

**URBAN RENEWAL AGENCY  
of the  
CITY OF TALENT**

**Tuesday, June 30, 2015**

6:00 p.m.

102 Home Street, Talent

**SPECIAL - MEETING AGENDA**

6:00 p.m.

<b>1.</b>	<b>Call to Order/Roll Call</b>	
<b>2.</b>	<b>Consent Calendar</b> Approval of Minutes: Special Meeting, June 2, 2015 Regular Meeting, June 16, 2015 Acceptance of Minutes: Budget Committee Meeting, June 2, 2015	
<b>3.</b>	<b>Citizens Heard on Non-Agenda Items</b>	
<b>4.</b>	<b>Administrative</b> Signing -- Monthly List of Checks Items from Chair or Agency Members Items from Executive Director	
<b>5.</b>	<b>Public Hearing on the FY 15-16 Budget</b> To provide members of the public with an opportunity to ask questions and comment on the budget as approved by the Budget Committee on June 2, 2015	
<b>6.</b>	<b>New &amp; Miscellaneous Business</b>	
	6.1	Adopt Resolution #15-6 Adopting the Budget, Making Appropriations, Levying Taxes, and Categorizing Taxes for the 2015-16 Fiscal Year
	6.2	Review & Discuss Proposed 2-Month Transition Plan Provides a gradual planned transition from a 1-person office (current Executive Director) to multiple individuals (city staff members)
	6.3	Discuss Executive Director transition
	6.4	Discuss preferred day/time for holding monthly regular meetings of the Board of Directors
	6.5	Discuss Agent of Record for insurance purposes
<b>7.</b>	<b>Adjournment</b>	

(7:15)	<b>STUDY SESSION (tentative):</b> <i>If time allows, a study session to provide an orientation to urban renewal may be held for new board members.</i>
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*For further information: Details on agenda items can be viewed at [cityoftalent.org](http://cityoftalent.org), at the Talent Urban Renewal Agency office (102 Home Street) or at the City Hall front counter (please ask to see the current Board Packet)*

**Urban Renew Agency  
Of the  
City of Talent  
Minutes of Budget Committee Meeting**

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TUESDAY, JUNE 2, 2015  
102 HOME STREET  
TALENT, OREGON

**AGENDA ITEM 1**

**Call to Order/Roll Call**

Chair Goldman called to order at 6:06 p.m.

**MEMBERS PRESENT:**

Chair Joel Goldman  
Vice Chair Erika Baldwin  
Member Frank Barratta  
Member Nick Medinger  
Member Ron Medinger  
Member Lesley Adams  
Member Jenica Faye  
Member Mehdi Ghavam  
Member Ryan Pederson  
Member Tony Abshire  
Member Sherman Lamb

**ALSO PRESENT:**

Marla Cates, Executive Director

Quorum was present.

**AGENDA ITEM 2**

**ADMINISTRATIVE ITEMS**

- a. Approval of Minutes. Chair Goldman moved that the minutes from the May 20, 2014 Budget Committee Meeting be approved, seconded by Member Baratta. Unanimous approval followed a roll call vote.
- b. Election of Budget Committee Officers for 2015 from among at-large members. Member Nick Medinger nominated at-large member Baratta to become Chair, seconded by at-large member Baldwin. At-large member Baldwin nominated at-large member Faye to become Vice-Chair/Secretary, seconded by Member Pederson. Roll call votes on both nominations resulted in unanimous approvals.

**AGENDA ITEM 3**

**REVIEW OF PROPOSED BUDGET FOR 2015-16**

Executive Director Cates presented an overview of the budget and budget assumptions, noting that although tax revenues continue to increase each year, the proposed budget continues to reflect a conservative figure. She based income projections on 95% of 2015 tax levy plus 3%. She also noted that a possible \$20,000 may be added in June from May tax payments, as has occurred in the past two years; however, this amount has not been included in the proposed budget.

On debt, principal is rising and interest is falling on the 2012 Refunding Bond. Short term debt from the City of \$250,000 will provide the Agency with flexibility

of cash flow in undertaking the Civic Center Alley project and the plaza phase of West Valley View while waiting for tax revenue to come in November. This will also safeguard the required debt service payments, which are due in December.

Cates went through the budget line by line, giving the background, costs and reasoning that comprised each number. She stated that since she is retiring from TURA in Fall 2015, it was likely a Supplemental Budget would need to be done in FY 15-16 to make adjustments in Personnel and in Materials & Services once staffing needs are known. She and TURA board members fielded questions from new at-large members and explained the workings and financial procedures of the Agency that affect the budgeted amounts, as well as the projects that will be completed with the funds. There was a discussion regarding the small contingency fee proposed; and it was agreed that, given the conservative projections overall and the expected additional June revenue, that the proposed contingency was sufficient for present budgeting purposes.

**AGENDA ITEM 4**

**PUBLIC HEARING**

Newly elected Chair Baratta opened the public hearing. No citizens were present. He closed the public hearing.

**AGENDA ITEM 5**

**APPROVAL OF PROPOSED BUDGET**

Chair Baratta called for discussion. After a short discussion, Member Ron Medinger moved that the Committee approve the proposed 2015 – 16 Budget, seconded by at-large member Baldwin. Roll call vote resulted in unanimous approval.

