



**BEND URBAN RENEWAL AGENCY**  
A COMPONENT UNIT OF THE CITY OF BEND, OREGON

**Annual Financial Report**  
**Fiscal Year Ended June 30, 2020**



CITY OF BEND

**BEND URBAN RENEWAL AGENCY  
A COMPONENT UNIT OF THE  
CITY OF BEND, OREGON**

Annual Financial Report  
Fiscal Year Ended June 30, 2020

Prepared by the City of Bend Finance Department  
Sharon Wojda, Chief Financial Officer

**BEND URBAN RENEWAL AGENCY  
A COMPONENT UNIT OF THE CITY OF BEND, OREGON  
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Fiscal Year Ended June 30, 2020**

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**BEND URBAN RENEWAL AGENCY**  
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**BEND URBAN RENEWAL AGENCY  
A COMPONENT UNIT OF THE CITY OF BEND, OREGON**

**Principal Officials**

**Board Officials as of June 30, 2020**

***Chair***

Justin Livingston

***Board Members***

***Term Expiration***

|                       |               |
|-----------------------|---------------|
| Bruce Abernethy       | December 2020 |
| Barb Campbell         | December 2022 |
| Gena Goodman-Campbell | December 2022 |
| Bill Moseley          | December 2020 |
| Chris Piper           | December 2020 |
| Sally Russell         | December 2022 |

**Mailing Address:**

Bend City Hall  
710 NW Wall Street  
Bend, OR 97703

# **Report of Independent Auditors**

Board of Directors  
Bend Urban Renewal Agency (A Component of the City of Bend, Oregon)  
Bend, Oregon

## **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Bend Urban Renewal Agency (A Component of the City of Bend, Oregon) (the Agency), as of and for the year ended June 30, 2020, and the related notes to the basic 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***

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 auditor's 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 each major fund of the Agency as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance 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 Required Supplementary Information, such as Management's Discussion and Analysis on pages 5 to 11 and the Budgetary Comparison Schedule for the Urban Renewal General Fund on page 30 as listed in the Table of Contents, 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. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The budgetary schedule described above 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 budgetary schedule 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 budgetary schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The accompanying Other Supplementary Information and Other Financial Schedules (collectively 'Supplementary Information'), as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplementary 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. Such 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Report on Other Legal and Regulatory Requirements**

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 11, 2020 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

#### **Other Reporting Required by Oregon Minimum Auditing Standards**

In accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, we have also issued our report dated December 11, 2020, 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.



James C. Lanzarotta, Partner for  
Moss Adams, LLP  
Eugene, Oregon  
December 11, 2020



**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Fiscal Year Ended June 30, 2020**

This Management's Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the Bend Urban Renewal Agency (BURA) for the fiscal year ended June 30, 2020. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

**FINANCIAL HIGHLIGHTS**

- BURA's assets and deferred outflows of resources totaled \$9.1 million at June 30, 2020 and consisted mainly of restricted cash and investments of \$6.2 million and capital assets of \$2.7 million.
- BURA's liabilities and deferred inflows of resources totaled \$5.4 million at June 30, 2020 and consisted primarily of debt that was issued to finance Juniper Ridge development and Murphy Crossing improvements and other infrastructure that has since been contributed to the City of Bend.
- Net position was \$3.6 million at June 30, 2020, an increase of \$1.0 million from the previous year.
- Revenues for the fiscal year ended June 30, 2020 totaled \$2.1 million and consisted mainly of property taxes.

**THE FINANCIAL STATEMENTS**

BURA's basic financial statements and other required supplementary information are presented using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The basic financial statements present financial information about BURA as a whole and about its activities. Following the basic financial statements is the required supplementary information which provides a budgetary comparison for BURA's General Fund. Finally, completing the document is a series of other financial and statistical schedules, and the report of the independent certified public accountants, as required by statute.

Government-wide Financial Statements

The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities and are designed to present the financial picture of BURA in a manner similar to a private-sector business, i.e. from the economic resources measurement focus using the accrual basis of accounting.

The Statement of Net Position includes all assets of BURA (including infrastructure) as well as all liabilities (including long-term debt). Net position is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, which is one way to measure BURA's financial health, or financial position. Over time, increases or decreases in BURA's net position may be an indicator of whether its financial health is improving or deteriorating.

The Statement of Activities reports all revenues when earned and expenses when incurred regardless of the timing of related cash flows. The focus of the Statement of Activities is to present the major program costs and match major resources with each. To the extent a program's cost is not recovered by grants and direct charges, it is paid from general taxes and other general resources. This Statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Fund Financial Statements

Following the government-wide statements are the fund financial statements. Funds are used to segregate resources for specific activities or objectives. BURA has five (5) governmental funds, all of which are reported as major funds: Bend Urban Renewal (BURA) General Fund, BURA Murphy Crossing Debt Service Fund, BURA Juniper Ridge Debt Service Fund, BURA Murphy Crossing Construction Fund, and BURA Juniper Ridge Construction Fund.

The governmental funds' statements emphasize available financial resources rather than net position. They are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

The following reconciliations are provided to facilitate a comparison between governmental funds as reported in the fund financial statements and governmental activities as reported in the government-wide financial statements:

- A reconciliation of the fund balance reported in the governmental funds Balance Sheet to the net position reported on the government-wide Statement of Net Position, and
- A reconciliation of the change in fund balances reported in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the change in net position reported in the government-wide Statement of Activities.

Notes to the Basic Financial Statements

The notes provide information that is essential for a full understanding of the data presented in the government-wide and fund financial statements (the basic financial statements). Information such as significant accounting policies and detail of certain assets and liabilities are included in the notes which should be read in conjunction with the basic financial statements.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

This section discusses and analyzes significant changes from the prior year.

Statement of Net Position

BURA's net position (assets minus liabilities) totaled \$3.6 million at June 30, 2020 which is an increase of \$1.0 million from the previous year's net position. A condensed version of the Statement of Net Position as of June 30, 2020 and 2019 follows:

**Net Position as of June 30** (in thousands)

|                                  | <u>2020</u>     | <u>2019</u>     | <u>Change</u>   |
|----------------------------------|-----------------|-----------------|-----------------|
| Restricted cash and investments  | \$ 6,210        | \$ 5,601        | \$ 609          |
| Current and other assets         | 48              | 40              | 8               |
| Capital assets, net              | 2,749           | 2,930           | (181)           |
| Other noncurrent assets          | 2               | -               | 2               |
| Total Assets                     | <u>9,009</u>    | <u>8,571</u>    | <u>438</u>      |
| Deferred outflows of resources   | <u>54</u>       | <u>61</u>       | <u>(7)</u>      |
| Long-term debt                   | 5,164           | 5,956           | (792)           |
| Other liabilities                | 230             | 25              | 205             |
| Total Liabilities                | <u>5,394</u>    | <u>5,981</u>    | <u>(587)</u>    |
| Net investment in capital assets | 916             | 902             | 14              |
| Restricted for urban renewal     | 1,399           | 466             | 933             |
| Restricted for debt service      | 4,809           | -               | 4,809           |
| Unrestricted (deficit)           | <u>(3,455)</u>  | <u>1,284</u>    | <u>(4,739)</u>  |
| Total Net Position               | <u>\$ 3,669</u> | <u>\$ 2,652</u> | <u>\$ 1,017</u> |

Restricted cash and investments increased \$0.6 million primarily due to receipt of property tax receipts being in excess of current debt service requirements. Total liabilities decreased by \$0.6 million due to the pay down of long-term debts according to terms. Capital assets decreased \$0.2 million due to the depreciation of assets in the Murphy Crossing Urban Renewal Area.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Statement of Activities

BURA's Statement of Activities for fiscal years ended June 30, 2020 and 2019 follows:

**Change in Net Position for the Year Ended June 30**  
(in thousands)

|                                       | <u>2020</u>     | <u>2019</u>     | <u>Change</u>   |
|---------------------------------------|-----------------|-----------------|-----------------|
| <b>Revenues</b>                       |                 |                 |                 |
| Program revenues:                     |                 |                 |                 |
| Operating grants and contributions    | \$ 2            | \$ -            | \$ 2            |
| General revenues:                     |                 |                 |                 |
| Property taxes                        | 1,859           | 1,601           | 258             |
| Investment income                     | 265             | 234             | 31              |
| Loss on disposition of capital assets | -               | (140)           | 140             |
| Transfers                             | -               | (61)            | 61              |
| Total Revenues                        | <u>2,126</u>    | <u>1,634</u>    | <u>492</u>      |
| <b>Expenses</b>                       |                 |                 |                 |
| Urban renewal                         | 990             | 176             | 814             |
| Interest on long-term obligations     | 119             | 143             | (24)            |
| Total Expenses                        | <u>1,109</u>    | <u>319</u>      | <u>790</u>      |
| Change in net position                | 1,017           | 1,315           | (298)           |
| Net Position (deficit), beginning     | 2,652           | 1,337           | 1,315           |
| Net Position (deficit), ending        | <u>\$ 3,669</u> | <u>\$ 2,652</u> | <u>\$ 1,017</u> |

**CAPITAL ASSETS**

As of June 30, 2020 BURA had invested \$2.7 million in capital assets, net of depreciation as reflected in the following table.

**Capital Assets as of June 30** (in thousands)

|                            | <u>2020</u>     | <u>2019</u>     | <u>Change</u>   |
|----------------------------|-----------------|-----------------|-----------------|
| Buildings and improvements | \$ 19           | \$ 20           | \$ (1)          |
| Infrastructure             | 2,730           | 89              | 2,641           |
| Construction in progress   | -               | 2,821           | (2,821)         |
| Total Capital Assets, net  | <u>\$ 2,749</u> | <u>\$ 2,930</u> | <u>\$ (181)</u> |

Please refer to Note 3 of the basic financial statements for further detailed information on BURA's capital assets.

**DEBT ADMINISTRATION**

At June 30, 2020, the Agency had \$5.2 million in debt, consisting of Direct Borrowing and Direct Placement Obligations of \$2.0 million, a tax-increment note of \$1.4 million used to finance improvements and development in the Juniper Ridge Renewal Area, and a tax-increment note of \$1.8 million used to finance improvements in the Murphy Crossing Urban Renewal Area.

Please refer to Note 4 of the basic financial statements for further detailed information on long-term debt.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**ECONOMIC FACTORS**

BURA uses tax increment financing districts which levy a property tax on the new growth (or incremental assessed value) within the district.

Murphy Crossing Urban Renewal Area

BURA is responsible for the development of the Murphy Crossing Urban Renewal Area which consists of approximately 230 acres along the Bend Parkway from Powers Road on the north to China Hat Road on the south. East of the Parkway, the area includes the south end of the Third Street corridor. West of the Parkway, the urban renewal area includes the Murphy Crossing Refinement Plan Area. The goals of the urban renewal area include transportation and public utility improvements, a park, enhanced environment for pedestrians and bicyclists, and mixed use land development.

The Murphy Crossing Urban Renewal Area’s tax assessed value and levy for the Murphy Crossing Area for this fiscal year and the prior three (3) years are as follows:

| <b><u>(in thousands)</u></b> | <b><u>2016-17</u></b> | <b><u>2017-18</u></b> | <b><u>2018-19</u></b> | <b><u>2019-20</u></b> |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Base assessed value          | \$ 72,685             | \$ 72,685             | \$ 72,685             | \$ 72,685             |
| Incremental assessed value   | 19,734                | 29,427                | 35,990                | 40,059                |
| Total assessed value         | <u>\$ 92,419</u>      | <u>\$ 102,112</u>     | <u>\$ 108,675</u>     | <u>\$ 112,744</u>     |
| <br>Tax Levy                 | <br><u>\$ 249</u>     | <br><u>\$ 376</u>     | <br><u>\$ 462</u>     | <br><u>\$ 513</u>     |

For the fiscal year ended June 30, 2020, the special tax levy for the Murphy Crossing Urban Renewal Area was \$513,031.

The maximum amount of indebtedness that may be issued or incurred under the Murphy Crossing Urban Renewal Plan is \$52,600,000. Total debt issued to date is \$3,010,000 with \$1,834,421 outstanding at June 30, 2020. There is \$49,590,000 available to be issued.

**MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

Juniper Ridge Urban Renewal Area

BURA is responsible for development of the Juniper Ridge Urban Renewal Area (Juniper Ridge) which consists of 1,500 acres of undeveloped land of which 500 acres is within the Juniper Ridge Urban Renewal District. BURA’s primary goal for Juniper Ridge is to provide public utilities, improve traffic and transportation infrastructure, support the development of high quality employment uses, and preserve the area’s natural assets.

Juniper Ridge will be financed using a combination of revenue sources. These include:

- Tax increment revenues
- Advances, loans and grants from Federal, State or local governments or other public bodies
- Loans, grants, dedications and contributions from private developers

The Juniper Ridge Urban Renewal Area’s tax assessed value and levy for the Juniper Ridge Area for this fiscal year and the prior three (3) years are as follows:

| <u>(in thousands)</u>      | <u>2016-17</u>      | <u>2017-18</u>      | <u>2018-19</u>      | <u>2019-20</u>      |
|----------------------------|---------------------|---------------------|---------------------|---------------------|
| Base assessed value        | \$ 13,753           | \$ 13,753           | \$ 13,753           | \$ 13,753           |
| Incremental assessed value | 87,923              | 85,622              | 100,156             | 105,786             |
| Total assessed value       | <u>\$ 101,676</u>   | <u>\$ 99,375</u>    | <u>\$ 113,909</u>   | <u>\$ 119,539</u>   |
| <br>Tax Levy               | <br><u>\$ 1,027</u> | <br><u>\$ 1,007</u> | <br><u>\$ 1,184</u> | <br><u>\$ 1,367</u> |

For the fiscal year ended June 30, 2020, the special tax levy for the Juniper Ridge Urban Renewal Area was \$1,367,257.

The maximum amount of indebtedness that may be issued or incurred under the Juniper Ridge Urban Renewal Plan is \$41,250,000. Total debt issued to date is \$9,989,048 with \$3,330,854 outstanding at June 30, 2020. There is \$31,260,952 available to be issued.

