

# EUGENE URBAN RENEWAL AGENCY

## AGENDA ITEM SUMMARY



---

Public Hearing and Action: Resolution 1053 Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2009 and Ending June 30, 2010

---

Meeting Date: December 14, 2009  
Department: Central Services  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 4  
Staff Contact: Kitty Murdoch  
Contact Telephone Number: 682-5860

---

### ISSUE STATEMENT

Urban Renewal Agency Board approval of the first Supplemental Budget for FY10 is requested. Oregon Local Budget Law (ORS 294.480) allows for supplemental budgets for "an occurrence...which had not been ascertained at the time of the preparation of a budget for the current year..." Supplemental Budget #1 consists of transactions totaling \$337,314 in proposed changes to the FY10 Adopted Budget. Brief descriptions of the proposed transactions are provided in Attachment A. This supplemental budget does not authorize any increased property tax levy and has been prepared and advertised in conformance with Oregon statutes.

### BACKGROUND

The Supplemental Budget that occurs in December of a fiscal year is usually the largest because of audit adjustments to budgeted Beginning Working Capital and the reappropriation of funds from the prior fiscal year for program initiatives or projects begun, but not completed, in that year. Supplemental Budgets also recognize new revenue and authorize other unanticipated changes in legal appropriations.

For this Supplemental Budget, the proposed changes fall into the following carryover adjustments:

#### **Transactions Related to Beginning Working Capital**

Isler & Company, LLC, the City's external auditor, has completed its audit for FY09. Based on audited FY09 actual revenues and expenditures, staff determined the FY10 Actual Beginning Working Capital for all funds. The FY10 Actual Beginning Working Capital was then reconciled with the FY10 Budgeted Beginning Working Capital, and the difference between the Budgeted and Actual Beginning Working Capital is the audit adjustment (sometimes called the Marginal Beginning Working Capital adjustment or MBWC) being recognized on this Supplemental Budget.

If the adjustment is an increase to Beginning Working Capital; that is, in the prior year the fund received more revenue than was expected and/or expended less than was budgeted, then the offsetting adjustment in most funds is an increase to Balance Available or Reserve, but in some cases Department Operating or Capital revenues and expenditures are affected. Likewise, if the adjustment is a decrease to the Beginning Working Capital estimate, then most usually Balance Available or Reserves are reduced. These adjustments are described by fund in the attached Transaction Summary (Attachment A).

The Beginning Working Capital Adjustment across all of the URA funds is an increase of \$337,314. The Downtown District's adjustment is an increase of \$121,326 and the Riverfront District's adjustment is an increase of \$215,988. In the URA Downtown General Fund, the offsetting adjustment is an increase to capital development loans; in all other URA funds, the offset is an increase or a decrease to Balance Available.

### **Reappropriations**

Reappropriation transactions recognize appropriations for programs initiated or projects authorized in FY09 by the URA Board, but not completed in that fiscal year and for which a purchase order had not been issued by June 30, 2009. There are no reappropriation transactions in this supplemental budget.

### **Capital Project Carryover Reconciliation**

The Capital Project Carryover estimate is reconciled in this supplemental budget. An estimate of the capital carryover in each pertinent fund was established in the FY10 Annual Budget and approved by the URA Board. These estimates have been reconciled with actual FY09 expenditures and the Capital Budget is adjusted to reflect the remaining unspent balances in each project. These transactions are noted as Capital Project Carryover Adjustments in Attachment A.

### **Timing**

In some cases, expenditure authority is needed immediately to carry out Board direction or to meet legal or program requirements. Approval of Supplemental Budget #1 in December, allows the organization to prepare more accurate mid-year projections by having the general ledger reflect the audited balances in each fund. This, in turn, enables staff to more accurately project the Beginning Working Capital for the next year's Proposed Budget.

## **RELATED CITY POLICIES**

These transactions conform to the City's Financial Management Goals and Policies.

