



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

Annual Financial Report
Fiscal Year Ended June 30, 2021



CITY OF BEND

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

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Fiscal Year Ended June 30, 2021

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

**BEND URBAN RENEWAL AGENCY
A COMPONENT UNIT OF THE CITY OF BEND, OREGON
Table of Contents
Fiscal Year Ended June 30, 2021**

PRINCIPAL OFFICIALS	1
REPORT OF INDEPENDENT AUDITORS	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
BASIC FINANCIAL STATEMENTS	
<u>Government-wide Financial Statements</u>	
Statement of Net Position	11
Statement of Activities	12
<u>Fund Financial Statements</u>	
Balance Sheet – Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	15
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities	18
<u>Notes to Basic Financial Statements</u>	19
REQUIRED SUPPLEMENTARY INFORMATION	
<u>General Fund</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual, Bend Urban Renewal Agency (BURA) General Fund	29
OTHER SUPPLEMENTARY INFORMATION	
Schedule of Expenditures and Other Uses by Appropriation Levels – General Fund	30
<u>Major Governmental Funds</u>	
<u>Major Debt Service and Capital Project Funds</u>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) – Budget and Actual	
BURA Murphy Crossing Debt Service Fund	31
BURA Juniper Ridge Debt Service Fund	32
BURA Murphy Crossing Construction Fund	33
BURA Juniper Ridge Construction Fund	34
Schedule of Expenditures and Other Uses by Appropriation Levels – Major Debt Service and Capital Project Funds	35

BEND URBAN RENEWAL AGENCY
A COMPONENT UNIT OF THE CITY OF BEND, OREGON
Table of Contents (Continued)
Fiscal Year Ended June 30, 2021

OTHER FINANCIAL SCHEDULES

Schedule of Property Tax Collections	
Murphy Crossing Urban Renewal District	36
Juniper Ridge Urban Renewal District	37
Schedule of Future Debt Service Requirements of Long-term Debt	38
Summary of Urban Renewal Revenues & Expenditures	39
Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts	
Murphy Crossing Urban Renewal District	40
Juniper Ridge Urban Renewal District	41

STATISTICAL SECTION

Net Position	42
Changes in Net Position	44
Fund Balances (Deficits), Governmental Funds	46
Changes in Fund Balance, Governmental Funds	48
Property Tax Levies and Collections	
Murphy Crossing Urban Renewal District	50
Juniper Ridge Urban Renewal District	51

COMPLIANCE SECTION

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	52
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 <i>Government Auditing Standards</i>	54

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

Principal Officials

Board Officials as of June 30, 2021

Chair

Barb Campbell

Board Members

Term Expiration

Anthony Broadman	December 2024
Barb Campbell	December 2022
Gena Goodman-Campbell	December 2022
Melanie Kebler	December 2024
Megan Perkins	December 2024
Sally Russell	December 2022
Rita Schenkelberg	December 2024

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, 2021, 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, 2021, 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 10 and the Budgetary Comparison Schedule for the Urban Renewal General Fund on page 29 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 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.

Other 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 statistical section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

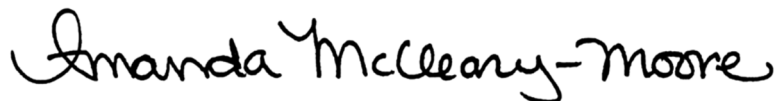
Report on Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 13, 2021 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 13, 2021, 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.



Amanda McCleary-Moore, Partner, for
Moss Adams, LLP
Medford, Oregon
December 13, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS
Fiscal Year Ended June 30, 2021

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, 2021. 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 \$8.8 million at June 30, 2021 and consisted mainly of restricted cash and investments of \$5.3 million and capital assets of \$2.7 million.
- BURA's liabilities totaled \$5.3 million at June 30, 2021 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 \$3.5 million at June 30, 2021, a decrease of \$0.2 million from the previous year.
- Revenues for the fiscal year ended June 30, 2021 totaled \$2.7 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, 2021

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. In fiscal year 2021 the BURA General Fund was closed and the Juniper Ridge Urban Renewal Construction Fund will serve as the General Fund in future years.

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, 2021

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 \$3.5 million at June 30, 2021 which is a decrease of \$0.2 million from the previous year's net position. A condensed version of the Statement of Net Position as of June 30, 2021 and 2020 follows:

Net Position as of June 30 (in thousands)

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Restricted cash and investments	\$ 5,294	\$ 6,210	\$ (916)
Current and other assets	42	48	(6)
Capital assets, net	2,674	2,749	(75)
Other noncurrent assets	750	2	748
Total Assets	<u>8,760</u>	<u>9,009</u>	<u>(249)</u>
Deferred outflows of resources	<u>48</u>	<u>54</u>	<u>(6)</u>
Long-term debt	5,128	5,164	(36)
Other liabilities	<u>219</u>	<u>230</u>	<u>(11)</u>
Total Liabilities	<u>5,347</u>	<u>5,394</u>	<u>(47)</u>
Net investment in capital assets	2,724	916	1,808
Restricted for urban renewal	39	1,399	(1,360)
Restricted for debt service	5,265	4,809	456
Unrestricted (deficit)	<u>(4,567)</u>	<u>(3,455)</u>	<u>(1,112)</u>
Total Net Position	<u>\$ 3,461</u>	<u>\$ 3,669</u>	<u>\$ (208)</u>

Restricted cash and investments decreased \$0.9 million primarily due to a one-time transfer to the City of Bend's General Fund for Juniper Ridge land sale proceeds. Total liabilities decreased by \$0.05 million due to the pay down of long-term debts according to terms. Capital assets decreased \$0.1 million due to the depreciation of assets in the Juniper Ridge and Murphy Crossing Urban Renewal Areas.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
Fiscal Year Ended June 30, 2021

Statement of Activities

BURA's Statement of Activities for fiscal years ended June 30, 2021 and 2020 follows:

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

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Revenues			
Program revenues:			
Charges for Services	\$ 750	\$ -	750
Operating grants and contributions	-	2	(2)
General revenues:			
Property taxes	1,895	1,859	36
Investment income	19	265	(246)
Total Revenues	<u>2,664</u>	<u>2,126</u>	<u>538</u>
Expenses			
Urban renewal	2,765	990	1,775
Interest on long-term obligations	107	119	(12)
Total Expenses	<u>2,872</u>	<u>1,109</u>	<u>1,763</u>
Change in net position	(208)	1,017	(1,225)
Net Position (deficit), beginning	3,669	2,652	1,017
Net Position (deficit), ending	<u>\$ 3,461</u>	<u>\$ 3,669</u>	<u>\$ (208)</u>

CAPITAL ASSETS

As of June 30, 2021 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>2021</u>	<u>2020</u>	<u>Change</u>
Buildings and improvements	\$ 17	\$ 19	\$ (2)
Infrastructure	2,658	2,730	(72)
Total Capital Assets, net	<u>\$ 2,675</u>	<u>\$ 2,749</u>	<u>\$ (74)</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, 2021, the Agency had \$5.1 million in debt, consisting of Direct Borrowing and Direct Placement Obligations of \$1.8 million, a tax-increment note of \$1.0 million used to finance improvements and development in the Juniper Ridge Renewal Area, and a tax-increment note of \$2.3 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, 2021

ECONOMIC FACTORS

BURA uses tax increment financing (TIF) districts that 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, an 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:

<u>(in thousands)</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Base assessed value	\$ 72,685	\$ 72,685	\$ 72,685	\$ 72,685
Incremental assessed value	29,427	35,990	40,059	43,414
Total assessed value	<u>\$ 102,112</u>	<u>\$ 108,675</u>	<u>\$ 112,744</u>	<u>\$ 116,099</u>
Tax Levy	<u>\$ 376</u>	<u>\$ 462</u>	<u>\$ 513</u>	<u>\$ 557</u>

For the fiscal year ended June 30, 2021, the special tax levy for the Murphy Crossing Urban Renewal Area was \$556,847.