**NEXT YEAR’S BUDGET**

Expenditures and other requirements budgeted for the revised FY 2019-21 biennium are as follows:

|  |            |
|--|------------|
| BURA General Fund                          | \$ 659,100 |
| BURA Murphy Crossing Debt Service Fund     | 548,100    |
| BURA Juniper Ridge Debt Service Fund       | 1,666,500  |
| BURA Murphy Crossing Capital Projects Fund | 61,200     |
| BURA Juniper Ridge Capital Projects Fund   | 1,542,100  |
| Reserved for future expenditures           | 5,190,000  |

The current biennium budget is intended to cover current administrative costs, debt service for existing debt, preliminary work on a new roundabout at Murphy and Parrell and general cleanup and mitigation costs at Juniper Ridge.

The BURA has evaluated the current and future potential impacts of the COVID-19 pandemic on its finances and operations. The BURA did not experience any significant immediate impact during fiscal year 2019-2020, however, like City of Bend departments, they reviewed and reduced their operating budgets in fiscal 2019-2020 and 2020-2021 in anticipation of reduced revenues and activities. The budget was also adjusted for budget reductions made in City of Bend departments that would flow to BURA funds through intergovernmental charges. The BURA continues to monitor its estimate of revenue in light of the pandemic and will consider further action if warranted.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)**  
**Fiscal Year Ended June 30, 2020**

**REQUESTS FOR INFORMATION**

BURA's financial statements are designed to present users with a general overview of BURA's finances. Questions concerning any information provided in this report or requests for additional financial information should be addressed to Sharon Wojda, City of Bend Chief Financial Officer at 710 NW Wall Street Bend, Oregon 97703. The telephone number for the City's Finance Department is 541-385-6682.

## **BASIC FINANCIAL STATEMENTS**



Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Statement of Net Position**  
June 30, 2020

|  | <b>Governmental<br/>Activities</b> |
|--|------------------------------------|
| <b><u>Assets</u></b>                         |                                    |
| Current assets:                              |                                    |
| Property taxes receivable                    | \$ 46,556                          |
| Grants receivable                            | 1,894                              |
| <b>Total Current Assets</b>                  | <b>48,450</b>                      |
| Noncurrent assets:                           |                                    |
| Restricted cash and investments              | 6,209,716                          |
| Depreciable capital assets, net              | 2,749,173                          |
| <b>Total Noncurrent Assets</b>               | <b>8,958,889</b>                   |
| <b>Total Assets</b>                          | <b>9,007,339</b>                   |
| <b><u>Deferred Outflows of Resources</u></b> |                                    |
| Deferred outflows from debt refunding        | 54,590                             |
| <b>Total Deferred Outflows of Resources</b>  | <b>54,590</b>                      |
| <b><u>Liabilities</u></b>                    |                                    |
| Current liabilities:                         |                                    |
| Accounts payable                             | 14,403                             |
| Accrued interest payable                     | 9,530                              |
| Long-term debt due within one year           | 803,702                            |
| <b>Total Current Liabilities</b>             | <b>827,635</b>                     |
| Noncurrent liabilities:                      |                                    |
| Due to the City of Bend                      | 205,593                            |
| Long-term debt due after one year            | 4,360,082                          |
| <b>Total Noncurrent Liabilities</b>          | <b>4,565,675</b>                   |
| <b>Total Liabilities</b>                     | <b>5,393,310</b>                   |
| <b><u>Net Position</u></b>                   |                                    |
| Net investment in capital assets             | 916,243                            |
| Restricted for:                              |                                    |
| Urban renewal                                | 1,399,134                          |
| Restricted for debt service                  | 4,808,510                          |
| Unrestricted (deficit)                       | (3,455,268)                        |
| <b>Total Net Position</b>                    | <b>\$ 3,668,619</b>                |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Statement of Activities**  
For the fiscal year ended June 30, 2020

| <u>Functions/ Programs</u>                  | <u>Program Revenues</u> |                             |   | <u>Change in Net Position</u> |
|---|-------------------------|-----------------------------|---|-------------------------------|
|   | <u>Direct Expenses</u>  | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> |                               |
| Urban renewal                               | \$ 989,871              | \$ -                        | \$ 1,894                                  | \$ (987,977)                  |
| Interest on long-term debt                  | 119,404                 | -                           | -   | (119,404)                     |
| <b>Total Governmental Activities</b>        | <b>\$ 1,109,275</b>     | <b>\$ -</b>                 | <b>\$ 1,894</b>                           | <b>(1,107,381)</b>            |
| General Revenues:                           |                         |                             |   |                               |
| Property taxes, levied for debt service     |                         |                             |   | 1,858,588                     |
| Net investment income                       |                         |                             |   | 265,852                       |
| <b>Total General Revenues</b>               |                         |                             |   | <b>2,124,440</b>              |
| Change in Net Position                      |                         |                             |   | 1,017,059                     |
| Net Position (Deficit), July 1, 2019        |                         |                             |   | 2,651,560                     |
| <b>Net Position (Deficit), July 1, 2020</b> |                         |                             |   | <b>\$ 3,668,619</b>           |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Balance Sheet**  
Governmental Funds  
June 30, 2020

|   | <b>BURA<br/>General<br/>Fund</b> | <b>BURA<br/>Murphy<br/>Crossing<br/>Debt Service<br/>Fund</b> | <b>BURA<br/>Juniper Ridge<br/>Debt Service<br/>Fund</b> |
|---|----------------------------------|---|---|
| <b>Assets</b>   |                                  |   |   |
| Restricted cash and investments   | \$ 142,304                       | \$ 1,167,369  | \$ 3,627,463  |
| Receivables:  |                                  |   |   |
| Property taxes  | -                                | 12,538  | 34,018  |
| Grants  | -                                | -   | -   |
| <b>Total Assets</b>   | <b>\$ 142,304</b>                | <b>\$ 1,179,907</b>   | <b>\$ 3,661,481</b>                                     |
| <b>Liabilities</b>  |                                  |   |   |
| Accounts payable  | \$ 2,489                         | \$ -  | \$ -  |
| Due to the City of Bend   | 736                              | -   | -   |
| <b>Total Liabilities</b>  | <b>3,225</b>                     | <b>-</b>  | <b>-</b>  |
| <b>Deferred Inflows of Resources</b>  |                                  |   |   |
| Unavailable revenue - property taxes  | -                                | 8,935   | 23,943  |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>-</b>                         | <b>8,935</b>  | <b>23,943</b>   |
| <b>Fund Balances</b>  |                                  |   |   |
| Restricted  | 139,079                          | 1,170,972   | 3,637,538   |
| <b>Total Fund Balances</b>  | <b>139,079</b>                   | <b>1,170,972</b>  | <b>3,637,538</b>  |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</b> | <b>\$ 142,304</b>                | <b>\$ 1,179,907</b>   | <b>\$ 3,661,481</b>                                     |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Balance Sheet (Continued)**  
Governmental Funds  
June 30, 2020

|   | <b>BURA<br/>Murphy<br/>Crossing<br/>Construction<br/>Fund</b> | <b>BURA<br/>Juniper Ridge<br/>Construction<br/>Fund</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|---|---|---|---|
| <b>Assets</b>   |   |   |   |
| Restricted cash and investments   | \$ 1,401  | \$ 1,271,179  | \$ 6,209,716                            |
| Receivables:  |   |   |   |
| Property taxes  | -   | -   | 46,556                                  |
| Grants  | -   | 1,894   | 1,894                                   |
| <b>Total Assets</b>   | <b>\$ 1,401</b>   | <b>\$ 1,273,073</b>                                     | <b>\$ 6,258,166</b>                     |
| <b>Liabilities</b>  |   |   |   |
| Accounts payable  | \$ -  | \$ 11,914   | \$ 14,403                               |
| Due to the City of Bend   | -   | 2,505   | 3,241                                   |
| <b>Total Liabilities</b>  | <b>-</b>  | <b>14,419</b>   | <b>17,644</b>                           |
| <b>Deferred Inflows of Resources</b>  |   |   |   |
| Unavailable revenue - property taxes  | -   | -   | 32,878                                  |
| <b>Total Deferred Inflows of Resources</b>                                    | <b>-</b>  | <b>-</b>  | <b>32,878</b>                           |
| <b>Fund Balances</b>  |   |   |   |
| Restricted  | 1,401   | 1,258,654   | 6,207,644                               |
| <b>Total Fund Balances</b>  | <b>1,401</b>  | <b>1,258,654</b>  | <b>6,207,644</b>                        |
| <b>Total Liabilities, Deferred Inflows of<br/>Resources and Fund Balances</b> | <b>\$ 1,401</b>   | <b>\$ 1,273,073</b>                                     | <b>\$ 6,258,166</b>                     |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
 A Component Unit of the City of Bend, Oregon  
**Reconciliation of the Governmental Funds Balance Sheet  
 to the Statement of Net Position**  
 June 30, 2020

**Total Fund Balances (Deficits)** \$ 6,207,644

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the governmental funds. 2,749,173

Other assets and deferred outflows of resources from refunded debt are not available to pay for current-period expenditures and therefore, are not reported in the governmental funds.  
 Deferred outflows of refunded debt 54,590

Liabilities and deferred inflows of resources that are not due and payable in the current period are not reported in the funds.  
 Interest payable (9,530)  
 Due to the City of Bend (202,352)  
 Long-term debt (5,163,784)

Revenues collected after year end but not available soon enough to pay for current obligations are unavailable in the governmental funds but are recognized as revenue in the Statement of Activities.  
 Property taxes 32,878

**Total Net Position** \$ 3,668,619

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances**  
Governmental Funds  
For the fiscal year ended June 30, 2020

|  | <b>BURA<br/>General<br/>Fund</b> | <b>BURA<br/>Murphy<br/>Crossing<br/>Debt Service<br/>Fund</b> | <b>BURA<br/>Juniper Ridge<br/>Debt Service<br/>Fund</b> |
|--|----------------------------------|---|---|
| <b>Revenues</b>  |                                  |   |   |
| Property taxes   | \$ -                             | \$ 504,052  | \$ 1,350,302  |
| Grant revenue  | -                                | -   | -   |
| Investment income  | 12,855                           | 47,327  | 149,835   |
| <b>Total Revenues</b>  | <b>12,855</b>                    | <b>551,379</b>  | <b>1,500,137</b>  |
| <b>Expenditures</b>  |                                  |   |   |
| Current:   |                                  |   |   |
| Urban renewal  | 332,804                          | -   | -   |
| Debt service:  |                                  |   |   |
| Principal  | -                                | 194,883   | 597,374   |
| Interest   | -                                | 48,799  | 72,322  |
| <b>Total Expenditures</b>  | <b>332,804</b>                   | <b>243,682</b>  | <b>669,696</b>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(319,949)</b>                 | <b>307,697</b>  | <b>830,441</b>  |
| <b>Other Financing Sources (Uses)</b>                                |                                  |   |   |
| Transfers in   | -                                | -   | -   |
| Transfers out  | -                                | (10,000)  | (130,000)   |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>-</b>                         | <b>(10,000)</b>   | <b>(130,000)</b>  |
| Net change in fund balances  | (319,949)                        | 297,697   | 700,441   |
| Fund Balances, July 1, 2019  | 459,028                          | 873,275   | 2,937,097   |
| <b>Fund Balances, June 30, 2020</b>                                  | <b>\$ 139,079</b>                | <b>\$ 1,170,972</b>   | <b>\$ 3,637,538</b>                                     |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Statement of Revenues, Expenditures, and Changes**

**in Fund Balances (Continued)**

Governmental Funds

For the fiscal year ended June 30, 2020

|  | <b>BURA<br/>Murphy<br/>Crossing<br/>Construction<br/>Fund</b> | <b>BURA<br/>Juniper Ridge<br/>Construction<br/>Fund</b> | <b>Total<br/>Governmental<br/>Funds</b> |
|--|---|---|---|
| <b><u>Revenues</u></b>   |   |   |   |
| Property taxes   | \$ -  | \$ -  | \$ 1,854,354                            |
| Grant revenue  | -   | 1,894   | 1,894                                   |
| Investment income  | 190   | 55,645  | 265,852                                 |
| <b>Total Revenues</b>  | <b>190</b>  | <b>57,539</b>   | <b>2,122,100</b>                        |
| <b><u>Expenditures</u></b>   |   |   |   |
| Current:   |   |   |   |
| Urban renewal  | 15,581  | 251,637   | 600,022                                 |
| Debt service:  |   |   |   |
| Principal  | -   | -   | 792,257                                 |
| Interest   | -   | -   | 121,121                                 |
| <b>Total Expenditures</b>  | <b>15,581</b>   | <b>251,637</b>  | <b>1,513,400</b>                        |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(15,391)</b>   | <b>(194,098)</b>  | <b>608,700</b>                          |
| <b><u>Other Financing Sources (Uses)</u></b>                         |   |   |   |
| Transfers in   | 10,000  | 130,000   | 140,000                                 |
| Transfers out  | -   | -   | (140,000)                               |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>10,000</b>   | <b>130,000</b>  | <b>-</b>                                |
| Net change in fund balances  | (5,391)   | (64,098)  | 608,700                                 |
| Fund Balances, July 1, 2019  | 6,792   | 1,322,752   | 5,598,944                               |
| <b>Fund Balances, June 30, 2020</b>                                  | <b>\$ 1,401</b>   | <b>\$ 1,258,654</b>                                     | <b>\$ 6,207,644</b>                     |

*The accompanying notes are an integral part of the basic financial statements.*

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund  
Balances of the Governmental Funds to the Statement of Activities**  
For the fiscal year ended June 30, 2020

**Net Change in Fund Balances (Deficits)** \$ 608,700

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 cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the depreciation was greater than capital outlay.

Depreciation (180,506)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Unavailable property taxes 4,235

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds

Accrued interest payable 1,717  
Amortization of bond premiums and discounts (168)  
Amortization of deferred inflows and outflows (6,824)  
Accrued payroll related expenses (202,352)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Long-term debt principal repayments 792,257

**Change in Net Position** \$ 1,017,059

*The accompanying notes are an integral part of the basic financial statements.*



**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies**

Organization

The Bend Urban Renewal Agency (BURA), a component unit of the City of Bend, Oregon (the City) was established in September 1984 originally as the Bend Development Board, the Urban Renewal Agency of the City of Bend, by ordinance No. NS1403 of the City of Bend to address and resolve issues that exist in downtown Bend and the adjacent areas. BURA is a legally separate public body corporate and politic and on May 21, 2003, the authority to exercise the powers of BURA was transferred from the Bend Development Board to the City Council and the name was changed to the Bend Urban Renewal Agency. The City Council reviews and approves BURA's biennial budget. The services of BURA are exclusively for the benefit of the City, and the assets, liabilities, revenues and expenditures related to BURA are reported in the City's government-wide financial statements as a blended component unit of the City. BURA receives funds through tax increment financing pursuant to Oregon Revised Statutes (ORS) 457.420 through 457.450.

