



Post Falls Urban Renewal Agency
February 20, 2025 Meeting
9:00 am, Post Falls City Hall

1. Call to Order, Commissioner Roll Call and Pledge of Allegiance
2. Ceremonies, Appointments and Announcements
3. Conflict Disclosure
4. Consent Calendar **ACTION ITEMS**
 - a. Commission Meeting Minutes, January 16, 2025
 - b. Finance & Policy Committee Minutes, January 23, 2025
 - c. Commission Workshop Minutes, February 11, 2025
 - d. Payables
 - e. Bank Activity Report
 - f. Financial Reports
5. Committee Updates
 - a. Finance and Policy – Crosby
 - b. District Review - Hjeltness
 - c. Communications, Property & Personnel - Leffel
6. Citizen Comments
This section of the agenda is reserved for citizens wishing to address the Commission regarding an Agency related issue. Comments related to future public hearings should be held for that public hearing. Persons wishing to speak will have 5 minutes.
7. Unfinished Business
8. New Business
 - a. FY2024 Audit Presentation **ACTION ITEM**
 - b. Approval of Semi-Annual Proponent Reimbursements **ACTION ITEM**
 - c. 2024 Annual Report Presentation **ACTION ITEM**
9. Staff Report and Updates
10. Commissioner Comments
11. Chairman Comments
12. Adjournment

Requests for accommodation of special needs to participate in the meeting should be addressed to the Office of the Executive Director, 201 E. 4th Avenue, Post Falls, Idaho 83854, or call (208) 777-8151.

Mission Statement: To encourage sound economic and community improvement that enhances the overall quality of life in Post Falls by: providing and improving infrastructure, attracting jobs, and enhancing citizen safety and health.

POST FALLS URBAN RENEWAL MINUTES

January 16, 2025

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Chairman Jamè Davis called the meeting to order at 9:00 a.m. Executive Director Joseph Johns called the roll. Present, in addition to Davis were Commissioners Collin Coles, Len Crosby, Christi Fleischman, Melissa Hjeltness and Pat Leffel. Commissioner Eric Clemensen was absent. Also present was Counselor Pete Bredeson. Davis led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

Election of Officers. Article III Section 2 of the Agency By-Laws states officer terms shall be for one year and elections will be held at the Post Falls Urban Renewal Agency's January meeting, with appointments made at that meeting. Davis asked for nomination of Officers:

Commissioner Crosby nominated Jamè Davis as Chairman, seconded by Commissioner Coles. Roll Call Vote: Leffel – Aye; Coles – Aye; Crosby – Aye; Fleischman – Aye; Hjeltness – Aye; Davis - Abstained. Motion carried.

Commissioner Coles nominated Melissa Hjeltness as Vice-Chairman, seconded by Commissioner Leffel. Roll Call Vote: Leffel – Aye; Fleischman – Aye; Crosby – Aye; Davis – Aye; Coles – Aye; Hjeltness – Abstained. Motion carried.

Commissioner Coles nominated Len Crosby as Treasurer, seconded by Commissioner Leffel. Roll Call Vote: Hjeltness – Aye; Fleischman – Aye; Davis – Aye; Coles – Aye; Leffel – Aye; Crosby – Abstained. Motion carried.

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Johns introduced the Consent Calendar. Item A in the Consent Calendar is the Joint Workshop Minutes, November 19, 2024

Item B is the Commission Minutes, November 21, 2024

Item C is the District Review Committee Meeting Minutes, January 7, 2025

Item D is the payables for this month totaling \$ 7,392.24.

Item E is the Bank Activity Report which shows total funds in all accounts of \$ 3,001,762.42 and accrued interest for the month of \$ 6,824.05.

Item F is the financial reports as of December 31st.

Johns stated, for ratification purposes, that in regards to the cancelled December Commission Meeting, Commissioner Clemensen reviewed the November Financial Statements and Treasurer

Crosby reviewed the December Payables on December 18, 2024. On December 19th checks totaling \$12,125.89 were posted.

Approval of the consent calendar will authorize a transfer of \$7,392.24 to the First Interstate Checking Account for the monthly payables and \$6,824.05 accrued interest to the General Fund

Commissioner Crosby made a motion to approve the Consent Calendar as presented, seconded by Hjeltness. Roll Call Vote: Hjeltness – Aye; Fleischman – Aye; Crosby – Aye; Davis – Aye; Coles – Aye; Leffel - Aye. Motion carried.

COMMITTEE UPDATES

Finance & Policy – Crosby – The December Financial Statements were reviewed and the committee will be meeting later next week to review the draft FY24 Audit information.

District Review – Coles – The committee met on December 7th, as noted in the approved meeting minutes.

Communication, Property and Personnel – Davis – Nothing to report

CITIZEN COMMENTS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

Authorization for newly elected officers to be designated signers. Davis asked for a motion to authorize the 2025 elected officers as authorized signers for all financial transactions, including checking and savings accounts and Bank Certificates of Deposit, real property transactions and authorize Executive Director Joseph Johns to have access to all account balances and month end statements information for internal funds management purposes.

Commissioner Crosby made the motion, seconded by Fleischman. Roll Call Vote: Coles – Aye; Leffel – Aye; Crosby – Aye; Fleischman – Aye; Hjeltness – Aye; Davis – Aye. Motion carried.

STAFF REPORT

Johns reported the annual Conflict Disclosure Letters have been provided to each member of the Commission and when completed they will be delivered to Mayor Jacobson.

The Agency has received a request from the City of Post Falls for funding support of on-street parking and frontage improvements planned at Warren Playfield. The amount being requested for consideration by Urban Renewal is \$80,000. The total cost of the project is expected to be

\$422,000. This request is scheduled for discussion at the upcoming February 11th Commission Workshop.

J.U.B. Engineering, as agent for A&A Construction and Development, has submitted the 2nd Request of Reimbursement for costs associated with the Millworx and North Mill One project area. Johns has completed an initial review of the information and is in process with the City Engineer and the Agency's consulting engineers for the purpose of moving the submittal toward consideration by the Commission in either February or March.

Drafting of the Agency's Annual Report for 2024 has begun. Presentation of the Annual Report to the Commission will take place at either the February 11th Workshop or the February 20th Commission Meeting.

COMMISSIONER COMMENTS

None

CHAIRMAN COMMENT

Davis thanked the members and officers of the Commission for their service. She voiced appreciation for their leadership and volunteerism.

ADJOURNMENT

Davis asked for a motion to adjourn. Commissioner Coles made the motion, seconded by Cosby. All in favor by voice vote. Meeting was adjourned at 9:11 am.

Respectfully submitted,

Joseph Johns, Executive Director

Jamè Davis, Chairman

**POST FALLS URBAN RENEWAL
Finance & Policy Committee**

January 23, 2025 – Post Falls Chamber Building - Conference Room

CALL TO ORDER, ROLL CALL

Chairman Len Crosby called the meeting to order at 8:04 a.m. Present in addition to Crosby were Commissioners Christi Fleischman, Eric Clemensen and Executive Director Joseph Johns.

CONFLICT DISCLOSURE

None

CITIZEN COMMENT

None

FY 2024 Draft Audit. Committee members asked questions about the information provided in the draft financial statements provided by the agency's auditor. Johns provided a brief review of notes generated during his review of the draft financial statements. The items discussed relate to the reporting of debt service (principal and interest) since the agency has no current debt, general fund transfers related to operating expenses, and the reported Pleasant View fund balance. The committee tasked Johns with seeking clarification from the auditor for the noted items. Johns will update the committee members via email with the auditor's responses.

Welch-Comer Task Order 25-01. Johns provided an overview of the task order and the consulting engineers basis for the cost increase to \$5,000. The increase is representative of the complexity and volume of information requiring review/verification, particularly when compared to prior submittals in other districts. Additionally, Johns briefed the committee on areas of the Millworx project that have City required public infrastructure construction that are not specifically noted in the existing OPA's phased project exhibit or the engineer's construction cost estimates. The committee recommended Johns present the issue to the agency's legal counsel to determine whether an amendment to the OPA is necessary. Chairman Crosby asked for a motion to indicate to the Commission that the Task Order was reviewed and approved for further consideration. Commissioner Clemensen made the motion, seconded by Commissioner Fleischman. All in favor by voice vote. Motion carried.

District Fund Status – Finance Review. A review of the reformatted URD Annual Increment Values worksheet was provided by Johns. Several revisions were suggested by the commissioners that Johns will implement in future versions of the document. The District Fund Balances report shows the following district balances to date:

Post Falls Technology	=	\$1,734,031.74
Downtown	=	\$ 37,574.10
Pleasant View	=	\$ (62,689.68)

The Q1-FY2025 Profit & Loss Budget vs. Actual Report was reviewed with Johns emphasizing areas in the budget having unanticipated expenses due to changes with internet and networking services in the

Chamber of Commerce building. The unanticipated costs will be covered by the \$5,000 Contingency budget line.

ADJOURNMENT

Commissioner Clemensen made a motion to adjourn, seconded by Fleischman. All in favor by voice vote. Motion carried.

Meeting was adjourned @ 9:20 a.m.

Respectfully submitted,

Joseph Johns, Executive Director

Len Crosby, Chairman

POST FALLS URBAN RENEWAL MINUTES

Workshop Minutes

February 11, 2025 – Chamber of Commerce – Conference Room

CALL TO ORDER, ROLL CALL

Chairman Jamè Davis called the meeting to order at 9:00 a.m. Executive Director Joseph Johns called the roll. Present, in addition to Davis were Commissioners Collin Coles, Len Crosby, Christi Fleischman, Melissa Hjeltness, Eric Clemensen and Pat Leffel. Also present was Counselor Pete Bredeson, Robert Seale, Leif Yde, Jerry Dicker and Theresa Armstrong.