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 \$3,772,765 with \$2,410,865 outstanding at June 30, 2021. There is \$48,827,235 available to be issued.

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

MANAGEMENT’S DISCUSSION AND ANALYSIS (Continued)

Fiscal Year Ended June 30, 2021

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:

(in thousands)	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Base assessed value	\$ 13,753	\$ 13,753	\$ 13,753	\$ 13,753
Incremental assessed value	85,622	100,156	105,786	107,699
Total assessed value	<u>\$ 99,375</u>	<u>\$ 113,909</u>	<u>\$ 119,539</u>	<u>\$ 121,452</u>
Tax Levy	<u>\$ 1,007</u>	<u>\$ 1,184</u>	<u>\$ 1,367</u>	<u>\$ 1,390</u>

For the fiscal year ended June 30, 2021, the special tax levy for the Juniper Ridge Urban Renewal Area was \$1,389,517.

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 \$8,093,315 with \$3,266,989 outstanding at June 30, 2021. There is \$33,156,685 available to be issued.

NEXT YEAR’S BUDGET

Expenditures and other requirements budgeted for the FY 2021-23 biennium are as follows:

BURA Murphy Crossing Debt Service Fund	986,300
BURA Juniper Ridge Debt Service Fund	2,187,800
BURA Core Area Debt Service Fund	672,800
BURA Murphy Crossing Capital Projects Fund	389,300
BURA Juniper Ridge Capital Projects Fund	3,278,800
BURA Core Area Capital Projects Fund	977,800
Reserved for future expenditures	6,568,400

The biennium budget is intended to cover current administrative costs, debt service for existing debt, revision to the Murphy Crossing Urban Renewal Plan, beginning the study and engineering for the Murphy Crossing Interchange, improvements to Cooley Road and Talus Road and funding for US20 and US97 North Corridor improvements in the Juniper Ridge Urban Renewal Area, and to begin identifying priority spending and program requirements for the Core Area TIF.

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 and Administrative 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, 2021

	Governmental Activities
<u>Assets</u>	
Current assets:	
Property taxes receivable	\$ 42,027
Total Current Assets	42,027
Noncurrent assets:	
Restricted cash and investments	5,293,524
Depreciable capital assets, net	2,674,475
Loans and notes receivable	750,000
Total Noncurrent Assets	8,717,999
Total Assets	8,760,026
<u>Deferred Outflows of Resources</u>	
Deferred outflows from debt refunding	47,766
Total Deferred Outflows of Resources	47,766
<u>Liabilities</u>	
Current liabilities:	
Accounts payable	1,900
Accrued interest payable	5,913
Long-term debt due within one year	961,588
Total Current Liabilities	969,401
Noncurrent liabilities:	
Due to the City of Bend	211,418
Long-term debt due after one year	4,166,169
Total Noncurrent Liabilities	4,377,587
Total Liabilities	5,346,988
<u>Net Position</u>	
Net investment in capital assets	2,722,241
Restricted for:	
Urban renewal	38,933
Restricted for debt service	5,264,794
Unrestricted (deficit)	(4,565,164)
Total Net Position	\$ 3,460,804

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, 2021

<u>Functions/ Programs</u>	<u>Direct Expenses</u>	<u>Program Revenues</u>		<u>Change in Net Position</u>	
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>		<u>Operating Grants and Contributions</u>
Urban renewal	\$ 2,764,844	\$ 750,000	\$ -	\$ -	\$ (2,014,844)
Interest on long-term debt	107,162	-	-	-	(107,162)
Total Governmental Activities	\$ 2,872,006	\$ 750,000	\$ -	\$ -	(2,122,006)
General Revenues:					
Property taxes, levied for debt service					1,894,807
Net investment income					19,384
Total General Revenues					1,914,191
Change in Net Position					(207,815)
Net Position (Deficit), July 1, 2020					3,668,619
Net Position (Deficit), June 30, 2021					\$ 3,460,804

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, 2021

	BURA General Fund	BURA Murphy Crossing Debt Service Fund	BURA Juniper Ridge Debt Service Fund
<u>Assets</u>			
Restricted cash and investments	\$ -	\$ 1,460,461	\$ 3,790,409
Receivables:			
Property taxes	-	11,797	30,230
Loans and notes receivable	-	-	-
Total Assets	\$ -	\$ 1,472,258	\$ 3,820,639
<u>Liabilities</u>			
Accounts payable	\$ -	\$ -	\$ -
Due to the City of Bend	-	-	-
Total Liabilities	-	-	-
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	-	7,852	20,251
Unavailable revenue - assessments & loans	-	-	-
Total Deferred Inflows of Resources	-	7,852	20,251
<u>Fund Balances</u>			
Restricted	-	1,464,406	3,800,388
Total Fund Balances	-	1,464,406	3,800,388
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ -	\$ 1,472,258	\$ 3,820,639

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, 2021

	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund	Total Governmental Funds
<u>Assets</u>			
Restricted cash and investments	\$ 190	\$ 42,464	\$ 5,293,524
Receivables:			
Property taxes	-	-	42,027
Loans and notes receivable	750,000	-	750,000
Total Assets	\$ 750,190	\$ 42,464	\$ 6,085,551
<u>Liabilities</u>			
Accounts payable	\$ -	\$ 1,900	\$ 1,900
Due to the City of Bend	-	1,821	1,821
Total Liabilities	-	3,721	3,721
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	-	-	28,103
Unavailable revenue - assessments & loans	750,000	-	750,000
Total Deferred Inflows of Resources	750,000	-	778,103
<u>Fund Balances</u>			
Restricted	190	38,743	5,303,727
Total Fund Balances	190	38,743	5,303,727
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 750,190	\$ 42,464	\$ 6,085,551

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, 2021

Total Fund Balances (Deficits) \$ 5,303,727

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. 2,674,475

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 47,766

Liabilities and deferred inflows of resources that are not due and payable in the current period are not reported in the funds.
Interest payable (5,913)
Due to the City of Bend (209,597)
Long-term debt (5,127,757)

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 28,103
Other revenues 750,000

