TELEPHONE/INTERNET	3,032.55	2,900.00	(132.55)	21,117.87	20,300.00	(817.87)
8041 UTILITIES	4,254.67	2,917.00	(1,337.67)	18,746.46	20,409.00	1,662.54
8050 HR/EMPLOYEE RECOGNITION	634.81	3,000.00	2,365.19	17,398.62	20,775.00	3,376.38
8060 TRAVEL/TRAINING	2,950.00	2,050.00	(900.00)	24,080.09	19,400.00	(4,680.09)
8076 ELECTION FEES	0.00	0.00	0.00	0.00	5,000.00	5,000.00
8080 OUTREACH/PRINTING	156.98	3,350.00	3,193.02	21,114.50	23,450.00	2,335.50
8090 DUES, SUBSCRIPTIONS	1,147.03	1,250.00	102.97	9,933.33	8,750.00	(1,183.33)
8091 IGA-DUES	0.00	3,950.00	3,950.00	0.00	11,700.00	11,700.00
8092 FEES/TAXES/LICENSES	100.00	300.00	200.00	766.83	2,350.00	1,583.17
8100 INSURANCE	5,933.17	0.00	(5,933.17)	49,401.17	43,500.00	(5,901.17)
8105 UNINSURED LOSS	0.00	1,250.00	1,250.00	18,398.00	8,750.00	(9,648.00)
8110 LEGAL ADS	0.00	100.00	100.00	0.00	600.00	600.00
8112 MEETING EXPENSE	0.00	125.00	125.00	1,408.07	875.00	(533.07)
8116 OFFICE SUPPLIES	385.77	1,250.00	864.23	8,485.70	8,800.00	314.30
8170 FUEL	26,747.65	39,000.00	12,252.35	221,533.64	275,000.00	53,466.36
8171 VEHICLE REPAIR/OUTSIDE SERVICES	7,309.20	12,700.00	5,390.80	73,914.98	87,400.00	13,485.02

	<u>M-T-D</u> <u>Actual</u>	<u>M-T-D</u> <u>Budget</u>	<u>Variance</u>	<u>Y-T-D</u> <u>Actual</u>	<u>Y-T-D</u> <u>Budget</u>	<u>Variance</u>
8180 SHOP SUPPLIES	824.42	250.00	(574.42)	6,878.48	1,750.00	(5,128.48)
SUB TOTAL MATERIALS/SERVICES	67,688.98	102,701.00	35,012.02	661,781.54	754,758.00	92,976.46
9200 CAPITAL EXPENSE	14,182.98	50,000.00	35,817.02	28,365.97	500,000.00	471,634.03
Total Expenses	347,257.94	412,171.00	64,913.06	2,547,228.48	3,084,398.00	537,169.52
Excess Revenue Over (Under) Expenditures	(259,322.01)	(313,317.00)	(75,831.13)	363,047.26	(264,431.00)	(446,860.78)

Consolidated Balance Sheet
SUNSET EMPIRE TRANSPORTATION DISTRICT
For 1/31/2023

	This Year	Last Year	Change
Assets			
1010 OVER/UNDER	4.25	(22.00)	26.25
1020 GENERAL CHECKING LC BANK	51,159.78	204,989.07	(153,829.29)
1030 LGIP - GENERAL FUND	315,854.55	534,037.56	(218,183.01)
1040 PAYROLL ACCOUNT LC BANK	76,199.55	101,338.00	(25,138.45)
1050 MONEY MARKET LC BANK	0.00	5,671.10	(5,671.10)
1095 CASH RECEIPTS CLEARING SYSTEM	(14.44)	283.65	(298.09)
1210 ACCOUNTS RECEIVABLE SYSTEM	14,547.00	36,582.81	(22,035.81)
1251 PASS TRANSIT RECEIVABLES	320.00	80.00	240.00
1425 PREPAID WORK COMP	(88,697.65)	(33,326.24)	(55,371.41)
Total Assets	369,373.04	849,633.95	(480,260.91)
Liabilities and Net Assets			
2010 ACCOUNTS PAYABLE SYSTEM	107,404.88	138,066.82	(30,661.94)
2019 ACCOUNTS PAYABLE OTHER	(75.61)	0.00	(75.61)
2050 CREDIT CARD PAYABLE	186,774.51	109,404.92	77,369.59
2059 CREDIT CARD PAYMENT CLEARING	(180,507.38)	(99,283.81)	(81,223.57)
2060 PAYABLE TO NWN	(2,279.56)	(945.88)	(1,333.68)
2080 OVER PAYMENTS/UNAPPLIED CREDITS	0.00	255.00	(255.00)
2099 A/P CONVERSION	(20,436.27)	(20,436.27)	0.00
2110 SOCIAL SECURITY TAX-EMPLOYEE	(1,130.76)	(1,130.76)	0.00
2112 PR SUTA	(1,490.99)	(996.21)	(494.78)
2113 OR STATE W/H	(10.00)	0.00	(10.00)
2114 FED W/H TAX PAYABLE	(13,709.73)	(12,010.60)	(1,699.13)
2115 MEDICARE TAX-EMPLOYEE	1,130.77	1,130.77	0.00
2116 MEDICARE TAX-EMPLOYER	0.01	0.01	0.00
2121 FSA-PT	119.58	28.88	90.70
2122 OREGON TRANSIT ASSESSMENT	(813.55)	(813.55)	0.00
2123 OR-WBF ASSESSMENT	(0.30)	0.00	(0.30)
2124 BENEFITS MEDICAL SDIS	(20,223.75)	(15,845.81)	(4,377.94)
2125 PAID LEAVE OREGON	892.17	0.00	892.17
2130 AFLAC-AT	(1,275.39)	(1,275.39)	0.00
2131 AFLAC-PT	(311.34)	(311.34)	0.00
2132 UNITED WAY	175.00	175.00	0.00
2133 GARNISHMENTS	452.80	739.45	(286.65)
2134 ATU	(805.14)	(805.14)	0.00
2135 MASA	(94.33)	(94.33)	0.00
2140 RETIREMENT- 457(b)	(1,780.00)	(1,780.00)	0.00
2141 RETIREMENT-ER 457	14.99	14.99	0.00
2142 RETIREMENT-ROTH 457 (B)	(343.30)	(343.30)	0.00
Total Liabilities	51,677.31	93,743.45	(42,066.14)
3000 FUND BALANCE	(19,532.55)	448,000.05	(467,532.60)
Change in Net Assets	337,170.39	307,890.45	29,279.94
Total Net Assets	317,637.84	755,890.50	(438,252.66)
Total Liabilities and Net Assets	369,315.15	849,633.95	(480,318.80)

SUNSET EMPIRE TRANSPORTATION DISTRICT
A/R Aging as of 01/31/2023

<u>Customer</u>	<u>Due Date</u>	<u>Invoice Number</u>	<u>Invoice Date</u>	<u>Description</u>	<u>Current</u>	<u>30 Days</u>	<u>60 Days</u>	<u>90 Days</u>	<u>Total</u>
[6009] ALLSTATE INSURANCE AGENCY	1/31/2023	1609	1/01/2023	Jan 2023 Parking Spaces #3-5	142.50	0.00	0.00	0.00	142.50
[6494] ANGI WILDT GALLERY	1/31/2023	1611	1/01/2023	Jan 2023 Parking Space #12	47.50	0.00	0.00	0.00	47.50
[6060] CLATSOP COUNTY SHERIFF	12/31/2022	1618	12/01/2022	Nov 2022 Poker Chips	0.00	195.00	0.00	0.00	195.00
[6060] CLATSOP COUNTY SHERIFF	1/31/2023	1619	1/01/2023	Dec 2022 Poker Chips	143.00	0.00	0.00	0.00	143.00
[6291] CURRY & COCO THAI EATERY	12/01/2022	1539	11/01/2022	Nov 2022 Paking Space #1	0.00	0.00	47.50	0.00	47.50
[6291] CURRY & COCO THAI EATERY	12/31/2022	1540	12/01/2022	Dec 2022 Paking Space #1	0.00	47.50	0.00	0.00	47.50
[6291] CURRY & COCO THAI EATERY	1/31/2023	1612	1/01/2023	Jan 2023 Parking Space #1	47.50	0.00	0.00	0.00	47.50
[6112] HOMESPUN QUILTS	1/31/2023	1613	1/01/2023	Jan 2023 Parking-Spaces #8 & 9	95.00	0.00	0.00	0.00	95.00
[6113] HOXIE, RONALD	1/31/2023	1614	1/01/2023	Jan 2023 Parking Space #7	47.50	0.00	0.00	0.00	47.50
[6153] ODOT	12/31/2022	1595	12/01/2022	Innovative Mobility Grant	0.00	3,384.50	0.00	0.00	3,384.50
[6162] OREGON EMPLOYMENT DEPT	10/31/2022	1586	10/01/2022	Sep Bus Passes-Astoria STEP	0.00	0.00	0.00	200.00	200.00

