BMPO Bend Metropolitan Planning Organization

Annual Financial Report
Fiscal Year Ended June 30, 2019

BEND METROPOLITAN PLANNING ORGANIZATION

Annual Financial Report

Fiscal Year Ended June 30, 2019

Prepared by the City of Bend Finance Department

Sharon Wojda, Chief Financial Officer

BEND METROPOLITAN PLANNING ORGANIZATION

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Fiscal Year Ended June 30, 2019

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BEND METROPOLITAN PLANNING ORGANIZATION

Principal Officials

Policy Board Officials as of June 30, 2019

Chair

Justin Livingston, City of Bend

Vice Chair

Tony DeBone, Deschutes County

Board Members

Barbara Campbell, City of Bend
Chris Piper, City of Bend
Bob Townsend, Oregon Department of Transportation

BMPO Manager

Tyler Deke

Bend City Hall
710 NW Wall Street
Bend, OR 97703

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Report of Independent Auditors

Policy Board
Bend Metropolitan Planning Organization
Bend, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Bend Metropolitan Planning Organization (BMPO), which comprise the Government Wide Statement of Net Position as of June 30, 2019 and the Statement of Activities for the year then ended, as well as the Fund Financial Statements which comprise the Balance Sheet as of June 30, 2019 and the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund for the year then ended, and the related notes to the basic financial statements.

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. 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 opinion. 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 BMPO as of June 30, 2019, and the results of its operations for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages 4-6 and the budgetary comparison information for the General Fund on page 14, be presented to supplement the basic financial statements. Such information, although not 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the BMPO's basic financial statements. The required budgetary comparison 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. 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 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 required budgetary comparison 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 Audit Standards*

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 27, 2019, on our consideration of BMPO'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.

James C. Lanzarotta

James C. Lanzarotta, Partner for
Moss Adams LLP
Eugene, Oregon
December 27, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiscal Year Ended June 30, 2019

This Management's Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the Bend Metropolitan Planning Organization (the BMPO) for the fiscal year ended June 30, 2019. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The BMPO's assets totaled $113,279 at June 30, 2019, consisting of grants receivables of $112,630 and cash and investments of $649.
- The BMPO's liabilities totaled $113,279 at June 30, 2019, consisting of a $56,000 advance from the City of Bend for interim financing of the BMPO activities, $32,159 in accounts payable, $4,346 in contracted services payable, and $20,774 in unearned revenue.
- Net position (assets minus liabilities) was $0 at June 30, 2019.
- Direct expenses totaled $381,574 for the fiscal year ended June 30, 2019. Direct expenses included $381,574 of personnel and contracted services.
- Revenues for the fiscal year ended June 30, 2019 totaled $381,574 consisting primarily of state and federal grants.

THE FINANCIAL STATEMENTS

The BMPO's basic financial statements and the required supplementary information are presented using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The basic financial statements present financial information about the BMPO as a whole and about its activities. Following the basic financial statements is the required supplementary information which provides a budgetary comparison for the General Fund. Finally, completing the document are the reports by the independent certified public accountants, as required by statute.

<u>Government-wide Financial Statements</u>
The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities and are designed to present the financial picture of the BMPO in a manner similar to a private-sector business, i.e. from the economic resources measurement focus using the accrual basis of accounting.

The Statement of Net Position includes all assets of the BMPO as well as all liabilities. Net position is the difference between assets and liabilities, which is one way to measure the BMPO's financial health, or financial position. Over time, increases or decreases in the BMPO's net position may be an indicator of whether its financial health is improving or deteriorating.

The Statement of Activities reports all revenues when earned and expenses when incurred regardless of the timing of related cash flows. The focus of the Statement of Activities is to present the major program costs and match major resources with each. To the extent a program's cost is not recovered by grants and direct charges, it is paid from general 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Fiscal Year Ended June 30, 2019

Notes to the Basic Financial Statements

The notes provide information that is essential for a full understanding of the data presented in the government-wide financial statements. Information such as significant accounting policies and detail of certain assets and liabilities are included in the notes which should be read in conjunction with the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

This section discusses and analyzes significant changes from the prior year.