Total Net Position \$ 3,460,804

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, 2021

	BURA General Fund	BURA Murphy Crossing Debt Service Fund	BURA Juniper Ridge Debt Service Fund
Revenues			
Property taxes	\$ -	\$ 543,124	\$ 1,356,460
Investment earnings	326	2,575	12,516
Total Revenues	326	545,699	1,368,976
Expenditures			
Current:			
Urban renewal	182,873	5,009	5,322
Debt service:			
Principal	-	1,834,421	2,353,180
Interest	-	50,470	60,309
Total Expenditures	182,873	1,889,900	2,418,811
Excess (deficiency) of revenues over (under) expenditures	(182,547)	(1,344,201)	(1,049,835)
Other Financing Sources (Uses)			
Issuance of long-term debt	-	1,648,100	1,751,000
Transfers in	54,124	-	-
Transfers out	(10,656)	(10,465)	(538,315)
Total Other Financing Sources (Uses)	43,468	1,637,635	1,212,685
Net change in fund balances	(139,079)	293,434	162,850
Fund Balances, July 1, 2020	139,079	1,170,972	3,637,538
Fund Balances, June 30, 2021	\$ -	\$ 1,464,406	\$ 3,800,388

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, 2021

	BURA Murphy Crossing Construction Fund	BURA Juniper Ridge Construction Fund	Total Governmental Funds
Revenues			
Property taxes	\$ -	\$ -	\$ 1,899,584
Investment earnings	-	3,967	19,384
Total Revenues	-	3,967	1,918,968
Expenditures			
Current:			
Urban renewal	763,976	1,718,725	2,675,905
Debt service:			
Principal	-	-	4,187,601
Interest	-	-	110,779
Total Expenditures	763,976	1,718,725	6,974,285
Excess (deficiency) of revenues over (under) expenditures	(763,976)	(1,714,758)	(5,055,317)
Other Financing Sources (Uses)			
Issuance of long-term debt	752,300	-	4,151,400
Transfers in	10,465	548,970	613,559
Transfers out	-	(54,123)	(613,559)
Total Other Financing Sources (Uses)	762,765	494,847	4,151,400
Net change in fund balances	(1,211)	(1,219,911)	(903,917)
Fund Balances, July 1, 2020	1,401	1,258,654	6,207,644
Fund Balances, June 30, 2021	\$ 190	\$ 38,743	\$ 5,303,727

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, 2021

Net Change in Fund Balances \$ (903,917)

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 (74,698)

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 (4,775)

Unavailable loans 750,000

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 3,617

Amortization of bond premiums and discounts (174)

Amortization of deferred inflows and outflows (6,824)

Accrued compensated absences and other payroll related expenses (7,245)

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.

Issuance of long-term debt (4,151,400)

Long-term debt principal repayments 4,187,601

Change in Net Position \$ (207,815)

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, 2021

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 Core Area Tax Increment Finance Area (Core Area TIF) was adopted on August 19, 2020 as a finance mechanism to address blight (as defined by ORS 457), and aid future development and redevelopment within a defined area of the City of Bend. The Core Area TIF consists of 637.15 acres within the City of Bend where more intense development and redevelopment should occur to meet the City of Bend's housing and employment needs. The Core Area TIF includes four (4) of the nine (9) Opportunity Areas identified in the 2016 Comprehensive Plan update where growth is encouraged: Bend Central District, KorPine, East Downtown, and Inner Highway 20/Greenwood.

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.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (continued)

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.

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 the operation and general service related to Urban Renewal. In fiscal year 2021 the BURA General Fund was closed and the Juniper Ridge Urban Renewal Construction Fund will serve as the General Fund in future years.

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.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

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.

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, 2021, 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 Annual Comprehensive Financial Report for the year ended June 30, 2021 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, 2021, BURA had \$5,293,524 of cash and investments restricted for future construction and debt service.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

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.

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 Annual Comprehensive Financial Report for the year ended June 30, 2021.

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.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

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 and loans receivable. 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.

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 the passage of an additional ordinance or resolution, respectively.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

Net Position/Fund Balances (continued)

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 a 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

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 were three supplemental budgets 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, 2021

Note 3 – Capital Assets

Capital asset activity for the year ended June 30, 2021 was as follows:

	Balance July 1, 2020	Increases	Transfers	Balance June 30, 2021
Capital assets being depreciated:				
Buildings and improvements	\$ 35,456	\$ -	\$ -	\$ 35,456
Infrastructure	2,910,156	-	-	2,910,156
Total capital assets being depreciated	<u>2,945,612</u>	<u>-</u>	<u>-</u>	<u>2,945,612</u>
Less accumulated depreciation for:				
Buildings and improvements	(16,770)	(1,944)	-	(18,714)
Infrastructure	(179,669)	(72,754)	-	(252,423)
Total accumulated depreciation	<u>(196,439)</u>	<u>(74,698)</u>	<u>-</u>	<u>(271,137)</u>
Total capital assets being depreciated, net	<u>2,749,173</u>	<u>(74,698)</u>	<u>-</u>	<u>2,674,475</u>
Capital assets, net	<u>\$ 2,749,173</u>	<u>\$ (74,698)</u>	<u>\$ -</u>	<u>\$ 2,674,475</u>

Depreciation expense totaled \$74,698 during the fiscal year ended June 30, 2021, and was charged fully to urban renewal activities.

Note 4 – Long-term Debt

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

	Original Amount	Outstanding July 1, 2020	Additions	Decreases	Outstanding June 30, 2021	Due within one year
<u>Direct Borrowing & Direct Placement Obligations</u>						
2013 Series, Juniper Ridge	\$ 3,700,000	\$ 1,358,699	\$ -	\$ (381,025)	\$ 977,674	\$ 386,762
2015 Series, Murphy Crossing	3,000,000	1,834,421	-	(1,834,421)	-	-
2016 Series, refunding	2,434,048	1,972,155	-	(1,972,155)	-	-
2021A Series, refunding 2015	1,648,100	-	1,648,100	-	1,648,100	210,300
2021A Series, refunding 2016	1,751,000	-	1,751,000	-	1,751,000	242,300
2021B Series, Murphy Crossing	752,300	-	752,300	-	752,300	122,400
Long-term debt obligations		5,165,275	4,151,400	(4,187,601)	5,129,074	961,762
Premiums and discounts		(1,491)	-	174	(1,317)	(174)
Total governmental activities	<u>\$ 5,163,784</u>	<u>\$ 4,151,400</u>	<u>\$ (4,187,427)</u>	<u>\$ 5,127,757</u>	<u>\$ 961,588</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, 2021

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, 2021, \$1,972,155 remained outstanding. This advanced refunding decreased total debt service by \$187,467 resulting in an economic gain of \$167,242.

On May 20, 2021 the City of Bend issued on behalf of BURA \$4,151,400 in full faith and credit obligations in two series: \$3,399,100 of tax exempt series 2021A with an interest rate of 1.36% and final maturity in fiscal year 2029 and \$752,300 of taxable series 2021B with an interest rate of 0.90% and final maturity in fiscal year 2027. Proceeds of this money were used for the following:

- \$3,399,100 of the proceeds were used to refund the outstanding portions of the 2015 Murphy Crossing Tax Increment Note and series 2016 direct borrowing & direct placement obligations. The refundings were undertaken due to favorable market conditions which reduce the total future debt service payments by \$126,194 resulting in a total economic gain of \$141,681.
- \$752,300 of the proceeds are being used to finance affordable housing assistance in the Murphy Crossing Urban Renewal Area.