[6162] OREGON EMPLOYMENT DEPT	12/01/2022	1587	11/01/2022	Oct Bus Passes-Astoria STEP	0.00	0.00	120.00	0.00	120.00	0.00	120.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	12/31/2022	1601	12/01/2022	Nov 2022 Bus Passes	0.00	500.00	0.00	0.00	500.00	0.00	500.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	1/31/2023	1620	1/01/2023	Dec 2022 Bus Passes	520.00	0.00	0.00	0.00	0.00	0.00	520.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	1/31/2023	1621	1/01/2023	COVID MEALS- DEC 2022	500.00	0.00	0.00	0.00	0.00	0.00	500.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	12/31/2022	1622	12/01/2022	COVID MEALS- Nov 2022	0.00	275.00	0.00	0.00	0.00	0.00	275.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	1/31/2023	1623	1/01/2023	MED BILLING 12/01- 12/29/22	1,754.00	0.00	0.00	0.00	0.00	0.00	1,754.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	12/31/2022	1624	12/01/2022	MED BILLING 11/01- 11/30/22	0.00	3,186.00	0.00	0.00	0.00	0.00	3,186.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	12/01/2022	1625	11/01/2022	MED BILLING 10/01- 10/31/22	0.00	0.00	3,522.00	0.00	3,522.00	0.00	3,522.00
[6214] TILLAMOOK COUNTY TRANSPORTATION DISTRICT	12/01/2022	1626	11/01/2022	COVID MEALS- OCT 2022	0.00	0.00	425.00	0.00	425.00	0.00	425.00
[6244] WEDDLE, DIANNA	1/11/2023	1615	1/01/2023	Jan 2023 Parking Space #6	0.00	47.50	0.00	0.00	47.50	0.00	47.50
[6245] ZSCHOCHÉ, LENA	1/11/2023	1617	1/01/2023	Jan 2023 Parking-Space #13	0.00	47.50	0.00	0.00	47.50	0.00	47.50
Total					3,297.00	7,683.00	4,114.50	200.00	15,294.50		

SUNSET EMPIRE TRANSPORTATION DISTRICT
AP as of 01/31/2023

<u>Invoice Date</u>	<u>Invoice Number</u>	<u>Due Date</u>	<u>Description</u>	<u>Original Amount</u>	<u>Amount Owed</u>	<u>Not Yet Due</u>	<u>Less Than 30 Days</u>	<u>Less Than 60 Days</u>	<u>More Than 60 Days</u>
[6010]	ALSCO								
1/31/2023	LPOR2964194	2/10/2023	SHOP TOWELS/UNIFORMS	64.47	64.47	0.00	64.47	0.00	0.00
[6018]	ASTORIA-WARRENTON CHAMBER OF COMMERCE								
1/17/2023	16004	2/16/2023	03/2023 - 02/2024 ANNUAL DUES	304.70	304.70	304.70	0.00	0.00	0.00
[6042]	CENTRIC ELEVATOR CORP								
1/01/2023	68562	2/07/2023	1/2023 MAINTENANCE CONTRACT	292.20	292.20	0.00	292.20	0.00	0.00
[6057]	CLATSOP ECONOMIC DEVELOPMENT RESOURCES								
1/25/2023	792	2/24/2023	ANNUAL MEMBERSHIP 2022/23	500.00	500.00	500.00	0.00	0.00	0.00
[6073]	COMPUTERWORKS NFP SOLUTIONS								
4/30/2022	459	3/01/2023	Requisition Setup Meetings from 2021/Billed 2/2023	525.00	525.00	525.00	0.00	0.00	0.00
[6111]	HOME DEPOT CREDIT SERVICES								
12/05/2022	8163422	2/05/2023	Garbage Can Locks	58.41	58.41	0.00	58.41	0.00	0.00
[6119]	IRON MOUNTAIN								
1/31/2023	HGHB371	3/02/2023	Shredding Service 12/21/2021 - 1/24/2023	135.48	135.48	135.48	0.00	0.00	0.00
[6121]	JACKSON & SON OIL INC								
1/31/2023	98323	3/02/2023	01/2023 Fuel	5,443.24	5,443.24	5,443.24	0.00	0.00	0.00

[6122] CARTER, JOHN										
1/19/2023	R92420 (1)	2/18/2023	01/19/2023	VET RIDES	32.15	32.15	32.15	32.15	0.00	0.00
1/26/2023	R92420 (1) (1)	2/25/2023	01/26/2023	VET RIDES	84.75	84.75	84.75	84.75	0.00	0.00
1/31/2023	R92420 (1) (1)	3/02/2023	01/31/2023	VET RIDES	85.90	85.90	85.90	85.90	0.00	0.00
[6141] NW NAVIGATOR LUXURY COACHES										
1/31/2023	R01312023	2/07/2023	Sales Month Ending 01/31/2023		65.45	65.45	65.45	65.45	0.00	0.00
[6148] NW NATURAL										
1/31/2023	3762086-1	2/21/2023	12/2022	GAS SRV - SS	85.30	85.30	85.30	85.30	0.00	0.00
	01312023									
1/23/2023	770728-4	2/13/2023	1/2023	GAS SRV - OPS	397.51	397.51	397.51	397.51	0.00	0.00
	01232023									
[6154] ODP BUSINESS SOLUTIONS LLC										
1/11/2023	2.78728E+11	2/12/2023	Janitorial Supplies - TC		71.58	71.58	71.58	71.58	0.00	0.00
1/11/2023	2.85417E+11	2/12/2023	Office/Janitorial Supplies - TC		28.38	28.38	28.38	28.38	0.00	0.00
1/11/2023	2.85419E+11	2/12/2023	Office/Janitorial Supplies - TC		86.18	86.18	86.18	86.18	0.00	0.00
1/11/2023	2.85419E+12	2/12/2023	Office/Janitorial Supplies - TC		3.39	3.39	3.39	3.39	0.00	0.00
[6172] O'REILLY AUTO PARTS										
1/26/2023	3920-281816	2/20/2023	Wheel Chock/Shop		62.70	62.70	62.70	62.70	0.00	0.00
1/26/2023	3920-281889	2/20/2023	36 ml ThrdLock/Shop		27.99	27.99	27.99	27.99	0.00	0.00
1/27/2023	3920-281947	2/20/2023	10ml ThreadLk/Shop		27.98	27.98	27.98	27.98	0.00	0.00
1/27/2023	3920-281950	2/20/2023	Sealed Beam/Stock		17.07	17.07	17.07	17.07	0.00	0.00
1/27/2023	3920-281975	2/20/2023	Wiper nBlades		89.94	89.94	89.94	89.94	0.00	0.00
1/30/2023	3920-282375	3/20/2023	Clt Plt Brg/Bearings		33.70	33.70	33.70	33.70	0.00	0.00
[6176] PACIFIC POWER										
1/25/2023	70301738-001-4	2/10/2023	12/12/22 - 01/12/23	ELECTRIC - TC/SS	726.40	726.40	726.40	726.40	0.00	0.00
	01252023									

