COLUMBIA DEVELOPMENT AUTHORITY
BOARDMAN, OREGON

Financial Statements and
Independent Auditors' Report

June 30, 2025

COLUMBIA DEVELOPMENT AUTHORITY

Board of Directors

Name		Term Expires
Joel Peterson, Chairman	Port of Morrow	December 31, 2027
John Shafer, Vice-Chair	Umatilla County	December 31, 2027
Robert Blanc	Port of Umatilla	December 31, 2030
JD Tovey	CTUIR	December 31, 2028
Jeff Wenholz	Morrow County	December 31, 2027

Alternates

Jerry Simpson	Port of Umatilla	December 31, 2030
Dan Dorran	Umatilla County	December 31, 2026
Lisa Mittelsdorf	Port of Morrow	December 31, 2030
Kat Brigham	CTUIR	December 31, 2030
David Sykes	Morrow County	December 31, 2027

Interim Executive Director: Emily Collins

Address to reach Board Members:
PO Box 294
Hermiston, OR 97838
Telephone: (541) 481-3693

COLUMBIA DEVELOPMENT AUTHORITY

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CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Columbia Development Authority
Hermiston, Oregon

Report on Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of Columbia Development Authority, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Columbia Development Authority, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Columbia Development Authority, 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

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, 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 Columbia Development Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 generally accepted auditing standards and *Governmental Auditing Standards* 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Governmental Auditing Standards,* we:

- Exercise professional judgement 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 including 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 Columbia Development Authority'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Columbia Development Authority'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.

Board of Directors
Columbia Development Authority
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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7-11, 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 inquires, 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.

Management has omitted the general fund budget-to-actual statement that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Columbia Development Authority's basic financial statements. The supplementary information on pages 25-28, is presented for purposes of additional analysis 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 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Reports 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 also issued our report dated August 6, 2026 on our consideration of Columbia Development Authority'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.

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated August 6, 2026 on our consideration of Columbia Development Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

Anderson Boylan Ramos, P.C.

By: Rebecca Ramos Bautista

Rebecca K. Ramos Bautista, Shareholder
August 6, 2026

COLUMBIA DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

June 30, 2025

This discussion and analysis provides highlights of financial activities of the Columbia Development Authority (CDA). The analysis focuses on the CDA's overall financial position, results of operations, and other important economic factors for the year ended June 30, 2025.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the CDA's basic financial statements. The CDA's basic financial statements are divided into three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. Together, they provide a comprehensive overview of the CDA's financial position. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements.

1. **Government-wide financial statements. The government-wide financial statements present information about the financial activities of the CDA as a whole, in a manner similar to a private sector business.**

   The Statement of Net Position presents information on all of the CDA's assets, liabilities, and deferred inflows and outflows of resources. When assets and deferred outflows of resources are reduced by liabilities and deferred inflows of resources, the difference is net position over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the CDA is improving or deteriorating.

   The Statement of Activities presents information showing how the CDA's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected grant revenues).

2. **Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CDA uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

   Governmental funds are used to account for activities where the emphasis is placed on available financial resources, rather than upon net income determination. Therefore, unlike the government-wide financial statements, governmental fund financials focus on the acquisition and use of current spendable resources, as well as the balances of spendable resources at the end of the fiscal year. The CDA maintains one governmental fund, the general fund.

3. **Notes to the Financial Statements.** The notes provide additional information necessary to gain a full understanding of the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

June 30, 2025

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Columbia Development Authority (CDA), assets exceeded liabilities by $1,762,124 at the close of the fiscal year. The following statement summarizes CDA's net position at June 30, 2025 and for the previous fiscal year ending June 30, 2024.