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

Year ending June 30	Direct Borrowing & Direct Placement Obligations	
	Principal	Interest
2022	\$ 961,762	\$ 65,647
2023	975,385	50,920
2024	782,927	37,835
2025	595,500	28,742
2026	602,100	21,201
2027-2029	1,211,400	21,436
	\$ 5,129,074	\$ 225,781

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 4 – Long-term Debt (Continued)

Direct Borrowing & Direct Placement Obligations (continued)

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, 2021, 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.

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.

BEND URBAN RENEWAL AGENCY
(A Component Unit of the City of Bend, Oregon)
Notes to Basic Financial Statements (Continued)
Fiscal Year Ended June 30, 2021

Note 5 – Tax Abatements (Continued)

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 Taxes Abated During 2020-21
Nonprofit low income rental	\$ 2,197
Housing for low income rental	497
Enterprise zones	13,496
Construction in process in enterprise zones	117
Total	\$ 16,307

Note 6 – Commitments and Contingencies

At June 30, 2021, BURA was committed on outstanding construction planning, engineering, consulting service or other contracts totaling approximately \$13,400.

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, 2021 amounts provided for personnel services totaled \$227,777 and payments for services and transfers to the City of Bend totaled \$1,216,542. 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 operation and general service related to Urban Renewal. In fiscal year 2021 the BURA General Fund was closed and the Juniper Ridge Urban Renewal Construction Fund will serve as the General Fund in future years.

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, 2021

	<u>Biennial Budget</u>		FY2019-20 <u>Actual</u>	FY2020-21 <u>Actual</u>	Total Actual Budget Basis	Variance with Final Budget Over/Under
	<u>Original</u>	<u>Final</u>				
Revenues						
Charges for Services	\$ -	\$ -	\$ -	\$ 54,124	\$ 54,124	\$ 54,124
Investment income	-	-	1,729	796	2,525	2,525
Total Revenues	-	-	1,729	54,920	56,649	56,649
Expenditures						
Current:						
Community and economic development	659,100	608,600	332,804	182,873	515,677	92,923
Contingency	-	50,500	-	-	-	50,500
Total Expenditures	659,100	659,100	332,804	182,873	515,677	143,423
Excess (deficiency) of revenues over (under) expenditures	(659,100)	(659,100)	(331,075)	(127,953)	(459,028)	200,072
Other Financing Sources (Uses)						
Transfers in	225,700	225,700	-	-	-	(225,700)
Total Other Financing Sources (Uses)	225,700	225,700	-	-	-	(225,700)
Net change in fund balance	(433,400)	(433,400)	(331,075)	(127,953)	(459,028)	(25,628)
Beginning Fund Balance (Deficit)	433,400	433,400	459,028	127,953	459,028	25,628
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 127,953	\$ -	\$ -	\$ -

OTHER SUPPLEMENTARY INFORMATION

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

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Total Actual Budget Over/Under</u>
<u>BURA General Fund</u>			
Community & economic development program	\$ 608,600	\$ 515,677	\$ 92,923
Contingency	50,500	-	50,500
Total BURA General Fund	\$ 659,100	\$ 515,677	\$ 143,423

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, 2021

	<u>Biennial Budget</u>		FY2019-20 <u>Actual</u>	FY2020-21 <u>Actual</u>	Total Actual Budget Basis	Variance with Final Budget Over/Under
	<u>Original</u>	<u>Final</u>				
<u>Revenues</u>						
Property taxes:						
Current year's property tax levy	\$ 983,000	\$ 983,000	\$ 489,471	\$ 533,960	\$ 1,023,431	\$ 40,431
Delinquent property taxes	11,500	11,500	14,581	9,164	23,745	12,245
Investment income	80,000	80,000	15,151	19,737	34,888	(45,112)
Total Revenues	1,074,500	1,074,500	519,203	562,861	1,082,064	7,564
<u>Expenditures</u>						
Current:						
Community and economic development	-	6,000	-	5,009	5,009	991
Debt service	548,100	2,440,200	253,682	1,895,356	2,149,038	291,162
Reserved for debt service	1,374,900	1,124,900	-	-	-	1,124,900
Total Expenditures	1,923,000	3,571,100	253,682	1,900,365	2,154,047	1,417,053
Excess (deficiency) of revenues over (under) expenditures	(848,500)	(2,496,600)	265,521	(1,337,504)	(1,071,983)	1,424,617
<u>Other Financing Sources (Uses)</u>						
Issuance of long-term debt	-	1,648,100	-	1,648,100	1,648,100	-
Total Other Financing Sources (Uses)	-	1,648,100	-	1,648,100	1,648,100	-
Net change in fund balance	(848,500)	(848,500)	265,521	310,596	576,117	1,424,617
Beginning Fund Balance (Deficit)	848,500	848,500	873,275	1,138,796	873,275	24,775
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,138,796	\$ 1,449,392	\$ 1,449,392	\$ 1,449,392
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Unrealized gain (loss) on investments					15,014	
Reclass debt service for budgetary reporting					10,465	
Transfers out to Construction Fund for debt service					(10,465)	
Ending Fund Balance - GAAP basis					\$ 1,464,406	

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, 2021

	<u>Biennial Budget</u>		<u>FY2019-20 Actual</u>	<u>FY2020-21 Actual</u>	<u>Total Actual Budget Basis</u>	<u>Variance with Final Budget Over/Under</u>
	<u>Original</u>	<u>Final</u>				
<u>Revenues</u>						
Property taxes:						
Current year's property tax levy	\$ 2,399,500	\$ 2,685,500	\$ 1,304,650	\$ 1,332,410	\$ 2,637,060	\$ (48,440)
Delinquent property taxes	28,400	28,400	45,652	24,050	69,702	41,302
Investment earnings	171,500	171,500	46,090	63,121	109,211	(62,289)
Total Revenues	2,599,400	2,885,400	1,396,392	1,419,581	2,815,973	(69,427)
<u>Expenditures</u>						
Current:						
Community and economic development	-	6,000	-	5,322	5,322	678
Debt service	1,478,200	3,751,500	799,696	2,951,804	3,751,500	-
Reserved for debt service	4,003,400	3,751,100	-	-	-	3,751,100
Total Expenditures	5,481,600	7,508,600	799,696	2,957,126	3,756,822	3,751,778
Excess (deficiency) of revenues over (under) expenditures	(2,882,200)	(4,623,200)	596,696	(1,537,545)	(940,849)	3,682,351
<u>Other Financing Sources (Uses)</u>						
Issuance of long-term debt	-	1,741,000	-	1,751,000	1,751,000	10,000
Total Other Financing Sources (Uses)	-	1,741,000	-	1,751,000	1,751,000	10,000
Net change in fund balance	(2,882,200)	(2,882,200)	596,696	213,455	810,151	3,692,351
Beginning Fund Balance (Deficit)	2,882,200	2,882,200	2,937,097	3,533,793	2,937,097	54,897
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 3,533,793	\$ 3,747,248	\$ 3,747,248	\$ 3,747,248
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Unrealized gain (loss) on investments					53,140	
Reclass debt service for budgetary reporting					538,315	
Transfers out to Construction Fund for debt service					(538,315)	
Ending Fund Balance - GAAP basis					\$ 3,800,388	

