

Urban Renewal Agency



ADOPTED BUDGET

2016-2017



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FY 2017 Proposed Budget

Office of the City Manager

May 24, 2016

Members of the City Council in your capacity as the Urban Renewal Board, Citizen Members of the Budget Committee, and Citizens of Klamath Falls, Oregon:

In accordance with local budget law and the City Charter, I submit the proposed Urban Renewal Agency budget for fiscal year 2016-2017 for your review and approval. The Klamath Falls Urban Renewal Agency consists of three separate Districts – the Downtown Urban Renewal District, the Lakefront Urban Renewal District and the Town Center Urban Renewal District. The combined total budget for the three Urban Renewal Districts for fiscal year 2017 is \$433,600 including contingency, broken down as follows: Downtown, \$127,450 Lakefront, \$78,775; and Town Center, \$227,375.

According to the Oregon Department of Revenue, an urban renewal agency is funded substantially by:

“portions taken out of local government property tax levies (division of tax revenue)...

Division of tax revenue is calculated by splitting local government property taxes between the local governments that levied the taxes and the urban renewal agency. The split is recalculated each year based on value growth within the plan area. This tax splitting may have a couple different effects depending on the levy type. For operating (permanent rate) levies that are levied at a particular rate, division of tax does not change the tax rate or cause much change in the overall amount of tax billed, but it does reduce the amount that gets distributed to the local governments. In contrast, division of tax affects some bond and local option levies that are levied to raise a particular dollar amount by causing those tax rates to be higher in order to raise enough tax to cover both the levied amount as well as the division of tax amount.

Both the division of tax and urban renewal special levy amounts are subject to constitutional tax limitations (Article XI, section 11b of the Oregon Constitution), and are distributed to the urban renewal agency.”

(http://www.oregon.gov/dor/ptd/pages/ic_504_623.aspx)

The Downtown Urban Renewal District will be completely closed in fiscal year 2017. All funds are under contract and will be expended early in fiscal year 2017. The remaining capital projects totaling an estimated \$92,400 will be completed in 2017 and are listed on the attached schedule. The rental revenue and associated expense from the “South Portal” building will be transferred out to the City’s

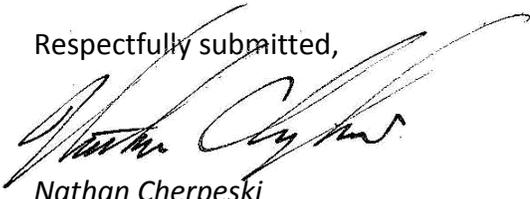
Downtown Maintenance District Fund in fiscal year 2017. In future years, it may be necessary for the City to dedicate funds for the continual improvement and maintenance of the Downtown Area.

The Lakefront Urban Renewal District was established in 2001 to create a riverfront mixed use area comprised of offices, retail shops and condominiums. While there appears to be renewed interest in the area, development still has not occurred. The Lakefront District has a financial borrowing cap as designated in the Renewal Plan of \$7,050,000 with \$5,407,500 left to borrow. The District is projected to collect about \$77,725 in property taxes during fiscal year 2017. The property values for this area decreased by \$2,314,102 since last year. Under the Renewal Plan and the development agreement, the District is required to reimburse the developer for many of the infrastructure improvements already installed once the revenues are sufficient to do so. Due to lagging development, the developer has spent \$2,248,564 and has not yet been reimbursed. This reimbursement will occur once the assessed values increase.

The City's newest Urban Renewal District, the Town Center Urban Renewal District, was established in 2005 to revitalize the old Klamath Mall Shopping Center. The original developers remodeled the Gottschalks building and completed a new Sherm's Thunderbird Market but were not able to complete the development as originally planned. The properties went into foreclosure and were taken over by the project lender. A new developer has purchased the properties and the District entered into a revised development agreement. Two new stores have opened in the old Gottschalks building, Beall's and Sportsman's Warehouse. The Town Center District is anticipating tax increment revenues of approximately \$177,875. The District has a financial borrowing cap as designated in the Renewal Plan of \$2,953,000 with \$828,000 remaining to borrow.

A feasibility study was conducted on a potential new urban renewal area. While the study is complete, council has not taken action on whether to proceed with drafting a formal urban renewal plan.

Respectfully submitted,



Nathan Cherpeski
City Manager

**CITY OF KLAMATH FALLS
BUDGETING PRINCIPLES AND ASSUMPTIONS
FY 2016-2017**

Investment Policy

The City investment policy stresses, in order, safety, liquidity, and return. Interest estimates for the majority of this budget use a conservative .75% annual average earnings rate (consistent with the LGIP rate).

