



**Commission Workshop**  
August 11, 2020 – 8:00 a.m.  
Chamber Conference Room  
201 E. 4<sup>th</sup> Avenue, Post Falls ID 83854

1. Call to Order, Commissioner Roll Call and Pledge of Allegiance
2. Conflict Disclosure
3. Citizen Comment  
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.
4. Presentation by A&A Construction – Idaho Veneer site
5. July Financial Statement Review
6. FY 2020 Audit Engagement Letter – **ACTION ITEM**
7. West Seltice II Closure Report Discussion
8. Staff Report
9. Commissioner Comments
10. 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 by calling (208) 777-8151 at least 48 hours prior to the meeting.*

**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.**

# Bank Activity Report

July 2020

## Cash Section

### Checking: First Interstate

Beginning Balance		\$	10,636.09
Deposits	\$	1,957,190.22	
Withdrawals	\$	(1,957,219.38)	
Ending Balance		\$	10,606.93
Outstanding Checks	\$	(1,072.14)	
Account Balance		\$	9,534.79

### Idaho Central CU - Savings

Beginning Balance		\$	25.00
Interest			
Ending Balance		\$	25.00

## Investment Section

### LGIP General Fund 1829

Beginning Balance		\$	717,307.69
Contributions	\$	4,884.19	
Withdrawals	\$	(4,596.56)	
Ending Balance		\$	717,595.32
Outstanding Transfer	\$	-	
Account Balance		\$	717,595.32

### LGIP Capital Improvements 1910

Beginning Balance		\$	4,721,332.95
Contributions	\$	1,956,826.72	
Withdrawals	\$	(4,234.76)	
Ending Balance		\$	6,673,924.91
Outstanding Transfer	\$	-	
Account Balance		\$	6,673,924.91

## Certificate of Deposits

	Interest Rate	Amount	Maturity Date
Washington Trust Bank (CD - Loan Reserve)	0.15%	\$ 250,000.00	11/2/2020
Washington Trust Bank (CDARS - Loan Reserve)	0.10%	\$ 79,502.74	11/2/2020

Total Funds All Accounts:

**\$ 7,730,582.76**

**Post Falls Urban Renewal Agency - In-House**  
**Balance Sheet**  
 As of July 31, 2020

	Jul 31, 20
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
First Interstate Bank- Checking	9,534.79
LGIP1829-General Fund	717,595.32
LGIP1910-Capital Improvements	6,673,924.91
Savings - Idaho Central CU	25.00
WTB - Loan Reserve - CD	250,000.00
WTB - Loan Reserve - CDARS	79,502.74
<b>Total Checking/Savings</b>	7,730,582.76
<b>Other Current Assets</b>	
Accounts Receivable - Taxes	120,604.00
Interest Receivable	9,704.00
Prepaid Insurance	2,261.06
<b>Total Other Current Assets</b>	132,569.06
<b>Total Current Assets</b>	7,863,151.82
<b>TOTAL ASSETS</b>	<b>7,863,151.82</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
Accrued Vacation Payable	3,091.51
Deferred Increment Revenue	86,593.00
<b>Payroll Liabilities</b>	
ID- Unemployment Payable	9.51
Payroll Liabilities - Other	1,748.59
<b>Total Payroll Liabilities</b>	1,758.10
Washington Trust Bank-Overpass	938,000.00
<b>Total Other Current Liabilities</b>	1,029,442.61
<b>Total Current Liabilities</b>	1,029,442.61
<b>Long Term Liabilities</b>	
Proponent Reimbursement Balance	
Washintgon Trust Bank-Overpass	1,832,384.91
<b>Total Proponent Reimbursement Balance</b>	1,832,384.91
<b>Total Long Term Liabilities</b>	1,832,384.91
<b>Total Liabilities</b>	2,861,827.52
<b>Equity</b>	
Allowance for Long Term Debt	-2,770,384.91
Assigned Fund Balance	3,268,252.00
Committed Fund Balance	72,749.00
Fund Balance - General Fund	-152,951.55
Fund Balance - Special Revenue	0.43
Nonspendable Fund Balance	2,261.00
Restricted Fund Balance	422,852.44
Unrestricted Net Assets	830,986.29
Net Income	3,327,559.60
<b>Total Equity</b>	5,001,324.30
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>7,863,151.82</b>

