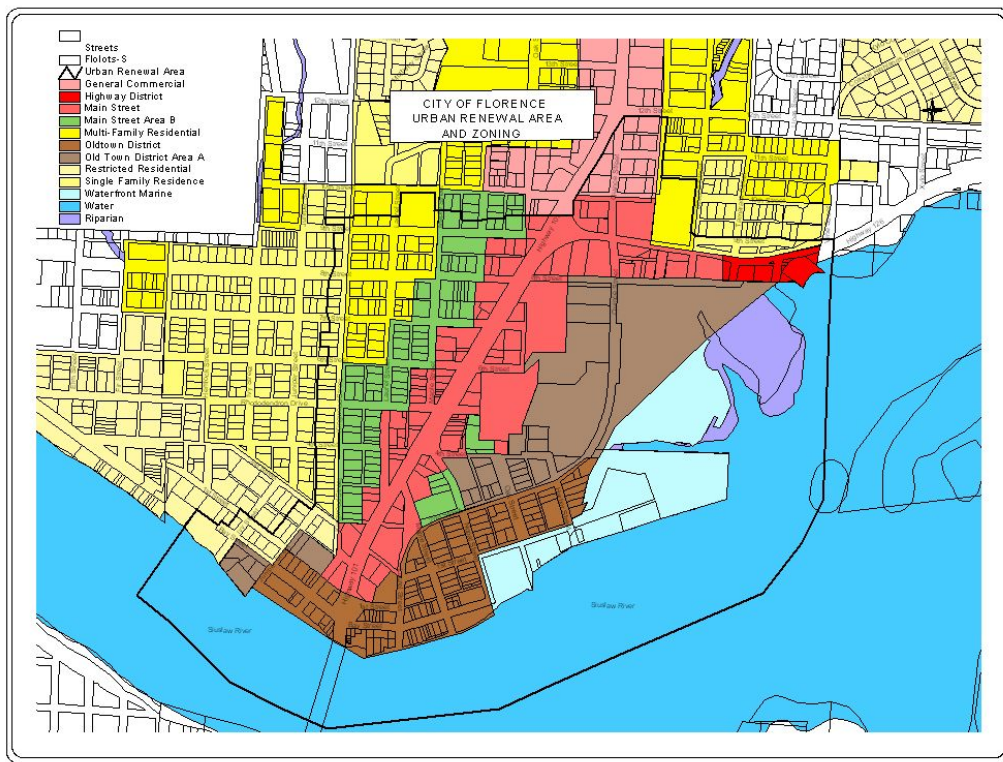


Florence Urban Renewal Agency



Approved Budget

FISCAL YEAR 2013/2014



Florence Urban Renewal District

Budget Message 2013 – 2014

May 13, 2013

This is the budget message for the Florence Urban Renewal Agency's ("Agency") ("FURA") 2013-14 budget. Thank you for your attention and time to look at the budget being proposed. This budget has been prepared under the same fiscal policy that the Agency has followed since its beginning in 2007 – one of fiscal conservancy.

In 2012-13 we have completed all three phases of the Old Town Infrastructure Project ("Project") that the Agency has worked on for the past two years. Last year's budget reflected \$1,800,000 in capital outlay expenditures to complete this Project. With that money spent, the 2013-14 year's budget has a carryover of \$285,000. Last year we also had budgeted \$6,000 in interest income received while the Project's money was receiving interest. The 2013-14 budget budgeted interest is projected to be only \$400. However, the change in the revenue section which is of most concern is the property tax increment. Last year's budget (2012-13) property tax revenue was projected at \$288,000. We expect that the actual amount to be collected will be about \$50,000 less. In light of the reduction in property tax revenues the Agency has conservatively budgeted only \$240,000 for the 2013-14 budget.

We have done an analysis of why there was a decrease in property tax collections. There are a number of factors but the major ones are: CenturyLink, which has extensive infrastructure in the Urban Renewal Area filed with the state for a reassessment of their holdings. This resulted in a decrease of \$1.2M in the assessed value. Safeway likewise received a reassessment and had their value lowered. The lease for International Seafood on the Siuslaw Port property had expired and even though it was renegotiated, the Lane County Assessor's office didn't receive the renegotiated lease so the property came off the tax roll. The leased Port property should come back on the tax rolls in 2013-14, but we doubt that the missed year will be repaid. The Siuslaw School District is in compression which also has a negative effect on our projected revenues. Furthermore, the City

elected two years ago to lower its tax levy from \$2.86/1000 to \$2.47/1000 when it joined the Siuslaw Valley Fire District, which decreases the amount of revenue the Agency collects. None of these incidents could have been foreseen but we have to adjust accordingly.