CONFLICT DISCLOSURE

None

PROJECT UPDATE BY JERRY DICKER, BEYOND GREEN, INC. (POST FALLS TECHNOLOGY DISTRICT). Jerry Dicker reported that nearly all the public improvements associated with BGI's part of the district are completed. They are currently working the punch list of items provided by the City. A request for reimbursement for the construction costs of the public improvements is being prepared. Meetings with prospective tenants are taking place. Several building permits are in process with City. Commissioner Crosby asked Dicker for clarification about the completion of streets, water and sewer into the site. Dicker responded that Zorros Road, Industrial Way and the roundabout are finished. Curb cuts are nearly all completed. A small amount of previously installed sewer line may need to be removed. Construction of the first building is currently anticipated to begin in April. A parking agreement is in place for the majority of the shopping center. The completion of the public improvements on the site will make it easier to proceed in negotiations with prospective tenants. Signage will be governed by a sign program that all tenants agree to and will be in accord with city requirements. Engineers are currently working to have the site grading and drainage plans in place prior to signing tenant agreements. A grocery tenant is anticipated to close/sign in June 2025, build, and open in 2026. Previous issues with Ross Point Water District have been resolved in the shopping center area. The Tech Park area of the district is at a standstill. BGI would like to build Cecil Road but can't due to matters between the Douglass Group and RPWD. Johns voiced that sample reimbursement submittal materials have been provided at the request of Jeff Bornholdt. The Agency will also coordinate with the City on acceptance of the improvements and clarification of infrastructure construction costs covered by impact fees. Crosby asked Seale if everything presented was realistic for the City to be able to move the project along. Seale confirmed his understanding aligned with the information presented. The City is currently waiting for the master grading/drainage plan to be submitted.

CITY PROJECT FUNDING REQUEST – WARREN PLAYFIELD IMPROVEMENTS (DOWNTOWN DISTRICT). Johns provided an overview of the request from the City for \$80 THOUSAND in improvements along two (2) sides of Warren Playfield. Crosby asked Seale what impact the on-street parking along 2nd Ave and Idaho St. will have on existing trees and the green areas between the current roadway and the fence surrounding the park. Seale answered that the goal was to save trees. He provided a recently updated plan of the project from J.U.B. Engineers. Trees along Idaho St. are not able to be saved whether the parking is parallel or angled. The plan for the 2nd Ave. side is to preserve the trees and minimize root disturbance as much as possible. New tree plantings will be part of the project along Idaho St. Crosby also asked about entry to the park from either 2nd Ave or Idaho St. Seale clarified that the sidewalk leading to the trail will be accessible from the 2nd Ave. side. Additionally, the play structure will be replaced by the. Funding

constraints allow for the improvement of only two (2) sides of the park. Commissioner Clemensen sought clarification about Warren Park Improvements being listed in the District Plan as a Tier 4 project but the parking improvements being a part of the City Center Parking Plan – Street Completion Plan. Johns responded that that the CCPP is a Tier 1 project. Seale added the funding grant is focused on ADA accessibility and park facilities improvements. The City emphasized ADA access in the grant application. Providing paved parking will address ADA access. Crosby asked about Warren field's use for soccer. Seale answered that in the Spring and Fall it contains two soccer fields. Park usage data reveals large numbers of park users on weekends during those times. Crosby asked for clarification about the Agency being asked to commit to the allocation of tax increment subsequent to payment of existing OPA obligations. Johns stated a \$4.98 MILLION obligation currently exists in the Downtown URD. Funding of the Warren Playfield improvements would occur after repayment of the current obligation. Crosby asked if reimbursement priority was determined by OPA date. Counselor Bredeson responded that it is based on submittal date, or in the City's case, invoice date. Seale stated the City has already expended the \$80 THOUSAND as part of the design and construction management costs incurred to date. Chairman Davis asked for a recommendation or motion. Crosby asked for clarification on the necessary documentation. Bredeson answered that a new Project Funding Agreement is in the works and recommended the Finance & Policy Committee review it. Johns will proceed with scheduling a F&P Committee meeting. Bredeson stated the motion should be to approve the reimbursement request subject to the execution of an agreement with the City. Commissioner Coles made the motion, seconded by Clemensen. Roll Call Vote: Leffel – Aye; Crosby – Aye; Hjeltness – Aye; Fleischman – Aye; Clemensen – Aye; Coles – Aye; Davis – Aye. Motion carried.

MINOR PROJECT, POST FALLS EAGLES (DOWNTOWN DISTRICT). The initial Eagles inquiry of the Agency occurred prior to the establishment of the Minor Programs Project. They are now seeking to participate in the MPP for construction costs associated with city required frontage improvements. A project questionnaire has been completed and returned to the Agency. Johns introduced Leif Yde, a representative of the Eagles and the General Contractor working on the project. Yde provided a description of various frontage (sidewalk, swale, trees, etc.) and building façade changes required by the City. Crosby asked for clarification of the frontage improvements. Johns showed an aerial image of the property and described improvements consisting of gutter, curb, swale, trees, sidewalk and alleyway adjacent to the property. Yde added that a fire stand was also required in the frontage area. The Eagles anticipate completing their building improvements by the end of the month. Commissioner Coles suggested exploring the completion of the alleyway and sidewalks between Frederick St. and William St. Ensuing commission discussion focused on the problem of sidewalks and alleyways being installed/improved piecemeal instead of spanning the city block. Crosby responded such activity is outside the scope of the project submitted for consideration by the commission. Coles asked Bredeson if it is possible. Bredeson answered that funded improvements must be adjacent to a proponent's property. Crosby noted there are multiple locations where city has required sidewalks that go across adjacent frontage to nowhere. Coles noted the additional sidewalks needed are in the right-of-way and the City could pursue them and then seek reimbursement from urban renewal. Eagles on-site parking access will be through the alleyway, with only the western portion of the alleyway improved with paving. Crosby asked for clarification of the Eagles timeline on the project. Yde responded the building is expected to be occupied in March with remaining exterior improvements bonded for completion when the weather permits. The project has moved forward through private in-house financing. Coles would like for the commission to receive more information about the project costs before proceeding. Crosby would like clarification of what urban renewal is being asked to agree to repay the Eagles, specifically the street and alleyway improvements to the extent that they serve the general public. Crosby made a motion to secure the information detailing the costs of the frontage and alleyway improvements, as incurred or estimated, and ensure they conform to the City's intent, before identifying this as a Minor Project of the

Agency, seconded by Coles. Roll Call Vote: Leffel – Aye; Fleischman – Aye; Hjeltness – Aye; Clemensen – Aye; Coles – Aye; Crosby – Aye; Davis – Aye. Motion carried.

WELCH-COMER TASK ORDER – A&A CONSTRUCTION, INC (DOWNTOWN DISTRICT).

Task Order 25-01 is for the engagement of the Agency’s consulting engineers in reviewing the second request for reimbursement from A&A Construction and Development, Inc., for costs associated with the Millworx and North Mill One Subdivision project area. The increased cost reflects the complexity and volume of the work necessary to complete the review and provide a letter of recommendation for reimbursement. Crosby noted the escalation of all costs related to construction and recommended the upcoming FY26 budget include a \$5,000/review adjustment. Clemensen made a motion to approve Task Order 25-01 as submitted, seconded by Coles. Roll Call Vote: Hjeltness – Aye; Fleischman – Aye; Crosby – Aye; Davis – Aye; Leffel – Aye; Coles – Aye; Clemensen – Aye. Motion carried.

NEW URD DISCUSSION. Johns provided an overview of Agency Policy #1 – Policy and Process of Implementing New Districts and highlighted portions of the existing policy in need of update. Support for a new district in the East Seltice vicinity has been voiced by City staff and several members of the City Council at prior joint City/URA Workshops. Counselor Bredeson stated the first step in the process of forming a district is to have an area declared as deteriorated. In the Downtown URD J.U.B. Engineers completed the Eligibility Study and the Metts Group completed the Feasibility Study. In the Pleasant View URD Welch-Comer Engineers carried out both studies. The City paid for the Eligibility Study to be performed in both districts. Bredeson emphasized that if the City is serious about a new district they’ll initiate the eligibility study. Once it’s completed the Commission can review it and recommend to the City Council the area be declared deteriorated. Crosby sought clarification about past payment of the eligibility studies and feasibility studies performed in the course of forming the Pleasant View and Downtown URDs. Bredeson answered that the City paid for the eligibility studies and one-half of the feasibility studies, with the Agency paying the other one-half. Crosby recommended moving forward to an eligibility study. Coles recommended revising the process prior to enacting a district plan to avoid an outcome like the Pleasant View District in which nothing has happened. Clemensen asked what revisions should be considered. Ensuing commissioner discussion covered unincorporated islands within the city, smaller/shorter districts and land adjacent to the city’s east boundary. Coles would like the City to be fully on-board with property needing to be annexed and have a time table for getting annexation activity completed prior to the formation of a district plan. Crosby voiced that annexation is entirely out of the Agency’s control, but the activity to form a district should be closely coordinated between the City and Agency. Properties along East Seltice that are currently in the city boundary would benefit and could be helped. Other areas along the corridor are currently on septic systems and annexation would require expensive sewer system expansion. Crosby recommended the Agency communicate to Seale that direction is needed from the City. Coles recommended providing the City with a white paper outlining prudent actions for the City to pursue and then give the Agency some direction using that format. Crosby asked Coles if he would create the white paper. Coles agreed that he could do some of it. The Commission directed Johns to let the City know the Agency is willing and interested to move forward but requests their direction. Coles and Johns will work to create the suggested white paper for submittal to the City. A Finance and Policy Committee meeting will be scheduled for the purpose of reviewing and revising Agency Policy #1 to bring it up to date.

STAFF REPORT

Johns updated the Commission members on their committee assignments. The District Review Committee will be chaired by Fleischman with Hjeltness and Leffel as members, Crosby as alternate. The Finance and Policy Committee will be chaired by Crosby with Clemensen and Fleischman as members, Coles as alternate. The Communication, Property and Personnel Committee will be

chaired by Clemensen with Leffel and Coles as members, Davis as alternate. The 2024 Annual Report will be presented at the February 20, 2025 Commission Meeting. The report is currently available for public review and comment at the City Clerk's office, the Agency office, and on the agency website. Johns will present it to the City Council at one of their scheduled meetings in March, to be determined. Printed copies of the FY2024 Audit Report have been distributed. The report will be presented at the February 20, 2025, Commission Meeting. Johns will be giving a presentation on urban renewal in Post Falls at the Chamber of Commerce's Connect4Lunch event on February 18, 2025.

