

The background image shows a concrete bridge with arches over a body of water. In the foreground, there is a black lamp post with a large, clear globe and a hanging basket of pink and purple flowers. A wooden bench is visible under the bridge arches. The sky is clear and blue.

FURA

FLORENCE URBAN
RENEWAL AGENCY

OREGON

Biennial Budget

FLORENCE URBAN RENEWAL AGENCY

Fiscal
Biennium

2023-25

Adopted Budget

FURA

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OREGON

Florence Urban Renewal Agency Fiscal Biennium 2023-2025 Budget

July 1, 2023 — June 30, 2025



BUDGET COMMITTEE

The Florence Urban Renewal Agency (FURA) consists of the FURA Board and an equal number of citizen members, which includes the two City Councilors who do not serve on the FURA Board. The citizen members of the City's Budget Committee, the two City Councilors not already serving on the Florence Urban Renewal Agency Board, and two additional citizen members also serve on the FURA Budget Committee. Citizen members serve staggered terms of four years expiring May 31st.

The FURA Budget Committee received the proposed budget May 1, 2023. The Committee held their public hearing on May 8th with City staff making presentations and addressing questions. The public meeting provided an opportunity for public testimony. The Budget Committee approved the budget without any changes made and forwarded it to the FURA Board for adoption.

The FURA Board held a public hearing on the approved budget on May 24, 2023. After the public hearing, the Board reviewed and adopted the approved budget, without any changes, levied property taxes, and established the budget appropriations.

| Board Members | Term Expires | Citizen Members | Term Expires |
|------------------------|---------------------|------------------------|---------------------|
| Chair Mike Webb | May 2023 | Jo Beaudreau | December 2026 |
| Vice Chair Dave Braley | May 2024 | Robert Carp | December 2026 |
| Rob Ward | Mayoral Term | Jeff Archambeau | May 2023 |
| Bill Meyer | December 2024 | Wayne Sharpe | May 2023 |
| Sally Wantz | December 2024 | Joel Marks | May 2024 |
| Ken Henderson | May 2023 | Vacant | May 2025 |
| Ron Caputo | May 2024 | Leonard Larson | May 2025 |
| Graham Ross | May 2026 | David Peden | May 2025 |
| Ron Moore | May 2026 | Sheila Evans | May 2027 |

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BUDGET MESSAGE



City Manager's Budget Message 2023 – 2025 Biennium Budget

May 1, 2023

Florence Urban Renewal Agency Budget Committee,

As the Florence Urban Renewal Agency (FURA or Agency) Budget Officer, I am pleased to submit the Proposed Budget for the 2023-2025 Fiscal Biennium (for simplicity's sake from here on out it is referred to as the proposed budget). The Agency's proposed budget represents a financial plan for the next two fiscal years consisting of the fiscal years ending June 30, 2024 and June 30, 2025. The budget is balanced and totals \$2,518,000 for the two-year period beginning July 1, 2023 and ending June 30, 2025.

The proposed budget provides a two-year funding plan that is smaller in scale than the previous years as we closed out the once-in-a-generation streetscape and gateway project for the main street corridor of Florence on Highways 101 and 126, referred to as ReVision Florence. The Agency's Work Plan has been updated to be aligned with the priorities and goals of the City of Florence. The City Council adopted their work plan in February 2023, and subsequently FURA's Board of Directors adopted the Agency's updated Work Plan in March 2023, and was the policy direction and starting point for this budget. As you review this document you will see that we have included a copy of the Agency's Work Plan that guided staff as we crafted this proposed budget.

The fund detail section of the budget document includes budget Highlights, information on upcoming capital investments, noteworthy accomplishments from the previous biennium, and a fun "Did you know?" section. To round out the proposed budget document, we have included a glossary of terms, the fiscal policies, and the budget calendar.

This budget message highlights significant resources and uses of funds that make up the balance of the proposed budget. As we all know, the Agency's primary revenue source comes from property tax increment. The proposed budget includes \$1.6 million in property tax revenues. Assessed values in the urban renewal area continues to out-pace the City's overall assessed values and have been forecasted to increase 5.5% each year in the 2023-25 biennium. For further information about property tax increment please reference the Property Tax Increment Schedule.

A change from this budget over the previous biennium is a reduction in intergovernmental revenues due to the expiration of the Agency's Intergovernmental Agreement (IGA) with Lane County representing their partnership in the ReVision Florence Project as a tourism asset investment for West Lane County. In addition, the proposed budget includes \$900,000 in beginning fund balance that includes approximately \$240,000 of unspent funds from the 2019 financing to fund capital projects this biennium.



BUDGET MESSAGE

These resources provide the Agency with the opportunity to work on a variety of projects including three grant programs accounted for in materials and services as well as the ability to invest \$240,000 in capital projects. A significant achievement in the previous biennium was the successful negotiation of the Development and Disposition Agreement (DDA) for the sale of the south Quince Street parcel for long-anticipated Microtel by Wyndham hotel. It is expected that the construction of the hotel will begin in year one of the biennium, therefore, this budget includes \$177,500 in expenses necessary to meet the obligations of the DDA.

In addition, the Agency contracts with the City of Florence for professional services to manage and operate the activities and serve the Board members. The cost of those professional services are included in materials and services in the amount of \$336,000 for the biennium, or 36% of operating expenditures (previous biennium \$325,000).

Grant Programs

- ◆ Façade Preservation and Rehabilitation
- ◆ Predevelopment Grant
- ◆ Redevelopment Assistance Grant

Capital Investments

- ◆ Closing out ReVision Florence Project:
 - ⇒ Pedestrian Scale Lighting
 - ⇒ Quince Street Gateway

Debt Payments for the biennium are \$1,079,000. This biennium the Agency satisfies in full the \$150,000 taxable obligation that was incurred in 2019. The debt service payments are for the 2016 and 2019 City full faith and credit obligations. The City in turn loaned the 2016 & 2019 obligations to the Agency so that the lowest cost of borrowing could be realized for the Agency. It is the purpose of urban renewals to invest public dollars through tax increment debt financing with the expectation that property values will increase year over year. As tax increment increases in the coming years the Agency Board and staff will evaluate forecasted assessed property tax value growth to determine what is financially feasible and what projects in the Agency Plan are desirable to work on next.



Previous to the 2021 fiscal year end, the debt payments were made out of the Debt Service Fund. Upon recommendations from the auditor, the Debt Service Fund was closed last biennium and accounted for all financial activity in the Agency's General Fund. The consolidation of funds eliminated the transfer that occurred between the funds to make the debt service payments. To find out more about the long-term debt of the Agency please reference the Debt Schedule.

The ending fund balance or contingency amount of \$252,100 meets and exceeds the Agency's reserve policy. Thus, allowing the Agency Board to consider opportunities as they arise in the coming two years, to potentially invest more in the grant programs or in additional eligible capital projects.

BUDGET MESSAGE

Before concluding I must give much appreciation to the FURA staff team for their assistance in preparing and publishing the proposed budget document. In addition, please accept my personal thanks from myself as City Manager and Budget Officer to each member of the Budget Committee for your service on behalf of the community and for your work on the City's budget. I am honored and humbled to be of service to each of you, the Florence Urban Renewal Agency Board, the City Council, and the community of Florence. Thank you!



Respectfully submitted,

A handwritten signature in blue ink that reads "ER Reynolds". The signature is written in a cursive, flowing style.

Erin R. Reynolds

City of Florence City Manager and Budget Officer

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FURA OVERVIEW

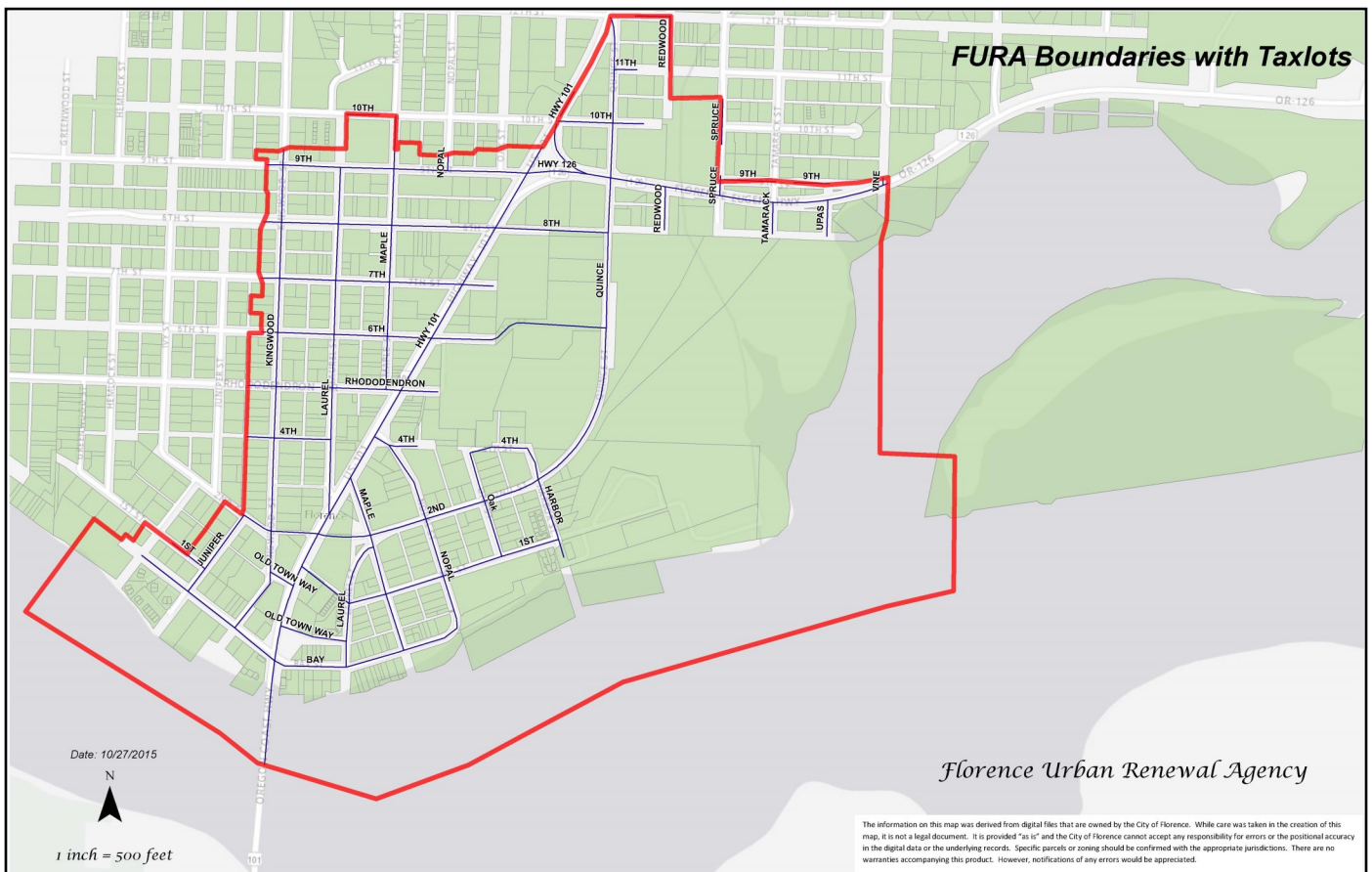
In August of 2006 Florence City Council adopted an ordinance approving the Florence Downtown Preservation and Renewal Plan. Florence voters approved the formation of the [Florence Downtown Preservation and Renewal Plan](#) (Plan) in 2007, which created the Florence Urban Renewal Agency (FURA) district. The FURA district encompasses properties along Highway 101 generally south of Highway 126, east of Kingwood, and inland of the Siuslaw River.

