



Columbia County Development Agency Adopted Budget

For the Fiscal Year 2019-2020
Beginning July 1, 2019

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Table of Contents

CCDA Board Meeting Agenda 1
Budget Message 2
Budget Summary Report..... 3
Budget Narrative 5
Budget Detail Report 7
Budget Resolution 9
Supplemental Budget Resolution..... 13

Supplemental Materials

 URA Map..... 15
 Summary of Maximum Indebtedness..... 16
 Future Schedule of Long-Term Liabilities 17

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BEFORE THE BOARD OF COUNTY COMMISSIONERS,
sitting as the COLUMBIA COUNTY
DEVELOPMENT AGENCY BOARD OF DIRECTORS
BOARD MEETING AGENDA

Wednesday, June 26, 2018
9:45 a.m.
Room 308, County Courthouse

- 1) Call to Order
- 2) Approve Minutes of:
 - June 12, 2019 Budget Hearing
- 3) Resolution No. 1-2019, "In the Matter of the Adoption of the Budget for the Columbia County Development Agency for Fiscal Year 2019-2020 and the Schedule of Appropriations".
- 4) Other business as necessary

Pursuant to ORS 192.640(1), the Board of County Commissioners reserves the right to consider and discuss, in either open session or Executive Session, additional subjects which may arise after the agenda is published.

DATE: May 8, 2019
TO: Columbia County Development Agency Board
FROM: Alex Tardif, Budget Officer
SUBJECT: FYE 2020 BUDGET MESSAGE

Dear Members of the Columbia County Development Agency, Citizen Members of the Budget Committee, and Citizens of Columbia County:

It is my pleasure, as the Budget Officer for Columbia County, to present in accordance with Oregon Budget Law, my FY 2019-2020 budget for consideration by Columbia County Development Agency Board.

The Columbia County Development Agency (“Agency”) is an urban renewal agency for Columbia County, which has the authority to administer the Port Westward Urban Renewal Plan. The Development Agency receives property tax increment, which may be used to pay debt incurred by the Agency administering the Urban Renewal Plan. This is the 16th budget year for this agency.

This budget shows the total accrual of the outstanding Clatskanie fire district reimbursement, in hopes of eliminating that debt from our books. The Agency experienced growth in ending fund balance for the fourth consecutive year. With a growing fund balance, reduced scheduled expenditures from early payment of the road loan, and forecast for stable property tax revenue, the Agency finds itself in a position to pursue strategies for paying off the remaining debt, while minimizing the fiscal impacts to affected taxing districts.

These results could be accomplished through early repayment of other outstanding debt (the water system and rail loans), or through “underlevying” the amount of property tax collections in future years, or some combination of both. These approaches are discussed in further detail in the Budget Narrative section of this document.

Pursuant to Oregon Budget Law, the Budget Detail Report shows the historical data of actual expenditures and resources for the two preceding years and the adopted budget for the current fiscal year ending June 30, 2019 on the left side of the Description column. My recommendations are listed on the right side under the column entitled “FYE 2020 Proposed.” Your action will appear under the column entitled “FYE 2020 Approved,” and the final appropriation will appear under the column entitled “FYE 2020 Adopted.”

