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**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**

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*Independent Auditor's Report,  
Financial Statements, and  
Required Supplementary Information  
For the Fiscal Year Ended June 30, 2025*

**redw**  
Advisors & CPAs

**Cornelius Urban Renewal Agency  
A Component Unit of the City of Cornelius, Oregon**

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## Introductory Section

**Cornelius Urban Renewal Agency  
A Component Unit of the City of Cornelius, Oregon**

**Board of Directors  
June 30, 2025**

**Board of Directors**

<b><u>Name</u></b>	<b><u>Term Expires</u></b>
Jeffrey Dalin, Board Member	December 31, 2026
Angeles Godinez, Board Member	December 31, 2028
John Colgan, Board Member (resigned September 15, 2025)	December 31, 2026
Gregory Vaughn, Board Member (elected January 1, 2025)	December 31, 2028
Eden Lopez, Board Member	December 31, 2026

**Agency Administration**

Peter Brandom	City Manager
Ellie Jones	Assistant City Manager – Business Operations
Rachael Bateman	City Recorder

**Board members receive mail at the City's address:**

City of Cornelius, Oregon  
1355 N. Barlow St.  
Cornelius, Oregon 97113

## Financial Section

## Independent Auditor's Report

Board of Directors  
Cornelius Urban Renewal Agency  
Cornelius, Oregon

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities and the major fund of the Cornelius Urban Renewal Agency (the "Agency"), a component unit of the City of Cornelius, Oregon, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinions, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Agency, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement issuance date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

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

**Report on Other Legal and Regulatory Requirements**

***Other Reporting Required by Oregon Minimum Standards***

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 4, 2025, on our consideration of the Agency’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.



Ryan T. Pasquarella, Principal  
For REDW LLC  
Salem, Oregon  
December 4, 2025

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Management’s Discussion and Analysis**  
**June 30, 2025**

This discussion is intended to be an easily readable analysis of the Cornelius Urban Renewal Agency (the “Agency”) financial activities based on currently known facts, decisions, and conditions. We encourage readers to consider the information presented here in conjunction with the financial statements that follow. The accompanying notes are also an integral part of this report.

The report consists of agency-wide statements, fund financial statements, notes to the statements and supplementary information. The agency-wide financial statements present an overview of the Agency’s entire operations, while the fund level statements present the financial information of the major fund.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with Agency management.

**AGENCY-WIDE STATEMENTS**

**Statement of Net Position**

The Statement of Net Position presents information on all of the Agency’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the Agency is improving or deteriorating.

**Statement of Net Position**

	2025	2024
<b>Assets</b>		
Cash and cash equivalents	\$ 1,075,247	\$ 794,188
Property taxes receivable	9,382	5,370
Capital assets	326,302	-
Total assets	\$ 1,410,931	\$ 799,558
<b>Liabilities</b>		
Accounts payable	\$ 2,341	\$ -
<b>Net Position</b>		
Net investment in capital assets	326,302	-
Restricted for community development	1,082,288	799,558
Total net position	1,408,590	799,558
Total liabilities and net position	\$ 1,410,931	\$ 799,558

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Management's Discussion and Analysis**  
**June 30, 2025**

**Statement of Activities**

The Statement of Activities focuses on the program costs and their matching resources. This Statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues. The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. The Agency had a change in net position of \$609 thousand compared to \$201 thousand in the prior year. The current year increase is due to an increase in property tax revenue of \$235 thousand.

**Statement of Activities**

	2025	2024
<b>Expenses</b>		
General government	\$ 51,399	\$ 76
Total program expenses	51,399	76
<b>Program Revenues</b>	-	-
<b>General Revenues and Special Items</b>		
Taxes and assessments	611,660	376,625
Interest revenue	48,771	31,923
Total general revenues	660,431	408,548
Change in net position	609,032	408,472
Net position, beginning	799,558	391,086
Net position, ending	\$ 1,408,590	\$ 799,558

**FUND FINANCIAL STATEMENTS**

**Fund Statements**

Following the agency-wide statements is a section containing fund financial statements. A fund is a grouping of related accounts that have been segregated for specific activities or objectives. The Agency has one fund.