To fund projects within the Plan, FURA uses property tax increment financing, repaid with dedicated property taxes, to fund projects within the District to facilitate redevelopment and development.

Urban Renewal focuses on projects, such as construction and repair of public infrastructure, including parks, streets, and other public facilities; facilitation of public-private partnerships to revitalize and preserve downtown properties; promotion of mixed-use development; and rehabilitation of the waterfront for public and commercial uses. The maximum indebtedness authorized under the FURA Plan, for the projects within the Plan, is \$22,545,000. The Plan does not increase taxes that property owners pay.

In 2015 the City Council agreed to use full faith and credit obligations of the City, loaned to FURA, to fund FURA projects and refinance existing FURA debt. The policy decision increased the debt capacity of the Agency and reduced the interest cost to taxpayers.

For more information, visit www.ci.florence.or.us/urbanrenewal.



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BASICS OF BUDGETING

The Agency budgets all funds on the modified accrual basis of accounting. Items such as depreciation, amortization, property taxes and other revenues that are not expected to be received in the current period or within sixty days of fiscal year end are not included in the budget. All expenditures forecast to occur during the year, such as principal, interest payments and capital acquisitions are budgeted. Expenditures for accrual of accrued leave and other payroll costs incurred are not budgeted.

Within the Agency’s audited financial statements, the General Fund and Debt Service Fund are accounted for using the modified accrual basis of accounting. The Governmental wide statements report on the full accrual method of accounting. The primary difference between the two methods of accounting, relative to the budget basis used, is depreciation, acquisition of capital assets and principal payments on debt are handled differently, i.e., depreciation is not budgeted, acquisition of capital assets and principal payments are budgeted, but are not shown as expenditures in full accrual accounting. FURA is a blended component unit and, while issuing its own set of financial statements, it is also included as funds in the City’s audited financial statements.

Budget appropriations for authorized spending are provided for all of the funds in the following sections. The amount of final appropriations are as presented in the “Adopted Budget” column of the budget summaries presented for each fund.



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FUND ACCOUNTING

For accounting purposes, a local government is not treated as a single, integral entity. Rather, a local government is viewed instead as a collection of smaller, separate entities known as “funds.” A fund is a fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific activities and objectives. All of the funds used by a government must be



classified into one of seven fund types allowed. The Agency currently only uses the General Fund type, which is classified as a governmental fund.

Governmental Funds

Many government services are financed through taxes and intergovernmental revenues. These are often called non-exchange revenues because there is not normally a direct relationship between the cost of the service provided and the amounts being paid by either individual tax payers or other government agencies. When a service is largely funded through non-exchange revenues it can be called a governmental-type activity. The accounting for a governmental-type activity focuses on available spendable resources and the near-term demands upon them.

General Fund

The General Fund accounts for services generally supported by property taxes and other non-dedicated or restricted revenue. The FURA services provided are to implement the adopted Urban Renewal Plan. The costs of these services are at full cost, including replacement cost, thereby providing more accurate costs of providing services. Beginning in the 2021-2023 Biennium the General Fund began accounting for the repayment of the Agency’s long-term debt obligations.

Debt Service Funds

This fund type accounts for the accumulation of resources for the payment of debt principal and interest.

Debt Service Fund — The Debt Service Fund was established to service principal and interest payments on the Agency’s short and long-term debt. This fund accounted for the repayment of City-issued full faith and credit obligations issued to finance the Agency’s projects and programs. Following the advice of the City’s auditors, we have moved accounting for this debt into the City’s debt service fund. The FURA General Fund will make transfers to the City for the repayment of its portion of the debt. The fund was closed in the 2021-23 biennium. It is shown for historical purposes.



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BUDGET PROCESS

A budget is defined by Oregon State Law (Oregon Revised Statutes, Chapter 294) as a financial plan containing estimates of revenue and expenditures for a given period or purpose, such as a fiscal year or biennium. The Florence Urban Renewal Agency (FURA) Board of Directors is required to adopt a balanced budget on or before June 30.

The State of Oregon defines a balanced budget as one in which total resources, including beginning balances, current resources, and debt proceeds equals total requirements of current expenditures, capital outlay, transfers, debt service payments, and reserves. The budget is a financial plan and is critical to local government entities because it requires evaluation of plans and establishment of priorities in relation to available resources. Under Oregon Revised Statutes (ORS), a legally adopted budget is necessary for a local government to levy property taxes.

The Florence Urban Renewal Agency prepares and adopts its biennial budget in accordance with the City of Florence policies and Oregon Local Budget Law (ORS 294.305-294.555, and 294.565). The Budget is presented by fund, department, and expenditure object classification. The City Manager, as the Budget Officer, has responsibility for presenting the proposed budget to the Budget Committee, management of the overall FURA budget, and maintaining budgetary control at the adopted appropriation level. Finance and the respective operation department directors perform ongoing review and monitoring of revenues and expenditures.

The Budget Committee consists of the governing body and an equal number of legal voters appointed by the Board of Directors. Accordingly, FURA has eighteen budget committee members, in which the votes of all members are equal. The first review of the budget occurs when the budget is presented to the Committee. At that time, the budget is made publicly available and the Committee begins their review. The Committee may approve the proposed budget intact, or change part or all of it prior to approval.

Oregon Local Budget Law requires the meeting at which the budget is adopted by the Board of Directors to be



formally noticed and provide time for the public to comment or ask questions about the budget. The Board of Directors may modify the approved budget, however, if expenditures are increased more than \$5,000 in any fund (or 10%, whichever is greater), a notice of a second budget hearing and a new financial summary must be published and a second hearing held before the budget can be adopted. The budget must be adopted on or prior to June 30. There is no provision in Oregon Local Budget Law to adopt a budget after June 30.

The budget is an estimate, and as such there is a provision to adjust the budget during the biennium through supplemental budgets, which may include noticing and public hearings. The Budget Committee is not convened for this process.

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CONSOLIDATED 2023-25 BIENNIAL BUDGET SUMMARY

FURA Budget Summary and Comparison

Fiscal Biennium 2021-23 to Fiscal Biennium 2023-25

| | Fiscal Biennium 2021-23 Budget | | | Fiscal Biennium 2023-25 Budget | | |
|--|--------------------------------|-------------------|------------------|--------------------------------|-------------------|------------------|
| | General Fund | Debt Service Fund | Total | General Fund | Debt Service Fund | Total |
| Beginning fund balance | 1,330,400 | 81,000 | 1,411,400 | 900,000 | - | 900,000 |
| Current year resources | | | | | | |
| Property taxes | 1,200,000 | - | 1,200,000 | 1,610,000 | - | 1,610,000 |
| Intergovernmental | 400,000 | - | 400,000 | - | - | - |
| Miscellaneous | 8,000 | - | 8,000 | 8,000 | - | 8,000 |
| Transfers | 81,000 | - | 81,000 | - | - | - |
| Debt proceeds | - | - | - | - | - | - |
| Total current year resources | 1,689,000 | - | 1,689,000 | 1,618,000 | - | 1,618,000 |
| Total resources | 3,019,400 | 81,000 | 3,100,400 | 2,518,000 | - | 2,518,000 |
| Expenditures | | | | | | |
| Materials and services | 708,100 | - | 708,100 | 946,300 | - | 946,300 |
| Capital outlay | 515,000 | - | 515,000 | 240,000 | - | 240,000 |
| Transfers | - | 81,000 | 81,000 | - | - | - |
| Debt services | 937,200 | - | 937,200 | 1,079,500 | - | 1,079,500 |
| Total expenditures | 2,160,300 | 81,000 | 2,241,300 | 2,265,800 | - | 2,265,800 |
| Other requirements | | | | | | |
| Contingency | 859,100 | - | 859,100 | 252,200 | - | 252,200 |
| Total other requirements | 859,100 | - | 859,100 | 252,200 | - | 252,200 |
| Total expenditures and other requirements | 3,019,400 | 81,000 | 3,100,400 | 2,518,000 | - | 2,518,000 |



Florence Urban Renewal Agency



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GENERAL FUND

The FURA General Fund accounts for the activities associated with the Agency's implementation of its Plan. The primary resources are property tax increment and debt proceeds (repaid with property taxes resulting from the increased, i.e., incremental, value of property within the urban renewal district over the frozen base value), grants, and developer contributions. The FURA General Fund will make transfers to the City for the repayment of its portion of the debt.

FY 2023-25 Budget Highlights

- ◆ Continued coordination with Braun Hospitality on the hotel development through construction.
- ◆ Development and implementation of goals and a strategy for the Quince Street Phase 2 (north) property.
- ◆ Development and implementation of the FURA Façade Preservation & Rehabilitation Program.
- ◆ Assessed value in the urban renewal area continues to outpace the City's overall assessed values and have been budgeted to increase 5.5% each year in the biennium.
- ◆ Includes \$1,079,500 in debt service expenditures for the Agency's long-term debt obligations (previously recorded in the Debt Service Fund).



Goals & Work Plan Items Fiscal Biennium 2023-25

Full details on the FURA Work Plan can be found on pages 31-32.

- ☐ FURA Strategy Outreach & Updates
 - ⇒ Community Outreach & Redevelopment Goals
 - ⇒ FURA Investment Strategy
- ☐ Development & Redevelopment Opportunities
 - ⇒ Quince St. Property—Phase 1: Hotel Property
 - ⇒ Quince St. Property—Phase 2: North Property
 - ⇒ Catalyst Sites & Other Opportunities
- ☐ Grant Programs
 - ⇒ Façade Preservation & Rehabilitation Program
 - ⇒ Predevelopment Grant Program
 - ⇒ Redevelopment Assistance Grant Program
- ☐ ReVision Florence
 - ⇒ Art Exposed
 - ⇒ Pedestrian Scale Lighting
 - ⇒ Quince Street Gateway
- ☐ Amenities
 - ⇒ Siuslaw Estuary Trail
 - ⇒ Gallagher Park Expansion
 - ⇒ Old Town Amenities
- ☐ Old Town Parking Assessment
 - ⇒ Work with the City on the Transportation System Plan Update

Upcoming Capital Investments

- ◆ ReVision Florence Items:
 - Pedestrian Light Arms
 - Quince Street Gateway
- ◆ Quince Street Phase 2 Property Development

Noteworthy Accomplishments Fiscal Biennium 2021-2023

- ✓ ReVision Florence Streetscape Project
 - Completed ReVision Florence Streetscape construction project.
 - Closed out ODOT construction contract.
 - Completed Maple Street Old Town Gateway construction and installation.
 - Completion of Laurel Street Plaza construction and landscaping.
 - First year installation of banners and flower baskets in coordination with the Florence Area Chamber of Commerce.
- ✓ One Redevelopment Assistance Grant Program award and project completion in Old Town.
- ✓ One Predevelopment Grant Program award with project close out anticipated ending in 2023.
- ✓ Financial contribution made to the City for the construction of the Siuslaw Estuary Trail.
- ✓ Quince Street Property Project
 - Selection of developer through the second round of Requests for Expressions of Interest (RFEI) solicitations.
 - Negotiated and executed the Disposition and Development Agreement (DDA), including public-private partnership elements, with Braun Hospitality for an 86-room, four-story, “Microtel by Wyndham” hotel.
 - Partitioned the Quince Street property into three new parcels, which include the hotel property (south), the Siuslaw Estuary Trail property (east), and the Quince Street Phase 2 property for future development (north).
 - Received City Council approval for ten-year financing of the FURA contributions towards the hotel development’s SDCs and the Quince Street Improvement Project.
 - Worked with Braun Hospitality through their land-use application and approval.

