



URBAN RENEWAL AGENCY AGENDA
Monday, August 15, 2016 - 5:15 PM
Council Chambers - 169 SW Coast Highway, Newport, Oregon 97365

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Peggy Hawker, City Recorder at 541.574.0613.

The agenda may be amended during the meeting to add or delete items, change the order of agenda items, or discuss any other business deemed necessary at the time of the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the Council's attention any item not listed on the Agenda. Comments will be limited to three (3) minutes per person with a maximum of 15 minutes for all items. Speakers may not yield their time to others.

3. CONSENT CALENDAR

The consent calendar consists of items of a repeating or routine nature considered under a single action. Any Councilor may have an item on the consent agenda removed and considered separately on request

3.A. Approval of June 20, 2016 Minutes

[June 20, 2016.docx](#)

4. EXECUTIVE DIRECTOR'S REPORT

All matters requiring approval of the Urban Renewal Agency originating from the city manager and departments will be included in this section. This section will also include any status reports for the Urban Renewal Agency information.

4.A. Preliminary Financials for the Fiscal Year Ended June 30, 2016.

[Executive Director Report and Recommendation - June 30, 2016 Financial Report.pdf](#)

[August 15 2016 Preliminary Financials - URA.pdf](#)

[June 2016 Financials - URA Preliminary 8-8-16.pdf](#)

[June 30 2016 URA Summary report.pdf](#)

5. ADJOURNMENT

June 20, 2016
6:00 P.M.
Newport, Oregon

URBAN RENEWAL AGENCY

CALL TO ORDER AND ROLL CALL

The Urban Renewal Agency of the City of Newport met on the above date in the Council Chambers of the Newport City Hall. On roll call, Allen, Swanson, Engler, Saelens, Roumagoux, and Busby were present.

MOTION was made by Saelens, seconded by Swanson, to excuse Sawyer from both of this evening's meetings.

Staff present was City Manager Nebel, City Recorder Hawker, City Attorney Rich, and Community Development Director Tokos.

CONSENT CALENDAR

The consent calendar consisted of the following item:

- A. Approval of minutes from the April 4, 2016 meeting.

MOTION was made by Roumagoux, seconded by Swanson, to approve the consent calendar as presented. The motion carried unanimously in a voice vote.

PUBLIC HEARING

Public Hearing and Possible Adoption of Resolution No. 3757 Adopting, Making Appropriations, and Declaring a Tax Increment for the 2016/2017 Fiscal Year. Nebel reported that the Budget Committee approved budgets for both the Newport Urban Renewal Agency and the City of Newport. He stated that the proposed budget supports the operation and debt requirements of the Urban Renewal Agency in the amount of \$2,294,171; reserves in the amount of \$785,463; and an unappropriated ending fund balance of \$3,719,545; for total requirements of \$6,889,179 for the 2016/2017 Fiscal Year.

Allen opened the public hearing on Resolution No. 3757 at 6:04 P.M. He called for public comment. There was none, and he closed the public hearing for Agency consideration at 6:05 P.M.

Murzynsky explained the "reserved for future expenditure" amount of \$90,000.

MOTION was made by Engler, seconded by Swanson, to adopt Resolution No. 3757, a resolution appropriating expenditures in the amount of \$2,294,171; reserves in the amount of \$785,463; and unappropriated ending fund balance of \$3,719,545; for total requirements of \$6,889,179 for the 2016/2017 Fiscal Year, with the amended "reserved for future expenditure" amount of \$90,000, and certify a request to the Lincoln County Assessor to levy the maximum amount of revenue that may be raised by dividing the taxes

under Section 1, Article IX of the Oregon Constitution with no additional amount being raised by the imposition of a special levy for the South Beach, Newport North Side and McLean Point Districts. The motion carried unanimously in a voice vote.

EXECUTIVE DIRECTOR'S REPORT

Approval of a Lease Agreement with Samaritan Pacific Communities Hospital. Nebel reported that the Agency purchased property on US 101 in South Beach to facilitate future improvements at the US 101 and 35th Street intersection, with the concept that this property would be available for redevelopment after the public improvements have been completed. He stated that the property is occupied by a number of buildings which are owned by the Agency, including the old Flashbacks Restaurant building. He noted that Samaritan Pacific Health Services is interested in leasing this building on a temporary basis to provide space to mock-up room configurations and other design details as plans for the new hospital move forward. He noted that rent of \$2,500 monthly is being proposed, and it is likely that the SPHS will use the building for approximately three months.

MOTION was made by Swanson, seconded by Saelens, to approve a lease with Samaritan Pacific Health Services, and authorize the Executive Director to execute the lease documents as presented. The motion carried unanimously in a voice vote.

ADJOURNMENT

Having no further business, the meeting adjourned at 6:19 P.M.

Margaret M. Hawker, City Recorder

David N. Allen, Chair

EXECUTIVE DIRECTOR REPORT AND RECOMMENDATIONS



Meeting Date: August 15, 2016

Agenda Item:

Preliminary Financials for the Fiscal Year Ended June 30, 2016.

Background:

Finance Director, Mike Murzynsky, has prepared a financial report for the Urban Renewal Agency for the fiscal year that ended on June 30, 2016. Please note that the primary activity within the Urban Renewal District relates to construction projects, most of which are funded through debt services. Actual expenditures are within the approved 2015-16 appropriations, as are the debt service funds as well.