Agency funds are used to account for essentially the same functions reported as agency activities in the agency-wide financial statements. However, unlike the agency-wide financial statements, fund financial statements focus on current inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the Agency's programs.

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Management's Discussion and Analysis**  
**June 30, 2025**

**Budgetary Highlights**

The budget was based upon a conscious effort by management to start the projects identified in the urban renewal plan as expediently as possible. A budgetary comparison statement is presented in the supplementary information.

**Capital Assets and Debt Administration**

The Agency continued work on Community Projects in FY24-25. For more detailed information on the Agency's capital assets activity refer to Note (4) of the Notes to the Financial Statements. The Agency has no debt.

**Economic Factors**

The Urban Renewal Agency continues to be an important partner in economic development within the City of Cornelius, providing necessary infrastructure improvements to support continued growth and quality of service to those within the Agency's boundaries. Increasing property values within the boundaries of the Agency translate into increasing tax increment available. That tax increment will then be used to fund projects or pay debt service on loans issued to fund projects and improvements.

**Next Year's Budget**

In FY 25-26, the Agency is budgeted to support the Façade Improvement Program. The budget also includes funds related to the purchase of the Grande Foods property.

**Financial Contact**

The Agency's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the Agency's finances and to demonstrate the Agency's accountability. If you have questions about the report or need additional financial information, you should contact the City of Cornelius at 1355 N Barlow St, Cornelius, OR 97113 or [finance@corneliusor.gov](mailto:finance@corneliusor.gov).

## Basic Financial Statements

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Statement of Net Position**  
**June 30, 2025**

**Assets**

Current assets

Cash and investments	\$ 1,075,247
Property taxes receivable	9,382
Total current assets	1,084,629

Nondepreciable capital assets

326,302

Total assets

\$ 1,410,931

**Liabilities**

Current liabilities

Accounts payable	\$ 2,341
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**Net Position**

Net investment in capital assets	326,302
Restricted for community development	1,082,288
Total net position	1,408,590
Total liabilities and net position	\$ 1,410,931

**The accompanying notes are an integral part of these financial statements.**

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Statement of Activities**  
**For the Year Ended June 30, 2025**

	Expenses	Net Revenue (Expenses) and Changes in Net Position
<b>Expenses</b>		
General government	\$ 51,399	\$ (51,399)
Total activities	\$ 51,399	(51,399)
 <b>General Revenues</b>		
Taxes and assessments		611,660
Interest revenue		48,771
Total general revenues		660,431
Change in net position		609,032
Net position, beginning of year		799,558
Net position, end of year		\$ 1,408,590

**The accompanying notes are an integral part of these financial statements.**

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Balance Sheet – Governmental Funds**  
**June 30, 2025**

**Assets**

Cash and cash equivalents	\$ 1,075,247
Property taxes receivable	<u>9,382</u>
Total assets	<u>\$ 1,084,629</u>

**Liabilities, Deferred Inflows of Resources, and Fund Balance**

**Liabilities**

Accounts payable	\$ 2,341
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**Deferred Inflows of Resources**

Unavailable revenue	<u>6,366</u>
Total liabilities and deferred inflows of resources	<u>8,707</u>

**Fund Balance**

Restricted for community development	<u>1,075,922</u>
Total fund balance	<u>1,075,922</u>
Total fund balance, liabilities, and deferred inflows of resources	<u>\$ 1,084,629</u>

**Reconciliation of the Statement of Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2025**

<b>Total Fund Balance</b>	<b>\$ 1,075,922</b>
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Amounts reported in the Statement of Net Position are different because:

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.

Unavailable revenue	6,366
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Capital assets are not financial resources and are not reported in the governmental funds.

