



2017—2019 Adopted Budget Florence Urban Renewal Agency



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Florence Urban Renewal Agency

Budget Message

May 31, 2017

Members of the Florence Urban Renewal Agency, Citizen Members of the Budget Committee, and Citizens of the City of Florence:

It is my pleasure, on behalf of the board to present the first biennial 2017-19 budget for the Florence Urban Renewal Agency (FURA). The budget is balanced and totals \$9,421,074 for the two-year period beginning July 1, 2017 and ending June 30, 2019.

General Fund	\$7,816,484
Debt Services Fund	<u>1,604,590</u>
Total	\$9,421,074

We are excited to present to you a budget that provides a funding plan to continue working on various fronts while completing a once in a multi-generation streetscape and gateway project for the main street corridor of Florence on Highways 101 and 126, referred to as ReVision Florence. The General Fund includes funding for the biennium that will allow the Agency to accomplish key projects and programs:

- \$500,000 is allocated for development assistance and to attract private sector investment
- \$70,000 is allocated for a parking study and updated plan; façade improvements; housing and other code updates and other items outlined in FURA's 2016 Investment Strategy report
- \$225,000 for the public art program as requested by the Public Art Committee
- \$6.45 million to complete all aspects of the ReVision Florence project with construction completed within the next two years
- \$315,700 payment to the City for City staff to perform services to assist the Agency with the implementation of its projects and programs
- \$55,000 contribution to the City of Florence for the Estuary Trail project
- \$156,284 in contingency, which is anticipated to carryover to the next biennium to continue smaller projects.

The Debt Service Fund includes:

- \$600,000 for debt service payments to the City,
- \$600,000 in *du jour* loan principal payments, and
- \$387,390 in contingency.

The projected tax levy is \$406,313 in fiscal year 2018 and \$437,684 in fiscal year 2019, with the Agency levying its full authority. Taxable assessed value (TAV) in the district is projected to increase 2.56% each year over the previous year and the combined tax rate for overlapping taxing jurisdictions is estimated to decline \$0.12 per thousand taxable assessed value (TAV).

The biennial budget includes City borrowing of up to \$3.3 million on behalf of the Agency to maximize the Agency's investment by borrowing at the lowest cost available.

I am excited and honored to be a part of the projects that this 2017-19 biennial budget plans for. When completed these projects have the potential to transform the City's main street corridor into a vibrant, active and inviting streetscape that is consistent with the City's goals for economic development and livability and quality of life. We very much appreciate your service on the budget committee and look forward to discussing the budget with you.

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Respectfully submitted,

A handwritten signature in blue ink that reads "ERReynolds". The signature is written in a cursive, slightly slanted style.