Staffing:

Staffing for FURA activity is provided by the City. Payments to the City’s General Fund and the Public Works Administration Fund are budgeted to reimburse the City for staff related costs.



Did you know?

Through their beatification efforts, FURA has funded the addition of decorative lighting in Old Town and in the ReVision Florence project area. In addition, FURA has purchased the banner and flower basket brackets, as well as installed irrigation along the lights on Highway 101.

The Florence Area Chamber of Commerce fundraises for the banners and flower baskets, and contracts with the City’s Public Works Department for installation and maintenance of the flowers.

Banners and flower baskets are manually placed and hung by City employees. In Old Town, flower baskets are watered by hand every day. In both Old Town and along the ReVision Florence project area, flower baskets are fertilized by hand weekly.

GENERAL FUND

GENERAL FUND SUMMARY

Budget:

| | 2017-19 | 2019-21 | 2021-23 | 2021-23 | 2023-25 | 2023-25 | 2023-25 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Actual | Actual | Budget | BTD | Proposed | Approved | Adopted |
| Beginning fund balance | - | 3,920,260 | 1,330,400 | 692,017 | 900,000 | 900,000 | 900,000 |
| Current year resources | | | | | | | |
| Taxes | - | 1,128,775 | 1,200,000 | 1,379,162 | 1,610,000 | 1,610,000 | 1,610,000 |
| Intergovernmental | 3,096,221 | 540,036 | 400,000 | 433,740 | - | - | - |
| Miscellaneous | 36,343 | 53,015 | 8,000 | 23,615 | 8,000 | 8,000 | 8,000 |
| Debt proceeds | 4,800,012 | - | - | - | - | - | - |
| Transfers | 250,000 | 80,640 | 81,000 | - | - | - | - |
| Total current year resources | 8,182,576 | 1,802,466 | 1,689,000 | 1,836,517 | 1,618,000 | 1,618,000 | 1,618,000 |
| Total resources | 8,182,576 | 5,722,726 | 3,019,400 | 2,528,534 | 2,518,000 | 2,518,000 | 2,518,000 |
| Expenditures | | | | | | | |
| Materials and services | 348,469 | 589,169 | 708,100 | 428,666 | 946,300 | 946,300 | 946,300 |
| Capital outlay | 4,810,071 | 3,325,985 | 515,000 | 256,628 | 240,000 | 240,000 | 240,000 |
| Debt service | 60,550 | - | 937,200 | 813,793 | 1,079,500 | 1,079,500 | 1,079,500 |
| Transfers | - | 1,115,554 | - | 123,115 | - | - | - |
| Total expenditures | 5,219,091 | 5,030,708 | 2,160,300 | 1,622,202 | 2,265,800 | 2,265,800 | 2,265,800 |
| Other requirements | | | | | | | |
| Contingency | - | - | 859,100 | - | 252,200 | 252,200 | 252,200 |
| Total other requirements | - | - | 859,100 | - | 252,200 | 252,200 | 252,200 |
| Total expenditures and other requirements | 5,219,091 | 5,030,708 | 3,019,400 | 1,622,202 | 2,518,000 | 2,518,000 | 2,518,000 |

Financial Summary and Fund Balance Analysis:

| Financial Summary | 2017-19 | 2019-21 | 2021-23 | 2021-23 | 2023-25 | 2023-25 | 2023-25 |
|---|------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Actual | Budget | BTD | Proposed | Approved | Adopted |
| Resources over (under) expenditures | 2,963,485 | (3,228,243) | (471,300) | 214,315 | (647,800) | (647,800) | (647,800) |
| Beginning fund balance | - | 3,920,260 | 1,330,400 | 692,017 | 900,000 | 900,000 | 900,000 |
| Ending fund balance | 2,963,485 | 692,018 | 859,100 | 906,332 | 252,200 | 252,200 | 252,200 |
| Fund Balance Analysis | | | | | | | |
| | 2019-21 | 2019-21 | 2021-23 | 2021-23 | 2023-25 | 2023-25 | 2023-25 |
| | Actual | Actual | Budget | BTD | Proposed | Approved | Adopted |
| Desired minimum fund balance - 5 months Operating Costs | 145,200 | 245,500 | 295,000 | 178,600 | 197,100 | 197,100 | 197,100 |
| Debt Reserve (1/2 annual P&I) | 796,230 | 278,888 | 234,300 | 203,448 | 119,875 | 119,875 | 119,875 |
| Fund balance above/(below) | 2,022,056 | 167,629 | 329,800 | 524,284 | (64,775) | (64,775) | (64,775) |
| Fund balance within policy | Y | Y | Y | Y | N | N | N |

GENERAL FUND

Capital Outlay:

FURA General Fund

| Description | Funding Source | Year 1 Amount | Year 2 Amount | Impact on Operating Costs |
|--------------------------------|----------------|----------------|----------------|------------------------------|
| Pedestrian Scale Light | Debt | 120,000 | - | ~\$9,600/yr in debt payments |
| Quince Street Gateway Project | Debt | - | 120,000 | ~\$9,600/yr in debt payments |
| FURA General Fund Total | | 120,000 | 120,000 | |

PARTITION PLAT

FOR
THE URBAN RENEWAL AGENCY OF THE CITY OF FLORENCE

JULY 26, 2022
SW 1/4, SW 1/4, SEC. 26, T18S, R12W, W.M.
FLORENCE, LANE COUNTY, OREGON

OWNER AND PARTITIONER:
THE URBAN RENEWAL AGENCY OF THE CITY OF FLORENCE
250 HIGHWAY 101
FLORENCE, OREGON 97439

SURVEYOR:
WOBBE & ASSOCIATES, INC.
EUGENE M. WOBBE, P.L.S., W.R.L.E.
P.O. BOX 3093 / 510 KINGWOOD ST.
FLORENCE, OREGON 97439

ZONING:
OLD TOWN DISTRICT AREA C

CITY OF FLORENCE APPROVAL AND ACCEPTANCE:
CITY OF FLORENCE LAND USE FILE #R 22 07 PT 01
S.D. Farley Campbell October 20, 2022
PLANNING DIRECTOR DATE

LANE COUNTY APPROVALS:
[Signature] 11/29/2022
LANE COUNTY SURVEYOR DATE
[Signature] 11/30/22
LANE COUNTY ASSESSOR DATE

NARRATIVE:
THE PURPOSE OF THIS SURVEY WAS TO MONUMENT THE PARCEL CORNERS OF THE PARTITION PLAT SHOWN HEREON. THE BOUNDARY OF THE PLAT IS BASED ON MONUMENTS FOUND FROM CSF 38311 AND 44683. THE MONUMENT SET IN CSF 38311 FOR THE POINT OF CURVATURE ON THE EAST LINE OF QUINCE STREET WAS GONE AND WAS RESET AT RECORD POSITION FROM THE MONUMENT FOUND 30.00 FEET TO THE EAST. THE MONUMENT FOR THE SOUTH-EAST CORNER HAS BEEN LOST TO FENCE CONSTRUCTION AND WAS RESET AT RECORD POSITION FROM IRON RODS NOTED FOUND IN CSF 38311. THE EAST LINE OF THE ADDITIONAL RIGHT OF WAY DEDICATION FOR QUINCE STREET IS ON A LINE FROM A POINT 15.00 FEET EAST OF MONUMENT "D" TO A POINT 15.00 FEET WEST OF THE MONUMENT FOUND FOR THE POINT OF CURVATURE FOR QUINCE STREET. A TANGENT CURVE LINE WAS EXTENDED SOUTHERLY FROM THE POINT OF CURVATURE.

ENCUMBRANCES:
1. RIGHTS OF THE PUBLIC AND OF GOVERNMENTAL BODIES IN AND TO THAT PORTION OF THE PREMISES HERIN DESCRIBED LYING BELOW THE MEAN HIGH WATER MARK OF THE SUISLAW RIVER AND/OR MUNSEL CREEK, AND THE OWNERSHIP OF THE STATE OF OREGON IN THAT PORTION LYING BELOW THE HIGH WATER MARK OF SUISLAW RIVER AND/OR MUNSEL CREEK.
2. ANY ADVERSE CLAIM BASED UPON THE ASSERTION THAT SOME PORTION OF SAID LAND HAS BEEN REMOVED FROM OR BROUGHT WITHIN THE BOUNDARIES THEREOF BY AN AVULSIVE MOVEMENT OF THE SUISLAW RIVER AND/OR MUNSEL CREEK OR HAS BEEN FORMED BY THE PROCESS OF ACCRETION OR RELICTION OR HAS BEEN CREATED BY ARTIFICIAL MEANS OR HAS ACCRUED TO SUCH PORTION SO CREATED.
3. THE RIGHTS OF THE PUBLIC IN AND TO THAT PORTION OF THE PREMISES HERIN DESCRIBED LYING WITHIN THE LIMITS OF STREETS, ROADS AND HIGHWAYS.
4. AN EASEMENT RESERVED IN A DEED, INCLUDING THE TERMS AND PROVISIONS THEREOF, RECORDED FEBRUARY 11, 1964, RECEPTION NO. 23465 FROM LANE COUNTY TO SCHOOL DISTRICT NO. 97J, FLORENCE, OREGON FOR THEN EXISTING PUBLIC UTILITIES.

LEGEND:
○ INDICATES 5/8" X 24" IRON ROD SET WITH YELLOW PLASTIC CAP MARKED "WOBBE ASSOC" UNLESS OTHERWISE NOTED.
● INDICATES 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "LS 1091" FOUND FROM CSF 38311 UNLESS OTHERWISE NOTED.
● INDICATES 5/8" IRON ROD WITH YELLOW PLASTIC CAP MARKED "LS 1091" FOUND FROM CSF 44683.
● INDICATES MEASURED DATA SAME AS RECORD CSF 38311.
● INDICATES A COMPUTED POINT, NOTHING FOUND OR SET.

SURVEY REFERENCES FROM LANE COUNTY SURVEY RECORDS
A - CSF 38311
B - CSF 44683
C - CSF 38061
D - CSF 38382

EQUIPMENT USED: NIKON DTM - 522
TRIMBLE RSS

**HP DESIGN/ET 500
HP C444A
GOMZEL 2003**

Lane County Clerk
Lane County Deeds and Records
2022-047829
\$132.00
11/30/2022 08:40:08 AM
RFR-PART Cash Pay=1 Stmt#8 CASHIER 84
\$50.00 \$50.00 \$11.00 \$11.00

RECORDED
DATE 30, Nov 2022
COUNTY CLERK
BY: *[Signature]*

LANE COUNTY SURVEYORS OFFICE
C.S. FILE NO. 46559
FILING DATE 30, Nov, 2022

OWNERS DECLARATION:
KNOW ALL MEN THAT, THE URBAN RENEWAL AGENCY OF THE CITY OF FLORENCE IS THE OWNER OF THE LAND DESCRIBED HEREON AND PLATED AS SHOWN HEREON ACCORDING TO THE PROVISIONS OF THE OREGON REVISED STATUTES, CHAPTER 92 AND HEREBY ACKNOWLEDGE EASEMENTS OF RECORD AS SHOWN OR NOTED HEREON AND HEREBY DEDICATE TO THE PUBLIC FOREVER THE ADDITIONAL RIGHT OF WAY FOR QUINCE STREET.