[6177] PACIFICSOURCE ADMINISTRATORS									
1/13/2023	2023-01	2/12/2023	Pay period ending 1/07/2023,FSAHealth	310.83	310.83	0.00	310.83	0.00	0.00
1/27/2023	2023-02	2/26/2023	Pay period ending 1/21/2023,FSAHealth	310.83	310.83	310.83	0.00	0.00	0.00
1/20/2023	Jan 2023	2/19/2023	Jan 2023 Statement	175.52	175.52	175.52	0.00	0.00	0.00
[6186] RECOLOGY WESTERN OREGON									
1/31/2023	20620555	2/28/2023	1/2023 GARBAGE SRV - TC	190.26	190.26	190.26	0.00	0.00	0.00
[6190] ROTARY INTERNATIONAL SEASIDE ROTARY									
1/01/2023	R01012023	1/31/2023	Monthly Dues 1/2023	291.50	291.50	0.00	291.50	0.00	0.00
			Semi Annual as of 7/1/22						
			RI Misc						
			Semi Annual 1/1/23						
			Monthly Dues 02-03/2023						
[6192] SDAO									
1/26/2023	012023-0217	2/25/2023	2023 SDAO Annual	2,040.00	2,040.00	2,040.00	0.00	0.00	0.00
			Conference/Virtual Pass - Alegria, Boothe-Schmidt, Farmer, MacDonald, Nino, Parker, Reed & Withers						
[6226] VAN DUSEN BEVERAGES									
1/31/2023	1001982	3/02/2023	1/2023 Water - TC	66.50	66.50	66.50	0.00	0.00	0.00
	R01312023		Acct 1001982						
1/31/2023	1002533	3/02/2023	1/2023 Water - OPS	52.00	52.00	52.00	0.00	0.00	0.00
	R01312023		Acct 1002533						
1/31/2023	1002539	3/02/2023	1/2023 Water - SS	14.50	14.50	14.50	0.00	0.00	0.00
	R01312023		Acct 1002539						
[6227] VERIZON WIRELESS									
1/18/2023	9925675665	2/10/2023	1/2023 CELL PHONE/TABLET SERVICE	890.07	890.07	0.00	890.07	0.00	0.00

[6237] WILCOX & FLEGEL									
1/31/2023	CL67075	3/02/2023	01/2023 Fuel	21,304.41	21,304.41	21,304.41	0.00	0.00	0.00
[6241] MASA									
1/27/2023	2023-02	2/26/2023	Pay period ending 1/21/2023, MASADed	(14.00)	(14.00)	(14.00)	0.00	0.00	0.00
[6257] WESTERN STAR NW INC									
1/27/2023	PC201084647.01	2/26/2023	Turbocharger Kit	4,593.03	4,593.03	4,593.03	0.00	0.00	0.00
[6589] EASTERN PACIFIC FAB									
1/31/2023	346417	3/02/2023	New top for garbage can/TC	265.00	265.00	265.00	0.00	0.00	0.00
Report Total				39,740.32	39,740.32	36,453.95	3,286.37	0.00	0.00

SUNSET EMPIRE TRANSPORTATION DISTRICT
Check Listing as of 01/31/2023

<u>Check Number</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>	<u>Check Amount</u>
22222	1/04/2023	[6012] ANGELTRAX - Invoices 0654379, 0654692/729, 0654716, 0654809	EQUIP LEASE/RENT	15040.00	13,897.60
22239	1/04/2023	[6193] SDIS - Invoices 12.30.22, 2022-24, 2022-25, 2022-25	IT SERVICES/CONTRACTS	2637.60	
			DUES, SUBSCRIPTIONS	-3780.00	
			BENEFITS MEDICAL SDIS	48637.44	48,637.44
22244	1/04/2023	[6237] WILCOX & FLEGEL - Invoices 0757412, CL63242	FUEL	5498.60	23,628.28
			FUEL	437.76	
			SHOP SUPPLIES	1529.45	
			FUEL	2282.22	
			FUEL	13880.25	
EFT	1/13/2023	[6225] VALIC-JPM CHASE - Payroll Dated 01.13.23	RETIREMENT- 457(b)	3136.02	6,146.23
			RETIREMENT-ER 457	2674.62	
			RETIREMENT-ROTH 457 (B)	335.59	
22249	1/18/2023	[6033] CARD SERVICE CENTER -STMT - 12/09/22 - 1/08/2023	CREDIT CARD PAYMENT	6780.3	6,780.30
			CLEARING		
22264	1/18/2023	[6368] SDIS - CLAIMS - Invoices VVAL2020066853, VVAL2022070708, VVAL2022071039, VVAL2022071070	UNINSURED	18398	18,398.00
			LOSS/ACCIDENT REPORTS		
22267	1/18/2023	[6571] TERRAFIRMA FOUNDATION SYSTEMS - Sidewalk Repair	CAPITAL EXPENSE	14182.98	14,182.98
Total Checks					131,670.83

SUNSET EMPIRE TRANSIT DISTRICT
Clatsop County, Oregon
FINANCIAL STATEMENTS AND SUPPLEMENTARY
INFORMATION
YEAR ENDED JUNE 30, 2021
WITH INDEPENDENT AUDITOR'S REPORT

SUNSET EMPIRE TRANSIT DISTRICT

Year Ended June 30, 2021

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INTRODUCTORY SECTION

SUNSET EMPIRE TRANSIT DISTRICT

Year Ended June 30, 2021

Board of Commissioners

Chair	Debbie Boothe-Schmidt
Vice Chair	Tracy MacDonald
Secretary/Treasurer	Diana Nino
Commissioner	Pamela Alegria
Commissioner	Charles Withers
Commissioner	Guillermo Romero
Commissioner	Rebecca Read

Executive Director

Jeff Hazen

District Address

Sunset Empire Transportation District
900 Marine Drive
Astoria, OR 97103

FINANCIAL SECTION



1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

Independent Auditor's Report

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Sunset Empire Transportation District ("District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinions. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2021, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Accounting principles generally accepted in the United States of America require the budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context."

The budgetary comparison schedule of the General Fund, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section and supplementary schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements, and budget and actual schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, budget and actual schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 12, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated January 12, 2023 on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Isler CPA

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

By: Paul R. Nielson, CPA, a member of the firm
Eugene, Oregon
January 12, 2023

SUNSET EMPIRE TRANSIT DISTRICT
Management's Discussion and Analysis
Year Ended June 30, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

As the management of Sunset Empire Transportation District ("District") we offer readers of the District's financial statements this overview and analysis of its financial activities for the fiscal year, and it should be read in conjunction with the accompanying Basic Financial Statements.

FINANCIAL HIGHLIGHTS

The assets of the District exceeded its liabilities at the close of fiscal year 2020-2021 by \$4,260,270, a decrease of \$529,019. Of this amount, \$570,285 (unrestricted net position) may be used to meet ongoing obligations, \$3,689,985 was invested in capital assets net of accumulated depreciation .

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's Basic Financial Statements. The Basic Financial Statements include the notes to the financial statements. In addition to these statements, this report also contains supplementary information.

The Statement of Net Position contains information about the District's assets, liabilities and net position. Over time, changes in assets and liabilities can be a useful indicator to assess the District's ability to cover its costs and to continue to finance services and new programs in the future versus how much is invested in capital assets or restricted for specific purposes. The Statement of Activities contains information about the expenses incurred to provide transit services to the citizens of Clatsop County, Oregon and the revenues obtained to finance these services. This statement shows the extent to which services are covered by user fees and how much of the service is financed by property taxes, government grants, and other resources. The remaining statements are fund financial statements that include only current or short term information such as readily available assets and currently due liabilities as well as the revenues and expenses received or expended during the current year or shortly thereafter.

The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

SUNSET EMPIRE TRANSIT DISTRICT
Management's Discussion and Analysis
Year Ended June 30, 2021

FINANCIAL ANALYSIS

Total assets, liabilities and net position were as follows:

	<u>2021</u>	<u>2020</u>	<u>Change 2020-2021</u>	<u>% Change 2020-2021</u>
Assets:				
Current assets	\$ 827,754	\$ 973,468	\$ (145,714)	(15.0)%
Capital assets (net)	<u>3,689,985</u>	<u>3,905,849</u>	<u>(215,864)</u>	<u>(5.5)%</u>
Total assets	<u>4,517,739</u>	<u>4,879,317</u>	<u>(361,578)</u>	<u>(7.4)%</u>
Liabilities:				
Current liabilities	<u>257,469</u>	<u>262,545</u>	<u>(5,076)</u>	<u>(1.9)%</u>
Net position:				
Net investment in capital assets	3,689,985	3,905,849	(215,864)	(5.5)%
Unrestricted, as restated	<u>570,285</u>	<u>710,923</u>	<u>(140,638)</u>	<u>(19.8)%</u>
Total net position	<u>\$ 4,260,270</u>	<u>\$ 4,616,772</u>	<u>\$ (356,502)</u>	<u>(7.7)%</u>

Total assets decreased for this fiscal year by \$361,578. Decreases in current assets was \$145,714.

Total liabilities decreased by \$5,076 from last year.

Net position may serve as a useful indicator of the District's financial position. As of June 30, 2021, assets exceeded liabilities by \$4,260,270, a 7.7% decrease from the prior period. Investment in capital assets, net of related debt are considered unavailable for current expenditure and account for the majority of the total net position. Unrestricted assets are normally the portion of net position used to finance day-to-day operations without constraints established by debt covenants or other legal requirements.