## **BOARD OPTIONS**

Particular requests requiring more information or discussion may be removed from the supplemental budget and delayed for action in a future supplemental budget. In certain cases there may be a financial or legal impact to delaying budget approval. The URA Board may also adopt amended appropriation amounts or funding sources for specific requests in the supplemental budget.

## **AGENCY DIRECTOR'S RECOMMENDATION**

The Urban Renewal Agency Director recommends approval of the attached resolution adopting the Supplemental Budget.

## **SUGGESTED MOTION**

Move to adopt Resolution 1053 adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year beginning July 1, 2009, and ending June 30, 2010.

**ATTACHMENTS**

- A. Transaction Summary
- B. Resolution

**FOR MORE INFORMATION**

Staff Contact: Kitty Murdoch  
Telephone: 682-5860  
Staff E-Mail: [kitty.m.murdoch@ci.eugene.or.us](mailto:kitty.m.murdoch@ci.eugene.or.us)

# Transaction Summary

## 817 Urban Renewal Agency Downtown General Fund

	FY10 Adopted	FY10 SB1 Action	FY10 Revised
<b>I. RESOURCES</b>			
<b>BEGINNING WORKING CAPITAL</b>	1,998,156	107,811 a	2,105,967
<b>CHANGE TO WORKING CAPITAL</b>			
<b>REVENUE</b>			
Intergovernmental	6,700,000	0	6,700,000
Charges for Services	2,000	0	2,000
Miscellaneous	549,000	0	549,000
Interfund Transfers	772,000	0	772,000
Fiscal Transactions	50,000	0	50,000
<b>Total Revenue</b>	<b>8,073,000</b>	<b>0</b>	<b>8,073,000</b>
<b>TOTAL RESOURCES</b>	<b>10,071,156</b>	<b>107,811</b>	<b>10,178,967</b>
<b>II. REQUIREMENTS</b>			
Department Operating			
Planning and Development	972,000	0	972,000
<b>Total Department Operating</b>	<b>972,000</b>	<b>0</b>	<b>972,000</b>
Non-Departmental			
Misc. Fiscal Transactions	9,049,156	107,811 a	9,156,967
Balance Available	50,000	0	50,000
<b>Total Non-Departmental</b>	<b>9,099,156</b>	<b>107,811</b>	<b>9,206,967</b>
	0		
<b>TOTAL REQUIREMENTS</b>	<b>10,071,156</b>	<b>107,811</b>	<b>10,178,967</b>

## 817 Urban Renewal Agency Downtown General Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$107,811 and increase appropriations for capital development loans by the same amount. The adjustment brings the FY10 Budgeted Beginning Working Capital in compliance with the audited FY09 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

## 812 Urban Renewal Agency Downtown Debt Service

	FY10 Adopted	FY10 SB1 Action		FY10 Revised
<b>I. RESOURCES</b>				
<b>BEGINNING WORKING CAPITAL</b>	5,696,506	65,285	a	5,761,791
<b>CHANGE TO WORKING CAPITAL</b>				
<b>REVENUE</b>				
Taxes	1,730,000	0		1,730,000
Miscellaneous	19,000	0		19,000
<b>Total Revenue</b>	<u>1,749,000</u>	<u>0</u>		<u>1,749,000</u>
<b>TOTAL RESOURCES</b>	<b><u>7,445,506</u></b>	<b><u>65,285</u></b>		<b><u>7,510,791</u></b>
<b>II. REQUIREMENTS</b>				
Non-Departmental				
Interfund Transfers	772,000	0		772,000
Intergovernmental Expend.	2,473,750	0		2,473,750
Balance Available	4,199,756	65,285	a	4,265,041
<b>Total Non-Departmental</b>	<u>7,445,506</u>	<u>65,285</u>		<u>7,510,791</u>
<b>TOTAL REQUIREMENTS</b>	<b><u>7,445,506</u></b>	<b><u>65,285</u></b>		<b><u>7,510,791</u></b>

## 812 Urban Renewal Agency Downtown Debt Service

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$65,285 and increase Balance Available by the same amount. The adjustment brings the FY10 Budgeted Beginning Working Capital in compliance with the audited FY09 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