The Committee asked for a few parting words from Cates regarding her upcoming retirement and wished her well. She indicated that after some travel, she plans to return to finish up any remaining filing and organization of records for the next Executive Director of TURA.

**AGENDA ITEM 6**

**ADJOURNMENT**

Chair Baratta adjourned the meeting at 7:10 p.m.

**APPROVED:**

  
\_\_\_\_\_  
Chair Frank Baratta

**ATTEST:**

  
\_\_\_\_\_  
Executive Director, Marla Cates

**Urban Renewal Agency  
of the  
City of Talent  
Minutes of Regular Meeting**

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TUESDAY, June 2, 2015  
102 HOME STREET  
TALENT, OREGON

**AGENDA ITEM 1**

**CALL TO ORDER / ROLL**

Chair Sherman Lamb called the meeting to order at 7:16 p.m.

**MEMBERS PRESENT:**

Chair Sherman Lamb  
Vice-Chair/Secretary Nick Medinger  
Member Ron Medinger  
Member Medhi Ghavam  
Member Anthony Abshire  
Member Ryan Pederson

**MEMBERS ABSENT:**

Member #5 Position - vacancy

**ALSO PRESENT:**

Marla Cates, Executive Director

A quorum was present and due notice had been published.

**AGENDA ITEM 2**

**CITIZENS HEARD ON NON-AGENDA ITEMS**

None.

**AGENDA ITEM 3**

**ADMINISTRATIVE**

Items from Chair or Agency Members

Member Medinger suggested sending a thank you to former member Joan Dean for her service on the board. The board concurred.

Items from Executive Director.

Cates stated that the plaza phase of the West Valley View project, Phase 1D, has not gone out to bid yet but it should be happening soon.

**AGENDA ITEM 4**

**NEW & MISCELLANEOUS BUSINESS**

4.1 Resolution 15-2: Approve Amendment #1 Updating Amended Employment Agreement with the Executive Director [dated June 19 2012]. The Amendment is retroactive to July 1, 2014 and updates three items in the Executive Director's contract: 1) changing from 80% FTE to 53% FTE, 2) changing the number of contractual hours represented by 53% FTE, and 3) adjusting the way the CPI-U cost of living increase is calculated each year Vice Chair Medinger made a motion to accept Resolution 15-2 approving Amendment #1 to the amended employment agreement with the Executive Director. Seconded by Member Pederson. Motion passed with all in favor.

**AGENDA ITEM 5**

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:22 p.m.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Darby Stricker, Chair (elected June 24, 2015)

\_\_\_\_\_  
Marla Cates, Executive Director

**Urban Renewal Agency  
of the  
City of Talent  
Minutes of Regular Meeting**

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TUESDAY, June 16, 2015  
102 HOME STREET  
TALENT, OREGON

**AGENDA ITEM 1**

**CALL TO ORDER / ROLL**

Chair Sherman Lamb called the meeting to order at 6:03 p.m.

**MEMBERS PRESENT:**

Chair Sherman Lamb  
Vice-Chair/Secretary Nick Medinger  
Member Ron Medinger  
Member Medhi Ghavam  
Member Anthony Abshire  
Member Ryan Pederson

**MEMBERS ABSENT:**

Member #5 Position - vacancy

**ALSO PRESENT:**

Marla Cates, Executive Director  
Bradley Wilson  
Mayor Darby Stricker

A quorum was present and due notice had been published.

**AGENDA ITEM 2**

**CONSENT CALENDAR**

Vice Chair Medinger moved to approve the entire Consent Calendar and Member Pederson seconded the motion. Unanimous approval followed a roll call vote.

**AGENDA ITEM 3**

**CITIZENS HEARD ON NON-AGENDA ITEMS**

None.

**AGENDA ITEM 4**

**ADMINISTRATIVE**

Checks were circulated for signing.

**Items from Chair or Agency Members**

Member Medinger reported that the Talent Historical Society Board (THS), in response to TURA's suggestion, would like to be involved in helping propose a name for the Plaza project to be built this year. They could provide a list of the family names instrumental in the early development of Talent. Medinger also stated that THS may be interested in assembling some displays to give historical information about these families and acknowledge their contributions.

Items from Executive Director.

Executive Director Cates reported that the general contractor hired to build the Civic Center Alley project will provide a proposed price for finishing the underground services as a change order to their contract.

She stated that bids for West Valley View Phase 1D [plaza and parking] will be opened on July 8<sup>th</sup>, followed by contract award at TURA's July meeting. Work can begin near the end of July with substantial completion mid-October. Because Cates will be on vacation during part of this time, she has arranged for City Engineer Jeff Ballard [consulting engineer hired by TURA] to oversee the project during her absence if needed. Cates is working with TID on the construction schedule for the Plaza, which will temporarily impact their driveway onto West Valley View. Engineers want to reconstruct the section of road leading from the new alley to TID's new gate, and the contractor will be asked to do that work when TID is closed such as late afternoon or on a Saturday, and provide jump plates where needed to keep driveway accessible.

A new date of Tuesday, June 30<sup>th</sup> at 6 pm was set for adoption of the budget. Vice Chair Medinger is the only member who will be unable to attend. Cates questioned whether the Board wants to have budget numbers revised to reflect extra tax revenue received in June or leave as is. The Board decided there is no benefit to adding it now, since many unknown factors such as future staffing costs will influence other changes to the budget during the new fiscal year.