E.R. Reynolds
ERIN REYNOLDS, EXECUTIVE DIRECTOR,
THE URBAN RENEWAL AGENCY OF THE CITY OF FLORENCE

ACKNOWLEDGMENT: STATE OF OREGON SS
COUNTY OF LANE

PERSONALLY APPEARED BEFORE ME THE ABOVE NAMED ERIN REYNOLDS, EXECUTIVE DIRECTOR OF THE URBAN RENEWAL AGENCY OF THE CITY OF FLORENCE KNOWN TO ME TO BE THE INDIVIDUAL WHO EXECUTED THE ABOVE INSTRUMENT AND HAS ACKNOWLEDGED THE FOREGOING INSTRUMENT TO BE A VOLUNTARY ACT AND DEED.

ACKNOWLEDGED BEFORE ME THIS 21 DAY OF October, 2022.

Victoria Lynn Soran (NOTARY PUBLIC FOR OREGON)
Victoria Lynn Soran (NOTARY PRINTED NAME)
COMMISSION NO. 1511503
COMMISSION EXPIRES 4/21/2025

SURVEYORS CERTIFICATE:
I, EUGENE M. WOBBE, REGISTERED PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT I HAVE CAUSED TO BE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS THE FOLLOWING DESCRIBED PROPERTY, THE INITIAL POINT BEING A 5/8" X 30" IRON ROD WITH YELLOW PLASTIC CAP MARKED "WOBBE ASSOC" SET IN PLACE OF THE FOUND SURVEY MARKER NAIL, WITH BRASS WASHER STAMPED "LS1091" SET IN CSF 38311.

BEGINNING AT THE NORTHWEST CORNER OF GOVERNMENT LOT 4, SECTION 26, TOWNSHIP 18 SOUTH, RANGE 12 WEST OF THE WILLAMETTE MERIDIAN, THENCE SOUTH 67° 52' 31" EAST FOR 894.01 FEET TO THE TRUE POINT OF BEGINNING, SAID POINT BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF THE OLD ROOSEVELT HIGHWAY, NOW COMMONLY KNOWN AS QUINCE STREET, SAID TRUE POINT OF BEGINNING BEING MONUMENTED BY A SURVEY MARKER NAIL WITH BRASS WASHER STAMPED "LS 1091"; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 0° 12' 03" EAST FOR 328.60 FEET TO A POINT MONUMENTED BY A SURVEY MARKER NAIL WITH BRASS WASHER STAMPED "LS 1091"; SAID POINT ALSO BEING 30 FEET EAST OF OREGON STATE HIGHWAY SURVEY STATION 2340; THENCE SOUTH 0° 12' 13" EAST FOR 489.87 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; SAID POINT BEING 30 FEET EAST OF OREGON STATE HIGHWAY SURVEY STATION 2746.5; THENCE ALONG AN 848.51 FOOT RADIUS CURVE TO THE RIGHT (CHORD BEARS SOUTH 16° 47' 49" WEST 483.45 FEET) AN ARC LENGTH OF 500.88 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 62° 39' 08" EAST FOR 12.50 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; SAID POINT BEING 30.00 FEET NORTHERLY OF THE SOUTH BOUNDARY OF SAID GOVERNMENT LOT 4; THENCE NORTH 86° 38' 47" EAST FOR 48.87 FEET TO A POINT OF INTERSECTION WITH THE U.S. GOVERNMENT BOUNDARY LINE AS SURVEYED IN 1979, ALSO REPRESENTED ON LANE COUNTY SURVEY FILE NUMBER 38311, SAID POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; SAID POINT BEING 30.00 FEET NORTHERLY OF THE SOUTH BOUNDARY OF SAID GOVERNMENT LOT 4; THENCE ALONG SAID U.S. GOVERNMENT BOUNDARY LINE NORTH 25° 53' 17" EAST FOR 230.54 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; THENCE NORTH 30° 52' 55" EAST FOR 365.12 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; THENCE NORTH 43° 51' 55" EAST FOR 990.09 FEET; THENCE NORTH 30° 52' 55" EAST FOR 365.12 FEET TO A POINT MONUMENTED BY A 5/8" REBAR WITH CAP STAMPED "LS 1091"; SAID POINT ALSO BEING ON THE NORTHERLY BOUNDARY OF SAID GOVERNMENT LOT 4; THENCE ALONG SAID NORTHERLY BOUNDARY NORTH 67° 52' 31" WEST FOR 935.92 FEET TO THE TRUE POINT OF BEGINNING, ALL IN THE CITY OF FLORENCE, LANE COUNTY, OREGON.

FURA DEBT SERVICE FUND

This fund accounted for the repayment of City-issued full faith and credit obligations issued to finance the Agency’s projects and programs. Following the advice of the City’s auditors, we have moved accounting for this debt into the City’s debt service fund. The FURA General Fund will make transfers to the City for the repayment of its portion of the debt. The fund is being presented to show its closing and for historical purposes.

FY 2023-25 Budget Highlights

- ◆ The fund was closed during the 2021-23 biennium with a transfer to the General Fund.
- ◆ The General Fund accounts for the debt service payments to the City per the Financing IGA.
- ◆ Accounting for the Agency’s debt occurs in the City’s Debt Service Fund.



FURA DEBT SERVICE SUMMARY

Budget:

| | 2017-19 | 2019-21 | 2021-23 | 2021-23 | 2023-25 | 2023-25 | 2023-25 |
|--|-----------|-----------|---------|---------|----------|----------|---------|
| | Actual | Actual | Budget | BTD | Proposed | Approved | Adopted |
| Beginning fund balance | - | (346,643) | 81,000 | - | - | - | - |
| Current year resources | | | | | | | |
| Taxes | 959,431 | - | - | - | - | - | - |
| Transfers | - | 647,100 | - | - | - | - | - |
| Total current year resources | 959,431 | 647,100 | - | - | - | - | - |
| Total resources | 959,431 | 300,457 | 81,000 | - | - | - | - |
| Expenditures | | | | | | | |
| Transfers | - | 80,640 | 81,000 | - | - | - | - |
| Debt service | 1,592,459 | 219,817 | - | - | - | - | - |
| Total expenditures | 1,592,459 | 300,457 | 81,000 | - | - | - | - |
| Other requirements | | | | | | | |
| Contingency | - | - | - | - | - | - | - |
| Total other requirements | - | - | - | - | - | - | - |
| Total expenditures and other requirements | 1,592,459 | 300,457 | 81,000 | - | - | - | - |

FURA

FLORENCE URBAN
RENEWAL AGENCY
OREGON

TAX INCREMENT INFORMATION

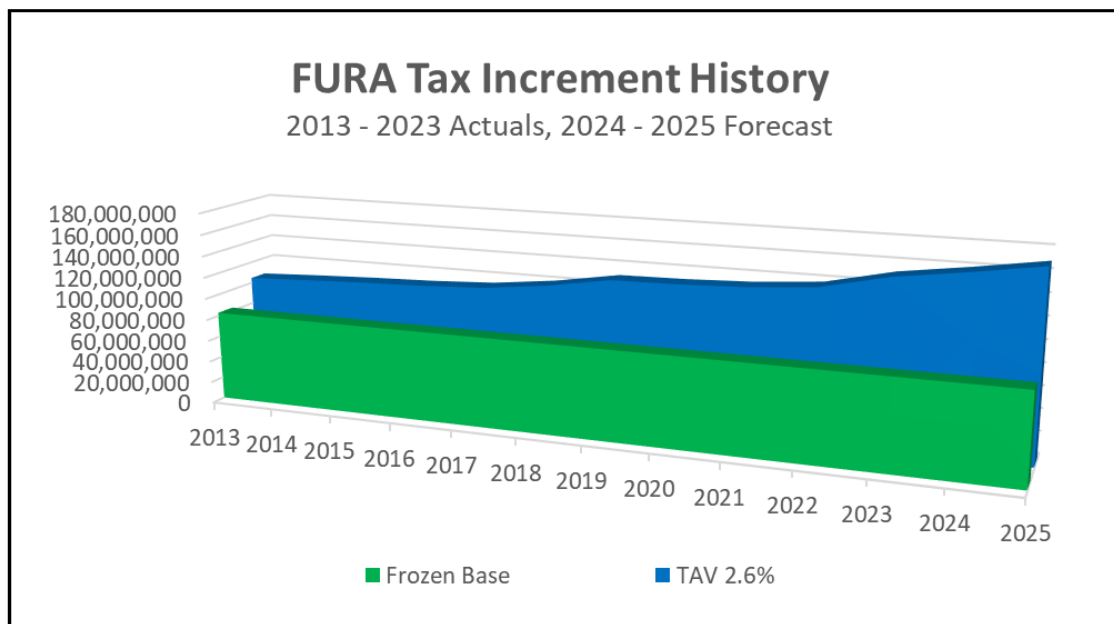
In 2006, with the formation of the urban renewal district, the tax base was frozen at \$82,903,810. As projects are completed, the assessed value of the district increases. The tax increment, or the increase in the total assessed value over the value of the frozen base (excess total assessed value), is used to calculate the amount of property tax due the district.

It is estimated that the excess total assessed value for the district will be \$77,224,000 and \$86,644,562 for fiscal years 2023-24 and 2024-25 respectively, yielding a total of \$1,610,00 in property tax collected for the District for the biennium (calculated at 94% projected increment to account for uncollected taxes).

Schedule of Taxable Assessed Value, Tax Rates, and Levies

Fiscal Years 2013 through 2025

(Actual through fiscal year 2023, forecasts fiscal years thereafter.)



| Fiscal Year | Frozen Base | Excess TAV | TAV 2.6% | Dollar Change | Percentage Change | | | Consolidated Tax Rate |
|-------------|-------------|------------|-------------|---------------|-------------------|-----------|-------------|-----------------------|
| | | | | | Total AV | Excess AV | Levy Amount | |
| 2013 | 82,903,810 | 21,796,071 | 104,699,881 | (3,456,803) | (3.2%) | (13.7%) | 256,769 | 11.7805 |
| 2014 | 82,903,810 | 24,385,105 | 107,288,915 | 2,589,034 | 2.5% | 11.9% | 297,691 | 12.2079 |
| 2015 | 82,903,810 | 26,557,328 | 109,461,138 | 2,172,223 | 2.0% | 8.9% | 325,784 | 12.2672 |
| 2016 | 82,903,810 | 28,220,985 | 111,124,795 | 1,663,657 | 1.5% | 6.3% | 343,379 | 12.1675 |
| 2017 | 82,903,810 | 31,068,716 | 113,972,526 | 2,847,731 | 2.6% | 10.1% | 375,444 | 12.0843 |
| 2018 | 82,903,810 | 37,714,545 | 120,618,355 | 6,645,829 | 5.8% | 21.4% | 455,226 | 12.0703 |
| 2019 | 82,903,810 | 47,473,393 | 130,377,203 | 9,758,848 | 8.1% | 25.9% | 531,898 | 11.2041 |
| 2020 | 82,903,810 | 48,395,956 | 131,299,766 | 922,563 | 0.7% | 1.9% | 559,631 | 11.5636 |
| 2021 | 82,903,810 | 50,620,781 | 133,524,591 | 2,224,825 | 1.7% | (0.4%) | 585,065 | 11.5578 |
| 2022 | 82,903,810 | 55,354,336 | 138,258,146 | 4,733,555 | 3.5% | 9.4% | 637,272 | 11.5126 |
| 2023 | 82,903,810 | 68,826,226 | 151,730,036 | 13,471,890 | 9.7% | 24.3% | 784,660 | 11.4006 |
| 2024 | 82,903,810 | 77,224,000 | 160,127,810 | 8,397,774 | 5.5% | 12.2% | 827,660 | 10.7177 |
| 2025 | 82,903,810 | 86,644,562 | 169,548,372 | 9,420,562 | 5.9% | 12.2% | 860,638 | 9.9330 |

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FLORENCE URBAN
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DEBT SCHEDULE

The debt schedules below reflect total outstanding debt of the Florence Urban Renewal Agency as of June 30, 2023 and projected through June 30, 2027.