On August 29, 2005, the City of Bend Council adopted the Juniper Ridge Urban Renewal Plan to develop an area northeast of Bend known as the Juniper Ridge Urban Renewal Area (Juniper Ridge). Juniper Ridge consists of 1,500 acres of which approximately 500 acres are within the urban renewal district for which BURA is responsible. The Juniper Ridge Urban Renewal District is approximately 700 acres in size, encompassing the 500 acres of Juniper Ridge and another 200 acres northwest of Bend. BURA's primary goal for Juniper Ridge is to provide public utilities, improve traffic and transportation infrastructure, support the development of high quality employment uses, and preserve the area's natural assets.

On August 20, 2008, the City of Bend Council adopted the Murphy Crossing Urban Renewal Area to develop the south end of the Third Street corridor. The Murphy Crossing Urban Renewal Area consists of approximately 230 acres along the Bend Parkway from Powers Road on the north to China Hat Road on the south. East of the Parkway, the area includes the south end of the Third Street corridor. West of the Parkway, the urban renewal area includes the Murphy Crossing Refinement Plan Area. The goals of the urban renewal area include transportation and public utility improvements, a park, enhanced environment for pedestrians and bicyclists, and mixed use land development.

The accounting and reporting policies of BURA included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting standards. The more significant accounting policies of BURA are described below.

BURA has no component units and the accompanying basic financial statements present the financial position and activities of BURA.

**Financial Statement Presentation**

Government-wide Financial Statements

The Statement of Net Position and Statement of Activities report information on all activities of BURA. Governmental activities are financed mainly through property taxes and debt.

The Statement of Activities presents a comparison between direct expenses and program revenues for BURA's program. BURA does not allocate indirect expenses. Property taxes and investment earnings or losses are not included among program revenues but are reported instead as general revenues.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Fund Financial Statements

BURA uses funds to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance, and to aid financial management by segregating transactions related to certain functions or activities.

The following are BURA's major funds:

***Bend Urban Renewal Agency (BURA) General Fund*** – This fund accounts for operation and general services related to Urban Renewal.

***BURA Murphy Crossing Debt Service Fund*** – This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Murphy Crossing urban renewal district. The principal source of revenue is property taxes which will be used to pay the principal and interest on outstanding tax increment bonds.

***BURA Juniper Ridge Debt Service Fund*** – This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Juniper Ridge urban renewal district. The principal source of revenue is property taxes which will be used to pay principal and interest on outstanding tax increment bonds.

***BURA Murphy Crossing Construction Fund*** – This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is proceeds from borrowings.

***BURA Juniper Ridge Construction Fund*** – This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is contributions from other funds and proceeds from borrowings.

**Measurement Focus and Basis of Accounting**

Government-wide Financial Statements

The government-wide financial statements are accounted for using an economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Nonexchange transactions, in which BURA receives value without giving equal value in exchange, consist of property taxes. Property tax revenues are recognized in the year for which the taxes are levied.

Fund Financial Statements

The governmental fund financial statements are accounted for using a current financial resources measurement focus whereby only current assets and liabilities are included in the Balance Sheet, while the Schedule of Revenues, Expenditures, and Changes in Fund Balances presents increases and decreases in the current fund balance. Governmental funds use the modified accrual basis of accounting where revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount can be determined and "available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due. BURA considers property taxes available and susceptible to accrual if they are collected within sixty days after year-end.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Restricted Cash and Investments

At June 30, 2020, restricted cash and investments consisted of funds held by the City of Bend. BURA considers its cash and investments as a demand deposit account with the City of Bend, whereby funds may be deposited or withdrawn without prior notice or penalty. Interest earnings are allocated by the City based on the proportion of BURA's cash to total City pooled funds. It is not practical to determine the investment risk, collateral or insurance coverage for BURA's share of these pooled investments.

BURA accounts for its investments in accordance with the provisions of GASB Statement No. 31: Accounting and Financial Reporting for Certain Investments and External Investment Pools, which requires governmental entities, including governmental external investment pools, to report certain investments at fair value on the balance sheet and to recognize the corresponding change in the fair value of investments in the year in which the change occurred. Disclosures regarding risks associated with cash and investments required by GASB Statement No. 3: Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements and GASB Statement No. 40: Deposit and Investment Risk Disclosures are included in the City's financial statements. This pool does not require classification within the three levels of inputs as provided by GASB 72, so it is not classified as such.

Reference should be made to the City of Bend's Comprehensive Annual Financial Report for the year ended June 30, 2020 for compliance with Oregon Revised Statutes relating to the collateralization of deposits and categorization of investments.

Restricted cash and investments are restricted to specific purposes by state statute, bond indenture or otherwise. At June 30, 2020, BURA had \$6,209,716 of cash and investments restricted for future construction and debt service.

Receivables

Property taxes are assessed on a July 1 - June 30 fiscal year basis. The taxes are levied July 1 and property owners have the option of paying the full amount on November 15, or prior to February 15 and receiving a discount, or paying in three installments, November 15, February 15 and May 15. Property taxes attach as an enforceable lien on July 1 and are considered delinquent if not paid by the following May 15. The County Treasurer is the tax collection agent for all taxing entities within the County. Tax revenue is considered received when in the hands of the County as the intermediary collection agency. Management has determined that an allowance for uncollectible accounts is not required for property taxes.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Capital Assets

Capital assets are stated at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the acquisition value of such assets at the date of donation. Capital assets include land, buildings and improvements, and street infrastructure costing over \$10,000 with an estimated life of more than one year. Maintenance and repairs that do not add to the value of the assets or extend the assets' lives are charged to expense as incurred and are not capitalized.

Depreciation is computed using the straight-line method over the estimated useful lives of the related capital assets, except for land and right-of ways which are considered inexhaustible in nature and are not depreciated. The estimated useful lives of the various categories of assets are as follows:

|                            |                |
|----------------------------|----------------|
| Buildings and improvements | 5 to 75 years  |
| Street infrastructure      | 10 to 75 years |

Upon disposal of capital assets, the accounts are relieved of the related historical costs and accumulated depreciation, and if appropriate, resulting gains or losses are recognized.

Due to the City of Bend

Monies due to the City of Bend for BURA's contribution towards the City's payroll, pension liabilities and other post employment benefits (OPEB) liabilities. For more information on pension and OPEB liabilities, reference should be made to the Notes to the Basic Financial Statements in the City of Bend's Comprehensive Annual Financial Report for the year ended June 30, 2020.

Long-term Debt

Long-term debt is reported as a liability in the government-wide financial statements. The related bond discounts and premiums are deferred and amortized over the term of the bonds using the straight-line method in the government-wide financial statements. Bonds payable are reported net of applicable bond premium or discount.

In the governmental fund financial statements, bond premiums and discounts are recognized when incurred and not deferred. The face amount of the debt issued and premiums received are reported as other financing sources while discounts are reported as other financing uses.

Deferred Inflows and Outflows of Resources

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. BURA presents unavailable revenue as a deferred inflow of resources on the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. BURA presents deferred outflows from debt refunding as deferred outflows on the statement of financial position.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Net Position/Fund Balances

In the financial statements, assets in excess of liabilities are presented in one of two ways depending on measurement of focus.

On the Statement of Net Position for government-wide reporting, net position is segregated into three categories: net investment in capital assets, restricted net position, and unrestricted net position.

Net investment in capital assets – represents total capital assets less accumulated depreciation and capital related debt and net of unspent bond proceeds. Deferred outflows/inflows of resources directly related to debt should also be included in this section. Significant unspent proceeds should not be included.

Restricted net position – represents net position that is not subject solely to the government’s own discretion. Restrictions may be placed on net position by an external third party that provided the resources, by laws or regulations of other governments, by enabling legislation, by endowment agreements, or by the nature of the asset. Unspent bond proceeds for capital projects are used in the calculation of restricted net position.

Unrestricted net position – represents amounts not included in other categories.

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Fund balance is reported as nonspendable when the resources cannot be spent because they are either legally or contractually required to be maintained intact, or are in a nonspendable form such as inventories, prepaid amounts, and assets held for resale.

Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund balance is reported as committed when BURA passes an ordinance or resolution that places specific constraints on how the resources may be used. BURA can modify or rescind the ordinance or resolution at any time through passage of an additional ordinance or resolution, respectively.

Resources that are constrained by the government’s intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. When the adopted budget calls for spending down the existing fund balance in the ensuing biennium, an assignment is created through the budget process in the amount of that appropriation.

Unassigned fund balance is the residual classification for the General Fund. This classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

Finally, GASB Statement No.54 requires a spending policy, as it relates to ending fund balance. The following hierarchy applies to the order in which funds are spent in all governmental funds:

1. Restricted Fund Balance
2. Committed Fund Balance
3. Assigned Fund Balance
4. Unassigned Fund Balance

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 1 – Summary of Significant Accounting Policies (Continued)**

Risk Management

BURA 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 for which BURA is covered under the City of Bend's commercial insurance policies. BURA does not engage in risk financing activities where risk is retained (self-insurance). There has been no significant reduction in insurance coverage from the prior year for any category of risk and settled claims from these risks have not exceeded commercial insurance limits in any of the past three fiscal years.

**Note 2 – Stewardship, Compliance and Accountability**

BURA is subject to provisions of the Oregon Revised Statutes which set forth local budget procedures. A resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Within each fund, appropriations are established by the following appropriation levels: personnel services, materials and services, charges paid to City of Bend, capital outlay, debt service, transfers, contingency, and reserves.

BURA may, however, approve additional appropriations for necessary expenditures which could not be reasonably estimated at the time the budget was adopted. Additionally, budgets may be modified during the biennium by the use of appropriation transfers between legal categories or supplemental budgets. Such transfers must be authorized by official resolution of the BURA Board.

Transfers of operating contingency appropriations which in aggregate during a fiscal year exceed 15% of the total appropriations of the fund may only be made after adoption of a supplemental budget prepared for that purpose. A supplemental budget of less than 10% of the fund's original budget may be adopted at a regular meeting of the governing body. A supplemental budget greater than 10% of the fund's original budget requires publication, a public hearing, and approval by the BURA Board.

There was one supplemental budget and one additional appropriation adjustment adopted during the current fiscal year.

In accordance with state law, all appropriations terminate on June 30, 2021. Goods and services delivered during the ensuing year must be charged against the ensuing year's appropriations.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 3 – Capital Assets**

Capital asset activity for the year ended June 30, 2020 was as follows:

|   | Balance<br>July 1, 2019 | Increases           | Transfers          | Balance<br>June 30, 2020 |
|---|-------------------------|---------------------|--------------------|--------------------------|
| Capital assets not being depreciated:       |                         |                     |                    |                          |
| Construction in progress                    | \$ 2,821,576            | \$ -                | \$ (2,821,576)     | \$ -                     |
| Total capital assets not being depreciated  | <u>2,821,576</u>        | <u>-</u>            | <u>(2,821,576)</u> | <u>-</u>                 |
| Capital assets being depreciated:           |                         |                     |                    |                          |
| Buildings and improvements                  | 35,456                  | -                   | -                  | 35,456                   |
| Infrastructure                              | 88,580                  | -                   | 2,821,576          | 2,910,156                |
| Total capital assets being depreciated      | <u>124,036</u>          | <u>-</u>            | <u>2,821,576</u>   | <u>2,945,612</u>         |
| Less accumulated depreciation for:          |                         |                     |                    |                          |
| Buildings and improvements                  | (14,827)                | (1,943)             | -                  | (16,770)                 |
| Infrastructure                              | (1,106)                 | (178,563)           | -                  | (179,669)                |
| Total accumulated depreciation              | <u>(15,933)</u>         | <u>(180,506)</u>    | <u>-</u>           | <u>(196,439)</u>         |
| Total capital assets being depreciated, net | <u>108,103</u>          | <u>(180,506)</u>    | <u>2,821,576</u>   | <u>2,749,173</u>         |
| Capital assets, net                         | <u>\$ 2,929,679</u>     | <u>\$ (180,506)</u> | <u>\$ -</u>        | <u>\$ 2,749,173</u>      |

Depreciation expense totaled \$180,506 during the fiscal year ended June 30, 2020, and was charged fully to urban renewal activities.

**Note 4 – Long-term Debt**

Long-term debt transactions for the year are as follows:

|  | Original<br>Amount | Outstanding<br>July 1, 2019 | Additions   | Decreases           | Outstanding<br>June 30, 2020 | Due within<br>one year |
|--|--------------------|-----------------------------|-------------|---------------------|------------------------------|------------------------|
| <u>Direct Borrowing &amp; Direct<br/>Placement Obligations</u> |                    |                             |             |                     |                              |                        |
| 2013 Series, Juniper Ridge                                     | \$ 3,700,000       | \$ 1,734,009                | \$ -        | \$ (375,310)        | \$ 1,358,699                 | \$ 381,025             |
| 2015 Series, Murphy Crossing                                   | 3,000,000          | 2,029,303                   | -           | (194,882)           | 1,834,421                    | 196,339                |
| 2016 Series, refunding   | 2,434,048          | 2,194,219                   | -           | (222,064)           | 1,972,155                    | 226,506                |
| Long-term debt obligations                                     |                    | 5,957,531                   | -           | (792,256)           | 5,165,275                    | 803,870                |
| Premiums and discounts   |                    | (1,659)                     | -           | 168                 | (1,491)                      | (168)                  |
| Total governmental activities                                  |                    | <u>\$ 5,955,872</u>         | <u>\$ -</u> | <u>\$ (792,088)</u> | <u>\$ 5,163,784</u>          | <u>\$ 803,702</u>      |

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 4 – Long-term Debt (Continued)**

Direct Borrowing & Direct Placement Obligations

On November 22, 2013 BURA issued a \$3.7 million Tax Increment Note Payable at 1.50% interest that matures on December 1, 2023. Proceeds of the note were used to refinance the balance of a \$6.0 million line of credit that provided funding for the Juniper Ridge development. BURA has entered in to a contingent loan agreement with the City of Bend for the repayment of the Juniper Ridge Tax Increment Note Payable and to pledge the City's full faith and credit as security for the repayment of the note.

