



City of Molalla

# Molalla Urban Renewal Agency

## Meeting Agenda

November 12, 2014

**Meeting Location:** Molalla Adult Center, 315 Kennel Ave, Molalla, OR 97038 **Time:** 7pm

**Last MURA Meeting:** *October 8, 2014*

This meeting will be televised. The regularly scheduled meeting of the Molalla City Council will convene following adjournment of this meeting of the Molalla Urban Renewal Agency.

**Public Comments:** Those wishing to address the Urban Renewal Agency on any agenda item are asked to fill out and submit comment cards to the City Recorder prior to the start of the meeting.

1. **CALL TO ORDER**

- A. Flag Salute
- B. Roll Call

2. **COMMUNICATIONS**

- A. Minutes: October 8, 2014

3. **NEW BUSINESS**

- A. **IGA to Make Financing Payments by and between the Urban Renewal Agency and the City of Molalla**

4. **CONTINUED**

5. **ORDINANCE**

6. **PUBLIC HEARING**

7. **RESOLUTION**

- A. **Resolution: A Resolution Acknowledging GASB 54 – Heather Penni**
- B. **Resolution: A Resolution Authorizing Indebtedness for Capital Projects Described in the Molalla Urban Renewal Plan**

8. **ADJOURN**

Minutes of the Urban Renewal Agency  
Molalla Adult Center  
315 Kennel Ave., Molalla, OR 97038  
Wednesday October 8, 2014

**ATTENDANCE:** Agency Member Rogge, Present; Member Pottle, Present; Member Clark, Absent; Member Thompson, Present; Member Boreth, Present; Member Griswold, Present; Member Cook, Present.

**STAFF IN ATTENDANCE:** City Manager Huff, Present; City Recorder Sadie Cramer, Present.

**COMMUNICATIONS**

**A. Minutes August 27, 2014**

Member Cook made a motion to approve the minutes of August 27, 2014. Member Boreth seconded. Motion approved (6-0) Member Rogge, Aye; Member Pottle, Aye; Member Thompson, Aye; Member Griswold, Aye; Member Boreth, Aye; Member Cook, Aye.

**CONTINUED BUSINESS    A. Bonding: Revised URA Projects Discussion**

City Manager Huff gave to Council and updated list of plans for Urban Renewal projects. CM Huff stated that the plans would gain approval from the bonding agency.

CM Huff stated that costs for each project are outlined and each project is in the identified Urban Renewal area.

CM Huff stated that defining projects will allow the City to meet with bond council and proceed with bonding.

Member Boreth asked about the project for Lowe Rd. and Molalla Forest Road, is that project to finish off the enterprise zone area or is it for the truck traffic. He was advised that it is a little of both.

Member Boreth made a motion to approve the updated URA project list. Member Pottle seconded. Motion approved (6-0) Member Rogge, Aye; Member Pottle,

Aye; Member Thompson, Aye; Member Griswold, Aye; Member Boreth, Aye; Member Cook, Aye.

### **ADJOURNMENT**

Member Boreth made a motion to adjourn. Member Pottle seconded. Motion approved (6-0) Member Rogge, Aye; Member Pottle, Aye; Member Thompson, Aye; Member Griswold, Aye; Member Boreth, Aye; Member Cook, Aye.

**RESOLUTION 2014-XX  
MOLALLA URBAN RENEWAL AGENCY**

**A RESOLUTION OF THE AGENCY OF MOLALLA URBAN RENEWAL AGENCY ADOPTING A  
FUND BALANCE POLICY AS REQUIRED BY GASB 54.**

**WHEREAS**, the Molalla Urban Renewal Agency, wishes to ensure the highest level of financial reporting standards and transparency; and,

**WHEREAS**, the Molalla Urban Renewal Agency is subject to the accounting and reporting standards set by the Governmental Accounting Standards Board (GASB) and GASB 54's objective is to enhance the usefulness of fund balance information by providing clearer fund balance classification that can be more consistently applied and by clarifying the existing governmental fund type by definition; and,

**WHEREAS**, the Molalla Urban Renewal Agency board wishes to establish a Fund Balance Policy for the purpose of complying with GASB Statement 54;

**NOW, THEREFORE, BE IT RESOLVED BY THE AGENCY OF THE MOLALLA URBAN RENEWAL AS  
FOLLOWS:**

1. The Agency does hereby establish a Fund Balance Policy by adopting the definitions, principals, and guidelines attached in Exhibit A.
2. The resolution is and shall be effective from and after its passage by the Agency.

Passed and adopted by the Molalla Urban Renewal on this \_\_\_\_ day of \_\_\_\_\_, 2014 by a vote of \_\_\_\_ ayes and \_\_\_\_ nays.

\_\_\_\_\_  
Deborah Rogge, Agency Member

Attest this \_\_\_\_ day of \_\_\_\_\_, 2014:

\_\_\_\_\_  
Sadie Cramer, City Recorder

## EXHIBIT A

### MOLALLA URBAN RENEWAL FUND BALANCE POLICY

**Purpose:** To establish fund balance classifications for governmental funds which establish a hierarchy based upon the extent to which the Agency must observe constraints imposed upon the use of those resources of those funds. The fund balance policy establishes the procedures for reporting restricted fund balance in the Agency's financial statements. The policy also authorizes and directs the Finance Director to prepare financial reports which accurately categorize fund balance as per GASB statement no. 54, issued February 2009. GASB Statement No. 54 is effective for the City of Molalla for the fiscal year ended June 30, 2014.

**Definitions:** Fund balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the Agency is bound to honor constraints in the specific purpose for which amounts can be spent.

- A) Non-spendable. Funds which cannot be spent.
- B) Restricted. Amounts subject to externally enforceable legal restrictions (imposed by grantors, contributors, governmental regulations, etc.)
- C) Committed. Amounts whose use is constrained by limitation that a governing board imposes upon itself.
- D) Assigned. Intended use of resources established by the governing body itself, or by an official or officers to which authority is delegated by the governing body.
- E) Unassigned. Available for any purpose.

**Procedures:** The first two components listed above are addressed in this policy due to the nature of their restrictions. This procedure policy is focused on financial reporting of the Agency's fund balance which are under the Agency's control. The three components are defined as:

- A) Committed Fund Balance. The Agency Board, as the highest level of decision making authority may commit fund balance for specific purpose pursuant to constraints imposed by formal actions taken, such as ordinance or resolution. Those committed amounts cannot be used for any other purpose unless the Agency Board removes or changes the specified use through the same type of formal action. Encumbrances which are the obligation of funds via contract, agreement, or other legally binding means are also considered committed under this policy.
- B) Assigned Fund Balance. Amounts that are constrained by the Agency's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager and/or Finance Director for the purpose of reporting these amounts in the annual financial statements.
- C) Unassigned Fund Balance. Residual positive net resources of the General Fund in excess of what can properly be classified in one of the other categories.

**Flow Assumption:** Some funds are funded by a variety of resources, which include both restricted and unrestricted (committed, assigned, and unassigned) sources. Where appropriate and necessary, the Molalla Urban Renewal Agency has determined the following spending hierarchy to expend the categories of fund balances; 1. Restricted, 2. Committed, 3. Assigned, and 4. Unassigned.