Basis of Accounting

The City of Klamath Falls and the Agency utilizes the modified accrual basis of accounting for monthly reporting and budgeting purposes and adjusts to the full accrual method of accounting to report on its financial position along with the results of its operations at fiscal year-end.

The level of control established by the adopted budget is fund, department/division (which includes materials & services and capital outlay categories), transfers, debt service, unappropriated, contingency and reserved for future requirements. Equal transfers between materials & services and capital outlay within a single District are approved by Finance or the City Manager. All other supplemental budgets and transfers of appropriations require special approval from City Council as described in The Budget Process section.

Managers are responsible for reviewing their budgets monthly to ensure expenditures do not exceed City Council approved appropriations. In addition, the Finance Division performs a quarterly analysis of budget to actual figures to ensure that spending has not exceeded earlier estimates which is presented to Council. Finally, approval for expenditures over \$25,000 requires action from City Council.



FY 2016-2017 SCHEDULE OF BUDGET EVENTS

City Recorder Prepares & Publishes Notice of Hearing *(see below)	May 11, 2016 May 12, 2016 (web)
Proposed Budget to Committee	May 18, 2016
Budget Committee Hearing	May 24, 2016
Notice and Summary to Herald & News	June 8, 2016
Finance Department Prepares & Publishes the Notice and Summary **(see below)	June 14, 2016 (newspaper)
Agenda Reports Completed	June 10, 2016
Budget Adoption	June 20, 2016
<p>*The notice may be published in newspaper 5-30 days prior to hearing as long as it is also published on City website at least 10 days prior to meeting. The newspaper ad published must include website address.</p>	
<p>**The Summary and Notice is only required to be published one time and there is no internet publication option. The summary and hearing notice are published not less than five days or more than 30 days before the budget hearing.</p>	



CITY OF KLAMATH FALLS BUDGET PROCESS

1. Appoint Budget Officer. As designated in the City’s Charter, the budget officer is the City Manager. **ORS 294.331**

2. Prepare Proposed Budget. The budget is prepared under the direction of the City Manager. **ORS 294.331**

3. Publish Notice of Budget Committee Meeting. The notice of budget committee meeting is published twice in the Herald and News separated by no less than 5 days with the first publication being no later than 30 days prior to the meeting and the final publication being no earlier than 5 days prior to the first meeting. Alternatively, one publication in the Herald & News not more than 30 days prior plus posting on the City’s website not more than 10 days prior to the budget committee meeting. Newspaper notice must contain Internet Website address at which the notice is posted. **ORS 294.426**

4. Budget Committee Meets. When the proposed budget is provided to the budget committee members, it then becomes a public record and a copy is available for public inspection at City Hall (500 Klamath Ave). The proposed document can be distributed at any point prior to the first meeting. The budget message, which is delivered at the first meeting, explains the proposed budget and significant changes in the City’s financial position. The budget committee may meet as many times as necessary to go through the budget and make any revisions they deem appropriate. Budget committee meetings are open to the public. **ORS 294.426**

5. Budget Committee Approves Budget and Authorizes the Levy of taxes. When the budget committee is satisfied with the proposed budget, including any revisions, it is then approved. **ORS 294.428**

6. Notice of Budget Hearing Published. After the budget has been approved by the budget committee, a budget hearing must be held and a summary of the budget must be published in the Herald and News 5 to 30 days prior to the scheduled hearing date. **ORS 294.438 & ORS 294.448**

7. Budget Hearing. The purpose of the budget hearing is to listen to citizens’ testimony on the budget approved by the budget committee.

ORS 294.453

8. Adopt Budget, Make Appropriations & Impose Taxes. The resolution to formally adopt the budget must occur no later than June 30. This resolution, when signed, gives the City the authority to spend the funds appropriated in the Proposed Budget beginning with the new fiscal year (July 1).

ORS 294.456

9. File Budget & Certify Levy. The City must deliver two copies of the Proposed Budget to the County Assessor for filing and certification of the tax levy by July 15.

ORS 294.458

When the above steps are completed and the new fiscal year has begun, the City is limited to spending only the amounts appropriated in the Proposed Budget. If it becomes necessary to exceed those amounts, the City will either need to make appropriation transfers or prepare a supplemental budget.