COMMISSIONER COMMENTS

Commissioner Fleischman commented on the availability of agency policy and other documentation on the agency website. Documentation available on the website includes: annual audit reports, annual agency reports, annual budget resolutions, monthly financial reports, agency policies relevant to district proponents and district activity, and approved meeting minutes.

ADJOURNMENT

Davis adjourned the meeting at 10:38 a.m.

Respectfully submitted,

Joseph Johns, Executive Director

Jamè Davis, Chairman

Post Falls Urban Renewal Agency - In-House Unpaid Bills Detail As of February 20, 2025

Type	Date	Num	Due Date	Aging	Open Balance
Bredeson Law Group					
Bill	02/13/2025	1244	03/15/2025		2,031.25
Total Bredeson Law Group					2,031.25
Canon Solutions America, Inc.					
Bill	02/01/2025	6010797577	03/03/2025		5.48
Total Canon Solutions America, Inc.					5.48
Coeur d' Alene Press					
Bill	02/06/2025	32448-020620...	03/08/2025		40.64
Total Coeur d' Alene Press					40.64
Mastercard					
Bill	02/01/2025	4518-Feb2025	03/03/2025		32.00
Total Mastercard					32.00
Northwest Specialty Hospital					
Bill	02/11/2025	2112025	03/13/2025		1,929.50
Total Northwest Specialty Hospital					1,929.50
State Insurance Fund					
Bill	02/01/2025	29580250	02/01/2025	19	198.00
Total State Insurance Fund					198.00
TOTAL					4,236.87

PAYROLL 6,582.80
10,819.67

Bank Activity Report

January 2025

Cash Section

Checking: First Interstate

Beginning Balance		\$	10,825.68
Deposits	\$	988,934.86	
Withdrawals	\$	(988,941.76)	
Ending Balance		\$	10,818.78
Outstanding Checks	\$	(1,317.84)	
Account Balance		\$	9,500.94

Idaho Central CU - Savings

Beginning Balance		\$	25.00
Interest			
Ending Balance		\$	25.00

Investment Section

LGIP General Fund 1829

Beginning Balance		\$	1,283,347.93
Contributions	\$	11,968.48	
Withdrawals	\$	(7,392.24)	
Ending Balance		\$	1,287,924.17
Outstanding Transfer			
Account Balance		\$	1,287,924.17

LGIP Capital Improvements 1910

Beginning Balance		\$	1,708,916.16
Contributions	\$	988,339.06	
Withdrawals	\$	(6,824.05)	
Ending Balance		\$	2,690,431.17
Outstanding Transfer			
Account Balance		\$	2,690,431.17

Total Funds All Accounts: \$ 3,987,881.28

January 2025

	Interest
State Pool - LGIP 1910	\$ 7,068.27
Total	<u>\$ 7,068.27</u>

Post Falls Urban Renewal Agency - In-House

02/10/25

Balance Sheet

Accrual Basis

As of January 31, 2025

	Jan 31, 25
ASSETS	
Current Assets	
Checking/Savings	
First Interstate Bank- Checking	9,500.94
LGIP1829-General Fund	1,287,924.17
LGIP1910-Capital Improvements	2,690,431.17
Savings - Idaho Central CU	25.00
Total Checking/Savings	3,987,881.28
Other Current Assets	
Accounts Receivable - Taxes	27,706.00
FMV - State Investment Pool	7,698.00
Interest Receivable	12,534.00
Prepaid Insurance	4,243.00
Total Other Current Assets	52,181.00
Total Current Assets	4,040,062.28
TOTAL ASSETS	4,040,062.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Vacation Payable	2,735.58
24000 · Payroll Liabilities	
ID- Unemployment Payable	13.80
24000 · Payroll Liabilities - Other	3,235.59
Total 24000 · Payroll Liabilities	3,249.39
Total Other Current Liabilities	5,984.97
Total Current Liabilities	5,984.97
Total Liabilities	5,984.97
Equity	
Committed Fund Balance	1,349,484.00
Nonspendable Fund Balance	3,544.00
32000 · Unrestricted Net Assets	1,651,268.40
Net Income	1,029,780.91
Total Equity	4,034,077.31
TOTAL LIABILITIES & EQUITY	4,040,062.28

Post Falls Urban Renewal Agency - In-House

02/10/25

Profit & Loss

Accrual Basis

January 2025

	Jan 25	Oct '24 - Jan 25
Ordinary Income/Expense		
Income		
Downtown District	331,566.58	368,103.78
Interest	11,996.09	49,021.42
Pleasant View District	5,354.31	5,354.31
Post Falls Technology District	644,594.12	655,473.79
Total Income	993,511.10	1,077,953.30
Gross Profit	993,511.10	1,077,953.30
Expense		
Audit	0.00	8,106.25
Computer Software	7.00	26.00
Marketing & Education Materials	0.00	308.70
Meetings	0.00	165.00
Office Equipment	0.00	144.15
Website Design, Hosting & Maint	0.00	349.95
62140 · Legal Fees	812.50	2,975.00
62890 · Rent	0.00	7,990.00
65030 · Printing and Copying	8.15	95.81
65050 · Telephone, Telecommunications	0.00	800.40
65150 · Dues & Memberships	0.00	550.00
66000 · Payroll Expenses	6,128.12	26,661.13
Total Expense	6,955.77	48,172.39
Net Ordinary Income	986,555.33	1,029,780.91
Net Income	986,555.33	1,029,780.91

Fund Reconciliation:

1/31/2025

QB

First Interstate - Checking	GF	\$	9,500.94	
LGIP - 1829	GF	\$	1,287,924.17	
LGIP - 1910	CIP	\$	2,690,431.17	
Savings - Idaho Central CU	GF	\$	25.00	
Total				\$ 3,987,881.28

FUNDS

General Fund	GF	\$	1,297,450.11	
Capital Improvement Fund	CIP	\$	2,690,431.17	
Total				\$ 3,987,881.28

C.I. Fund Allocation:

Pleasant View	\$	(57,335.37)
Downtown	\$	369,140.68
PF Technology	\$	2,378,625.86
	\$	<u>2,690,431.17</u>

Post Falls Urban Renewal Agency

Increment Received District Obligation Balance

	<u>Pleasant View</u>	<u>Downtown</u>	<u>PF Tech Dist.</u>	<u>Total</u>
<i>Termination Date</i>	<i>2041</i>	<i>2041</i>	<i>2038</i>	
Sep-24	-	1,036.90	-	1,036.90
Oct-24	-	24,152.24	734.64	24,886.88
Nov-24	-	2,632.73	186.32	2,819.05
*Dec-24	-	9,752.23	9,958.71	19,710.94
Jan-25	5,354.31	331,566.58	644,594.12	981,515.01
Feb-25				-
Mar-25				-
Apr-25				-
May-25				-
Jun-25				-
Jul-25				-
Aug-25				-
Sep-25				-
Total YTD	5,354.31	369,140.68	655,473.79	1,029,968.78
Approved Obligation	-	6,035,511.02	-	6,035,511.02
Obligation Balance @ 12/31/24	-	4,986,819.73	-	4,986,819.73
Carry over @ 12/31/24	(62,689.68)	37,574.10	1,734,031.74	1,708,916.16

January 30, 2025

Board of Commissioners
Post Falls Urban Renewal Agency
PO Box 236
Post Falls, ID 83877

Dear Board of Commissioners

We have audited the financial statements of the governmental activities and each major fund of Post Falls Urban Renewal Agency for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 28, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Post Falls Urban Renewal Agency are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during September 30, 2024. We noted no transactions entered into by the Post Falls Urban Renewal Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Management's estimate of the accrued contingent liability is based on the estimated percentage of completion of the related projects. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted no misstatements as a result of our audit procedures. We did propose adjusting journal entries as a result of non-attest procedures, which were agreed to in our engagement letter, management has posted these adjustments.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 30, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis, Schedule of Agency's Share of Net Pension Liability, Schedule of Agency's Contributions, and Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual which are which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of Post Falls Urban Renewal Agency and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Alpine Summit CPAs

Alpine Summit CPA's
Post Falls, Idaho

**POST FALLS
URBAN RENEWAL AGENCY**

FINANCIAL AUDIT REPORTS AND STATEMENTS

FOR THE YEAR ENDED
September 30, 2024

Prepared by

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY

TABLE OF CONTENTS

Independent Auditors' Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements:	
Governmental Funds – Balance Sheet	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Governmental Funds – Statement of Revenues, Expenditures, and Changes In Fund Balances	15
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, And Changes in Fund Balances to the Statement of Activities	16
Notes to the Financial Statements	17
Required Supplementary Information	
Schedule of Agency's Share of Net Pension Liability	30
Schedule of Agency's Contributions	30
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual – Governmental Fund Types	31
Notes to Budget and Actual Schedule	32
Report Required by the GAO	
Report 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>	33

INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Post Falls Urban Renewal Agency
Post Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

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

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 Post Falls Urban Renewal Agency as of September 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Post Falls Urban Renewal Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Post Falls Urban Renewal Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Post Falls Urban Renewal Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Post Falls Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of Agency's share of net pension liability, the schedule of Agency's contributions, and the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 2025, on our consideration of Post Falls Urban Renewal 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 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 effectiveness of the Agency's 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 Post Falls Urban Renewal Agency's internal control over financial reporting and compliance.

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
January 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024**

This section of the Post Falls Urban Renewal Agency's financial report offers readers an overview and analysis of the Agency's financial activities for the fiscal year ended September 30, 2024. Please read it in conjunction with the Agency's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- Total fund balance for the Agency was \$3,004,296, see page 8 for breakdown
- The Agency's total net position was \$2,965,382.

OVERVIEW OF FINANCIAL STATEMENTS

The Agency's annual report has four parts: this letter providing management's discussion and analysis (pages 4 to 10); the audited government-wide financial statements (pages 11 to 12); the audited fund financial statements (pages 13 to 16); and the auditor's notes and required supplemental information (pages 17-35).

Government - Wide Financial Statements

The Agency's required format of government-wide financial statements provides the reader with a broad overview of the Post Falls Urban Renewal Agency's finances, using accounting methods similar to those used by private-sector businesses.