The Florence Urban Renewal Agency has two debt obligations outstanding at the beginning of the 2021-23 fiscal biennium. In 2015, the Florence City Council agreed to use full faith and credit obligations of the City to take out debt and in turn loan to FURA. This policy decision increased the debt capacity of the Agency and reduced interest costs. The 2016 Banner Bank loan to the City was loaned to the Agency to refinance the existing 2010 loan for the Old Town Infrastructure Project and to enable the Agency to pay for the design concept and the architectural & engineering services for the ReVision Florence Streetscape Project. The 2019 Banner Bank loan to the City was loaned to the Agency to finance the purchase of the Quince Street Property and to fund the ReVision Florence Streetscape Project construction phase. This General Fund beginning with the 2023-2025 biennium now accounts for the repayment of City issued full faith and credit obligations issued to finance the Agency's projects and programs. The Agency's primary revenue sources to repay the obligation are property taxes and funding commitments from other agencies. Details of the 2016 and 2019 debt issuances are shared in the table below:

Summary of Existing Debt Issued and Balance June 30, 2023

| Description Existing Obligations | Original Amount | Payment FY 2024 | Payment FY 2025 | Interest Rate | Balance June 30, 2023 |
|--|--------------------|--------------------|--------------------|---------------|--------------------------|
| FFCO 2016 (20 yr) - Banner | 3,700,000 | 246,200 | 246,200 | 2.92% | 2,723,300 |
| Banner Bank (20 yr) - Tax Exempt BQ | 3,150,000 | 214,300 | 214,300 | 3.30% | 2,583,600 |
| Banner Bank (5 yr) - Taxable | 150,000 | 158,000 | - | 5.30% | 150,000 |
| Total FURA Debt | 7,000,000 | 618,500 | 460,500 | | 5,456,900 |

Summary of Existing Debt and Proposed Debt: Fiscal Years 2023-2027

| Description Existing Obligations | Outstanding Balance June 30, | | | | |
|--|------------------------------|------------------|------------------|------------------|------------------|
| | 2023 | 2024 | 2025 | 2026 | 2027 |
| FFCO 2016 (20 yr) - Banner | 2,723,300 | 2,556,700 | 2,384,900 | 2,208,000 | 2,025,800 |
| Banner Bank (20 yr) - Tax Exempt BQ | 2,583,600 | 2,519,100 | 2,386,900 | 2,250,300 | 2,109,100 |
| Banner Bank (5 yr) - Taxable | 150,000 | - | - | - | - |
| Total FURA Debt | 5,456,900 | 5,075,800 | 4,771,800 | 4,458,300 | 4,134,900 |
| Proposed Debt | - | - | - | - | - |
| Total Debt Outstanding | 5,456,900 | 5,075,800 | 4,771,800 | 4,458,300 | 4,134,900 |

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FURA WORK PLAN

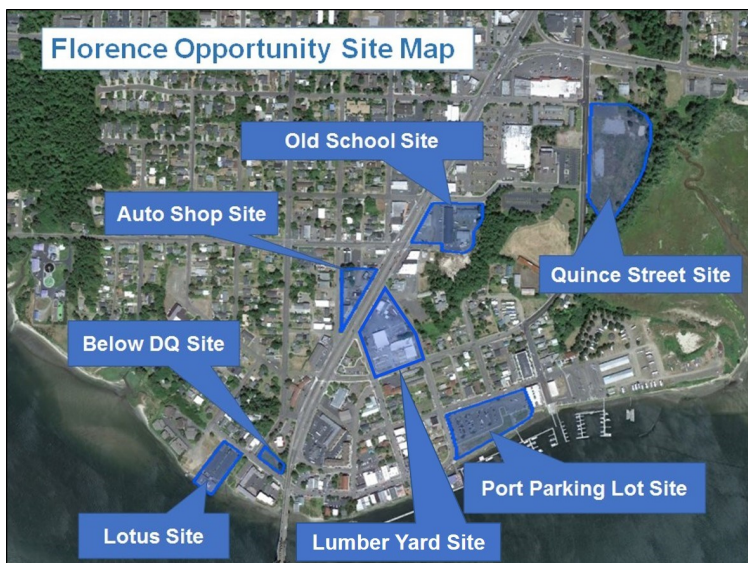
The following are focus areas and projects approved for inclusion in the biennial work plan by the Florence Urban Renewal Agency (FURA) Board at the March 22, 2023, FURA regular meeting. These items do include several carryover and ongoing items that were present in the previous biennium work plan.

FURA Strategy Outreach and Updates

- ❑ Community Outreach and Redevelopment Goals
 - ⇒ Conduct community outreach on redevelopment opportunities and development regulations, in coordination with the City, to provide community input on desires for the areas.
 - ⇒ Development of recommendations for the City based on community outreach if necessary.
- ❑ FURA Investment Strategy
 - ⇒ Review and update the 2016 FURA Investment Strategy based on changes in the market, current conditions, land-use updates, and community goals.
 - ⇒ Evaluate potential barriers for redevelopment within the District and develop recommendations to the City for updates to the development regulations if necessary.

Development and Redevelopment Opportunities

- ❑ Quince Street Property—Phase 1: Hotel Property
 - ⇒ Continue to work with Braun Hospitality to execute the approved terms of the DDA for the hotel development.
- ❑ Quince Street Property—Phase 2: North Property
 - ⇒ Determine goals for development of the north end of the Quince Street property.
 - ⇒ Develop the marketing and development strategy for the north Quince Street lot to attract a developer(s) to meet the goals of the Board.
- ❑ Catalyst Sites and Other Opportunities
 - ⇒ Continued to look for opportunities to market and encourage redevelopment of the catalyst sites and other properties within the FURA district.



- ⇒ Provide marketing assistance to catalyst sites on what is possible for redevelopment. Engage FURA/City partner agencies working on economic development to assist.
- ⇒ Support the efforts of Homes for Good to develop needed housing on the old ballfield sites along Quince Street.
- ⇒ Review and consider involvement in the Oregon Main Street Program.
- ⇒ Review and consider initiation of a sign code review by the City related to the limitations within the District, specifically in Old Town Area C.

FURA WORK PLAN

Grant Programs

- ❑ Façade Preservation and Rehabilitation Program – Development of a grant program for each fiscal year based on budget availability for façade improvements.
- ❑ Continued encouragement and support of efforts for redevelopment of areas within the District:
 - ⇒ Predevelopment Grant Program – Proposed continuation of the program as an ongoing program with review of applications as they are received and based on funding availability.
 - ⇒ Redevelopment Assistance Grant Program – Proposed continuation of the program as an ongoing program with review of applications as they are received and based on funding availability.

ReVision Florence

- ❑ Art Exposed – Work with the Public Art Program to install pieces on the constructed plinths to add to the Art Exposed Program rotating gallery.
- ❑ Pedestrian Scale Lighting Arms – All street lights in the corridor were fabricated with the ability to add the pedestrian scale light arms as funding becomes available. This item is a carryover item.
- ❑ Quince Street Gateway – The gateway monument at Quince Street was removed due to cost. The ideas for this gateway have also evolved as the Quince Street property was purchased and potential need to incorporate lodging and other directional wayfinding on that gateway.

Amenities

- ❑ Siuslaw Estuary Trail – Continue to support the City as the Siuslaw Estuary Trail is constructed.
- ❑ Gallagher Park Expansion – Support the City’s efforts in converting the old Public Works facility to the expansion of Gallagher Park.
- ❑ Old Town Amenities – Support the City’s efforts to improve Old Town amenities including restrooms at the west end of Bay Street, wayfinding signage, open space, and open space improvements.

Old Town Parking Assessment

- ❑ Continue to work with the City on the Transportation Systems Plan update and support the review of the Old Town transportation network, includes the flow of traffic and parking throughout.

RESOLUTION NO. 1, SERIES 2023

RESOLUTION NO. 1, SERIES 2023

RESOLUTION ADOPTING THE BIENNIAL 2023-25 BUDGET AND DECLARING TAX INCREMENT

1. The Budget Officer prepared the proposed budget for the Florence Urban Renewal Agency for the 2023-25 biennium commencing July 1, 2023.
2. The proposed budget was approved by the Florence Urban Renewal Agency Budget Committee on May 8, 2023.
3. The Florence Urban Renewal Agency Board of Directors held a public hearing for the approved budget to receive comments from citizens.
4. The Florence Urban Renewal Agency Board of Directors has considered the public testimony received.

Based on these findings,


1. BE IT RESOLVED that the Board of Directors of the Florence Urban Renewal Agency hereby adopts the biennial budget for 2023-25 in the total amount of \$2,518,000 and makes the following appropriations:

General Fund

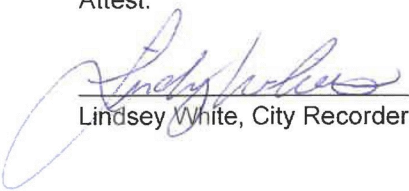
| | |
|------------------------|---------------------|
| Materials and services | \$ 946,300 |
| Capital outlay | 240,000 |
| Debt service | 1,079,500 |
| Contingency | 252,200 |
| Total | \$ 2,518,000 |

2. **DECLARING TAX INCREMENT.** The Board of Directors of the Florence Urban Renewal Agency hereby certifies to the County Assessor to levy the maximum amount of revenue that may be raised by dividing the taxes under Section 1e, Article IX, of the Oregon Constitution and ORS Chapter 457 for the fiscal years beginning July 1, 2023 and July 1, 2024 for the Florence Urban Renewal Agency Plan Area.

The above resolution statements were approved and declared adopted on the 24th day of May 2023.


Mike Webb, Chairperson

Attest:


Lindsey White, City Recorder

Resolution No. 1, Series 2023, Adopting Budget

FURA

FLORENCE URBAN
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OREGON

BUDGET CALENDAR

2023 - 2025 Budget Calendar

Budget Committee meetings will be held in person beginning at 5:30 pm on the dates indicated below in blue.

City Budget Committee: City Council (5) & City Budget Committee Members (5).