TRANSFERS - Appropriation transfers are enacted by a Resolution and can occur either within a fund or from one fund to any other fund. Transfers from Contingency may not exceed 15% of fund appropriations. *ORS 294.463*

SUPPLEMENTAL BUDGETS – The City may amend the current budget by adopting a supplemental budget at a regular public meeting which was published not less than 5 days prior if the expenditures being adjusted are 10% or less than the annual budget of the fund being adjusted. If the expenditures are greater than 10%, the supplemental budget must be published and a special hearing held. *ORS 294.471*

The final phase of the budget process is an audit of the previous fiscal year. The auditor examines the financial records and activities of the City and prepares an audit report. The audit reports included in the financial statements gives the auditor’s opinion of the financial statements. The report also contains the auditor’s comments on the City’s compliance with legal requirements.



CITY OF KLAMATH FALLS DESCRIPTION OF BUDGETED CATEGORIES – RESOURCES

RESOURCES	DESCRIPTION OF BUDGETED CATEGORIES
Net Working Capital	Cash, investments and receivables net of payables carried forward from previous year.
Taxes	Taxes are assessed based on the incremental value attached to each individual’s property within each project. With market values in some of the District’s areas decreasing, the tax proceeds are only increasing at a very slow rate.
Interest Income	The City holds all Urban Renewal (UR) funds at the Oregon State Treasury local government investment pool (LGIP). Separate accounts are required for each UR District. The LGIP earnings were .5% since March of 2013 and the earnings have been below 1.00% since June of 2009. The current LGIP rate is .75%. Investments in the 3 year maturity range begin to earn more than the current LGIP rate.
Other Revenue	System development charges (SDC), donations and other various activities not reported elsewhere.
Other Financing Sources	This represents the proceeds from debt which will be used for capital projects and will be repaid from tax revenues.



CITY OF KLAMATH FALLS DESCRIPTION OF BUDGETED CATEGORIES - REQUIREMENTS

REQUIREMENTS	DESCRIPTION OF BUDGETED CATEGORIES
Materials & Services	Costs such as utilities, parts & supplies, professional services, training & education, insurance, postage, small tools & equipment, repairs & maintenance, etc.
Capital Outlay	Acquisition or construction of buildings, improvements, machinery, equipment and land with a cost of \$5,000 or more and a life expectancy greater than one reporting period with the exception of rolling stock and land.
Debt Service	Dollars set aside for repayment of principal and interest obligations.
Transfers Out/In	Amounts distributed from one fund to finance activities in another fund shown as an expenditure in the originating fund and as revenue in the receiving fund.
Contingency	This money is budgeted for use during the year to deal with unexpected operating situations that cannot be specifically identified at the time the budget is prepared. It takes legislative action to use the funds.

ADOPTED BUDGET
Fiscal Year 2016-2017
DOWNTOWN URBAN RENEWAL FUND #103 RESOURCES

RevCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 103 - DOWNTOWN URBAN RENEWAL FUND						
39 - NET WORKING CAPITAL	704,208	1,008,231	684,150	123,950	123,950	123,950
40 - PROPERTY TAXES PREVIOUSLY LEVIED	23,903	-	-	-	-	-
45 - CHARGES FOR SERVICES	72,455	68,447	72,100	-	-	-
47 - INVESTMENT INCOME	13,174	7,194	3,425	500	500	500
49 - OTHER REVENUES	60	500	-	-	-	-
50 - OTHER FINANCING SOURCES	442,427	68,571	-	3,000	3,000	3,000
Fund: 103 - Total Resources Except Taxes Levied:	1,256,227	1,152,943	759,675	127,450	127,450	127,450
40 - PROPERTY TAXES NECESSARY TO BALANCE	-	-	-	-	-	-
40 - PROPERTY TAXES COLLECTED IN YEAR LEVIED	377,754	-	-	-	-	-
Fund: 103 - DOWNTOWN URBAN RENEWAL Total Resources:	1,633,981	1,152,943	759,675	127,450	127,450	127,450