Erin R. Reynolds, City of Florence City Manager / Budget Officer

Florence Urban Renewal Agency

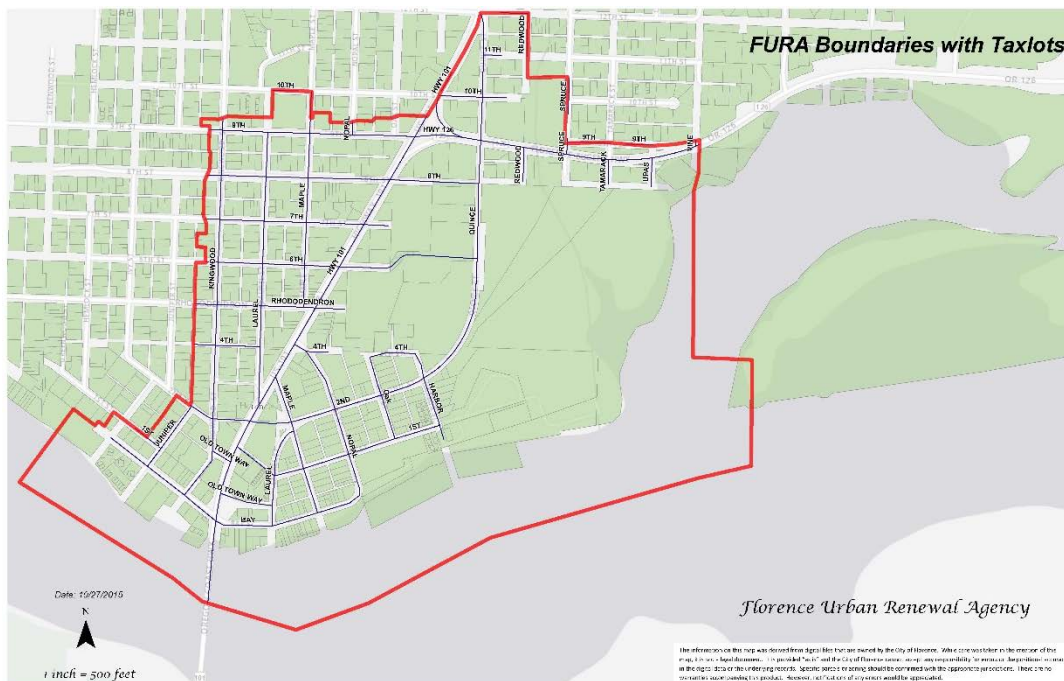
Summary

The Florence Urban Renewal Agency (FURA) budget is presented for reference purposes only. The Budget Committee and the Board of Directors for FURA will receive, deliberate and determine the Agency's budget. Two City Councilors and the Mayor are members of the nine-member Board.

In 2006, the City Council adopted an ordinance approving the Florence Downtown Preservation and Renewal Plan. The Plan was approved by Florence voters in 2007. The Plan authorizes maximum indebtedness of \$22,545,000. The Plan does not increase taxes that property owners pay.

The Plan proposes 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.

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.





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FURA

Biennial Budget 2017-19

-	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Beginning fund balance	915,484	780,190	1,695,674
Taxes	-	815,400	815,400
Intergovernmental	3,000,000	-	3,000,000
Miscellaneous	1,000	9,000	10,000
Debt proceeds	<u>3,900,000</u>	-	<u>3,900,000</u>
Current year resources	<u>6,901,000</u>	<u>824,400</u>	<u>7,725,400</u>
Total resources	<u><u>7,816,484</u></u>	<u><u>1,604,590</u></u>	<u><u>9,421,074</u></u>
Expenditures			
Materials and services	430,200	-	430,200
Capital outlay	7,230,000	-	7,230,000
Debt service	-	<u>1,217,200</u>	<u>1,217,200</u>
Total expenditures	<u>7,660,200</u>	<u>1,217,200</u>	<u>8,877,400</u>
Other requirements			
Contingency	<u>156,284</u>	<u>387,390</u>	<u>543,674</u>
Total expenditures and other requirements	<u><u>7,816,484</u></u>	<u><u>1,604,590</u></u>	<u><u>9,421,074</u></u>



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FURA General Fund

Summary

This fund accounts for the activities associated with the Agency’s implementation of its Plan. The primary resources are 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.

Highlights

- Construction of the ReVision project during the biennium
- \$500,000 is budgeted to leverage private sector investment
- Funding for public art is budgeted
- Estuary trail – phase I contribution reduced to \$55,000
- \$3.3 million debt issue planned to complete ReVision Florence project

Changes from previous year

- The Agency has moved to a biennial budget from an annual budget
- In the 2017-19 biennium the Agency moves from strategy, planning and design to
 - Construction of the ReVision Florence project
 - Acquisition and implementation of the public arts program
 - Updates to the City Development Code to remove barriers to development

Key Projects

ReVision Florence - The ReVision Florence streetscape project continues to move forward. The full project cost estimates are \$7.4 million, including design engineering, right-of-way administration and acquisition, and construction. The City and FURA continue to work with State and Federal elected officials, the Oregon Department of Transportation, our Regional Solutions Team, Lane County, and our other partner agencies to develop the funding package for this project.