	Net Position		
	June 30,		Increase (Decrease) from prior Fiscal Year
	2025	2024	
Current and other assets	$ 252,121	$ 325,911	$ (73,790)
Capital assets	1,706,486	1,292,012	414,474
Total assets	1,958,607	1,617,923	340,684
Current liabilities	196,483	136,685	59,798
Total liabilities	196,483	136,685	59,798
Net position:			
Net investment in capital assets	1,706,486	1,292,012	414,474
Restricted	55,638	189,226	(133,588)
Total net position	$ 1,762,124	$ 1,481,238	$ 280,886

A portion of CDA's net position reflects its investment in capital assets. CDA did not have any outstanding debt related to these assets at the close of the fiscal year. The remaining balance of net position is restricted for the economic development of property conveyed from the U.S. Army.

Capital assets increased by $414,474 during the year due to expenses capitalized to design and construct a highway as well as land improvements made to construct a memorial site. Current liabilities increased slightly due to increased accounts payable for legal services related to various lawsuits.

COLUMBIA DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

June 30, 2025

The following statement summarizes the key elements of CDA's change in net position for the year ended June 30, 2025, as well as compares it to the prior year.

	Changes in Net Position		
	June 30,		**Increase (Decrease) from prior**
	2025	**2024**	**Fiscal Year**
Expenses			
General government	227,168	138,966	88,202
Depreciation	5,875	-	5,875
Total expenses	233,043	138,966	88,202
Program revenues			
Capital grants	184,629	248,737	(64,108)
General revenues			
Member contributions	271,480	1,233,886	(962,406)
Lease income	8,700	12,450	(3,750)
Miscellaneous	49,120	5,720	43,400
Total revenues	513,929	1,500,793	(986,864)
Change in net position	280,886	1,361,827	(1,075,066)
Beginning net position	1,481,238	119,411	1,361,827
Ending net position	$ 1,762,124	$ 1,481,238	$ 286,761

During the current fiscal year, CDA's net position increased $280,886. This was due to member contributions to fund various expenses and reimbursements received from the HB 2017 grant. Legal expenses were higher than the prior year due to various lawsuits.

COLUMBIA DEVELOPMENT AUTHORITY

Management's Discussion and Analysis

June 30, 2025

General Fund Analysis

The following statements summarize CDA's fund balance at June 30, 2025 and changes in fund balance for the fiscal year, as well as compare them to the prior year.

	Balance Sheet		
	June 30,		Increase (Decrease) from prior Fiscal Year
	2025	2024	
Current assets	$ 252,121	$ 325,911	$ (73,790)
Current liabilities	180,483	120,685	59,798
Deferred inflows of resources	-	62,798	(62,798)
Ending Fund balance	$ 71,638	$ 142,428	$ (70,790)

Grant income reported as deferred inflow of resources in the prior year was received in the current year. Current liabilities increased due to accounts payable to vendors for the road design project and legal fees.

	Changes in Fund Balance		
	June 30,		Increase
Revenues:	2025	2024	(Decrease)
Member contributions	$ 280,455	$ 1,224,911	$ 1,505,366
Grants	238,452	194,914	433,366
Other	57,820	26,170	83,990
Total revenues	576,727	1,445,995	2,022,722
Expenditures:			
General government	227,168	106,959	120,209
Capital outlay	420,349	276,322	144,027
Debt Service	-	960,000	(960,000)
Total expenses	647,517	1,343,281	(695,764)
Increase (decrease) in fund balance	(70,790)	102,714	2,718,486
Beginning fund balance	142,428	39,714	102,714
Ending fund balance	$ 71,638	$ 142,428	$ 2,821,200

During the current fiscal year, CDA's general fund balance decreased $70,790. Member contributions decreased greatly due to large contributions in the prior year to pay off debt and due to a lawsuit by various IGA members that led to some member entities making few or no contributions. Capital outlay increased due to continued work on the road construction project as well as various improvements made to create a memorial site on the land.

COLUMBIA DEVELOPMENT AUTHORITY

Management's Discussion and Analysis (continued)

June 30, 2025

Capital Assets

CDA had $1,706,486 in capital assets at June 30, 2025. Construction in progress relates to the road construction work and the land improvements are for a memorial site constructed.