**AGENDA ITEM 5**

**NEW & MISCELLANEOUS BUSINESS**

5.1 Proposal for a Designated Pollinator Friendly Zone. Citizen and local pollinator expert Bradley Wilson presented his proposal to construct and plant a bee friendly garden in the small curved field northeast of the new roundabout. He reviewed the two design alternatives for the area and responded to questions from the TURA Board. He also asked for the Board's feedback about his proposal and preference of design. Chair Lamb suggested that, since this site will be used as an educational model for gardeners and students, Design #1 is preferable because it is more visible. Other Board members concurred, and added that it would be useful to place an explanatory sign nearby.

A lengthy discussion ranged from water needs of plants, questions about relative costs of the two designs, a source for rocks, ADA requirements for paths, educational display and how community members might be enlisted in the project, such as donating plants. Cates suggested that Talent Harvest Festival would be a good place to have a booth and she also suggested the name of a local artist/landscape designer to contact about creating an artist's rendering of how the proposed area will appear when completed. Cates also stated that cost of the irrigation system for the area will be \$4000 and is the most expensive part of the plan.

Board members voiced a general consensus of support and appreciation for Bradley's proposal and confirmed their preference for Design #1. They asked Bradley to return at a later meeting with a more detailed budget for this design after consulting with Plant Oregon and other community groups, such as Together for Talent, the Garden Club and other local businesses, which might make a contribution to the plan.

5.2 Approve Resolution 15-3 Adopting the Supplemental Budget and Making Appropriations for the FY 14-15 Year, including funds previously appropriated via Resolutions 14-4 and 15-1.

Executive Director Cates stated that this is the third change to the FY 14-15 budget, and it is a single change that increases Personnel by \$2,000. Cates explained that this number is a rounding up of the \$1,466 increase in the Executive Director's amended contract which resulted from a change in her FTE hours for FY 14-15 and a CPI-U salary adjustment. There being no questions, Member Pederson moved to approve Resolution 15-3, Adopting the Supplemental Budget and Making Appropriations for the FY 14-15, including funds previously appropriated via Resolutions 14-4 and 15-1; seconded by Vice Chair/Secretary Nick Medinger. There was no discussion and a roll call vote resulted in unanimous approval.

5.3 Adopt Resolution 15-4 Adopting the Budget, Making Appropriations, Levying Taxes, and Categorizing Taxes for the 2015-16 Fiscal Year.  
This agenda item was postponed until June 30.

**NON AGENDA  
ITEM**

Member Pederson stated that City Council will vote tomorrow night to assume the responsibilities of the TURA Board and, if this decision is made, he wished to express appreciation for the work of the Board over the past several years and the improvements that TURA's projects have given to Talent. He and Member Abshire both invited and encouraged current TURA Board members to attend City Council meetings and bring their input and historical perspective for the benefit of the Council.

**AGENDA ITEM 6**

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 7:00 p.m.

**APPROVED:**

**ATTEST:**

\_\_\_\_\_  
Darby Stricker, Chair (elected June 24, 2015)

\_\_\_\_\_  
Marla Cates, Executive Director



# URBAN RENEWAL AGENCY

of the City of Talent

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## Executive Director's Report For June 30, 2015

Prepared: 6-26-15

**June has been a very busy month with five (5) meetings of the Board of Directors and Budget Committee, so comments in this Executive Director Report will be brief. Although most of agenda items are self explanatory, below is a quick summary of what will be discussed:**

### ADMINISTRATIVE:

Adopt 15-16 Budget: The packet includes the FY 15-16 Budget as approved by the Budget Committee for your consideration and adoption on June 30. A quorum is required. Please review the original Budget Narrative, as this helps explain the purpose of many of the line items. At the Budget Committee, it was discussed there would be additional tax revenue coming in during the month of June, probably around \$20,000. However, the budget was designed to not take that extra revenue into account in order to maintain a conservative budget. Ultimately, the tax revenue TURA received in June was \$32,156. I recommend adopting the FY 15-16 Budget as presented, and adopt a Supplemental Budget once you're further into the fiscal year and needs for personnel and additional capital outlay become known.

*Agenda item: Adopt Resolution 15-6 Adopting the Budget, Making Appropriations, Levying Taxes, and Categorizing Taxes for the 2015-16 FY*

2-Month Transition Plan: As discussed at the June 24 meeting, I have prepared a draft transition plan for splitting the various administrative, financial and project management tasks that I have performed (as a 1-person staff for 13 years) and turning them over in a gradual, phased process to multiple members of the City's staff so that TURA can continue to function well in its last few, final years. The plan that I propose is focused on three main goals:

- 1) a new Executive Director takes over September 1;
- 2) that I train financial and administrative support staff during July and August, so they are ready to provide solid support to the new Executive Director; and
- 3) that tasks related to Phase II of the West Valley View project be taken over by the City Manager immediately, while I continue to manage the current construction projects of the Civic Center Alley and Phase 1D (Plaza) of the West Valley View project. Any agreements or contracts made during the transition time would need to be approved by the Board of Directors, and executed by the Chair or Vice Chair on behalf of the Agency.

