



Post Falls Urban Renewal Agency
August 15, 2024 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 Minutes, July 18, 2024
 - b. Payables
 - c. Bank Activity Report
 - d. Financial Reports
 - e. FY 2024 Audit Engagement Letter
5. Committee Updates
 - a. Finance and Policy – Crosby
 - b. District Review - Coles
 - c. Communications, Property & Personnel - Hjeltness
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. Public Hearing – FY 2025 Agency Annual Budget **ACTION ITEM**
8. Unfinished Business
 - a. Resolution 2024-01 Approving Fiscal Year 2025 Annual Budget **ACTION ITEM**
9. New Business
 - a. Approval of Semi-annual Proponent Reimbursements **ACTION ITEM**
10. Staff Report and Updates
11. Commissioner Comments
12. Chairman Comments
13. 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

August 15, 2024

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

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

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

None

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Johns introduced the Consent Calendar. Item A in the Consent Calendar is the Commission Meeting Minutes, July 18, 2024

Item B is the payables for this month totaling \$6,639.22

Item C is the Bank Activity Report which shows total funds in all accounts of \$3,172,459.94 and accrued interest for the month of \$6,957.95

Item D is the financial reports as of July 31, 2024.

Item E is the FY2024 Audit Engagement Letter from Alpine Summit, CPAs to perform the FY2024 Audit for an amount not to exceed \$12,500.

Approval of the consent calendar will authorize a transfer of \$6,639.22 to the First Interstate Checking Account for the monthly payables and \$6,957.95 accrued interest to the General Fund

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

COMMITTEE UPDATES

Finance & Policy – Crosby – Reviewed the monthly financials, finalized preparations for the FY25 Budget presentation, and will be working on developing the specifics of the minor project program as it moves forward.

District Review – Hjeltness – Nothing to report.

Communication, Property and Personnel – Hjeltness – Nothing to report.

CITIZEN COMMENTS

None

PUBLIC HEARING

Fleischman opened the Public Hearing for the proposed Fiscal Year 2025 Budget at 9:06 am.

Treasurer Crosby presented the FY 2025 Budget.

Key aspects of this year's budget include projected revenues from tax increment based on analysis of this year's preliminary values from the Kootenai County Assessor's Office relative to the prior year's values and levy rate. For 2025 it is expected the levy rate will see a small increase as property values continue to settle, while taxing entities face increased costs based on inflation and demands for service from the growing population. Over the life of the Commission seven (7) urban renewal districts have been closed and all increased tax revenues from the new and future development within those districts returned to the underlying tax districts. The majority of those districts were closed early with any excess tax increment collected within the fiscal year rebated to the taxing entities. Throughout the Agency's existence over \$7 Million of surplus funds have been rebated to the underlying taxing entities. Total closing year valuation increases due to new development within these closed districts has exceeded \$1.08 Billion. Based on new and continuing development in our three existing urban renewal districts, the Commission is conservatively projecting a modest increase in the tax increment to be received in those Districts. Overall, the projected tax increment for the Technology, Downtown and Pleasant View Districts is anticipated to increase approximately 23%, or \$371,380, over increment received in FY2024 as a result of continued new commercial stimulated by public improvements within these three districts. Over the course of FY 2025 we are anticipating the need to take accrued General Fund monies of \$34,386 to meet our projected operating expenses. This has been anticipated. Interest income has been conservatively projected to be \$69,600 based on our projections that interest rates will decrease in September of this year and continue to decrease over the course of FY 2025. Carryover revenues are projected Post Falls Technology district. The Agency does not anticipate any borrowing in FY 2025. Total revenues, including carry-over funds, projected for FY 2025 are \$3,742,076.

The main expenditures in FY 2025 will continue being the reimbursement of costs associated with approved, completed and dedicated public improvements and expanded public infrastructure. Proponent reimbursement for approved and completed public improvements is projected to be \$3.58 Million as the active districts continue to develop. The Post Falls Urban Renewal Commission has no debt and no plan to incur debt in the coming Fiscal Year.