Capital Assets at Year-End

	2025	2024
Land	$1,047,697	$1,047,697
Construction in progress	429,664	244,315
Land improvements, net depreciation	229,125	-
Total capital assets	$1,706,486	$1,292,012

Debt

CDA did not have any debt outstanding during the fiscal year.

Budgetary Highlights

CDA did not adopt a budget for its general fund for the fiscal year ended June 30, 2025. CDA is not required to follow Oregon local budget law because the entity does not levy taxes or provide services directly to individuals.

Economic Factors

CDA is highly dependent on member contributions for general operations. Due to a lawsuit filed in June 2024, by one members, CDA was not regularly receiving financial support from three out of the five members. The lawsuit was settled in January 2026 and the CDA expects to regularly receive needed contributions from the four members that are benefitting from land distributions going forward.

Requests for Information

This financial report is designed to provide a general overview of Columbia Development Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Columbia Development Authority at P.O. Box 294, Hermiston, OR 97838.

COLUMBIA DEVELOPMENT AUTHORITY

Governmental Fund Balance Sheet/Statement of Net Position
June 30, 2025

	General Fund	Adjustments (Note 5)	Statement of Net Position
ASSETS:			
Cash	$ 158,900	$ -	$ 158,900
Accounts receivable	89,599	-	89,599
Prepaid expenses	3,622	-	3,622
Capital assets	-	1,706,486	1,706,486
Total assets	$ 252,121	1,706,486	1,958,607
LIABILITIES:			
Current liabilities:			
Accounts payable	160,830	-	160,830
Unearned revenue	19,653	16,000	35,653
Total liabilities	180,483	16,000	196,483
FUND BALANCES/NET POSITION:			
Fund balances:			
Nonspendable	3,622	(3,622)	-
Restricted	68,016	(68,016)	-
Total fund balances	71,638	(71,638)	-
Total liabilities, deferred inflows of resources, and fund balance	$ 252,121		
Net position:			
Investment in capital assets		1,706,486	1,706,486
Restricted		(16,000)	55,638
Total net position		$ 1,690,486	$ 1,762,124

See accompanying independent auditors' report
and notes to the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balance/Statement of Activities
For the Year Ended June 30, 2025

	General Fund	Adjustments (Note 6)	Statement of Activities
EXPENDITURES/EXPENSES:			
General government	$ 227,168		$ 227,168
Depreciation		$ 5,875	5,875
Capital Outlay	420,349	(420,349)	-
Total expenditures/expenses	647,517	(414,474)	233,043
PROGRAM REVENUES:			
Capital grants	238,452	(53,823)	184,629
Net program expense	(409,065)	360,651	(48,414)
GENERAL REVENUES:			
Member contributions	280,455	(8,975)	271,480
Rent/lease income	8,700	-	8,700
Reimbursements	49,120	-	49,120
Total general revenues	338,275	(8,975)	329,300
CHANGE IN FUND BALANCE	(70,790)	70,790	-
CHANGE IN NET POSITION		351,676	280,886
FUND BALANCE/NET POSITION:			
Beginning of the year	142,428	1,338,810	1,481,238
End of the year	$ 71,638	$ 1,690,486	$ 1,762,124

See accompanying independent auditors' report
and notes to the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Notes to Financial Statements
June 30, 2025

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Reporting entity:

The Columbia Development Authority (CDA) is a local redevelopment authority created by an Intergovernmental Agreement dated May 15, 1995; amended and restated July 14, 2014. The CDA is comprised of five members: The Port of Morrow, Port of Umatilla, Confederated Tribes of the Umatilla Indian Reservation, and the counties of Morrow and Umatilla. The CDA was created to administer the transition of the Umatilla Army Depot located in Umatilla and Morrow Counties from military to civilian use. These financial statements present all the fund types and account groups of the CDA.