FURA Budget Committee: FURA Board Members (9), Additional City Councilors (2), City Budget Committee Members (5), & FURA Budget Committee Members (2).

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

JAN Work Plan Development

- 1/5 - City Council Work Plan Session
- 1/12 - City Council Ethics Training
- 1/23 - City Council Work Plan Session
- 1/26 - City Council Work Plan Session
- 1/30 - City Council Work Plan Session

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| | | | | | | 1 |
| 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | | | | | | |

APR Proposed Budget Finalization

- 4/19 - City & FURA Budget Committee Training, 5:30 pm

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | | | | |

FEB Work Plan Development

- 2/2 - City Council Work Plan Work Session
- 2/6 - City Council Work Plan Work Session
- 2/13 - City Council Work Plan Work Session
- 2/27 - City Council Work Plan Adoption
- Staff will develop the proposed budget throughout the months of February, March, and April.*

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |

MAY Budget Committee Meetings

- 5/1 - City Budget Committee Budget Message, 5:30 pm
- 5/8 - FURA Budget Committee Meeting, 5:30 pm
- 5/8 - City Budget Committee Meeting, after FURA Meeting
- 5/10 - City Budget Committee Meeting, 5:30 pm
- 5/11 - City Budget Committee Meeting (if needed), 5:30 pm
- 5/24 - FURA Board Budget Public Hearing, 5:30 pm

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| | | | 1 | 2 | 3 | 4 |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

MAR Year End & Budget Preparation

- 3/7 - City/FURA Budget Committee Training
- 3/9 - City Director Budget Meetings
- 3/14 - City Director Budget Meetings
- 3/16 - City Director Budget Meetings

| Su | Mo | Tu | We | Th | Fr | Sa |
|----|----|----|----|----|----|----|
| | | | | 1 | 2 | 3 |
| 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | |

JUN Budget Finalization & Adoption

- 6/5 - City Council Budget Public Hearing, 5:30 pm

Adoption of FY 2023-25 Budgets due by June 30, 2023.

FURA

FLORENCE URBAN
RENEWAL AGENCY
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FISCAL POLICIES

The Florence Urban Renewal Agency (FURA) contracts with the City of Florence for professional staffing and fiscal management services. Through this partnership, the fiscal management of FURA follows the City of Florence Fiscal Policies presented below.

Purpose

The City of Florence is committed to responsible fiscal management through financial integrity, prudent stewardship of public assets, planning, accountability and full disclosure. The broad purpose of the Fiscal Policies is to enable the City to achieve and maintain a long-term stable and positive financial condition. These policies are adopted by the City Council as the basic framework for overall financial management of the City, to guide day-to-day and long-range fiscal planning and decision making, and to achieve the following general financial goals:

1. Provide an adequate financial base to sustain the desired level of municipal services to maintain the social wellbeing and physical conditions of the City.
2. Deliver cost effective and efficient services to citizens.
3. Provide and maintain essential public facilities, utilities, and capital equipment.
4. Protect and enhance the City's credit rating so as to obtain the lowest cost of borrowing and assure taxpayers and the financial community that the City is well managed and financially sound.
5. Provide the financial stability needed to navigate through economic downturns, adjust to changes in the service requirements of the community and respond to other changes as they affect the City's residents and businesses.
6. Adhere to the highest standards of financial management and reporting practices as set by the Government Finance Officers Association (GFOA), the Governmental Accounting Standards Board (GASB) and other professional standards.
7. Fully comply with finance related legal mandates, laws and regulations.

To achieve these goals, fiscal policies generally cover areas of revenue management, operating and capital budgeting, financial planning and forecasting, investment and asset management, debt management, pension funding, accounting and financial reporting, reserves and internal controls. These policies are reviewed annually by management, and City Council and amended as necessary, by resolution.

Policies are addressed in ten areas:

- ⇒ **Revenue**, which deals with taxes, user fees and other revenues by which the city generates income to fund programs and services.
- ⇒ **Operating expenditures**, which relates to budgeting guidelines.
- ⇒ **Expenditure control**, which addresses the City's efforts to ensure spending is consistent with the City's fiscal plans.
- ⇒ **Capital equipment and improvements**, which relates to establishing a five year capital equipment and improvement plans for all major equipment and infrastructure systems provided and maintained by the City.

FISCAL POLICIES

- ⇒ **Accounting and financial reporting**, which relates to accounting and reporting financial transactions and preparing financial reports.
- ⇒ **Financial planning**, addresses longer term financial forecasting to help inform decisions.
- ⇒ **Debt**, which addresses long-term financing of the city's capital needs and maintaining its bond rating.
- ⇒ **Pension funding**, addresses the funding policies of the City's pension obligations.
- ⇒ **Reserves**, establishes minimum working capital balances, required reserves and operating contingency as needed for routine cash flow and responding to unexpected expenditures or increases in service delivery costs.
- ⇒ **Management of fiscal policy**, sets forth the administration of fiscal policies on a continuing basis.

1. Revenue Policies

- 1.1. The City will strive for and maintain diversified and stable revenue sources to prevent undue or unbalanced reliance on any one source of funds. Revenue diversity will also reduce risk to the City from short-term fluctuations in any one revenue source.
- 1.2. Significant one-time and or temporary revenues will not be used to fund continuing programs and services, but rather to fund one-time expenditures or to fund reserves.
- 1.3. The maximum allowable system development charges (SDCs), for each of the public infrastructure systems the City operates and is allowed by state law to impose, shall be determined on a periodic basis (approximately each five years).
 - 1.3.1. The Council will determine what amount of SDCs to impose.
- 1.4. The City will promote the use of users' charges in lieu of property taxes and subsidies from other non-obligated (i.e., generally available) City funds, for services that can be identified and where costs are directly related to the level of service provided.
 - 1.4.1. Charges for providing utility services shall be sufficient to finance all operating, capital outlay and debt service expenses of the City's utility funds, including operating contingency, reserve requirements, and capital replacement. Consideration will be given to return on investment and existing and or anticipated debt to ensure debt coverage ratios are sufficient to meet or exceed requirements of lenders and rating agencies to maintain desired credit rating.
 - 1.4.2. It is the City's intent to recover a greater percentage of costs associated with performing building permit and inspection activities. As of fiscal year 2022, fees and charges for these services are insufficient to fully fund costs for these activities. City staff will evaluate the delivery of these services to identify cost savings. Results of these efforts will be presented to the City Council prior to consideration of potential fee and charge increases.

It is the City's intent to fully recover costs associated with performing planning related activities. As of fiscal year 2022, the estimated cost recovery for planning related activities is approximately 100%. City staff will evaluate and implement changes to land use processes to gain efficiencies, measure results and report findings to the City Council prior to consideration of potential increases to fees and charges for planning related activities.

FISCAL POLICIES

- 1.4.3. Other reimbursable work performed by the City (full labor costs, overhead, contracted services, equipment and other indirect expenses) shall be billed at total actual or estimated total actual cost.
- 1.4.4. Charges for services shall accurately reflect the total actual or estimated total cost of providing a specific service. The cost of providing specific services shall be recalculated periodically, and the fee adjusted accordingly. City staff shall create and maintain a schedule of current fees, indicating when the fees were last reviewed and/or recalculated.
- 1.5. The City shall diligently pursue collection of delinquent accounts. When necessary, discontinuing service, small claims court, collection agencies, foreclosure, liens and other methods of collection, such as imposing interest, penalties, collection and late charges, may be used.
- 1.6. All potential grants that require matching funds, on-going resource requirements, or include new or additional continuing compliance requirements shall be evaluated and considered before submittal of the application. Grant applications will be approved as follows prior to their submittal: a. By the City Manager for grants that require matching funds up to the amount of the City Manager's spending authority, and b. By the City Council for grants with matching requirements above the City Manager's spending authority. The City Council will be provided the evaluation with the request for their acceptance of the grant.
- 1.7. Revenues will be estimated realistically and prudently. Revenues of a volatile nature will be estimated conservatively. The City will estimate its revenues by an objective, analytical process using best practices as defined by the GFOA.

2. Operating Budget Policies

- 2.1. The City will prepare a biennial budget guided by City Council goals and work plan to accomplish those goals. Budget development will be coordinated with all departments and will incorporate GFOA recommendations relative to budgeting for results and outcomes.
 - 2.1.1. The amount of funding available will be determined for each fund. The budget will be built on expected revenues. This includes base revenues, any new revenue sources, and the potential use of existing resources.
 - 2.1.2. Conduct analysis to determine what strategies, programs, and activities will best achieve desired results.
 - 2.1.3. Budget available dollars to the most significant programs and activities. The objective is to maximize the benefit of the available resources.
- 2.2. The City shall maintain an automated accounting system to monitor expenditures and revenues, relative to budget, on a monthly basis, with a thorough analysis and adjustment (if required) no less than quarterly.
- 2.3. All budgetary procedures will conform to existing state regulations. Oregon budget law requires each local government to prepare a balanced budget and Oregon Administrative Rules (OARs) state: 1) the budget must be constructed in such a manner that the total resources in a fund equal the total of expenditures and requirements for that fund, and 2) the total of all resources of the entity must equal the total of all expenditures and all requirements for the entity.

FISCAL POLICIES

- 2.4. The budget process will be coordinated so that major policy issues and department goals and objectives are identified and incorporated into the budget.
- 2.5. The cost allocation plan will be reviewed and updated annually and serve as the basis for distributing general government and internal service costs to other funds and capital projects.
- 2.6. The City Council shall adopt the budget for each fund, at the organizational unit or program level as a total dollar amount for all appropriations except transfers, contingency, unappropriated ending fund balance, and reserves, which shall be stated separately.
- 2.7. Long-term debt or bond financing may be used for the acquisition of land, capital improvements, vehicles, and equipment with a cost greater than \$100,000, if current and or existing resources are insufficient. Long-term debt or bond financing shall not be used to finance current operating expenditures.
- 2.8. Every City fund, organizational unit, program, or activity shall start each biennium's budget cycle with no predetermined appropriation amount. Budget appropriation decisions and the allocation of resources shall be based on direction provided by the City Council and implementation of that direction by the City Manager.
- 2.9. The City will submit the Adopted Budget Document to the GFOA to obtain the Distinguished Budget Presentation Award.
- 2.10. A budget calendar will be prepared at the beginning of each budget cycle.

3. Expenditure Control Policies

- 3.1. Expenditures will be controlled through appropriate internal controls and procedures. Management must ensure expenditures comply with the legally adopted budget. Each Department or Division Manager or Director will be responsible for the administration of their organizational unit or program budget. This includes accomplishing the goals and objectives incorporated into the budget and monitoring each organizational unit or program budget for compliance with spending limitations.
- 3.2. The City Manager is to administer budgetary expenditure control at the appropriation level. Any increase in budget appropriation requires City Council approval.
- 3.3. All purchases of goods and services must comply with the City's Purchasing Policies, guidelines and procedures and with State laws and regulations.
- 3.4. All compensation planning and collective bargaining will include analyses of total cost of compensation, which includes analysis of salary increases, health benefits, pension contributions, and other fringe benefits. City management will only propose operating personnel costs that can be supported by continuing operating revenues.
- 3.5. City staff shall make every effort to control expenditures to ensure City services and programs provided to its citizens and taxpayers are cost effective and efficient. Expenditures reducing future costs will be encouraged.