There are certain techniques, terminology and levels of understanding that are specific to urban renewal agencies, and I hope to convey this during the transition time. During the month of September, presumably after a new Executive Director has taken over, I plan to continue managing the current construction projects in addition to being available to city staff for assistance and advice. \*\*\* Finally, I propose that no major changes occur in relation to office set up, filing system or computer system, so that I can devote most of my energies to finishing projects and managing an efficient transition.

Discuss Executive Director transition: This agenda item was requested by the Board of Directors as a discussion item. There is no staff report.

Discuss preferred day/time for holding monthly meetings: This agenda item was requested by the Executive Director, to determine the optimal time for holding one regular board meeting per month. A few options include:

- 1) Scheduling the board meeting so it is always on a council meeting night, either at the start or at the end. In this case, the 3<sup>rd</sup> Wednesday would be better from the Executive Director's point of view because it gives time to reconcile bank statements and prepare the monthly financial report for the Consent Calendar. Then, 1<sup>st</sup> Wednesday of the month could be used as a back up meeting time in case a short special meeting is needed that requires action (and minimal discussion) such as approving a contract or IGA.
- 2) Have the regular board meeting on a non-council night, so the board isn't rushed and has plenty of time for discussion on topics of interest. This could be helpful during the transition period.

Discuss Agent of Record for insurance purposes: This agenda item was requested by the City Manager. There is no staff report.

Study Session – tentative: The agenda has earmarked a time for a potential study session on urban renewal with new board members once the June 30 board meeting adjourns. It has been publicly noticed *just in case* there is time available and board members are interested in staying. As discussed at the last meeting, it may be preferable to have one-on-one orientations, so this is purely up to you; we can do whatever meets your needs.

## **PROJECT UPDATES:**

Civic Center Alley: The storm drain is installed. Trenches will soon be dug for the underground power, phone and cable conduits. The former city hall slab foundation has been partially removed, leaving the remaining slab in place to serve as a base for an asphalt overlay. The contractor, Roxy Ann Rock, will soon have a proposal for installing the underground wires that connect the Town Hall, Historical Society, and neighboring house. Finish of general construction is end of July, as the contractor requested a later starting date than originally projected. Undergrounding may take a little longer.

Plaza & Parking – Phase 1D West Valley View: We went to bid recently, and will open bids on July 8. There is a several-day waiting period before a contract can be awarded, so it is anticipated that this can occur at a TURA meeting in the June 15-20 range.

Respectfully submitted,



Marla Cates, Executive Director

# Urban Renewal Agency of the City of Talent, Oregon

## **A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF TALENT ADOPTING THE BUDGET, MAKING APPROPRIATIONS, LEVYING TAXES, AND CATEGORIZING TAXES FOR THE 2015-16 FISCAL YEAR.**

### **RESOLUTION NO. 15-6**

#### **ADOPTING THE BUDGET**

BE IT RESOLVED that the Board of Directors of the Urban Renewal Agency of the City of Talent hereby adopts the budget for fiscal year 2015-16 in the total of \$ 1,812,292 now on file at Talent City Hall.

#### **MAKING APPROPRIATIONS**

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2015, and for the purposes shown below are hereby appropriated:

#### **CAPITAL PROJECT FUND**

Personal Services	\$ 52,900
Materials & Services	40,000
Capital Outlay	497,600
Contingencies	15,000
Total Capital Projects Fund	\$ 605,500

#### **DEBT SERVICE FUND**

Debt Service	\$ 1,209,792
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**TOTAL APPROPRIATIONS, ALL FUNDS** \$ 1,812,292

#### **DECLARATION OF TAX INCREMENT**

**under Option One for existing urban renewal plans as defined by ORS 457.010**

BE IT RESOLVED that the Board of Directors of the Urban Renewal Agency of the City of Talent hereby resolves to certify to the county assessor for the Talent Urban Renewal Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution, and the remainder (maximum) amount to be raised through the imposition of a special levy.

The above resolution statements were approved and declared adopted on this 30th day of June, 2015, by the following vote:

AYES: \_\_\_ NAYS: \_\_\_ ABSENT: \_\_\_ ABSTAIN: \_\_\_

Signed by me in authentication of its adoption and passage by the Urban Renewal Agency of the City of Talent this 30th day of June, 2015.