Statement of Net Position

The BMPO's net position (assets minus liabilities) totaled $0 at June 30, 2019, which reflects no change from the previous year. A condensed version of the Statement of Net Position follows:

	June 30, 2019	June 30, 2018
Cash and investments	$ 649	$ 418
Other current assets	112,630	159,999
Total assets	113,279	160,417
Due to the City of Bend	56,000	131,000
Other current liabilities	57,279	29,417
Total liabilities	113,279	160,417
Net Position		
Unrestricted	-	-
Total net position	$ -	$ -

Other current assets (consisting of grants receivable) decreased by $47,369. This decrease results from a smaller portion of reimbursable expenses remaining outstanding at June 30, 2019, in comparison to fiscal year ended June 30, 2018.

Statement of Activities

The BMPO's Statement of Activities follows:

	Fiscal Year Ended	
	June 30, 2019	June 30, 2018
Revenues		
Program revenues:		
Operating grants and contributions	$ 381,574	$ 360,240
Total revenues	381,574	360,240
Expenses		
Transportation planning	381,574	359,831
Interest expense	-	409
Total expenses	381,574	360,240
Increases (decrease) in net position		
Beginning net position	-	-
Ending net position	$ -	$ -

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)

Fiscal Year Ended June 30, 2019

The BMPO receives grant revenues from the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), Oregon Department of Transportation (ODOT), and other external service providers. Expenditures are for personnel, materials and services and contract services from the City of Bend. Revenues and expenses increased by $21,334 this year primarily due to a small increase in annual grant revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, there were supplemental budget adjustments to increase revenue and expenditures $99,643 associated with an increase in long range transportation planning project costs.

PROGRAM ACTIVITIES

The BMPO's primary goal is to conduct a continuing, cooperative and comprehensive transportation planning process involving the state and local governments, and regional transportation and planning agencies that will result in plans and programs that consider all transportation modes and will support metropolitan community development and social goals. The BMPO is governed by a Policy Board composed of officials from the City of Bend, Deschutes County and the State of Oregon Department of Transportation. An advisory committee consisting of citizens, stakeholders, and staff from public works and planning departments of local and state agencies also provide input and guidance to the BMPO.

The BMPO boundary includes the City of Bend Urban Growth Boundary and areas within Deschutes County that are anticipated to be "urbanized" over the next 20 years. The City of Bend comprises approximately 90% of the BMPO land area.

During the fiscal year ended June 30, 2019, significant BMPO accomplishments included refinements to the Bend-Redmond transportation model, maintenance of the 2018-21 Metropolitan Transportation Improvement Program (MTIP), completion of the Annual Listing of Obligated Projects and completion of the Transportation Safety Action Plan. Additional accomplishments include significant work on the update to the Metropolitan Transportation Plan, initiation of Phase 2 of the Bend Parkway Study, ongoing data collection and management, and allocation of the Surface Transportation Program (STP) funding.

NEXT YEAR'S BUDGET AND ACTIVITIES

For fiscal year 2019-20, the BMPO anticipates spending $591,617, with funding from the FHWA, FTA, and ODOT.

There are several priority issues that need to be addressed during fiscal year 2019-20. The top priority item is to work with the City of Bend and ODOT to complete Phase 1 of the update to the Metropolitan Transportation Plan (MTP) and initiating work on Phase 2 of the plan update. Staff will also help implement the Transportation Safety Action Plan and assist ODOT as it updates to Deschutes County Intelligent Transportation (ITS) systems plan. Additionally, staff will assist ODOT staff as they finish the Bend Parkway Plan and Cascades East Transit staff as they update their long range plan.

For a complete listing and description of the BMPO's tasks, please refer to the BMPO's Unified Planning Work Program available on the City of Bend's website at www.bendoregon.gov or upon request addressed to Tyler Deke, BMPO Manager, at 710 NW Wall Street, Bend Oregon 97703.

REQUEST FOR FINANCIAL INFORMATION

The BMPO's financial statements are designed to present users with a general overview of the BMPO's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Sharon Wojda, City of Bend Chief Financial Officer, at 710 NW Wall Street, Bend, Oregon 97703. The telephone number for the City Finance Department is 541-388-5509.

Bend Metropolitan Planning Organization

Statement of Net Position

June 30, 2019

		Governmental Activities
Assets		
Cash and investments	$	649
Grants receivable		112,630
Total Assets		113,279
Liabilities		
Current liabilities:		
Accounts payable		32,159
Contracted services payable		4,346
Due to the City of Bend		56,000
Unearned revenue		20,774
Total Current Liabilities		113,279
Total Liabilities		113,279
Net Position		
Unrestricted		-
Total Net Position	$	-

The accompanying notes are an integral part of the basic financial statements.

