

# COOS

SOIL & WATER CONSERVATION  
DISTRICT


**2023 ANNUAL REPORT**

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# *Introduction*

## **History of Coos SWCD**

The Coos Soil and Water Conservation District was formed in 1962 to coordinate government assistance with conservation needs, provide assistance, information, and education for Coos County farmers, ranchers, and woodlot owners to implement sound resource management and conservation practices.

The Coos-Coquille Agriculture Water Quality Management Plan (AgWQMP) was developed in 1998 for the 1993 directives of Senate Bill 1010. The document consists of an education component and a set of rules addressing measures that safe guard water quality, the beneficial uses of water resources, and provide best management practices for water quality concerns. The plan also includes the basins of Tenmile Lakes, Fourmile Creek and Twomile Creek, as well as The Camas Valley and Lower Umpqua areas in Douglas County. Two public hearings were held in Coos County in the fall of 2001. After a period of public comment and review, the Coos-Coquille AgWQMP was adopted by the Board of Agriculture in March of 2002. The Coos SWCD provides support to the Local Advisory Committee (LAC), which meets every two years for a review of the WQMP and associated rules.

## **Function of Coos SWCD**

The function of the Coos Soil and Water Conservation District is to make technical, financial and educational resources available to local landowners and to assist in any way, so they achieve their conservation goals. The Coos Soil and Water Conservation District building is located at 379 North Adams Street in Coquille, Oregon. Office hours are 8:30am to 4:30pm, Monday through Friday. Stop by or call us to talk with our staff about financial assistance, farming practices, water quality, herbicides or any agricultural needs that you may have. Our staff is available to all citizens, landowners and any professionals in the natural resource field. We are a non-regulatory agency, able to assist landowners with financial and/or technical assistance throughout Coos County. We also coordinate with other agencies to provide assistance and education to landowners, so they are able to receive the most up to date options available to implement good conservation management, comply with environmental regulations and endangered species act requirements and be good land stewards. Call us at (541)396-6879 to set up an appointment.

# *Introduction*

*continued*

## **Coos SWCD Mission Statement**

Coos SWCD helps landowners and land managers plan and apply conservation practices that conserve water, maintain soil health and productivity, enhance wildlife habitat and improve watershed function. Coos SWCD serves as a central hub by helping landowners and land managers access available technical, financial and educational resources from local, state, federal and other sources in their efforts to implement good conservation management, comply with environmental regulations and endangered species act requirements and encourage good land stewardship.

## **Coos SWCD District Office**

Coos Soil & Water Conservation District office is open Monday through Friday 8:30am to 4:30pm or by appointment. Our office is located at 379 North Adams Street in Coquille, Oregon. Our telephone number is (541)396-6879 or you can email us at [info@coosswcd.org](mailto:info@coosswcd.org).



# MEET OUR NEWEST TEAM MEMBER ABIGAIL RICHARDS



My name is Abigail Richards, and I am proud to be a part of the Coos SWCD family. I am from North Bend, Oregon and I have lived there for my entire life. Both of my parents graduated from North Bend High school. I graduated from Southwestern Oregon Community College in 2019 with an Associate of Science and Associate of Arts Oregon Transfer Degree. I have two golden retrievers named Lily and Cali. I am really passionate about doing riparian restoration projects and improving habitat for our native species in the area. I am excited to learn more about agricultural practices and be able to see and help with these working landscapes projects. I have spent several years volunteering at local fish hatcheries, assisting with chinook salmon spawning, winter steelhead spawning, and juvenile salmonid adipose fin clipping. I genuinely enjoy being outdoors, by going camping with my family, hunting, crabbing, and occasionally fishing. I count myself to be extremely lucky to live in such a beautiful area that is well known for its scenery. I am forever grateful to be a part of our district, and I am excited to learn new skills and build important relationships with coworkers, colleagues, and landowners along the way.





**Caley Sowers**  
District Manager



**Modena Thomas**  
Office Manager



**Andrew Chione**  
Water Quality Project Manager



**Abigail Richards**  
Watershed Technical Specialist

# OUR NATURAL RESOURCE & COMMUNITY PARTNERS!

## FEDERAL

*Natural Resources Conservation Service (NRCS)*  
*Farm Service Agency (FSA)*  
*US Forest Service (USFS)*  
*Bureau of Land Management (BLM)*  
*Army Corps of Engineers (USACE)*

## COOS COUNTY

*Board of Commissioners*  
*Planning Commission*  
*County Forester*  
*Drainage District Chair*  
*County Weed Advisory Board*  
*County Road Department*

## OREGON

*Department of Agriculture (ODA)*  
*Special Districts Association of Oregon (SDAO)*  
*Oregon State University Extension Service*  
*Department of Forestry (ODF)*  
*Department of Fish and Wildlife (ODFW)*  
*Department of Environmental Quality (DEQ)*  
*Department of State Lands (DSL)*  
*Oregon Association of Conservation Districts (OACD)*  
*Oregon Watershed Enhancement Board (OWEB)*

## ACCOUNTANT

*Coquille Valley Accounting (CVA)*  
*Seth Fandel*

## BASIN

*Coos Watershed Association*  
*Coquille Watershed Association*  
*Tenmile Lakes Basin Partnership*

## PORTS

*Port of Bandon*  
*Port of Coos Bay*  
*Port of Coquille*

## TRIBES

*Coquille Indian Tribe*  
*Confederated Tribes of the Coos, Lower Umpqua and Siuslaw*

**Coos Soil & Water Conservation District**

Caley Sowers ~ District Manager  
379 North Adams Street  
Coquille, OR 97423  
(541)396-6879

**USDA ~ Natural Resource Conservation Service**

Katie Woodruff ~ District Conservationist  
382 North Central Blvd, Coquille, OR 97423  
(541)824-8091

**Curry Soil & Water Conservation District**

94181 4th Street  
Gold Beach, OR 97444  
(541)247-2755

**Oregon Department of Agriculture - Natural Resource Division**

635 Capital Street NE  
Salem, OR 97301-2532  
(503)986-4700

**Oregon State University Extension Service**

Cassie Bouska ~ Extension Agriculture  
631 Alder Street  
Myrtle Point, or 97458  
(541)572-5263

**Coos Watershed Association**

Haley Lutz ~ Executive Director  
186 N 8th Street  
Coos Bay, OR 97420  
(541)888-5922

**Coquille Watershed Association**

Leah Corral ~ Executive Director  
309 North Central Blvd.  
Coquille, OR 97423  
(541)396-2541

**Tenmile Lakes Basin Partnership**

Mike Mader ~ Director  
PO Box L  
Lakeside, OR 97449  
(541)759-2414

**Oregon Department of Forestry**

63612 5th Road  
Coos Bay, OR 97420  
(541)267-4136

**Coos County Water Resources Department**

District 19 Water Master  
290 North Central Street  
Coquille, OR 97423  
(541)396-1905

**USDA ~ Farm Service Agency**

Bret Harris ~ County Executive Director  
376 N Central Blvd  
Coquille, OR 97423  
(541)396-2841 ext. 100