\_\_\_\_\_  
Darby Stricker, Chair

ATTEST: \_\_\_\_\_  
Marla Cates, Executive Director

# TALENT URBAN RENEWAL AGENCY

Per Res #15-3 6/16/15

Cash Basis of Accounting			ADOPTED		
	ACTUAL	ADOPTED	Supplem.	PROJECTED	APPROVED
	Budget	BUDGET	Budget	Budget	Budget
	FY 13-14	FY 14-15	FY 14-15	FY 14-15	FY 15-16
<b>Capital Projects Fund</b>					
<b>INCOME</b>					
Donations/Grants/Reimbursements	8,772	5,800	50,800	53,600	30,000
Other (Miscellaneous Income)	66,283	0	0	9,000	0
Transfers in for Contract Obligations	175,000	300,000	490,000	490,000	225,000
Short Term Borrowing	0	450,000	450,000	450,000	250,000
<b>Total Income</b>	<b>250,055</b>	<b>755,800</b>	<b>990,800</b>	<b>1,002,600</b>	<b>505,000</b>
<b>EXPENDITURES</b>					
<b>PERSONNEL SERVICE</b>					
Wages	65,843			44,900	46,000
Taxes	5,058			3,800	3,900
Benefits	4,253			2,700	3,000
<b>Total Personnel Service</b>	<b>75,154</b>	<b>50,000</b>	<b>52,000</b>	<b>51,400</b>	<b>52,900</b>
<b>MATERIALS &amp; SERVICES</b>					
Administrative Services	1,013	1,500	3,500	3,500	5,450
Supplies, Insurance & Office	18,031	16,000	16,000	19,000	17,000
Travel & Training	562	500	500	200	500
<b>Contract Services</b>					
Auditor	5,500	5,600	5,600	5,600	5,750
Engineer	0	300	300	0	300
Legal	675	1,000	1,000	600	1,000
Misc & CPA	362	600	1,600	1,700	2,000
UR Consultant & Analyst	3,583	1,500	8,500	4,100	8,000
<b>Total Materials and Services</b>	<b>29,726</b>	<b>27,000</b>	<b>37,000</b>	<b>34,700</b>	<b>40,000</b>
<b>CAPITAL OUTLAY</b>					
<b>Land</b>					
Misc. Acquisitions	0	0	0	0	0
<b>Buildings</b>					
Rehabilitation Grants	3,321	5,000	5,000	1,050	30,000
102 Home St	4,045	1,300	1,300	0	10,000
<b>Improvements other than Buildings</b>					
Capital Maintenance	4,923	2,000	4,000	5,500	5,100
West Valley View Project	137,860	715,000	816,000	790,000	370,000
Civic Center Alley	85	0	95,000	75,000	75,000
Town Hall Ramp				0	7,000
Misc. Improvements	2,895	0	7,000	900	500
<b>Total Capital Outlay</b>	<b>153,129</b>	<b>723,300</b>	<b>928,300</b>	<b>872,450</b>	<b>497,600</b>
<b>CONTINGENCY</b>					
	0	25,000	0	0	15,000
<b>Total Expenditures</b>	<b>258,009</b>	<b>825,300</b>	<b>1,017,300</b>	<b>958,550</b>	<b>605,500</b>
Beginning Fund Balance	84,216	82,820	82,820	76,262	120,312
<b>Ending Fund Balance</b>	<b>76,262</b>	<b>13,320</b>	<b>56,320</b>	<b>120,312</b>	<b>19,812</b>

	ACTUAL	ADOPTED	Supplem.	PROJECTED	APPROVED
	Budget	BUDGET	Budget	Budget	Budget
Debt Service Fund	FY 13-14	FY 14-15	FY 14-15	FY 14-15	FY 15-16
<b>REVENUE</b>					
Misc. Revenue	0	0	190,000		
Tax Revenue		1,190,000	1,190,000	1,202,000	1,238,000
Current Year Tax Revenue	1,097,187				
Prior Year Tax Revenue	51,988				
Interest earnings	4,610	4,000	4,000	5,677	6,455
<b>Total Revenues</b>	<b>1,153,785</b>	<b>1,194,000</b>	<b>1,384,000</b>	<b>1,207,677</b>	<b>1,244,455</b>
<b>EXPENDITURES</b>					
<b>Debt Service</b>					
12 Bond Principal	675,000	695,000	695,000	695,000	705,000
12 Bond Interest	62,421	45,022	45,022	45,022	27,242
Borrowing Costs (and 2012 Bond escrow)		0	0	250	250
Transfers Out for Contract Obligations	175,000	300,000	490,000	490,000	225,000
Short Term Borrowing- Principal		450,000	450,000	450,000	250,000
Short Term Borrowing - Interest		9,000	9,000	2,308	2,300
<b>Total Debt Service</b>	<b>912,421</b>	<b>1,499,022</b>	<b>1,689,022</b>	<b>1,682,580</b>	<b>1,209,792</b>
<b>Total Expenditures</b>	<b>912,421</b>	<b>1,499,022</b>	<b>1,689,022</b>	<b>1,682,580</b>	<b>1,209,792</b>
Beginning Fund Balance	647,118	871,597	871,597	888,482	413,579
<b>Ending Fund Balance</b>	<b>888,482</b>	<b>566,575</b>	<b>566,575</b>	<b>413,579</b>	<b>448,242</b>
Required Reserve Account Balance as of July 1					
12 Bond Reserve	343,500	343,500	343,500	343,500	343,500
Total Required Reserve	343,500	343,500	343,500	343,500	343,500
Amount over required balance	544,982	223,075	223,075	70,079	104,742



# URBAN RENEWAL AGENCY

of the City of Talent

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## TALENT URBAN RENEWAL AGENCY

Talent, Oregon

### 2015-16 BUDGET ASSUMPTIONS

Prepared by Marla Cates, Executive Director  
May 28, 2015

#### **BACKGROUND INFORMATION**

**Urban renewal budget formats differ greatly from formats used by municipalities. There is no General Fund; instead, there are funds for capital expenditures and debt service. Urban renewal agencies cannot spend tax revenue directly when it is received; instead, agencies must utilize some form of debt in order to convert tax revenue from one fund into spendable capital in the other fund.**