FISCAL POLICIES

4. Purchase Authority Policies

- 4.1. The City Manager or the City Manager's designee may enter into purchase agreements or contracts not exceeding \$75,000 without additional authorization of the City Council or Contract Review Board.
- 4.2. Department directors and managers are authorized to make purchases up to \$25,000.

5. Capital Improvement Policies

- 5.1. Biennially, the City will approve a five-year Capital Improvement Plan (CIP), congruent with the adoption of its biennial budget. The CIP shall provide details on each capital project: its estimated costs, sources of financing and a description, including a statement identifying: (a) the needs, conditions and circumstances that have caused the project's creation, (b) the expected results if the project is approved and implemented, and (c) future annual costs of the project.

6. Accounting and Financial Reporting Policies

- 6.1. The City shall establish and maintain its accounting systems according to generally accepted accounting practices and shall adhere to generally accepted accounting principles and standards promulgated by the GFOA and GASB.
- 6.2. An annual audit shall be performed by an independent public accounting firm, duly authorized by the State of Oregon to practice as such, which will issue an opinion on the annual financial statements, along with a management letter identifying areas needing improvement, if necessary.
- 6.3. Full disclosure shall be provided in the financial statements and bond representations.
 - 6.3.1. Upon request, all departments will provide notice of all significant events and financial and related matters to the Administrative Services Director for the City's annual disclosures to the municipal markets as required by SEC Regulation 15-C-2-12. Full disclosure will be provided in the financial statements and bond representations. Significant events include delinquencies and defaults related to the City's bonds, adverse tax opinions or events affecting the tax-exempt status of bonds, the release, substitutions or sale of property securing repayment of bonds and other events having a significant impact on the City's finances and outstanding bonds. The Administrative Services Director will notify all Nationally Recognized Municipal Securities Information Repositories of these significant events.
 - 6.3.2. The City's asset capitalization policy is to capitalize and depreciate assets greater than \$10,000 with a useful life beyond one year. Capital assets costing less than \$10,000 or having a useful life of one year or less will be treated as operating expenditures.
- 6.4. In conjunction with the annual audit, an Annual Comprehensive Financial Report (ACFR) will be prepared and submitted to the GFOA for consideration of its Award for Excellence in Financial Reporting.
- 6.5. Up-to-date accounting and budgeting information is available online to all management and authorized support staff. Quarterly budget to actual reports showing the current status of revenues and expenditures shall be prepared and distributed to appropriate legislative, staff and management personnel in a timely manner and made available for public inspection.

7. Financial Planning Policies

- 7.1. The Administrative Services Department, collaborating with other departments, will prepare a long-term financial plan for each fund to promote responsible planning for the use of resources. The long-term financial plans will include projected revenues, expenditures and reserve balances for the next five years for all funds.
- 7.2. The City's financial plans should be strategic, reflecting the City Council and community priorities for service while providing resources that fund desired service levels.
- 7.3. Long-term projections of revenues and expenditures will be based upon disclosed assumptions, and prepared consistent with best practices established by the GFOA.
- 7.4. The long-term financial plans will be integral to the development of the biennial budget.

8. Debt Policy

- 8.1. The City may use debt proceeds to finance costs associated with capital infrastructure, equipment, vehicles and other purposes that provide long-term benefits to the community, i.e., benefits that extend more than one year.
- 8.2. Capital projects financed through the issuance of bonds shall not be financed for a period which (a) exceeds the expected useful life of the project or (b) is less than five years.
- 8.3. Financing for non-capital purposes shall not extend beyond the amortization period available for the respective type of obligation, e.g., retirement unfunded liabilities include an amortization period of twenty-five years.
- 8.4. The Administrative Services Director will structure all debt issuances and oversee the on-going management of all City debt. Debt includes general obligation bonds, lease purchase obligations, revenue bonds, special assessment obligations, promissory notes, equipment financing agreements and any other contractual arrangements that obligate the City to make future principal and interest payments.
- 8.5. No debt shall be issued for which the City has not identified specific revenue sources sufficient for repayment. Such revenue sources can include internal sources, such as charges to personnel costs, that are transferred to a debt service fund for debt repayment. The Administrative Services Director shall prepare an analysis of the source of repayment prior to issuance of any debt.
- 8.6. The City will not use long-term debt to fund current operations, to balance the budget or to fund projects that can be funded from current resources, unless the use of debt is otherwise determined to be in the best interest of the City.
- 8.7. The City may utilize short-term debt or inter-fund loans as permitted, to cover temporary cash flow deficiencies due to timing of cash flows, such as may result from delay in receipting grant proceeds or other revenues and delay in issuance of long-term debt.
- 8.8. When issuing long-term debt, the City will ensure that the debt is soundly financed by:
 - 8.8.1. Incurring debt only when necessary for capital improvements too large to be financed from current available resources,

FISCAL POLICIES

- 8.8.2. Ensuring that capital projects financed through long-term debt shall be financed for a period not to exceed the useful life of the project,
 - 8.8.3. Determining that the benefits of the project financed exceed the cost of financing including interest costs, and
 - 8.8.4. Analyzing the source of repayment, debt coverage ratios and the impact of debt service on annual fixed costs prior to issuance of long-term debt.
- 8.9. All bond issuances, promissory notes, and capital leases will be authorized by resolution of the City Council.
- 8.10. The City shall maintain its bond rating at the highest level fiscally prudent, so that future borrowing costs are minimized and access to the credit market is preserved.

9. Pension Funding Policies

- 9.1. The City participates in the State of Oregon Public Employees Retirement System (PERS). The City will fund its required pension contribution requirements timely.

10. Reserve Policies

- 10.1. The City shall maintain adequate working capital reserves in all funds.
- 10.1.1. The general fund shall maintain sufficient working capital to allow the City to adequately fund operations until property taxes are received in November of each year, without borrowing.
 - 10.1.2. The City's utility funds shall maintain at a minimum working capital balance sufficient for sixty days operating expenses, together with an adequate emergency repair reserve and required debt service reserves.
 - 10.1.3. The City's internal service funds shall maintain at a minimum working capital balance sufficient for thirty days operating expenses and any required debt service reserves.
 - 10.1.4. The City's debt service funds shall maintain adequate working capital to pay required debt service without borrowing and fund required debt service reserves.
 - 10.1.5. The City's other operating funds shall maintain a minimum working capital balance sufficient for sixty days operating expenses and any required debt service reserves.
 - 10.1.6. The City shall establish a contingency budget to provide for unanticipated expenditures of a nonrecurring nature. The contingency shall be a minimum of five percent (5%) of a fund's operating and capital expenditure estimates for the fiscal year. This policy does not apply to debt service, internal service, trust and agency, capital projects, serial levy, temporary or certain special purpose funds.
- 10.2. The City may use reserves on a one-time or temporary basis for purposes described above. In the event that reserve funds are presently or decrease to levels below the levels desired by this policy, City management will develop a plan to restore reserves to the desired levels.

FISCAL POLICIES

11. Management of Fiscal Policy

- 11.1. Fiscal policies shall be reviewed biennially (in alignment with the budgeting process) by the City Council and adopted by resolution. Changes in policies shall be approved by the City Council and adopted by resolution.
 - 11.1.1. The City Manager or designee shall prepare a report explaining the substantive impact of all recommendations and their impact on the City's operations, service levels, and finances.
 - 11.1.2. The Audit Committee shall review the City's fiscal policies annually.
- 11.2. The City Manager shall implement fiscal policies and monitor compliance.
 - 11.2.1. If the City Manager discovers a material deviation from policy, he/she shall report it in writing to the City Council in a timely manner.
 - 11.2.2. As a part of the City's annual budget document, the City Manager's budget message shall identify: (a) all major changes in policy since the previous budget year and (b) any material variations from policy in the ensuing year's budget.

GLOSSARY

Accrual

The accumulation or increase of something over time, especially payments or benefits. A charge for work that has been done, but not yet invoiced.

Actual

Actual, as used in the fund summaries, revenue summaries, and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a budgetary basis, and thus excludes depreciation and amortization, and includes principal payments on debt.

Ad Valorem Tax

A tax based on the assessed value of a property.

Adopted Budget

Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the final budget *adopted* by the Board of Directors. The adopted budget becomes effective July 1. Subsequent to adoption; the Board of Directors may make changes throughout the year.

American Rescue Plan Act of 2021 (ARPA)

The American Rescue Plan Act of 2021 (ARPA), also called the COVID-19 Stimulus Package or American Rescue Plan, is a \$1.9 trillion economic stimulus bill passed by the 117th United States Congress and signed into law by the President on March 11, 2021.

Amortization

The action or process of reducing or paying off a debt with regular payments.

Annual Comprehensive Financial Report (ACFR)

The annual audited results of the Agency's financial position and activity.

Approved Budget

Approved, as used in the fund summaries and revenue summaries, represents the proposed budget with changes made by the Budget Committee, if any.

Appropriations

Legal authorization granted by the Board of Directors to spend public funds. Appropriations within each program may not be exceeded.

Assessed Valuation

The value set on taxable property as a basis for levying property taxes. A tax initiative passed in 1997 that reduced assessed value (AV) below real market value and set a three percent maximum annual growth rate in the taxable assessed value (TAV), exclusive of certain improvements.

Assets

Resources having a monetary value and that are owned or held by an entity.

Audit

A report prepared by an external auditor. As a rule, the audit shall contain a statement of the scope of the audit, explanatory comments concerning exceptions of the auditor as to the applicant on generally accepted auditing standards, explanatory comments concerning verification procedures, financial statements and schedules, and sometime statistical tables, supplemental comments and recommendations.

GLOSSARY

Audit Committee

Group of individuals assigned specific responsibility for addressing issues related to the independent audit of the financial statements on behalf of the entity under audit.

Balanced Budget

A budget where resources equal requirements in every fund.

Base Budget

Cost of continuing the existing levels of service in the current budget year. Base budget is also referred to as a status quo budget.

Beginning Fund Balance

The beginning balance is the residual non-restricted funds brought forward from the previous financial year (ending balance).

Biennial Budget

A biennial budget is for a two-year period, commencing on July 1.

Bond or Bond Issue

Bonds are debt instruments that require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

Bond Funds

Established to account for bond proceeds to be used only for approved bond projects.

Budget

A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a fiscal year. In practice, the term budget is used in two ways. Sometimes it designates the financial plan presented for adoption and other times it designates the plan finally approved. It is usually necessary to specify whether the budget under consideration is preliminary and tentative, or whether the appropriating body has approved it.

Budget Calendar

A schedule of key dates followed by a government in the preparation and adoption of the budget.

Budget Committee

A group comprised of the elected officials plus an equal number of concerned citizens for the purpose of reviewing the proposed budget and recommending changes leading to an approved budget.

Budget Document

A written report that shows a government's comprehensive financial plan for a specified period, usually one year, that includes both the capital and the operating budgets.

Budget Message

Written explanation of the budget and the Agency's financial priorities for the next fiscal year; prepared by the city manager.

Budget Officer

The Budget Officer is appointed by the governing body or designated by charter. The Budget Officer must prepare and present a balanced budget to the Budget Committee.

GLOSSARY

Budgetary Basis

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP), with the exception that neither depreciation nor amortization are budgeted for proprietary funds, and bond principal in the enterprise funds is subject to appropriation.

Capital

Anything that confers value or benefit to its owner, such as land, equipment, buildings, or financial assets.