Respectfully submitted,

Alex Tardif

Alex Tardif
Budget Office

Columbia County Development Agency

FYE 2020 Budget Summary Report

	FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Adopted	FYE 2019 Estimated	FYE 2020 Adopted	Change FYE 2019 to FYE 2020
RESOURCES						
Beginning Balance (Restricted)	646,672.23	1,112,214.89	1,770,779.70	1,959,501.85	4,052,368.40	128.8%
Property Tax (Restricted)	2,755,010.39	2,790,042.33	2,708,166.00	3,091,946.33	3,051,635.00	12.7%
State & Local Gvmt Grants (Restricted)	63,899.00	43,509.97	10,000.00	0.00	10,000.00	0.0%
Other Resources (Restricted)	12,712.53	25,701.75	10,000.00	23,778.78	10,500.00	5.0%
Total Resources	3,478,294.15	3,971,468.94	4,498,945.70	5,075,226.96	7,124,503.40	58.4%
EXPENDITURES						
Personal Services	0.00	0.00	0.00	0.00	0.00	0.0%
Materials & Services	47,431.88	63,620.26	62,140.90	45,904.04	62,281.00	0.2%
Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.0%
Debt Service	756,954.45	756,954.45	956,954.45	956,954.45	6,499,222.40	579.2%
Transfer to County Funds	1,561,692.93	1,191,392.38	80,000.00	20,000.00	63,000.00	-21.3%
Contingencies	0.00	0.00	3,399,850.35	0.00	500,000.00	-85.3%
Ending Cash Balance	1,112,214.89	1,959,501.85	0.00	4,052,368.47	0.00	0.0%
Total Expenditures	3,478,294.15	3,971,468.94	4,498,945.70	5,075,226.96	7,124,503.40	58.4%
Net Revenue (excluding fund balances)	465,542.66	847,286.96	(1,770,779.70)	2,092,866.62	(4,052,368.40)	128.8%
Net Revenue (including fund balances)	0.00	0.00	0.00	0.00	0.00	0.0%

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Budget Narrative

The Columbia County Development Agency is the urban renewal Agency for Columbia County, which has the authority to administer the Port Westward Urban Renewal Plan. The Agency receives property tax increment, which may be used to pay debt incurred by the Agency for infrastructure development of the Port Westward Urban Renewal Area. Urban renewal districts are subject to annual swings in property tax receipts due to how tax increment revenue is calculated and the existence of property within the Port Westward Urban Renewal Area subject to enterprise zone tax exemptions. This volatility can be seen in past years, when the Agency experienced significant increases or decreases in property tax revenue.

FYE 2019 Accomplishments

Increased ending fund balance. The ending fund balance for the Agency is estimated to be \$3,930,756 at the conclusion of FYE 2019. This is an increase of more than \$2,150,000 over the prior year ending balance (\$1,770,779). This increase in ending fund balance has been achieved due to repayment of the County Road Loan in FYE 2018, as well as higher than anticipated growth in tax increment revenue in FYE 2019. Assessed value in the Area increased from \$364.5 million in FYE 2018 to \$408.6 million in FYE 2019, resulting in 11.8% growth in annual tax increment revenue. The increased ending fund balance provides greater flexibility for the Agency in future years to accomplish its goals while minimizing the impact to affected taxing districts.

FYE 2020 Highlights and Significant Changes

Completion of planned fire district improvements. The adopted Port Westward Urban Renewal Plan identifies “Fire and Life Safety Facility Improvements” as one of the planned projects to receive urban renewal funding. These improvements are also the subject of an Intergovernmental Agreement (IGA) between the Agency and the Clatskanie Rural Fire Protection District, signed on June 23, 2004.

The Plan includes a non-binding estimate of the total costs of fire and life safety improvements to be \$565,000. Furthermore, the IGA establishes a process for the CRFPD to request these funds for the reimbursement of actual expenditures, and limits the total amount of that reimbursement to no more than \$565,000.

In prior fiscal years, the Agency has made expenditures to the CRFPD for reimbursement of fire and life safety expenditures totaling \$162,647.62, with a remaining balance of up to \$402,352.38. In FYE 2019 the CRFPD Board approved the purchase of a new fire engine to serve Port Westward, and requested reimbursement from the Agency for this purchase, which would use up the full amount remaining under the IGA. In the adopted FYE 2019, \$200,000 had been budgeted for these fire and life safety expenditures (categorized as “Other Agencies Debt Service”). The FYE 2020 budget calls for the remaining \$202,352.38 to be spent to reimburse the CRFPD, which would conclude the Agency’s obligation to the Fire District under the IGA.