## 813 Urban Renewal Agency Downtown Capital Projects Fund

	FY10 Adopted	FY10 SB1 Action		FY10 Revised
<b>I. RESOURCES</b>				
<b>BEGINNING WORKING CAPITAL</b>	186,363	(51,770)	a	134,593
<b>CHANGE TO WORKING CAPITAL</b>				
<b>REVENUE</b>				
Total Revenue	0	0		0
<b>TOTAL RESOURCES</b>	<b>186,363</b>	<b>(51,770)</b>		<b>134,593</b>
<b>II. REQUIREMENTS</b>				
Capital Projects				
Capital Carryover	138,153	(3,560)	b	134,593
Total Capital Projects	138,153	(3,560)		134,593
Non-Departmental				
Balance Available	48,210	(48,210)	a,b	0
Total Non-Departmental	48,210	(48,210)		0
<b>TOTAL REQUIREMENTS</b>	<b>186,363</b>	<b>(51,770)</b>		<b>134,593</b>

## 813 Urban Renewal Agency Downtown Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$51,770 and decrease Balance Available by the same amount. The adjustment brings the FY10 Budgeted Beginning Working Capital in compliance with the audited FY09 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease the capital carryover by \$3,560 and increase Balance Available by the same amount. This action reconciles the FY10 Capital Carryover Estimate to the actual ending FY09 capital projects balance and carry forward.

## 821 Urban Renewal Agency Riverfront General Fund

	FY10 Adopted	FY10 SB1 Action		FY10 Revised
<b>I. RESOURCES</b>				
<b>BEGINNING WORKING CAPITAL</b>	2,631,487	267,763	a	2,899,250
<b>CHANGE TO WORKING CAPITAL</b>				
<b>REVENUE</b>				
Taxes	685,000	0		685,000
Rental	25,000	0		25,000
Miscellaneous	26,000	0		26,000
<b>Total Revenue</b>	<u>736,000</u>	<u>0</u>		<u>736,000</u>
<b>TOTAL RESOURCES</b>	<b><u>3,367,487</u></b>	<b><u>267,763</u></b>		<b><u>3,635,250</u></b>
<b>II. REQUIREMENTS</b>				
Department Operating				
Planning and Development	288,000	0		288,000
<b>Total Department Operating</b>	<u>288,000</u>	<u>0</u>		<u>288,000</u>
Non-Departmental				
Balance Available	3,079,487	267,763	a	3,347,250
<b>Total Non-Departmental</b>	<u>3,079,487</u>	<u>267,763</u>		<u>3,347,250</u>
<b>TOTAL REQUIREMENTS</b>	<b><u>3,367,487</u></b>	<b><u>267,763</u></b>		<b><u>3,635,250</u></b>

## 821 Urban Renewal Agency Riverfront General Fund

a) **Beginning Working Capital Reconciliation:** Increase the budgeted Beginning Working Capital by \$267,763 and increase Balance Available by the same amount. The adjustment brings the FY10 Budgeted Beginning Working Capital in compliance with the audited FY09 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

## 823 Urban Renewal Agency Riverfront Capital Projects Fund

	FY10 Adopted	FY10 SB1 Action	FY10 Revised
<b>I. RESOURCES</b>			
<b>BEGINNING WORKING CAPITAL</b>	222,322	(51,775) a	170,547
<b>CHANGE TO WORKING CAPITAL</b>			
REVENUE			
Miscellaneous	2,000	0	2,000
Total Revenue	2,000	0	2,000
<b>TOTAL RESOURCES</b>	<b>224,322</b>	<b>(51,775)</b>	<b>172,547</b>
<b>II. REQUIREMENTS</b>			
Capital Projects			
Capital Carryover	210,918	(53,189)	157,729
Total Capital Projects	210,918	(53,189)	157,729
Non-Departmental			
Balance Available	13,404	1,414 a	14,818
Total Non-Departmental	13,404	1,414	14,818
<b>TOTAL REQUIREMENTS</b>	<b>224,322</b>	<b>(51,775)</b>	<b>172,547</b>

