



City Hall - Council Chambers
206 N. Main Street
Toledo, Oregon 97391

TOLEDO URBAN RENEWAL AGENCY
Regular Meeting – also via Zoom Meeting Platform
May 7, 2025

Please Note: *The Urban Renewal Agency meeting will begin at 7:30 p.m. or immediately following the City Council meeting, whichever is earlier.*

Virtual Meeting: The Urban Renewal Agency will hold the meeting in person for the Agency and staff in person as well as through the Zoom video meeting platform. The public is encouraged to attend the meeting electronically. Visit the meetings page on the city website for meeting login information.

Public Comments: The Urban Renewal Agency may take limited verbal comments during the meeting. Written comments may be submitted by email to lisa.figueroa@cityoftoledo.org 3:00 p.m. the day of the meeting to be included in the record. Comments received will be shared with the Urban Renewal Agency and included in the record.

1. **Call to Order and roll call**
2. **Discussion/Decision Items**
 - Approve minutes from the meeting held December 18, 2024
 - Resolution URA-08, a resolution of the URA Board of Directors receiving the 2023-2024 audit as prepared by Hanford and Associates
 - Request for direction in preparing URA budget for 2025-2026
3. **Adjournment**

Comments submitted in advance are preferable. Comments may be submitted by phone at 541-336-2247 extension 2060 or by e-mail at lisa.figueroa@cityoftoledo.org. The meeting 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 by calling city offices at (541) 336-2247.

TOLEDO URBAN RENEWAL AGENCY
REGULAR MEETING
December 18, 2024

CALL TO ORDER

Board President Rod Cross called the meeting to order at 5:10 p.m. also via Zoom in Toledo, Oregon.

Present	Absent	
X		President Rod Cross
X		Member Kim Bush
X		Member Jackie Kauffman
X		Member Tracy Mix
X		Member Stu Strom
X		Member Jackie Burns
	X	Member Frank Silvia

Staff present: Director (D) Amanda Carey, City Recorder (CR) Lisa Figueroa, City Attorney (CA) Mike Adams

CONSENT AGENDA

Minutes of the meetings held March 27, 2024, May 22, 2024 and June 5, 2024

Motion – It was moved and seconded (Mix/Bush) to approve the consent agenda as presented and the motion carried unanimously.

DISCUSSION/DECISION ITEMS

Discuss an Intergovernmental Agreement between the Urban Renewal Agency and the City
CA Adams presented the report and provided background information about the Urban Renewal District. He highlighted the approved Urban Renewal Plan, which included several projects such as recreation investments not to exceed \$1,326,150 and a community center project that was not to exceed \$2,500,000. He recommended the Board review the Plan and prioritize the projects and indicated the City has contemplated using its full faith and credit to obtain one or more financing agreements for \$3.8 million to assist the Pool District to replace the pool and build a community center. He said the Urban Renewal District does not have a lot of money nor credit.

Chair Cross expressed concern in providing funding for the community center due to recent issues that have surfaced regarding City Hall and a consensus of the Board agreed. They indicated they would like to revisit the discussion at a future meeting.

ADJOURNMENT

The meeting adjourned at 5:25 p.m.

Respectfully submitted:

City Recorder Lisa Figueroa



**CITY OF TOLEDO
REQUEST FOR URBAN RENEWAL AGENCY ACTION**

URA Goal	Meeting Date:	Agenda Topic:
Not applicable	May 7, 2025	Resolution URA-08, a resolution of the URA Board of Directors receiving the 2023-2024 audit as prepared by Hanford and Associates
Prepared by:	Reviewed by:	Approved by:
Interim Finance Director J. Richter	City Recorder Lisa Figueroa	City Recorder Lisa Figueroa

Recommendation:

Motion to adopt Resolution No URA-08, a Resolution of the Toledo Urban Renewal Agency Board of Directors receiving the 2023-2024 fiscal year audit for the City of Toledo Urban Renewal Agency as prepared by Hanford and Associates.

Background:

The City of Toledo Urban Renewal Agency is required by law to have a financial audit performed each year and filed with the Secretary of State. The Board of Directors serves as oversight for the Agency, and must review the audit to ensure the Agency is in compliance with Minimum Standards of Oregon Municipal Corporations.