On January 29, 2015, BURA issued a \$3,000,000 Tax Increment Note Payable at 2.65% interest that matures on December 1, 2029. Proceeds of the note are being used to finance construction improvements in the Murphy Crossing Urban Renewal area. BURA has entered in to a contingent loan agreement with the City of Bend for the repayment of the Murphy Crossing Tax Increment Note Payable and to pledge the City's full faith and credit as security for the repayment of the note.

On December 20, 2016 BURA issued \$2,434,048 in direct borrowing & direct placement obligations series 2016 with an interest rate of 2.29% annually and maturity in fiscal year 2028 to refinance the 2008 series full faith and credit obligations with an interest rate of 3.00 to 4.25%. The proceeds were placed in an irrevocable trust to provide for the future debt service payments on the old bonds in the amount of \$2,418,649. Accordingly, the trust account assets and the liability for the defeased bonds are not included on BURA's financial statements. At June 30, 2020, \$1,972,155 remained outstanding. This advanced refunding decreased total debt service by \$187,467 resulting in an economic gain of \$167,242.

Future maturities of the direct borrowing & direct placement obligations are as follows:

| Year ending<br>June 30 | Direct Borrowing &<br>Direct Placement Obligations |            |
|------------------------|--|------------|
|                        | Principal  | Interest   |
| 2021                   | \$ 803,870   | \$ 108,870 |
| 2022                   | 823,727  | 92,607     |
| 2023                   | 839,369  | 75,966     |
| 2024                   | 650,550  | 59,297     |
| 2025                   | 466,852  | 46,289     |
| 2026-2029              | 1,580,907  | 70,396     |
|                        | \$ 5,165,275                                       | \$ 453,425 |

Both notes payable contain provisions that, in the event of default (by either the BURA or the City as guarantor), outstanding amounts become immediately due if the BURA 1) fails to make any payment when due, 2) fails to comply with other terms, obligations, covenants or conditions contained in the notes; 3) makes material false or misleading statements, 4) becomes insolvent, is appointed a receiver, commences bankruptcy proceeding or forfeiture; 5) an adverse material change in the City's financial condition occurs.

**Note 5 – Tax Abatements**

As of June 30, 2020, BURA provides tax abatements through four programs:

Nonprofit low income rental (ORS 307.541) - In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating the property tax burden on those agencies that provide this type of housing.



**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 5 – Tax Abatements (Continued)**

Charitable, nonprofit organizations that provide housing to low-income persons are eligible, and must be certified by the Internal Revenue Service as 501(c)(3) or (4) organization. Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the nonprofit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline. Vacant land intended to be developed as low-income housing is also eligible for the exemption.

Housing for low income rental (ORS 307.517) - An exemption is allowed for property or a portion of property if it meets certain criteria. The property must be offered for rent or held for the purpose of developing low income rental housing, be occupied by low income persons, and have a rent required payment that reflects the full value of the tax exemption.

Enterprise zones (ORS 285C.175) - The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Construction in process in enterprise zones (ORS 285C.170) - The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions. A Construction-in-Process exemption is available for qualifying properties currently under construction in an Enterprise Zone.

To qualify, the property must be owned or leased by an authorized business that is contractually obligated to own or lease the property until placed in service, it may not be previously subject to exemption as a commercial facility (ORS 307.330), and may not be operated, in all or part, as a hotel, motel, or destination resort.

Property may be exempt for no more than two tax years, which must be consecutive, and is not dependent on the property already receiving or being qualified to receive the Enterprise Zone exemption.

| Tax Abatement Program                       | Estimated<br>Taxes Abated<br>During 2019-20 |
|---|---|
| Nonprofit low income rental                 | \$ 34                                       |
| Housing for low income rental               | 267   |
| Enterprise zones                            | 841   |
| Construction in process in enterprise zones | 62  |
| Total                                       | \$ 1,204                                    |

**Note 6 – Commitments and Contingencies**

At June 30, 2020, BURA was committed on outstanding construction planning, engineering, consulting service or other contracts totaling approximately \$81,466.

**BEND URBAN RENEWAL AGENCY**  
**(A Component Unit of the City of Bend, Oregon)**

**Notes to Basic Financial Statements (Continued)**  
**Fiscal Year Ended June 30, 2020**

**Note 6 – Commitments and Contingencies (Continued)**

On March 11, 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a public health emergency. BURA's results of operations could be adversely affected to the extent that the coronavirus or any other epidemic harms the economy. BURA's management is monitoring the outbreak and potential financial impact, which are currently uncertain. Although the BURA does not expect the impact on its operations and financial results to be significant, the duration and intensity of the impact of the coronavirus and resulting disruption to BURA's operations are uncertain and could adversely affect financial results.

**Note 7 – Related Parties**

BURA has no employees so it contracts with the City of Bend to provide management, administrative, and operational support. For the fiscal year ended June 30, 2020 amounts provided for personnel services totaled \$215,727 and contributions to the City of Bend totaled \$97,315. BURA also contributes its pro-rata share of the City's pension and other post employment benefit liabilities. Those costs are recorded as long term liabilities Due to the City and will be paid when required to the City.

## **REQUIRED SUPPLEMENTARY INFORMATION**

## **GENERAL FUND**

### Urban Renewal General Fund

This fund accounts for the Agency's operation and general services related to Urban Renewal.

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Bend Urban Renewal Agency (BURA) General Fund**  
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual  
For the fiscal year ended June 30, 2020

|  | <u>Biennial Budget</u> |                  | FY2019-20<br><u>Actual</u> | FY2020-21<br><u>Actual</u> | Total Actual<br>Budget<br><u>Basis</u> | Variance with<br>Final Budget<br><u>Over/Under</u> |
|--|------------------------|------------------|----------------------------|----------------------------|--|--|
|  | <u>Original</u>        | <u>Final</u>     |                            |                            |  |  |
| <b><u>Revenues</u></b>   |                        |                  |                            |                            |  |  |
| Investment income  | \$ -                   | \$ -             | \$ 1,729                   | \$ -                       | \$ 1,729                               | \$ 1,729   |
| <b>Total Revenues</b>  | <b>-</b>               | <b>-</b>         | <b>1,729</b>               | <b>-</b>                   | <b>1,729</b>                           | <b>1,729</b>                                       |
| <b><u>Expenditures</u></b>   |                        |                  |                            |                            |  |  |
| Current:   |                        |                  |                            |                            |  |  |
| Community and economic development                                   | 659,100                | 608,600          | 332,804                    | -                          | 332,804                                | 275,796  |
| Contingency  | -                      | 50,500           | -                          | -                          | -                                      | 50,500   |
| <b>Total Expenditures</b>  | <b>659,100</b>         | <b>659,100</b>   | <b>332,804</b>             | <b>-</b>                   | <b>332,804</b>                         | <b>326,296</b>                                     |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(659,100)</b>       | <b>(659,100)</b> | <b>(331,075)</b>           | <b>-</b>                   | <b>(331,075)</b>                       | <b>328,025</b>                                     |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                        |                  |                            |                            |  |  |
| Transfers in   | 225,700                | 225,700          | -                          | -                          | -                                      | (225,700)  |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>225,700</b>         | <b>225,700</b>   | <b>-</b>                   | <b>-</b>                   | <b>-</b>                               | <b>(225,700)</b>                                   |
| Net change in fund balance   | (433,400)              | (433,400)        | (331,075)                  | -                          | (331,075)                              | 102,325  |
| Beginning Fund Balance   | 433,400                | 433,400          | 459,028                    | -                          | 459,028                                | 25,628   |
| <b>Ending Fund Balance</b>   | <b>\$ -</b>            | <b>\$ -</b>      | <b>\$ 127,953</b>          | <b>\$ -</b>                | <b>\$ 127,953</b>                      | <b>\$ 127,953</b>                                  |
| <b><u>Reconciliation of Budgetary basis to GAAP basis</u></b>        |                        |                  |                            |                            |  |  |
| Unrealized gain (loss) on investments                                |                        |                  |                            |                            | 11,126                                 |  |
| <b>Ending Fund Balance - GAAP basis</b>                              |                        |                  |                            |                            | <b>\$ 139,079</b>                      |  |

## **OTHER SUPPLEMENTARY INFORMATION**

Bend Urban Renewal Agency  
 A Component Unit of the City of Bend, Oregon  
**General Fund**  
 Schedule of Expenditures by Appropriation Levels  
 For the biennium ended June 30, 2021

|  | <u>Appropriation</u> | <u>Actual Expenditures</u> | <u>Variance Over/Under</u> |
|--|----------------------|----------------------------|----------------------------|
| <b><u>BURA General Fund</u></b>          |                      |                            |                            |
| Community & economic development program | \$ 608,600           | \$ 332,804                 | \$ 275,796                 |
| Contingency                              | 50,500               | -                          | 50,500                     |
| <b>Total BURA General Fund</b>           | <b>\$ 659,100</b>    | <b>\$ 332,804</b>          | <b>\$ 326,296</b>          |

## **MAJOR GOVERNMENTAL FUNDS**



## **MAJOR DEBT SERVICE AND CAPITAL PROJECTS FUNDS**

### BURA Murphy Crossing Debt Service Fund

This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Murphy Crossing urban renewal district. The principal source of revenue is property taxes which will be used to pay the principal and interest on outstanding tax increment bonds.

### BURA Juniper Ridge Debt Service Fund

This fund accounts for the debt-related activities of the Bend Urban Renewal Agency's Juniper Ridge urban renewal district. The principal source of revenue is property taxes which will be used to pay principal and interest on outstanding tax increment bonds.

### BURA Murphy Crossing Construction Fund

This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is proceeds from borrowings.

### BURA Juniper Ridge Construction Fund

This fund accounts for the cost of construction and related interim financing for transportation and public utility improvements and other land use development. The principal source of revenue is contributions from other funds and proceeds from borrowings.

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

**BURA Murphy Crossing Debt Service Fund**

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual

For the fiscal year ended June 30, 2020

|  | <u>Biennial Budget</u> |                  | FY2019-20<br><u>Actual</u> | FY2020-21<br><u>Actual</u> | Total Actual<br>Budget<br>Basis | Variance with<br>Final Budget<br>Over/Under |
|--|------------------------|------------------|----------------------------|----------------------------|---------------------------------|---|
|  | <u>Original</u>        | <u>Final</u>     |                            |                            |                                 |   |
| <b>Revenues</b>  |                        |                  |                            |                            |                                 |   |
| Property taxes:  |                        |                  |                            |                            |                                 |   |
| Current year's property tax levy                                     | \$ 983,000             | \$ 983,000       | \$ 489,471                 | \$ -                       | \$ 489,471                      | \$ (493,529)                                |
| Delinquent property taxes  | 11,500                 | 11,500           | 14,581                     | -                          | 14,581                          | 3,081                                       |
| Investment income  | 80,000                 | 80,000           | 15,151                     | -                          | 15,151                          | (64,849)                                    |
| <b>Total Revenues</b>  | <b>1,074,500</b>       | <b>1,074,500</b> | <b>519,203</b>             | <b>-</b>                   | <b>519,203</b>                  | <b>(555,297)</b>                            |
| <b>Expenditures</b>  |                        |                  |                            |                            |                                 |   |
| Debt service   | 548,100                | 548,100          | 253,682                    | -                          | 253,682                         | 294,418                                     |
| Reserved for debt service  | 1,374,900              | 1,374,900        | -                          | -                          | -                               | 1,374,900                                   |
| <b>Total Expenditures</b>  | <b>1,923,000</b>       | <b>1,923,000</b> | <b>253,682</b>             | <b>-</b>                   | <b>253,682</b>                  | <b>1,669,318</b>                            |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(848,500)</b>       | <b>(848,500)</b> | <b>265,521</b>             | <b>-</b>                   | <b>265,521</b>                  | <b>1,114,021</b>                            |
| Beginning Fund Balance (Deficit)                                     | 848,500                | 848,500          | 873,275                    | -                          | 873,275                         | 24,775                                      |
| <b>Ending Fund Balance</b>   | <b>\$ -</b>            | <b>\$ -</b>      | <b>\$ 1,138,796</b>        | <b>\$ -</b>                | <b>\$ 1,138,796</b>             | <b>\$ 1,138,796</b>                         |
| <b>Reconciliation of Budgetary basis to GAAP basis</b>               |                        |                  |                            |                            |                                 |   |
| Unrealized gain (loss) on investments                                |                        |                  |                            |                            | 32,176                          |   |
| Reclass debt service for budgetary reporting                         |                        |                  |                            |                            | 10,000                          |   |
| Transfers out to Construction Fund for debt service                  |                        |                  |                            |                            | (10,000)                        |   |
| <b>Ending Fund Balance - GAAP basis</b>                              |                        |                  |                            |                            | <b>\$ 1,170,972</b>             |   |