326,302

<b>Net position</b>	<b><u>\$ 1,408,590</u></b>
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**The accompanying notes are an integral part of these financial statements.**

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance –**  
**Governmental Funds**  
**For the Year Ended June 30, 2025**

<b>Revenues</b>	
Taxes and assessments	\$ 610,937
Interest revenue	48,771
Total revenues	659,708
 <b>Expenditures</b>	
Current	
General government	53,628
Capital outlay	324,073
Total expenditures	377,701
Revenues over (under) expenditures	282,007
Fund balance, beginning	793,915
Fund balance, ending	\$ 1,075,922

**Reconciliation of the Statement of Revenues, Expenditures, and**  
**Changes in Fund Balance to the Statement of Activities**  
**For the Year Ended June 30, 2025**

<b>Net change in fund balance</b>	\$ 282,007
Amounts reported in the Statement of Activities are different because:	
Some revenue reported in the Statement of Activities does not provide current financial resources in the governmental funds.	723
Governmental funds report all capital outlay as expenditures. However, in the Statement of Activities the cost of certain assets is allocated over their estimated useful lives and reported as depreciation expense.	
Additions to capital assets	326,302
<b>Change in net position</b>	\$ 609,032

**The accompanying notes are an integral part of these financial statements.**

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

**1) Summary of Significant Accounting Policies**

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The financial statements have incorporated all applicable GASB pronouncements.

Description of Reporting Entity

The Cornelius Urban Renewal Agency (the “Agency”), a component unit of the City of Cornelius, was organized July 25, 2019, under the provisions of Oregon Revised Statutes, Chapter 457, to assist in the redevelopment of the City of Cornelius. The City Council and the Mayor of the City of Cornelius comprise the Board of Directors of the Agency.

The Agency’s financial statements include all funds of the Agency. There are no known entities that should be included in the Agency’s financial statements as a component unit based on their operational or financial relationship with the Agency in accordance with GAAP. The Agency is a component unit of the City of Cornelius and, as such is included in the annual comprehensive financial report of the City of Cornelius for the year ended June 30, 2025.

Basic Financial Statements

The Agency’s financial operations are presented at both the agency-wide and fund financial levels. The statement of net position and the statement of activities display information about the Agency as a whole.

*Agency-Wide Financial Statements*

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

*Fund Financial Statements*

The Agency has one fund to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities.

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

These statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, and fiduciary. Currently the Agency has only governmental fund types.

Basis of Presentation

The financial transactions of the Agency are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The Agency reports only a General Fund. This fund accounts for all financial resources and expenditures of the Academy unless required to be accounted for in another fund. The principal revenue sources are property taxes.

Measurement Focus and Bases of Accounting

Measurement focus is a term used to describe which transactions are recorded with the various financial statements. Basis of accounting refers to when transactions are recorded.

The Agency-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the agency-wide statements, reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the agency-wide presentation. The reconciliations are presented with the fund financial statements.

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

Cash and investments

The Agency considers cash and investments as all highly liquid investments with maturity of three months or less from the date of purchase. Investments included in cash and investments are reported at fair value. All cash and investments are held by the City of Cornelius.

Receivables and Property Tax Calendar

Uncollected property taxes receivable, which have been collected within 60 days following year-end are considered measurable and available and are recognized as revenue. The remaining balance is recorded as unavailable revenue in the fund financial statements because it is not deemed available to finance operations of the current period. Real and personal property taxes are levied in July of each fiscal year. Property taxes attach as an enforceable lien on property as of July 1, and are payable in three installments on November 15, February 15, and May 15. All property taxes are billed and collected by Washington County and remitted to the Agency. Uncollected taxes, including delinquent amounts, are considered substantially collectible or recoverable through liens, and accordingly no allowance for uncollected taxes has been established. All property taxes receivable are due from property owners within the Agency's boundaries.

Capital Assets

Capital assets are stated at historical cost or estimated historical cost if actual historical cost is not available. Capital assets include land, buildings and improvements and street infrastructure costing over \$5,000 with an estimated life of extending beyond a single reporting period.

Deferred Outflows and Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that apply to a future period and so will not be recognized as an inflow of resources (revenue) until then.

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

Fund Balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. In accordance with GAAP allowable fund balance classifications include:

- *Nonspendable* – Includes items not immediately converted to cash, such as prepaid items.
- *Restricted* – Includes items that are restricted by external creditors, grantors, or contributors, or restricted by legal constitutional provisions.
- *Committed* – Includes items committed by the Board of Directors, by formal board action. Commitments of fund balance must be made prior to the end of the fiscal year.
- *Assigned* – Includes items assigned for specific uses, authorized by the Agency. Assignments of fund balance can be done at any time, including after the fiscal year end date. In accordance with the Agency’s fund balance policy, amounts may be assigned by the Agency administrator.
- *Unassigned* – This is the residual classification of the General Fund, used for those balances not assigned to another category.