Fiscal Impact:	Fiscal Year:	GL Number:
N/A	2023-2024	N/A

Attachment:

1. Resolution URA-08
2. Fiscal Year 2023-2024 Audit Report

**CITY OF TOLEDO URBAN RENEWAL AGENCY
RESOLUTION NO. URA-08**

A RESOLUTION OF THE TOLEDO URBAN RENEWAL AGENCY RECEIVING THE 2023-2024 FINANCIAL AUDIT AS PREPARED BY HANFORD & ASSOCIATES

WHEREAS, the Board of Directors of the Toledo Urban Renewal Agency has received and reviewed the Financial Audit for the fiscal year 2023-2024 from the Agency Auditors, Hanford & Associates; and

WHEREAS, the Toledo Urban Renewal Agency was found to be in compliance with laws, regulations, contracts, and grants, including provisions of the Minimum Standards for Audits of Oregon Municipal Corporations.

NOW, THEREFORE, THE CITY OF TOLEDO URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1. To confirm the receipt, review, and accept the Fiscal Year 2023-2024 Financial Audit.

Section 2. That this Resolution shall be effective immediately upon passage by the City of Toledo Urban Renewal Agency Board of Directors on this 7th day of May 2025.

APPROVED

ATTEST

Board Chair Rod Cross

City Recorder Lisa Figueroa



Toledo Urban Renewal Agency
(A Component Unit of the City of Toledo)

Annual Financial Report
For the Fiscal Year Ended June 30, 2024

**Toledo Urban Renewal Agency
LINCOLN COUNTY, OREGON**

**OFFICERS AND MEMBERS OF THE GOVERNING BOARD
June 30, 2024**

MAYOR

Rod Cross
206 N. Main St.
Toledo, OR 97391

CITY COUNCIL

Tracy Mix
206 N. Main St.
Toledo, OR 97391

Kim Bush
206 N. Main St.
Toledo, OR 97391

Jackie Kauffman
206 N. Main St.
Toledo, OR 97391

Stu Storm
206 N. Main St.
Toledo, OR 97391

Jackie Burns
206 N. Main St.
Toledo, OR 97391

Frank Silvia
206 N. Main St.
Toledo, OR 97391

CITY MANAGER

Doug Wiggins

CITY ATTORNEY

Michael E. Adams

**TOLEDO URBAN RENEWAL AGENCY
LINCOLN COUNTY, OREGON
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024**

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INDEPENDENT AUDITOR'S REPORT

Agency Officials
Toledo Urban Renewal Agency
Toledo, Oregon 97391

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Toledo Urban Renewal Agency, a component unit of the City of Toledo, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The Agency's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Toledo Urban Renewal Agency, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the Agency's budgetary comparison information on pages 7 through 9 and 23, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We do not express an opinion or provide any assurance on the management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Toledo Urban Renewal Agency's basic financial statements as a whole. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The aforementioned information is the responsibility of management, and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Oregon State Regulations

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated April 10, 2025 on our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Hanford & Associates, LLC
West Richland, Washington
April 10, 2025

Toledo Urban Renewal Agency
Management's Discussion and Analysis
June 30, 2024

Introduction

As management of the Urban Renewal Agency, we offer readers this narrative overview and analysis of the financial activities of the Agency for the fiscal year ended June 30, 2024. It should be read in conjunction with the Agency's financial statements, which follow this section.

Financial Highlights

- At June 30, 2024, total net position of the Agency amounted to \$253,288. This represents unrestricted net position.

- This is the first year of operations of the Agency. The Agency primarily derives its revenues from property taxes.

REPORT LAYOUT

The Agency's annual financial report consists of several sections. Taken together they provide a comprehensive look at the Agency. The components of the report include the following:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview, and economic factors affecting the Agency.

Basic Financial Statements. Includes statement of Net Position, Statement of Activities, and Changes in Net Position, fund financial statements, and notes to the financial statements.

Statements of Net Position and Activities focus on entity-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated into a total for the Agency.

The Statement of Assets focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the Agency owns, the liabilities it owns and the net difference. The net differences if further separated into amounts restricted for specific purposes and unrestricted amounts.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. The focus is on Agency revenues and expenditures, the net of which equals change in net position.