Public Art - FURA has partnered with the City’s Public Art Committee (PAC) to implement the public art programs in the Urban Renewal District Area. The Public Art Committee is implementing phase one of its Public Art Work Plan with the assistance of funding from FURA. Highlights of the Phase One implementation plan occurring within the Urban Renewal District include:

1. Donated Art Program: Placement of donated art for public viewing, such as sculptures.
2. City Beautification Projects:
Implementation of the ‘beautification of trash cans’ project in Old Town.
3. Siuslaw Bridge Steps Art Installation:
A “Call to Artists” will be made to develop an art piece on the steps leading from Bay Street to the north end of the Siuslaw Bridge.
4. ‘Art Exposed-Dynamic Public Art’:
This outdoor gallery rental / purchase program will install 5 pieces in Old Town. “Calls to Artists” is in process.
5. Central Lincoln PUD building mural (Hwy 126 and 101): Agreement has been reached with the PUD board and details of preparation of the surface are in progress.



Development Projects - The FURA Board continues to set aside funding for development in the Urban Renewal District. The intent of these funds are for the Board to have the ability to enter into a public/private partnership in the event that there is a development need or program that would benefit the District. Project that have been discussed include retaining \$500,000 to assist one or more developers with significant projects, and lesser amounts in materials and services for facade improvement programs, architecture grants, development incentives, and other items outlined in FURA’s 2016 Economic Analysis and Development Strategy.

Funding

Intergovernmental

FURA has secured funding commitments as follows:

LaneACT	\$ 750,000
ODOT	1,800,000
City of Florence (stormwater)	250,000

Additionally, City staff are working closely with State elected officials and their staff to request earmark funding of up to \$2.9 million to fully fund the ReVision Florence project. City staff are also working with Lane County staff to secure funding for the project. We have included \$100,000 from Lane County in each fiscal year of the biennium for a total of \$200,000.

Miscellaneous

Miscellaneous revenue includes interest income of \$1,000.

Debt proceeds

The budget includes up to \$3.3 million in debt proceeds from the City; \$3.1 million in fiscal year 2018 and \$200,000 in fiscal year 2019. Additionally, what is referred to as *du jour* borrowing, i.e., overnight borrowing, of \$600,000 is included; \$200,000 in fiscal year 2018 and \$400,000 in fiscal year 2019. *Du Jour* borrowing is a means to utilize fund balance from the Debt Service Fund.

FURA General Fund Budget

	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Estimate	2017-19 Proposed	2017-19 Approved	2017-19 Adopted
Beginning fund balance	294,491	262,769	175,119	(71,016)	915,484	915,484	915,484
Current year resources							
Intergovernmental	-	-	-	-	3,000,000	3,000,000	3,000,000
Miscellaneous	2,246	3,461	1,000	15,000	1,000	1,000	1,000
Debt proceeds	-	110,349	1,725,351	2,125,400	3,900,000	3,900,000	3,900,000
Total current year resources	314,687	115,038	1,726,351	2,140,400	6,901,000	6,901,000	6,901,000
Total resources	609,178	377,807	1,901,470	2,069,384	7,816,484	7,816,484	7,816,484
Expenditures							
Materials and services	43,567	320,254	249,300	188,900	430,200	430,200	430,200
Capital outlay	-	128,569	1,300,000	965,000	7,230,000	7,230,000	7,230,000
Total expenditures	346,409	448,823	1,549,300	1,153,900	7,660,200	7,660,200	7,660,200
Other requirements							
Contingency	-	-	352,170	-	156,284	156,284	156,284
Total other requirements	-	-	352,170	-	156,284	156,284	156,284
Total expenditures and other requirements	346,409	448,823	1,901,470	1,153,900	7,816,484	7,816,484	7,816,484

Financial Summary

	2014-15 Actual	2015-16 Actual	2016-17 Adopted	2016-17 Estimate	2017-19 Proposed	2017-19 Approved	2017-19 Adopted
Resources over (under) expenditures	(31,722)	(333,785)	177,051	986,500	(759,200)	(759,200)	(759,200)
Beginning fund balance	294,491	262,769	175,119	(71,016)	915,484	915,484	915,484
Ending fund balance	262,769	(71,016)	352,170	915,484	156,284	156,284	156,284

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.