The Statement of Net Position presents all of the Agency's assets and liabilities, with the difference between the two reported as net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., property tax increment payments to be received in future periods).

The Post Falls Urban Renewal Agency's net position totals \$2,965,382 on September 30, 2024. The increase of \$514,062 in the Agency's net position is due primarily to property tax revenues exceeding proponent payments.

Post Falls Urban Renewal Agency's main assets include (99%) cash and short-term investments in the State Investment Pool.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

Below is a comparative summary of Post Falls Urban Renewal Agency's statement of net position:

Statement of Net Position

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Investments	\$ 2,965,486	\$ 2,467,738
Other Assets	44,483	33,339
Total Assets	<u>3,009,969</u>	<u>2,501,077</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension plan	<u>12,018</u>	<u>22,815</u>
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u><u>3,021,987</u></u>	<u><u>2,523,892</u></u>
LIABILITIES		
Other Liabilities	5,673	15,451
Net Pension Liability	<u>43,477</u>	<u>50,638</u>
Total Liabilities	<u>49,150</u>	<u>66,089</u>
DEFERRED INFLOWS OF RESOURCES		
Pension plan	7,455	6,483
NET POSITION		
Unrestricted	<u>2,965,382</u>	<u>2,451,320</u>
TOTAL LIABILITIES & DEFERRED INFLOWS OF RESOURCES	<u><u>\$ 3,021,987</u></u>	<u><u>\$ 2,523,892</u></u>

In FY 2024, Agency revenues were to be used to initiate reimbursement of the proponent/developer obligation in the Downtown district, approved in February 2024.

In FY 2024, two of the Agency's three districts continued to experience ongoing construction and expansion of public improvements. In some instances, the costs of these improvements are still being reviewed and analyzed by the Agency. Such costs have been neither finalized nor approved by the Agency and, therefore, any additional proponent obligations had not yet been finalized by the end of fiscal year 2024. The Agency also anticipates receiving sufficient funds within future years from incremental property taxes generated by new commercial and industrial development in its districts, to repay all of its existing liabilities and continue its operations. Proponent obligation reimbursement is subject to the creation of new tax increment within each district from new business growth.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

The Statement of Changes in Net Position presents information showing how the Agency's net position changed during the most recent fiscal year; however, it is only one indicator of the Agency's financial position. To assess the overall health of the Agency, one needs to consider additional factors, such as changes in the property tax base from new developments being added to the tax rolls, plans for future development within the urban renewal districts created by the Post Falls City Council and administered by the Agency, the state of the area's economy, national economic trends and other factors.

Below is a comparative summary of Post Falls Urban Renewal Agency's statement of activities:

Changes in Net Position

	<u>2024</u>	<u>2023</u>
Revenues		
Property Taxes, levied for general purposes	\$ 1,532,631	\$ 5,138,707
Interest and Investment Earning	146,802	160,405
Penalties and Late Fees	-	218
Other Income	75,000	166,000
Total Revenues	<u>1,754,433</u>	<u>5,465,330</u>
Expenses		
Tax Increment Expenses	1,123,691	5,067,502
General Government	105,588	105,281
Pension Plan Expense (Income)	11,092	12,300
Total Expenditures	<u>1,240,371</u>	<u>5,185,083</u>
Change in Net Position	514,062	280,247
Net Position - October 1,	<u>2,451,320</u>	<u>2,171,073</u>
Net Position - September 30,	<u><u>\$ 2,965,382</u></u>	<u><u>\$ 2,451,320</u></u>

Government Activity Analysis

The majority of the revenue received by the Post Falls Urban Renewal Agency results from incremental increases in property values in its renewal districts resulting from new commercial and industrial development stimulated by public improvements and the extension of public utilities. The expenses of the Agency consist primarily of reimbursement of capital improvements consistent with the plan of development for each of its districts and the expenses associated with the operation and administration of the Agency.

The Agency adopts an annual budget for its administrative operations. The annual budget is reviewed at a public meeting after being published for citizen comment, and, upon approval by the Commissioners of the Agency, is forwarded to the Post Falls City Council.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

Fund Financial Statements

Fund financial statements indicate related accounts grouped to maintain control over resources that have been segregated for specific activities or objectives. The Post Falls Urban Renewal Agency, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful to the reader in evaluating the Agency's near-term financing requirements.

Because the focus of Agency funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the Agency with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Agency's near-term financing decisions. Both the Agency's balance sheet and its statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between Agency funds and activities.

For cash management purposes the Post Falls Urban Renewal Agency maintains a deposit account at First Interstate Bank and the State of Idaho Local Government Investment Pool (LGIP), together with a savings account at ICCU. These accounts are as follows:

<u>First Interstate Bank</u>	<u>LGIP</u>	<u>ICCU</u>
Checking Account (ACH)	General Fund (ACH) Capital Improvements (ACH)	Savings Account

All funds received for deposit, primarily Tax Increment checks, are deposited to a First Interstate Bank checking account, as that is an Automated Clearing House (ACH) account which is used to transfer funds to and receive monies from the LGIP General Fund and/or the LGIP Capital Improvements Fund (ACH) accounts. Funds retained in the LGIP General Fund represent the Agency's annual operating budget funds. The balance carried in the First Interstate Bank checking account also maintains the Agency operating budget balance. The LGIP Capital Improvements funds are used for proponent and project reimbursement typically on a semi-annual basis.

In order to attain a higher earnings rate, the Agency continues to monitor CD rates vs. the LGIP rate. At September 30, 2024 the LGIP rate was 5.16%, which is higher than what most financial institutions offered at that time. All Certificates of Deposit, when acquired by the Agency, are kept within the FDIC insurance limit of \$250,000.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

From a financial reporting standpoint, the Agency revenues and expenditures are disclosed as one fund as follows:

	<u>2024</u>	<u>2023</u>
Revenues		
Property Taxes	\$ 1,538,411	\$ 5,301,719
Administrative Charges to Districts	75,000	166,000
Other Revenues	146,802	160,623
Total Revenues	<u>1,760,213</u>	<u>5,628,342</u>
Expenditures		
Tax Increment Expenses	1,123,691	5,067,502
General Government	104,503	104,035
Debt Service - Principal	7,833	7,680
Debt Service - Interest	157	310
Total Expenditures	<u>1,236,184</u>	<u>5,179,527</u>
Excess (Deficiency) of Revenues Over Expenditures	524,029	448,815
Expenditures		
Fund Balance - October 1,	2,480,267	2,031,452
Fund Balance - September 30,	<u>\$ 3,004,296</u>	<u>\$ 2,480,267</u>

The notes to the financial statements provide additional information essential to a full understanding of the data provided in the agency-wide and fund financial statements. Notes to the financial statements may be found on pages 17 to 29 of this report.

Financial Analysis of the Agency's Funds

As noted earlier, the Post Falls Urban Renewal Agency uses fund accounting to demonstrate and ensure compliance with finance related legal requirements.

Governmental Funds. The focus of the Post Falls Urban Renewal Agency governmental funds section is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Agency's financing requirements.

Current fund balances are allocated as follows:

Non-spendable (Prepaid Expenses)	\$ 4,243
Committed (Technology, Downtown, Pleasant View)	1,689,204
Unassigned (Operating budget and Discretionary)	1,310,849
	<u>\$ 3,004,296</u>

At the end of fiscal year September 30, 2024, the Agency reported combined ending fund balances of \$3,004,296 an increase of \$524,029 over the prior.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

General Fund Budgetary Highlights

The general fund is used to fund the annual expenses of operating the Agency and administering the urban renewal districts for which it is responsible.

The total operating expenses for the fiscal year were \$112,493, which equates to \$32,766 under the fiscal year ending September 30, 2024 budget of \$145,259.

CAPITAL ASSETS AND DEBT ADMINISTRATION

During the fiscal year 2024, the Agency had no additions to capital assets.

Long-term Debt

At the end of September 30, 2024 the Post Falls Urban Renewal Agency had no outstanding debt.

ECONOMIC FACTORS AND CONDITIONS CONSIDERATION

- In-migration of new employers: Post Falls continues to be an increasingly attractive location for employers seeking to relocate from other areas and entrepreneurs seeking to start new businesses. The favorable business climate and the financial stability of the State of Idaho continues to attract in-migration from other states. This trend is expected to continue however the State will need to continue to focus on education, workforce training and infrastructure to support growth.
- Expansion of revenue from incremental property taxes resulting from new industrial and commercial development in renewal districts: Tax increment resulting from those investments in several Urban Renewal districts is expanding as new buildings are being built.
- Continued improvement in Agency policies and procedures: The Agency continues to refine its policies and to add specificity to developer agreements which have resulted in smoother negotiations of capital project financial reimbursements. Agency Commissioners continue to closely examine actual benefits received from planned and approved infrastructure improvement expenses which the Agency is asked to reimburse, and are continuing to hold the Agency's developer partners and the Agency to a high standard of accountability for results against the goals envisioned in each district Plan
- Strengthening of internal controls: The Agency has adopted comprehensive policies governing conflict of interest, investment of revenues, and aggressive management of cash flow. It continues to improve the transparency of its operations and the manner and clarity of the monthly and annual reports it provides to the public regarding its activities.
- Annual administrative fee: Annual administrative fees are assessed against each of the operating urban renewal districts and are used to fund the operations of the Urban Renewal Commission. These fees have been set at \$25,000 per District per year, which continues the Commissions realistic approach to limiting the administrative burden in each of its Districts.

**POST FALLS URBAN RENEWAL AGENCY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2024 (Continued)**

- Annual administrative fee (continued): Administrative fees are transferred to the General Fund which is used for the Agency's operational expenses. The Commission prides itself on its operational efficiency. The closure of multiple Urban Renewal Districts has reduced funding generated from administrative fees. The General Fund has a sufficient balance to offset this reduction in income for many years and sustain operations at current levels. As fee income is reduced due to the closing of urban renewal districts, the Commission plans to draw down on the General Fund, as needed, to fund operating expenses. The impact of decreased fee income on the General Fund balance in FY 2024 was minimized by increased interest income from the State of Idaho Local Government Investment Pool (LGIP) accounts. The Commission has reviewed the long-term sustainability of its operations and is confident that funding available from its administrative fees and its General Fund will be sufficient to meet all of its operating expenses for the remaining term of its existing urban renewal districts.