Fund financial statements focus separately on major governmental funds. Governmental fund statements follow the more traditional presentation of financial statements. The Agency's General Fund is presented here along with budgetary comparisons.

The notes to the basic financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Agency's financial condition.

Other Supplementary Information. The report includes other financial information, comments, and disclosures from the independent certified public accountants, as required by Oregon Statutes.

Government-Wide Financial Statements

Statement of Net Position at June 30, 2024:

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 258,932
Accounts Receivable - Property Tax	<u>20,700</u>
Total assets	<u>279,632</u>
NET POSITION	
Restricted	-
Unrestricted	<u>279,632</u>
Total net position	<u>\$ 279,633</u>

As of June 30, 2024, the Agency had no current or long-term liabilities. Projects completed and assets purchased by the Agency become assets of the City; however, should any debt be incurred, the debt remains with the Agency.

Statement of Activities for the Year Ended June 30, 2024:

	<u>Governmental Activities</u>
GENERAL REVENUES	
Property taxes	408,004
Refunds & Miscellaneous	21
Investment earnings	<u>230</u>
Total general revenues	<u>408,255</u>
URBAN RENEWAL EXPENDITURES	
Material and services	-
Administrative fee	-
Construction Projects	128,622
Debt Service	<u>-</u>
Total expenditures	<u>128,622</u>
 Change in Net Position	 279,633
 Net position - beginning	 <u>-</u>
Net position - ending	<u>279,633</u>

Nearly all of the general revenue was tax increment funding. The remainder was from investment earnings. Program expenses relate to capital projects.

BUDGETARY HIGHLIGHTS

Budget amounts shown in the financial statements reflect the original budget amounts and final budget amounts.

ECONOMIC FACTORS

As an urban renewal agency, the Agency receives tax increment revenues; calculated on the assessed value over the frozen base, which was set at the time the urban renewal district was formed. When the Agency completes projects, it is actually investing in itself; as the value of property increases in the district, the tax increment revenues increases.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Agency's finances for all those with an interest. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the City Manager at the following address: P.O. Box 220, Toledo, Oregon 97391.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 262,352
Accounts Receivable - Property Tax	38,863
Total assets	301,215
 Liabilities	
Accounts Payable	15,034
 NET POSITION	
Restricted	-
Unrestricted	286,181
Total net position	\$ 286,182

See accompanying notes to the financial statements.

**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
STATEMENT OF ACTIVITIES
JUNE 30, 2024**

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			Net (Expense) Revenue and Changes in Net Position
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental activities					
General government	20,830	\$ -	\$ -	\$ -	\$ (20,830)
 Total governmental activities	 \$ 20,830	 \$ -	 \$ -	 \$ -	 \$ (20,830)
General Revenues					
Property taxes					458,363
Miscellaneous					779
Investment Income					13,938
Total general revenues					<u>473,080</u>
Transfers					(425,000)
Change in net position					27,250
Net position - beginning					258,932
Net position - ending					<u>\$ 286,182</u>

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
BALANCE SHEET
GOVERNMENTAL FUND
JUNE 30, 2024

	General
ASSETS	
Cash and cash equivalents	\$ 262,352
Property Taxes Receivable	38,863
Total assets	301,215
 Liabilities	
Accounts Payable	15,034
Total Liabilities	15,034
 Deferred Inflow of Resources	
Unavailable Revenue - Property Taxes	32,893
 FUND BALANCE	
Restricted for debt service	-
Unassigned	253,288
Total fund balance	\$ 253,288

See accompanying notes to the financial statements.

**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS TO STATEMENT OF NET POSITION
GOVERNMENTAL ACTIVITIES
JUNE 30, 2024**

Total fund balances		\$ 253,288
<p>Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds:</p>		
Non-depreciable capital assets	-	
Capital assets net of accumulated depreciation	<u>-</u>	
<p>Receivables that will be collected 60 days beyond year-end are reported as unavailable revenue, deferred inflows, under modified accrual. The change in these balances are recorded as adjustments to revenue under full accrual.</p>		
Property taxes	<u>32,893</u>	
Net position of governmental activities		<u>\$ 286,181</u>

**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
JUNE 30, 2024**

	General
REVENUES	
Property taxes	425,469
Other local sources	779
Investment earnings	13,938
Total revenues	440,186
EXPENDITURES	
I & I Improvement	-
Public Improvements	20,830
Total expenditures	20,830
OTHER FINANCING SOURCES (USES)	
Transfers Out	(375,000)
Business Loan	(50,000)
Total other financing sources	(425,000)
Net change in fund balance	(5,644)
Fund balance at beginning of year	258,932
Fund balance at end of year	253,288

See accompanying notes to the financial statements.