Recommended Action:

No action is required.

Fiscal Effects:

None by reviewing this report.

Alternatives:

None recommended.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "S. Nebel".

Spencer R. Nebel



URBAN RENEWAL AGENCY (AGENCY)

FOR AUGUST 15, 2016 CITY MANAGER'S REPORT

Prepared by: Mike Murzynsky, Director of Finance - August 9, 2016

Title: Preliminary Financials Reports for Fiscal Year End June 30, 2016

Recommended Motion:

None

Background Information:

The Agency has concluded budgetary operations for the 2015-16 Fiscal Year and is in the first part of the audit for same period. Because the City follows Generally Accepted Accounting Principles (GAAP) we have the following as our guidelines.

Most of the City funds are considered Governmental fund and we create/report the financial statements using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. What this means, revenues are recognized as soon as they are both measurable and available, and are considered *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Because we are still in the sixty-day revenue window the financials are incomplete so what is attached is one report which compares 2015-16 Preliminary Year-Ending Fund Balance (EFB) with 2016-17 Budgeted Beginning Fund Balances (BFB). Below is a quick review of each fund which give a bit more insight to each 2015-16 year-end EFB.

Finally, further detail on the City GAAP guidelines can be found in the 2014-15 Annual Financial Report within the Notes to the Basic Financial Statements - Section One Summary of Significant Accounting Policies.

Review of 2015-16 Fiscal Year-end City Funds:

It might be best if the comparison report is available for viewing of the numbers as reading the review of each fund. Further attached are summary reports for each fund, they too can be used as a reference point.

Governmental type funds:

General Fund

Fund 270 which is named Urban Renewal - South Beach is in essence the General fund and the Agency's primary operating fund. The majority of revenues collected are rents related to the South Beach property, interest income and beginning fund balance (BFB). Excluding the BFB and as of this point in time, August 9th, we are 12.37% collected.

The actual expenditures are within the approved 2015-16 appropriations.

The projected 2015-16 ending fund balance has come in \$419,588 while compared to the projected 2016-17 BFB of \$771,865 which leads to a shortage of \$352,277.

Debt Service - URA

Revenues for this fund come from property taxes, interest income and beginning fund balance. Excluding the BFB, the amount collected as of this date is 81.46%. Note, we will have a few more property tax adjustments before we close the books on August 30th.

As noted earlier, debt service expenditures are booked as the payment is due. Thus, the expenditures stayed within approved appropriations for the 2015-16 FY.

The projected EFB for the 2015-16 has, preliminarily, come in at \$2,986,176 and as compared to the projected BFB for the 2016-17 of \$3,439,958 there is a shortage of \$453,782. As noted above, there are a few more adjustments yet to come.

Attachments:

- 1) Preliminary Beginning Fund for 2016-17 (Comparison spreadsheet)
- 2) Summary Reports by fund

City of Newport
Preliminary Beginning Fund Balances for 2016-17
As of June 30, 2016

	2015-16 Fiscal Year			2016-17		
	Actual Beginning Fund Balance	Total Revenues	Total Expenditures	Preliminary Ending Fund Balance	Projected Beginning Fund Balance	Difference
Urban Renewal Agency:						
270 Urban Renewal - South Beach	739,805	53,292	373,509	419,588	771,865	352,277
304 Debt Service - URA	2,577,495	1,925,840	1,517,159	2,986,176	3,439,958	453,782
	3,317,300	1,979,132	1,890,668	3,405,764	4,211,823	806,059

**CITY OF NEWPORT
NEWPORT URBAN RENEWAL AGENCY FUND - FISCAL YEAR 2016**

			For Period Ending:		06/30/16	100% of Year
	Adopted Budget	Amended Budget	Current Month Activity	Actual Year to Date Activity	Budget Remaining	% of Actual To Budget
REVENUES:						
Federal Sources	358,857	358,857	-	-	358,857	0.00%
Investments	-	-	251	2,292	(2,292)	
Miscellaneous	72,000	72,000	4,250	51,000	21,000	70.83%
TOTAL REVENUES:	430,857	430,857	4,501	53,292	377,565	12.37%
EXPENDITURES:						
Newport URA	200,423	200,965	7,477	73,509	127,456	36.58%
Contingency	704,687	704,145				
TOTAL EXPENDITURES:	905,110	905,110	7,477	73,509	127,456	
Excess of Revenue over (under) Expenditures	(474,253)	(474,253)	(2,976)	(20,217)	250,109	
OTHER FINANCING SOURCES						
Transfer In						
Transfer Out	(300,000)	(300,000)	-	(300,000)		
Total Other Financing Sources (Uses)	(300,000)	(300,000)	-	(300,000)	-	
Net Changes in Fund Balance	(774,253)	(774,253)	(2,976)	(320,217)	250,109	
FUND BALANCE - BEGINNING OF YEAR	774,253	774,253		739,806		
FUND BALANCE - END OF YEAR	-	-		419,588	-	

	Appropriations	UEFB	Total Requirements
Adopted Budget	1,205,110		1,205,110
Total Amended Budget:	1,205,110	-	1,205,110