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, 2021

	<u>Biennium Budget</u>		<u>FY2019-20</u> <u>Actual</u>	<u>FY2020-21</u> <u>Actual</u>	<u>Total Actual</u> <u>Budget</u> <u>Basis</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over/Under</u>
	<u>Original</u>	<u>Final</u>				
<u>Expenditures</u>						
Current:						
Community and economic development	57,100	1,132,100	15,581	763,976	779,557	352,543
Contingency	4,100	4,100	-	-	-	4,100
Total Expenditures	61,200	1,136,200	15,581	763,976	779,557	356,643
Excess (deficiency) of revenues						
over (under) expenditures	(61,200)	(1,136,200)	(15,581)	(763,976)	(779,557)	356,643
<u>Other Financing Sources (Uses)</u>						
Interfund loan proceeds	57,100	307,100	10,000	10,465	20,465	(286,635)
Issuance of long-term debt	-	825,000	-	752,300	752,300	(72,700)
Total Other Financing Sources (Uses)	57,100	1,132,100	10,000	762,765	772,765	(359,335)
Net change in fund balance	(4,100)	(4,100)	(5,581)	(1,211)	(6,792)	(2,692)
Beginning Fund Balance (Deficit)	4,100	4,100	6,792	1,211	6,792	2,692
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,211	\$ -	\$ -	\$ -

Reconciliation of Budgetary basis to GAAP basis

Unrealized gain (loss) on investments	190
Transfers in to Construction Fund for debt service	10,465
Reclass loan proceeds for budgetary reporting	(10,465)
Ending Fund Balance - GAAP basis	\$ 190

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, 2021

	<u>Biennium Budget</u>		FY2019-20 <u>Actual</u>	FY2020-21 <u>Actual</u>	Total Actual <u>Budget</u> <u>Basis</u>	Variance with <u>Final Budget</u> <u>Over/Under</u>
	<u>Original</u>	<u>Final</u>				
<u>Revenues</u>						
Grant revenue	\$ -	\$ -	\$ 1,894	\$ -	\$ 1,894	\$ 1,894
Investment earnings	132,500	132,500	14,602	16,922	31,524	(100,976)
Total Revenues	132,500	132,500	16,496	16,922	33,418	(99,082)
<u>Expenditures</u>						
Current:						
Community and economic development	911,900	2,132,100	251,637	1,772,848	2,024,485	107,615
Charges paid to the City of Bend	4,900	-	-	-	-	-
Contingency	399,600	102,800	-	-	-	102,800
Total Expenditures	1,316,400	2,234,900	251,637	1,772,848	2,024,485	210,415
Excess (deficiency) of revenues over (under) expenditures	(1,183,900)	(2,102,400)	(235,141)	(1,755,926)	(1,991,067)	111,333
<u>Other Financing Sources (Uses)</u>						
Issuance of long-term debt	-	500,000	-	-	-	(500,000)
Interfund loan proceeds	132,200	325,000	130,000	538,315	668,315	343,315
Transfers out	(225,700)	-	-	-	-	-
Total Other Financing Sources (Uses)	(93,500)	825,000	130,000	538,315	668,315	(156,685)
Net change in fund balance	(1,277,400)	(1,277,400)	(105,141)	(1,217,611)	(1,322,752)	(45,352)
Beginning Fund Balance (Deficit)	1,277,400	1,277,400	1,322,752	1,217,611	1,322,752	45,352
Ending Fund Balance (Deficit)	\$ -	\$ -	\$ 1,217,611	\$ -	\$ -	\$ -
<u>Reconciliation of Budgetary basis to GAAP basis</u>						
Unrealized gain (loss) on investments					38,743	
Transfers in to Construction Fund for debt service					538,315	
Reclass loan proceeds for budgetary reporting					(538,315)	
Ending Fund Balance - GAAP basis					\$ 38,743	

Bend Urban Renewal Agency

A Component Unit of the City of Bend, Oregon

Major Debt Service and Capital Projects Funds

Schedule of Expenditures and Other Uses by Appropriation Levels

For the biennium ended June 30, 2021

	<u>Appropriation</u>	<u>Actual Expenditures</u>	<u>Variance with Final Budget Over/Under</u>
<u>BURA Murphy Crossing Debt Service Fund</u>			
Community & economic development program	\$ 6,000	\$ 5,009	\$ 991
Debt service	2,440,200	2,149,038	291,162
Reserves	1,124,900	-	1,124,900
Total BURA Murphy Crossing Debt Service Fund	\$ 3,571,100	\$ 2,154,047	\$ 1,417,053
<u>BURA Juniper Ridge Debt Service Fund</u>			
Community & economic development program	\$ 6,000	\$ 5,322	\$ 678
Debt service	3,751,500	3,751,500	-
Reserves	3,751,100	-	3,751,100
Total BURA Juniper Ridge Debt Service Fund	\$ 7,508,600	\$ 3,756,822	\$ 3,751,778
<u>BURA Murphy Crossing Construction Fund</u>			
Community & economic development program	\$ 1,132,100	\$ 779,557	\$ 352,543
Contingency	4,100	-	4,100
Total BURA Murphy Crossing Construction Fund	\$ 1,136,200	\$ 779,557	\$ 356,643
<u>BURA Juniper Ridge Construction Fund</u>			
Community & economic development program	\$ 2,132,100	\$ 2,024,485	\$ 107,615
Contingency	102,800	-	102,800
Total BURA Juniper Ridge Construction Fund	\$ 2,234,900	\$ 2,024,485	\$ 210,415

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, 2021

<u>Fiscal Year</u>	<u>Uncollected Balances July 1, 2020</u>	<u>Current Year's Levy</u>	<u>Adjustments, Interest and Discounts</u>	<u>Net Collections</u>	<u>Uncollected Balances June 30, 2021</u>
Prior	\$ 6		\$ 1	\$ (2)	\$ 5
2011-12	2		-	-	2
2012-13	3		-	(1)	2
2013-14	7		1	(2)	6
2014-15	61		11	(48)	24
2015-16	35		9	(50)	(6)
2016-17	392		51	(395)	48
2017-18	1,206		154	(916)	444
2018-19	2,960		(241)	(1,610)	1,109
2019-20	7,866		203	(5,673)	2,396
2020-21	-	556,847	(15,944)	(533,136)	7,767
Totals	\$ 12,538	\$ 556,847	\$ (15,755)	\$ (541,833)	\$ 11,797

Other Distributions:

Interest earned on unsegregated taxes	(95)
Other tax distributions and credits	(854)
Total Property Tax Cash Collections	<u>(542,782)</u>

Reconciliation to revenues:

Collections	542,782
Change in accrued revenue	342
Property Tax Revenues Governmental Funds	<u>543,124</u>
Change in unavailable revenue	(1,083)
Total Property Tax Revenues Governmental Activities	<u><u>\$ 542,041</u></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, 2021

<u>Fiscal Year</u>	<u>Uncollected Balances July 1, 2020</u>	<u>Current Year's Levy</u>	<u>Adjustments, Interest and Discounts</u>	<u>Net Collections</u>	<u>Uncollected Balances June 30, 2021</u>
Prior	\$ 75		\$ 7	\$ (22)	\$ 60
2011-12	38		2	(5)	35
2012-13	40		3	(10)	33
2013-14	55		4	(15)	44
2014-15	217		39	(168)	88
2015-16	152		40	(219)	(27)
2016-17	1,619		212	(1,629)	202
2017-18	2,871		769	(2,456)	1,184
2018-19	7,988		(1,017)	(4,125)	2,846
2019-20	20,963		541	(15,118)	6,386
2020-21	-	1,389,517	(39,784)	(1,330,354)	19,379
Totals	\$ 34,018	\$ 1,389,517	\$ (39,184)	\$ (1,354,121)	\$ 30,230

Other Distributions:

Interest earned on unsegregated taxes	(238)
Other tax distributions and credits	(2,198)
Total Property Tax Cash Collections	(1,356,557)

Reconciliation to revenues:

Collections	1,356,557
Change in accrued revenue	(97)
Property Tax Revenues Governmental Funds	1,356,460
Change in unavailable revenue	(3,692)
Total Property Tax Revenues Governmental Activities	\$ 1,352,768

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, 2021

Total Requirements			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021-22	\$ 961,762	\$ 65,647	\$ 1,027,409
2022-23	975,385	50,920	1,026,305
2023-24	782,927	37,835	820,762
2024-25	595,500	28,742	624,242
2025-26	602,100	21,201	623,301
2026-27	612,000	13,553	625,553
2027-28	489,000	6,382	495,382
2028-29	110,400	1,501	111,901
	\$ 5,129,074	\$ 225,781	\$ 5,354,855

Juniper Ridge Urban Renewal Series 2013 Note			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	-	-	-
	\$ 977,674	\$ 22,297	\$ 999,971

2021A FF&C Refund Murphy Crossing Urban Renewal Series 2015 Note			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021-22	\$ 210,300	\$ 23,099	\$ 233,399
2022-23	213,800	19,554	233,354
2023-24	216,700	16,646	233,346
2024-25	219,700	13,699	233,399
2025-26	222,700	10,711	233,411
2026-27	225,700	7,683	233,383
2027-28	228,800	4,613	233,413
2028-29	110,400	1,501	111,901
2029-30	-	-	-
	\$ 1,648,100	\$ 97,507	\$ 1,745,606

2021A FF&C Refund Cooley Road Series 2016 Note			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021-22	\$ 242,300	\$ 22,894	\$ 265,194
2022-23	245,300	18,850	264,150
2023-24	243,100	15,529	258,629
2024-25	249,800	12,177	261,977
2025-26	252,300	8,763	261,063
2026-27	258,000	5,293	263,293
2027-28	260,200	1,769	261,969
2028-29	-	-	-
2029-30	-	-	-
	\$ 1,751,000	\$ 85,276	\$ 1,836,275

2021B FF&C Murphy Crossing			
<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021-22	\$ 122,400	\$ 6,427	\$ 128,827
2022-23	123,700	5,112	128,812
2023-24	124,800	3,994	128,794
2024-25	126,000	2,866	128,866
2025-26	127,100	1,727	128,827
2026-27	128,300	577	128,877
	\$ 752,300	\$ 20,703	\$ 773,003

Note: Totals may not foot due to rounding.

Bend Urban Renewal Agency
A Component Unit of the City of Bend, Oregon
Summary of Urban Renewal Revenues & Expenditures
For the biennium ended June 30, 2021

	FY 2019-2021 Actuals	FY 2019-2021 Budget
Revenue		
BURA General Fund	\$ 56,649	\$ -
BURA Murphy Crossing Debt Service Fund	1,082,064	1,074,500
BURA Juniper Ridge Debt Service Fund	2,815,973	2,885,400
BURA Murphy Crossing Construction Fund	-	-
BURA Juniper Ridge Construction Fund	33,418	132,500
Total	\$ 3,988,104	\$ 4,092,400
Expenditure		
BURA General Fund	\$ 515,677	\$ 659,100
BURA Murphy Crossing Debt Service Fund	2,154,047	3,571,100
BURA Juniper Ridge Debt Service Fund	3,756,822	7,508,600
BURA Murphy Crossing Construction Fund	779,557	1,136,200
BURA Juniper Ridge Construction Fund	2,024,485	2,234,900
Total	\$ 9,230,588	\$ 15,109,900

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, 2021

			Total	Permanent	Billing	BURA Excess	Division	Taxes	Percent of
	District #		Assessed Value	Rate	Rate	Assessed	of Tax	Levied	Taxes
Taxing District						Value Used	Imposed (1)	on TAV (1)	Allocated to BURA
Deschutes County	001	\$	26,890,295,320	\$ 1.2783	\$ 1.2183	\$ 43,413,780	\$ 52,042	\$ 33,195,018	0.16%
County Library	011		26,890,295,320	0.5500	0.5500	43,413,780	23,419	14,804,942	0.16%
Countywide Law Enforcement	020		26,890,295,320	1.2500	1.0800	43,413,780	46,838	29,069,551	0.16%
County Extension/4H	090		26,890,295,320	0.0224	0.0224	43,413,780	-	605,256	0.00%
911	093		26,890,295,320	0.4250	0.3618	43,413,780	15,613	9,739,590	0.16%
City of Bend	101		12,859,343,464	2.8035	2.8035	43,413,780	120,997	36,066,481	0.34%
Bend Metro Park & Recreation	301		13,555,875,614	1.4610	1.4610	43,413,780	62,450	19,815,062	0.32%
School District #1	601		19,245,621,031	4.7641	4.7641	43,413,780	205,565	91,236,407	0.23%
High Desert ESD	651		26,890,295,320	0.0964	0.0964	43,413,780	3,903	2,580,389	0.15%
COCC	670		26,890,295,320	0.6204	0.6204	43,413,780	26,021	16,597,072	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, 2021