## Post Falls Urban Renewal Agency - In-House

## Profit &amp; Loss

July 2020

08/04/20

Accrual Basis

	Jul 20	Oct '19 - Jul 20
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
Interest	4,885.89	70,712.04
Center Point District	203,502.12	839,545.36
East Post Falls District	1,474,251.11	3,707,967.90
Expo District	94,258.15	348,424.40
Post Falls Technology District	30,934.63	78,878.24
West Seltice II	149,645.95	354,783.89
<b>Total Income</b>	<b>1,957,477.85</b>	<b>5,400,311.83</b>
<b>Gross Profit</b>	<b>1,957,477.85</b>	<b>5,400,311.83</b>
<b>Expense</b>		
Advertising & Legal Notices	0.00	62.66
Audit	0.00	7,000.00
District Payments	0.00	1,997,694.27
Dues & Memberships	0.00	770.00
Engineering Services	0.00	5,200.00
Insurance	0.00	150.00
Legal Fees	125.00	4,850.00
Meetings	0.00	80.00
Office Supplies	0.00	53.30
Payroll Expenses	4,721.93	48,399.81
Postage, Mailing Service	0.00	5.25
Printing and Copying	0.00	48.15
Rent	0.00	7,740.00
Telephone, Telecommunications	15.00	473.79
Website Design, Hosting & Maint	0.00	225.00
<b>Total Expense</b>	<b>4,861.93</b>	<b>2,072,752.23</b>
<b>Net Ordinary Income</b>	<b>1,952,615.92</b>	<b>3,327,559.60</b>
<b>Net Income</b>	<b>1,952,615.92</b>	<b>3,327,559.60</b>

## Fund Reconciliation:

7/31/2020

**QB**

WTB - Loan Reserve - CD	<b>CIP</b>	\$	250,000.00
Savings - Idaho Central CU	<b>GF</b>	\$	25.00
First Interstate - Checking	<b>GF</b>	\$	9,534.79
WTB - Loan Reserve - CDARS	<b>CIP</b>	\$	79,502.74
LGIP - 1829	<b>GF</b>	\$	717,595.32
LGIP - 1910	<b>CIP</b>	\$	6,673,924.91

**Total****\$ 7,730,582.76****FUNDS**

General Fund	<b>GF</b>	\$	727,155.11
Capital Improvement Fund	<b>CIP</b>	\$	6,673,924.91
WTB - Loan Reserve (EPF)	<b>CIP</b>	\$	329,502.74

**Total****\$ 7,730,582.76**

## C.I. Fund Allocation:

PF Technology	\$	62,878.24
CP-The Pointe	\$	287,857.32
CP-Pointe Apartments	\$	112,272.51
Expo	\$	131,239.38
W. Seltice II	\$	168,208.46
EPF-Tullamore	\$	559,905.39
EPF-Tullamore Commons II	\$	11,086.79
EPF-S/Ctr	\$	<u>5,340,476.82</u>
	\$	6,673,924.91

Post Falls Urban Renewal Agency  
Increment Received District Obligation Balance

Termination Date	Technology Dist.	Center Point The Pointe	Pointe Apartments	East Post Falls		Commons II	Expo	West Seltice II	Total
	2038	2022	2022	South/Central 2022	North-Tullamore 2022	2022	2021	2020	
Sep-19	-	5,068.63	-	11,899.35	694.20	-	1,614.17	444.13	19,720.48
Oct-19	-	-	-	17,333.67	564.27	-	-	130.95	18,028.89
Nov-19	-	4,804.99	-	13,368.40	-	-	-	955.95	19,129.34
Dec-19	-	-	-	25,681.71	3,746.04	-	4,599.97	1,691.31	35,719.03
Jan-20	30,593.45	490,514.63	23,402.96	1,497,577.98	451,455.71	11,086.79	205,362.62	182,098.94	2,892,093.08
Reimbursements Feb -20	119.64	9,562.51	-	8,090.60	4,673.67	-	7,222.43	1,698.28	31,367.13
Mar-20	6,022.12	5,610.22	-	5,340.45	8,597.37	-	3,990.93	6,829.65	36,390.74
Apr-20	8,723.51	20,740.34	-	18,710.17	98,531.20	-	7,697.34	9,401.85	163,804.41
May-20	678.96	933.97	-	12,711.49	6,049.77	-	6,793.78	1,090.00	28,257.97
Jun-20	1,805.93	80,473.62	-	18,153.65	32,043.85	-	18,499.18	1,241.01	152,217.24
Jul-20	30,934.63	180,099.17	23,402.95	1,048,481.12	414,683.20	11,086.79	94,258.15	149,645.95	1,952,591.96
Aug-20									-
Sep-20									-
<b>Total YTD</b>	<b>78,878.24</b>	<b>797,808.08</b>	<b>46,805.91</b>	<b>2,677,348.59</b>	<b>1,021,039.28</b>	<b>22,173.58</b>	<b>350,038.57</b>	<b>355,228.02</b>	<b>5,349,320.27</b>
Approved Obligation		7,564,627.45	-	13,000,000.00	6,498,959.82	325,000.00	3,724,497.23	1,990,008.28	33,103,092.78
Obligation Balance @6/30/20		284,463.69		2,770,384.91	2,428,714.55	183,084.77	1,022,190.86	99,291.06	6,788,129.84
Carry over @ 6/30/20	31,943.61	107,758.15	88,869.56	4,291,995.70	145,222.19	-	36,981.23	18,562.51	4,721,332.95