Capital Outlay

	Funding Source	2015-16 Actual	2016-17 Budget	2016-17 Estimate	2017-19 Proposed	2017-19 Approved	2017-19 Adopted
2nd Street Sidewalk	TI	-	75,000	-	-	-	-
Public art	TI	10,000	125,000	15,000	225,000	225,000	225,000
ReVision Florence	TI/City/Other		600,000	950,000	6,450,000	6,450,000	6,450,000
Development projects	TI	-	500,000	-	500,000	500,000	500,000
Estuary trail/land	TI		-	-	55,000	55,000	55,000
Total capital outlay	-	10,000	1,300,000	965,000	7,230,000	7,230,000	7,230,000

FURA Debt Service Fund

This fund accounts for the repayment of City issued full faith and credit obligations issued to finance the FURA's projects and programs. FURA's primary revenue sources to repay the obligation are property taxes and funding commitments from other agencies.

Highlights

- Property tax revenue increase with debt coverage ratio above 1.25 retained with proposed debt issue
- Use fund balance to repay *du jour* borrowings to reduce long-term debt

Changes from the previous year

- Full amortization of the \$3.7 million financing closed in 2016 begins in fiscal year 2017-18

FURA Debt Services Fund Budget

	2014-15 Actual	2015-16 Actual	2016-17 Budget	2016-17 Estimate	2017-19 Proposed	2017-19 Approved	2017-19 Adopted
Beginning fund balance	252,756	565,990	35,349	399,077	780,190	780,190	780,190
Current year resources							
Property taxes	312,441	326,617	363,600	361,100	815,400	815,400	815,400
Miscellaneous	793	946	1,000	1,100	9,000	9,000	9,000
Total current year resources	616,076	1,791,851	364,600	362,200	824,400	824,400	824,400
Total resources	868,832	2,357,841	399,949	761,277	1,604,590	1,604,590	1,604,590
Expenditures							
<i>Debt service</i>							-
2015 FFCO - principal	-	-	127,800	73,300	285,500	285,500	285,500
2018 FFCO - principal	-	-	-	-	-	-	-
Du jour - principal	-	-	-	-	600,000	600,000	600,000
Total principal	190,000	1,885,380	127,800	73,300	885,500	885,500	885,500
FFCO 2015 - interest	-	-	-	74,700	205,700	205,700	205,700
FFCO 2018 - Interest	-	-	-	-	126,000	126,000	126,000
Total interest	112,842	50,867	-	74,700	331,700	331,700	331,700
Debt service	302,842	1,936,247	127,800	148,000	1,217,200	1,217,200	1,217,200
Total expenditures	302,842	1,958,764	127,800	148,000	1,217,200	1,217,200	1,217,200
Other requirements							
Contingency	-	-	272,149	-	387,390	387,390	387,390
Total expenditures and other requirements	302,842	1,958,764	399,949	148,000	1,604,590	1,604,590	1,604,590

Financial Summary and Financial Benchmarks

	2014-15 Actual	2015-16 Actual	2016-17 Adopted	2016-17 Estimate	2017-19 Proposed	2017-19 Approved	2017-19 Adopted
Financial Summary							
Resources over (under) expenditures	313,234	(166,913)	236,800	214,200	(392,800)	(392,800)	(392,800)
Beginning fund balance	252,756	565,990	35,349	565,990	780,190	780,190	780,190
Ending fund balance	565,990	399,077	272,149	780,190	387,390	387,390	387,390
Debt coverage ratio							
Property taxes	312,441	326,617	363,600	361,100	815,400	815,400	815,400
Debt service - excludes du jour and refinanced debt payments	302,842	50,867	127,800	148,000	617,200	617,200	617,200
Debt coverage ratio	1.03	6.42	2.85	2.44	1.32	1.32	1.32

Tax Levy Information

Schedule of Taxable Assessed Value, Tax Rates and Levies

Inception of FURA through Fiscal Year 2036

(Actual through fiscal year 2017, forecasts fiscal years thereafter)

