

City of Siletz  
Work Session  
Monday, April 8, 2024, 5:30 PM  
Siletz City Hall

Present: Mayor Worman, T. Retasket, W. Smith, S. Trchsel  
Absent- Excused: J. Whitehead  
Staff: City Recorder B. Chestler, Public Works Lead D. Viar

### 1. Call Meeting to Order and Establish a Quorum

Mayor Worman called the meeting to order and established a quorum.

### 2. Auditors Report for the Fiscal Year Ending June 30, 2021- Mercy Hansen

Mercy Hansen from Aldrich CPA and Advisors presented an overview of the audit process for the City of Siletz's financial statements as of June 30, 2021. Various aspects of the audit process were explained, including the breakdown into interim planning and fieldwork, risk assessment, and an intensive review process involving several levels of auditing staff.

The key point disclosed was the issuance of a disclaimer opinion on the city's financial statements, indicating that due to a lack of sufficient documentation, the auditor could not express an opinion on their accuracy, although no assertion was made that the numbers are incorrect. An explanation was provided regarding the city and management's responsibility for preparing financial statements and the role of the auditor to verify the information.

There were findings regarding the city's compliance with several state regulations and internal controls. It was recognized that future audits might also disclose similar material weaknesses, but improvements are anticipated.

Council addressed concerns related to the impact of the disclaimer opinion on the city's ability to obtain grants and loans, seeking clarification on the implications and any potential corrective actions.

### 3. Utilities Rate Study- Steve Donovan

Steve Donovan presented the utilities rate study, proposing new rate schedules for water and sewer services. The new rates were primarily influenced by the upcoming sewer rehabilitation project expected to cost around \$11 million. The impact of these rates on funding strategies and the need to update the city's master plan to align with DEQ requirements were discussed. The prospect of receiving a \$100,000 planning loan with total principal forgiveness from DEQ was mentioned along with a potential grant of \$20,000 from Oregon Business for planning.

#### 4. Dahl Annual Report of Operations- Dave Larmouth

Dave Larmouth provided a preview of the annual report of operations. The report featured projections within the operating ratio range and pending CPI-based adjustments. Financial statements were mentioned, along with a summary of operations, highlighting the handling of approximately 16,000 tons of material for the Juno project. A new food waste addition to the yard debris composting program was discussed, and details of the approaching free compost day event were provided.

#### 5. Review of Submissions for Statement of Qualifications – Municipal Engineering Services

The review of submissions for the Statement of Qualifications for Municipal Engineering Services was briefly discussed. The decision on who the council wants to go with for an engineer will be decided at the next regular council meeting.

#### 6. Nesika Illahee Pow Wow Parade Permit Request

The council reviewed the request for the upcoming Nesika Illahee Pow Wow parade permit.

#### 7. Sewer Rehabilitation Project Update

A comprehensive discussion on the sewer rehabilitation project, including funding strategies, grant application details, and potential impacts on city financing, was discussed earlier in the meeting.

#### 8. The City Council may convene into an Open Session and act on any of the above work session agenda items in accordance with Oregon Public Meetings Laws

No action regarding the convening of an open session was executed. Therefore, none of the work session agenda items underwent a decision-making process during this meeting.

During the meeting, council members shared various community updates and achievements such as successful grant applications for city projects, including funds for playground development and potential housing project support. Additionally, acquisition of a new tractor, mower, and trailer for city use was highlighted. The efforts to procure additional equipment for emergency management were also discussed. These updates were reflective of ongoing developments and improvements within the city and its management.

9. Adjournment

Retasket moved to adjourn the meeting at 6:50 PM.



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Mayor Will Worman

ATTEST:



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Recording Secretary Makenzee Goodell