Net Position

Net position comprise the various net earnings from operations, nonoperating revenues, expenses, and contributions of capital assets. In accordance with GAAP allowable net position classifications include:

- *Net investment in capital assets* – consist of all capital assets, net of accumulated depreciation less outstanding debt attributable to the acquisition of capital assets net of unspent bond proceeds.
- *Restricted* – consists of external constraints placed on assets use by creditors, grantors, contributors, laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted* – consists of all other assets that are not included in the other classifications.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the Agency’s policy to use restricted resources first, then unrestricted resources, as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Agency’s policy to use committed resources first, then assigned, and then unassigned as they are needed.

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

Use of Estimates

In preparing the Agency’s financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2) Budget**

A budget is prepared in accordance with the legal requirements set forth in Oregon Local Budget Law. The Agency budgets its general fund on the modified accrual basis of accounting. Budget appropriations lapse at the end of each fiscal year. Appropriations are adopted in the categories of materials and services, capital outlay, debt service, contingency and transfers. Actual expenditures may not legally exceed appropriations in any of the categories.

**3) Cash and investments**

The Agency participates in a cash and investment pool maintained by the City of Cornelius for all funds under the City’s administrative control. The amount reported as cash and investments is the Agency’s share of the total City of Cornelius’ cash and investment pool. The Agency does not maintain bank accounts or investments separate from the City’s investment pool. The bank deposits are collateralized pursuant to Oregon Revised Statutes, Chapter 295. The investment in the Oregon State Treasurer’s Investment Pool is not required to be categorized by level of risk because this investment is not evidenced by securities.

**4) Capital Assets**

Capital asset activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Land	\$ -	\$ 326,302	\$ -	\$ 326,302
Total capital assets, not being depreciated	\$ -	\$ 326,302	\$ -	\$ 326,302

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Notes to the Financial Statements**  
**June 30, 2025**

**5) Risk Management**

The Agency is exposed to various risks of loss and insurance coverage is provided by the City of Cornelius, which carries commercial insurance. Settled claims resulting from risks of loss have not exceeded commercial insurance coverage in any of the past three years.

**6) Overexpenditures of Appropriations**

The Agency over expended the appropriation for materials and services by \$43,628.

## Required Supplementary Information

**Cornelius Urban Renewal Agency**  
**A Component Unit of the City of Cornelius, Oregon**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual – General Fund**  
**For the Year Ended June 30, 2025**

	Budget		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Taxes and assessments	\$ 222,000	\$ 222,000	\$ 610,937	\$ 388,937
Interest revenue	15,000	15,000	48,771	33,771
Total revenues	237,000	237,000	659,708	422,708
<b>Expenditures</b>				
Materials and services	10,000	10,000	53,628	(43,628)
Capital outlay	500,000	500,000	324,073	175,927
Contingency	209,998	209,998	-	209,998
Total expenditures	719,998	719,998	377,701	342,297
Revenues over (under) expenditures	(482,998)	(482,998)	282,007	765,005
Net change in fund balances	(482,998)	(482,998)	282,007	765,005
Fund balances, beginning	482,998	482,998	793,915	310,917
Fund balances, ending	\$ -	\$ -	\$ 1,075,922	\$ 1,075,922

## Compliance Section

**Independent Auditor's Report  
Required by Oregon State Regulations**

Board of Directors  
Cornelius Urban Renewal Agency  
Cornelius, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Cornelius Urban Renewal Agency, as of and for the year ended June 30, 2025, and have issued our report thereon dated December 4, 2025.

**Compliance and Other Matters**

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

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

- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayment.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).
- Accountability for collecting or receiving money by elected officials – no money was collected or received by elected officials.

In connection with our testing nothing came to our attention that caused us to believe the Agency 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 for the following:

- Expenditures in excess of appropriations as detailed in the notes to the financial statements.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

### **Restriction on Use**

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



Ryan T. Pasquarella, Principal  
For REDW LLC  
Salem, Oregon  
December 4, 2025