Capital Budget

The Agency's budget for projects, major repairs, improvements, and additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

Capital Improvement

A term defined in the ORS 310.410 (10) to include land, structures, facilities, machinery, equipment, or furnishings having a useful life of longer than one year.

Capital Improvement Plan (CIP)

The CIP is a schedule of capital projects including estimated cost and timing. There is a separate CIP for each major infrastructure system in the City, e.g., water, streets, sidewalks, storm water, wastewater, information technology, city facilities, and vehicles.

Capital Improvement Project

Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as parks, streets, bridges, drainage, street lighting, water and sewer systems, and master planning.

Capital Outlay

Includes the purchase of land, the purchase and/or construction of buildings, structures and facilities of all types, in addition to machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating as an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of \$5,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as capital outlay under the same code as the original purchase. Replacement or repair parts are classified under materials and services.

Capital Projects

Major repairs, improvements or additions to the City's fixed assets (streets, sidewalks, roads, sewers, storm water, parks, and buildings).

CARES Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020) and the Coronavirus Response and Consolidated Appropriations Act (2021) provided fast and direct economic assistance for American workers, families, small businesses, and industries. The CARES Act was passed by Congress on March 25, 2020 and signed into law on March 27, 2020.

Cash Management

Management of cash necessary to pay for government services, while investing temporary cash excesses in order to earn interest income. Cash management refers to the activities of forecasting inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds in order to achieve the highest return available for temporary cash balances.

GLOSSARY

Charges for Service

Includes a wide variety of fees charged for services provided to the public and other agencies.

City Council

The legislative body of a city.

COVID-19

Coronavirus disease (COVID-19) is a respiratory disease caused by SARS-CoV-2, a new coronavirus discovered in 2019. In early March 2020, the World Health Organization (WHO) declared COVID-19 a pandemic—a disease outbreak occurring over a wide geographic area and affecting an exceptionally high proportion of the population.

Comprehensive Plan

An official statement of the goals, objectives and physical plan for the development of the city. Contains a narrative of goals, objectives, and policies that describe the desired form, nature, and rate of city development.

Consumer Price Index

A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. Contingency may be appropriated for a specific purpose by the Board of Directors upon the approval of a resolution. The Agency separates contingencies into those that are designated for specific purposes and undesignated.

Contract Review Board

The Florence City Council is designated as the “Local Contract Review Board” under the State of Oregon Public Contracting Code per Florence City Code Section 1-8-1.

Cost Allocation

Various administrative services including city management, finance, human resources, public works staffing, and their related costs are allocated to the various funds that receive the benefit of these services via a cost allocation methodology.

Cost Center

An organizational budget/operating unit within each city division or department.

Debt Coverage Ratio

Represents the ratio of “net revenues” available to pay scheduled debt service. A ratio of 1.0 reflects “net revenues” equal to scheduled debt service. A ratio greater than 1.0 reflects “net revenues” in excess of scheduled debt service, and a ratio less than 1.0 indicates “net revenues” is less than scheduled debt service.

Debt Service

Interest and principal on outstanding bonds due and payable during the fiscal year.

Debt Service Fund

A fund established to account for the accumulation of resources and for the payment of general long-term debt principle and interest that are not services by the Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

Depreciation

Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of physical elements, inadequacy, or obsolescence.

GLOSSARY

Designated Contingency

Amounts set aside for anticipated non-recurring cash flow needs. This includes items such as moving and remodeling, major building repairs, emergency management, and capital project or equipment purchases.

Encumbrance

Amount of money committed and set aside, but not yet expended, for the purchases of specific goods or services.

Ending Fund Balance

The residual, non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Estimated

A projection of the revenue or expenditure, as appropriate, to be recognized during the current fiscal period.

Expenditures

Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

Fees

Charges for specific services levied by local government in connection with providing a service, permitting an activity, or imposing a fine or penalty.

Fiduciary Fund

A fund used in governmental accounting to report on assets held in trust for others.

Fiscal Management

A government's directive with respect to revenues, spending, reserves, and debt management as these relate to governmental services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of governmental budgets and its funding.

Fiscal Year

A 12-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Florence's fiscal year is July 1 through June 30.

Five-Year Financial Plan

An estimation of revenues and expenses of the City's operations for the next five-year period.

Fixed Assets

Includes equipment, vehicles, furniture and fixtures, and computer hardware and software with a cost basis in excess of \$5,000.

FURA Board

The decision making body for the Agency as appointed by the Florence City Council per Florence City Code.

Full-Time Equivalent

A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

GLOSSARY

Fund

A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities, or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance

The balance of net financial resources that is spendable or available for appropriation.

GAAP

Generally accepted accounting principles.

General Fund

This is the primary operating fund of the Agency. It exists to account for the resources devoted to finance the services traditionally associated with local government.

Goal

The result or achievement toward which effort is directed; aim; end.

Government Accounting Standards Board (GASB)

Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Government Finance Officers Association of the United States and Canada (GFOA)

An association of public finance professionals whose purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Governmental Fund

Funds which account for most of the City's activities financed through taxes

Grant

A contribution that is made by one government unit to another. The contribution is usually made to aid in the support of a specified function (i.e., library, transit, or capital projects).

Infrastructure

Public domain fixed assets such as roads, bridges, streets, sidewalks, and similar assets that are immovable.

Intergovernmental Revenues

Levied by one government, but shared on a predetermined basis with another government or class of governments.

Internal Controls

Integrated set of policies and procedures designed to assist management in providing the continuous assessment of risk.

Levy

Gross amount of property taxes imposed on taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectible payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes receivable.

GLOSSARY

Line Item Budget

The traditional form of budget, where proposed appropriations are based on individual objects of expense within a department or program. Local Budget Law Oregon Revised Statutes (ORS) dictates local budgeting practices. ORS Chapter 294 contains Local Budget Law provisions.

Local Improvement District

Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on their property. Local Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Local Option Levy

Under Measure 50, local governments and special districts were given the ability to ask voters for temporary authority to increase taxes through approval of a local option levy. The maximum length of time for a local option levy is 5 years, and up to 10 years, if the levy is for capital purposes. A local option levy must be approved by a majority of voters at a general election or an election with a 50 percent voter turnout.

Major Fund

Funds in which total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least ten percent of the corresponding total (assets, liabilities, etc.).

Materials and Services

Expendable items purchased for delivery and Agency services. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Measure 5

In November 1990, State of Oregon voters passed a constitutional limit on property taxes. The law sets a maximum \$10 tax rate on individual properties for the aggregate of all non-education taxing jurisdictions. The maximum tax rate for education jurisdictions is limited to \$5.

Measure 50

A 1997 voter approved initiative which rolled back assessed values to 90 percent of their levels in fiscal year 1995-96 and limits future annual increases to three percent, except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rates provided a majority approves at either (1) a general election in an even numbered year; or (2) at any other election in which at least 50 percent of registered voters cast a ballot.

Mission

Defines the primary purpose of the Agency and is intended to guide all organizational decisions, policies and activities (internal and external) on a daily basis.

Non-Operating Budget

Part of the budget composed of the following items: reserves, contingencies, capital projects, and debt service payments.

Objective

A target to be accomplished in specific, well defined and measurable terms, and that is achievable within a specific time frame.

GLOSSARY

Object Classification

Within each organizational unit or program, the estimates of line-item expenditures must be detailed by the following classifications: personnel services, materials and services, and capital outlay, special payments, debt service, transfers, contingency, reserves, and unappropriated fund balances.

Operating Budget

The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

Operating Revenue

Funding received by the government as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services, capital outlay, and debt service.

Ordinance

A formal legislative decree enacted by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of the law within the boundaries of the municipality to which it applies.

Oregon Administrative Rules (OAR)

The official compilation of rules and regulation, having the force of law in the State of Oregon. It is the regulatory and administrative corollary to the Oregon Revised Statutes.

Oregon Budget Law

Found in Oregon Revised Statutes 294.565, governs local government's budgetary processes and preparation in Oregon.

Oregon Revised Statutes (ORS)

Codified laws of the State of Oregon incorporating all laws and rules of civil procedure enacted by the Legislative Assembly.

Organizational Unit

Administrative subdivision of the local government which is responsible for specific services, functions, or activities. They are usually identified as departments, divisions, or offices (e.g., Police, Administrative Services, or Public Works).

Outstanding Debt

The balance due at any given time which resulted from the borrowing of money or from the purchase of goods and services.

Performance Measure

Data collected to determine how effective or efficient a program is in achieving its objectives.

Permanent Tax Rate

Under Measure 50, each school district, local government, and special district was assigned a permanent tax rate limit in fiscal year 1998. This permanent rate applies to property taxes for operations.

Personnel Services

The salaries and wages paid to employees, in addition to the City's contribution for fringe benefits such as retirement, social security, and health and workers' compensation insurance.

Property Tax

Based according to assessed value of property and is used as the source of monies to pay general obligation debt and to support the services provided by the City.

Project Manager

An individual that is responsible for budgeting and managing projects to their completion.

Proposed Budget

A financial document that combines operating, non-operating and resource estimates prepared by the Budget Officer, which is submitted to the public, Budget Committee, and Board of Directors for review and approval.

Reserves

An amount set aside for “future expenditure”, usually for expenses anticipated in a future budget period.

Resolution

A special or temporary order of a legislative body requiring Board of Director action.

Resources

Includes revenue, inter-fund transfers, borrowing proceeds, and beginning fund balance.

Revenue

Funds received by the Agency from either tax or non-tax sources.

Revenue Bonds

Bonds payable from a specific source of revenue, which does not pledge the taxing authority of the issuer. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

Special Assessment

A compulsory levy made against certain properties to defrayal part of the cost of a capital improvement or service deemed to be beneficial primarily to those properties. (Also see Local Improvement District.)

Special Assessment Bond

A bond issue payable from the payments on special assessments imposed against properties that have been specially benefited by the construction of public improvements such as sidewalks, roads, or sewer systems.

Special Revenue Funds

A fund established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Supplemental Budget

Appropriations established to meet needs not anticipated at the time the budget was originally adopted. A supplemental budget cannot increase the tax levy.

System Development Charges

Charges paid by developers and builders to fund expansion of infrastructure systems necessary due to increased usage. Such charges are collected for water, sewer, storm drains, streets, and parks and are paid by developers and builders as part of the permit process.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Tax Levy

The total amount of property taxes needed to pay for General Fund operations and for principal and interest on bonds.

Tax Rate

The amount of tax levied for each \$1,000 of assessed valuation.

Tax Revenue

Includes property taxes, hotel, and transient/motel/hotel room tax.

Tax Roll

The official list showing the amount of taxes levied against each property.

Transfers

Appropriation category used in the Agency's budget, which includes amounts distributed from one fund to pay for services provided by another fund. The general fund may also transfer funds to any other fund if desired by the Board of Directors.

Trust Funds

A fund established to administer resources received and held by the Agency as the trustee or agent for others. Uses of these funds facilitate the discharge of responsibility placed upon the Agency by virtue of law or other similar authority.

Unappropriated Ending Fund Balance

An account which records a portion of the fund balance. It must be segregated for future use and is not available for current appropriation or expenditure.

Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose. It is available for general appropriation.

User Fees

The fee charged for services to the party or parties who directly benefits. They are also referred to as Charges for Service.

Working Capital

Funds available to meet obligations.

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