All of these factors were considered in preparing the Post Falls Urban Renewal Agency's budget for the 2024 fiscal year. In the FY 2017 budget, the Agency was able to allocate \$32,610 back to the general fund and an additional \$29,502 in FY 2018, \$6,465 in FY 2019, \$21,181 in FY2020, \$65,890 in FY2021, \$79,187 in FY2022, and \$75,048 in FY 2023. Beginning in FY 2024 the Agency transferred \$37,493 from the General Fund to meet its general operating expenses as a result of decreased Administrative Fee funding due to district closures, as expected.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Post Falls Urban Renewal Agency to facilitate financial transparency to the community. Questions concerning the information provided in this report, or requests for additional financial information, should be addressed to the Post Falls Urban Renewal Agency, 201 E 4th Ave, Post Falls, ID 83854-7518. The office telephone number is 208-777-8151. The Agency office is located on the second floor of the Post Falls Chamber of Commerce building at 201 E. 4th Ave.

BASIC FINANCIAL STATEMENTS

POST FALLS URBAN RENEWAL AGENCY
Statement of Net Position
September 30, 2024

ASSETS

Cash and Cash Equivalents	\$ 9,497
Equity in State Treasurer Investment Pool	2,955,989
Interest Receivable	12,534
Property Taxes Receivable	27,706
Prepaid Insurance	4,243
Total Assets	3,009,969

DEFERRED OUTFLOWS OF RESOURCES

Pension plan	12,018
Total Deferred Outflows of Resources	12,018

LIABILITIES

Payroll liabilities	5,673
Net Pension Liability	43,477
Total Liabilities	49,150

DEFERRED INFLOWS OF RESOURCES

Pension plan	7,455
Total Deferred Inflows of Resources	7,455

NET POSITION

Unrestricted	2,965,382
Total Net Position	\$ 2,965,382

*See accompanying notes to financial statements
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Statement of Activities
Year Ended September 30, 2024

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position Governmental Activities
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions	
Governmental Activities					
Tax Increment Expense	\$ 1,123,691	\$ 75,000	\$ -	\$ -	\$ (1,048,691)
General Government	105,588	-	-	-	(105,588)
Pension Plan Expense/(Revenue)	11,092	-	-	-	(11,092)
Total Governmental Activities	\$ 1,240,371	\$ 75,000	\$ -	\$ -	(1,165,371)
			General Revenues:		
			Property Taxes	1,532,631	
			Penalties and Late Fees	-	
			Interest/Investment Income	146,802	
			Total general revenues	1,679,433	
			Change in Net Position		514,062
			Net position-beginning		2,451,320
			Net position-ending		\$ 2,965,382

*See accompanying notes to financial statements
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Balance Sheet
Governmental Fund
September 30, 2024

ASSETS

Cash and Cash Equivalents	\$	9,497
Equity in State Treasurer Investment Pool		2,955,989
Interest Receivable		12,534
Property Tax Receivable		27,706
Prepaid Insurance		4,243
Total Assets	\$	3,009,969

LIABILITIES

Payroll Liabilities		5,673
Total Liabilities		5,673

FUND BALANCES (DEFICITS)

Non-spendable:		
Prepaid Expenses		4,243
Committed:		
Technology District		1,724,073
Downtown		27,821
Pleasant View		(62,690)
Assigned		-
Unassigned:		
Total Fund Equity		3,004,296
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	3,009,969

*See accompanying notes to financial statements
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Reconciliation of the Balance Sheet
to the Statement of Net Position
September 30, 2024

Total fund balances at September 30, 2024 - Governmental Funds		\$ 3,004,296
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		
Cost of capital assets at September 30, 2024	1,714	
Less: Accumulated depreciation as of September 30, 2024	(1,714)	-
Right-to-use assets at September 30, 2024	66,521	
Less: Accumulated amortization as of September 30, 2024	(66,521)	-
Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and therefore, are not reported in the funds:		
Deferred outflows of resources-pension plan		12,018
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds:		
Elimination of unavailable revenue - property taxes		-
Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and therefore, are not reported in the funds:		
Deferred inflows of resources-pension plan		(7,455)
Some assets and liabilities are not available, due or payable in the current period and therefore, are not reported in the funds. Those assets/liabilities consist of:		
Net pension asset (liability)	(43,477)	
Lease liability	-	(43,477)
Net position of governmental activities at September 30, 2024		\$ 2,965,382

See accompanying notes to financial statements and independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
Year Ended September 30, 2024

Revenues

Property Taxes	\$ 1,538,411
Penalties and Late Fees	-
Interest and Investment Earning	146,802
Administrative Charges to Districts	75,000
Total Revenues	1,760,213

Expenditures

Tax Increment Expenses	1,123,691
General Government	104,503
Debt Service:	
Principal	7,833
Interest	157
Total Expenditures	1,236,184

Excess (Deficiency) of Revenues Over Expenditures	524,029
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Fund Balance - October 1,	2,480,267
Fund Balance - September 30,	\$ 3,004,296

*See accompanying notes to financial statements
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
Year Ended September 30, 2024

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

Net Change in Fund Balances - total governmental funds	\$ 524,029
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Property Taxes	(7,780)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation and amortization expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	
Amortization of right-to-use assets	(7,412)
The issuance of long-term debt (e.g., bonds, leased) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, 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.	
Principal Payments - Leases	7,833
The net pension effect related to the pension expense recognized for the year.	
PERSI contributions	6,484
Defined benefit plan expense	(11,092)
Change in net position of governmental activities	\$ 514,062

*See accompanying notes to financial statements
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Post Falls Urban Renewal Agency (the “Agency”) have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in the United States. GAAP statements include all relevant Governmental Accounting Standards Board (GASB) pronouncements. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

Post Falls Urban Renewal Agency is an urban renewal agency created by and existing under the Idaho Urban Renewal Law of 1965, as amended, and is an independent public body.

The accompanying financial statements include all aspects controlled by the Board of Commissioners of Post Falls Urban Renewal Agency. The Agency is included in the City of Post Falls, Idaho financial reporting based on certain criteria in GASB Statement No. 14. These statements present only the funds of the Agency and are not intended to present the financial position and results of operations of the City of Post Falls, Idaho in conformity with GAAP.

Under the Idaho Code, in May 1991, the Post Falls City Council passed an ordinance that created the Post Falls Urban Renewal Agency. The Agency was established to promote urban development and improvement in and around the City of Post Falls. The Agency is governed by a board of seven commissioners. Under the Idaho Code, the Agency has the authority to issue bonds. Any bonds issued by the Agency are payable solely from the revenues attributable to tax increment financing. Any bonds issued are not a debt of the City. Post Falls City Council is not responsible for approving the Agency budget or funding any annual deficits. The Agency controls disbursements independent of City Council.

The Board of Commissioners is the decision-making authority that determines by formal vote whether funds are to be restricted, committed, or assigned and only the Board can determine any change in fund status by the same type of formal vote.

Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. The accounts of the Agency are organized on the basis of only one governmental fund. The general fund is the only fund used by the Agency. The Agency does not have any business-type activities. Therefore, both the government-wide and the fund financial level consist of only the Agency’s general fund.

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. The fund financial statements consist of the Balance Sheet - Governmental Funds and the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. A reconciliation between the government-wide financial statements and the fund financial statements is also presented.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, expenditures related to debt service, are recorded when payment is due. Expenditure recognition occurs in the accounting period in which the liability is incurred if measurable. Principal and interest on general long-term debt are recognized as fund liabilities when due, or when amounts have been accumulated (if appropriate) in a debt service fund for payments to be made in the following year.

Property taxes, interest income, and various other revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Agency.

Cash and Cash Equivalents

In the governmental funds, cash received by the Agency is pooled for investment purposes and is presented as "Cash and Cash Equivalents" on the financial statements. For presentation in the financial statements, cash and cash equivalents includes cash on hand, amounts due from banks, and investments with an original maturity of three months or less at the time they are purchased by the Agency. Investments with an initial maturity of more than three months are reported as investments.

Receivables

All trade and property tax receivables are shown net of an allowance for uncollectible accounts. Allowance for uncollectible property taxes was -\$0- at September 30, 2024. When an urban renewal district closes, any uncollected taxes as of the date of closure related to those districts are no longer received by the Agency.

Prepaid Expenses

Prepaid expenses consist of prepaid insurance.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Agency as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Capital assets are depreciated using a straight-line depreciation method over a five to seven year life.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes 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. The Agency has one item, pension plan, which is reported in the government-wide statement of net position and qualifies for reporting in this category at this time.

In addition to liabilities, the statement of net position will sometimes 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. The Agency has two items that qualify for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The other item, pension plan, is reported in the government-wide statement of net position. These amounts are deferred and recognized as inflows of resources in the period that the amounts becomes available.

Compensated Absences

The Agency has a policy for vacation pay. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Agency will compensate the employees for the benefits through paid time off or some other means. The Agency records a liability for accumulated unused vacation time when earned for all employees who qualify. These benefits fall on the employee's anniversary date of hire at the following rates:

Years Employed	Full-time Hours per Month	Part-time Rate per Hour
0 - 5	5	.0385
5 +	7.5	.0577

Upon termination of employment from the Agency, employees will be compensated for unused vacation leave at the rate of one paid day for each day of current accrued vacation leave subject to a maximum accumulation of 120 hours at the end of each fiscal year. The liability for accumulated vacation was \$2,437 at September 30, 2024 for governmental fund types, which represents normal accumulations, is recorded on the government-wide statement of net position.

Accumulated sick leave lapses when employees leave the employ of the government and, upon separation from service, no monetary obligation exists.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. In general, payments made within 60 days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

In the fund financial statements, long-term debt is recognized as a liability of a governmental fund, when due, or when resources have been accumulated in the general fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is maintained separately and represents a reconciling item between the fund and agency-wide presentation.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitation on the use of resources through either a committed (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing Agency commission is the highest level of decision-making authority for the government that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes that do not meet the criteria to be classified as committed. The commission may assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Fund balances of the governmental funds are classified as follows in the fund financial statements:

Non-spendable—Amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact.