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

**BURA Juniper Ridge Debt Service Fund**

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual

For the fiscal year ended June 30, 2020

|  | <u>Biennial Budget</u> |                    | FY2019-20<br><u>Actual</u> | FY2020-21<br><u>Actual</u> | Total Actual<br>Budget<br><u>Basis</u> | Variance with<br>Final Budget<br><u>Over/Under</u> |
|--|------------------------|--------------------|----------------------------|----------------------------|--|--|
|  | <u>Original</u>        | <u>Final</u>       |                            |                            |  |  |
| <b>Revenues</b>  |                        |                    |                            |                            |  |  |
| Property taxes:  |                        |                    |                            |                            |  |  |
| Current year's property tax levy                                     | \$ 2,399,500           | \$ 2,399,500       | \$ 1,304,650               | \$ -                       | \$ 1,304,650                           | \$ (1,094,850)                                     |
| Delinquent property taxes  | 28,400                 | 28,400             | 45,652                     | -                          | 45,652                                 | 17,252   |
| Investment income  | 171,500                | 171,500            | 46,090                     | -                          | 46,090                                 | (125,410)  |
| <b>Total Revenues</b>  | <b>2,599,400</b>       | <b>2,599,400</b>   | <b>1,396,392</b>           | <b>-</b>                   | <b>1,396,392</b>                       | <b>(1,203,008)</b>                                 |
| <b>Expenditures</b>  |                        |                    |                            |                            |  |  |
| Debt service   | 1,478,200              | 1,666,500          | 799,696                    | -                          | 799,696                                | 866,804  |
| Reserved for debt service  | 4,003,400              | 3,815,100          | -                          | -                          | -                                      | 3,815,100  |
| <b>Total Expenditures</b>  | <b>5,481,600</b>       | <b>5,481,600</b>   | <b>799,696</b>             | <b>-</b>                   | <b>799,696</b>                         | <b>4,681,904</b>                                   |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(2,882,200)</b>     | <b>(2,882,200)</b> | <b>596,696</b>             | <b>-</b>                   | <b>596,696</b>                         | <b>3,478,896</b>                                   |
| Beginning Fund Balance (Deficit)                                     | 2,882,200              | 2,882,200          | 2,937,097                  | -                          | 2,937,097                              | 54,897   |
| <b>Ending Fund Balance</b>   | <b>\$ -</b>            | <b>\$ -</b>        | <b>\$ 3,533,793</b>        | <b>\$ -</b>                | <b>\$ 3,533,793</b>                    | <b>\$ 3,533,793</b>                                |
| <b>Reconciliation of Budgetary basis to GAAP basis</b>               |                        |                    |                            |                            |  |  |
| Unrealized gain (loss) on investments                                |                        |                    |                            |                            | 103,745                                |  |
| Reclass debt service for budgetary reporting                         |                        |                    |                            |                            | 130,000                                |  |
| Transfers out to Construction Fund for debt service                  |                        |                    |                            |                            | (130,000)                              |  |
| <b>Ending Fund Balance - GAAP basis</b>                              |                        |                    |                            |                            | <b>\$ 3,637,538</b>                    |  |

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

**BURA Murphy Crossing Construction Fund**

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual

For the fiscal year ended June 30, 2020

|  | <u>Biennium Budget</u> |                 | <u>FY2019-20</u><br><u>Actual</u> | <u>FY2020-21</u><br><u>Actual</u> | <u>Total Actual</u><br><u>Budget</u><br><u>Basis</u> | <u>Variance with</u><br><u>Final Budget</u><br><u>Over/Under</u> |
|--|------------------------|-----------------|-----------------------------------|-----------------------------------|--|--|
|  | <u>Original</u>        | <u>Final</u>    |                                   |                                   |  |  |
| <b><u>Expenditures</u></b>                   |                        |                 |                                   |                                   |  |  |
| Current:                                     |                        |                 |                                   |                                   |  |  |
| Community and economic development           | 57,100                 | 57,100          | 15,581                            | -                                 | 15,581   | 41,519   |
| Contingency                                  | 4,100                  | 4,100           | -                                 | -                                 | -  | 4,100  |
| <b>Total Expenditures</b>                    | <b>61,200</b>          | <b>61,200</b>   | <b>15,581</b>                     | <b>-</b>                          | <b>15,581</b>  | <b>45,619</b>  |
| <b>Excess (deficiency) of revenues</b>       |                        |                 |                                   |                                   |  |  |
| <b>over (under) expenditures</b>             | <b>(61,200)</b>        | <b>(61,200)</b> | <b>(15,581)</b>                   | <b>-</b>                          | <b>(15,581)</b>                                      | <b>45,619</b>  |
| <b><u>Other Financing Sources (Uses)</u></b> |                        |                 |                                   |                                   |  |  |
| Interfund loan proceeds                      | 57,100                 | 57,100          | 10,000                            | -                                 | 10,000   | (47,100)   |
| <b>Total Other Financing Sources (Uses)</b>  | <b>57,100</b>          | <b>57,100</b>   | <b>10,000</b>                     | <b>-</b>                          | <b>10,000</b>  | <b>(47,100)</b>  |
| Net change in fund balance                   | (4,100)                | (4,100)         | (5,581)                           | -                                 | (5,581)  | (1,481)  |
| Beginning Fund Balance (Deficit)             | 4,100                  | 4,100           | 6,792                             | -                                 | 6,792  | 2,692  |
| <b>Ending Fund Balance</b>                   | <b>\$ -</b>            | <b>\$ -</b>     | <b>\$ 1,211</b>                   | <b>\$ -</b>                       | <b>\$ 1,211</b>                                      | <b>\$ 1,211</b>  |

**Reconciliation of Budgetary basis to GAAP basis**

|  |                 |
|--|-----------------|
| Unrealized gain (loss) on investments              | 190             |
| Transfers in to Construction Fund for debt service | 10,000          |
| Reclass loan proceeds for budgetary reporting      | (10,000)        |
| <b>Ending Fund Balance - GAAP basis</b>            | <b>\$ 1,401</b> |

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

**BURA Juniper Ridge Construction Fund**

Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual

For the fiscal year ended June 30, 2020

|  | <u>Biennium Budget</u> |                    | FY2019-20<br><u>Actual</u> | FY2020-21<br><u>Actual</u> | Total Actual<br><u>Budget</u><br><u>Basis</u> | Variance with<br><u>Final Budget</u><br><u>Over/Under</u> |
|--|------------------------|--------------------|----------------------------|----------------------------|---|---|
|  | <u>Original</u>        | <u>Final</u>       |                            |                            |   |   |
| <b><u>Revenues</u></b>   |                        |                    |                            |                            |   |   |
| Grant revenue  | \$ -                   | \$ -               | \$ 1,894                   | \$ -                       | \$ 1,894                                      | \$ 1,894  |
| Investment income  | 132,500                | 132,500            | 14,602                     | -                          | 14,602  | (117,898)   |
| <b>Total Revenues</b>  | <b>132,500</b>         | <b>132,500</b>     | <b>16,496</b>              | <b>-</b>                   | <b>16,496</b>                                 | <b>(116,004)</b>  |
| <b><u>Expenditures</u></b>   |                        |                    |                            |                            |   |   |
| Current:   |                        |                    |                            |                            |   |   |
| Community and economic development                                   | 911,900                | 911,900            | 251,637                    | -                          | 251,637                                       | 660,263   |
| Charges paid to the City of Bend                                     | 4,900                  | 4,900              | -                          | -                          | -   | 4,900   |
| Contingency  | 399,600                | 399,600            | -                          | -                          | -   | 399,600   |
| <b>Total Expenditures</b>  | <b>1,316,400</b>       | <b>1,316,400</b>   | <b>251,637</b>             | <b>-</b>                   | <b>251,637</b>                                | <b>1,064,763</b>  |
| <b>Excess (deficiency) of revenues<br/>over (under) expenditures</b> | <b>(1,183,900)</b>     | <b>(1,183,900)</b> | <b>(235,141)</b>           | <b>-</b>                   | <b>(235,141)</b>                              | <b>948,759</b>  |
| <b><u>Other Financing Sources (Uses)</u></b>                         |                        |                    |                            |                            |   |   |
| Interfund loan proceeds  | 132,200                | 132,200            | 130,000                    | -                          | 130,000                                       | (2,200)   |
| Transfers out  | (225,700)              | (225,700)          | -                          | -                          | -   | 225,700   |
| <b>Total Other Financing Sources (Uses)</b>                          | <b>(93,500)</b>        | <b>(93,500)</b>    | <b>130,000</b>             | <b>-</b>                   | <b>130,000</b>                                | <b>223,500</b>  |
| Net change in fund balance   | (1,277,400)            | (1,277,400)        | (105,141)                  | -                          | (105,141)                                     | 1,172,259   |
| Beginning Fund Balance (Deficit)                                     | 1,277,400              | 1,277,400          | 1,322,752                  | -                          | 1,322,752                                     | 45,352  |
| <b>Ending Fund Balance</b>   | <b>\$ -</b>            | <b>\$ -</b>        | <b>\$ 1,217,611</b>        | <b>\$ -</b>                | <b>\$ 1,217,611</b>                           | <b>\$ 1,217,611</b>                                       |
| <b><u>Reconciliation of Budgetary basis to GAAP basis</u></b>        |                        |                    |                            |                            |   |   |
| Unrealized gain (loss) on investments                                |                        |                    |                            |                            | 41,043  |   |
| Transfers in to Construction Fund for debt service                   |                        |                    |                            |                            | 130,000                                       |   |
| Reclass loan proceeds for budgetary reporting                        |                        |                    |                            |                            | (130,000)                                     |   |
| <b>Ending Fund Balance - GAAP basis</b>                              |                        |                    |                            |                            | <b>\$ 1,258,654</b>                           |   |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Major Debt Service and Capital Project Funds**  
Schedule of Expenditures by Appropriation Levels  
For the biennium ended June 30, 2021

|  | <u>Appropriation</u> | <u>Actual Expenditures</u> | <u>Variance Over/Under</u> |
|--|----------------------|----------------------------|----------------------------|
| <b><u>BURA Murphy Crossing Debt Service Fund</u></b> |                      |                            |                            |
| Debt service   | \$ 548,100           | \$ 253,682                 | \$ 294,418                 |
| Reserved for future expenditures                     | 1,374,900            | -                          | 1,374,900                  |
| <b>Total BURA Murphy Crossing Debt Service Fund</b>  | <b>\$ 1,923,000</b>  | <b>\$ 253,682</b>          | <b>\$ 1,669,318</b>        |
| <b><u>BURA Juniper Ridge Debt Service Fund</u></b>   |                      |                            |                            |
| Debt service   | \$ 1,666,500         | \$ 799,696                 | \$ 866,804                 |
| Reserved for future expenditures                     | 3,815,100            | -                          | 3,815,100                  |
| <b>Total BURA Juniper Ridge Debt Service Fund</b>    | <b>\$ 5,481,600</b>  | <b>\$ 799,696</b>          | <b>\$ 4,681,904</b>        |
| <b><u>BURA Murphy Crossing Construction Fund</u></b> |                      |                            |                            |
| Community & economic development program             | \$ 57,100            | \$ 15,581                  | \$ 41,519                  |
| Contingency  | 4,100                | -                          | 4,100                      |
| <b>Total BURA Murphy Crossing Construction Fund</b>  | <b>\$ 61,200</b>     | <b>\$ 15,581</b>           | <b>\$ 45,619</b>           |
| <b><u>BURA Juniper Ridge Construction Fund</u></b>   |                      |                            |                            |
| Community & economic development program             | \$ 911,900           | \$ 251,637                 | \$ 660,263                 |
| Transfers  | 230,600              | -                          | 230,600                    |
| Contingency  | 399,600              | -                          | 399,600                    |
| <b>Total BURA Juniper Ridge Construction Fund</b>    | <b>\$ 1,542,100</b>  | <b>\$ 251,637</b>          | <b>\$ 1,290,463</b>        |

## **OTHER FINANCIAL SCHEDULES**

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Schedule of Property Tax Collections - Murphy Crossing Urban Renewal District**  
For the fiscal year ended June 30, 2020

| <u>Fiscal Year</u> | <u>Uncollected Balances July 1, 2019</u> | <u>Current Year's Levy</u> | <u>Adjustments, Interest and Discounts</u> | <u>Net Collections</u> | <u>Uncollected Balances June 30, 2020</u> |
|--------------------|--|----------------------------|--|------------------------|---|
| Prior              | \$ 3                                     | \$ -                       | \$ 20                                      | \$ (20)                | \$ 3                                      |
| 2010-11            | 4  | -                          | 28   | (29)                   | 3   |
| 2011-12            | 3  | -                          | 25   | (26)                   | 2   |
| 2012-13            | 5  | -                          | 48   | (50)                   | 3   |
| 2013-14            | 12                                       | -                          | 139  | (144)                  | 7   |
| 2014-15            | 90                                       | -                          | 270  | (299)                  | 61  |
| 2015-16            | 409                                      | -                          | 1,648                                      | (2,022)                | 35  |
| 2016-17            | 861                                      | -                          | 669  | (1,138)                | 392                                       |
| 2017-18            | 2,218                                    | -                          | 947  | (1,959)                | 1,206                                     |
| 2018-19            | 6,975                                    | -                          | 2,467                                      | (6,482)                | 2,960                                     |
| 2019-20            | -  | 513,031                    | (13,739)                                   | (491,426)              | 7,866                                     |
| <b>Totals</b>      | <b>\$ 10,580</b>                         | <b>\$ 513,031</b>          | <b>\$ (7,478)</b>                          | <b>\$ (503,595)</b>    | <b>\$ 12,538</b>                          |

Reconciliation to revenues:

|   |                   |
|---|-------------------|
| Collections   | \$ 503,595        |
| Change in accrued revenue                           | 457               |
| Property Tax Revenues Governmental Funds            | 504,052           |
| Change in unavailable revenue                       | 1,502             |
| Total Property Tax Revenues Governmental Activities | <u>\$ 505,554</u> |



Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Schedule of Property Tax Collections - Juniper Ridge Urban Renewal District**  
For the fiscal year ended June 30, 2020

| <u>Fiscal Year</u> | <u>Uncollected Balances July 1, 2019</u> | <u>Current Year's Levy</u> | <u>Adjustments, Interest and Discounts</u> | <u>Net Collections</u> | <u>Uncollected Balances June 30, 2020</u> |
|--------------------|--|----------------------------|--|------------------------|---|
| Prior              | \$ 43                                    | \$ -                       | \$ 188                                     | \$ (189)               | \$ 42                                     |
| 2010-11            | 33                                       | -                          | 300  | (300)                  | 33  |
| 2011-12            | 42                                       | -                          | 412  | (416)                  | 38  |
| 2012-13            | 72                                       | -                          | 713  | (745)                  | 40  |
| 2013-14            | 87                                       | -                          | 971  | (1,003)                | 55  |
| 2014-15            | 321                                      | -                          | 949  | (1,053)                | 217                                       |
| 2015-16            | 1,787                                    | -                          | 7,204                                      | (8,839)                | 152                                       |
| 2016-17            | 3,551                                    | -                          | 2,757                                      | (4,689)                | 1,619                                     |
| 2017-18            | 5,941                                    | -                          | 2,540                                      | (5,610)                | 2,871                                     |
| 2018-19            | 17,881                                   | -                          | 6,356                                      | (16,249)               | 7,988                                     |
| 2019-20            |  | 1,367,257                  | (36,613)                                   | (1,309,681)            | 20,963                                    |
| <b>Totals</b>      | <b>\$ 29,758</b>                         | <b>\$ 1,367,257</b>        | <b>\$ (14,223)</b>                         | <b>\$ (1,348,774)</b>  | <b>\$ 34,018</b>                          |