SUNSET EMPIRE TRANSIT DISTRICT
Management's Discussion and Analysis
Year Ended June 30, 2021

The following schedule presents a summary of revenues, expenses and increase in net position for the District and the amount and percentage change from 2020 to 2021:

	<u>2021</u>	<u>2020</u>	<u>Change</u>	<u>% Change</u>
Revenues:				
Property taxes	\$ 1,080,295	\$ 1,012,849	\$ 67,446	6.7 %
Intergovernmental Revenues	1,891,736	2,587,418	(695,682)	(26.9)%
Charges for Service	304,263	300,072	4,191	1.4 %
Other revenue	<u>377,092</u>	<u>352,758</u>	<u>24,334</u>	<u>6.9 %</u>
Total revenues	<u>3,653,386</u>	<u>4,253,097</u>	<u>(599,711)</u>	<u>(14.1)%</u>
Expenses:				
Community Services	<u>4,182,405</u>	<u>3,856,784</u>	<u>325,621</u>	<u>8.4 %</u>
Change in net position	(529,019)	396,313	(925,332)	(233.5)%
Net position - beginning as restated				
	<u>4,789,289</u>	<u>4,220,459</u>	<u>568,830</u>	<u>13.5 %</u>
Net position - ending				
	<u>\$ 4,260,270</u>	<u>\$ 4,616,772</u>	<u>\$ (356,502)</u>	<u>(7.7)%</u>

Ending fund balance for the year ended June 30, 2021 has been restated see note IV D.

Total revenues increased 14.1% due to the restrictions of COVID being lifted and the District returning to more normal operations.

Expenses increased by 8.4% compared to the prior period. The increase was also due to the lifting of the COVID restrictions.

CAPITAL ASSETS

At June 30, 2021, the District had \$3,689,985 invested in capital assets net of depreciation. For the year ended June 30, 2021, the District had no capital asset additions. See Note III.B. for additional information related to capital assets.

ECONOMIC FACTORS AND BUDGET INFORMATION

The budget outlook for 2022 estimates a continuation in the increase of the activity levels for the General Fund.

REQUEST FOR INFORMATION

Our financial report is designed to provide our ratepayers and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Finance Department at Sunset Empire Transportation District.

BASIC FINANCIAL STATEMENTS

SUNSET EMPIRE TRANSIT DISTRICT

Governmental Funds Balance Sheet / Statement of Net Position

June 30, 2021

	General Fund	Capital Reserve Fund	Total	Adjustments	Governmental Activities
Assets:					
Current assets					
Cash and Cash Equivalents	\$ 469,427	\$ 105,557	\$ 574,984	\$ -	\$ 574,984
Receivables					
Intergovernmental Accounts Receivable	160,985	-	160,985	-	160,985
Property taxes	43,045	-	43,045	-	43,045
Prepays	48,740	-	48,740	-	48,740
Total current assets	722,197	105,557	827,754	-	827,754
Capital assets					
Capital assets not being depreciated:	-	-	-	586,488	586,488
Capital assets being depreciated:	-	-	-	3,103,497	3,103,497
Total capital assets	-	-	-	3,689,985	3,689,985
Total assets	\$ 722,197	\$ 105,557	\$ 827,754	\$ 3,689,985	\$ 4,517,739
Liabilities:					
Current liabilities					
Accounts Payable	49,399	-	49,399	-	49,399
Accrued Payroll Expenses	90,906	-	90,906	-	90,906
Compensated absences payable	-	-	-	117,164	117,164
Total liabilities	140,305	-	140,305	117,164	257,469
Deferred Inflows of Resources:					
Unavailable revenue	43,045	-	43,045	(43,045)	-
Fund Balance:					
Assigned for capital outlay	-	105,557	105,557	(105,557)	
Unassigned	538,847	-	538,847	(538,847)	
Total Fund Balance	538,847	105,557	644,404	(644,404)	
Total liabilities, deferred inflows of resources and fund balance	\$ 722,197	\$ 105,557	\$ 827,754		
Net Position:					
Net investment in capital assets					3,689,985
Unrestricted					570,285
Total net position					4,260,270
Total liabilities and net position					\$ 4,517,739

Fund balances of the governmental fund have been adjusted and reported differently than the net position of the governmental activities because:

- Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.
- Long-term liabilities such as compensated absences and long-term debt used in governmental activities are not financial requirements and therefore are not reported in the governmental funds.
- Unavailable revenue represents receivables that do not provide a financial resource and are not reported in the governmental funds.

SUNSET EMPIRE TRANSIT DISTRICT

Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities

Governmental Funds

For the Year Ended June 30, 2021

	<u>General Fund</u>	<u>Capital Reserve Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Governmental Activities</u>
Revenues:					
Property taxes	\$ 1,085,990	\$ -	\$ 1,085,990	\$ (5,695)	\$ 1,080,295
Intergovernmental Revenue	1,891,736	-	1,891,736	-	1,891,736
Mass transit assessment	101,110	-	101,110	-	101,110
State timber sales	249,058	-	249,058	-	249,058
Charges for Services	304,263	-	304,263	-	304,263
Other revenue	21,822	5,102	26,924	-	26,924
Total revenues	<u>3,653,979</u>	<u>5,102</u>	<u>3,659,081</u>	<u>(5,695)</u>	<u>3,653,386</u>
Expenditures:					
Personnel Services	2,782,922	-	2,782,922	32,548	2,815,470
Materials and services	949,944	-	949,944	-	949,944
Capital outlay	201,127	-	201,127	(201,127)	-
Depreciation	-	-	-	416,991	416,991
Total expenditures / expenses	<u>3,933,993</u>	<u>-</u>	<u>3,933,993</u>	<u>248,412</u>	<u>4,182,405</u>
Excess (deficiency) of revenues over (under) expenditures / expenses	(280,014)	5,102	(274,912)	(254,107)	(529,019)
Net change in fund balance / net position	(280,014)	5,102	(274,912)	(254,107)	(529,019)
Fund Balance / Net Position:					
Beginning of year, restated (see note IV. D)	<u>818,861</u>	<u>100,455</u>	<u>919,316</u>	<u>3,869,973</u>	<u>4,789,289</u>
End of year	<u>\$ 538,847</u>	<u>\$ 105,557</u>	<u>\$ 644,404</u>	<u>\$ 3,615,866</u>	<u>\$ 4,260,270</u>

Amounts reported for governmental activities are different than those of the Governmental funds because of the following:

- Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds, instead they are reported as deferred inflows of resources.
- Expenses related to the change in compensated absences are reported in the statement of activities and do not require the use of current financial resources, therefore, they are not reported as expenditures in the governmental funds.
- Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

See accompanying notes to financial statements.

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

I. Summary of significant accounting policies

A. Reporting entity

The Sunset Empire Transportation District (District") is a municipal corporation governed by an elected five member Board of Commissioners. The District was organized in 1993 for the purpose of providing transportation services to the residents of Clatsop County.

The accompanying basic financial statements present all funds for which the District is considered to be financially accountable. The criteria used in making this determination includes appointment of a voting majority, imposition of will, financial benefit or burden on the primary government, and fiscal dependency on the primary government. Based upon the evaluation of these criteria, the District is a primary government with no includable component units.

B. Basis of accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes and intergovernmental revenues are the major source of nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are recorded using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property tax revenues are recognized in the fiscal year for which they were levied, provided they are due and collectible within 60 days following year end. Chagres for services are recorded on a cash basis. All other revenue are recognized if collected with in one year. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds.

Fund financial statements

The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column.

The District reports the following major governmental funds:

The General fund accounts for all revenues and expenditures necessary to carry out activities of the District that are not accounted for through other funds including activities such as transportation services, assessment, and taxation. The general fund also includes the Special Transportation fund Formula, and the Statewide Transportation Improvement Discretionary Fund, funds that accounts for revenue and expenditures associated with revenue received from the State of Oregon.

The Capital Reserve fund accounts for all revenues and expenditures associated with capital improvement

C. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenues, expenditures/expenses, and ending fund balance/net position during the reporting period. Actual results could differ from those estimates.

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, and fund balance/net position

1. Cash

The cash and cash equivalents reported on the Statement of Net Position and the balance sheets include cash on hand, demand deposits, cash with fiscal agents and amounts in investment pools that have the general characteristics of demand deposit accounts with highly liquid debt instruments purchased with a maturity of three months or less.