The Columbia Development Authority's goal has been funded for several years through an Office of Local Defense Community Cooperation (OLDCC) grant received, administered, and reported by the Port of Morrow. CDA staff are paid by the Port of Morrow through the OLDCC grant. The Port of Morrow board has final authority over the OLDCC grant. Although some goals of the CDA are supported through the grant received by the Port of Morrow, the CDA is not a component unit of the Port of Morrow nor is the Port of Morrow a component of CDA. This grant ended in March 2025.

On March 3, 2023, the CDA became owners of 9,511.37 acres of land that was transferred from the US Army to CDA for less than fair market value. Due to current Economic Development Conveyance (EDC) legislation and Article 4 of the Agreement between the US Army and CDA, EDC recipients are required to reinvest proceeds received from the sale, lease, or equivalent use of former military base assets into job-generation and economic redevelopment activities related to the conveyed property.

Measurement focus, basis of accounting, and financial statement presentation:

The government-wide financial statements (the statement of net position and the statement of activities) are reported using the economic resources measurement focus and 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 (the fund balance sheet and the statement of revenues, expenditures, and changes in fund balance) 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 CDA considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The CDA uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The CDA only uses governmental funds.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses, and balances of current financial resources. Expended assets are assigned to various governmental funds according to the purpose for which they may or must be used. The difference between governmental fund assets and liabilities is reported as fund balance.

The CDA reports the following major governmental fund:

General Fund:

This fund is used to finance the general operations of the CDA. It's purpose is to account for and report all financial resources and expenditures of the CDA. The principal revenue sources are member contributions and grant income.

Budget procedures:

The CDA is not subject to Oregon budget law under Oregon Revised Statutes (ORS) 294.305 through 294.595 or ORS 294.900 through 294.930. Because CDA does not have a legally adopted budget, a statement comparing budgeted revenues, expenditures and changes in fund balance is not required, and has not been included in these financial statements.

Capital assets and depreciation:

Capital assets result from expenditures in the governmental funds. These assets are reported on the statement of net position but are not reported in the fund financial statements. All capital assets are recorded at cost. Donated assets are valued at estimated fair market value on the date donated. Improvements are capitalized, however normal maintenance and repairs are not capitalized. CDA has not incurred any interest expense in the acquisition of capital assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated lives using the straight-line method of depreciation. A capitalization threshold of $5,000 and a useful life of greater than one year is used to report capital assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Cash and investment policy:

CDA money is invested as allowed by Oregon Statute. Presently, CDA has no investments and all cash is held in a bank checking account.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Deferred inflows of resources - governmental funds:

In addition to liabilities, the governmental fund balance sheet reports a separate section for deferred inflows of resources. Deferred inflows of resources represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that future period. Revenue received after 30 days of the end of the current fiscal period under the modified accrual basis of accounting, qualify for reporting in this category. Accordingly, these items, unavailable revenues, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Unearned revenue:

Unearned revenue includes items where the money has been received but services have not yet been provided. Unearned income consists of rent security deposits, rent received for future periods and deposits on a future land purchase.

Prepaid expenses:

Certain payments to vendors reflect costs applicable to future accounting periods and are reflected as prepaid items. Prepaid expense consists of payments for insurance coverage for periods beyond the current fiscal year end.

Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and 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.

Income taxes:

The CDA is exempt from federal and state income taxes.

Net position:

Net position presents the difference between assets and liabilities in the statement of net position. Net position is reported as restricted when there are legal limitations imposed on its use by laws or regulations. When the option is available to use restricted or unrestricted resources for any purpose, the CDA will expend restricted resources first.

Fund Balance:

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Fund Balance (continued):

Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid amounts.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or (b) imposed by laws through constitutional provisions or enabling legislation.

Fund balance is reported as committed when the Board passes an ordinance that places specific constraints on how the resources may be used. The Board can modify or rescind the ordinance at any time through passage of an additional ordinance.