1810 E Schneidmiller Ave. Ste. 310  
Post Falls, Idaho 83854  
208-777-1099

## AUDIT ENGAGEMENT LETTER

July 23, 2020

Board of Commissioners  
Post Falls Urban Renewal Agency  
PO Box 309  
Post Falls, ID 83869

Dear Board of Commissioners

We are pleased to confirm our understanding of the services we are to provide the Post Falls Urban Renewal Agency for the year ended September 30, 2020. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Post Falls Urban Renewal Agency as of and for the year ended September 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Post Falls Urban Renewal Agency's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Post Falls Urban Renewal Agency's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist 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 will 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. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Agency's Share of Net Pension Liability
3. Schedule of Agency's Contributions
4. Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – All Governmental Fund Types

### Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United

States, and will include tests of the accounting records of the Post Falls Urban Renewal Agency and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Post Falls Urban Renewal Agency's financial statements. Our report will be addressed to the Board of Commissioners of the Post Falls Urban Renewal Agency. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of 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 on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the Post Falls Urban Renewal Agency is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

#### **Audit Procedures – General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, and unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our



audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

#### **Audit Procedures – Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

#### **Audit Procedures – Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Post Falls Urban Renewal Agency's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

#### **Other Services**

We will also assist in providing the following services:

1. We will prepare a draft of your financial statements and related notes in conformity with U.S. generally accepted accounting principles based on information provided by you.
2. We will prepare a depreciation schedule based on the estimated useful lives that you have provided to us for your fund assets.
3. We will assist with GASB 68 adjustments based on information provided by PERSI and by you.
4. We will assist with property tax adjustments based on information provided by Kootenai County and by you.
5. We will prepare the yearend payroll reports, W-2s and 1099s from information provided by you.

These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Post Falls Urban Renewal Agency; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Anderson Bros. CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Federal or State officials or their designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Anderson Bros. CPAs personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by Federal or State officials. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit approximately in October/November 2020 and to issue our reports no later than February 15, 2021. Brian Shull is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$7,250. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Post Falls Urban Renewal Agency and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign on the lines indicated and return it to us.

Sincerely,



Anderson Bros. CPAs

RESPONSE:

This letter correctly sets forth the understanding of the Post Falls Urban Renewal Agency:

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **West Seltice II District Closure Report**

The West Seltice II District was created in 2005 with a 15-year life with a closure date of November 15, 2020. The 2020 increment could be collected through 2021, however since the proponent will be fully reimbursed for the cost of infrastructure in August of 2020, Commission elected to close the district "early" and return the increment to the taxing entities. Closing the district early will provide a surplus rebate of approximately \$70,000 to the various taxing entities.

The base value at the time of creation was \$1,719,589. The URD taxable amount at the close of the district was \$33,718,921. Tax increment received from 2006 through July 2020 was slightly over \$2.0M.

The purpose and goals of this District as outlined in the Plan, were to address blight, extend public infrastructure and address traffic improvements. The plan envisioned a mixed use "urban village" that would integrate industrial, office, commercial, residential and recreational and open space uses.

Over the life of the District, the proponent investment was \$1,990,008.

The proponent, Greenstone Corporation completed infrastructure improvements for Montrose Phase I and Treaty Rock Corporate Center Phase I in 2007. Improvements included sewer, water and roads. Treaty Rock Corporate Park was developed to carry a theme through the entire park in a community type atmosphere with trails and a green theme. Advanced Thermoplastic Composites Manufacturing (ATC) built a 67,000 sq ft building and located to N. Lean Street in 2015 and remains the lone business in the park.

Due to economic conditions the light industrial and commercial development diminished while residential activity increased.

At the close a district, the Kootenai County Assessor calculates the current taxable value less the taxable value in 2006. That amount is represented as "new construction" dollars that each taxing entity can include on their L-2 forms. For FY 2021, the West Seltice II "new construction" amount is \$33,718,921. The "new construction" roll is calculated using the entities 2020 levy rate. For example the City of Post Falls can take \$143,658 in new construction ( $33,718,921 \times .004260466 = 143,658.31$ ). The amount taken is rolled into the following year's budget. Taxing entities can take any or all of the new construction amount along with up to 3% of their highest last three (3) year's budget as allowed by Idaho State Statute.