The State of Oregon authorizes municipalities to invest in general obligations of the United States and its agencies, certain debt of Oregon municipalities, savings accounts, certificates of deposit, bankers' acceptances, the Oregon State Treasurer's Local Government Investment Pool (LGIP) and certain highly rated commercial paper. Investments are recorded at fair value. Fair value of the LGIP is stated at amortized cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

2. Accounts receivable

All receivables are reported at their gross value. There is no provision for uncollectible amounts. The management of the District believes all receivables are collectible with no material uncollectible amounts.

Property taxes are levied and become a lien on July 1st. Property taxes are assessed in October and tax payments are due November 15th of the same year. Under the partial payment schedule, the first one-third of taxes are due November 15th of the same year, the second one-third on February 15th, and the remaining one-third on May 15th. A three percent discount is allowed if full payment is made by November 15th and a two percent discount is allowed if two-thirds payment is made by November 15th. Taxes become delinquent if not paid by the due date and interest accrues after each trimester at a rate of one percent per month. Property foreclosure proceedings are initiated four years after the due date.

3. Prepaids

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

4. Capital assets

Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets purchased or constructed by the District are recorded at cost. Donated capital assets are recorded at customer's costs on the date contributed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Assets	Years
Building	50
Equipment	4-15

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, and fund balance/net position (continued)

5. *Deferred Outflows/Inflows of Resources*

In addition to assets, a separate section for deferred outflows of resources will sometimes be reported. This separate financial statement element represents a consumption of fund balance/net position that applies to future periods and so will *not* be recognized as an outflow of resources (expenditure/expense) until the future period.

In addition to liabilities, a separate section for deferred inflows of resources will sometimes be reported. This separate financial statement element represents an acquisition of fund balance/net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until the future period.

6. *Long-term Obligations*

In the statement of net position, long-term debt and other long-term obligations are reported as liabilities within governmental activities. Any premiums, discounts, or deferred refunding amounts are accumulated and amortized as interest expense over the life of the debt using the straightline method. Issuance costs are expensed in the current period.

In the balance sheets of the governmental funds, bond discounts are reported as other financing uses (expenditures), while recognizing bond premiums and the par value of debt issued as other financing sources (revenues) during the current period. Debt issuance costs, whether withheld or not from the actual proceeds received, are reported as debt service expenditures in the current period.

7. *Compensated Absences*

Compensated absences are recorded as expenditures in the governmental funds when paid.

The District has a policy which permits employees to earn sick leave. The District does not compensate employees for unused sick leave upon termination of employment.

8. *Fund Balance*

GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. As a result, in the fund financial statements, fund balances are classified as follows:

Nonspendable - Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

I. Summary of significant accounting policies (continued)

D. Assets, liabilities, and fund balance/net position (continued)

Restricted - Amounts that can be spent only for specific purposes because of the local, state or federal laws, or externally imposed conditions by granters or creditors or enabling legislation.

Committed - Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners. These amounts cannot be used for any other purpose unless the Board of Commissioners removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

Assigned - Amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent must be expressed by the Board of Commissioners, the budget committee or the Board's authorized designee.

Unassigned - All amounts not included in other classifications. The amounts in the various categories of fund balance are included in the governmental funds balance sheet.

When the District has restricted and unrestricted (committed, assigned or unassigned) resources available, it is the District's policy to expend restricted resources first. Unrestricted resources are then expended in the order of committed, assigned, and unassigned as needed.

9. Net Position

Government-wide and proprietary fund net position is divided into three components:

Net investment in capital assets - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.

Restricted net position - consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

Unrestricted - all other net position is reported in this category.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by unrestricted net position.

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

II. Stewardship, compliance, and accountability

A. Budget information

Budgets are prepared and adopted, and expenditures are appropriated, in accordance with Oregon Local Budget Law. The District is required to budget all funds. The budgetary level of control is total personnel services, materials and services, capital outlay, debt service, transfers and contingencies for each fund. Expenditures cannot legally exceed the adopted level of detail and all annual appropriations lapse at year end.

Unexpended additional resources may be added to the budget through use of a supplemental budget. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers, and approval by the Board of Commissioners. The Board of Commissioners can also authorize transfers of appropriations between existing expenditure categories. Budget amounts shown in the financial statements represent the budget as finally revised by the Board of Commissioners.

III. Detailed notes

A. Cash

Cash at June 30, 2021 are comprised of:

	<u>2021</u>
Demand deposits	\$ 94,111
Local Government Investment Pool	<u>480,873</u>
Total cash	<u>\$ 574,984</u>

Deposits. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program ("PFCP") of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized, or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of a bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

All investments of the District shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for custodial officer), ORS 294.805 to 294.895 (Local Government Investment Pool). Any revisions or extensions of these sections of the ORS shall be assumed to be part of this investment policy immediately upon being enacted.

The Oregon Local Government Investment Pool (LGIP) is an open-ended, no-load diversified portfolio offered to any municipality, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any public funds. The Office of the State Treasurer (OST) manages the LGIP. The LGIP is commingled with other State funds in the Oregon Short-Term Fund (OSTF). The OSTF is not managed as a stable net asset value fund; therefore, the preservation of principal is not assured. Additional information about the OSTF can be obtained at www.ost.state.or.us and www.oregon.gov/treasury.

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

III. Detailed notes (continued)

A. Cash (continued)

Custodial Credit Risk. The District's cash and investment balances are exposed to Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depository Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all non-interest bearing accounts and the aggregate of all interest bearing accounts at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program are considered fully collateralized. As of June 30, 2021, none of the District's bank balances were exposed to credit risk. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized and may be subject to credit risk.

Credit Risk - Investments. The District follows state statutes which authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers acceptances, certain commercial papers and the State Treasurer's Investment Pool (LGIP), among others. The District's policy also requires the District to do business with "Authorized Financial Dealers and Institutions." Additionally the investment portfolio will be managed to minimize the potential loss impact of one individual issuer. The District deposits with financial institutions had a bank balance of \$76,068.

Interest Rate Risk. In accordance with its investment policy, the District manages its exposure to declines in fair value by limiting the maximum maturity to the anticipated use of the cash.

The weighted-average maturity of the LGIP is less than one year.

Concentration of credit risk. Concentration of credit risk refers to potential losses if total investments are concentrated with one or few issuers. The District has no investment policy for concentration of credit risk.

B. Capital assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 586,488	\$ -	\$ -	\$ 586,488
Total capital assets not being depreciated	<u>586,488</u>	<u>-</u>	<u>-</u>	<u>586,488</u>
Capital assets being depreciated:				
Buildings	3,424,425	-	-	3,424,425
Equipment	3,071,675	201,127	-	3,272,802
Total capital assets being depreciated	<u>6,496,100</u>	<u>201,127</u>	<u>-</u>	<u>6,697,227</u>
Less accumulated depreciation for:				
Buildings	(1,242,017)	(82,415)	-	(1,324,432)
Equipment	(1,934,722)	(334,576)	-	(2,269,298)
Total accumulated depreciation	<u>(3,176,739)</u>	<u>(416,991)</u>	<u>-</u>	<u>(3,593,730)</u>
Total capital assets, being depreciated, net	<u>3,319,361</u>	<u>(215,864)</u>	<u>-</u>	<u>3,103,497</u>
Total capital assets, net	<u>\$ 3,905,849</u>	<u>\$ (215,864)</u>	<u>\$ -</u>	<u>\$ 3,689,985</u>

SUNSET EMPIRE TRANSIT DISTRICT

Notes to Financial Statements

June 30, 2021

III. Detailed notes (continued)

C. Compensated Absences

A summary of the changes in notes payable for the year ended June 30, 2021 follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Long-Term Portion</u>
Other long-term obligations						
Compensated absences	\$ 93,497	\$ 117,164	\$ (93,497)	\$ 117,164	\$ 117,164	\$ -

D. Lease commitment

The District leases a copier at a monthly rate of \$188. The lease term is sixty months and will expire November 2022. Total lease expense for the year ended June 30, 2021 amounted to \$2,256. Future minimum lease payments under the operating lease are as follows:

Year Ending June 30,	
2022	\$ 2,256
2023	<u>940</u>
	<u>\$ 3,196</u>

IV. Other information

A. Deferred Compensation Plan

The District sponsors a Section 457(b) deferred compensation plan. All employees become eligible upon their one year anniversary of employment. The District's contribution is 2.5 percent of participant wages. For the year ended June 30, 2021, the District contributed \$56,201.