Reconciliation to revenues:

|   |                            |
|---|----------------------------|
| Collections   | \$ 1,348,774               |
| Change in accrued revenue                           | <u>1,528</u>               |
| Property Tax Revenues Governmental Funds            | 1,350,302                  |
| Change in unavailable revenue                       | <u>2,732</u>               |
| Total Property Tax Revenues Governmental Activities | <u><u>\$ 1,353,034</u></u> |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Schedule of Future Debt Service Requirements of Long-term Debt**  
June 30, 2020

| <b>Total Requirements</b> |                     |                   |                     |
|---------------------------|---------------------|-------------------|---------------------|
| <b>Fiscal Year</b>        | <b>Principal</b>    | <b>Interest</b>   | <b>Total</b>        |
| 2020-21                   | \$ 803,870          | \$ 108,870        | \$ 912,740          |
| 2021-22                   | 823,727             | 92,607            | 916,334             |
| 2022-23                   | 839,369             | 75,966            | 915,335             |
| 2023-24                   | 650,550             | 59,297            | 709,847             |
| 2024-25                   | 466,852             | 46,289            | 513,141             |
| 2025-26                   | 477,527             | 34,724            | 512,251             |
| 2026-27                   | 491,777             | 22,851            | 514,628             |
| 2027-28                   | 502,527             | 10,682            | 513,209             |
| 2028-29                   | 109,076             | 2,139             | 111,215             |
|                           | <b>\$ 5,165,275</b> | <b>\$ 453,425</b> | <b>\$ 5,618,700</b> |

| <b>Cooley Road Series 2016 Note</b> |                     |                   |                     |
|-------------------------------------|---------------------|-------------------|---------------------|
| <b>Fiscal Year</b>                  | <b>Principal</b>    | <b>Interest</b>   | <b>Total</b>        |
| 2020-21                             | 226,506             | 42,564            | \$ 269,070          |
| 2021-22                             | 235,388             | 37,275            | 272,663             |
| 2022-23                             | 239,830             | 31,834            | 271,664             |
| 2023-24                             | 239,830             | 26,342            | 266,172             |
| 2024-25                             | 248,712             | 20,748            | 269,460             |
| 2025-26                             | 253,568             | 15,002            | 268,570             |
| 2026-27                             | 261,844             | 9,103             | 270,947             |
| 2027-28                             | 266,477             | 3,051             | 269,528             |
| 2028-29                             | -                   | -                 | -                   |
|                                     | <b>\$ 1,972,155</b> | <b>\$ 185,919</b> | <b>\$ 2,158,074</b> |

| <b>Juniper Ridge Urban Renewal Series 2013 Note</b> |                     |                  |                     |
|---|---------------------|------------------|---------------------|
| <b>Fiscal Year</b>                                  | <b>Principal</b>    | <b>Interest</b>  | <b>Total</b>        |
| 2020-21   | \$ 381,025          | \$ 18,964        | \$ 399,989          |
| 2021-22   | 386,762             | 13,227           | 399,989             |
| 2022-23   | 392,585             | 7,404            | 399,989             |
| 2023-24   | 198,327             | 1,666            | 199,993             |
| 2024-25   | -                   | -                | -                   |
| 2025-26   | -                   | -                | -                   |
| 2026-27   | -                   | -                | -                   |
| 2027-28   | -                   | -                | -                   |
| 2028-29   | -                   | -                | -                   |
|   | <b>\$ 1,358,699</b> | <b>\$ 41,261</b> | <b>\$ 1,399,960</b> |

| <b>Murphy Crossing Urban Renewal Series 2015 Note</b> |                     |                   |                     |
|---|---------------------|-------------------|---------------------|
| <b>Fiscal Year</b>                                    | <b>Principal</b>    | <b>Interest</b>   | <b>Total</b>        |
| 2020-21   | \$ 196,339          | \$ 47,342         | \$ 243,681          |
| 2021-22   | 201,577             | 42,105            | 243,682             |
| 2022-23   | 206,954             | 36,728            | 243,682             |
| 2023-24   | 212,393             | 31,289            | 243,682             |
| 2024-25   | 218,140             | 25,541            | 243,681             |
| 2025-26   | 223,959             | 19,722            | 243,681             |
| 2026-27   | 229,933             | 13,748            | 243,681             |
| 2027-28   | 236,050             | 7,631             | 243,681             |
| 2028-29   | 109,076             | 2,139             | 111,215             |
|   | <b>\$ 1,834,421</b> | <b>\$ 226,245</b> | <b>\$ 2,060,666</b> |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Summary of Urban Renewal Revenues & Expenditures**  
For the fiscal year ended June 30, 2020

|  | FY 2019-20<br>Actual | FY 2019-21<br>Budget |
|--|----------------------|----------------------|
| <b>Revenue</b>                         |                      |                      |
| BURA General Fund                      | \$ 1,729             | \$ -                 |
| BURA Murphy Crossing Debt Service Fund | 519,203              | 1,074,500            |
| BURA Juniper Ridge Debt Service Fund   | 1,396,392            | 2,599,400            |
| BURA Murphy Crossing Construction Fund | -                    | -                    |
| BURA Juniper Ridge Construction Fund   | 16,496               | 132,500              |
| <b>Total</b>                           | <b>\$ 1,933,820</b>  | <b>\$ 3,806,400</b>  |
| <b>Expenditure</b>                     |                      |                      |
| BURA General Fund                      | \$ 332,804           | \$ 659,100           |
| BURA Murphy Crossing Debt Service Fund | 253,682              | 1,923,000            |
| BURA Juniper Ridge Debt Service Fund   | 799,696              | 5,481,600            |
| BURA Murphy Crossing Construction Fund | 15,581               | 61,200               |
| BURA Juniper Ridge Construction Fund   | 251,637              | 1,316,400            |
| <b>Total</b>                           | <b>\$ 1,653,400</b>  | <b>\$ 9,441,300</b>  |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts**  
**Murphy Crossing Urban Renewal District**  
For the fiscal year ended June 30, 2020

| <u>Taxing District</u>       | <u>District #</u> | <u>Total Assessed Value</u> | <u>Permanent Rate</u> | <u>Billing Rate</u> | <u>BURA Excess Assessed Value Used</u> | <u>Division of Tax Imposed (1)</u> | <u>Taxes Levied on TAV (1)</u> | <u>Percent of Taxes Allocated to BURA</u> |
|------------------------------|-------------------|-----------------------------|-----------------------|---------------------|--|------------------------------------|--------------------------------|---|
| Deschutes County             | 001               | \$ 25,512,984,088           | \$ 1.2783             | \$ 1.2183           | \$ 40,058,790                          | \$ 48,213                          | \$ 31,484,039                  | 0.15%                                     |
| County Library               | 011               | 25,512,984,088              | 0.5500                | 0.5500              | 40,058,790                             | 21,016                             | 14,051,486                     | 0.15%                                     |
| Countywide Law Enforcement   | 020               | 25,512,984,088              | 1.2500                | 1.0800              | 40,058,790                             | 42,031                             | 27,591,516                     | 0.15%                                     |
| County Extension/4H          | 090               | 25,512,984,088              | 0.0224                | 0.0224              | 40,058,790                             | -                                  | 574,326                        | 0.00%                                     |
| City of Bend                 | 101               | 12,216,334,404              | 2.8035                | 2.8035              | 40,058,790                             | 111,260                            | 34,307,890                     | 0.32%                                     |
| 911                          | 093               | 25,512,984,088              | 0.4250                | 0.3618              | 40,058,790                             | 13,598                             | 9,244,903                      | 0.15%                                     |
| Bend Metro Park & Recreation | 301               | 12,847,908,523              | 1.4610                | 1.4610              | 40,058,790                             | 58,102                             | 18,801,072                     | 0.31%                                     |
| School District #1           | 601               | 18,286,528,187              | 4.7641                | 4.7641              | 40,058,790                             | 190,378                            | 86,729,563                     | 0.22%                                     |
| High Desert ESD              | 651               | 25,512,984,088              | 0.0964                | 0.0964              | 40,058,790                             | 3,709                              | 2,448,188                      | 0.15%                                     |
| COCC                         | 670               | 25,512,984,088              | 0.6204                | 0.6204              | 40,058,790                             | 24,724                             | 15,753,035                     | 0.16%                                     |

Source:

Deschutes County Assessor's Office

Notes:

(1) After truncation gain/loss and compression

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts**  
**Juniper Ridge Urban Renewal District**  
For the fiscal year ended June 30, 2020

| <u>Taxing District</u>       | <u>District #</u> | <u>Total Assessed Value</u> | <u>Permanent Rate</u> | <u>Billing Rate</u> | <u>BURA Excess Assessed Value Used</u> | <u>Division of Tax Imposed (1)</u> | <u>Taxes Levied on TAV (1)</u> | <u>Percent of Taxes Allocated to BURA</u> |
|------------------------------|-------------------|-----------------------------|-----------------------|---------------------|--|------------------------------------|--------------------------------|---|
| Deschutes County             | 001               | \$ 25,512,984,088           | \$ 1.2783             | \$ 1.2183           | \$ 105,786,349                         | \$ 128,567                         | \$ 31,484,039                  | 0.41%                                     |
| County Library               | 011               | 25,512,984,088              | 0.5500                | 0.5500              | 105,786,349                            | 58,102                             | 14,051,486                     | 0.41%                                     |
| Countywide Law Enforcement   | 020               | 25,512,984,088              | 1.2500                | 1.0800              | 105,786,349                            | 113,732                            | 27,591,516                     | 0.41%                                     |
| County Extension/4H          | 090               | 25,512,984,088              | 0.0224                | 0.0224              | 105,786,349                            | 1,236                              | 574,326                        | 0.22%                                     |
| City of Bend                 | 101               | 12,216,334,404              | 2.8035                | 2.8035              | 105,786,349                            | 295,456                            | 34,307,890                     | 0.86%                                     |
| 911                          | 093               | 25,512,984,088              | 0.4250                | 0.3618              | 105,786,349                            | 37,087                             | 9,244,903                      | 0.40%                                     |
| Bend Metro Park & Recreation | 301               | 12,847,908,523              | 1.4610                | 1.4610              | 105,786,349                            | 154,527                            | 18,801,072                     | 0.82%                                     |
| School District #1           | 601               | 18,286,528,187              | 4.7641                | 4.7641              | 105,786,349                            | 503,141                            | 86,729,563                     | 0.58%                                     |
| High Desert ESD              | 651               | 25,512,984,088              | 0.0964                | 0.0964              | 105,786,349                            | 9,890                              | 2,448,188                      | 0.40%                                     |
| COCC                         | 670               | 25,512,984,088              | 0.6204                | 0.6204              | 105,786,349                            | 65,520                             | 15,753,035                     | 0.42%                                     |

Source:

Deschutes County Assessor's Office

Notes:

(1) After truncation gain/loss and compression

## **STATISTICAL SECTION**

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon

**Net Position**

Last ten years

(accrual basis of accounting; amounts expressed in thousands)

|   | <u>2011</u>       | <u>2012</u>       | <u>2013</u>       | <u>2014</u>       | <u>2015</u>       |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b><u>Governmental Activities</u></b>             |                   |                   |                   |                   |                   |
| Net investment in capital assets                  | \$ 1,322          | \$ 215            | \$ 172            | \$ -              | \$ 266            |
| Restricted  | 2,889             | 1,726             | 885               | 1,857             | 3,980             |
| Unrestricted                                      | (9,607)           | (7,964)           | (6,340)           | (6,410)           | (7,854)           |
| <b>Total Governmental Activities Net Position</b> | <b>\$ (5,396)</b> | <b>\$ (6,023)</b> | <b>\$ (5,283)</b> | <b>\$ (4,553)</b> | <b>\$ (3,608)</b> |

Bend Urban Renewal Agency  
 A Component Unit of the City of Bend, Oregon

**Net Position (Continued)**

Last ten years

(accrual basis of accounting; amounts expressed in thousands)

|   | <u>2016</u>       |           | <u>2017</u>    |           | <u>2018</u>  |           | <u>2019</u>  |           | <u>2020</u>  |
|---|-------------------|-----------|----------------|-----------|--------------|-----------|--------------|-----------|--------------|
| <b><u>Governmental Activities</u></b>             |                   |           |                |           |              |           |              |           |              |
| Net investment in capital assets                  | \$ 433            | \$        | 606            | \$        | 777          | \$        | 901          | \$        | 916          |
| Restricted  | 3,055             |           | 2,451          |           | 2,964        |           | 466          |           | 6,208        |
| Unrestricted                                      | (6,063)           |           | (4,624)        |           | (2,404)      |           | 1,284        |           | (3,455)      |
| <b>Total Governmental Activities Net Position</b> | <b>\$ (2,575)</b> | <b>\$</b> | <b>(1,567)</b> | <b>\$</b> | <b>1,337</b> | <b>\$</b> | <b>2,651</b> | <b>\$</b> | <b>3,669</b> |



Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon

**Changes in Net Position**

Last ten fiscal years

(accrual basis of accounting; amounts expressed in thousands)

|   | <u>2011</u>     | <u>2012</u>     | <u>2013</u>   | <u>2014</u>   | <u>2015</u>   |
|---|-----------------|-----------------|---------------|---------------|---------------|
| <b><u>Expenses</u></b>                                |                 |                 |               |               |               |
| Governmental activities:                              |                 |                 |               |               |               |
| Urban renewal   | \$ 679          | \$ 2,004        | \$ 85         | \$ 63         | \$ 56         |
| Interest on long-term debt                            | 426             | 234             | 191           | 168           | 196           |
| <b>Total Governmental Activities Expenses</b>         | <b>1,105</b>    | <b>2,238</b>    | <b>276</b>    | <b>231</b>    | <b>252</b>    |
| <b><u>Program Revenues</u></b>                        |                 |                 |               |               |               |
| Governmental activities:                              |                 |                 |               |               |               |
| Charges for services:                                 |                 |                 |               |               |               |
| Urban renewal   | 35              | 18              | -             | -             | -             |
| Capital grants and contributions                      | -               | -               | 7             | (5)           | (5)           |
| <b>Total Governmental Activities Program Revenues</b> | <b>35</b>       | <b>18</b>       | <b>7</b>      | <b>(5)</b>    | <b>(5)</b>    |
| <b>Net Revenues (Expenses)</b>                        | <b>(1,070)</b>  | <b>(2,220)</b>  | <b>(269)</b>  | <b>(236)</b>  | <b>(257)</b>  |
| <b><u>General Revenues</u></b>                        |                 |                 |               |               |               |
| Governmental activities:                              |                 |                 |               |               |               |
| Taxes:  |                 |                 |               |               |               |
| Property taxes, levied for debt service               | 3,848           | 1,579           | 995           | 1,044         | 1,178         |
| Net investment income                                 | 49              | 15              | 14            | 15            | 23            |
| Loss on disposal of capital assets                    | -               | -               | -             | -             | -             |
| Transfers   | -               | -               | -             | -             | -             |
| <b>Total General Revenues</b>                         | <b>3,897</b>    | <b>1,594</b>    | <b>1,009</b>  | <b>1,059</b>  | <b>1,201</b>  |
| <b>Change in Net Position</b>                         | <b>\$ 2,827</b> | <b>\$ (626)</b> | <b>\$ 740</b> | <b>\$ 823</b> | <b>\$ 944</b> |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Changes in Net Position (Continued)**  
Last ten fiscal years  
(accrual basis of accounting; amounts expressed in thousands)

|   | <u>2016</u>     | <u>2017</u>     | <u>2018</u>     | <u>2019</u>     | <u>2020</u>     |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b><u>Expenses</u></b>                                |                 |                 |                 |                 |                 |
| Governmental activities:                              |                 |                 |                 |                 |                 |
| Urban renewal   | \$ 42           | \$ 51           | \$ 108          | \$ 176          | \$ 990          |
| Interest on long-term debt                            | 227             | 195             | 152             | 143             | 119             |
| <b>Total Governmental Activities Expenses</b>         | <b>269</b>      | <b>246</b>      | <b>260</b>      | <b>319</b>      | <b>1,109</b>    |
| <b><u>Program Revenues</u></b>                        |                 |                 |                 |                 |                 |
| Governmental activities:                              |                 |                 |                 |                 |                 |
| Charges for services:                                 |                 |                 |                 |                 |                 |
| Urban renewal   | -               | -               | -               | -               | -               |
| Capital grants and contributions                      | -               | -               | -               | -               | 2               |
| <b>Total Governmental Activities Program Revenues</b> | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>2</b>        |
| <br>  |                 |                 |                 |                 |                 |
| <b>Net Revenues (Expenses)</b>                        | <b>(269)</b>    | <b>(246)</b>    | <b>(260)</b>    | <b>(319)</b>    | <b>(1,107)</b>  |
| <br>  |                 |                 |                 |                 |                 |
| <b><u>General Revenues</u></b>                        |                 |                 |                 |                 |                 |
| Governmental activities:                              |                 |                 |                 |                 |                 |
| Taxes:  |                 |                 |                 |                 |                 |
| Property taxes, levied for debt service               | 1,257           | 1,239           | 1,347           | 1,601           | 1,859           |
| Net investment income                                 | 47              | 15              | 19              | 234             | 265             |
| Loss on disposal of capital assets                    | -               | -               | -               | (140)           | -               |
| Transfers   | -               | -               | 1,797           | (61)            | -               |
| <b>Total General Revenues</b>                         | <b>1,304</b>    | <b>1,254</b>    | <b>3,163</b>    | <b>1,634</b>    | <b>2,124</b>    |
| <br>  |                 |                 |                 |                 |                 |
| <b>Change in Net Position</b>                         | <b>\$ 1,035</b> | <b>\$ 1,008</b> | <b>\$ 2,903</b> | <b>\$ 1,315</b> | <b>\$ 1,017</b> |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Fund Balances (Deficits), Governmental Funds**  
Last ten fiscal years  
(modified accrual basis of accounting; amounts expressed in thousands)

|  | <u>2011</u> | <u>2012</u>   | <u>2013</u>   | <u>2014</u>   | <u>2015</u>   |
|--|-------------|---------------|---------------|---------------|---------------|
| <b><u>Urban Renewal General Fund</u></b> |             |               |               |               |               |
| Nonspendable                             | \$ -        | \$ -          | \$ -          | \$ -          | \$ -          |
| Restricted                               | -           | -             | -             | 415           | 399           |
| Committed                                | -           | -             | -             | -             | -             |
| Assigned                                 | -           | -             | -             | -             | -             |
| Unassigned                               | -           | 451           | 464           | -             | -             |
| Unreserved (Deficit)                     | -           | -             | -             | -             | -             |
| Unreserved:                              |             |               |               |               |               |
| Designated for capital projects          | -           | -             | -             | -             | -             |
| <b>Total General Fund</b>                | <b>\$ -</b> | <b>\$ 451</b> | <b>\$ 464</b> | <b>\$ 415</b> | <b>\$ 399</b> |

|  |                 |                 |               |                 |                 |
|--|-----------------|-----------------|---------------|-----------------|-----------------|
| <b><u>All Other Governmental Funds</u></b> |                 |                 |               |                 |                 |
| Nonspendable                               | \$ 34           | \$ -            | \$ -          | \$ -            | \$ -            |
| Restricted                                 | 2,889           | 1,726           | 885           | 1,442           | 3,581           |
| Committed                                  | 385             | 385             | 385           | -               | 360             |
| Assigned                                   | 453             | -               | -             | -               | -               |
| Unassigned                                 | (315)           | (340)           | (361)         | -               | (360)           |
| Reserved for notes receivable              | -               | -               | -             | -               | -               |
| Reserved for debt service                  | -               | -               | -             | -               | -               |
| Unreserved (Deficit)                       | -               | -               | -             | -               | -               |
| Unreserved:                                |                 |                 |               |                 |                 |
| Designated for capital projects            | -               | -               | -             | -               | -               |
| <b>Total All Other Governmental Funds</b>  | <b>\$ 3,446</b> | <b>\$ 1,771</b> | <b>\$ 909</b> | <b>\$ 1,442</b> | <b>\$ 3,581</b> |

Bend Urban Renewal Agency  
 A Component Unit of the City of Bend, Oregon  
**Fund Balances (Deficits), Governmental Funds (Continued)**  
 Last ten fiscal years  
 (modified accrual basis of accounting; amounts expressed in thousands)

|  | <u>2016</u>   | <u>2017</u>   | <u>2018</u>   | <u>2019</u>   | <u>2020</u>   |
|--|---------------|---------------|---------------|---------------|---------------|
| <b><u>Urban Renewal General Fund</u></b> |               |               |               |               |               |
| Nonspendable                             | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |
| Restricted                               | 362           | 322           | 588           | 459           | 139           |
| Committed                                | -             | -             | -             | -             | -             |
| Assigned                                 | -             | -             | -             | -             | -             |
| Unassigned                               | -             | -             | -             | -             | -             |
| Unreserved (Deficit)                     | -             | -             | -             | -             | -             |
| Unreserved:                              |               |               |               |               |               |
| Designated for capital projects          | -             | -             | -             | -             | -             |
| <b>Total General Fund</b>                | <b>\$ 362</b> | <b>\$ 322</b> | <b>\$ 588</b> | <b>\$ 459</b> | <b>\$ 139</b> |

|  |                 |                 |                 |                 |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b><u>All Other Governmental Funds</u></b> |                 |                 |                 |                 |                 |
| Nonspendable                               | \$ -            | \$ -            | \$ -            | \$ -            | \$ -            |
| Restricted                                 | 2,693           | 2,735           | 3,153           | 7               | 6,069           |
| Committed                                  | 360             | -               | -               | -               | -               |
| Assigned                                   | -               | -               | 1,433           | 5,133           | -               |
| Unassigned                                 | (360)           | -               | -               | -               | -               |
| Reserved for notes receivable              | -               | -               | -               | -               | -               |
| Reserved for debt service                  | -               | -               | -               | -               | -               |
| Unreserved (Deficit)                       | -               | -               | -               | -               | -               |
| Unreserved:                                |                 |                 |                 |                 |                 |
| Designated for capital projects            | -               | -               | -               | -               | -               |
| <b>Total All Other Governmental Funds</b>  | <b>\$ 2,693</b> | <b>\$ 2,735</b> | <b>\$ 4,586</b> | <b>\$ 5,140</b> | <b>\$ 6,069</b> |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Changes in Fund Balance, Governmental Funds**

Last ten fiscal years

(modified accrual basis of accounting; amounts expressed in thousands)

|  | <u>2011</u>       | <u>2012</u>       | <u>2013</u>     | <u>2014</u>   | <u>2015</u>     |
|--|-------------------|-------------------|-----------------|---------------|-----------------|
| <b><u>Revenues</u></b>                                     |                   |                   |                 |               |                 |
| Property taxes   | \$ 3,842          | \$ 1,782          | \$ 1,004        | \$ 1,048      | \$ 1,182        |
| Intergovernmental revenues                                 | -                 | -                 | 15              | 1             | 15              |
| Contributions from the City of Bend                        | -                 | -                 | 7               | -             | -               |
| Rental income:   |                   |                   |                 |               |                 |
| Rent from others   | 37                | 18                | -               | -             | -               |
| Investment income  | 49                | 15                | 14              | 15            | 23              |
| Miscellaneous  | -                 | -                 | -               | -             | -               |
| <b>Total Revenues</b>                                      | <b>3,928</b>      | <b>1,815</b>      | <b>1,040</b>    | <b>1,064</b>  | <b>1,220</b>    |
| <b><u>Expenditures</u></b>                                 |                   |                   |                 |               |                 |
| Urban renewal  | 587               | 874               | 32              | 67            | 60              |
| Capital outlay   | -                 | 14                | -               | -             | 1,226           |
| Debt service:  |                   |                   |                 |               |                 |
| Principal  | 4,405             | 1,870             | 1,665           | 4,050         | 618             |
| Interest   | 430               | 251               | 192             | 164           | 190             |
| <b>Total Expenditures</b>                                  | <b>5,422</b>      | <b>3,009</b>      | <b>1,889</b>    | <b>4,281</b>  | <b>2,094</b>    |
| <b><u>Other Financing Sources (Uses)</u></b>               |                   |                   |                 |               |                 |
| Interfund loan proceeds                                    | -                 | -                 | -               | -             | -               |
| Issuance of long-term debt                                 | -                 | -                 | -               | 3,700         | 3,000           |
| Discount on debt issuance                                  | -                 | -                 | -               | -             | (3)             |
| Transfers in   | -                 | 461               | -               | -             | -               |
| Transfers out  | -                 | (491)             | -               | -             | -               |
| <b>Total Other Financing Sources (Uses)</b>                | <b>-</b>          | <b>(30)</b>       | <b>-</b>        | <b>3,700</b>  | <b>2,997</b>    |
| <b>Net Change in Fund Balance</b>                          | <b>\$ (1,494)</b> | <b>\$ (1,224)</b> | <b>\$ (849)</b> | <b>\$ 483</b> | <b>\$ 2,123</b> |
| Debt service as a percentage<br>of noncapital expenditures | 89.2%             | 70.8%             | 98.3%           | 98.4%         | 93.1%           |

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Changes in Fund Balance, Governmental Funds (Continued)**

Last ten fiscal years

(modified accrual basis of accounting; amounts expressed in thousands)

|  | <u>2016</u>     | <u>2017</u>  | <u>2018</u>     | <u>2019</u>   | <u>2020</u>   |
|--|-----------------|--------------|-----------------|---------------|---------------|
| <b><u>Revenues</u></b>                                     |                 |              |                 |               |               |
| Property taxes   | \$ 1,257        | \$ 1,238     | \$ 1,349        | \$ 1,600      | \$ 1,854      |
| Intergovernmental revenues                                 | -               | -            | -               | -             | 2             |
| Contributions from the City of Bend                        | -               | -            | -               | -             | -             |
| Rental income:   |                 |              |                 |               |               |
| Rent from others   | -               | -            | -               | -             | -             |
| Investment income  | 47              | 15           | 19              | 234           | 266           |
| Miscellaneous  | -               | -            | -               | -             | -             |
| <b>Total Revenues</b>                                      | <b>1,304</b>    | <b>1,253</b> | <b>1,368</b>    | <b>1,834</b>  | <b>2,122</b>  |
| <b><u>Expenditures</u></b>                                 |                 |              |                 |               |               |
| Urban renewal  | 41              | 59           | 99              | 166           | 600           |
| Capital outlay   | 1,258           | 299          | 35              | 91            | -             |
| Debt service:  |                 |              |                 |               |               |
| Principal  | 701             | 716          | 753             | 946           | 792           |
| Interest   | 228             | 192          | 161             | 145           | 121           |
| <b>Total Expenditures</b>                                  | <b>2,228</b>    | <b>1,266</b> | <b>1,048</b>    | <b>1,348</b>  | <b>1,513</b>  |
| <b><u>Other Financing Sources (Uses)</u></b>               |                 |              |                 |               |               |
| Interfund loan proceeds                                    | -               | -            | -               | -             | -             |
| Issuance of long-term debt                                 | -               | 2,434        | -               | -             | -             |
| Discount on debt issuance                                  | -               | (2,419)      | -               | -             | -             |
| Transfers in   | -               | -            | 1,797           | 177           | 140           |
| Transfers out  | -               | -            | -               | (237)         | (140)         |
| <b>Total Other Financing Sources (Uses)</b>                | <b>-</b>        | <b>15</b>    | <b>1,797</b>    | <b>(60)</b>   | <b>-</b>      |
| <b>Net Change in Fund Balance</b>                          | <b>\$ (924)</b> | <b>\$ 2</b>  | <b>\$ 2,117</b> | <b>\$ 426</b> | <b>\$ 609</b> |
| Debt service as a percentage<br>of noncapital expenditures | 95.8%           | 93.9%        | 90.2%           | 86.8%         | 60.3%         |