Bend Metropolitan Planning Organization

Statement of Activities

For the fiscal year ended June 30, 2019

		Program Revenues		
Functions/ Programs	**Direct Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Change in Net Position**
Transportation planning	$ 381,574	$ -	$ 381,574	$ -
Interest expense	-	-	-	-
Total Governmental Activities	$ 381,574	$ -	$ 381,574	$ -
Change in Net Position				-
Net Position, July 1, 2018				-
Net Position, June 30, 2019				$ -

The accompanying notes are an integral part of the basic financial statements.

Bend Metropolitan Planning Organization

Balance Sheet

Governmental Fund

June 30, 2019

Assets		
Cash and investments	$	649
Grants receivable		112,630
Total Assets	$	113,279
Liabilities		
Accounts payable	$	32,159
Contracted services payable		4,346
Due to the City of Bend		56,000
Unearned revenue		20,774
Total Liabilities		113,279
Fund Balance		
Unassigned		-
Total Fund Balance		-
Total Liabilities and Fund Balance	$	113,279

The accompanying notes are an integral part of the basic financial statements.

Bend Metropolitan Planning Organization

Statement of Revenues, Expenditures, and Changes in Fund Balance

Governmental Fund

For the fiscal year ended June 30, 2019

Revenues		
Intergovernmental:		
Grants and agreements	$	381,574
Contributions from the City of Bend		-
Miscellaneous		-
Total Revenues		381,574
Expenditures		
Current:		
Transportation planning		381,574
Interest expense		-
Total Expenditures		381,574
Net change in fund balance		-
Fund Balance, July 1, 2018		-
Fund Balance, June 30, 2019	$	-

The accompanying notes are an integral part of the basic financial statements.

BEND METROPOLITAN PLANNING ORGANIZATION

Notes to Basic Financial Statements

Fiscal Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies

Organization

The Bend Metropolitan Planning Organization (the BMPO) is the federally designated regional transportation planning organization for the Bend urbanized area established in 2002 under Oregon Revised Statutes (ORS) 190, by an intergovernmental agreement between the City of Bend, Deschutes County and the State of Oregon Department of Transportation. The BMPO is a separate entity from the City, County and State, with a separate budget, its own governing body and separate operating principles. The affairs of the BMPO are governed by a five member Policy Board, consisting of one representative from the Deschutes County Board of Commissioners, one from the State of Oregon and three members of the Bend City Council.

The purpose of the BMPO is to serve as a forum for continuing, cooperative and comprehensive transportation planning and decision-making by state and local governments, and regional transportation and planning agencies.

The BMPO boundary includes the City of Bend urban growth boundary and areas within Deschutes County that are anticipated to be "urbanized" over the next 20 years. The City of Bend comprises approximately 90% of the BMPO land area.

The accounting and reporting policies of the BMPO included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards. The more significant accounting policies of the BMPO are described below. The BMPO has no component units and the accompanying basic financial statements present the financial position and activities of the BMPO.

Financial Statement Presentation, Measurement Focus and Basis of Accounting

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities report information on all activities of the BMPO. Governmental activities are financed primarily through state and federal funding.

The Statement of Activities presents a comparison between direct expenses and program revenues for the BMPO's program. The BMPO does not allocate indirect expenses. Investment earnings or losses are not included among program revenues but are reported instead as general revenues or expenses.

Intergovernmental revenues are recognized when all eligibility requirements are met. Eligibility requirements for intergovernmental revenues received on a reimbursement basis (i.e. where monies must be expended on specific projects or for a specific purpose before any amounts are paid to the BMPO) are determined to be met when the underlying expenditures are disbursed. Eligibility requirements for intergovernmental revenues which are unrestricted as to purpose of the expenditure and are usually revocable only for failure to comply with prescribed requirements are considered to be met at the time of receipt or when susceptible to accrual.

Fund Financial Statements

The governmental fund financial statements are accounted for using a current financial resources measurement focus whereby only current assets and liabilities generally are included in the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balance presents increases and decreases in the current net position. Governmental funds use the modified accrual basis of accounting

Note 1 – Summary of Significant Accounting Policies (Continued)

Fund Financial Statements (Continued)

where revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Funds are used to segregate resources for specific activities or objectives. The BMPO has one governmental fund: the General Fund.