Opportunities to reduce fiscal impacts on affected taxing districts. Future property tax revenues are anticipated to greatly exceed scheduled expenditures for the Agency in FYE 2020 and all subsequent years. This provides the Agency with options for reducing its fiscal impacts on affected taxing districts: the Agency could (1) make early principal payments on the water loan, (2) reduce annual property tax collections, or (3) pursue a combination of both approaches.

Making early principal payments on the water loan has the potential to realize more than \$2 million in avoided interest payments over the life of the loan. However, to protect the Agency from assuming a financial obligation that could be paid, in part, by future users of the water system, an agreement with the Port of Columbia County must be put in place to ensure potential future users of the water system would repay the Agency for these accelerated payments. The Agency and the Port of Columbia County have begun conversations on implementing such an arrangement.

Reducing annual property tax collections can be done on an annual basis through a process known as “underlevying.” Underlevying does not allow the Agency to realize savings from avoided interest payments, but does allow for some immediate benefits to affected taxing districts, as less property tax revenue would be collected by the Agency each year for a longer period of time. Note that these savings do not reflect a net increase in funding for affected taxing districts long-term, but rather a shift in the timing of impacts for each district.

The FYE 2020 budget anticipates making a significant early payment on the water loan. This assumes that the Agency and the Port of Columbia County negotiate an agreement that allows for early principal payments of the water loan.

FYE 2020 Budget Detail Report

FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Adopted	FYE 2019 Estimated	Account	Description	FYE 2020 Requested	FYE 2020 Proposed	FYE 2020 Approved	FYE 2020 Adopted	FTE
				818_new	COLUMBIA COUNTY DEV AGENCY					
				R15	REVENUES					
				00-3001	Restricted Fund Balance	0.00	0.00	0.00	0.00	0.00
646,672.23	1,112,214.89	1,770,779.70	1,959,501.85	00-3004	Beginning Cash Balance	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	00-3005	Restricted Cash Balance	3,930,756.00	3,930,756.00	4,052,368.40	4,052,368.40	0.00
646,672.23	1,112,214.89	1,770,779.70	1,959,501.85	Subtotal	Non-Spendable Beginning Cash Bal	3,930,756.00	3,930,756.00	4,052,368.40	4,052,368.40	0.00
					Restricted Fund Balance					
				R36	Restr State & Local Gvmt Grants					
63,899.00	43,509.97	10,000.00	0.00	00-3040	Forest, Land Sales & Royalties	10,000.00	10,000.00	10,000.00	10,000.00	0.00
63,899.00	43,509.97	10,000.00	0.00	Subtotal	Restr State & Local Gvmt Grants	10,000.00	10,000.00	10,000.00	10,000.00	0.00
				R65	Other Resources (Restricted)					
12,712.53	25,701.75	10,000.00	23,778.78	00-3020	Interest on Investments	10,500.00	10,500.00	10,500.00	10,500.00	0.00
12,712.53	25,701.75	10,000.00	23,778.78	Subtotal	Other Resources (Restricted)	10,500.00	10,500.00	10,500.00	10,500.00	0.00
				R75	Property Tax (Restricted)					
2,673,190.63	2,691,925.95	2,657,666.00	2,969,366.32	00-3010	Div of Property Taxes-Current	2,986,970.00	2,986,970.00	2,986,970.00	2,986,970.00	0.00
81,150.07	97,333.97	50,000.00	121,115.18	00-3015	Div of Property Taxes-Prior	64,665.00	64,665.00	64,665.00	64,665.00	0.00
669.69	782.41	500.00	1,464.83	00-3022	Interest on Unsegregated Taxes	0.00	0.00	0.00	0.00	0.00
2,755,010.39	2,790,042.33	2,708,166.00	3,091,946.33	Subtotal	Property Tax (Restricted)	3,051,635.00	3,051,635.00	3,051,635.00	3,051,635.00	0.00
3,478,294.15	3,971,468.94	4,498,945.70	5,075,226.96		REVENUE TOTAL	7,002,891.00	7,002,891.00	7,124,503.40	7,124,503.40	0.00
				E4	EXPENDITURES					
				00-6013	Debt Service	756,954.00	756,954.00	756,954.00	756,954.00	0.00
756,954.45	756,954.45	756,954.45	756,954.45	00-6014	Port Improvement Debt Service	202,000.00	202,000.00	202,000.00	202,000.00	0.00
0.00	0.00	200,000.00	200,000.00	00-6018	Other Agencies Debt Service	5,418,656.00	5,418,656.00	5,540,268.40	5,540,268.40	0.00
0.00	0.00	0.00	0.00	Subtotal	Port Extra Debt Service	6,377,610.00	6,377,610.00	6,499,222.40	6,499,222.40	0.00
756,954.45	756,954.45	956,954.45	956,954.45		Debt Service					
				E6	Contingencies					
0.00	0.00	3,399,850.35	0.00	00-5401	Contingency	500,000.00	500,000.00	500,000.00	500,000.00	0.00
0.00	0.00	3,399,850.35	0.00	Subtotal	Contingencies	500,000.00	500,000.00	500,000.00	500,000.00	0.00
				E7	Ending Balances					
1,112,214.89	1,959,501.85	0.00	4,052,368.47	00-5501	Ending Cash Balance	0.00	0.00	0.00	0.00	0.00
1,112,214.89	1,959,501.85	0.00	4,052,368.47	Subtotal	Ending Balances	0.00	0.00	0.00	0.00	0.00