			Total	Permanent	Billing	BURA Excess	Division	Taxes	Percent of
	District #	Assessed Value	Assessed Value	Rate	Rate	Assessed Value Used	of Tax Imposed (1)	Levied on TAV (1)	Taxes Allocated to BURA
<u>Taxing District</u>									
Deschutes County	001	\$ 26,890,295,320	\$ 26,890,295,320	\$ 1.2783	\$ 1.2183	\$ 107,698,708	\$ 130,105	\$ 33,195,018	0.39%
County Library	011	26,890,295,320	26,890,295,320	0.5500	0.5500	107,698,708	58,547	14,804,942	0.40%
Countywide Law Enforcement	020	26,890,295,320	26,890,295,320	1.2500	1.0800	107,698,708	115,793	29,069,551	0.40%
County Extension/4H	090	26,890,295,320	26,890,295,320	0.0224	0.0224	107,698,708	1,301	605,256	0.21%
911	093	26,890,295,320	26,890,295,320	0.4250	0.3618	107,698,708	37,730	9,739,590	0.39%
City of Bend	101	12,859,343,464	12,859,343,464	2.8035	2.8035	107,698,708	301,843	36,066,481	0.84%
Bend Metro Park & Recreation	301	13,555,875,614	13,555,875,614	1.4610	1.4610	107,698,708	156,125	19,815,062	0.79%
School District #1	601	19,245,621,031	19,245,621,031	4.7641	4.7641	107,698,708	512,612	91,236,407	0.56%
High Desert ESD	651	26,890,295,320	26,890,295,320	0.0964	0.0964	107,698,708	9,107	2,580,389	0.35%
COCC	670	26,890,295,320	26,890,295,320	0.6204	0.6204	107,698,708	66,353	16,597,072	0.40%

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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Governmental Activities</u>					
Net investment in capital assets	\$ 215	\$ 172	\$ -	\$ 266	\$ 433
Restricted	1,726	885	1,857	3,980	3,055
Unrestricted	(7,964)	(6,340)	(6,410)	(7,854)	(6,063)
Total Governmental Activities Net Position	\$ (6,023)	\$ (5,283)	\$ (4,553)	\$ (3,608)	\$ (2,575)

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>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>
<u>Governmental Activities</u>									
Net investment in capital assets	\$ 606	\$	777	\$	901	\$	916	\$	2,722
Restricted	2,451		2,964		466		6,208		5,304
Unrestricted	(4,624)		(2,404)		1,284		(3,455)		(4,565)
Total Governmental Activities Net Position	\$ (1,567)	\$	1,337	\$	2,651	\$	3,669	\$	3,461

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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses					
Governmental activities:					
Urban renewal	\$ 2,004	\$ 85	\$ 63	\$ 56	\$ 42
Interest on long-term debt	234	191	168	196	227
Total Governmental Activities Expenses	2,238	276	231	252	269
Program Revenues					
Governmental activities:					
Charges for services:					
Urban renewal	18	-	-	-	-
Capital grants and contributions	-	7	(5)	(5)	-
Total Governmental Activities Program Revenues	18	7	(5)	(5)	-
Net Revenues (Expenses)	(2,220)	(269)	(236)	(257)	(269)
General Revenues					
Governmental activities:					
Taxes:					
Property taxes, levied for debt service	1,579	995	1,044	1,178	1,257
Net investment income	15	14	15	23	47
Loss on disposal of capital assets	-	-	-	-	-
Transfers	-	-	-	-	-
Total General Revenues	1,594	1,009	1,059	1,201	1,304
Change in Net Position	\$ (626)	\$ 740	\$ 823	\$ 944	\$ 1,035

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Expenses					
Governmental activities:					
Urban renewal	\$ 51	\$ 108	\$ 176	\$ 990	\$ 2,765
Interest on long-term debt	195	152	143	119	107
Total Governmental Activities Expenses	246	260	319	1,109	2,872
Program Revenues					
Governmental activities:					
Charges for services:					
Urban renewal	-	-	-	-	750
Capital grants and contributions	-	-	-	2	-
Total Governmental Activities Program Revenues	-	-	-	2	750
Net Revenues (Expenses)	(246)	(260)	(319)	(1,107)	(2,122)
General Revenues					
Governmental activities:					
Taxes:					
Property taxes, levied for debt service	1,239	1,347	1,601	1,859	1,895
Net investment income	15	19	234	265	19
Loss on disposal of capital assets	-	-	(140)	-	-
Transfers	-	1,797	(61)	-	-
Total General Revenues	1,254	3,163	1,634	2,124	1,914
Change in Net Position	\$ 1,008	\$ 2,903	\$ 1,315	\$ 1,017	\$ (208)

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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Urban Renewal General Fund</u>					
Restricted	-	-	415	399	362
Unassigned	451	464	-	-	-
Total General Fund	\$ 451	\$ 464	\$ 415	\$ 399	\$ 362

<u>All Other Governmental Funds</u>					
Restricted	1,726	885	1,442	3,581	2,693
Committed	385	385	-	360	360
Assigned	-	-	-	-	-
Unassigned	(340)	(361)	-	(360)	(360)
Total All Other Governmental Funds	\$ 1,771	\$ 909	\$ 1,442	\$ 3,581	\$ 2,693

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Urban Renewal General Fund</u>					
Restricted	322	588	459	139	-
Unassigned	-	-	-	-	-
Total General Fund	\$ 322	\$ 588	\$ 459	\$ 139	\$ -

<u>All Other Governmental Funds</u>					
Restricted	2,735	3,153	7	6,069	5,304
Committed	-	-	-	-	-
Assigned	-	1,433	5,133	-	-
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	\$ 2,735	\$ 4,586	\$ 5,140	\$ 6,069	\$ 5,304

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>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Revenues</u>					
Property taxes	\$ 1,782	\$ 1,004	\$ 1,048	\$ 1,182	\$ 1,257
Intergovernmental revenues	-	15	1	15	-
Contributions from the City of Bend	-	7	-	-	-
Rental income:					
Rent from others	18	-	-	-	-
Investment income	15	14	15	23	47
Total Revenues	1,815	1,040	1,064	1,220	1,304
<u>Expenditures</u>					
Urban renewal	874	32	67	60	41
Capital outlay	14	-	-	1,226	1,258
Debt service:					
Principal	1,870	1,665	4,050	618	701
Interest	251	192	164	190	228
Total Expenditures	3,009	1,889	4,281	2,094	2,228
<u>Other Financing Sources (Uses)</u>					
Issuance of long-term debt	-	-	3,700	3,000	-
Discount on debt issuance	-	-	-	(3)	-
Transfers in	461	-	-	-	-
Transfers out	(491)	-	-	-	-
Total Other Financing Sources (Uses)	(30)	-	3,700	2,997	-
Net Change in Fund Balance	\$ (1,224)	\$ (849)	\$ 483	\$ 2,123	\$ (924)
Debt service as a percentage of noncapital expenditures	70.8%	98.3%	98.4%	93.1%	95.8%

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Revenues</u>					
Property taxes	\$ 1,238	\$ 1,349	\$ 1,600	\$ 1,854	\$ 1,900
Intergovernmental revenues	-	-	-	2	-
Contributions from the City of Bend	-	-	-	-	-
Rental income:					
Rent from others	-	-	-	-	-
Investment income	15	19	234	266	19
Total Revenues	1,253	1,368	1,834	2,122	1,919
<u>Expenditures</u>					
Urban renewal	59	99	166	600	2,676
Capital outlay	299	35	91	-	-
Debt service:					
Principal	716	753	946	792	4,187
Interest	192	161	145	121	111
Total Expenditures	1,266	1,048	1,348	1,513	6,974
<u>Other Financing Sources (Uses)</u>					
Issuance of long-term debt	2,434	-	-	-	4,151
Discount on debt issuance	(2,419)	-	-	-	-
Transfers in	-	1,797	177	140	614
Transfers out	-	-	(237)	(140)	(614)
Total Other Financing Sources (Uses)	15	1,797	(60)	-	4,151
Net Change in Fund Balance	\$ 2	\$ 2,117	\$ 426	\$ 609	\$ (904)
Debt service as a percentage of noncapital expenditures	93.9%	90.2%	86.8%	60.3%	61.6%