Fund balance is reported as assigned when resources are constrained by the government's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the Board approves which resources should be "reserved" during the adoption of the budget.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned. This classification is also used to report any negative fund balance amounts in other governmental funds.

When the option is available to use restricted or unrestricted resources for any purpose, CDA expends restricted resources first. When the option is available to use committed, assigned, or unassigned resources for any purpose, CDA expends committed resources before assigned resources, and assigned resources before unassigned resources.

NOTE 2--CASH:

The CDA maintains one depository account with one financial institution. The cash balance of this depository account at June 30, 2025 was $158,900.

Custodial Credit Risk - Deposits:

In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. The Public Funds Collateralization Program was created by the Office of the State Treasurer to facilitate bank depository, custodian and public official compliance with ORS 295. ORS 295 requires the qualified depository to pledge collateral against any public funds deposits in excess of deposit insurance amounts. As of June 30, 2025 the CDA's deposits were insured by federal depository insurance. It is the CDA's policy to maintain its funds at a financial institution deemed to be a qualified depository by the Office of the State Treasurer.

COLUMBIA DEVELOPMENT AUTHORITY

Notes to Financial Statements
June 30, 2025

NOTE 3--ACCOUNTS RECEIVABLE:

All accounts receivable are expected to be collected, therefore, no allowance for doubtful accounts has been allocated. Accounts receivable at year end consisted of the following:

Grants	$ 89,599
	$ 89,599

NOTE 4--RISK MANAGEMENT:

The CDA is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE 5--RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES:

Total governmental fund balances	$ 71,638
Capital assets used in governmental activities are not financial assets and therefore are not reported in the funds	1,706,486
Deposits on long-term contracts are reported as income when received in the governmental funds, however, they are treated as a long-term deposit until the asset is sold in government-wide statements.	(16,000)
Net position of governmental activities	$1,762,124

NOTE 6--RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES:

Net change in governmental fund balances	$ (70,790)
Governmental funds report capital outlays 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.	
Capital outlay	420,349
Depreciation expense	(5,875)
Governmental funds defer revenues that do not provide current financial resources. However, the statement of activities recognizes such revenues at their net realizable value when earned, regardless of when collected.	(62,798)
Change in net position of governmental activities	$ 280,886

COLUMBIA DEVELOPMENT AUTHORITY

Notes to Financial Statements
June 30, 2025

NOTE 7--CAPITAL ASSETS:

Capital assets and related changes therein consisted of the following:

	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	$ 1,047,697	$ -	$ -	$ 1,047,697
Construction in progress	244,315	185,349	-	429,664
Total capital assets not being depreciated	1,292,012	185,349	-	1,477,361
Capital assets being depreciated:				
Land Improvements	-	235,000	-	235,000
Total capital assets being depreciated	-	235,000	-	235,000
Accumulated Depreciation:				
Land Improvements	-	(5,875)	-	(5,875)
Total accumulated depreciation	-	(5,875)	-	(5,875)
Total capital assets being depreciated, net	-	229,125	-	229,125
Total capital assets, net	1,292,012	414,474	-	1,706,486

Construction-in-progress relates to the construction of a highway and roadways, funded by an HB 2017 grant awarded to CDA.

NOTE 8 -- FUND BALANCE:

At June 30, 2025, $3,622 was nonspendable due to pre-paying expenses, the remaining fund balance of $68,016 was restricted for the economic development and wildlife or historical development of the land by various contributors.

NOTE 9--DEPOSIT ON LONG-TERM CONTRACT:

On June 13, 2023 Cleaver Land, LLC exercised a purchase option on a lease with CDA initially dated December 3, 2019. The option will purchase 40 acres of land conveyed to CDA by the US Army for a net price (minus prior lease payments) of $48,000. Property line adjustments have to be completed before this purchase can happen. At the fiscal year ended June 30, 2025, $16,000 had been received on this purchase option. The sale is expected to go through in the summer of 2026.