**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
RECONCILIATION STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS TO STATEMENT OF ACTIVITIES
JUNE 30, 2024**

Net change in fund balances **(5,644)**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, in the statement of activities, the costs of these assets are allocated over their estimated useful lives and are reported as depreciation expense.

Capital outlay expenditures	-	
Depreciation expense recorded in the current year	-	-

Receivables that will be collected 60 days beyond year-end are reported as unavailable revenue, deferred inflows, under modified accrual. The change in these balances are recorded as adjustments to revenue under full accrual.

Property taxes		32,893
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	Change in net position	<u>\$ 27,250</u>
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**TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF CITY OF TOLEDO, OREGON
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Organization (reporting entity)

The Agency, a component unit of the City of Toledo, was organized August 2021 under ORS 457 and is a municipal corporation created by the City of Toledo to facilitate urban renewal within the City boundaries. The City Council serves as the governing body and is accountable for the fiscal matters of the Agency.

B. Urban Renewal Areas

Tax allocation bonds for urban renewal plan areas are authorized by state law to 1) "...eliminate and prevent the development or spread of urban blight and deterioration; and 2) encourage needed urban conservation and rehabilitation and provide for redevelopment of blighted or deteriorated areas."

Projects are financed in urban renewal plan areas as follows:

The Agency (City Council) selects an urban renewal plan area and defines its boundaries.

The county assessor "freezes" the assessed value of property within the urban renewal area. This is referred to as the "frozen" value.

Any increase in assessed value above the frozen value is called the "incremental value." The tax revenue generated by the tax rate times the incremental value is provided for use in financing the urban renewal projects.

As required by ORS 457.190(3)(a), the Agency has included in its current plan the maximum amount of indebtedness that may be issued or incurred under the plan in the amount of \$31,300,000.

C. Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities display information about the Agency, including all of its financial activities. Governmental activities are financed primarily through property taxes and proceeds from borrowings.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency's program. The Agency does not allocate indirect expenses. Program revenues include grants and contributions that are restricted to meeting operational requirements. Revenues that are not classified as program revenues, including property taxes, earnings on investments and the gain on sale of property, are presented as general revenues.

The fund financial statements provide information about the Agency's fund. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The single major fund accounts for general administration of the Agency's urban renewal areas, for acquisition and rehabilitation of blighted and deteriorated areas within the designated urban renewal areas, and repayment of debt incurred for these activities.

D. Measurement focus, basis of accounting and financial statement presentation

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Agency receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Agency considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, which are recognized as expenditures to the extent they have been incurred. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt are reported as other financing sources. All capital expenditures once complete are transferred to the General fund of the City.

E. Equity classification

Government-wide reporting

In the government-wide financial statements, equity is classified as net position and displayed in the following components:

- **Restricted net position**- Consists of external constraints placed on net position use by creditors, grantors, contributors, laws or regulations of other governments, constraints imposed by law through constitutional provisions, or enabling legislation.
- **Unrestricted net position** - Consists of all other net assets that are not included in the other categories previously mentioned.

In the government-wide financial statements when both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Government-wide reporting

Fund balance amounts are reported within one of the fund balance categories listed below:

- Non-spendable fund balance represents amounts that are not in a spendable form or because they are legally or contractually required to be maintained intact.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation). Also, these are amounts that can be spent only for specific purposes because of state or federal laws, or externally imposed conditions by granters or creditors.
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution. These amounts cannot be used for any other purpose unless the governing body of the Agency removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.
- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

In the governmental fund financial statements, when the Agency has restricted and unrestricted (committed, assigned or unassigned) resources available, it is the Agency's policy to expend restricted resources first. Unrestricted resources are then expended in the order of committed, assigned, and unassigned as needed, unless otherwise provided for in actions to commit or assign resources, in determining the amounts to be reported in each of the fund balance categories.