#### **Changes for FY 15-16:**

- Tax revenue levied on behalf of the Agency by Jackson County for the FY 14-15 year was greater than anticipated, and the revenue to be received by the end of the fiscal year is expected to significantly exceed the budgeted amount. Still, the FY 15-16 Proposed Budget maintains a conservative approach, knowing that the Board of Directors has the ability to modify the budget in mid-year if necessary to accommodate additional expenditures made possible by increased revenue.
- TURA will again utilize a line of credit provided by the City of Talent in Summer 2015. This assists TURA's cash flow during Summer and Fall construction of Phase 1D (Plaza) of the West Valley View project before the majority of its tax revenue is received in November. The line of credit is anticipated to carry the same terms as before, a 2% interest rate and will be repaid in full during the fiscal year..
- This budget covers the last three projects on the Agency's current list: finishing the plaza phase of West Valley View, completing the Civic Center Alley project, and making improvements to the historic Town Hall's ADA ramp.
- The Agency's Executive Director will be leaving in Fall 2015, once the current construction projects are completed, in order to pursue new adventures after 13.5 years of service to the Agency. The Agency's Board of Directors will soon begin the process of deciding how the Agency will be staffed going forward, and because this largely depends on what new projects are possible, the Agency may need to adjust the budget as it relates to Personnel and Materials/Services.

**GENERAL COMMENTS REGARDING THE PROPOSED FY 15-16 BUDGET:**

**Capital Outlay**

Projects shown under Capital Outlay are intended to be consistent with projects authorized in the Urban Renewal Plan approved when the Agency was established in 1991, and later as amended in 1998 and 2005.

The timing and funding of these projects is established by the Board of Directors and coordinated with the City's capital improvement plan when appropriate. The timing has been, and will continue to be, heavily influenced by the West Valley View project, which is being built out in phases through Fall 2015 to correspond with available funds. There are no other major projects of this kind planned at this time. The Agency may terminate in December 2016, unless Phase II of the West Valley View project (extension of the roundabout) appears possible, in which case the Agency would terminate at its normal time of 2019.

The Civic Center Alley project will be completed in Summer 2015. This project will make storm drain, parking, paving, landscaping and aesthetic improvements to the alley surrounding the historic Town Hall. The costs of this project are being shared by the City of Talent, which will reimburse the Agency.

The Agency will also make some structural improvements to the ADA ramp behind the Town Hall.

The Rehab Grant Program did not attract much interest from property owners or tenants for most of the year, but this may change in the near future.

**Tax Revenue**

Anticipated tax revenue for the proposed Fiscal Year 15-16 is likely to see a healthy increase, although the budget remains on the conservative side. This year, the tax revenue was calculated by taking 95% of the FY 14-15 tax levy amount – since it is common for 5% of the levy to not be paid during the year it was assessed as described in the next paragraph – then adding 3%.

**Current vs. Prior Year Revenue:** Taxes are levied by the County Tax Assessor each October, but the amount actually received by the Agency is always less than 100%. This is because not all property owners pay their taxes within the current tax year (by May 15). It is often typical to budget for a collection rate of 95% (92% from current year taxes, and 3% from past due taxes). In the past, TURA has shown current year taxes and past due taxes as separate line items, but beginning FY 14-15 these are now combined into a single tax revenue figure.

**Fiscal Year:**

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

**Basis of Accounting:**

The Agency operates under a cash basis of accounting, with the permission of the auditor, due to the small size of its budget.

**Rounding:**

Figures for the FY 15-16 budget may be rounded.

## **BUDGET CATEGORIES**

There are two funds established for the Agency: **Capital Projects Fund** and **Debt Service Fund**.

The **Capital Projects Fund** includes all expenses associated with the operation of the Agency, including administration and project construction. There are three expense categories within this Fund: Personnel Service, Materials & Services and Capital Outlay.

By law, the Agency is operating within its budget if it does not exceed the budget per expense category more than 10%. This allows for fluidity within the individual line items, particularly construction projects which have a tendency to bridge the fiscal year end of June 30. Contingency funds or other income can be transferred to these general categories by a resolution of the Board if the change is less than 10%. However, any transfer which results in a 10% increase in an expense category requires a Supplemental Budget and public hearing. Only increases to expense categories require the Agency to modify its budget; increases in income do not require any change.

The **Debt Service Fund** consists of only tax revenue deposits and debt payments for long term debt (bond issuances) and short term borrowing (duJour borrowing or Line of Credit). Unlike other municipal forms of government, urban renewal agencies cannot spend tax revenue when it is received; agencies are required to borrow or have some form of contract debt against anticipated tax revenue. It is this process of being in debt that "converts" tax revenue in the Debt Service Fund to spendable funds in the Capital Projects Fund. However, in recent years, bond counsel now agrees that a formal contract -- such as a construction contract -- may be considered as debt. This is useful for smaller urban renewal agencies such as Talent, with borrowing needs that are less than \$500,000.

## **CAPITAL PROJECTS FUND -- PROPOSED BUDGET DETAILS**

### Income

Donations/Grants/Reimbursements -- This represents potential future reimbursement from any grants or other sources that may occur. In previous years, a small annual reimbursement from a developer was received, but FY 14-15 was the last year the reimbursement was due. For both FY 14-15 and FY 15-16, reimbursements will be received from the City as part of cost sharing in the Civic Center Alley project, and the Agency will be reimbursed by its insurance company for damages to a lamppost.