NOTE 10--LEASES:

CDA is a lessor on leases with two different entities. One lease term is one year with no renewal option. The other lease is a five-year lease that has all been prepaid. Because of the prepayment there is no lease receivable and the unearned revenue will be reported as a liability until it is earned.

NOTE 11--COMMITMENTS AND CONTINGENCIES:

CDA is committed under various construction contracts at June 30, 2025. The major project in progress at June 30, 2025 was as follows:

CDA was awarded a $7 million grant by the State of Oregon under HB 2017 to design and construct a road. The contract for the road design was awarded to Anderson Perry and Associates. $429,664 had been expended on this project at June 30, 2025. The contract for construction of this project was awarded in September 2025 to Tapani Inc. for $8,426,248. IRZ Engineering is the engineer of record and has a standing contract with CDA on this project as well.

CDA is involved in various litigation, threats of complaints and inter-entity disagreements as discussed in Note 13 to the financial statements. All of these issues have a negative effect on the CDA accomplishing its goals.

NOTE 12--RELATED PARTY TRANSACTIONS:

CDA was created through an Intergovernmental Agreement (IGA). Due to this fact, all members of the IGA are responsible for financially supporting CDA when needed. For the year ended June 30, 2025, CDA received from or billed its members $280,458 to pay for general and project specific expenses.

Four members look to receive acreage from CDA for either wildlife or economic development. CDA is in the process of transferring acreage to various members, however, due to the previous lawsuit, none of the land had been transferred at the date this report was issued.

NOTE 13--SUBSEQUENT EVENTS:

On July 2, 2024, CDA was sued by Umatilla County in Umatilla County Circuit Court. Morrow County, Port of Morrow, and Port of Umatilla were also named as defendants. Umatilla County's claims included breach of contract, breach of duty of good faith and fair dealing, and declaratory judgement. The claims related to the CDA board's March 2024 decision to transfer portions of prior Army Depot land owned by CDA to the Port of Morrow and the Port of Umatilla. This case was resolved through settlement and dismissed in February 2026. The settlement is discussed later in Note 14. Umatilla County did not contributed to CDA's bills while the suit was active.

On May 20, 2025, CDA was sued by Irrigon Rural Fire Protection District in Morrow County Circuit Court. Morrow County, Port of Morrow and Boardman Fire Rescue District are also name as defendants. Irrigon RFPD's claims related to a dispute over who has the authority to provide emergency and protection services for certain portions of CDA's property. A temporary injunction to maintain the status quo expired on July 31, 2025 with no resolution reached. The parties are now proceeding with litigation. It is too uncertain at this stage to determine the likely outcome and any possible damages that could be awarded.

On December 6, 2024 a tort claim was filed by now-former executive director Greg Smith. The tort claim raised constitutional claims and torts and alleged economic damages. Litigation was not filed in pursuit of the tort claims. Mr. Smith resigned in January 2026.

In March 2026, CDA signed an agreement with Umatilla Electric Cooperative to utilize $5 million of HB 5006 funds to finish the construction of a roadway on the CDA land to facilitate development of industrial properties owned by CDA.

CDA has evaluated subsequent events through the date of this report, which is the date the financial statements were available to be issued, and has concluded that no other subsequent events have occurred that would require recognition in the Financial Statements nor in the Notes to the Financial Statements.

NOTE 14 -- U.S. ARMY'S LESS THAN FAIR MARKET VALUE ECONOMIC DEVELOPMENT CONVEYANCE PROPERTY:

The CDA received 9,511.37 acres of the former Umatilla Army Depot for consideration of $1,000,000 on March 3, 2023 for a less than fair market value economic development conveyance. An additional 28.07 acres was planned in the conveyance, however, it had not been conveyed at the end of the 2025 fiscal year, as the Army was still working on remediation of the land. Once the additional acres are conveyed to CDA, the total received from the U.S. Army will be 9,539.44 acres. The fair market value of the land is estimated at $58,000,000.