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>
2012	58,037	54,212	93.4%	2,251	56,463	97.3%
2013	64,048	60,387	94.3%	1,770	62,157	97.0%
2014	134,904	128,063	94.9%	3,475	131,538	97.5%
2015	267,603	254,946	95.3%	5,924	260,870	97.5%
2016	241,610	229,348	94.9%	6,091	235,439	97.4%
2017	249,306	237,287	95.2%	5,415	242,702	97.4%
2018	375,685	359,285	95.6%	6,994	366,279	97.5%
2019	462,065	441,968	95.7%	7,152	449,120	97.2%
2020	513,031	491,426	95.8%	5,673	497,099	96.9%
2021	556,847	533,136	95.7%	-	533,136	95.7%

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>
2012	934,923	873,304	93.4%	36,287	909,591	97.3%
2013	959,762	904,900	94.3%	26,510	931,410	97.0%
2014	936,986	889,487	94.9%	23,910	913,397	97.5%
2015	941,334	896,924	95.3%	20,116	917,040	97.4%
2016	1,055,960	1,002,664	95.0%	27,667	1,030,331	97.6%
2017	1,027,018	977,552	95.2%	22,262	999,814	97.4%
2018	1,007,130	963,322	95.7%	19,111	982,433	97.5%
2019	1,183,929	1,134,175	95.8%	17,968	1,152,143	97.3%
2020	1,367,257	1,309,681	95.8%	15,118	1,324,799	96.9%
2021	1,389,517	1,330,354	95.7%	-	1,330,354	95.7%

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, 2021, and have issued our report thereon dated December 13, 2021. 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:

- The use of approved depositories to secure the deposit of public funds.
- The requirements relating to the preparation, adoption and execution of the biennium budget for the biennium periods July 1, 2019 to June 30, 2021 and July 1, 2021 to June 30, 2023.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules, and, regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

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

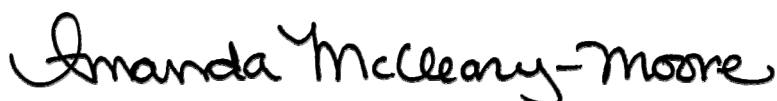
In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the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



Amanda McCleary-Moore, Partner, for
Moss Adams LLP
Medford, Oregon
December 13, 2021

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, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon December 13, 2021.

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.

Mass Adams LLP

Medford, Oregon
December 13, 2021

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 A Component Unit of the City of Bend, Oregon Summary of Urban Renewal Revenues & Expenditures For the biennium ended June 30, 2021		
	FY 2019-2021 Actuals	FY 2019-2021 Budget
Revenue		
BURA General Fund	\$ 56,649	\$ -
BURA Murphy Crossing Debt Service Fund	1,082,064	1,074,500
BURA Juniper Ridge Debt Service Fund	2,815,973	2,885,400
BURA Murphy Crossing Construction Fund	-	-
BURA Juniper Ridge Construction Fund	33,418	132,500
Total	\$ 3,988,104	\$ 4,092,400
Expenditure		
BURA General Fund	\$ 515,677	\$ 659,100
BURA Murphy Crossing Debt Service Fund	2,154,047	3,571,100
BURA Juniper Ridge Debt Service Fund	3,756,822	7,508,600
BURA Murphy Crossing Construction Fund	779,557	1,136,200
BURA Juniper Ridge Construction Fund	2,024,485	2,234,900
Total	\$ 9,230,588	\$ 15,109,900

Impact on Overlapping Taxing Districts of Property Tax Levied by Urban Renewal Districts for Fiscal Year 2020-21:

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, 2021								
		Total	Permanent	Billing	BURA Excess	Division	Taxes	Percent of
	District #	Assessed Value	Rate	Rate	Assessed Value Used	of Tax Imposed (1)	Levied on TAV (1)	Taxes Allocated to BURA
Taxing District								
Deschutes County	001	\$ 26,890,295,320	\$ 1.2783	\$ 1.2183	\$ 43,413,780	\$ 52,042	\$ 33,195,018	0.16%
County Library	011	26,890,295,320	0.5500	0.5500	43,413,780	23,419	14,804,942	0.16%
Countywide Law Enforcement	020	26,890,295,320	1.2500	1.0800	43,413,780	46,838	29,069,551	0.16%
County Extension/4H	090	26,890,295,320	0.0224	0.0224	43,413,780	-	605,256	0.00%
911	093	26,890,295,320	0.4250	0.3618	43,413,780	15,613	9,739,590	0.16%
City of Bend	101	12,859,343,464	2.8035	2.8035	43,413,780	120,997	36,066,481	0.34%
Bend Metro Park & Recreation	301	13,555,875,614	1.4610	1.4610	43,413,780	62,450	19,815,062	0.32%
School District #1	601	19,245,621,031	4.7641	4.7641	43,413,780	205,565	91,236,407	0.23%
High Desert ESD	651	26,890,295,320	0.0964	0.0964	43,413,780	3,903	2,580,389	0.15%
COCC	670	26,890,295,320	0.6204	0.6204	43,413,780	26,021	16,597,072	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, 2021

									Percent of
		Total	Permanent	Billing	BURA Excess	Division	Taxes		Taxes
	District #	Assessed Value	Rate	Rate	Assessed	of Tax	Levied	Allocated	to BURA
					Value Used	Imposed (1)	on TAV (1)		
<u>Taxing District</u>									
Deschutes County	001	\$ 26,890,295,320	\$ 1.2783	\$ 1.2183	\$ 107,698,708	\$ 130,105	\$ 33,195,018		0.39%
County Library	011	26,890,295,320	0.5500	0.5500	107,698,708	58,547	14,804,942		0.40%
Countywide Law Enforcement	020	26,890,295,320	1.2500	1.0800	107,698,708	115,793	29,069,551		0.40%
County Extension/4H	090	26,890,295,320	0.0224	0.0224	107,698,708	1,301	605,256		0.21%
911	093	26,890,295,320	0.4250	0.3618	107,698,708	37,730	9,739,590		0.39%
City of Bend	101	12,859,343,464	2.8035	2.8035	107,698,708	301,843	36,066,481		0.84%
Bend Metro Park & Recreation	301	13,555,875,614	1.4610	1.4610	107,698,708	156,125	19,815,062		0.79%
School District #1	601	19,245,621,031	4.7641	4.7641	107,698,708	512,612	91,236,407		0.56%
High Desert ESD	651	26,890,295,320	0.0964	0.0964	107,698,708	9,107	2,580,389		0.35%
COCC	670	26,890,295,320	0.6204	0.6204	107,698,708	66,353	16,597,072		0.40%

Source:

Deschutes County Assessor's Office

Notes:

(1) After truncation gain/loss and compression