Transfer In for Contract Obligations -- This line item responds to bond counsel advice that formal contracts can be considered debt, and is the method the Agency uses to transfer existing tax revenue (not already committed to a formal borrowing) from the Debt Service Fund to the Capital Projects Fund to help pay for projects.

Short Term Borrowing -- FY 15-16 anticipates a Line of Credit with the City of Talent to assist TURA with cash flow during construction in Summer and Fall 2015.

### Personnel Service

The Executive Director's salary changed in FY 14-15 from 80% FTE to 53% FTE. The employment agreement includes a contract amount with annual CPI-U increases. A 457 deferred tax retirement plan is provided by the Agency at 6%. No other benefits are provided.

### Materials & Services

Administrative Services -- Includes support services provided by city staff, such as bank reconciliations, and hired services to produce minutes and provide office support.

Supplies, Insurance & Office Equipment– This includes the Agency's office supplies, general liability insurance costs, newspaper public notices, bank account fees, staff expense reimbursements, membership dues, and first year property taxes on any land purchased. It also includes furniture purchases and office equipment; any equipment under \$5,000 is not considered a fixed asset.

Travel & Training -- Provides for annual training opportunities and statewide meetings for the Executive Director and for one or two board members. Trips outside of southern Oregon include one night of overnight lodging. Mileage is reimbursed at the current IRS rate.

### Contract Services

Auditor – Estimated price for the auditing firm of Pauley Rogers & Co.

Engineer – The Agency contracts with a consulting engineer (usually, the City Engineer) to help supervise construction projects, provide continuity with City projects, and help meet City standards. This line item is for general or non-specific engineering consulting services that aren't associated with a specific capital project. All other engineering services are capitalized as part of projects shown under Capital Outlay.

Legal – The Agency works with an attorney specializing in urban renewal matters including state law compliance, public works construction and real estate. General services are shown here. Other services directly related to specific projects (such as right of way acquisition) are capitalized under Capital Outlay.

Miscellaneous & CPA -- Provides for accounting and financial management advice, as well as payroll services and other types of technical assistance.

UR Consultant & Analyst – An urban renewal consultant and a financial analyst both periodically provide technical assistance in calculating assessed values, tax increment financing and bond forecasts, along with advising on urban renewal-specific matters.

### Capital Outlay

*General Background Note: Construction projects are often based on estimates obtained in advance from various sources. Actual design and construction contracts typically occur after the budget has been produced, and may vary from the budgeted amount. Additional projects may be added as line items during the year, as needed, depending on available revenue. All projects must be authorized under the Urban Renewal Plan. Conceptual planning, pre-engineering studies and fact finding occur before design work. Design work (architectural and engineering services) and bidding generally occurs in the FY year before actual construction. Most large construction projects begin in June or July, about the same time the current fiscal year ends and the next fiscal year begins.*

Land -- This line item allows for any potential land purchase the Agency may choose to make that is not currently associated with a project. No purchases are anticipated for this year. Land purchased specifically as a project cost is booked under Capital Outlay.

Buildings -- Rehabilitation Grant: The Rehabilitation/Façade Improvement Grant program is a reimbursement program for property owners within the urban renewal area. The Agency provides direct grants of \$5,000, matching grants of up to \$10,000 (\$15,000 for Local Landmark buildings) and historic/architectural consulting services to property owners.

Buildings -- 102 Home Street: Some standard repair and upkeep work on the Agency's office is needed. At present, this includes exterior painting and partial re-roofing over the conference room.

Capital Maintenance -- On Agency-installed landscape, the Agency pays for maintenance and irrigation costs for up to two years from installation, currently for installations as part of the West Valley View project. The areas behind Camelot Theatre will be maintained by the Agency until March 2016, and the roundabout area and the planned plaza area will be maintained until at least December 2016.

West Valley View Street Network Project -- This major downtown project is in the process of being constructed over a period of four years. Phase 1a (Seiber Street) was constructed FY 11-12, Phase 1b (Main St extension and LaPree re-alignment) was completed FY 12-13, Phase 1c will finish the Main Street extension and install the roundabout in FY 14-15. The plaza area is planned for FY 15-16.

Civic Center Alley -- This is the asphalt area around the existing historic Town Hall (old Community Center) which will be repaved with new parking, underground utilities, a new storm drain, and new lighting, landscape planters and an enclosed trash and recycling area. The work begins June 2015 and the majority of improvements will be completed in July 2015.

Town Hall Ramp -- TURA is able to make capital improvements to this building, as well as assist with façade grants. The budget this year provides a rough estimate for improvements to the rear ADA ramp, as determined by TURA's engineer.

Miscellaneous Improvements -- Normally held for small, unanticipated projects such as purchase and installation of bike racks, trash receptacles and project signage. No purchases are anticipated this fiscal year, but it is helpful to have a small amount budgeted to accommodate unforeseen requests.

### Contingency

Cash available for additional projects, unforeseen expenditures, or rollover to the next fiscal year. The Board of Directors can move funds from Contingency into other expenditure categories if needed, through a Supplemental Budget process.

### **DEBT SERVICE FUND -- PROPOSED BUDGET DETAILS**

Misc. Revenue -- This line item is used for balancing the budget in the case of a Supplemental Budget or for the 2012 Refunding Bond that provided a portion of the bond for the Agency's bond costs. There was a Supplemental Budget in FY 14-15.