Use of Estimates

The preparation of the 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 assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Cash and Investments

At June 30, 2019, cash and investments consisted of funds held by the City of Bend. The BMPO considers its cash and investments as a demand deposit account with the City of Bend, whereby funds may be deposited or withdrawn without prior notice or penalty. Interest earnings are allocated by the City based on the proportion of the BMPO's cash to total City pooled funds.

Reference should be made to the City of Bend's Comprehensive Annual Financial Report for the year ended June 30, 2019 for compliance with ORS relating to the collateralization of deposits and categorization of investments.

Receivables

Receivables consist of grants receivables due from state and federal agencies. Management has determined that an allowance for uncollectible accounts is not required for such receivables.

Pension Plan

The BMPO personnel are employees of the City of Bend contracted to work for the BMPO through an intergovernmental agreement (see related party disclosure in Note 3 below). Employees of the City participate in the Oregon Public Employees Retirement Plan administered by the Oregon Public Employees Retirement System. Personnel costs including benefits and pension costs for the BMPO Manager are charged directly to the BMPO. As the liabilities for pension and related expenses are the obligation of the City of Bend, not the BMPO, these liabilities are not reflected in these financial statements.

Risk Management

The BMPO is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the BMPO is covered under a commercial insurance policy. The BMPO does not engage in risk financing activities where risk is retained (self-insurance). Settled claims have not exceeded insurance coverage for any of the past three fiscal years.

BEND METROPOLITAN PLANNING ORGANIZATION

Notes to Basic Financial Statements (Continued)

Fiscal Year Ended June 30, 2019

Note 1 – Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balances

The BMPO is operated on a cost reimbursement basis and is not intended to show any fund balance or net position.

Appropriation and Budgetary Controls

The BMPO is organized under ORS 190 and is not required to comply with Oregon Local Budget Law. However, the BMPO has prepared and adopted a budget for operational accountability and control purposes.

Note 2 – Due to City of Bend

The BMPO has an unsecured short term note payable to the City of Bend in the amount of $56,000 at June 30, 2019. The note was obtained to provide interim financing of the BMPO activities, is non-interest bearing, and was repaid in-full during July 2019. The BMPO also obtains interim financing from the City throughout the year to fund operations (see Note 3 below).

Note 3 – Related Party Transactions

The BMPO utilizes the City of Bend for staff support, accounting, information technology, human resources and other services. The BMPO contracts for such services through an intergovernmental agreement with the City of Bend. Total expenses related to these services for the year ended June 30, 2019 were $27,100.

Note 4 – Commitment and Contingencies

At June 30, 2019, the BMPO was committed on outstanding supplier and consulting service contracts totaling $44,554.

REQUIRED SUPPLEMENTARY INFORMATION

Bend Metropolitan Planning Organization

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the fiscal year ended June 30, 2019

	Budget			Variance with Final Budget
	Original	Final	Actual	Over/Under
Revenues				
Intergovernmental:				
Grants and agreements	$ 436,052	535,695	$ 381,574	(154,121)
Contribution from City of Bend	27,798	27,798	-	(27,798)
Miscellaneous	-	-	-	-
Total Revenues	463,850	563,493	381,574	(181,919)
Expenditures				
Current:				
Personnel services	216,660	256,660	227,559	(29,101)
Materials and services	246,690	306,333	154,015	(152,318)
Interest expense	500	500	-	(500)
Contingency	70,000	70,000	-	70,000
Total Expenditures	533,850	633,493	381,574	(111,919)
Expenditures in excess of revenues	(70,000)	(70,000)	-	70,000
Other Financing Sources (Uses)				
Repayment of advance from City of Bend	(70,000)	(160,000)	(131,000)	29,000
Advance from City of Bend	70,000	70,000	56,000	(14,000)
Other Financing Sources (Uses)	-	(90,000)	(75,000)	15,000
Net change in fund balance	(70,000)	(160,000)	(75,000)	85,000
Fund Balance, July 1, 2018	70,000	160,000	131,000	(29,000)
Fund Balance, June 30, 2019	$ -	$ -	$ 56,000	$ 56,000

Reconciliation of Budgetary Other Financing Sources (Uses) to GAAP Other Financing Sources (Uses)

Other Financing Sources (Uses) - Budgetary Basis	$ (75,000)
Repayment of advance from City of Bend reported as other financing use on the budgetary basis is reported as a reduction of liability on the GAAP basis.	$ 131,000
Advance from City of Bend reported as other financing source on the budgetary basis is reported as a liability on the GAAP basis.	$ (56,000)
Other Financing Sources (Uses) - GAAP Basis	$ -