Operating Expenses for the Agency are projected to be \$153,986 for FY 2025. This is a budget increase of only 6% but is a reflection of the inflation costs that we have all experience over the past year. Operating expenses, including projected general fund carryover funds and contingency, continue to only represent 4.3% of projected total revenues. The Agency's FY 2024 Operating Expenses associated with operating the Agency, which do not include carryover funds or contingencies, were budgeted at \$145,259. Actual expenses for the first ten months of FY 2024 are \$94,384 or approximately \$9,438 per month. Annualized, we are projecting our FY 2024 operating expenses will be just over \$113,271 which is approximately \$31,988 below our operating budget.

The budget continues to contain a \$5,000 contingency. The budget projects increases in the areas of Audit, Employee Wages (3%), Insurance, Marketing and Public Education, and Computer Software. These increases reflect actual increased costs as a result of inflation, or support the Agency's upcoming fiscal year goals. A reduction of costs is expected in the areas of Office Equipment, Telephone and Internet Service, and Website related expenses.

Total expenses for FY 2025 are \$3,742,076, including payments for public improvements and contingency funds. Of the total, \$3,588,090 or 96% of the Agency's expenses are allocated to reimbursement for completed, approved and dedicated public infrastructure within the urban renewal districts. Operating expenses represent less than 4% of the forecast expenses.

Vice-Chair Fleischman asked Director Johns if any forms for public comment had been submitted. Being none, Fleischman closed the Public Hearing at 9:16 am for Commission deliberation and action. No deliberation occurred.

UNFINISHED BUSINESS

Resolution 2024-1 Approving FY 2025 Annual Budget. Commissioner Crosby made a motion to approve the budget with Resolution 2024-1, seconded by Hjeltness. Roll Call Vote: Leffel – Aye; Crosby – Aye; Fleischman – Aye; Clemensen – Aye. Motion carried.

NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Johns stated per Agency policy #7, tax increment received by the Agency for each of the urban renewal districts is disbursed in February and August each year for public improvements that have been planned, completed and paid for by the proponent and dedicated to the City. August reimbursements will be distributed as follows:

<u>District</u>	<u>Proponent/Developer</u>	<u>Reimbursement</u>	<u>Remaining Obligation</u>
Downtown District	A&A Construction, Inc.	\$ 236,434.71	\$ 4,986,819.73
	Total	\$ 236,434.71	

The Post Falls Technology District has a current fund balance of \$1,723,152.47 for future reimbursement of public infrastructure improvements.

The Pleasant View District has a current fund balance of \$ 0.00. The Agency has a pending receivable in this district based upon the annual administrative fee. The current receivable is for the amount of \$ -62,689.68 pending remittance of sufficient future tax increment.

Fleischman asked for a motion. Crosby made a motion to approve the Semi-Annual Proponent Reimbursement as presented and authorize the transfer of \$236,434.71 to the First Interstate Bank Checking Account, seconded by Hjeltness. Roll Call Vote: Hjeltness – Aye; Leffel – Aye; Crosby – Aye; Fleischman – Aye; Clemensen - Aye. Motion carried.

STAFF REPORT

Johns reported the scheduling of a Joint City/Urban Renewal Workshop sometime during the month of November or December.

ICRMP has scheduled a live webinar to provide members an overview of the 2024-2025 Public Entity Policy Changes. Johns invited members of the Commission to attend on Monday, August 26th, at 10am in the Agency's office.

COMMISSIONER COMMENTS

Crosby recommended the scheduling of a Commission Workshop for the purpose of preparing discussion points for the proposed City/URA Joint Workshop.

CHAIRMAN COMMENT

None

ADJOURNMENT

Fleischman asked for a motion to adjourn. Commissioner Crosby made the motion, seconded by Fleischman. All in favor by voice vote. Meeting was adjourned at 9:22 am.

Respectfully submitted,



Joseph Johns, Executive Director



Jamé Davis, Chairman