Restricted—Amounts that can be spent only for specific purposes because of the state or federal laws, or externally imposed conditions by grantors or creditors.

Committed—Amounts that can be used only for specific purposes determined by a formal action by the Board of Commissioners by resolution.

Assigned—Amounts that are designated by the Board of Commissioners for a specific purpose but are not spendable until a budget resolution is passed by the Board of Commissioners.

Unassigned—All amounts not included in other spendable classifications.

Property Tax and Unavailable Property Tax Revenues

Property taxes are levied by taxing agencies each November on the assessed value listed as of the previous December tax rolls. Assessed values are an approximation of market value. Assessed values are established by the County Assessor. The County Treasurer remits the appropriate collected taxes to the Agency on a monthly basis.

Property taxes are recognized when measurable and available to finance current expenditures. The criterion of available has been defined as having been received within 60 days after year-end. Any portion of taxes receivable not meeting this criteria are recorded in the deferred inflows of resources for unavailable property taxes account and will be recognized as revenue when measurable and available.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

General

State statutes authorize the Agency's investments. The Post Falls Urban Renewal Agency is authorized to invest in demand deposits, savings accounts, U.S. Government obligations and its agencies, obligations of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, bonds, debentures or notes of any corporation organized, controlled and operating within the U.S. which have at their purchase an "A" rating or higher, government pool and money market funds consisting of any of these securities listed.

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk that, in the event of a bank failure, the Agency’s deposits may not be returned to it. The Agency does not have a deposit policy for custodial credit risk as it deposits funds in financial institutions that are members of the U.S. Federal Deposit Insurance Corporation (FDIC) and has never experienced such a loss.

As of September 30, 2024, the Agency’s deposits were exposed to custodial credit risk as follows:

<i>Deposits without exposure to custodial credit risk:</i>	
Amount insured by FDIC or other agencies	\$ 15,006
<i>Deposits with exposure to custodial credit risk:</i>	
Amount collateralized with securities held in trust, but not in the Agency's name -	2,955,989
Uninsured and uncollateralized	-
Total bank balance (deposits)	\$ 2,970,995

The carrying amount is displayed as follows in the financial statements:

Statement of net position	
Cash and cash equivalents	\$ 9,497
Equity in the State Investment Pool	2,955,989
	\$ 2,965,486

Cash and Cash equivalents at September 30, 2024 consist of the following:

Cash	
Deposits with financial institutions	\$ 9,497
Equity in State Investment Pool at September 30, 2024, consist of the following	
Cash equivalents	
Idaho State Investment pool deposits	2,955,989
	\$ 2,965,486

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 2 – CASH AND INVESTMENTS (CONCLUDED)

State Investment Pool

Investments in 2a7-like pools are valued based upon the value of pool shares. The Agency invests in one 2a7-like pool, the Idaho State Investment Pool. The advisory board of the Idaho State Investment Pool is composed of members appointed pursuant to the requirements of the Public Funds Investment Act. The State Investment Pool is duly chartered and administered by the State Treasurer’s Office and consists of US Treasury bills and notes, collateralized certificates of deposit and repurchase agreements. GASB Statement No. 3 requires the Agency to assign risk categories for its investments, except those in which securities are not used as evidence of the investment. The Pool has not been assigned a risk category since the Agency is not issued securities, but rather it owns an undivided beneficial interest in the assets of the Pool. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body nor are any balances insured by the Federal Deposit Insurance Corporation. Financial reports are available from the Idaho State Treasurer’s Office upon request.

The balances above that the Agency has in the State Investment Pool are carried at amortized cost and calculated on a monthly basis. The Agency’s portion of the State Investment Pool had an unrealized gain of \$7,698 as of September 30, 2024.

State statutes authorize the Agency to invest in U.S. Government obligations and its agencies, obligations of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, government pools, and money market funds consisting of any of these securities listed. No unauthorized investment transactions were carried out by the Agency during the year.

GASB Statement No. 40 requires the Agency to assign risk categories for its investments, except those in which securities are not used as evidence of the investment. Credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. The short term investment pools are not evidenced by securities that exist in physical or book entry form and accordingly, are not categorized for credit risk.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Office Furniture	\$ 1,714	\$ -	\$ -	\$ 1,714
Less Accumulated Depreciation	(1,714)	-	-	(1,714)
Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Depreciation expense was \$0 for the year ended September 30, 2024.

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 4 – LONG-TERM OBLIGATIONS & COMMITMENTS

A&A Construction and Development, Inc (Downtown) – During the 2023 fiscal year, the Agency entered into an Owner Participation and Reimbursement Agreement (OPA) with A&A Construction and Development. Under this agreement, the Agency will reimburse the cost of infrastructure improvements made as part of the Millworx and North Mill One project area within the Downtown Urban Renewal District. The Agency is only obligated to reimburse A&A Construction and Development Inc. if tax increment revenues of the Agency are available. The Agency receives increment revenue and then deducts the amounts necessary to cover administrative costs, fund the district reserve, and pay any district debt. The amount remaining is the reimbursement. In fiscal year 2024 an Order of Approval for participant expenditures of \$6,035,511 in qualifying costs was approved and \$1,048,691 was reimbursed, resulting in a remaining obligation of \$4,986,820

Beyond Green, Inc (Post Falls Technology) - During the 2019 fiscal year, the Agency entered into an Owner Participation and Reimbursement Agreement (OPA) with Beyond Green. Public infrastructure construction projects are in process. \$1,724,073 is being held for future reimbursement of public infrastructure.

NOTE 5 – RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Agency contracts with an insurance company, Idaho Counties Risk Management Program (ICRMP), for property insurance and general liability insurance.

An outside insurance company protects professional liability with a \$2,000,000 liability and a \$3,000,000 umbrella. Errors and omissions liability has a \$2,000,000 liability with \$3,000,000 in the aggregate annually per insured. Automobile liability has a \$2,000,000 single limit of liability.

The Agency's workman's compensation coverage is provided by the Idaho State Insurance Fund. During fiscal year 2023/24, the Agency contributed \$183 for this insurance coverage.

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 6 – PENSION PLAN

Plan Description

The Post Falls Urban Renewal Agency contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters.

As of June 30, 2024 the employee rate was 6.71% for general employees and 9.83% for police and firefighters. As of July 1, 2024, the employee rate increased to 7.18% for general employees and increased to 10.83% for police and firefighters.

The employer contribution rate as a percentage of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and firefighters during the period July 1, 2023, through June 30, 2024. As of July 1, 2024 the employer rates for general employees increased to 11.96% and increased for police and firefighters to 14.65%.

The Agency's contributions were \$6,484 for the year ended September 30, 2024.

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 6 – PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2024, the Agency reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on the Agency's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2024 the Agency's proportion was 0.0011623%.

For the year ended September 30, 2024, the Agency recognized pension expense of \$11,092. At September 30, 2024, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,922	\$ -
Changes in assumptions or other inputs	1,722	-
Net difference between projected and actual earnings on pension plan investments	-	789
Change in the Agency's proportion and differences between the Agency's contributions and the Agency's proportionate contributions	1,697	6,666
Agency's contributions subsequent to the measurement date	1,677	-
Total	\$ 12,018	\$ 7,455

\$1,677 reported as deferred outflows of resources related to pensions resulting from Agency's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2024.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2022, the beginning of the measurement period ended June 30, 2023 is 4.4 and 4.4 for the measurement period June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended September 30:

2025	691
2026	6,214
2027	(2,775)
2028	(1,244)

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 6 – PENSION PLAN (CONTINUED)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases including inflation	3.05%
Investment rate of return**	6.35%
Cost-of-living adjustments	1.00%

**net of pension plan investment expense*

***there is an additional component of assumed salary growth (on top of the 3.05%) that varies for each individual member based on years of service*

An experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The total pension liability as of June 30, 2024 is based on the results of an actuarial valuation date of July 1, 2024.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

See accompanying independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 6 – PENSION PLAN (CONCLUDED)

Capital Market Assumptions

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	0.00%	0.00%
Large Cap	18.00%	4.50%
Small/Mid Cap	11.00%	4.70%
International Equity	15.00%	4.50%
Emerging Markets Equity	10.00%	4.90%
Domestic Fixed	20.00%	-0.25%
TIPS	10.00%	-0.30%
Real Estate	8.00%	3.75%
Private Equity	8.00%	6.00%

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 6.35%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Agency's proportionate share of the net pension liability (asset)	\$ 82,621	\$ 43,478	\$ 11,507

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

POST FALLS URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2024

NOTE 7 – LEASES

The Agency also leases its office space. The original lease began October 1, 2015, was renewed in September 2018, for three years before the term of the third addendum to lease agreement for 36 months, commencing on October 31, 2021 with annual payments of \$7,990. Rent payments for the year ended September, 30, 2024, was \$7,990.

At September 30, 2024, the Agency has recognized right-to-use assets of \$66,521, with accumulated amortization of \$66,521 and a lease liability of \$0. During the fiscal year, the Agency recorded \$7,412 in amortization expense for the right-to-use assets. The amortization expense is allocated to general government on the statement of activities. The Agency used an interest rate of 2% for the assets.

Net right-to-use assets are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Right-to-use asset:				
Office space	\$ 66,521		\$ -	\$ 66,521
Accumulated amortization	59,109	7,412	-	66,521
Net right-to-use assets	<u>\$ 7,412</u>	<u>\$ 7,412</u>	<u>\$ -</u>	<u>\$ -</u>

Changes in lease liability are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Lease liability	<u>\$ 7,833</u>	<u>\$ -</u>	<u>\$ 7,833</u>	<u>\$ -</u>

REQUIRED SUPPLEMENTARY INFORMATION

POST FALLS URBAN RENEWAL AGENCY
SCHEDULE OF AGENCY'S SHARE OF NET PENSION LIABILITY
PERSI - Base Plan
Last 10 - Fiscal Years *

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Agency's portion of the net pension liability	0.0011623%	0.0012689%	0.0016938%	0.0013542%	0.0013486%	0.0013350%	0.0015298%	0.0011755%	0.0036291%	0.0036032%
Agency's proportionate share of the net pension liability (asset)	\$ 43,477	\$ 50,638	\$ 66,713	\$ (1,070)	\$ 31,316	\$ 15,239	\$ 22,565	\$ 18,477	\$ 73,567	\$ 47,448
Agency's covered-employee payroll	\$ 57,330	\$ 54,600	\$ 68,642	\$ 51,149	\$ 48,734	\$ 45,734	\$ 48,612	\$ 39,445	\$ 89,739	\$ 101,295
Agency's proportional share of the net pension liability as a percentage of its covered-employee payroll	75.84%	92.74%	97.19%	-2.09%	64.26%	33.32%	46.42%	46.84%	81.98%	46.84%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Post Falls Urban Renewal Agency will present information for those to use for which information is available.