**Coos/Curry CREP Tech**

Barbara Grant  
(541)396-4323 ext. 106

**Bureau of Land Management**

1300 Airport Lane  
North Bend, OR 97459  
(541)756-0100

**Oregon Department of Environmental Quality**

Bryan Duggan ~ Basin Specialist  
381 North 2nd Street  
Coos Bay, OR 97420  
(541)269-2721 ext. 234

**Oregon Department of Environmental Quality**

Don Yon ~ Coastal Zone Management  
811 SW 6th Avenue  
Portland, OR 97204  
(503)229-5994

**Oregon Department of Fish & Wildlife**

63538 Boat Basin Road  
PO Box 5003  
Charleston, OR 97420  
(541)888-5515

**Oregon Watershed Enhancement Board**

Mark Grenbemer  
221 West Stewart Avenue - Suite 201  
Salem, OR 97501-3647  
(541)776-6010 ext. 231

**Coos County Planning Department**

Jill Rolfe ~ Planner  
225 North Adams Street  
Coquille, OR 97423  
(541)396-3121 ext. 210



# Coos SWCD 2022 - 2023 Financial Report of Expenses: ODA Scope of Work and District Operations Funds

## ODA Scope of Work Budget vs. Actual

	July 2022 - June 2023	Budget
<i>Income</i>		
Carry Over	<b>\$9,553.34</b>	-\$2,241.25
Grant Income	<b>\$83,089.59</b>	\$83,089.59
<b>Total Income</b>	<b>\$92,642.93</b>	<b>\$80,848.71</b>
<i>Expenses</i>		
District Manager Payroll	\$18,960.43	\$14,500.00
Project Manager Payroll	\$17,848.59	\$17,500.00
Office Manager Payroll	\$20,497.00	\$20,500.00
Employee Benefits	\$5,494.00	\$6,360.10
Advertising/Legal Notices	\$0.00	\$0.00
Contracted Services	\$6,012.50	\$8,000.00
Audit	\$2,200.00	\$2,125.00
Equipment	\$0.00	\$3,000.00
Postage	\$0.00	\$1,000.00
Production	\$500.00	\$1,000.00
Rent	\$0.00	\$0.00
Supplies & Materials	\$2,616.48	\$2,500.00
Training	\$1,234.54	\$1,000.00
Travel & Mileage	\$1,437.27	\$1,500.00
Website Maintenance	\$537.50	\$500.00
Biennial Review	\$60.00	\$60.00
Fees (Bank)	\$30.00	\$500.00
Vehicle Maintenance/Fuel	\$27.35	\$803.61
<b>Total Expenses</b>	<b>\$77,455.66</b>	<b>\$80,848.71</b>

## ODA District Operations Budget vs. Actual

	July 2022 - June 2023	Budget
<i>Income</i>		
Carry Over	<b>\$3,186.88</b>	
Grant Income	<b>\$26,371.89</b>	\$26,371.89
<b>Total Income</b>	<b>\$29,558.77</b>	<b>\$26,371.89</b>
<i>Expenses</i>		
District Manager Payroll	\$1,498.34	\$1,600.00
Project Manager Payroll	\$430.98	\$600.00
Office Manager Payroll	\$4000.00	\$4000.00
Employee Benefits	\$0.00	\$448.35
Advertising/Legal Notices	\$103.24	\$0.00
Contracted Services	\$6,012.50	\$4,000.00
Audit	\$2,200.00	\$1,500.00
Equipment	\$2,719.00	\$2,500.00
Postage	\$92.19	\$250.00
Production	\$0.00	\$0.00
Rent	\$5,400.00	\$5,100.00
Supplies & Materials	\$2,048.99	\$1,000.00
Annual Meeting	\$119.88	\$1,000.00
Travel & Mileage	\$570.79	\$650.00
Website Maintenance	\$337.50	\$315.00
Insurance	\$0.00	\$0.00
Membership Dues	\$148.01	\$0.00
Power	\$911.83	\$900.00
Telephone/Internet	\$2,162.99	\$2,508.54
Vehicle Maintenance/Fuel	\$0.00	\$0.00
Office Expense	\$232.83	\$0.00
<b>Total Expenses</b>	<b>\$28,989.07</b>	<b>\$26,371.89</b>

Funds to support Soil and Water Conservation District capacity have been appropriated by the Oregon Legislature to the Oregon Watershed Enhancement Board (OWEB). The funds appropriated for this purpose are from constitutionally dedicated State Lottery funds (Article XV, section 4b). Oregon Lottery Funds are dedicated under Ballot Measure 76 and awarded by OWEB to fund Oregon's Soil and Water Conservation Districts. The Oregon Department of Agriculture has established an agreement with the Oregon Watershed Enhancement Board for the distribution of capacity grant funds to Soil and Water Conservation Districts.

The above tables demonstrate our Fiscal Year 2022-2023 Scope of Work and District Operations Capacity Grant Funds estimated budget and actual expenses for each quarter. Scope of Work funds are used to fund technical assistance to landowners, promote water quality workshops, conduct water quality monitoring, and develop grant proposals to fund projects. District Operations grant funds are used strictly for Coos SWCD operating costs such as office rent, utilities, bookkeeping, insurance, and satisfying certain legal requirements each year, such as production of our annual meeting and report.



# GRANTS AVAILABLE FOR PROJECTS TO IMPROVE WATER QUALITY AND WATERSHED HEALTH

Coos SWCD remains steadfast in its mission to guide landowners in sustainable and responsible natural resource management, amidst various changes. We are committed to collaborating with private landowners to execute conservation projects enhancing water quality or watershed health across Coos County.

The Oregon Watershed Enhancement Board's Small Grant Program provides Oregon Lottery funds up to \$15,000 for individual projects aimed at restoring watershed elements like creeks, wetlands, or rivers.

Landowners interested in securing financial support for agricultural projects that positively impact watershed health should consult with SWCD to discuss project eligibility and application requirements. Eligible projects could involve fencing to

keep livestock from streams, installation of livestock watering systems, bridge and culvert replacement or improvement for stream crossings, removal of invasive weeds, and planting native trees to boost riparian health, species diversity, and pollinator habitats.

SWCDs, Watershed Councils, and Tribes can apply on behalf of private landowners for grants up to \$15,000 through the local Small Grant Program. The application process typically takes under 60 days, and successful applicants have a two-year timeline to complete their project.

Please contact the Coos SWCD at (541)396-6879 or email [info@coosswcd.org](mailto:info@coosswcd.org) to find out if your project qualifies.

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# MEET OUR BOARD MEMBERS

## *Mark Villers* *Chairman*

Raised in Coos Bay, Mark W. Villers turned his love for the outdoors and diverse work experiences into a career of environmental stewardship. His company, Blue Ridge Timber Cutting, pioneers the practice of using whole trees to create fish habitat, a technique initiated under a 1996 government contract. Mark has executed over 500 such contracts, including inaugural projects in California and Washington. Despite acknowledging the impossibility of restoring past fish abundance, Mark relishes the witnessed uplift and guiding land users towards sustainable practices. His passion for environmental conservation drives his 14-year tenure on the Coos SWCD board.