NOTE 14 -- U.S. ARMY'S LESS THAN FAIR MARKET VALUE ECONOMIC DEVELOPMENT CONVEYANCE PROPERTY (continued):

For the year ended June 30, 2025, the CDA earned $8,700 in revenues from the use of the property conveyed to it at less than fair market value by the Army. A breakdown of the revenues received is as follows:

$8,700 in lease revenue due to leasing out storage buildings on the property.

For the year ended June 30, 2025, the CDA incurred expenditures for:

Development of a highway.
Insurance coverage of the conveyed property.
Utilities of the conveyed property.
Lobbying fees.
Bank services charges.
Attorney fees related to selling parcels.
Attorney fees related to litigation defenses.
Construction of memorial site.
Advertising and rent expense for memorial event.
Office supplies and software fees.

The CDA plans to redevelop the property conveyed to them at less than fair value by the Army, by constructing roadways within the property that connect the Westland Road Interchange, as Exit 10 off of Interstate 82. At June 30, 2025 CDA had leases with two different entities for storage buildings on the property. CDA is in the process of selling a 40 acre piece of agricultural land to a local farmer. Pursuant to the settlement dated January 27, 2026 (from the suit discussed in Note 13) CDA is also in the process of transferring 4,019 acres to the Confederate Tribes of the Umatilla Indian Reservation for a wildlife reserve, acreage to Umatilla County and the Port of Umatilla for economic development and wildlife habitat and acreage to the Port of Morrow for economic development.

Supplementary Information

COLUMBIA DEVELOPMENT AUTHORITY

Balance Sheet by Income Source- Modified Accrual Basis
June 30, 2025

	CDA general Operating	Other *	Grants	Total
ASSETS:				
Cash	$ 160,283	$ -	$ (1,383)	$ 158,900
Accounts receivable	-	-	89,599	89,599
Prepaid expenses	3,622	-	-	3,622
Total assets	$ 163,905	$ -	$ 88,216	$ 252,121
LIABILITIES:				
Current liabilities:				
Accounts payable	71,231	-	89,599	160,830
Unearned revenue	-	19,653	-	19,653
Total liabilities	71,231	19,653	89,599	$ 180,483
DEFERRED INFLOW OF RESOURCES:				
Unavailable revenue	-	-	-	-
Total deferred inflow of resources	-	-	-	-
FUND BALANCE:				
Fund Balance:				
Nonspendable	3,622	-	-	3,622
Restricted	89,052	(19,653)	(1,383)	68,016
Total fund balance	92,674	(19,653)	(1,383)	71,638
Total liabilities deferred inflows of resources, and fund balance	$ 163,905	$ -	$ 88,216	$ 252,121

* Other includes sales and/or any other sources of revenues, and expenditures that are derived from the disposal and/or other use of transferred Federal property.

See accompanying independent auditors' report
and notes to the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Changes in Income and Expenses by Income Source- Modified Accrual Basis
For the Year Ended June 30, 2025

	CDA general Operations	Other *	Grants	Total
EXPENDITURES/EXPENSES:				
General operation and administration	$ 14,469	$ 21,928	$ -	$ 36,397
Legal and professional fees	190,771	-	-	190,771
Capital Outlay	233,337	-	187,012	420,349
Total expenditures/expenses	438,577	21,928	187,012	647,517
GENERAL REVENUES:				
Member contributions	280,455	-	-	280,455
Grant Income	-	-	238,452	238,452
Storage building rent	-	8,700	-	8,700
Reimbursements	49,120	-	-	49,120
Total general revenues	329,575	8,700	238,452	576,727
CHANGE IN FUND BALANCE	(109,002)	(13,228)	51,440	(70,790)
FUND BALANCE:				
Beginning of the year	201,676	(6,425)	(52,823)	142,428
End of the year	$ 92,674	$ (19,653)	$ (1,383)	$ 71,638

* Other includes sales and/or any other sources of revenues, and expenditures that are derived from the disposal and/or other use of transferred Federal property.