FYE 2020 Budget Detail Report

FYE 2017 Actual	FYE 2018 Actual	FYE 2019 Adopted	FYE 2019 Estimated	Account	Description	FYE 2020 Requested	FYE 2020 Proposed	FYE 2020 Approved	FYE 2020 Adopted	FTE
21,248.57	11,790.46	60,000.00	20,000.00	E8	Special Payments					
15,305.16	6,081.99	0.00	0.00	00-5302	Transfer Gen Fund: Admin Costs	63,000.00	63,000.00	63,000.00	63,000.00	0.00
0.00	0.00	20,000.00	0.00	00-5310	Transfer to Gen Fund: Staffing	0.00	0.00	0.00	0.00	0.00
775,139.20	775,139.20	0.00	0.00	00-5311	Transfer to Road Fund: Staffing	0.00	0.00	0.00	0.00	0.00
750,000.00	398,380.73	0.00	0.00	00-6012	Co. Road Improvement Debt Serv	0.00	0.00	0.00	0.00	0.00
1,561,692.93	1,191,392.38	80,000.00	20,000.00	00-6017	Extra Debt Service	0.00	0.00	0.00	0.00	0.00
				Subtotal	Special Payments	63,000.00	63,000.00	63,000.00	63,000.00	0.00
3,430,862.27	3,907,848.68	4,436,804.80	5,029,322.92		EXPENDITURE TOTAL	6,940,610.00	6,940,610.00	7,062,222.40	7,062,222.40	0.00
				01	REVENUES					
0.00	0.00	0.00	0.00		REVENUE TOTAL	0.00	0.00	0.00	0.00	0.00
				E2	EXPENDITURES					
1,254.28	1,264.45	1,390.90	1,264.45	00-4588	Materials and Services	1,500.00	1,500.00	1,500.00	1,500.00	0.00
45,884.57	61,062.04	60,000.00	43,852.47	00-4910	Property & Liability Insurance	59,781.00	59,781.00	59,781.00	59,781.00	0.00
293.03	1,293.77	750.00	787.12	00-4911	Consulting Services	1,000.00	1,000.00	1,000.00	1,000.00	0.00
47,431.88	63,620.26	62,140.90	45,904.04	Subtotal	Materials and Services	62,281.00	62,281.00	62,281.00	62,281.00	0.00
47,431.88	63,620.26	62,140.90	45,904.04		EXPENDITURE TOTAL	62,281.00	62,281.00	62,281.00	62,281.00	0.00
					FUND TOTALS					
3,478,294.15	3,971,468.94	4,498,945.70	5,075,226.96		TOTAL REVENUES	7,002,891.00	7,002,891.00	7,124,503.40	7,124,503.40	0.00
3,478,294.15	3,971,468.94	4,498,945.70	5,075,226.96		TOTAL EXPENDITURES	7,002,891.00	7,002,891.00	7,124,503.40	7,124,503.40	0.00
0.00	0.00	0.00	0.00		TOTALS	0.00	0.00	0.00	0.00	0.00