## *Charlie Waterman* *Vice-Chairman*

Charlie Waterman hails from Four Mile ranch, south of Bandon. He funded his Agriculture Engineering degree at Oregon State University by maintaining a flock of sheep. Post-graduation, he served as an agriculture loan officer for Northwest Farm Credit Service. A seasoned landowner, he purchased his first 40-acre timberland at just 19. Recently, he entrusted his livestock operation to his son, Franklin, while he continues managing the timber segment. He's an active contributor to the community, serving on the Coos County Planning Commission, the Coos Forest Protective Association Board, and the Coos-Curry County Farm Bureau.



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# MEET OUR BOARD MEMBERS

## *Michael Clary* *Secretary*

Michael manages a small farm on the South Fork Coquille River, where he implements a range of environmental projects from riparian and pasture restoration to wetland enhancement and forest management for wildfire prevention. He serves on several boards, including the Coos SWCD, Coquille Watershed Association, Lazy Grazers Refuge, and Myrtle Point VFW. As a senior project manager at Jacobs Engineering Group, he utilizes his professional expertise to further benefit the environment. Michael's interests extend beyond farming and conservation to include cooking, science and music, enriching his approach to holistic land management.



## *Ernie Newton* *treasurer*

Ernie Newton is the treasurer for the Coos Soil & Water Conservation District. He has been married to the love of his life, Mary Lou, for 55 years now. They have two sons, four grandchildren and two great granddaughters. Dee's Market is one of the oldest running family-owned grocery stores in the area, Ernie and Mary Lou owned it for 21 years, working side by side making it a great place for locals and tourists to shop. Ernie retired a few years ago, after many years of service at the Myrtle Point Water Treatment Plant. He is a life-long car enthusiast and even though he has spent the last twenty years restoring old pick-up trucks, he is now taking full advantage of his retirement spending his days at his shop with all of the old trucks he has collected.

# MEET OUR BOARD MEMBERS

## *Adela Villers* *Zone 1 Director*

Adela New Villers, the representative of Zone 1 since 2015, brings a rich and diverse background to her role. Her early years were spent on hobby farms in Eastern Washington and Eastern Oregon, nurturing her connection with nature. This experience propelled her to attend Washington State University and Oregon State University, where she acquired her Bachelor's and Doctor of Veterinary Medicine degrees. Adela has been a resident of Coos County for 28 years, deeply immersed in its rural charm. She cherishes the country lifestyle with her beloved family and an assortment of animals, enjoying all that this close-knit community offers.



## *Cindy Gant* *Zone 2 Director*

Cindy Gant, our dedicated Zone 2 director, has passionately served the Coos SWCD for four years, endorsing initiatives that protect and enhance the county's invaluable natural resources. She holds a Bachelor of Science in Business Administration from Oregon State University, a foundation that guided her into a prosperous 26-year banking career. Subsequently, she lent her skills as an administrative assistant for 14 years. Now in her golden years, Cindy actively participates in her family business and cherishes the quality time spent with her parents and in-laws. When she's not working, Cindy's hobbies include travelling to exciting new places, tending her flourishing garden, hiking through nature, and enjoying tranquil walks.



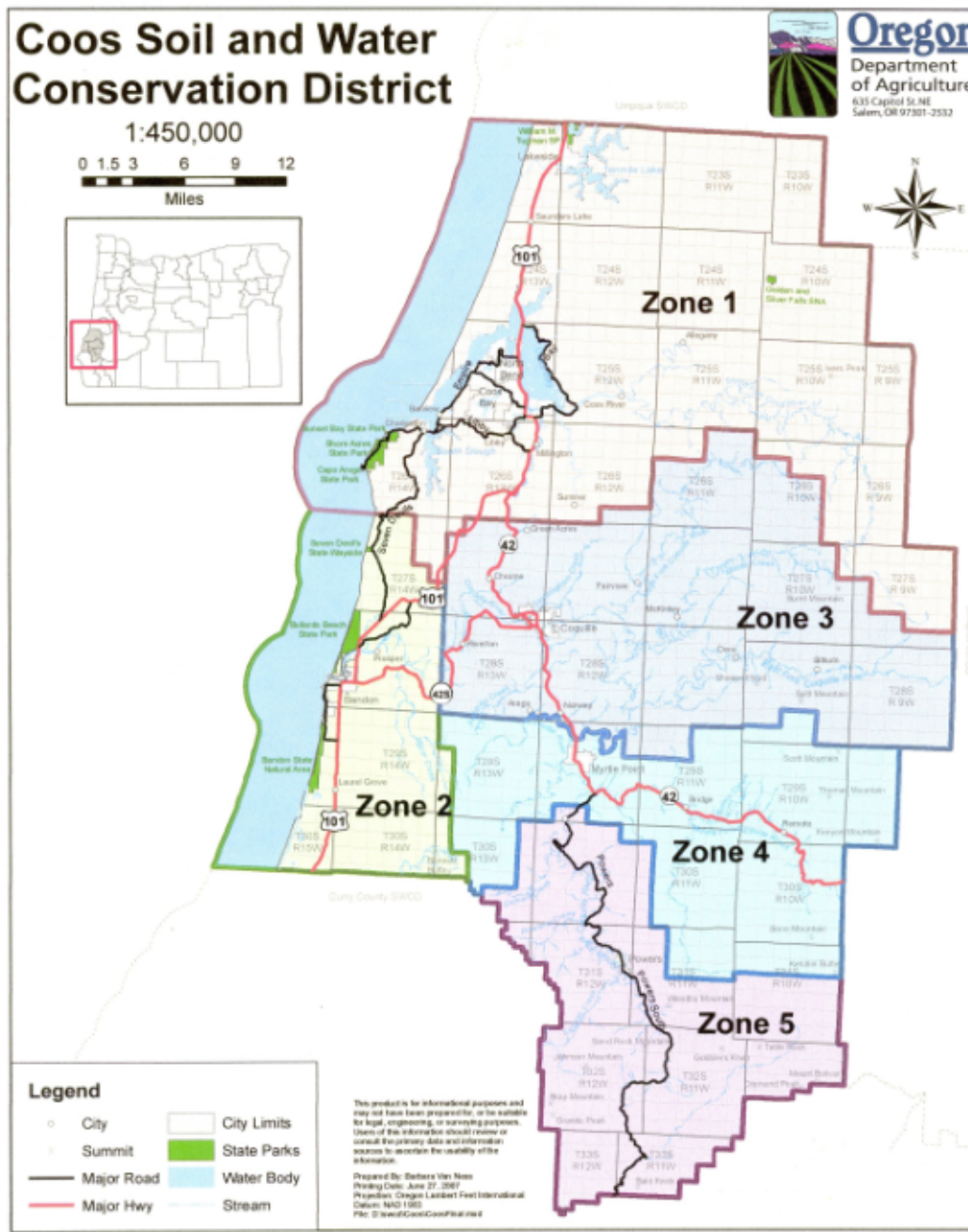
**\*\*Announcement: Board Member Vacancy at Coos SWCD!\*\***

Coos Soil and Water Conservation District (SWCD) is excited to announce an opening for a dedicated board member from Zone 5 (please refer to the map for details). This is a unique opportunity to be part of a team that is deeply committed to conserving our natural resources and supporting local landowners. Our mission revolves around assisting landowners and managers in implementing conservation practices that not only conserve water and maintain soil health but also enhance wildlife habitats and improve watershed functions. As a central hub, Coos SWCD ensures that landowners and managers have access to the best technical, financial, and educational resources from various sources, aiding in effective conservation management and promoting good land stewardship.