See accompanying independent auditors' report
and notes to the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Cash Flows by Source
Year ended June 30, 2025

	General Operations	Other *	Grants	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash receipts from members	$ 329,466	$ -	$ -	$ 329,466
Cash receipts from reimbursements	49,120	-	-	49,120
Cash receipts from leases/other direct land uses	-	21,928	-	21,928
Payments to vendors and suppliers for general administration of LRA goal	(182,260)	(21,928)	-	(204,188)
Net cash provided by operating activities	196,326	-	-	196,326
CASH FLOWS FROM INVESTING ACTIVITIES:	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Cash receipts from capital outlay grants	-	-	150,213	150,213
Acquisition of capital assets	(233,337)	-	(151,596)	(384,933)
Net cash used in capital and related financing activities	(233,337)	-	(1,383)	(234,720)
NET INCREASE IN CASH	(37,011)	-	(1,383)	(38,394)
CASH - BEGINNING OF YEAR	197,294	-	-	197,294
CASH - END OF YEAR	$ 160,283	$ -	$ (1,383)	$ 158,900
Reconciliation of change in fund balance to cash provided by operating activities:				
Change in fund balance	$ (109,002)	$ (13,228)	$ 51,440	$ (70,790)
Capital outlay grants received	-	-	(150,213)	(150,213)
Acquisition of capital assets	233,337	-	151,596	384,933
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	57,986	-	(34,416)	23,570
(Increase) decrease in prepaid costs	11,826		-	11,826
Increase (decrease) in accounts payable	11,154	-	35,416	46,570
Increase (decrease) in unearned revenue	-	13,228	-	13,228
Increase (decrease) in deferred inflows	(8,975)	-	(53,823)	(62,798)
Net cash provided by operating activities	$ 196,326	$ -	$ -	$ 196,326

* Other includes sales and/or any other sources of revenues, and expenditures that are derived from the disposal and/or other use of transferred Federal property.

See accompanying independent auditors' report
and notes to the financial statements.

COLUMBIA DEVELOPMENT AUTHORITY

Schedule of Expenses by Allowable Category- Modified Accrual Basis
June 30, 2025

Expense categories under the National Defense Authorization Act of FY 2010

Activities that directly relate to the allowable 12 categories	
Insurance for property	21,928
Total expenses	$ 21,928

See accompanying independent auditors' report
and notes to the financial statements.

ABR ANDERSON BOYLAN RAMOS, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Cameron W. Anderson, CPA
Mitchell L. Boylan, CPA
Rebecca K. Ramos Bautista, CPA
Crystal R. Chase, CPA

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INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Columbia Development Authority
Boardman, Oregon

We have audited the basic financial statements of Columbia Development Authority (CDA) as of and for the year ended June 30, 2025, and have issued our report thereon dated August 6, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether Columbia Development Authority'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).
- 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).

Board of Directors
Columbia Development Authority
Boardman, Oregon

In connection with our testing nothing came to our attention that caused us to believe CDA 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.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered CDA'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 CDA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the CDA'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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Anderson Boylan Ramos, P.C.

By: Rebecca Ramos Bautista

Rebecca K. Ramos Bautista, Shareholder
August 6, 2026

ABR ANDERSON BOYLAN RAMOS, P.C.
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INDEPENDENT AUDITORS' 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

To the Board of Directors of
Columba Development Authority
Boardman, 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 major fund of Columbia Development Authority, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Columbia Development Authority's basic financial statements, and have issued our report thereon dated August 6, 2026.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Columbia Development Authority's financial statements are free from 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 statements. 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.

Anderson Boylan Ramos, P.C.

Rebecca Ramos Bautista

Rebecca K. Ramos Bautista, Shareholder
August 6, 2026