F. Budget policies and budgetary control

Generally, Oregon Local Budget Law requires annual budgets be adopted for all funds. The modified accrual basis of accounting is used for all budgets. All annual appropriations lapse at fiscal year-end.

The Agency begins its budgeting process by appointing budget committee members in the fall of each year. Budget recommendations are developed by management through early spring, with the budget committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June and the hearing is held in June. The governing body adopts the budget, makes appropriations, and declares the tax levy no later than June 30. Expenditure appropriations may not be legally over expended.

The resolution authorizing appropriations for each fund sets the level at which expenditures cannot

legally exceed appropriations. The governing body established the levels of budgetary control at the personnel services, materials and services, capital outlay, operating contingencies, debt service, and all other requirement levels for all funds.

Budget amounts shown in the financial statements may be revised after the original budget amounts were adopted. The governing body must authorize all appropriation transfers and supplementary budgetary appropriations.

G. Property taxes

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Real and personal property taxes are levied upon all taxable property and become a lien against the property as of July 1 of each year. Property taxes are payable in three installments following the lien date on November 15, February 15 and May 15 each year.

NOTE 2- CASH AND CASH EQUIVALENTS

The Agency is a component unit of the City of Toledo. The City maintains a pool of cash and cash equivalents that are available for use by all funds. Each fund’s portion of this pool is displayed on the financial statements as cash and cash equivalents. Interest earned on pooled cash and cash equivalents is allocated to participating funds based upon their combined cash and cash equivalent balances.

Cash and cash equivalent at June 30, 2024 consisted of the following:

	<u>Agency</u>
Petty Cash	\$ -
Cash in checking accounts (book balances)	(558,669)
Cash in Local Government Investment Pool	<u>821,021</u>
Total Cash and cash equivalents	<u>\$ 262,352</u>

Note 3 - DEPOSITS AND INVESTMENTS

The Agency invests its cash in the City of Toledo, Oregon’s cash and investment management pool, which is available for use by all City funds and is unrated. The cash and investment management pool has the general characteristic of a demand deposit account in that City funds may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty. Interest earned from pooled investments is allocated to each fund based on each fund's portion of the total investment balance calculated on a daily basis.

State statutes authorize the County to invest in the State of Oregon Local Government Investment Pool. The LGIP operates in accordance with appropriate State laws. It is not practical to determine the

investment risk, collateral, or insurance coverage for the Agency's share of these pooled investments. Information about the pooled investments, including investment risk, collateral, and insurance coverage, is included in the City's annual financial report and may be obtained by contacting the City's Finance Department.

NOTE 4 - RISK MANAGEMENT AND CONCENTRATIONS

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Agency purchases commercial insurance for such risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

NOTE 5 – RELATED PARTY TRANSACTIONS

The Agency does not have employees, debt, or physical assets (other than cash and investments). City of Toledo personnel administer the day-to-day activities of the trust. As noted in Notes 2 and 3, the Agency's cash and cash equivalents are combined with the City's cash and cash equivalents. The Agency is reported in the City's financial records as an individual fund.

NOTE 6 - SUBSEQUENT EVENTS

Professional standards require evaluation and disclosure of significant events affecting the Agency that take place subsequent to the current fiscal year ended June 30, 2024. For the audit period ending June 30, 2024, no subsequent events were identified for disclosure.

REQUIRED SUPPLEMENTARY INFORMATION

TOLEDO URBAN RENEWAL AGENCY
A COMPONENT UNIT OF THE CITY OF TOLEDO, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 451,000	\$ 451,000	\$ 419,499	\$ (31,501)
Refunds & Miscellaneous	-	-	779	779
Investment revenue	1,000	1,000	13,938	12,938
Total revenues	<u>452,000</u>	<u>452,000</u>	<u>434,216</u>	<u>(17,784)</u>
EXPENDITURES				
I & I Improvement	241,378	241,378	-	(241,378)
Public Improvements	23,750	23,750	20,830	(2,920)
Total expenditures	<u>265,128</u>	<u>265,128</u>	<u>20,830</u>	<u>(244,298)</u>
Net change in fund balance	186,872	186,872	413,386	(226,514)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(375,000)	(375,000)	(375,000)	-
Business Loan Program	(83,000)	(83,000)	(50,000)	-
BEGINNING FUND BALANCE	<u>271,128</u>	<u>271,128</u>	<u>258,932</u>	<u>(12,196)</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,319</u>	<u>\$ (247,319)</u>

See accompanying notes to the financial statements.