If you're passionate about conservation and wish to make a significant impact in our community, we'd love to have you on board. Meetings are held on the fourth Thursday of each month at 7:00 PM at our office located at 379 North Adams Street, Coquille. Join us in making a difference!

**ZONE 5  
DIRECTOR  
VACANT**

- Actively managing 10 or more acres in the zone that is being represented and residing within the boundaries of the district, or
- Residing within the zone that is being represented and actively managing 10 or more acres within the boundaries of the district, or
- Residing within the zone, serving at least one year in a SWCD At Large position or in a SWCD associate director position, and having a conservation plan that is approved by the district. This eligibility option does not include a requirement of active management of 10 acres or more.



# GEOTECHNICAL DRILLING

**G**eotechnical drilling serves as a cornerstone in our suite of investigative methods deployed for some of our projects. This technique entails utilizing specialized equipment to bore into the subsurface, extracting soil samples that provide an essential diagnostic assessment of soil's quality.

In the context of civil engineering, particularly in designing infrastructural elements like road crossings over bodies of water, understanding the subsurface stability is paramount. This is analogous to ensuring the foundation of a building is secure before erecting the superstructure.



**E**very project we embark on that involves engineered structures incorporates geotechnical drilling to ascertain this subsurface stability. Some of our projects demand an even more stringent application of this method. It's an investigative strategy that provides crucial data on the terrain's stability, fostering informed decisions and enabling us to construct resilient infrastructure. In layman's terms, it ensures that the ground upon which we build is as reliable and robust as the structures it supports.



# **NOBLE CREEK RESTORATION**

Coos Soil and Water Conservation District (Coos SWCD) is currently partnering with the Coos County Public Works Department and Oregon Department of Fish and Wildlife (ODFW) to design a project plan to restore the tidal lands and flood control infrastructure in the Noble Creek Watershed, a subbasin of the Coos Bay Estuary, in the rural, underserved, unincorporated community of Greenacres, Coos County. Funding has previously been secured from the Oregon Watershed Enhancement Board, the Business Oregon Development Tide Gate Grant and Loan Program, and ODFW to develop the engineered designs and permits necessary for replacement of the tide gates and reconstruction of the county-owned roadway (Greenacres Ln.) which spans the mouth of Noble Creek at the Isthmus Slough confluence. This road is currently the only access into the community of Greenacres. Over 200 residences/properties[CS1] are served by the County culvert(s) crossing over Noble Creek. There is no other route for emergency vehicles and day-to-day travel to these properties.

The Coos Bay Estuary is the sixth largest estuary on the west coast, and the largest estuary in Oregon. A historical abundance of tidally flooded wetlands provided important ecosystem services, including fish and wildlife habitat, water filtration, water-borne sediment deposition, and floodwater absorption. However, since the mid-1800s, humans have reduced the amount of tidal wetlands by 80-90% by “ditching” or straightening tidal wetland channels and installing dikes, berms, culverts, and tide gates to hold back tidewater and/or drain wetland areas (Hoffnagle & Olsen 1976). This made wetlands more suitable for livestock grazing but cut off fish access and degraded aquatic habitat and water quality. Tidal wetlands are especially important for the recovery of Endangered Species Act-listed Oregon Coast Coho Salmon. Recovery of the species is limited primarily by the lack of the abundance of slow-water habitats, which include tidal wetlands (NMFS 2016; Nickelson 2012). Tidal wetlands provide shelter and food for juvenile coho salmon at a critical life stage when their mortality rate is high. The loss of tidal wetlands function for fish can be addressed by improving fish passage and aquatic habitat quality (Miller & Sadro 2003).

The Noble Creek Watershed in the Coos Bay Estuary drains 3,400 acres of land, including 118 acres of tidally influenced lowlands. Two main culverts with tidegates control streamflow out of, and tidal flow into, the mid-watershed. Upstream of the main tidegates, multiple interior culverts, tidegates, and berms drain several private properties and protect public roads and bridges. This infrastructure network severely impedes the migration of salmon into Noble Creek and its associated tidal wetlands. Additionally, the infrastructure network is at the end of its lifespan and is crumbling. The community is experiencing increased flooding, which will be made worse as climate change progresses. Recent flooding of agricultural fields has increased the runoff of fecal bacteria pollution from livestock waste to Noble Creek. This has created a water quality issue that is harmful to aquatic life and human safety. Noble Creek is currently 303(d)-listed by the Oregon Department of Environmental Quality for high concentrations of fecal coliform bacteria. The watershed is also 303(d)-listed for having summer water temperatures that are too high for juvenile salmon. This is predominantly caused by insufficient riparian vegetation to shade the water.

Short-term, emergency fixes to the flood-control infrastructure in the Noble Creek watershed have not addressed fish passage or water quality and habitat needs and have only postponed a long-term, sustainable solution. The county and local landowners do not have the financial resources to independently solve the issues. In addition, climate change is only anticipated to increase the level of flooding and aggravate the current problems. Restoration of aquatic habitat and improvement of flood control infrastructure and management is needed to increase the resiliency of the aquatic habitat and human community in the Noble Creek Watershed.



# Lampa Creek



Lampa Creek, an important tributary to the lower Coquille River, plays an essential role in the life cycle of salmon, especially coho, by serving as a critical rearing habitat for juveniles and as a spawning habitat for adult salmon. Lampa Creek suffers from degraded riparian buffers and stream bank erosion, as well as invasive blackberry thickets that out-compete native plants and create a monoculture. Through our Strategic Implementation Area Program, Coos Soil and Water Conservation District (Coos SWCD) was able to work with several small farm properties located along the banks of Lampa Creek to develop a restoration plan to address these issues.

The restoration plan was used to apply for a small grant through the Oregon Watershed Enhancement Board. The project objectives included tearing out and replacing the old, dilapidated fencing along the creek, controlling the invasive blackberry growth, and replanting the area with a diverse array of native trees and shrubs. The execution of the project took place in the summer through winter of 2022. During this time, a

newly designed streamside fence was erected, keeping in mind the need for the landowners to have alternate watering options for their farm animals.

Coos SWCD then undertook a significant effort to replenish the riparian zone (the area along the bank of the creek) by planting over 850 native trees and shrubs across three adjacent properties. These plantings will offer multiple benefits in the years to come. As the vegetation grows and eventually forms a canopy, it will shade the creek, creating a more favorable summer environment for juvenile salmon. Additionally, the root systems of these plants will enhance the structural integrity of the banks, mitigating future erosion. Overall, this project has improved the habitat and water quality for the salmon in Lampa Creek and will continue to see benefits realized over time.



# Water Quality Monitoring



Coos SWCD undertakes an extensive program of water temperature monitoring across numerous sites within the Coquille Basin throughout the summer season. The data collected through this process serves a dual purpose. First, it provides landowners with an understanding of the water quality conditions within their property boundaries, fostering better environmental stewardship. Second, it allows the Coos SWCD to strategize and prioritize locations for water quality enhancement interventions.