Data reported is measured as of June 30, 2024

SCHEDULE OF AGENCY'S CONTRIBUTIONS
PERSI - Base Plan
Last 10 - Fiscal Years *

	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Statutorily required contribution	\$ 7,560	\$ 5,542	\$ 7,843	\$ 5,347	\$ 5,291	\$ 5,108	\$ 5,941	\$ 3,964	\$ 10,788	\$ 11,786
Contributions in relation to the statutorily required contribution	\$ (6,444)	\$ (6,520)	\$ (8,069)	\$ (6,107)	\$ (5,808)	\$ (5,208)	\$ (5,647)	\$ (4,189)	\$ (12,180)	\$ (11,575)
Contribution (deficiency) excess	\$ (1,116)	\$ 978	\$ 226	\$ (760)	\$ (516)	\$ (99)	\$ 294	\$ (225)	\$ (1,392)	\$ 211
Agency's covered-employee payroll	\$ 57,330	\$ 54,600	\$ 68,642	\$ 51,149	\$ 48,734	\$ 45,734	\$ 48,612	\$ 39,445	\$ 89,739	\$ 101,295
Contributions as a percentage of covered-employee payroll	11.24%	11.94%	11.76%	11.94%	11.92%	11.39%	11.62%	10.62%	13.57%	11.43%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Post Falls Urban Renewal Agency will present information for those to use for which information is available.

Data reported is measured as of June 30, 2024

*See accompanying notes
and independent auditors report*

POST FALLS URBAN RENEWAL AGENCY
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – Governmental Fund Types
Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Property Taxes	\$ 1,528,669	\$ 1,528,669	\$ 1,538,411	\$ 9,742
Penalties and Late Fees	-	-	-	-
Interest and Investment Earnings	39,000	39,000	146,802	107,802
Other Income	-	-	75,000	75,000
Total Revenues	<u>1,567,669</u>	<u>1,567,669</u>	<u>1,760,213</u>	<u>192,544</u>
Expenditures				
General Government	145,259	145,259	104,503	(40,756)
Tax Increment Expense	2,798,329	2,798,329	1,123,691	(1,674,638)
Debt Service:				
Principal	-	-	7,833	7,833
Interest	-	-	157	157
Total Expenditures	<u>2,943,588</u>	<u>2,943,588</u>	<u>1,236,184</u>	<u>(1,707,404)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,375,919)</u>	<u>(1,375,919)</u>	<u>524,029</u>	<u>1,899,948</u>
Other Financing Sources (Uses)				
Other Financing Sources	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>(1,375,919)</u>	<u>(1,375,919)</u>	<u>524,029</u>	<u>1,899,948</u>
Fund Balance - Beginning	1,375,919	1,375,919	2,480,267	1,104,348
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,004,296</u>	<u>\$ 3,004,296</u>

See accompanying notes
and independent auditors report

POST FALLS URBAN RENEWAL AGENCY
Notes to the Budget and Actual Schedule
Year Ended September 30, 2024

Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the general fund. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the general fund.

This is in conformance with Idaho State Statutes, which require that appropriations lapse at the end of a fiscal year and are not available to be carried forward to be used in addition to the succeeding year's appropriation.

Reported budgeted amounts are as originally adopted or as amended by the Board. Professional management cannot legally amend appropriations within the budget without first seeking Board approval once the budget has been approved.

Lapsing of Appropriations – At the close of each year, all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.

REPORT REQUIRED BY GAO

INDEPENDENT AUDITORS' REPORT 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 Commissioners
Post Falls Urban Renewal Agency
Post Falls, ID

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 Post Falls Urban Renewal Agency, a component unit of the City of Post Falls, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Post Falls Urban Renewal Agency's basic financial statements and have issued our report thereon dated January 30, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Post Falls Urban Renewal Agency's internal control over financial reporting (internal control) as a basis for designing 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 Post Falls Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Post Falls Urban Renewal 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Post Falls Urban Renewal Agency's financial statements are free of 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
January 30, 2025

Semi-Annual Reimbursement Amounts for February 20, 2025

<u>District</u>	<u>Proponent/Developer</u>	<u>February 2025 Reimbursement</u>	<u>Remaining Obligation</u>
Downtown	A&A Construction	\$ 459,789.56	\$ 4,527,030.17
	Total	<u>\$ 459,789.56</u>	

		<u>Current Fund Balance</u>
Post Falls Technology	BGI, Inc	\$ 2,411,287.12
Pleasant View **	City of Post Falls	\$ (50,162.27)

** Balance resulting from pending Annual Admin. Fees



To: Mayor & City Council, Post Falls, Idaho

From: Jamè Davis, Chairman, Post Falls Urban Renewal Commission
Joseph Johns, Post Falls Urban Renewal Executive Director

Re: Post Falls Urban Renewal Agency 2024 Annual Report

In accordance with annual reporting provisions of Idaho Code, Section 50-2006(5)(c), we are pleased to present the following report for the Post Falls Urban Renewal Agency activities for the period of January 1, 2024 through December 31, 2024.

The mission of the Post Falls Urban Renewal Agency is to encourage sound economic and community improvement that enhances the overall quality of life in Post Falls by:

- Providing infrastructure
- Attracting jobs
- Enhancing citizen safety and health

The Agency was created in 1991 by Resolution 91-11 of the City of Post Falls, and occupies office space in the Chamber of Commerce Building, 201 E 4th Ave, Post Falls. Monthly meetings are held on the 3rd Thursday of each month in the City Hall Council Chambers. Most Agency activities fall under the oversight of three committees, each consisting of three assigned Commissioners, which meet as necessary. These committees are the Finance & Policy Committee, the District Review Committee, and the Communications, Property & Personnel Committee. Commission Workshops are held on an “as needed” basis for the purpose of reviewing and discussing activities of the Agency and upcoming Agenda items with all the Commissioners as opposed to individual committee meetings.

The 2024 Officers of the Post Falls Urban Renewal Commission:

- Jamé Davis, Chairman
- Christi Fleischman, Vice-Chair
- Len Crosby, Treasurer

During the period of January 1, 2024 through December 31, 2024 the Post Falls Urban Renewal Agency administered three active Urban Renewal Districts (URDs): Post Falls Technology District, Downtown District and Pleasant View District.

Calendar Year 2024 Activities – Urban Renewal Districts:

Post Falls Technology Urban Renewal District

The District Proponent, Beyond Green, Inc., engaged in the construction of the Zorros Road, north of the Prairie Ave. roundabout as well as additional rights-of-way within the Prairie Crossing subdivision. No requests for reimbursement of public infrastructure costs to-date have been made by the proponent. Increment tax remittances received from Kootenai County totaled \$874,764.15 resulting in a district fund balance of \$1,734,031.74 as of December 31, 2024 for the reimbursement of approved project costs.

Pleasant View Urban Renewal District

The District Proponent is the City of Post Falls. Anticipated development the necessary public infrastructure along Pleasant View Road was put on hold by the primary commercial/industrial property owner desiring to relocate into the district. The City of Post Falls is in the process of considering infrastructure development options for the purpose of facilitating smaller proposed development projects in the district. Increment tax remittances received from Kootenai County totaled \$11,030.05 resulting in a district fund balance of \$-62,689.68 as of December 31, 2024 for the reimbursement of approved project costs. This reported balance takes into consideration the Agency's Annual Administrative Fee, as provided for in Agency Policy #15, which may be treated as a cost that is eligible to be reimbursed from tax increment funds received in the future.

Downtown Urban Renewal District

The District Proponent is the City of Post Falls. Construction of public infrastructure associated with the Millworx and North Mill One subdivisions continued throughout the year, including the Idaho Ave/4th Ave roundabout, Idaho Ave extension south of 4th Ave, portions of Post Ave and Lincoln Ave with adjoining frontage improvements. The Owner Participation Agreement between the Agency and A&A Construction and Development, Inc., was amended several times. First, to include updated cost figures, soft costs and a public art component, as provided for in the District Plan. Second, to extend the "Agency Funded Public Improvements" completion date to January 1, 2029, and to acknowledge A&A's agreement to participate in the Agency's Minor Projects Program. The Minor Projects Program received Commission approval on October 17, 2024, as part of Agency Policy #7 – Reimbursement from Tax Increment. A second Request for Reimbursement of construction costs totaling \$2,422,418 was received in late December and is in the agency's review process. Additional non-URA related development throughout the district continued to grow the increment value. Increment tax remittances received from Kootenai County totaled \$639,758.59. Reimbursements to district participants totaled \$1,048,691.29 resulting in a district fund balance of \$37,474.10.80 as of December 31, 2024 for the reimbursement of approved project costs.

Calendar Year 2024 Activities – Administrative Activity:

Order of Approval. A&A Construction and Development, Inc. Reimbursement of Participant expenditures in the amount of \$6,035,511.02 to be paid from tax increment revenues in the Downtown Urban Renewal District, as they become available to the Agency and in accordance with Agency Policies. Approved February 15, 2024.

Owner Participation Agreement, Second Addendum. A&A Construction and Development, Inc. Approved July 18, 2024.

Agency Policy #7. Reimbursement from Tax Increment. Amended to provide for the reimbursement of minor projects selected and approved by the Agency that promote District Plan objectives and are authorized by such Plan, not to exceed fifteen percent (15%) of the tax increment funds that have been received annually from the District and not to exceed a maximum reserved balance of \$250,000. An approved minor project is eligible for maximum total increment tax reimbursement of \$250,000. Approved July 18, 2024.