DOWNTOWN URBAN RENEWAL FUND #103 REQUIREMENTS

ExpSubCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 103 - DOWNTOWN URBAN RENEWAL FUND						
Department: 21 - URBAN REDEVELOPMENT						
ExpCategory: 65 - MATERIALS & SERVICES						
05 - PROFES SERVICE CONTRACTS	46,567	39,447	46,750	35,000	35,000	35,000
06 - UTILITIES	16,994	15,923	17,325	-	-	-
07 - MAINTENANCE & REPAIRS	12,833	17,500	10,000	-	-	-
09 - INSURANCE	3,357	3,346	3,625	-	-	-
10 - COMMUNICATIONS	1,196	1,178	1,000	-	-	-
11 - ADVERTISING	1,064	1,153	500	-	-	-
14 - SUPPLIES	220	490	-	-	-	-
17 - OTHER MATERIALS & SERVICES	5,096	6,480	6,500	50	50	50
18 - INTERNAL CHARGES FOR SERVICES	53,045	28,515	28,425	-	-	-
ExpCategory: 65 - MATERIALS & SERVICES Total:	140,372	114,033	114,125	35,050	35,050	35,050
ExpCategory: 70 - CAPITAL OUTLAY						
21 - LAND	-	68,000	310,000	-	-	-
23 - FACILITIES	60,550	-	50,000	50,000	50,000	50,000
26 - EQUIPMENT	-	9,690	-	-	-	-
28 - INFRASTRUCTURE	9,539	257,193	278,550	42,400	42,400	42,400
ExpCategory: 70 - CAPITAL OUTLAY Total:	70,088	334,883	638,550	92,400	92,400	92,400
ExpCategory: 80 - DEBT SERVICE						
41 - DEBT PRINCIPAL	414,721	-	-	-	-	-
44 - DEBT INTEREST	569	-	-	-	-	-
ExpCategory: 80 - DEBT SERVICE Total:	415,290	-	-	-	-	-
ExpCategory: 81 - OTHER FINANCING USE						
50 - INTER-FUND TRANSFER OUT	-	-	7,000	-	-	-
ExpCategory: 81 - OTHER FINANCING USE Total:	-	-	7,000	-	-	-
ENDING BALANCE	1,008,231	704,027	-	-	-	-
Department: 21 - URBAN REDEVELOPMENT Total:	1,633,981	1,152,943	759,675	127,450	127,450	127,450
Fund: 103 - DOWNTOWN URBAN RENEWAL Total Requirements:	1,633,981	1,152,943	759,675	127,450	127,450	127,450

DOWNTOWN URBAN RENEWAL FUND
Capital Outlay Schedule
2016-2017

ITEM	PROPOSED EXPENDITURE
Facilities	
South Portal Building Roof	\$ 50,000
Total Facilities	50,000
Infrastructure	
Sugarman's Corner Pocket Park	42,400
Total Infrastructure	42,400
Total Capital Outlay	\$ 92,400

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ADOPTED BUDGET
Fiscal Year 2016-2017
LAKEFRONT URBAN RENEWAL FUND #104 RESOURCES

RevCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 104 - LAKEFRONT URBAN RENEWAL FUND						
39 - NET WORKING CAPITAL	52,034	13,295	3,125	-	-	-
40 - PROPERTY TAXES PREVIOUSLY LEVIED	5,649	5,177	5,350	4,850	4,850	4,850
47 - INVESTMENT INCOME	1,432	1,297	1,050	1,050	1,050	1,050
50 - OTHER FINANCING SOURCES	900,000	-	-	-	-	-
Fund: 104 - Total Resources Except Taxes Levied:	959,115	19,769	9,525	5,900	5,900	5,900
40 - PROPERTY TAXES NECESSARY TO BALANCE	-	-	101,400	72,875	72,875	72,875
40 - PROPERTY TAXES COLLECTED IN YEAR LEVIED	112,823	100,803	-	-	-	-
Fund: 104 - LAKEFRONT URBAN RENEWAL FUND Total Resources:	1,071,938	120,572	110,925	78,775	78,775	78,775

LAKEFRONT URBAN RENEWAL FUND #104 REQUIREMENTS

ExpSubCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 104 - LAKEFRONT URBAN RENEWAL FUND						
Department: 22 - LAKEFRONT URBAN RENEWAL						
ExpCategory: 65 - MATERIALS & SERVICES						
17 - OTHER MATERIALS & SERVICES	121	120	125	125	125	125
18 - INTERNAL CHARGES FOR SERVICES	-	6,600	1,200	-	-	-
ExpCategory: 65 - MATERIALS & SERVICES Total:	121	6,720	1,325	125	125	125
ExpCategory: 70 - CAPITAL OUTLAY						
28 - INFRASTRUCTURE	900,000	-	-	-	-	-
ExpCategory: 70 - CAPITAL OUTLAY Total:	900,000	-	-	-	-	-
ExpCategory: 80 - DEBT SERVICE						
41 - DEBT PRINCIPAL	136,175	79,210	82,100	53,350	53,350	53,350
44 - DEBT INTEREST	22,347	30,375	27,500	25,300	25,300	25,300
ExpCategory: 80 - DEBT SERVICE Total:	158,522	109,585	109,600	78,650	78,650	78,650
ENDING BALANCE	13,295	4,267	-	-	-	-
Department: 22 - LAKEFRONT URBAN RENEWAL Total:	1,071,938	120,572	110,925	78,775	78,775	78,775
Fund: 104 - LAKEFRONT URBAN RENEWAL Total Requirements:	1,071,938	120,572	110,925	78,775	78,775	78,775