We have and will continue to be very frugal with our expenses in the proposed 2013-14 budget. Our focus is to preserve our dollars so we can meet our long term debt service commitments. We reduced our material & services by \$20,000, and have included a \$31,840 payment to the Siuslaw Library per our intergovernmental agreement. There is no capital outlay projected and no new projects budgeted for 2013-14.

Our debt service fund budget has a carryover of \$251,000 which is a special reserve being held as a condition of our loan agreement. The debt service payment in the proposed 2013-14 budget is \$315,300.

In conclusion, we conducted a goal setting session to establish priorities for future projects and we will continue to analyze our long range financial statistics to determine when we will be able to engage in any new projects. The 2012-13 fiscal year has been a challenging year yet rewarding year as we are pleased to have completed our primary infrastructure work and are proud of the Agency's participation in completing the Siuslaw Interpretive Center project. The Agency greatly appreciates your service on the budget committee and thanks you for your willingness to help the community.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Nola Xavier".

Nola Xavier

Chair, Florence Urban Renewal Agency

CITY OF FLORENCE
 APPROVED BUDGET REPORT
 FOR THE FISCAL YEAR 2013-14

FLORENCE URBAN RENEWAL AGENCY

2010-2011 ACTUAL	2011-2012 ACTUAL	MAR 31, 2013 YTD ACTUAL	2012-2013 BUDGET	ACCOUNT	DESCRIPTION	2013-2014 PROPOSED	2013-2014 APPROVED
REVENUES							
424,175	383,951	1,803,691	2,370,000	980-000-401000	CARRYOVER	285,000	285,000
5,685	4,100	88,592	3,000	980-000-402000	PROPERTY TAXES - PRIOR YEAR	3,700	3,700
1,444	11,912	6,332	6,000	980-000-403000	INTEREST INCOME	400	400
258	290	271	300	980-000-431000	IN LIEU OF TAXES	300	300
0	2,237,530	0	0	980-000-490501	TRANSFER IN	0	0
256,721	279,128	148,581	288,000	980-000-499997	PROPERTY TAX - CURRENT YEAR	240,000	240,000
688,283	2,916,911	2,047,468	2,667,300	TOTAL REVENUES		529,400	529,400