The principal objective behind these efforts is to bolster the resilience of our waterways against the impacts of droughts and heat waves. This is fundamental for maintaining and improving the conditions of the habitats supporting salmon populations and ensuring the provision of clean water.



Streamside trees play a crucial role in maintaining the temperature balance of water bodies, as their shade helps keep water temperatures low. Consequently, the Coos SWCD emphasizes the protection of existing streamside trees and creates initiatives to introduce additional trees along streambanks that are bare or infested with invasive species such as blackberries. Thus, through comprehensive water quality monitoring and strategic interventions, Coos SWCD ensures sustainable and healthy water ecosystems in the Coquille Basin.



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# North Bank Working Landscape

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The North Bank Working Landscapes Project, which began in 2017, was initially driven by the landowners' concerns about erosion of the dike that had safeguarded their property from the Coquille river's saline high tides for nearly a century. The overall project was ultimately designed to enhance the resiliency of the agricultural landscape against future climate change and contribute to a more balanced ecosystem.

Historically, the farm was a natural tidal saltmarsh with a sinuous network of tidal channels that provided critical rearing habitat for juvenile salmonids, as well as habitat for myriad other aquatic organisms and migratory waterfowl. In the early 20th century, settlers wanted to farm the fertile lands adjacent to the river, so they constructed dikes to keep the saline tidal water out. This allowed the land to be drained and converted for agriculture. Unfortunately, it also eliminated access for most salmonids to what was once a vast feeding ground. The meandering tidal channels that had been present across the former marsh were eventually filled and replaced with a network of linear ditches that crisscrossed a grass pasture and hay field. On this particular site, there was only a small perennial stream (McCew Creek) to feed the interior channels, which meant that the ditches mostly dried out in the summer. In winter, the pastures would fill up with rainwater and



# North Bank Working Landscape

occasionally high winter tides bolstered by storm surge would overtop the dike and fill the pasture, much like a bathtub. Similar in function to a bathtub, the pasture also featured a small 1.0' diameter culvert, which served to drain out accumulated water on the outgoing tides, back into the Coquille River. A simple wooden "flap" door top-mounted over the culvert outlet was employed to prevent tidal water from flowing back in from the river on an incoming tide. This is what is known as a tide gate.

Coos Soil and Water Conservation District worked collaboratively with the landowners, engineers, and regulatory agencies to develop a restoration plan for the property that would accommodate multiple land-use goals. With grant funding from the Oregon Watershed Enhancement Board, Business Oregon Development, and the Oregon Dept. of Fish and Wildlife, engineered designs were produced, permits were obtained, and contractors hired to implement the project.

The final solution involved replacing the old 1' diameter top-hinge tide gate with a new 7.0' diameter side-hinge aluminum one, ensuring adequate water flow during hightides. A supplemental water control device called a Muted Tidal Regulator, or MTR, was also installed to give the landowners enhanced control over interior water levels. The failing dike was peeled back and rebuilt from the ground up to offer continued protection to the farmland from saline water intrusion. The drainage "ditches" in the pastures were also restructured and graded, improving overall drainage, and creating a more complex and richer habitat for fish and wildlife. A small tidal pond was added, and large wood structures installed to bolster hydrologic function of the channel network, and to improve habitat for waterfowl as well as fish. To protect the new channels from future livestock-induced damage and to stabilize the banks, fencing was installed, and native plants were planted along the banks, which not only protects the banks but also contributes to habitat complexity and better water quality over time. This multifaceted restoration approach to a working landscape not only addressed the immediate concerns of the landowners but also enhanced the local environment, improving its overall health and biodiversity for many years to come.



# RANDOLPH ISLAND FLOODPLAIN ENHANCEMENT PROJECT

The Randolph Island Floodplain Enhancement Project is a 81.4-acre restoration initiative at River Mile 7.0 on the Coquille River, Oregon. Historically, this area was a tidal saltmarsh, but past human activity significantly altered the landscape, reducing fish use and ecological productivity. This negatively affected species like the Coho and fall Chinook salmon, whose current population is at 8% of the pre-1890 numbers.

Key factors impacting the project area include oversimplified hydrology, inadequate channel habitat complexity, insufficient plant diversity, and water ponding that causes fish stranding and mosquito production. To rectify these, OWEB Technical Assistance funds will enable data collection and investigation to identify optimal restoration strategies. The main project collaborators are Coos SWCD, ODFW and landowners.

Proposed restoration actions include replacing and relocating current tidegates, reconstructing about one mile of tidal channels, installing livestock exclusion fencing, and replanting native vegetation along the banks. These measures aim to increase habitat area, enhance ecological complexity, improve drainage for agricultural production, protect existing vegetation, and improve water quality.

The Coquille River Valley, the longest coastal estuary in Oregon, provides crucial habitat for various fish species. Historical clearing and reengineering of the floodplain for agricultural use significantly affected the valley's ability to support fish and wildlife. Particularly, the destruction of tidal channels and reduction in wetland accessibility severely impacted Coho salmon recovery.

Current tidegates restrict juvenile fish movement, with high water velocity and insufficient headspace preventing access to quality rearing habitats. Additionally, a lack of shading due to forest clearance and altered hydrology results in high water temperatures that can be lethal for salmonids.

The project aims to install new culverts and tidegates, reconstruct sinuous floodplain channels, and enhance access for juvenile fish species, especially during winter high-flow periods. Other benefits include increased dissolved oxygen levels, improved water quality through livestock fencing, increased riparian shading, and augmented habitat complexity through natural woody debris. This restoration is expected to provide significantly enhanced habitat for the fish, leading to an increase in salmon populations in the Coquille Basin.

## Electro Shocking Bass



The Coquille Tribe, based in Southern Coastal Oregon, finds itself at the forefront of a battle to protect their treasured Chinook salmon, a species that has experienced a disturbing drop in population numbers. By 2018, the fall Chinook population registered an alarming decline, with the Oregon Department of Fish & Wildlife's (ODFW) research revealing that from a count of 30,000 returning Chinook salmon in 2010, the numbers dwindled to a mere 275 in 2019.

The Coos Soil and Water Conservation District (SWCD) staff have volunteered to assist the ODFW in a unique and crucial initiative to mitigate one factor contributing to the salmon's decline: the introduction of predatory bass into the Coquille River. This involves the use of an electrified boat which stuns the bass, allowing them to be scooped out of the water, a method known as electro-fishing.

The electro-fishing initiative has seen the tribal members, in conjunction with the ODFW, traversing the Coquille River, wielding nets as they harvest the stunned bass floating atop the river's surface. On an optimum day, they are capable of 'shocking' and capturing approximately 500 bass.

Introduced illegally into the Coquille River, the bass have become a persistent problem over the last decade, preying on young Chinook salmon and significantly impacting their population. The electro-fishing initiative is part of a multifaceted approach to salvage the Chinook salmon population, along with combatting other detrimental factors such as pollution, fluctuating river and ocean conditions, and a lack of brood stock. The collaboration between the Coquille Tribe, ODFW, and Coos SWCD showcases a concerted effort to restore balance to the ecosystem of the Coquille River.



# OREGON CONSERVATION RESERVE ENHANCEMENT PROGRAM



In the current biennium, the Coos-Curry CREP Tech has provided technical assistance to help 41 landowners protect agricultural water quality in Coos and Curry Counties, including 27 site visits and 28 in-office consultations. Approved 2023 CREP contracts will restore 29 acres of riparian buffer in both counties, bringing current overall total enrollments to 380 acres.