ADOPTED BUDGET
Fiscal Year 2016-2017
TOWNCENTER URBAN RENEWAL FUND #105 RESOURCES

RevCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 105 - TOWN CENTER URBAN RENEWAL FUND						
39 - NET WORKING CAPITAL	34,033	53,496	53,125	47,975	47,975	47,975
40 - PROPERTY TAXES PREVIOUSLY LEVIED	9,067	7,990	9,150	7,325	7,325	7,325
47 - INVESTMENT INCOME	1,958	1,889	1,375	1,525	1,525	1,525
50 - OTHER FINANCING SOURCES	-	1,417,262	-	-	-	-
Fund: 105 - Total Resources Except Taxes Levied:	45,058	1,480,637	63,650	56,825	56,825	56,825
40 - PROPERTY TAXES NECESSARY TO BALANCE	-	-	164,600	170,550	170,550	170,550
40 - PROPERTY TAXES COLLECTED IN YEAR LEVIED	167,094	165,329	-	-	-	-
Fund: 105 - TOWN CENTER URBAN RENEWAL Total Resources:	212,152	1,645,966	228,250	227,375	227,375	227,375

TOWNCENTER URBAN RENEWAL FUND #105 REQUIREMENTS

ExpSubCategory	2013-2014 Total Activity	2014-2015 Total Activity	2015-2016 Total Budget	2016-2017 Proposed	2016-2017 Approved	2016-2017 Adopted
Fund: 105 - TOWN CENTER URBAN RENEWAL FUND						
Department: 23 - TOWN CENTER URBAN RENEWAL						
ExpCategory: 65 - MATERIALS & SERVICES						
17 - OTHER MATERIALS & SERVICES	121	300,120	125	60,125	60,125	60,125
18 - INTERNAL CHARGES FOR SERVICES	-	3,325	7,200	8,450	8,450	8,450
ExpCategory: 65 - MATERIALS & SERVICES Total:	121	303,445	7,325	68,575	68,575	68,575
ExpCategory: 80 - DEBT SERVICE						
41 - DEBT PRINCIPAL	136,346	1,251,845	193,075	133,975	133,975	133,975
44 - DEBT INTEREST	22,189	61,959	27,850	24,825	24,825	24,825
ExpCategory: 80 - DEBT SERVICE Total:	158,535	1,313,804	220,925	158,800	158,800	158,800
ENDING BALANCE	53,496	28,717	-	-	-	-
Department: 23 - TOWN CENTER URBAN RENEWAL Total:	212,152	1,645,966	228,250	227,375	227,375	227,375
Fund: 105 - TOWN CENTER URBAN RENEWAL Total Requirements:	212,152	1,645,966	228,250	227,375	227,375	227,375

COMMENTS: At the end of FY15 the two lines of credit with Washington Federal were refinanced into one loan. The budget includes this savings but reflects an increase in debt service as all excess resources are applied to loan principal in order to pay the loan off early.

RESOLUTION NO. 16 - 09

**A RESOLUTION ADOPTING THE 2016-2017 BUDGET OF THE
KLAMATH FALLS URBAN RENEWAL
AGENCY, MAKING APPROPRIATIONS FOR
FISCAL YEAR 2016-2017 AND LEVYING TAXES**

WHEREAS, the Klamath Falls City Council acts as the Klamath Falls Urban Renewal Agency (the Agency); and

WHEREAS, on May 24, 2016, the Klamath Falls Budget Committee conducted a public hearing on the Fiscal Year 2016-2017 Agency Budget, approved the Fiscal Year 2016-2017 budget document and recommended its adoption by the Klamath Falls City Council; and

WHEREAS, the approved budget for the Agency was duly published in the Herald and News, a newspaper of general circulation in the City on June 14, 2016; and

WHEREAS, on June 20, 2016, the Klamath Falls City Council conducted a public hearing on the Fiscal Year 2016-2017 Agency Budget document as approved by the Budget Committee; **NOW THEREFORE**,

THE CITY OF KLAMATH FALLS RESOLVES AS FOLLOWS:

Section 1. – Budget Adoption

The City Council, acting as the Klamath Falls Urban Renewal Agency hereby adopts the budget for fiscal year 2016-2017, in the sum of \$433,600. This budget is now on file at 500 Klamath Avenue in Klamath Falls, Oregon.