B. Risk management

The District is exposed to various risks of loss during the ordinary course of business. To mitigate the risk of loss, various commercial insurance policies have been purchased and are reviewed for adequacy by management annually. There have been no significant changes in coverage nor have any settlements exceeded insurance coverage in the past three years.

C. Tax Abatement

Clatsop County has established an enterprise zone under ORS 285C.050-250 that abates property taxes on new business development within zone. As a result the property taxes that the District will receive for the 2020-21 levy year has been reduced by \$19,999.

D. Restatement of Fund Balance and Net Position

The beginning fund balances have been adjusted to correct for error. The General Fund beginning fund balance was increased by \$172,517 for accounts receivable not reported in the prior year's audit. The fund balance and the net position amounts as of June 30, 2020 changed from \$646,344 to \$818,861 and \$4,616,772 to \$4,789,289 respectively.

REQUIRED SUPPLEMENTARY INFORMATION

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

General Fund

For the Year Ended June 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Property taxes	\$ 1,105,000	\$ 1,085,990	\$ (19,010)
Intergovernmental Revenue	3,076,057	994,329	(2,081,728)
Mass transit assessment	90,000	101,110	11,110
State timber revenue	200,000	249,058	49,058
Charges for Services	260,000	304,263	44,263
Other revenue	<u>28,550</u>	<u>21,822</u>	<u>(6,728)</u>
Total revenues	<u>4,759,607</u>	<u>2,756,572</u>	<u>(2,003,035)</u>
Expenditures:			
Personnel services	3,143,709	2,782,922	360,787
Materials and services	1,261,000	949,944	311,056
Capital outlay	<u>1,859,350</u>	<u>201,127</u>	<u>1,658,223</u>
Total expenditures	<u>6,264,059</u>	<u>3,933,993</u>	<u>2,330,066</u>
Excess (deficiency) of revenues over (under) expenditures	(1,504,452)	(1,177,421)	327,031
Other financing sources (uses):			
Transfers in	<u>1,532,052</u>	<u>897,407</u>	<u>(634,645)</u>
Total other financing sources (uses)	<u>1,532,052</u>	<u>897,407</u>	<u>(634,645)</u>
Net change in fund balance	27,600	(280,014)	(307,614)
Fund Balance:			
Beginning of year, restated (see note IV.D)	<u>900,000</u>	<u>818,861</u>	<u>(81,139)</u>
End of year	<u>\$ 927,600</u>	<u>\$ 538,847</u>	<u>\$ (388,753)</u>

SUPPLEMENTARY INFORMATION

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis
 Special Transportation Fund Formula
 For the Year Ended June 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Intergovernmental revenue	\$ 656,787	\$ 701,917	\$ 45,130
Interest	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total revenues	<u>659,287</u>	<u>701,917</u>	<u>42,630</u>
Expenditures:			
Excess (deficiency) of revenues over (under) expenditures	659,287	701,917	42,630
Other financing sources (uses):			
Transfers Out	<u>(1,532,421)</u>	<u>(701,917)</u>	<u>830,504</u>
Net change in fund balance	(873,134)	-	873,134
Fund Balance:			
Beginning of year	<u>873,134</u>	<u>-</u>	<u>(873,134)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

For GAAP reporting purposes this fund is combined with the General Fund.

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis
Statewide Transportation Improvement Discretionary Fund
For the Year Ended June 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Intergovernmental Revenues	\$ 552,000	\$ 195,490	\$ (356,510)
Other financing sources (uses):			
Transfers out	<u>(552,000)</u>	<u>(195,490)</u>	<u>356,510</u>
Fund Balance:			
Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

For GAAP reporting purposes this fund is combined with the General Fund.

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Revenues, Expenditures and Change in Fund Balance - Budgetary Basis

Capital Reserve Fund

For the Year Ended June 30, 2021

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget</u>
Revenues:			
Interest Income	<u>\$ 1,000</u>	<u>\$ 5,102</u>	<u>\$ 4,102</u>
Expenditures:			
Other financing sources (uses):			
Net change in fund balance	1,000	5,102	4,102
Fund Balance:			
Beginning of year	<u>183,455</u>	<u>100,455</u>	<u>(83,000)</u>
End of year	<u>\$ 184,455</u>	<u>\$ 105,557</u>	<u>\$ (78,898)</u>

COMPLIANCE SECTION



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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

We have audited the financial statements of the governmental activities and each major fund of Sunset Empire Transportation District ("District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and have issued our report thereon dated January 12, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Compliance

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

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

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment**
- **Budgets legally required (ORS Chapter 294)**
- **Insurance and fidelity bonds in force or required by law**
- **Programs funded from outside sources**
- **Authorized investment of surplus funds (ORS Chapter 294)**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)**

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

OAR 162-10-0230 Internal Control

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. We identified deficiencies in internal control over financial reporting that we consider to be a material weaknesses, as described in the AU Section 325 written communication.

This report is intended for the information of Sunset Empire Transportation District's Board of Commissioners and the Secretary of State, Division of Audits, of the State of Oregon. However, this report is a matter of public record and its distribution is not limited.

Isler CPA



By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
January 12, 2023



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

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Sunset Empire Transportation District ("District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. and have issued our report thereon dated January 12, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sunset Empire Transportation District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sunset Empire Transportation District's internal control. Accordingly, we do not express an opinion on the effectiveness of Sunset Empire Transportation District'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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. During our audit we did identify certain deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as 2021-001, that we consider to be a material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sunset Empire Transportation District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Isler CPA

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

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
January 12, 2023



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Commissioners
Sunset Empire Transportation District
Clatsop County, Oregon

1976 Garden Ave.
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Report on Compliance for Each Major Federal Program

We have audited the compliance of Sunset Empire Transportation District with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sunset Empire Transportation District's major federal programs for the year ended June 30, 2021. Sunset Empire Transportation District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sunset Empire Transportation District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sunset Empire Transportation District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sunset Empire Transportation District's compliance.

Opinion on Each Major Federal Program

In our opinion, Sunset Empire Transportation District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of Sunset Empire Transportation District, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sunset Empire Transportation District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sunset Empire Transportation District's internal control over compliance .

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities and each major fund of the District as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents, and issued our report thereon dated January 12, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Isler CPA

A handwritten signature in black ink that reads "Paul R. Nielson". The signature is written in a cursive style with a long, sweeping tail on the letter "n".

By: Paul Nielson, CPA, a member of the firm
Eugene, Oregon
January 12, 2023

SUNSET EMPIRE TRANSIT DISTRICT
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
• Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) that are not considered to be material weaknesses?	No
Type of auditor's report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 516(a) of the Uniform Guidance?	Yes

Identification of Major Federal Award Programs:

Name of Federal Program or Cluster	CFDA Number
Formula Grants for Rural Areas	20.509
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Findings and Questioned Costs, continued

Year Ended June 30, 2021

Section II – Financial Statement Findings

Finding 2021-001 Timeliness of Record Preparation and Availability

Criteria: Internal controls over financial reporting should include a process for ensuring that the financial records can be closed in a timely manner.

Condition: The District was unable to prepare the original information needed to support the financial statements in a timely manner.

Cause: The District converted to a new financial software. During the conversion not all the balance sheet ending fund balance from the prior year were brought over correctly to the new financial software.

Effect: The opening balances could not be reconciled to the previous reports and financial reporting was delayed.

Questioned costs: No specific questioned costs were identified.

Context: Financial accounting records were not prepared and made available in a timely manner.

Recommendation: The adjustments were made to correct the opening balances corrected this error.

Response: Management concurs with the finding.

Section III – Federal Award Findings and Questioned Costs

None



SUNSET EMPIRE TRANSPORTATION DISTRICT
900 Marine Drive Astoria, Oregon 97103

Management of Sunset Empire Transportation District has prepared this Corrective Action Plan in order to provide our views and planned response to the findings noted in the FY 2021 Schedule of Findings and Questioned Costs. We have also prepared the Summary Schedule of Prior Findings to provide the status of findings reported in the FY 2020 Schedule of Findings and Questioned Costs.

Corrective Action Plan

2021-001 Timeliness of Record Preparation and Availability

We have investigated the issues with importing the ending balance from the year ended June 30, 2020 and made a correcting entry. This fixed the issue related to opening balances.

Summary Schedule of Prior year findings.

Finding 2020-001 Segregation of Duties

Adequate segregation of duties should exist related to the financial reporting of the District. This should include both supervisory review and approval of financial reporting.