CITY OF FLORENCE
APPROVED BUDGET REPORT
FOR THE FISCAL YEAR 2013-14

FLORENCE URBAN RENEWAL AGENCY

2010-2011 ACTUAL	2011-2012 ACTUAL	MAR 31, 2013 YTD ACTUAL	2012-2013 BUDGET	ACCOUNT	DESCRIPTION	2013-2014 PROPOSED	2013-2014 APPROVED
DEPARTMENT 010 EXPENDITURES							
MATERIALS AND SERVICES:							
178	533	125	500	980-010-200100	OFFICE SUPPLIES	200	200
220	140	0	1,000	980-010-200102	MISCELLANEOUS SUPPLIES	0	0
250	250	250	250	980-010-200300	MEMBERSHIP AND DUES	250	250
7,250	1,500	1,500	1,500	980-010-201550	WEBSITE DEVELOPMENT & MAINT	1,500	1,500
9	0	0	50	980-010-202100	POSTAGE	0	0
28,215	27,885	32,480	32,500	980-010-202400	IGA LIBRARY LOAN EXPENSE	31,840	31,840
27,862	8,968	1,141	20,000	980-010-203000	CONTRACT SERVICES	4,000	4,000
1,000	3,000	5,000	5,000	980-010-203005	AUDIT SERVICES	5,000	5,000
16	0	0	200	980-010-203250	INSURANCE	0	0
555	533	201	500	980-010-203600	LEGAL NOTICES	600	600
765	12,500	0	2,000	980-010-203601	LEGAL SERVICES	1,000	1,000
151,572	0	0	0	980-010-280000	PRESERVATION & REHABILITATION	0	0
140	202	252	1,000	980-010-290000	OTHER	300	300
1,000	0	0	0	980-010-290050	BANK CHARGES	0	0
219,032	55,510	40,949	64,500	TOTAL MATERIAL AND SERVICES		44,690	44,690
CAPITAL OUTLAY:							
85,300	0	0	0	980-010-320100	LAND ACQUISITION - PARTNERSHIP	0	0
0	640,626	520,635	1,800,000	980-010-320105	GRANT-INFRASTRUCTURE IMP PROJ	0	0
0	0	0	60,000	980-010-320110	GRANT - INTERPRETIVE CENTER	0	0
85,300	640,626	520,635	1,860,000	TOTAL CAPITAL OUTLAY		0	0
TRANSFERS:							
0	417,083	67,663	311,000	980-010-500000	TRANSFER OUT - DEBT SERVICE	314,500	314,500
0	417,083	67,663	311,000	TOTAL TRANSFERS		314,500	314,500
CONTINGENCY:							
0	0	0	278,000	980-010-600000	CONTINGENCY	500	500
0	0	0	278,000	TOTAL CONTINGENCY		500	500
DEBT SERVICE:							
0	0	0	0	980-010-888887	RESERVED FOR FUTURE PROJECTS	60,000	60,000
0	0	0	153,800	980-010-888888	UNAPPROPRIATED ENDING FUND BAL	109,710	109,710
0	0	0	153,800	TOTAL DEBT SERVICE		169,710	169,710
304,332	1,113,219	629,248	2,667,300	TOTAL DEPARTMENT 010		529,400	529,400
304,332	1,113,219	629,248	2,667,300	TOTAL FUND EXPENDITURES		529,400	529,400
383,951	1,803,691	1,418,220	0	NET REVENUE OVER EXPENDITURES		0	0

CITY OF FLORENCE
 APPROVED BUDGET REPORT
 FOR THE FISCAL YEAR 2013-14

URBAN RENEWAL DEBT SERVICE

2010-2011 ACTUAL	2011-2012 ACTUAL	MAR 31, 2013 YTD ACTUAL	2012-2013 BUDGET	ACCOUNT	DESCRIPTION	2013-2014 PROPOSED	2013-2014 APPROVED
REVENUES							
0	0	251,025	250,800	981-000-401000	CARRYOVER	251,000	251,000
0	1,025	686	800	981-000-403000	INTEREST INCOME	800	800
0	2,500,000	0	0	981-000-432010	LOAN PROCEEDS	0	0
0	417,083	67,663	311,000	981-000-490000	TRANSFER IN - URBAN RENEWAL	314,500	314,500
0	2,918,108	319,375	562,600	TOTAL REVENUES		566,300	566,300

CITY OF FLORENCE
 APPROVED BUDGET REPORT
 FOR THE FISCAL YEAR 2013-14

URBAN RENEWAL DEBT SERVICE

2010-2011 ACTUAL	2011-2012 ACTUAL	MAR 31, 2013 YTD ACTUAL	2012-2013 BUDGET	ACCOUNT	DESCRIPTION	2013-2014 PROPOSED	2013-2014 APPROVED
DEPARTMENT 020 EXPENDITURES							
TRANSFERS:							
0	2,237,530	0	0	981-020-500501	TRANSFER OUT	0	0
0	2,237,530	0	0	TOTAL TRANSFERS		0	0
DEBT SERVICE:							
0	280,000	0	175,000	981-020-800515	DEBT PAYMENT - PRINCIPAL	190,000	190,000
0	137,083	67,663	136,000	981-020-800516	DEBT PAYMENT - INTEREST	124,500	124,500
0	12,470	0	800	981-020-800517	DEBT SERVICE FEES	800	800
0	0	0	250,800	981-020-888888	ENDING FUND BALANCE	251,000	251,000
0	429,553	67,663	562,600	TOTAL DEBT SERVICE		566,300	566,300
0	2,667,083	67,663	562,600	TOTAL DEPARTMENT 020		566,300	566,300
0	2,667,083	67,663	562,600	TOTAL FUND EXPENDITURES		566,300	566,300
0	251,025	251,712	0	NET REVENUE OVER EXPENDITURES		0	0