MOSSADAMS

Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon Minimum Audit Standards

Policy Board
Bend Metropolitan Planning Organization
Bend, Oregon

We have audited the basic financial statements of the Bend Metropolitan Planning Organization (BMPO) as of and for the year ended June 30, 2019 and have issued our report thereon dated December 27, 2019. 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 basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether BMPO's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-010-0000 to 162-010-0320, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

162-010-0030	General Requirements	None Noted
162-010-0050	Financial Statements	None Noted
162-010-0115	Required Supplementary Information (RSI)	None Noted
162-010-0120	Other Supplementary Information	Not Applicable
162-010-0130	Schedule of Revenues, Expenditures / Expenses, and Changes in Fund Balances / Net Assets, Budget and Actual (Each Fund)	None Noted
162-010-0140	Schedule of Accountability for Independently Elected Officials	Not Applicable
162-010-0150	Schedule of Property Tax Transactions or Acreage Assessments	Not Applicable
162-010-0160	Schedule of Bonded or Long-Term Debt Transactions	Not Applicable
162-010-0170	Schedule of Future Requirements for Retirement of Bonded or Long-Term Debt	Not Applicable
162-010-0190	Other Financial or Statistical Information	Not Applicable
162-010-0200	Required Disclosures and Independent Auditors Comments	None Noted
162-010-0230	Accounting Records and Internal Control	None Noted
162-010-0240	Public Fund Deposits	None Noted
162-010-0250	Indebtedness	Not Applicable
162-010-0260	Budget	None Noted
162-010-0270	Insurance and Fidelity Bonds	None Noted
162-010-0280	Programs Funded from Outside Sources	None Noted
162-010-0295	Highway Funds	Not Applicable
162-010-0300	Investments	None Noted
162-010-0310	Public Contracts and Purchasing	None Noted
162-010-0315	State School Fund	Not Applicable
162-010-0316	Public Charter Schools	Not Applicable
162-010-0320	Other Comments and Disclosures	None Noted

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 test disclosed no instances of noncompliance that are required to be reported under Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered BMPO's internal control over financial reporting (internal control) 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 BMPO's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of BMPO'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 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 over financial reporting 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 deficiencies, significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 does not provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State, in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James C. Lanzarotta