Tax Revenue -- Assumes 95% of the anticipated County Assessor's tax levy will be received during the current year. The anticipated tax levy is assumed to be 3% higher than 95% of last year's tax levy. This replaces the previous method of splitting tax revenue received into "current year" and "prior year" revenue.

Interest Earnings -- Interest on tax revenue and interest income from bank accounts and state treasury accounts.

Bond Principal & Interest -- These are payments made on long term bonds. There is only one bond at present, the 2012 Refunding Bond. It is scheduled to be paid off December 2016.

**Borrowing Costs** – This line item is where fees associated with borrowing are recorded, such as fees from financial analysts, bond counsel, bank origination costs, or legal documentation.

**Transfers Out for Contract Obligations** -- This line item is included in response to bond counsel advice that formal contracts can be considered debt. A corresponding Transfer In line item is shown under income in the Capital Projects Fund. It functions similar to short term borrowing, converting existing tax revenue into spendable capital.

**Short Term Borrowing & Interest** – These are payments made to lenders on Line of Credit or duJour (overnight borrow/repay) borrowing. The intent is to use a pay-as-you-go approach, timed to when tax revenue is received so re-payment can occur fairly immediately.

**Required Reserve Account Balance** -- This fund balance accounts for reserve funds required under the terms of bonds issued. A Revolving Line of Credit or duJour borrowing does not require a reserve fund.

**Beginning Fund Balance** – The beginning fund balance in the Debt Service Fund reflects unspent revenue remaining from the previous fiscal year, which is carried forward into the next fiscal year.

Respectfully Submitted,

Marla Cates, Executive Director

Draft for Discussion



**URBAN RENEWAL AGENCY**  
**of the City of Talent**  
**P.O. Box 445**  
**Talent, OR 97540**

**TRANSITION PLAN**

Author: Marla Cates, Executive Director

Date: June 22, 2015

Legend: Current Executive Director  
City Staff  
TBD / Blend

- GOAL:**
1. New Executive Director takes over on September 1
  2. Current Executive Director uses July/August to train city support staff, in preparation for being ready to provide full support for new Exec. Dir. on September 1

**PROCESS:** The current Executive Director (retiring October 1) has handled all admin, financial and project management tasks for 13.5 years  
 Transitioning from a single individual to multiple individuals (city staff) will need to be gradual, and phased, in order to build a solid support team for the new ExecDir  
 This plan allows for the following:

- 1) the current Exec Dir to handle current construction project management while maintaining administrative/financial authority until Sept 1
- 2) the City Manager -- future Exec Dir -- to begin work immediately on negotiations and funding for W.V.V. Phase II (roundabout extension) already designed

	June 2015	July 2015	August 2015	Sept 2015	Oct 2015	Nov 2015
<b>Executive Director</b>						
Marla Cates				transition advice		
Tom Corrigan				<b>NEW EXECUTIVE DIRECTOR</b>		
<b>Administrative</b>						
Board meetings:						
Produce board packets			blend			
Public notices						
Audio recording						
Prepare minutes		blend				
RFPs			blend			
Authority to assign & schedule city staff						
Authority to train, review & approve city staff work				transition advice		
Filing		blend				
Archive records			TBD by Exec Dir & City Recorder			
<b>Legal</b>						
Communicate with UR attorney on UR affairs						
Direct attorney on UR affairs						
Execute contracts & agreements						
<b>Financial</b>						
Check writing						
Monthly Expense Reports						
Reconciliation - QuickBooks		Auditor to decide best practices...				
Reconciliation - cross check		... & revise Res. 11-3 Internal Financial Controls				
FY 14-15 Audit			final field work		board agenda: accept	
FY 14-15 Annual Report					board agenda: approve	
Interfund & LGIP transfers						
Purchase Orders						
Investigate funding for WWW Phase II						

		June 2015	July 2015	August 2015	Sept 2015	Oct 2015	Nov 2015
Project Management							
	WV - 1D- Plaza construction				transition advice	RH2 Engineering	
	Civic Center Alley construction				transition advice		
	WV - Phase II - 2nd leg roundabout	lead	lead	lead	lead		
		advisor	advisor	advisor	advisor		
			Board Chair to execute contracts				
	Loan or grant program		lead	lead	lead		
			advisor	advisor	advisor		
			Board Chair to execute contracts				
Contracted Professional Services							
	UR attorney: Jeannette Launer						Retires Dec 2015
	IT Services: CyberMedic		transition to be determined by CyberMedic & City IT				
	Consulting Engineer: RH2 for W.V.V. project						
	UR Consultant: Elaine Howard						
Office Systems							
	Physical move to City Hall after Oct 1						
	Computer system remains as-is until Oct 1						
	Filing system remain as-is until Oct 1						

<b>6-30-15</b>	<b>6.3</b>	<b>Discuss Executive Director transition</b>
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This is a discussion item requested by the Board of Directors,  
there is no supplemental information prepared ahead of time.

<b>6-30-15</b>	6.4	Discuss preferred day/time for holding monthly regular meetings of the Board of Directors
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Additional details related to this agenda item -- if any -- are included in the Executive Director's Report found in the Board Packet

<b>6-30-15</b>	6.5	Discuss Agent of Record for insurance purposes
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This is a discussion item requested by the City Manager.  
Additional details related to this agenda item – if any – are included in the  
Executive Director’s Report found in the Board Packet