IT IS FURTHER RESOLVED that the Budget Officer shall certify to the County Clerk of Columbia County, Oregon, the budget for the Columbia County Development Agency and shall file with the Clerk's Office a copy of the budget as finally adopted.

DATED at St. Helens, Oregon this 26th day of June, 2019.

COLUMBIA COUNTY DEVELOPMENT AGENCY

By: not present
Alex Tardif, Chair

By: [Signature]
Margaret Magruder, Vice-Chair

By: [Signature]
Henry Heimuller, Secretary/Treasurer

Approved as to form:

By: [Signature]
Office of County Counsel

Exhibit A
Schedule of FY 2019-2020 Appropriations
Columbia County Development Agency

CCDA General Fund

Program Services	62,281
Debt Service	6,377,610
Special Payments (Reimbursements to Columbia County for Debt Service and Agency administration)	63,000
Total Appropriations	6,502,891

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BEFORE THE GOVERNING BODY OF THE
COLUMBIA COUNTY DEVELOPMENT AGENCY
FOR COLUMBIA COUNTY, OREGON

In The Matter of a Supplemental Budget to Reallocate)
Appropriations Between Budget Categories) **Resolution No. 2-2019**
In the **2019-2020 Fiscal Year Budget**)

WHEREAS, ORS 294.471 permits the County to make one or more supplemental budgets by resolution where there is an occurrence or condition that was not known at the time the original budget was prepared; and

WHEREAS, the General Fund has experienced occurrences/conditions not ascertained when preparing the original budget, which necessitates a change in financial planning, that being an increase in debt service and a change in category for the administrative costs; and

WHEREAS, this supplemental budget is for Columbia County Development Agency and does not increase the fund's budget by more than 10%;

NOW, THEREFORE, IT IS RESOLVED that the 2019-2020 fiscal year budget for the Columbia County Development Agency is modified as detailed in **Exhibit A** for the specific purpose of providing appropriations to cover expenditures through June 30, 2020.

Dated in St. Helens, Oregon this 23 day of October, 2019.