James C. Lanzarotta, Partner for
Moss Adams LLP
Eugene, Oregon
December 27, 2019

BEND MPO
Metropolitan Planning Organization

Surface Transportation Block Grant Funding

February 18, 2020
MPO Policy Board

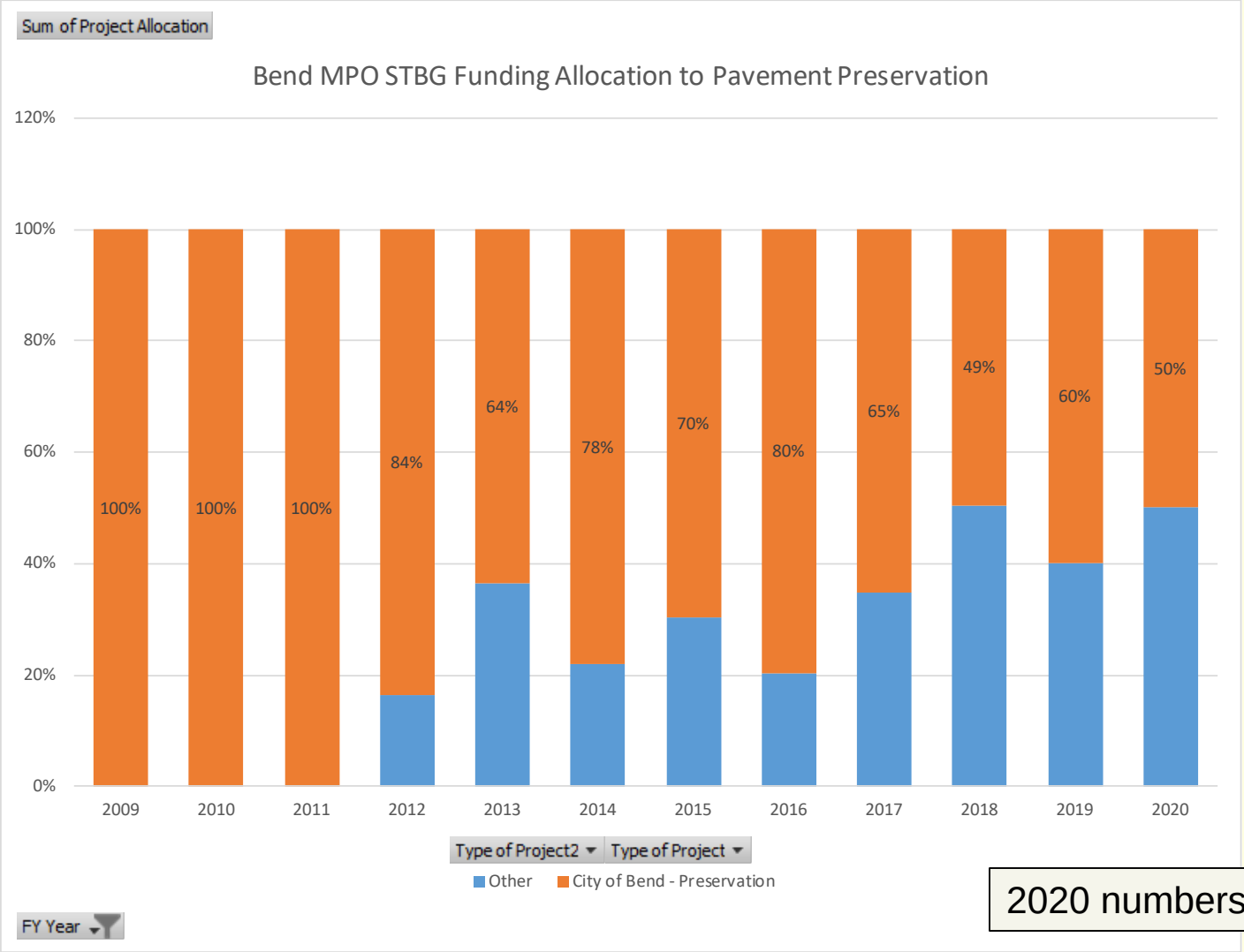
STBG Multi-Year Funding Allocation - *Proposed*

- The Surface Transportation Block Grant Program (STBG) is a federal funding program that provides federal dollars for a broad range of transportation uses
- Proposal to develop multi-year funding distribution
- Will review and amend annually if available funds are lower/higher

Future Funding

- Policy Board agreed to develop multi-year process
- Today: seeking guidance on pavement preservation funding – either percentage or base amount
- Next steps: remainder of funding - staff and TAC will develop options for Board consideration

Pavement Funding Over Time



2020 numbers = draft

Bend MPO

Future Work Programs

MPO Work Items

- Required
  - MTP update – start 2023
  - Transportation model updates & maintenance strategy – TBD
  - ITS Plan update – link to MTP update?
  - Transportation Safety Action Plan updates – TBD
  - Public Participation Plan update – 2020
  - Title VI Plan update – 2022?
  - Performance monitoring & reporting - ongoing
  - Household travel survey - TBD
  - Data collection & analysis, and regional data warehouse discussions – ongoing
- Optional
  - Equity analysis – TBD (coordinate with City?)

Identified Studies & Refinement Plans (1)

- Bend TSP
  - Wall/Revere/Division study ("Z" study)
  - 27th St/US20 intersection study
  - Franklin Corridor Study (Broadway to NE 4th?)
  - Pedestrian Program
  - TDM Study for major employers and destinations
  - Bicycle Program
  - Midtown Bicycle and Pedestrian Crossings
  - South River Crossing analysis
  - Congestion Pricing Study

Identified Studies & Refinement Plans (2)

- US97 Parkway Study
  - Reed Market Rd (Bond to SE 4th)
  - Colorado interchange study?
  - Mobility Standards?
- Transportation Safety Action Plan
  - 3rd Street analysis (Clay or Burnside to Wilson)
  - Butler Mkt/3rd St/Division study

Identified Studies & Refinement Plans (3)

- CET Plan
  - Mobility Hubs study?
  - Other studies?
- Others
  - US20 study (27th to east UGB)?

MPO Role?

- How or should the MPO engage in these efforts?
  - Funding support?
  - Leadership?
- How do we prioritize these efforts?
  - Links to City Council, County Commission or ODOT goals?
  - Staff identify draft strategy?
- Next steps?