Fiscal Year	Frozen Base	Excess TAV	Total TAV 2.6%	Dollar Change	Percentage Change		Levy Amount	Overlapping Tax Rate
					Total TAV	Excess TAV		
2008	82,903,810	770,473	83,674,283	770,473	0.9%	-	8,472	
2009	82,903,810	15,747,803	98,651,613	14,977,330	17.9%	1943.9%	179,525	11.4000
2010	82,903,810	22,422,460	105,326,270	6,674,657	6.8%	42.4%	255,616	11.4000
2011	82,903,810	23,842,507	106,746,317	1,420,047	1.3%	6.3%	272,704	11.4377
2012	82,903,810	25,252,874	108,156,684	1,410,367	1.3%	5.9%	296,297	11.7332
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	12.2897
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	33,989,424	116,893,234	2,920,708	2.6%	9.4%	406,313	11.9541
2019	82,903,810	36,984,980	119,888,790	2,995,555	2.6%	8.8%	437,684	11.8341
2020	82,903,810	40,057,300	122,961,110	3,072,321	2.6%	8.3%	469,235	11.7141
2021	82,903,810	43,208,354	126,112,164	3,151,053	2.6%	7.9%	500,962	11.5941
2022	82,903,810	46,440,158	129,343,968	3,231,804	2.6%	7.5%	532,859	11.4741
2023	82,903,810	49,754,781	132,658,591	3,314,623	2.6%	7.1%	564,921	11.3541
2024	82,903,810	53,154,346	136,058,156	3,399,565	2.6%	6.8%	597,141	11.2341
2025	82,903,810	56,641,030	139,544,840	3,486,684	2.6%	6.6%	629,514	11.1141
2026	82,903,810	60,217,065	143,120,875	3,576,035	2.6%	6.3%	662,032	10.9941
2027	82,903,810	63,884,741	146,788,551	3,667,676	2.6%	6.1%	694,689	10.8741
2028	82,903,810	67,646,406	150,550,216	3,761,665	2.6%	5.9%	727,476	10.7541
2029	82,903,810	71,504,470	154,408,280	3,858,064	2.6%	5.7%	762,230	10.6599
2030	82,903,810	75,461,402	158,365,212	3,956,932	2.6%	5.5%	804,411	10.6599
2031	82,903,810	79,519,736	162,423,546	4,058,334	2.6%	5.4%	847,672	10.6599
2032	82,903,810	83,682,070	166,585,880	4,162,334	2.6%	5.2%	892,043	10.6599
2033	82,903,810	87,951,070	170,854,880	4,269,000	2.6%	5.1%	937,550	10.6599
2034	82,903,810	92,329,470	175,233,280	4,378,399	2.6%	5.0%	984,223	10.6599
2035	82,903,810	96,820,072	179,723,882	4,490,602	2.6%	4.9%	1,032,092	10.6599
2036	82,903,810	101,425,752	184,329,562	4,605,680	2.6%	4.8%	1,081,188	10.6599



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Glossary

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 Board of Directors. The adopted budget becomes effective July 1. Subsequent to adoption; the Board of Directors may make changes throughout the year.

Approved Budget

Approved, as used in the fund summaries, 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 AV below real market value and set a three percent maximum annual growth rate in the TAV (taxable assessed value), 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.

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).

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 single 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.

Biennial Budget

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

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 biennium; prepared by the Budget Officer.

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 Budget

The Agency's budget for projects, major repairs, improvements and additions, which may be held and maintained by the Agency or more typically are dedicated 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 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.

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.

Charges for Service

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

Comprehensive Annual Financial Report

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

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 city council upon the approval of a resolution. The City separates contingencies into those that are designated for specific purposes and undesignated.

Cost Allocation

Various administrative services including city management, finance, human resources, public works staffing and their related costs are allocated by the City to the Agency for the benefit of these services via a cost allocation methodology.

Cost Center

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

Debt Service

Interest and principal on outstanding bonds due and payable during the biennium.

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

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 designated 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.

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 Agency's fiscal year is July 1 through June 30.

Five-Year Financial Plan

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

Fixed Assets

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

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 fulltime equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

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.

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.

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.

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.

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.

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.

Operating Budget

The plan for current expenditures and the proposed means of financing them. The biennial 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.

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.

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 defray 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 motel room tax.

Tax Roll

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

Transfers

Appropriation category used in the City'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 City Council.

Trust Funds

A fund established to administer resources received and held by the City as the trustee or agent for others. Uses of these funds facilitate the discharge of responsibility placed upon the City 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.