## 823 Urban Renewal Agency Riverfront Capital Projects Fund

a) **Beginning Working Capital Reconciliation:** Decrease the budgeted Beginning Working Capital by \$51,775 and decrease Balance Available by the same amount. The adjustment brings the FY10 Budgeted Beginning Working Capital in compliance with the audited FY09 actual revenues and expenditures as determined by Isler & Company, LLC, the City's external auditor.

b) **Capital Carryover Reconciliation:** Decrease the capital carryover by \$53,189 and increase Balance Available by the same amount. This action reconciles the FY10 Capital Carryover Estimate to the actual ending FY09 capital projects balance and carry forward.



**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;  
MAKING APPROPRIATIONS FOR THE URBAN RENEWAL AGENCY  
OF THE CITY OF EUGENE  
FOR THE FISCAL YEAR BEGINNING **JULY 1, 2009**,  
AND ENDING **JUNE 30, 2010**.**

The Urban Renewal Agency of the City of Eugene finds that adopting the Supplemental Budget and making appropriations is necessary under ORS 294.480.

**NOW THEREFORE,**

**BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE** as follows:

Section 1.

That the Supplemental Budget for the Urban Renewal Agency of the City of Eugene, Oregon, for the fiscal year beginning **July 1, 2009**, and ending **June 30, 2010**, as set forth in attached Exhibit "A" is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning **July 1, 2009**, and ending **June 30, 2010**, and for the purposes shown in attached Exhibit "A" are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.480(1)(a), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year or current budget period which requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.480(4).

Section 4.

This resolution complies with ORS 294.480(5), and does not authorize an increase in the levy of property taxes above the amount published in the Annual Budget publication.

The foregoing resolution adopted this 14th day of December, 2009.

---

Director

**EXHIBIT "A"**

*In dollars*

**URBAN RENEWAL AGENCY DOWNTOWN GENERAL FUND**

<b>Non-Departmental</b>	
Miscellaneous Fiscal Transactions	107,811
<b>Total Non-Departmental</b>	<u>107,811</u>
<b>TOTAL URA DOWNTOWN GENERAL FUND</b>	<u><b>107,811</b></u>

**URBAN RENEWAL AGENCY DOWNTOWN DEBT SERVICE FUND**

<b>Non-Departmental</b>	
* Balance Available	65,285
<b>Total Non-Departmental</b>	<u>65,285</u>
<b>TOTAL URA DOWNTOWN DEBT SERVICE FUND</b>	<u><b>65,285</b></u>

**URBAN RENEWAL AGENCY DOWNTOWN CAPITAL PROJECTS FUND**

<b>Capital Projects</b>	
Capital Projects	(3,560)
<b>Total Capital Projects</b>	<u>(3,560)</u>
<b>Non-Departmental</b>	
* Balance Available	(48,210)
<b>Total Non-Departmental</b>	<u>(48,210)</u>
<b>TOTAL URA DOWNTOWN CAPITAL PROJECTS FUND</b>	<u><b>(51,770)</b></u>

**URBAN RENEWAL AGENCY RIVERFRONT GENERAL FUND**

<b>Non-Departmental</b>	
* Balance Available	267,763
<b>Total Non-Departmental</b>	<u>267,763</u>
<b>TOTAL URA RIVERFRONT GENERAL FUND</b>	<u>267,763</u>

**URBAN RENEWAL AGENCY RIVERFRONT CAPITAL PROJECTS FUND**

<b>Capital Projects</b>	
Capital Projects	(53,189)
<b>Total Capital Projects</b>	<u>(53,189)</u>
<b>Non-Departmental</b>	
* Balance Available	1,414
<b>Total Non-Departmental</b>	<u>1,414</u>
<b>TOTAL URA RIVERFRONT CAPITAL PROJECTS FUND</b>	<u>(51,775)</u>
<b>TOTAL REQUIREMENTS - ALL FUNDS</b>	<u>337,314</u>

\* Reserves and Balance Available amounts are not appropriated for spending and are shown for information purposes only.