

Independent Accountant's Report on Applying Agreed-Upon Procedures

April 19, 2023

City of Florence
250 Highway 101
Florence, Oregon 97439

We have performed the procedures enumerated below on building program funds usage of the City of Florence (the City) for the two year period ended June 30, 2022. The City's management is responsible for the building program funds usage.

The City has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of complying with State of Oregon requirements (ORS 455.202(6)). This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for the purposes.

Our procedures included testing a sample of the building program funds expenditures in accordance with the agree-upon procedures. There is a risk that the sample may not be representative of the population being tested. Although the random sample was made from the whole population there is the risk that errors exist that were not within our sample selection.

The procedures and associated findings are as follows:

1. Determine that the City maintains accounting records for the building inspection program so as to allow the designed procedures to be performed.

MCO obtained detailed ledgers for the building programs revenue and expenditures for the 2 years ending June 30, 2022. Invoice support was provided upon request. No exceptions to this procedure.

2. Identify all revenues and expenditures associated with the building inspection function for 2 fiscal years through fiscal year ending June 30, 2022.

MCO agreed the detailed ledgers for the building program revenue and expenses for the 2 years ending June 30, 2022.

3. Select a representative, random sample expenditures from the building inspection program for the period identified and test for the following attributes:
 - a. The expenditures directly relate to the administration and/or enforcement of specialty codes or codes for which responsibility has been assumed under a building inspection program;
 - b. Fees collected for the enforcement or administration of the electrical specialty code are expended only for the administration and enforcement of those laws.

MCO tested a sample of 60 random selections from the building inspection program expenses. No exceptions were noted as a result of applying the procedures.

4. Determine if all amounts collected but not expended within the building inspection program are identified and reported as restricted funds.

We determined the expenditures for the 2 years ending June 30, 2022 for the building inspection program exceeded revenues for that same period and no restriction of funds was necessary.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on building program funds usage. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

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



Merina+Co
Tualatin, Oregon
April 19, 2023