Current participation in Coos County:  
14 contracts on 75 acres, with 4 more

in development for 2023-2024 enrollment. In Coos County, the CREP Tech continues to cooperate with Farm Service Agency, NRCS, Coos SWCD, local Watershed Councils, and other partners to support the Coos-Coquille Agricultural Water Management Plan, Coquille Coho Strategic Action Plan development, and the implementation of the Coos Basin Partnership Coos Coho Strategic Action Plan.

The Oregon CREP is a cooperative State-Federal riparian restoration program that pays landowners to restore and exclude grazing and harvest from sensitive riparian areas. Technical assistance, cost-shares, incentive payments, and annual rental payments help agricultural producers move riparian fencing and planting up their long list of farm management priorities. For CREP information, stop by the USDA Service Center at 382 North Central Blvd. in Coquille, or call Barbara Grant at (541)824-8092.



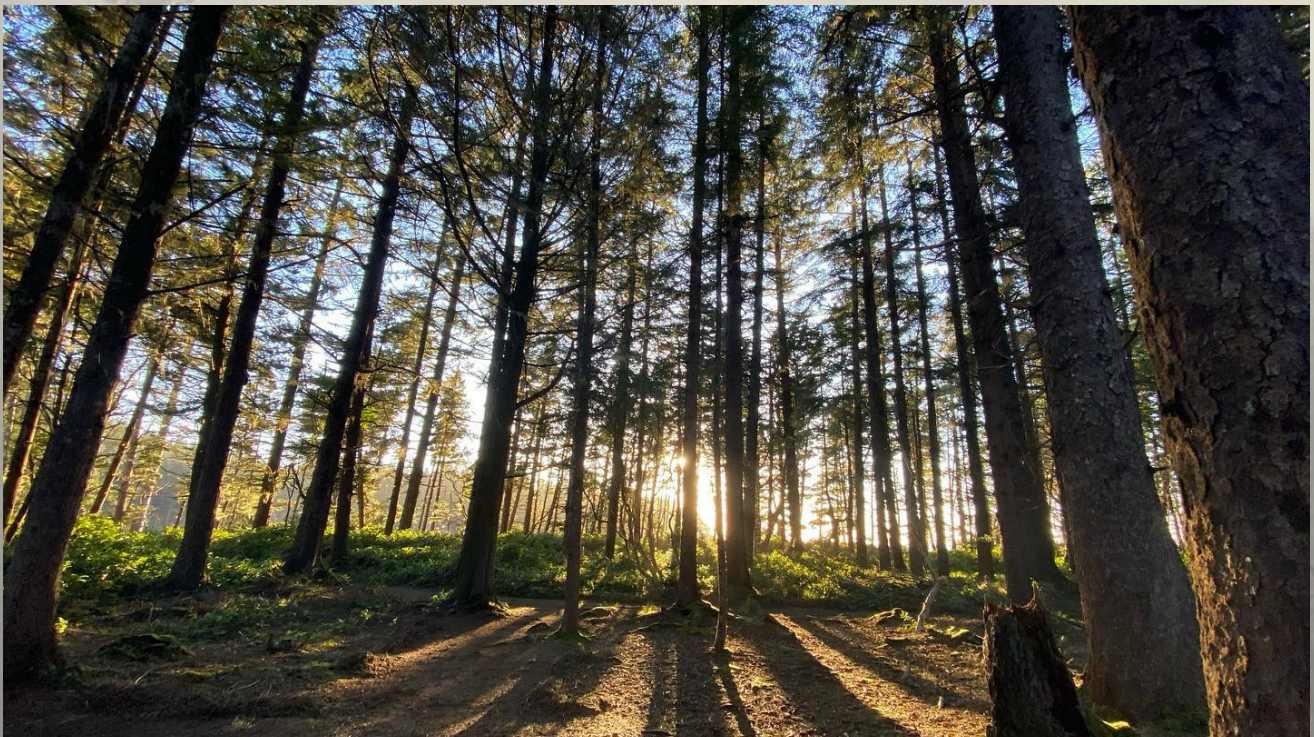


# United States Department of Agriculture

## Natural Resources Conservation Service

In 2023, the Natural Resource Conservation Service (NRCS) funded 5 Environmental Quality Incentive Program (EQIP) contracts in Coos county. Two contracts were forest management plans that we plan to use funding from either the Conservation Stewardship Program (CSP), the gorse Conservation Implantation Strategy (CIS) through EQIP, or EQIP within the Inflation Reduction Act (IRA) to implement the plans in 2024/2025. The uncertainty falls to not knowing how the IRA funds will be allocated, but there is a strong speculation that they will be used for climate smart practices. Forest management would fall into a climate smart practice along with prescribed grazing and others. There is a hope that there will be more flexibility in using the IRA funds without focus areas or CIS. Two of the funded EQIP contracts were high tunnels and in 2024 there should be more funding available, under a new area wide CIS, for operations that increase local food availability within the community. The remaining contract was for gorse removal which will run for 4 more years, so if you want help with gorse removal please reach out. There were 3 Conservation Incentive Contract (CIC) applications for pasture management, but they were not funded this year. We will seek funding for these applications in 2024.

Other updates for 2023 include hiring Jordan Slayden as the Soil Conservationist for the office. We will also be opening a new position for 2024. The position will be a Soil Conservation Technician, and the job will be posted on USAjobs.gov in the fall or winter. This position will help with the additional workload that the IRA funds and 2 new CIS will bring. The 2 new local CIS are the cranberry irrigation automation improvements and small tide gate replacement projects. There is another new area wide CIS that we will have in 2024 that provides financial incentives for fire management plans. There will be several new changes in the next few years, so please check in often if you are interested in working with NRCS.



USDA is an equal opportunity provider, employer, and lender.



**COOS SOIL & WATER CONSERVATION DISTRICT  
COQUILLE, OREGON**

**AUDIT REPORT**

**JUNE 30, 2023**

Prepared by  
**Signe Grimstad**  
Certified Public Accountant  
530 NW 3rd, Suite E  
PO Box 1930  
Newport, Oregon 97365

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**BOARD OF DIRECTORS**

<u>Title</u>	<u>Name</u>
Chair – at Large Position 2	Mark Villers
Vice Chair – Zone 3	Charlie Waterman
Treasurer – at Large Position 1	Ernie Newton
Secretary – Zone 4	Michael Clary
Director – Zone 1	Adela Villers
Director – Zone 2	Cindy Gant
Director – Zone 5	VACANT

**STAFF**

District Manager	Caley Sowers
Office Manager	Modena Thomas
Water Quality Project Manager	Andrew Chione
Watershed Technical Specialist	Abigail Richards

**OFFICE**

379 N. Adams Street  
Coquille, OR 97423

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

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# GRIMSTAD & ASSOCIATE

Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

Newport Office:  
PO Box 1930  
530 NW 3<sup>rd</sup> St. Suite E  
Newport, OR 97365  
(541) 265-5411  
Fax (541) 265-9255  
info@grimstad-assoc.com

Lincoln City Office:  
1349 NW 15<sup>th</sup> Street  
Lincoln City, OR 97367  
(541) 994-5252  
Fax (541) 994-2105

Board of Directors  
Coos Soil & Water Conservation District  
Coquille, Oregon 97002

### Opinions

I have audited the accompanying cash basis financial statements of the governmental activities and its major fund of Coos Soil & Water Conservation District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective cash basis financial position of the governmental type activities and its major fund of the Coos Soil & Water Conservation District as of June 30, 2023, and the respective changes in cash basis financial position thereof for the year then ended in accordance with the cash basis of accounting described in Note 1.

### Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Coos Soil & Water Conservation District, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

### Emphasis of Matter

#### *Basis of Accounting*

I draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. My opinions are not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1; and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

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

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

In performing an audit in accordance with generally accepted auditing standards, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Coos Soil & Water Conservation District'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coos Soil & Water Conservation District's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

### **Other Matters**


#### *Supplemental information*

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The General Fund budget and actual schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The individual budget and actual schedule is the responsibility of management and was derived from and relate 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 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 my opinion, the General Fund budget and actual schedule is fairly stated in all material respects in relation to the basic financial statements as a whole on the basis of accounting described in Note 1.

**Other Reporting Required by Oregon State Regulations**

In accordance with the Minimum Standards Audit of Oregon Municipal Corporations, I have issued my report dated November 27, 2023 on my consideration of Coos Soil & Water Conservation District'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 my compliance testing and the results of that testing and not to provide an opinion on compliance.



**SIGNE GRIMSTAD**  
Certified Public Accountant  
Newport, Oregon  
November 27, 2023

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**STATEMENT OF NET POSITION AND GOVERNMENTAL FUND**  
**STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE - CASH BASIS**  
as of June 30, 2023

	General Fund	Reconciliation (Note 2)	Statement of Net Position
<b>ASSETS</b>			
Cash and cash equivalents	\$ <u>338,567</u>	\$ <u>0</u>	\$ <u>338,567</u>
Total assets	<u>\$ 338,567</u>	<u>0</u>	<u>338,567</u>
<b>LIABILITIES</b>			
	\$ 0	0	0
<b>FUND BALANCE/NET POSITION</b>			
Fund balances			
Unassigned	<u>338,567</u>	<u>(338,567)</u>	<u>0</u>
Total liabilities and fund balance	<u>\$ 338,567</u>		
Net position			
Unrestricted		<u>338,567</u>	<u>338,567</u>
Total net position		<u>\$ 338,567</u>	<u>\$ 338,567</u>

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

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**STATEMENT OF ACTIVITIES AND STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS - CASH BASIS for the Year Ended  
June 30, 2023**

	General Fund	Reconciliation (Note 2)	Statement of Activities
<b>PROGRAM EXPENSES</b>			
Current			
Coos Soil & Water - operations	\$ 613,323	\$ 0	\$ 613,323
<b>PROGRAM REVENUES</b>			
Operating grants	912,110	0	912,110
Excess (def) of revenues over expenses	298,787	0	298,787
<b>GENERAL REVENUES</b>			
Other revenue	1,332	0	1,332
Excess (def) of revenues over expenses	300,119	(300,119)	0
Change in Net Position		300,119	300,119
Fund balance/Net position - Beg. of year	38,448	0	38,448
Fund balance/Net position - End of year	\$ 338,567	\$ 0	\$ 338,567

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



**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**NOTES TO FINANCIAL STATEMENTS**  
as of June 30, 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Coos Soil & Water Conservation District (District) are prepared on a cash basis which is comprehensive basis of accounting other than in accordance with Generally Accepted Accounting Principles (GAAP). All relevant Governmental Accounting Standards Board (GASB) pronouncements are applied.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the District's financial activities.

**Organization**

The District is a municipal corporation and therefore is exempt from federal taxes. It operates under the provisions authorized by Oregon Revised Statute for the purpose of providing local natural resource conservation information.

There are various other governmental agencies and special service districts which provide services within the District's boundaries. However, the District is not financially accountable for any of these entities and accordingly their financial information is not included in these financial statements.

**Government-Wide and Fund Financial Statements**

The government-wide statements and governmental fund statements are combined as allowed for single-purpose governmental activities. The Statement of Net Position and the Governmental Fund Statement of Assets, Liabilities and Fund Balance - Cash Basis are combined with adjustments to bring fund totals to the entity-wide totals on a cash basis. The Statement of Activities and the Governmental Fund Statement of Revenues, Expenses and Changes in Fund Balance - Cash Basis have also been combined with a reconciliation to entity-wide cash basis totals.

Governmental activities are financed primarily through grants.

The District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The financial activities of the District are conducted within the following major governmental fund:

**General Fund**

This is the general operating fund of the District. The principal revenue is from grants and expenditures cover normal operations.

**Basis of Accounting and Presentation**

The District's financial statements are presented using the cash basis of accounting. This basis recognizes assets, liabilities, net-position/fund equity, revenues and expenses resulting from cash transactions. This basis is a comprehensive basis of accounting other than generally accepted accounting principles.

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**NOTES TO FINANCIAL STATEMENTS**  
as of June 30, 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Restricted Assets**

Assets whose use are restricted by agreement are segregated on the Statement of Net Position. Restricted resources are expended first to fund appropriations for which those restrictions are to be utilized. Grant funds awarded for specific projects are considered to be restricted.

**Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The District's investment policies are governed by Oregon statutes. The statutes authorize the District to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade commercial paper and the State Treasurer's Local Government Investment Pool (LGIP). See Note 3A.

The carrying value of cash and cash equivalents and investments approximates fair value.

**Budgets**

The District is not subject to Oregon Local Budget Law under ORS 294.316(6). Management prepares a budget for planning purposes only.

**Fund Equity**

The District reports according to fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The following consist of fund balance categories:

*Nonspendable fund balance* - represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.

*Restrict fund balance* - represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).

*Committed fund balance* - represents funds formally set aside by the governing body for a particular purpose. The Board may commit a fund balance by resolution and modify or rescind commitments.

*Assigned fund balance* - represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body.

*Unassigned fund balance* - is the residual classification of the General Fund.

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**NOTES TO FINANCIAL STATEMENTS**  
as of June 30, 2023

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Fund Equity**

The Board of Directors has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and lastly, unassigned fund balance.

**Use of Estimates**

The preparation of the financial statements in conformity with cash basis requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental fund statement of assets, liabilities and fund balance includes a reconciliation of differences between fund balances and net position. The adjustment reflects the difference in presentation of government-wide to fund financial statements.

The governmental fund statement of revenues, expenses, and changes in fund balance include a reconciliation of differences from fund balance to net position.

**NOTE 3 - DETAILED NOTES ON ALL FUNDS**

**A. DEPOSITS AND INVESTMENTS**

Deposits with financial institutions consist of the following:

	<u>Balance</u>
Cash and cash equivalents	\$ 53,475
Investment – external investment pool	<u>285,092</u>
Total	<u>\$ 338,567</u>

*Custodial Credit Risk*

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance are held at qualified depositories for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of the State Treasurer. The District has potential exposure to custodial credit risk if its balance exceeds \$250,000 FDIC as its funds are not in a qualified depository bank. The District does not have a formally adopted deposit policy for custodial credit risk.