COLUMBIA COUNTY DEVELOPMENT AGENCY

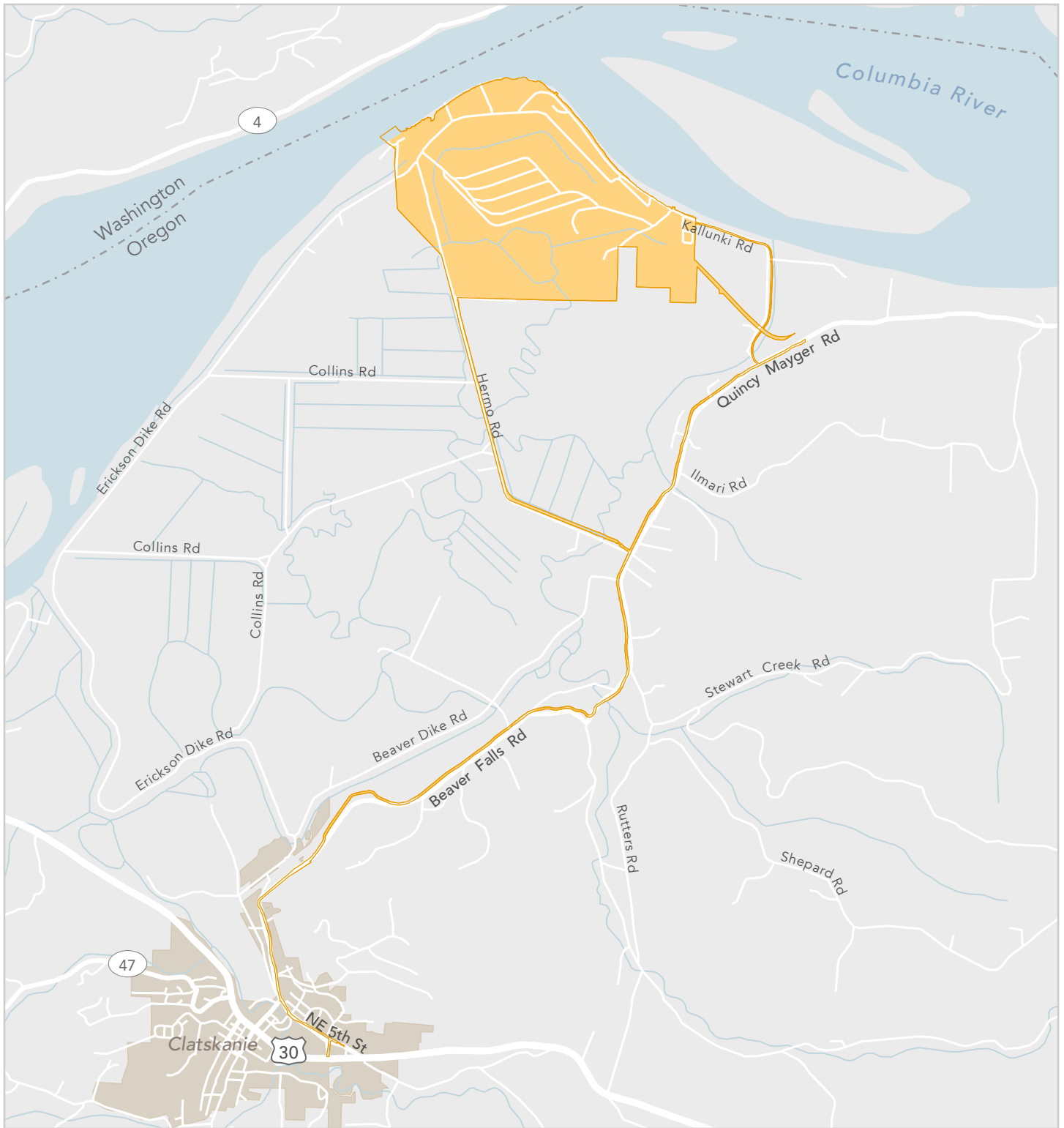
By: Alex Tardif
Alex Tardif, Chair

By: Not Present
Margaret Magruder, Vice-Chair

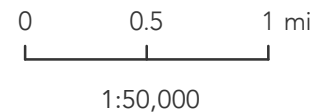
By: Henry Heimuller
Henry Heimuller, Secretary/Treasurer

Approved as to form:

By: Smaloch
Office of County Counsel



Port Westward Urban Renewal Area



- Port Westward Urban Renewal Area
- Clatskanie City Limits

Data from Columbia County.
Map date: 1/25/2017.



Summary of Maximum Indebtedness

The Port Westward Urban Renewal Plan includes a maximum indebtedness of \$34,000,000, which functions as a maximum limit on the cumulative amount of indebtedness that the CCDA can incur over the life of the Port Westward URA. Note that expenditures of revenues other than tax increment (Non-TIF Resources) do not count against the maximum indebtedness limit. The table below shows the amount of indebtedness that has been used through the end of FYE 2018, based on the CCDA’s annual financial reports.