Section 2. - Appropriations

The amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2016, for the following purposes:

DOWNTOWN URBAN RENEWAL FUND

Downtown Urban Renewal	\$ 127,450	
Total DOWNTOWN URBAN RENEWAL FUND Appropriations.....		\$ 127,450

LAKEFRONT URBAN RENEWAL FUND

Lakefront Urban Renewal	\$ 125	
Debt Service	<u>78,650</u>	
Total LAKEFRONT URBAN RENEWAL FUND Appropriations.....		\$ 78,775

TOWN CENTER URBAN RENEWAL FUND

Town Center Urban Renewal	\$ 68,575	
Debt Service	<u>158,800</u>	
Total TOWN CENTER URBAN RENEWAL FUND Appropriations.....		\$ 227,375
Total APPROPRIATIONS, All Funds.....		\$ 433,600
Total Unappropriated and Reserve Amounts, All Funds.....		<u>0</u>
TOTAL ADOPTED BUDGET.....		\$ 433,600

Section 3. – Levy of Taxes

The City Council, acting as the Klamath Falls Urban Renewal Agency hereby resolves to certify to the county assessor a request for the Lakefront Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

The City Council, acting as the Klamath Falls Urban Renewal Agency hereby resolves to certify to the county assessor a request for the Town Center Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

Section 4.

This Resolution shall become effective immediately upon enactment.

Passed by the Council of the City of Klamath Falls, Oregon, the 20th day of June, 2016.

Presented to the Mayor, approved and signed this 21st day of June, 2016.



Mayor

ATTEST:

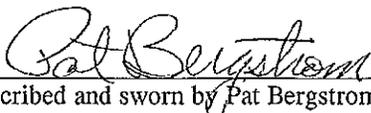

City Recorder

AFFIDAVIT OF PUBLICATION
STATE OF OREGON,
COUNTY OF KLAMATH

I, Pat Bergstrom, Legal Specialist, being duly sworn, depose and say that I am the principle clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at 2701 Foothills Blvd, Klamath Falls, OR 97603 in the aforesaid county and state; that I know from my personal knowledge that the Legal#17069 BUDGET NOTICE KF URBAN RENEWAL AGENCY a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for: 1

Insertion(s) in the following issues:
05/11/2016

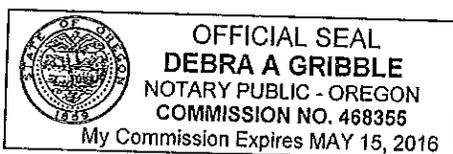
Total Cost: \$116.00



Subscribed and sworn by Pat Bergstrom before me on:
11th day of May in the year of 2016



Notary Public of Oregon
My commission expires on May 15, 2016



**NOTICE FOR BUDGET COMMITTEE MEETING
KLAMATH FALLS URBAN RENEWAL AGENCY**

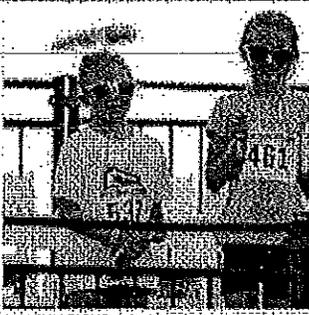
A public meeting of the Budget Committee of the Klamath Falls Urban Renewal Agency, Klamath County, State of Oregon, to discuss the budget for the fiscal year July 1, 2016 to June 30, 2017 will be held in the City Council Chambers at 500 Klamath Avenue, Klamath Falls, Oregon. The meeting will take place on May 24, 2016 beginning at 9:00 a.m. until completed. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 18, 2016 at the City Recorder's office, 500 Klamath Avenue, Klamath Falls, Oregon, between the hours of 8:00 a.m. and noon or 1:00 p.m. and 5:00 p.m. This is a public meeting where deliberation of the Budget Committee will take place. This Notice will be posted on the City's website at www.klamathfalls.city on May 12, 2016.

