



STAFF REPORT

DATE: June 14, 2022
TO: Jeff Towery, City Manager
FROM: Jennifer Cuellar, Finance Director
SUBJECT: Public Hearing on FY2022-23 Approved Urban Renewal District Budget



CITY GOVERNMENT CAPACITY

Strengthen the City's ability to prioritize & deliver municipal services with discipline and focus.

Report in Brief: A public hearing on the FY2022-23 Urban Renewal Budget as approved by the Budget Committee is required by Oregon statute.

Discussion of Hearing and Resolution Actions:

On May 17, 2022, the McMinnville Urban Renewal District's (UR) Budget Committee approved the City of McMinnville 2022– 2023 Budget. ORS 294.453 requires that, after the local government's budget committee has approved the budget, the governing body must hold a budget hearing to take citizen testimony on the approved budget.

Five to 30 days before the scheduled hearing, ORS 294.448 requires that the governing body publish a "Notice of Budget Hearing and Financial Summary." The Notice includes the date, time, location and remote access instructions for the budget hearing and a summary of the 2022 – 2023 Approved Budget. The Notice must appear in a newspaper of general circulation.

The required Notice and Financial Summary were published in the News Register on May 31, 2022.

The City also has a Budget Public Comment page on its website to facilitate the community's ability to weigh in on budget matters in a remote way.

A resolution adopting the FY2022-23 Urban Renewal District Budget will be presented to the City Council at the June 28, 2022 meeting. The City will then certify the budget to the County Assessor's office prior to July 15, 2022.

Fiscal Impact:

Following the budget adoption and public hearing process is required for the Urban Renewal District to draw property taxes as allowed above the District's frozen base.

Recommendation: Hold public hearing as required by ORS 294.453.

Documents:

1. FY23 McMinnville Urban Renewal District Approved Budget Hearing notice

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the McMinnville Urban Renewal Agency will be held on June 14, 2022 at 7:00 pm at the Kent L Taylor Civic Hall, 200 NE 2nd Street, McMinnville, Oregon and via Zoom for remote access. Information on remote viewing and real time public comment options is available in the calendar section of mcminnvilleoregon.gov. In addition, public comment may be submitted ahead of the hearing online on the city's website mcminnvilleoregon.gov/finance/webform/budget-public-comment. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2022 as approved by the Urban Renewal Agency Budget Committee. A summary of the budget is presented below. A copy of the budget is available online at mcminnvilleoregon.gov/finance. This budget is for an annual budget period and was prepared on a basis of accounting that is the same basis of accounting as used the preceding year.

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FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2020-21	Adopted Budget This Year 2021-22	Approved Budget Next Year 2022-23
Beginning Fund Balance/Net Working Capital	473,730	347,340	616,439
Interfund Transfers	196,928	227,077	250,848
All Other Resources Except Division of Tax & Special Levy	19,296	21,650	25,820
Revenue from Division of Tax	394,050	440,200	598,000
Total Resources	1,084,004	1,036,267	1,491,107

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Materials and Services	158,579	320,750	288,350
Capital Outlay	0	0	75,000
Debt Service	0	0	0
Interfund Transfers	431,121	460,487	490,634
Contingencies	0	100,000	121,292
All Other Expenditures and Requirements	0	0	0
Unappropriated Ending Fund Balance	494,303	155,030	515,831
Total Requirements	1,084,004	1,036,267	1,491,107

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program	FTE for that unit or program		
Urban Renewal Fund	410,753	366,863	437,140
FTE	0	0	0
Urban Renewal Debt Service Fund	673,251	669,404	1,053,967
FTE	0	0	0
Total Requirements	1,084,004	1,036,267	1,491,107
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

This is the Urban Renewal (UR) District's ninth year and revenues are beginning to grow based on investments made in the district. For 2022-23, the total incremental increase in assessed value is anticipated to be \$43.1 million over the District's 2012-13 "frozen" base value of \$86.3 million. Property taxes are projected to increase to \$598,000. Projects for 2022-23 include Third Street Improvements (\$85,000) and the Property Assistance Program (\$100,000) to incentivize new construction and building improvements in the District. Capital investments in public offstreet parking and district identity improvements are also included. Debt Service of \$187,288 (included in Interfund Transfers) is appropriated for payment on 2016-17 Alpine Avenue loan.

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	
Other Bonds	\$0	
Other Borrowings	\$1,610,060	
Total	\$1,610,060	