Summary of Maximum Indebtedness through FYE 2018

Authorized Maximum Indebtedness	\$ 34,000,000.00
Formal Indebtedness	
Rail Loan	\$ 3,000,000.00
Road Loan	\$ 5,894,818.00
Water Loan	\$ 8,095,122.00
Subtotal	\$ 16,989,940.00
Contract Indebtedness	
Other Expenditures	\$ 1,847,671.32
Less Non-TIF Resources	\$ (303,074.07)
Subtotal	\$ 1,544,597.25
Total Indebtedness	\$ 18,534,537.25
Remaining Maximum Indebtedness	\$ 15,465,462.75



Future schedule of long-term liabilities

Property tax increment revenue from the Port Westward URA has been pledged as a potential source of repayment for two outstanding long-term loans from the State of Oregon to Columbia County and the Port of Saint Helens. The future scheduled debt service payments for these loans are shown below.

Summary – All loans

FYE	Water	Rail	Total
2020	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2021	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2022	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2023	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2024	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2025	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2026	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2027	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2028	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2029	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2030	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2031	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2032	\$ 756,954.40	\$ 230,017.86	\$ 986,972.26
2033	\$ -	\$ 25,990.47	\$ 25,990.47
Total	\$ 9,840,407.80	\$ 3,016,222.65	\$ 12,856,630.45

Port of Saint Helens – Water Loan

Port Water Loan			
FYE	Principal	Interest	Total
2020	\$ 401,429.11	\$ 355,525.34	\$ 756,954.45
2021	\$ 421,500.56	\$ 335,453.89	\$ 756,954.45
2022	\$ 442,575.59	\$ 314,378.86	\$ 756,954.45
2023	\$ 464,704.37	\$ 292,250.08	\$ 756,954.45
2024	\$ 487,939.59	\$ 269,014.86	\$ 756,954.45
2025	\$ 512,336.57	\$ 244,617.88	\$ 756,954.45
2026	\$ 537,953.40	\$ 219,001.05	\$ 756,954.45
2027	\$ 564,851.07	\$ 192,103.38	\$ 756,954.45
2028	\$ 593,093.62	\$ 163,860.83	\$ 756,954.45
2029	\$ 622,748.30	\$ 134,206.15	\$ 756,954.45
2030	\$ 653,885.72	\$ 103,068.73	\$ 756,954.45
2031	\$ 686,580.00	\$ 70,374.45	\$ 756,954.45
2032	\$ 720,908.95	\$ 36,045.45	\$ 756,954.40
2033	\$ -	\$ -	\$ -
Total	\$ 7,110,506.85	\$ 2,729,900.95	\$ 9,840,407.80

Port of Saint Helens – Rail Loan

Port Rail Loan			
FYE	Principal	Interest	Total
2020	\$ 109,973.34	\$ 120,044.52	\$ 230,017.86
2021	\$ 116,340.80	\$ 113,677.06	\$ 230,017.86
2022	\$ 123,076.93	\$ 106,940.93	\$ 230,017.86
2023	\$ 130,203.08	\$ 99,814.78	\$ 230,017.86
2024	\$ 137,741.84	\$ 92,276.02	\$ 230,017.86
2025	\$ 145,717.09	\$ 84,300.77	\$ 230,017.86
2026	\$ 154,154.11	\$ 75,863.75	\$ 230,017.86
2027	\$ 163,079.64	\$ 66,938.22	\$ 230,017.86
2028	\$ 172,521.95	\$ 57,495.91	\$ 230,017.86
2029	\$ 182,510.97	\$ 47,506.89	\$ 230,017.86
2030	\$ 193,078.35	\$ 36,939.51	\$ 230,017.86
2031	\$ 204,257.59	\$ 25,760.27	\$ 230,017.86
2032	\$ 216,084.10	\$ 13,933.76	\$ 230,017.86
2033	\$ 24,567.98	\$ 1,422.49	\$ 25,990.47
Total	\$ 2,073,307.77	\$ 942,914.88	\$ 3,016,222.65