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS



Independent Auditor's Report Required by Oregon State Regulations

Agency Officials
Toledo Urban Renewal Agency
Toledo, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Toledo Urban Renewal Agency as of and for the year ended June 30, 2024, and have issued our report thereon dated April 10, 2025.

Compliance

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**

In connection with our testing nothing came to our attention that caused us to believe the Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Agency's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

This report is intended solely for the information and use of the Agency officials and management of the Toledo Urban Renewal Agency and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Hanford & Associates, LLC
West Richland, Washington

April 10, 2025



**CITY OF TOLEDO
REQUEST FOR URBAN RENEWAL AGENCY ACTION**

URA Goal	Meeting Date:	Agenda Topic:
Not applicable	May 7, 2025	Request for direction in preparing URA budget for 2025-2026
Prepared by:	Reviewed by:	Approved by:
Interim Finance Director J. Richter	City Recorder Lisa Figueroa	Choose an item.

Recommendation:

Staff is seeking a consensus on preparing the 2025-2026 budget.

Background:

Provided is the five year plan for the URA that was adopted May 17, 2023. Priorities can change over the years. Elaine Howard has been consulted and Toledo Urban Renewal plan was drafted to allow for shifting priorities as long as they align with the list of projects originally identified. Staff would like direction on setting the current proposed budget to align with current priorities.

Fiscal Impact:	Fiscal Year:	GL Number:
N/A	2025-2026	N/A

Attachment:

1. URA Compilation 5 year plan adopted May 17, 2023

A	B	C	D	E	F	G	H	I	J	K	L
			2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029		
Estimated Yearly Tax Collections			\$400,000	\$448,000	\$482,000	\$518,000	\$554,000	\$592,000	\$631,000		
Projects			Costs								
infrastructure-sewer manhole liners		\$525,000	\$150,000	\$100,000	\$100,000	\$100,000	\$75,000	\$0	\$0		\$525,000
Business Loans_ grants		\$500,000	\$50,000	\$33,000		\$50,000					\$133,000
Public Safety Building		\$5,500,000	\$170,000	\$170,000	\$140,000	\$100,000	\$100,000	\$200,000	\$200,000		\$1,080,000
Administration costs		\$365,000	\$30,000	\$35,000	\$35,000	\$40,000	\$40,000	\$45,000	\$45,000		\$270,000
Buy & Rehab Empty buildings		\$2,000,000									
Redevelopment Loan Fund includes solar		\$892,457									
Arcadia Park		\$250,000		\$20,000	\$25,000	\$25,000					\$70,000
Balcony above Arcadia Park		\$500,000									
Install sidewalk from JC Market to		\$250,000					\$250,000				\$250,000
A Street Pump Station replacement		\$2,400,000				\$50,000	\$0	\$50,000	\$50,000		\$150,000
N. Main Street Sewer Reline		\$65,000			\$65,000						\$65,000
Main Street Tree/sidewalk replacement		\$500,000									
Walkway to DQ from NW 1st at Bus 20		\$450,000									
Bus 20 Sewer Line Replacement Project		\$250,000			\$45,000	\$45,000		\$75,000	\$75,000		\$240,000
AC Watermain Replacement		\$600,000									
Amenities along streets		\$200,000									
Upgrades to City Hall		\$500,000			\$17,000	\$18,000	\$24,000	\$140,000	\$200,000		\$399,000
Sewer Main CIPP Liner Install		\$90,000		\$90,000							\$90,000
Community Center		\$1,000,000			\$40,000	\$75,000		\$42,000	\$46,000		\$203,000
Water Meter Upgrade		\$200,000					\$50,000	\$25,000			\$75,000
Playground at Memorial Park		\$500,000									
Recreation investments		\$500,000									
Financing Fees		\$126,785			\$15,000	\$15,000	\$15,000	\$15,000	\$15,000		\$75,000
Totals		\$18,164,242	\$400,000	\$448,000	\$482,000	\$518,000	\$554,000	\$592,000	\$631,000		