Any person may appear at the meeting and discuss the proposed programs with the Budget Committee. Disabled persons desiring to attend may call the City Recorder's office at 541-883-5316 for necessary arrangements. Hearing impaired persons desiring information may call the City's TDD at 541-883-5324.

ELISA D. OLSON, MMC
City Recorder
PUBLISH: May 11, 2016
#17069 May 11, 2016.

http://www.klamathfalls.city/sites/home

AP App... Photo editor... Imported from IE... Klamath County... Columbia River... McWinn... Oregon... www3.am



Notice for Budget Committee Meeting - Urban Renewal Agency



A public meeting of the Budget Committee of the Klamath Falls Urban Renewal Agency, Klamath County, State of Oregon, to discuss the budget for the fiscal year

July 1, 2016 to June 30, 2017 will be held in the City Council Chambers at 500 Klamath Avenue, Klamath Falls, Oregon. The meeting will take place on May 24, 2016 beginning at 9:00 a.m. until completed. The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. A copy of the budget document may be inspected or obtained on or after May 18, 2016 at the City Recorder's office, 500 Klamath Avenue, Klamath Falls, Oregon, between the hours of 8:00 a.m. and noon or 1:00 p.m. and 5:00 p.m. This is a public meeting where deliberation of the Budget Committee will take place. This Notice will be posted on the City's website at www.klamathfalls.city on May 12, 2016. Any person may appear at the meeting and discuss the



Im Corona... My... Building

From: Elisa Olson
Sent: Thursday, May 12, 2016 9:17 AM
To: Kristina Buckley
Subject: Budget notices on web site

Attached are the two budget hearing notices to be posted on the City website today and to be left there until May 25th. I will also need a print screen or whatever that fancy stuff is you do to show it was posted today. Thanks.

Elisa D. Olson, MMC
 City Recorder
 City of Klamath Falls
 500 Klamath Avenue
 Klamath Falls OR 97603
 541-883-5325
eolson@klamathfalls.city

AFFIDAVIT OF PUBLICATION
STATE OF OREGON,
COUNTY OF KLAMATH

I, Pat Bergstrom, Legal Specialist, being duly sworn, depose and say that I am the principle clerk of the publisher of the Herald and News, a newspaper in general circulation, as defined by Chapter 193 ORS, printed and published at 2701 Foothills Blvd, Klamath Falls, OR 97603 in the aforesaid county and state; that I know from my personal knowledge that the Legal#17140 LB-1 URBAN RENEWAL 2016-2017 BUDGET HEARING a printed copy of which is hereto annexed, was published in the entire issue of said newspaper for: 1

Insertion(s) in the following issues:
06/14/2016

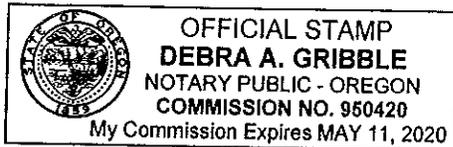
Total Cost: \$811.69

Pat Bergstrom

Subscribed and sworn by Pat Bergstrom before me on:
14th day of June in the year of 2016

Debra A Gribble

Notary Public of Oregon
My commission expires on May 11, 2020



NOTICE OF THE 2016-2017 BUDGET HEARING FOR THE KLAMATH FALLS URBAN RENEWAL AGENCY

Notice is hereby given that the City Council of the City of Klamath Falls, Oregon, will meet on the 20th day of June, 2016, at 7:00 p.m., in the Council Chambers of the City Hall Administration Building, 500 Klamath Avenue, Klamath Falls, Oregon, at which time and place a public hearing on the budget document of the Klamath Falls Urban Renewal Agency for the 2016-2017 fiscal year, July 1, 2016 to June 30, 2017, as approved by the Budget Committee, a summary of which is set forth herein will be held. At that time and place, said budget document may be discussed with City Council and any person may appear for or against any item in the budget document. The complete budget is available for inspection by the general public during regular business hours at the office of the City Recorder in City Hall Administration. Copies of the proposed budget may be obtained from the City Recorder. City of Klamath Falls, Mayor Todd Kellstrom, hereby certifies that the 2016-2017 budget is prepared in accordance with the method of accounting used in the preceding years. This is an annual budget.

Disabled persons desiring to attend may call the City Administration office at 541-883-5316 for necessary arrangements. Hearing impaired persons desiring information may call the City's TDD/TTY line at 541-883-5324.