We have implemented a new financial software program for FY 2021. This software has a very good audit tracking system, so an auditor and our executive director can track changes made in the system.

Finding 2020-002 Fund Accounting

Internal controls over financial reporting should include a process for ensuring that funds are in balance at any given point during the year.

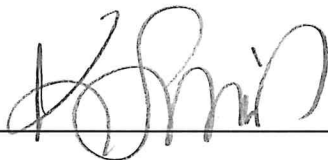
We have implemented a new financial software program for FY 2021. The new system, once fully operational, will keep our funds separated and will use the transfers and due to/due from accounts to keep funds balanced when interfund activity occurs.

Finding 2020-003 Timeliness of Record Preparation and Availability

Internal controls over financial reporting should include a process for ensuring that the financial records can be closed in a timely manner.

With the implementation of a new software system, closing the periods (quarterly and annually) will be handled in a more timely manner.

Sincerely,



Kelly Smith, Finance Director

Sunset Empire Transportation District

SUNSET EMPIRE TRANSIT DISTRICT

Schedule of Expenditures of Federal Awards

For the Year Ended

June 30, 2021

Federal Grantor / Pass-Through Grantor / Program or Cluster Title Federal CFDA Number	CFDA Number	Federal or Pass- Through Award Number	Total Expenditures
U.S. Department of Treasurer			
<i>Passed through Oregon Department of Transportation</i> Coronavirus Relief Fund	20.513	32214,32868	13,312
U.S. Department of Transportation			
<i>Passed through Oregon Department of Transportation</i> Transit Services Programs Cluster			
Enhanced Mobility for Seniors and Individuals with Disabilities	20.513	32214,32868	\$ 85,526
Formula Grants for Rural Areas	20.509	32868	523,890
Highway Planning and Construction Cluster Highway Planning and Construction (Federal-Aid Highway Program)	20.526	20.205	<u>171,813</u>
Total Expenditures of Federal Awards			<u>\$ 794,541</u>

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Sunset Empire Transportation District under programs of the federal government for the year ended June 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the schedule presents only a selected portion of the operation of Sunset Empire Transportation District, it is not intended to and does not present the financial position, changes in financial position, or cash flow for Sunset Empire Transportation District.

2. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards is presented on the modified accrual basis of accounting in accordance with generally accepted accounting principles. Expenditures reported on this schedule are recognized following the cost principles in Title 2 US Code of Federal Regulations (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, where certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

Sunset Empire Transportation District has not elected to use the 10% *de minimis* cost rate.

No amounts were provided to subrecipients.

February 2023 Operations

Jennifer Geisler

Trainings for January 2023 consisted of webinars, FTA “Safety Advisory Suicide Prevention Signage on Public Transit,” and the annual Busing on the Lookout (BOLT) for Human Traffic awareness and education. Both trainings were eye opening and difficult to hear but very informative and valuable. Staff has benefited in being able to be more observant and report possible human trafficking.

I continue to hold weekly meetings with all the supervisors. This helps with leadership skills, communication between the departments from shop to driver supervisors and we always end the meeting with encouragement and employees that stood out.

One of the two new category B buses for the Lower Columbia Connector has received its decorative wrap, inspection from Knowledge In Mobility, and getting its finishing touches from Creative Bus. We expect to see the second bus arrive at Creative Bus by the end of February and possibly putting both buses into service for the Lower Columbia Connector by spring.

On Tuesday January 31st we had Rider Appreciation Day. This consisted of free rides, raffles, sweets at the Astoria Transit Center and Seaside Office and a nice letter about SETD and the services we provide District wide. Jason and Kathy had a booth at the Homeless Connect in the Seaside Convention Center. It was a good day! If you had the opportunity to hear the two-way radio and the driver chatter you could hear how full the buses where. There were 582 riders that day! This is over 100 ride increase for one day. Drivers experienced standing room only and compliments from new riders about the service and smiles.



RIDE ASSIST
January 2023 Report
Nicholle Searle

- In January, Ride Assist provided a total of 801 rides. ADA Paratransit had 543 rides, we provided 216 Medicaid rides for Northwest Rides, 2 VETP and had 43 escorts. There were 0 Dial A Rides. We also had 40 food box deliveries
- There were zero ride denials in January.
- Happy to announce that the Seaside office is back open full time and at the regular hours. Having the seaside office open is not only beneficial to our riders in that part of the county, but to our drivers as well.
- We are still accepting applications for the open position for a Transportation Support Specialist, as well as actively doing interviews.
- I just started supervisor training through the HR Answers program. They will be four-hour long sessions every other Tuesday. Beings how this is my first supervisor position I'm excited to learn all I can to be a great supervisor. Classes will cover emotional intelligence, conflict management, recruiting and interviewing, employee law and team building. The classes are interactive even though they are through video chat and we have homework assignments for each topic.
- ADA Paratransit Report for January
 - Number of completed applications received: 11
 - Number of incomplete applications received: 0
 - Number of interview/assessments scheduled: 0
 - Number of interview/assessments completed: 11
 - Number of determinations made:
 - Within 21 days: 11
 - More than 21 days: 0
 - Determination by type:
 - Unconditional: 8
 - Conditional: 2
 - Temporary: 1
 - Not eligible:
 - Number of appeals requested: 0
 - Number of appeals heard: 0

- In January, 15 individuals requested individual travel training. All learners were older adults, with 3 using a mobility device. All 5 individuals were from the Astoria/Warrenton area, and 7 were from the Seaside area. Individual travel training's main focus was mostly general. All learners preferred the buses that use a ramp, and 1 indicated they were uncomfortable using the regular lift. As with every travel training, trainees were directed to further information on our website and our YouTube page.
- The Veterans Enhanced Transportation Program provided 5 trips in January for Veterans needing transportation assistance. The VETP transported all but 1 Veteran to local medical services, with the one needing transport to Portland's VA hospital. I have remained in contact with 2 Veterans from the Veteran's Standdown and helped them find transportation in various ways.
- For 1, it takes 1. What does this mean? Our program has helped many veterans get to their medical appointments. 95% of all trips provided by this program are performed by a Veteran Volunteer driver in their personal vehicle. A relationship is formed between the Veteran being transported and the driver when a trip takes place. Thanks to "Veteran to Veteran" interaction, trust develops between them. This 1-on-1 interaction during the journey has provided opportunities for a healthy dialogue. Our drivers have indicated that the conversations during the trip have had positive results for the riders and the drivers themselves. There are roughly 17 Veterans and active personnel in America who commit suicide daily. At least one individual is in crisis daily in Clatsop County, and we have a driver ready and willing to help. www.veteranscrisisline.net, Call 1-800-273-8255 and Press 1, Text 838255. If you know of a Veteran who is homeless or at imminent risk of homelessness, please encourage them to contact the National Call Center for Homeless Veterans at (877) 4AID-VET (877-424-3838) for assistance.
- Transportation Talk is on every Friday at 11 am on Facebook or YouTube and then like, share, and subscribe to the page if you haven't already. If you miss the live show at 11, the shows are available for viewing shortly after streaming live. I have taken on some extra responsibilities and have had to edit our format to accommodate the extra time I'm away from Mobility duties. Thank you all for your support.
- We rely on the training videos on our YouTube site to help those who need to learn about transportation if they do not have the time to engage with me. If you can, please share our online training videos as often as possible. The video helps educate the public on our services and how to use them and is also a great way to connect with potential riders needing additional assistance. The Travel Training videos are on our YouTube page (Sunset Empire Transportation District). Be on the lookout for new weekly videos titled "The Mobility Focus." These videos are a little shorter and quicker to the point. Please take a look at them.
- I held a Transit engagement with the Lifeskills class at Astoria Highschool. I travel trained a group of 15 teens on how to use the bus. I would like to thank Kathy for helping and for driver Sabrina for driving us during the practical training part.
- Kathy and I did an outreach event at the Project Homeless Connect in Seaside on January 30th. We came in contact with 150-plus people and managed to get 114 completed surveys. We had many conversations to help the majority understand how SETD can help them with their transportation needs. Thank you to Charles and Rebecca for their help with the attendees.



Transportation Options
February 2023 Report to Board
Kathy Kleczek

February is a full month of getting the year in Active Transportation in motion! We have Oregon's birthday, Rosa Park's birthday, National Black History Month, as well as the annual SDAO Conference, Super Bowl, and Valentine's Day. It has been a great month so far! Technically the Project Homeless Connect event and Rider Appreciation Day were the last day of January. And this year was a great year for both of the events at the Seaside Convention Center. Jason and I were able to set up a great section for transit and transportation safety information. I say section because booth does not quite cover the expanse, we were able to fill. It was a great honor to be assisted by Board Commissioners Read and Withers. Their participation was a great way for them to see how we interact with our community. Follow NW Transportation Option on Facebook to see updates and alerts for news and events across the region.