Bend Urban Renewal Agency  
 A Component Unit of the City of Bend, Oregon  
**Property Tax Levies and Collections - Murphy Crossing Urban Renewal District**  
 Last ten fiscal years

| <u>Fiscal Year</u> | <u>Total Tax Levy</u> | <u>Collected within the Fiscal Year of the Levy</u> |                                     | <u>Collections in Subsequent Years</u> | <u>Total Collections to Date</u> |                                     |
|--------------------|-----------------------|---|-------------------------------------|--|----------------------------------|-------------------------------------|
|                    |                       | <u>Amount</u>                                       | <u>Percentage of Levy Collected</u> |  | <u>Amount</u>                    | <u>Percentage of Levy Collected</u> |
| 2011               | \$ 68,078             | \$ 63,092   | 92.7%                               | \$ 3,296                               | \$ 66,388                        | 97.5%                               |
| 2012               | 58,037                | 54,212  | 93.4%                               | 2,251                                  | 56,463                           | 97.3%                               |
| 2013               | 64,048                | 60,387  | 94.3%                               | 1,769                                  | 62,156                           | 97.0%                               |
| 2014               | 134,904               | 128,063   | 94.9%                               | 3,473                                  | 131,536                          | 97.5%                               |
| 2015               | 267,603               | 254,946   | 95.3%                               | 5,876                                  | 260,822                          | 97.5%                               |
| 2016               | 241,610               | 229,348   | 94.9%                               | 6,041                                  | 235,389                          | 97.4%                               |
| 2017               | 249,306               | 237,287   | 95.2%                               | 5,020                                  | 242,307                          | 97.2%                               |
| 2018               | 375,685               | 359,285   | 95.6%                               | 6,078                                  | 365,363                          | 97.3%                               |
| 2019               | 462,065               | 441,968   | 95.7%                               | 5,542                                  | 447,510                          | 96.9%                               |
| 2020               | 513,031               | 491,426   | 95.8%                               | -                                      | 491,426                          | 95.8%                               |

Source: Deschutes County Assessor's Office

Bend Urban Renewal Agency  
A Component Unit of the City of Bend, Oregon  
**Property Tax Levies and Collections - Juniper Ridge Urban Renewal District**  
Last ten fiscal years

| <u>Fiscal Year</u> | <u>Total Tax Levy</u> | <u>Collected within the Fiscal Year of the Levy</u> |                                     | <u>Collections in Subsequent Years</u> | <u>Total Collections to Date</u> |                                     |
|--------------------|-----------------------|---|-------------------------------------|--|----------------------------------|-------------------------------------|
|                    |                       | <u>Amount</u>                                       | <u>Percentage of Levy Collected</u> |  | <u>Amount</u>                    | <u>Percentage of Levy Collected</u> |
| 2011               | \$ 697,457            | \$ 646,378  | 92.7%                               | \$ 30,460                              | \$ 676,838                       | 97.0%                               |
| 2012               | 934,923               | 873,304   | 93.4%                               | 36,282                                 | 909,586                          | 97.3%                               |
| 2013               | 959,762               | 904,900   | 94.3%                               | 26,500                                 | 931,400                          | 97.0%                               |
| 2014               | 936,986               | 889,487   | 94.9%                               | 23,895                                 | 913,382                          | 97.5%                               |
| 2015               | 941,334               | 896,924   | 95.3%                               | 19,948                                 | 916,872                          | 97.4%                               |
| 2016               | 1,055,960             | 1,002,664   | 95.0%                               | 27,448                                 | 1,030,112                        | 97.6%                               |
| 2017               | 1,027,018             | 977,552   | 95.2%                               | 20,633                                 | 998,185                          | 97.2%                               |
| 2018               | 1,007,130             | 963,322   | 95.7%                               | 16,655                                 | 979,977                          | 97.3%                               |
| 2019               | 1,183,929             | 1,134,175   | 95.8%                               | 13,843                                 | 1,148,018                        | 97.0%                               |
| 2020               | 1,367,257             | 1,309,681   | 95.8%                               | -                                      | 1,309,681                        | 95.8%                               |

Source: Deschutes County Assessor's Office



## **COMPLIANCE SECTION**

**INDEPENDENT AUDITOR'S REPORT  
REQUIRED BY OREGON STATE REGULATIONS**



## Report of Independent Auditors on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon Minimum Audit Standards

Board of Directors  
 Bend Urban Renewal Agency (A Component of the City of Bend, Oregon)  
 Bend, Oregon

We have audited the basic financial statements of the Bend Urban Renewal Agency (A Component of the City of Bend, Oregon) (the Agency) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 11, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

### Compliance

As part of obtaining reasonable assurance about whether the Agency’s basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-010-0000 to 162-010-0320, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

|              |   |                |
|--------------|---|----------------|
| 162-010-0010 | Definitions   | None Noted     |
| 162-010-0020 | Introduction  | None Noted     |
| 162-010-0030 | General Requirements  | None Noted     |
| 162-010-0050 | Financial Statements  | None Noted     |
| 162-010-0115 | Required Supplementary Information (RSI)  | None Noted     |
| 162-010-0120 | Other Supplementary Information   | None Noted     |
| 162-010-0130 | Schedule of Revenues, Expenditures / Expenses, and Changes in Fund Balances / Net Assets, Budget and Actual (Each Fund) | None Noted     |
| 162-010-0140 | Schedule of Accountability for Independently Elected Officials  | Not Applicable |
| 162-010-0150 | Schedule of Property Tax Transactions or Acreage Assessments  | None Noted     |
| 162-010-0160 | Schedule of Bonded or Long-Term Debt Transactions   | None Noted     |
| 162-010-0170 | Schedule of Future Requirements for Retirement of Bonded or Long-Term Debt  | None Noted     |
| 162-010-0190 | Other Financial or Statistical Information  | None Noted     |
| 162-010-0200 | Required Disclosures and Independent Auditors Comments  | None Noted     |
| 162-010-0230 | Accounting Records and Internal Control   | None Noted     |
| 162-010-0240 | Public Fund Deposits  | None Noted     |
| 162-010-0250 | Indebtedness  | None Noted     |
| 162-010-0260 | Budget  | None Noted     |
| 162-010-0270 | Insurance and Fidelity Bonds  | None Noted     |
| 162-010-0280 | Programs Funded from Outside Sources  | None Noted     |
| 162-010-0295 | Highway Funds   | Not Applicable |
| 162-010-0300 | Investments   | None Noted     |
| 162-010-0310 | Public Contracts and Purchasing   | None Noted     |
| 162-010-0315 | State School Fund   | Not Applicable |
| 162-010-0316 | Public Charter Schools  | Not Applicable |
| 162-010-0320 | Other Comments and Disclosures  | None Noted     |

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. The results of our test disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and do not provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



James C. Lanzarotta, Partner for  
Moss Adams LLP  
Eugene, Oregon  
December 11, 2020

## **Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Directors  
Bend Urban Renewal Agency (A Component of the City of Bend, Oregon)  
Bend, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Bend Urban Renewal Agency (the Agency), a component of the City of Bend, Oregon, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon December 11, 2020.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) 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.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Moss Adams, LLP*

Eugene, Oregon  
December 11, 2020

## City of Bend Urban Renewal Notice

The Urban Renewal Agency of the City of Bend, Oregon (BURA), has prepared the annual urban renewal financial report and an analysis of the impact of carrying out the urban renewal plans on the tax collections for other taxing districts that levy taxes within the urban renewal area. The information contained in the statement is on file with the City and the Agency and is available to all interested persons at 710 NW Wall St, Bend, OR 97703. The Statement is summarized here and reproduced in part in compliance with ORS 457.460.

| Bend Urban Renewal Agency<br>A Component Unit of the City of Bend, Oregon |                      |                      |
|---|----------------------|----------------------|
| <b>Summary of Urban Renewal Revenues &amp; Expenditures</b>               |                      |                      |
| For the fiscal year ended June 30, 2020                                   |                      |                      |
|   | FY 2019-20<br>Actual | FY 2019-21<br>Budget |
| <b>Revenue</b>  |                      |                      |
| BURA General Fund   | \$ 1,729             | \$ -                 |
| BURA Murphy Crossing Debt Service Fund                                    | 519,203              | 1,074,500            |
| BURA Juniper Ridge Debt Service Fund                                      | 1,396,392            | 2,599,400            |
| BURA Murphy Crossing Construction Fund                                    | -                    | -                    |
| BURA Juniper Ridge Construction Fund                                      | 16,496               | 132,500              |
| <b>Total</b>  | <b>\$ 1,933,820</b>  | <b>\$ 3,806,400</b>  |
| <b>Expenditure</b>  |                      |                      |
| BURA General Fund   | \$ 332,804           | \$ 659,100           |
| BURA Murphy Crossing Debt Service Fund                                    | 253,682              | 1,923,000            |
| BURA Juniper Ridge Debt Service Fund                                      | 799,696              | 5,481,600            |
| BURA Murphy Crossing Construction Fund                                    | 15,581               | 61,200               |
| BURA Juniper Ridge Construction Fund                                      | 251,637              | 1,316,400            |
| <b>Total</b>  | <b>\$ 1,653,400</b>  | <b>\$ 9,441,300</b>  |

### Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts for Fiscal Year 2019-20:

| Bend Urban Renewal Agency<br>A Component Unit of the City of Bend, Oregon                       |            |                   |           |             |                     |             |                   |                         |
|---|------------|-------------------|-----------|-------------|---------------------|-------------|-------------------|-------------------------|
| <b>Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts</b> |            |                   |           |             |                     |             |                   |                         |
| <b>Murphy Crossing Urban Renewal District</b>   |            |                   |           |             |                     |             |                   |                         |
| For the fiscal year ended June 30, 2020   |            |                   |           |             |                     |             |                   |                         |
|   | Total      | Permanent         | Billing   | BURA Excess | Division            | Taxes       | Percent of        |                         |
| Taxing District   | District # | Assessed Value    | Rate      | Rate        | Assessed Value Used | Imposed (1) | Levied on TAV (1) | Taxes Allocated to BURA |
| Deschutes County  | 001        | \$ 25,512,984,088 | \$ 1.2783 | \$ 1.2183   | \$ 40,058,790       | \$ 48,213   | \$ 31,484,039     | 0.15%                   |
| County Library  | 011        | 25,512,984,088    | 0.5500    | 0.5500      | 40,058,790          | 21,016      | 14,051,486        | 0.15%                   |
| Countywide Law Enforcement  | 020        | 25,512,984,088    | 1.2500    | 1.0800      | 40,058,790          | 42,031      | 27,591,516        | 0.15%                   |
| County Extension/4H   | 090        | 25,512,984,088    | 0.0224    | 0.0224      | 40,058,790          | -           | 574,326           | 0.00%                   |
| City of Bend  | 101        | 12,216,334,404    | 2.8035    | 2.8035      | 40,058,790          | 111,260     | 34,307,890        | 0.32%                   |
| 911   | 093        | 25,512,984,088    | 0.4250    | 0.3618      | 40,058,790          | 13,598      | 9,244,903         | 0.15%                   |
| Bend Metro Park & Recreation  | 301        | 12,847,908,523    | 1.4610    | 1.4610      | 40,058,790          | 58,102      | 18,801,072        | 0.31%                   |
| School District #1  | 601        | 18,286,528,187    | 4.7641    | 4.7641      | 40,058,790          | 190,378     | 86,729,563        | 0.22%                   |
| High Desert ESD   | 651        | 25,512,984,088    | 0.0964    | 0.0964      | 40,058,790          | 3,709       | 2,448,188         | 0.15%                   |
| COCC  | 670        | 25,512,984,088    | 0.6204    | 0.6204      | 40,058,790          | 24,724      | 15,753,035        | 0.16%                   |

Source:  
Deschutes County Assessor's Office

Notes:  
(1) After truncation gain/loss and compression

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

**Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts**

**Juniper Ridge Urban Renewal District**

For the fiscal year ended June 30, 2020

|                               |                   |    | <b>Total</b>          | <b>Permanent</b> | <b>Billing</b> | <b>BURA Excess</b> | <b>Division</b>    | <b>Taxes</b>      | <b>Percent of</b> |
|-------------------------------|-------------------|----|-----------------------|------------------|----------------|--------------------|--------------------|-------------------|-------------------|
|                               | <b>District #</b> |    | <b>Assessed Value</b> | <b>Rate</b>      | <b>Rate</b>    | <b>Assessed</b>    | <b>of Tax</b>      | <b>Levied</b>     | <b>Taxes</b>      |
|                               |                   |    |                       |                  |                | <b>Value Used</b>  | <b>Imposed (1)</b> | <b>on TAV (1)</b> | <b>Allocated</b>  |
|                               |                   |    |                       |                  |                |                    |                    |                   | <b>to BURA</b>    |
| <b><u>Taxing District</u></b> |                   |    |                       |                  |                |                    |                    |                   |                   |
| Deschutes County              | 001               | \$ | 25,512,984,088        | \$ 1.2783        | \$ 1.2183      | \$ 105,786,349     | \$ 128,567         | \$ 31,484,039     | 0.41%             |
| County Library                | 011               |    | 25,512,984,088        | 0.5500           | 0.5500         | 105,786,349        | 58,102             | 14,051,486        | 0.41%             |
| Countywide Law Enforcement    | 020               |    | 25,512,984,088        | 1.2500           | 1.0800         | 105,786,349        | 113,732            | 27,591,516        | 0.41%             |
| County Extension/4H           | 090               |    | 25,512,984,088        | 0.0224           | 0.0224         | 105,786,349        | 1,236              | 574,326           | 0.22%             |
| City of Bend                  | 101               |    | 12,216,334,404        | 2.8035           | 2.8035         | 105,786,349        | 295,456            | 34,307,890        | 0.86%             |
| 911                           | 093               |    | 25,512,984,088        | 0.4250           | 0.3618         | 105,786,349        | 37,087             | 9,244,903         | 0.40%             |
| Bend Metro Park & Recreation  | 301               |    | 12,847,908,523        | 1.4610           | 1.4610         | 105,786,349        | 154,527            | 18,801,072        | 0.82%             |
| School District #1            | 601               |    | 18,286,528,187        | 4.7641           | 4.7641         | 105,786,349        | 503,141            | 86,729,563        | 0.58%             |
| High Desert ESD               | 651               |    | 25,512,984,088        | 0.0964           | 0.0964         | 105,786,349        | 9,890              | 2,448,188         | 0.40%             |
| COCC                          | 670               |    | 25,512,984,088        | 0.6204           | 0.6204         | 105,786,349        | 65,520             | 15,753,035        | 0.42%             |

Source:

Deschutes County Assessor's Office

Notes:

(1) After truncation gain/loss and compression