Elisa D. Olson, MMC
City Recorder

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Elisa D. Olson, MMC

City Recorder

Publish: June 14, 2016

FINANCIAL SUMMARY - RESOURCES

	Actual Amounts 2014-2015	Adopted Budget This Year 2015-2016	Approved Budget Next Year 2016-2017
TOTAL OF ALL FUNDS			
Beginning Fund Balance/Net Working Capital	1,075,022	740,400	171,925
Revenue from Bonds and Other Debt	1,417,262	-	-
All Other Resources Except Division of Tax	161,064	92,450	18,250
Revenue from Division of Tax	266,133	266,000	243,425
Total Resources	2,919,481	1,098,850	433,600

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Materials & Services	424,199	122,775	103,750
Capital Outlay	334,883	638,550	92,400
Debt Service	1,423,389	330,525	237,450
Interfund Transfers	-	7,000	-
Unappropriated Ending Balance and Reserved for Future Expenditure	737,011	-	-
TOTAL REQUIREMENTS	2,919,481	1,098,850	433,600

FINANCIAL SUMMARY - REQUIREMENTS AND FTE BY ORGANIZATIONAL UNIT OR PROGRAM

Name of Organizational Unit or Program	FTE for Unit or Program		
Downtown Urban Renewal		448,916	752,675
	FTE	-	-
Lakefront Urban Renewal		6,720	1,325
	FTE	-	-
Town Center Urban Renewal		303,445	7,325
	FTE	-	-
Non-Departmental		2,160,400	337,525
	FTE	-	-
Total Requirements		2,919,481	1,098,850
	Total FTE	-	-

STATEMENT OF CHANGES IN ACTIVITIES AND SOURCES OF FINANCING

There are no taxes assessed for the Downtown Urban Renewal District for this budget or any future budget. The remaining projects will be completed and the Plan will end in FY17.

PROPERTY TAXES

The Budget Committee has approved taxes for the 2016-2017 fiscal year at 100% of the amount from division of taxes for Lakefront and Town Center Urban Renewal Districts.

STATEMENT OF INDEBTEDNESS

	Estimated Debt Outstanding 7/1/2016	Estimated Debt Authorized, Not Incurred on 7/1/2016
Other Borrowings	3,885,829	803,000
	3,885,829	803,000

Check here if this is an amended form.

• Submit two (2) copies to the county assessor by July 15.

Notification

Klamath Falls Urban Renewal Agency authorizes its 2016 -17 ad valorem tax increment amounts
(Agency name)
by plan area for the tax roll of Klamath County.
(County name)

Jessica Lindsay 541-883-5354 06/24/2016
(Contact person) (Telephone number) (Date submitted)
PO Box 237, 500 Klamath Ave j Lindsay@klamathfalls.city
(Agency's mailing address) (Contact person's e-mail address)

Yes, the agency has filed an Impairment certificate by May 1 with the assessor (ORS 457.445).

Part 1: Option One Plans (Reduced Rate). [ORS 457.435(2)(a)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax	Special Levy Amount**
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	

Part 2: Option Three Plans (Standard Rate). [ORS 457.435(2)(c)]

Plan Area Name	Increment Value to Use***	100% from Division of Tax***	Special Levy Amount****
	\$ OR		
	\$ OR		
	\$ OR		

Part 3: Other Standard Rate Plans. [ORS 457.445(2)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	

Part 4: Other Reduced Rate Plans [ORS 457.445(1)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*	
Lakefront Urban Renewal	\$ OR <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	
Town Center Urban Renewal	\$ OR <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	

Notice to Assessor of Permanent Increase in Frozen Value. Beginning tax year 2016-17, permanently increase frozen value to:

Plan Area Name	New frozen value
	\$
	\$

*All Plans except Option Three: Enter amount of Increment Value to Use that is less than 100 percent or check "Yes" to receive 100 percent of division of tax. Do NOT enter an amount of "Increment Value to Use" AND check "Yes."

**If an Option One plan enters a Special Levy Amount, you MUST check "Yes" and NOT enter an amount of "Increment to Use."

***Option Three plans enter EITHER an amount of "Increment Value to Use" to raise less than the amount of division of tax stated in the 1998 ordinance under ORS 457.435(2)(c) OR the "Amount from Division of Tax" stated in the ordinance, NOT both.

****If an Option Three plan requests both an amount of "Increment Value to Use" that will raise less than the amount of division of tax stated in the 1998 ordinance and a "Special Levy Amount," the "Special Levy Amount" cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.