I had a great opportunity to participate in the statewide **TOGO** (Transportation Options Group of Oregon) in Albany. We discussed upcoming legislation that could affect some of what we do, we also experienced some hands on opportunities to see how public outreach and planning has changed over the years. Let's just say LEGOS were a big part of the meeting. The next TOGO meeting will be in Astoria on May 18 & 19th, NW Transportation Options is hosting! I am working to plan some fun activities for the Board to do while here. In Albany we were able to tour and experience the Carousel and learn about all the hand-carved animals that populate it. If you have never been I highly recommend a visit! <https://www.kgw.com/article/news/albany-carousel/283-a60cfa7-24bc-43de-a9ea-63a1d404d912>

This month we also had the SDAO Conference. It was the best attended conference for SDAO ever with over 600 in person attendee and 90+ virtual attendees. The sessions were informative and engaging. For me the one that has had the biggest impact was the "Is your website ADA compliant?"- watching how someone with a vision impairment navigate a website with a reader was impactful.

Jason and I continue to do the live not produced format for Transportation Talk. We do enjoy doing the "on the spot" filming and airing of the show and we also miss our produced segments. Have an idea for a show? Let us know and we can work on it. This year we hope to do some "on the route" videos where we try out some transportation options across Oregon.

Social Media-Get There Oregon

- Post ODOT road condition/construction updates-be prepared for construction project delays
- Are you ready for seasonal weather changes? ***Be Bright Be Seen***
- Posts about how to be safe while being active

Conference/Education/Meetings

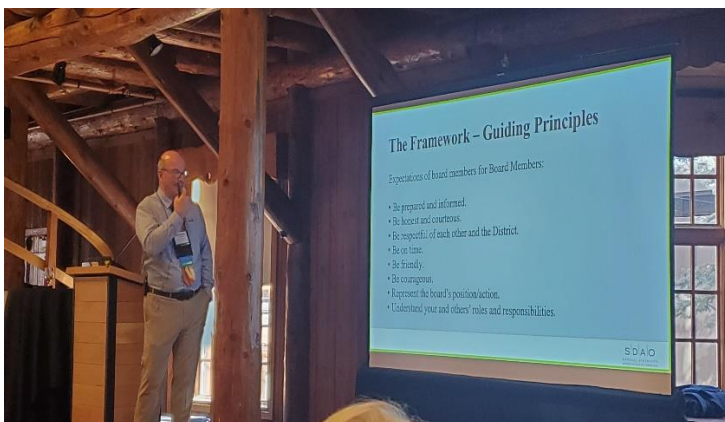
- SDAO
- Project Homeless Connect
- TOGO meeting

Innovative Mobility Grants

- Vanpool Seed funds for Cannon Beach
- Reducing barriers to Safe Biking in Clatsop County bike locks & Helmet distribution
- Car-free Travel Brochures transcreated into Spanish-at PDX and State Tourism info centers

Marketing, Outreach and Education
February 2023 Board Report
Mary Parker, Executive Assistant

- Prepared December 9, 2022, Board Meeting Minutes.
- Prepared January 13, 2023, Board Meeting Minutes.
- Assisted with preparation of January 26 Board Packs and distributed to Board.
- Prepared January 26 Board Meeting Public Announcements in English and Spanish
- Assisted with January Board Meeting at Transit Center
- Prepared January 26 Board Minutes
- SETD Rider Appreciation Day/Homeless Connect January 31, 2023, Coordination
 - Riders rode for free all day in Clatsop County
 - Prepared Rider Appreciation Day Public Announcements in English and Spanish and distributed to media, posted in shelters and on buses.
 - Posted Homeless Connect Public Announcements and distributed to media and posted in shelters and on buses.
 - Prepared refreshments to be available to riders all day at Astoria Transit and Seaside Transit offices.
 - Had raffle tickets available for winning 7 back packs filled with prizes.
- Shelves from storage unit have been installed in basement at Transit Center for increased storage and organization space.
- Made reservations for Board members at Sun River Resort for SDAO Conference.
- Attended the 2023 SDAO Conference February 8th through 12th in Bend.
 - A wonderful conference that was so well attended and had very pertinent sessions.
 - I attended:
 - Megan Johnson’s great presentation on Generational Identification
 - Board and Staff Full Day Pre-Conference Training
 - Public Meeting and Executive Session Training
 - Making Your Voice Heard: Advocating for Special Districts
 - Is Your Website ADA Compliant
 - Managing Relationships and Conflicts with fellow Board Members



**Human Resources
FEBRUARY 2023 Board Report
Sue Farmer, Human Resources Manager**

MEETINGS/TRAININGS ATTENDED:

- IPMA – Conflict Courage: Leading to Resolution
- SDAO – OR OSHA Reporting
- LCHRMA – Oregon Paid Equity Update

ACTIONS:

- Attended SDAO Conference in Sunriver February 9th to 12th. Thursday sessions focused on Recruitment and Retention, and the HR Alliance Roundtable discussed the demand to bargain for Paid Leave Oregon, random drug testing for employees and volunteers, discussion on FMLA/OFLA running concurrently with Worker’s Compensation, restructuring PTO accruals with the implementation of Paid Leave Oregon, and looking into an HRA or 457 contributions for excess PTO. A mock deposition was presented by SDAO Attorney Ron Downs and SDAO Manager Monica Harrison. Friday the Keynote Address was on “Zap the Gap! Transforming Multi-Generation Teams.” It was a very informative and enlightening presentation on the differences in generations and attended a recap on the Recruitment and Retention presentation as well as a session on a Relationship With General Counsel Roundtable. Saturday there was a very informative session on Paid Leave Oregon. It will be a very interesting process which starts on September 1, 2023, and a session on How to Get Your Money’s Worth from SDAO/SDIS. Sunday was travel back to Astoria!
- Completed the mandatory OSHA 300 Report and will post it from February 1, 2023 until April 1, 2023.
- Completed annual Drug & Alcohol MIS report which is required by the FTA for recipients of federal transit funds.
- Met with Board Chair Debbie Boothe-Schmidt to begin planning for the Executive Director evaluation for 2022-2023. The committee’s first meeting will be held on Friday, February 17, 2023 at 10:00 a.m.
- Prepared the paperwork for several employees taking Oregon Family Leave Act and Short-Term Disability.
- Continue to work on the revisions necessary for the personnel policies for a final review before it goes to the SDAO attorney and HR Answers. After the final review they will be presented to the Board of Commissioners for approval.
- Conducted two unsuccessful interviews for the Transportation Support Specialist position. The difficulty in finding qualified employees is epidemic. In all the HR meetings I attend everyone is in a hiring crisis.
- Prepared the agenda for the Safety Committee meeting on Wednesday, February 22, 2023 and minutes for the Tuesday, January 31, 2023 meeting.
- Prepared templates for evaluations due in March 2023 and sent them to the appropriate supervisor/manager. Processed annual pay increases as required.
- Prepared materials and conducted benefits meetings for two employees.
- Sent monthly notices to drivers regarding upcoming renewals of CDL’s and Medical Certifications.
- Processed the monthly Union Report with a list of all employees eligible for Union membership.

NEW EMPLOYEE ORIENTATIONS:

- ❖ Steve McConnell was hired on February 6, 2023 for the position of Fixed Route Bus Driver. Steve has a CDL B and drove bus for Naselle School District. Currently, Steve works as the In-School Suspension Assistant for Ilwaco High School. Steve was in the U.S. Army Military Police and retired after 21 years. He also worked as a Correctional Officer for Washington Correction Center for Women and retired after 19 years. Steve will work on weekends until school is out and then will work full-time.
- ❖ Phil Oines joined SETD on Monday, February 6, 2023 in the position of Bus Driver Supervisor. Phil drove bus for Shoreline School District in Washington for 5 years. He has 4 years’ experience as a driver’s education instructor for 911 and Vision Driving Schools and most recently with Tongue Point Job Corps. Phil’s experience with driver training will be a great addition to our Bus Driver Supervisor team.

WORKPLACE DEMOGRAPHICS:

Male	31
Female	17
	48
Hispanic/Latino	2
Native American/Indian	1
White	43
Two or More Races	2
	48