Resolution 2024-01. A Resolution of the Post Falls Urban Renewal Agency, making findings concerning a budget for the Fiscal Year beginning October 1, 2024 and ending September 30, 2025, and adopting said budget. Approved August 15, 2024.

Agency Policy #7, Fourth Addendum. Reimbursement from Tax Increment. The purpose of this addendum is to provide specificity regarding how the minor project program will be implemented. Approved October 17, 2024.

Owner Participation Agreement, Third Addendum. A&A Construction and Development, Inc. Approved November 21, 2024.

Financial Information as required by Idaho Code 67-1076(2)(b),(c):

- FY2025 Budget. Resolution 2024-01; Budget for the Fiscal Year beginning October 1, 2024 and ending September 30, 2025. Attached.
- Unaudited Comparison of FY2024 Budget to Actual Revenues & Expenditures. Attached.
- Date of last independent audit: January 30, 2025. [Attached](#).

Resolution No. 2024 – 1

A RESOLUTION OF THE POST FALLS URBAN RENEWAL AGENCY, MAKING FINDINGS CONCERNING A BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025, AND ADOPTING SAID BUDGET.

WHEREAS the Post Falls Urban Renewal Agency is an Idaho urban renewal agency formed pursuant to Idaho Code § 50-2006, and

WHEREAS Idaho Code §§ 50-2006(d) and 50-2903(5) require that an Idaho urban renewal agency compile an annual budget estimating expenses and revenues for the following fiscal year of the agency for submission to the local governing body, and

WHEREAS Idaho Code § 50-2006(d) requires an Idaho urban renewal agency to have the same fiscal year as a municipality, and

WHEREAS Idaho Code § 50-1001 provides that the fiscal year for a municipality begins on the first day of October.

NOW THEREFORE, BE IT RESOLVED BY THE POST FALLS URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1. That the Agency makes the following findings of fact:

- a. That the estimated revenues of the Agency for the period October 1, 2024 to September 30, 2025, are described in Exhibit A, attached hereto and incorporated by reference herein.
- b. That the estimated expenses of the Agency for the period October 1, 2024 to September 30, 2025, are described in Exhibit A, attached hereto and incorporated by reference herein.

Section 2. That the Agency does hereby adopt Exhibit A as its fiscal year budget for the period October 1, 2024 to September 30, 2025, and does hereby tender a copy of said budget to the Post Falls City Council. Pursuant to Idaho Code § 67-1076(2)(b)(i), the budget shall also be submitted to the Local Governing Entities Central Registry by December 1, 2024.

PASSED by the Post Falls Urban Renewal Agency Commission at its regularly scheduled meeting on August 15, 2024.



Christi Fleischman, Vice-Chair

2025 OPERATING BUDGET - POST FALLS URBAN RENEWAL AGENCY

Exhibit "A"

	Actual FY 2023	Budget FY 2024	Budget FY 2025
REVENUES:			
Tax Increment			
Center Point District	\$ 625,555	\$ -	\$ -
East Post Falls District	\$ 3,641,359	\$ -	\$ -
Post Falls Technology District	\$ 521,384	\$ 864,374	\$ 1,128,562
Downtown District	\$ 512,359	\$ 652,518	\$ 750,361
Pleasant View District	\$ 1,280	\$ 11,777	\$ 12,400
Other Income	\$ 203,151	\$ -	\$ -
Transfer from General Fund	\$ -	\$ 56,259	\$ 34,386
Interest Income	\$ 148,254	\$ 39,000	\$ 69,600
TOTAL REVENUES:	\$ 5,653,342	\$ 1,623,928	\$ 1,995,308
Carryover (East Post Falls)	\$ 1,889,065	\$ -	\$ -
Carryover (Center Point)	\$ 915,705	\$ -	\$ -
Carryover (Post Falls Technology)	\$ 364,539	\$ 860,333	\$ 1,746,768
Carryover (Downtown)	\$ -	\$ 459,327	\$ -
Carryover (Pleasant View)	\$ -	\$ -	\$ -
TOTAL FUNDS	\$ 8,822,651	\$ 2,943,588	\$ 3,742,076
EXPENDITURES:			
Proponent Reimbursement			
Center Point District	\$ 1,541,260	\$ -	\$ -
East Post Falls District	\$ 1,886,774	\$ -	\$ -
Post Falls Technology District	\$ -	\$ 1,699,707	\$ 2,850,330
Downtown District	\$ -	\$ 1,086,845	\$ 725,361
Pleasant View District	\$ -	\$ 11,777	\$ 12,400
Designated Funds East Post Falls	\$ 3,718,650	\$ -	\$ -
Designated Funds Center Point	\$ -	\$ -	\$ -
Debt Repayment	\$ -	\$ -	\$ -
Interest Expense	\$ -	\$ -	\$ -
Sub-Total Proponent	\$ 7,146,684	\$ 2,798,329	\$ 3,588,090
Agency Operating Expenses			
Audit	\$ 8,750	\$ 8,750	\$ 12,500
Legal Advertising	\$ 498	\$ 900	\$ 900
Employee Wages	\$ 55,240	\$ 57,330	\$ 59,046
FICA	\$ 4,360	\$ 4,386	\$ 4,517
SUTA	\$ 100	\$ 120	\$ 166
PERSI	\$ 6,984	\$ 6,408	\$ 7,062
Health Benefit	\$ -	\$ 8,400	\$ 8,400
Engineering Services	\$ 6,400	\$ 9,600	\$ 9,600
Contract Legal Services	\$ 9,975	\$ 25,000	\$ 25,000
Other Contract Services	\$ -	\$ 1,000	\$ 1,000
Insurance	\$ 3,009	\$ 3,713	\$ 4,375
Marketing and Education	\$ -	\$ -	\$ 3,000
Dues and Memberships	\$ 800	\$ 800	\$ 850
Computer Repair and Maintenance	\$ 480	\$ 585	\$ 330
Computer Software	\$ 779	\$ 829	\$ 1,272
Office Equipment	\$ -	\$ 1,900	\$ 300
Office Supplies	\$ 324	\$ 375	\$ 425
Postage & Shipping	\$ 75	\$ 63	\$ 73
Printing & Copying	\$ 252	\$ 300	\$ 300
Rent - Space & Equipment	\$ 7,990	\$ 7,990	\$ 7,990
Telephone and Internet	\$ 767	\$ 320	\$ 240
Meetings	\$ 325	\$ 240	\$ 390
Website Design, Hosting and Maint.	\$ 2,929	\$ 1,250	\$ 1,250
Contingency	\$ -	\$ 5,000	\$ 5,000
General Fund Carryover	\$ -	\$ -	\$ -
Sub-Total Agency	\$ 110,037	\$ 145,259	\$ 153,986
Total Expenditures	\$ 7,256,721	\$ 2,943,588	\$ 3,742,076

POST FALLS URBAN RENEWAL AGENCY			
UNAUDITED COMPARISON - FY 2024 BUDGET TO ACTUAL			
		Approved Budget FY 2024	Actual FY 2024
REVENUES:			
	Tax Increment		
	Center Point District	\$ -	\$ -
	East Post Falls District	\$ -	\$ -
	Post Falls Technology District	\$ 864,374	\$ 887,662
	Downtown District	\$ 652,518	\$ 613,309
	Pleasant View District	\$ 11,777	\$ 11,030
	Other Income	\$ -	\$ -
	General Fund Transfer	\$ 56,259	\$ -
	Interest Income	\$ 39,000	\$ 146,802
	TOTAL REVENUES:	\$ 1,623,928	\$ 1,658,803
	Carryover (East Post Falls)	\$ -	\$ -
	Carryover (Center Point)	\$ -	\$ -
	Carryover (Post Falls Technology)	\$ 860,333	\$ 860,490
	Carryover (Downtown)	\$ 459,327	\$ 461,419
	Carryover (Pleasant View)	\$ -	\$ -
	TOTAL FUNDS AVAILABLE	\$ 2,943,588	\$ 2,980,712
EXPENDITURES:			
	Proponent Reimbursement		
	Center Point District	\$ -	\$ -
	East Post Falls District	\$ -	\$ -
	Post Falls Technology District	\$ 1,699,707	
	Downtown District	\$ 1,086,845	\$ 1,074,728
	Pleasant View District	\$ 11,777	\$ -
	Designated Funds (East Post Falls)	\$ -	\$ -
	Designated Funds (Center Point)	\$ -	\$ -
	Debt Repayment	\$ -	\$ -
	Interest Expense	\$ -	\$ -
	Sub-Total Proponent	\$ 2,798,329	\$ 1,074,728
	Agency Operating Expenses		
	1 Audit	\$ 8,750	\$ 10,290
	2 Legal Advertising	\$ 900	\$ 316
	3 Employee Wages	\$ 57,330	\$ 57,330
	4 FICA	\$ 4,386	\$ 4,385
	5 SUTA	\$ 120	\$ 139
	6 PERSI	\$ 6,408	\$ 6,484
	7 Health Benefit	\$ 8,400	\$ 7,246
	8 Engineering Services	\$ 9,600	\$ 4,000
	9 Contract Legal Services	\$ 25,000	\$ 5,650
	10 Other Contract Services	\$ 1,000	\$ -
	11 Insurance	\$ 3,713	\$ 4,375
	12 Marketing and Education Materials	\$ -	\$ -
	13 Dues and Memberships	\$ 800	\$ 850
	14 Computer Repair and Maintenance	\$ 585	\$ -
	15 Computer Software	\$ 829	\$ 1,267
	16 Office Equipment	\$ 1,900	\$ 1,514
	17 Office Supplies	\$ 375	\$ 218
	18 Postage & Shipping	\$ 63	\$ 66
	19 Printing & Copying	\$ 300	\$ 250
	20 Rent - Space & Equipment	\$ 7,990	\$ 7,990
	21 Telephone and Internet	\$ 320	\$ 384
	22 Meetings	\$ 240	\$ 145
	23 Website Design, Hosting and Maint.	\$ 1,250	\$ 350
	24 Contingency	\$ 5,000	\$ 300
	25 General Fund Carryover	\$ -	\$ -
	Sub-Total Agency	\$ 145,259	\$ 113,549
	Total Expenditures	\$ 2,943,588	\$ 1,188,277