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**NOTES TO FINANCIAL STATEMENTS**  
as of June 30, 2023

**NOTE 3 - DETAILED NOTES ON ALL FUNDS - Continued**

**A. DEPOSITS AND INVESTMENTS**

*Interest rate risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Investments**

As of June 30, the District held the following investment:

	Fair Value
Local Government Investment Pool (LGIP)	\$ <u>285,092</u>

The Oregon State Treasurer maintains the Oregon Short Term Fund (OSTF), of which the Local Government Investment Pool (LGIP) is a part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statutes and the Oregon Investment Council. In accordance with Oregon statutes, funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. LGIP was created to offer a short-term investment alternative to Oregon local governments and it is not registered with the U. S. Securities and Exchange Commission. The state investment pool is not rated. The investments are regulated by the OSTF and approved by the Oregon Investment Council. At the end of the fiscal year, the fair value of the District's deposits with the LGIP approximated cost. The OSTF financial statements are available at <http://oregon.gov/treasury/public-financial-services/oregon-short-term-funds>.

*Interest Rate Risk*

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

*Credit Risk*

Oregon statutes limit investment to general obligation of U.S. government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, high-grade commercial paper and the State Treasurer's Local Government Investment Pool. The District has no investment policy that would further limit its investment choices. The LGIP is unrated for credit risk.

*Concentration of Credit Risk*

At June 30, the District held 100% of total investments in the Oregon State Treasury's Local Government Investment Pool. The District places no limit on the amount the District may invest in any one issuer.

**B. OTHER INFORMATION**

**Rent**

The District signs an annual lease with Robert Windeler for the office building and room space. Total rent paid for the year was \$5,400.

**COOS SOIL & WATER CONSERVATION DISTRICT**  
Coquille, Oregon

**NOTES TO FINANCIAL STATEMENTS**  
as of June 30, 2023

**NOTE 3 - DETAILED NOTES ON ALL FUNDS - Continued**

**B. OTHER INFORMATION**

**Contingencies**

Amounts received from grantor agencies are subject to audit and adjustment by these agencies, principally state government. The amount, if any, of costs which could be disallowed by the grantor cannot be determined at this time, although the District management expects such amounts, if any, to be immaterial.

**Economic Dependence**

The District is dependent on the State of Oregon for a substantial portion of its operating funds. This year the District received grants of \$167,048 from the Oregon Watershed Enhancement Board and \$112,546 from Business Oregon.

**Risk Management**

The District is exposed to various risks of loss related to theft of, damage to, and destruction of assets; tort; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for such risks. In the last three years, there were no insurance claims filed.

Management has evaluated subsequent events through November 27, 2023, the date on which the financial statements were available to be issued.

**COOS SOIL & WATER CONSERVATION DISTRICT  
COQUILLE, OREGON**

**SUPPLEMENTAL SECTION**

**COOS SOIL & WATER CONSERVATION DISTRICT**

Coquille, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET  
AND ACTUAL - CASH BASIS - GOVERNMENTAL FUND TYPE for the Year Ended June 30, 2023**

	<b>GENERAL FUND</b>		
	Original and Final Budget	Actual	Variance
<b>REVENUES</b>			
Grant income	\$ 116,856	\$ 912,110	\$ 795,254
Grant administration fees	0	0	0
Mileage	0	281	281
Interest	150	1,051	901
Miscellaneous	0	0	0
Total revenues	<u>117,006</u>	<u>913,442</u>	<u>796,436</u>
<b>EXPENSES</b>			
Personnel services			
District manager	23,764	58,568	(34,804)
Office manager	29,000	39,845	(10,845)
Water quality project manager	55,733	73,325	(17,592)
Employee benefits	3,071	5,494	(2,423)
Total personnel services	<u>111,568</u>	<u>177,232</u>	<u>(65,664)</u>
Materials and services			
Contracted services	11,000	246,251	(235,251)
Advertising and legal notices	0	103	(103)
Annual meeting	1,000	120	880
Audit/financial review	4,500	4,460	40
Bank and permit fees	750	2,745	(1,995)
Membership dues	300	337	(37)
Insurance	2,000	2,622	(622)
Postage	2,100	65	2,035
Power	900	912	(12)
Rent	5,100	5,400	(300)
Telephone and internet	2,729	2,163	566
Vehicle maintenance	1,859	212	1,647
Website maintenance	627	875	(248)
Travel and mileage	1,150	3,408	(2,258)
Training	1,500	1,235	265
Supplies and materials	3,500	146,288	(142,788)
Production	1,000	764	236
Equipment	7,500	2,719	4,781
Engineering	0	15,412	(15,412)
Grant administration fees	6,631	0	6,631
Total materials and services	<u>54,146</u>	<u>436,091</u>	<u>(381,945)</u>
Total expenses	<u>165,714</u>	<u>613,323</u>	<u>(447,609)</u>
Excess (def) of revenues over expenses	(48,708)	300,119	348,827
Unappropriated ending fund balance	(6,434)	0	6,434
FUND BALANCE - Beginning of year (Cash basis)	<u>55,142</u>	<u>38,448</u>	<u>(16,694)</u>
FUND BALANCE - End of year (Cash basis)	<u>\$ 0</u>	<u>\$ 338,567</u>	<u>\$ 338,567</u>

See accompanying notes and independent accountant's review report.

**COOS SOIL & WATER CONSERVATION DISTRICT  
COQUILLE, OREGON**

**COMPLIANCE SECTION**



# GRIMSTAD & ASSOCIATE

Certified Public Accountants

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

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To Board of Directors  
Coos Soil & Water Conservation District  
Florence, Oregon

I have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the governmental activities of Coos Soil & Water Conservation District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued my report thereon dated November 21, 2023.

### Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 1620-10-000 through 1620-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, 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 my audit, and accordingly, I do not express such an opinion.

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

- Accounting records and related internal control structure.
- Deposit of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions and repayment.
- Insurance and fidelity bonds in force or required by law.
- Authorized investment of surplus funds (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).
- Programs funded from outside sources.

In connection with my testing nothing came to my attention that caused me to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 1620-010-000 through 1620-010-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

## **Internal Control Over Financial Reporting**

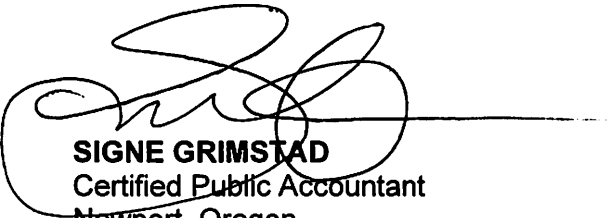
In planning and performing my audit of the financial statements, I considered Coos Soil & Water Conservation District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coos Soil & Water Conservation District's internal control. Accordingly, I do not express an opinion on the effectiveness of Coos Soil & Water Conservation District'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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of This Report**

This report is intended solely for the information and use of the management, the audit committee, Oregon Secretary of State Audits Division, Board of Directors and is not intended to be and should not be used by anyone other than these parties.



**SIGNE GRIMSTAD**  
Certified Public Accountant  
Newport, Oregon  
November 27, 2023