HAYDEN URBAN RENEWAL AGENCY
2024 ANNUAL REPORT

About HURA

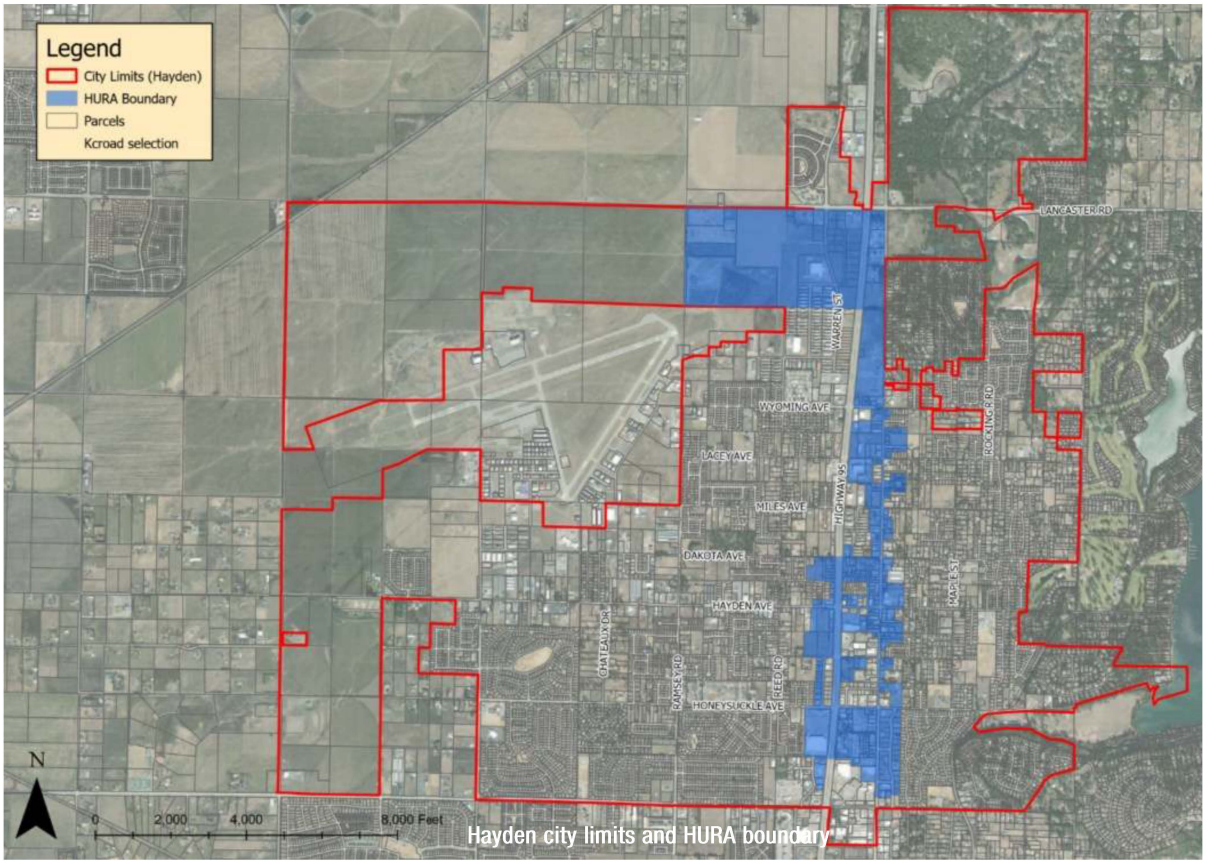
- This annual report is required under Idaho Code 50-20 Urban Renewal Law, Chapter 2006(5)(c). The purpose is of this report is to summarize activities for the preceding calendar year.
- HURA was created in December 2005 and will mature in 2029. The 720-acre boundary is shown on this page.
- Meetings are held at Hayden City Hall and are generally held the second Monday of each month at 3:00 PM.

2024 HURA Board
Ronda Mitchell, Chair
Randy McIntire, Vice Chair
Steve Meyer, Treasurer
Colin Meehan, Secretary
Matt Roetter
Michael Thayer
Joy Richards

Contact
Melissa Cleveland, Executive Director
(208)664-6942
mcleveland@welchcomer.com

2024 Achievements

- HURA helped fund the City's design and construction of a sewer line on Ramsey Road in advance of the construction of the City's road project.
- HURA helped fund the City's expansion project at Croffoot Park.
- The City and HURA began working together to expand the District, which we anticipate being complete in early 2025. HURA executed a resolution recommending the boundary to Council in September. The recommended boundary is shown on page 3.
- HURA assisted the City Art's Commission with purchasing benches as a part of the City's Come Together Bench program.
- HURA purchased the former Owl Café property in March. Over the course of the spring and summer, the board declared the personal property as surplus, an auction was held for items inside, Habitat for Humanity was allowed to take items for their fundraiser, and an informal request for quotes was issued for the demolition of the structure. The quotes are not due until after the first of the year.
- The HURA Board advertised for planning assistance on the HURA-owned properties on Orchard Avenue and Government Way, as well as, the City Hall campus. The thought is to plan for compatible civic uses on the parcels. The proposals for this work are not due until after the new year.
- Continued live streaming and video recording meetings.



Hayden city limits and HURA boundary

Objectives

HURA was established with the following summarized objectives:

- Elimination of environmental deficiencies such as obsolete/aged buildings, inadequate public improvements, and environmental remediation.
- Consolidation of land into parcels suitable for modern, integrated development.
- Development of underdeveloped areas which are stagnant or improperly utilized.
- Strengthening the economic base by installation of needed public improvements to stimulate new commercial expansion and employment.
- Establishment and implementation of design standards to provide unity and integrity of properties within HURA.
- Strengthening of the tax base by encouraging private development thus increasing the assessed valuation within the HURA boundary.
- Creating of public spaces, gateway entries, and public art.
- Participate in the development of civic buildings or community facilities.
- Providing for adequate land for open space and street rights of ways.
- The construction and improvement of major street corridors along with accompanying utility connections.

2024 Public Infrastructure Reimbursements

HURA reimbursed the City nearly $2.9 million for infrastructure projects in 2024, as shown in the following table. Both Croffoot Park and Ramsey Road Federal-Aid were funds needed to supplement grants the City received from the federal government. Cost overruns made those projects in jeopardy of losing the grant dollars if the funding shortage could not be secured. The Ramsey Road sewer needed to be completed in advance of the Ramsey Road Federal-Aid road construction project.

Project	2024 HURA Funds
Ramsey Road Federal-Aid	$1,760,000
Ramsey Road Sewer	$303,569
Croffoot Park	$804,511
“Come Together” Benches	$19,528
TOTAL	$2,887,608



Limits of the Ramsey Road sewer project that HURA assisted the City in funding. This was completed in advance of a federally-funded road project that they City and the Local Highway Technical Advisory Council (LHTAC) needed to advertise for bids.





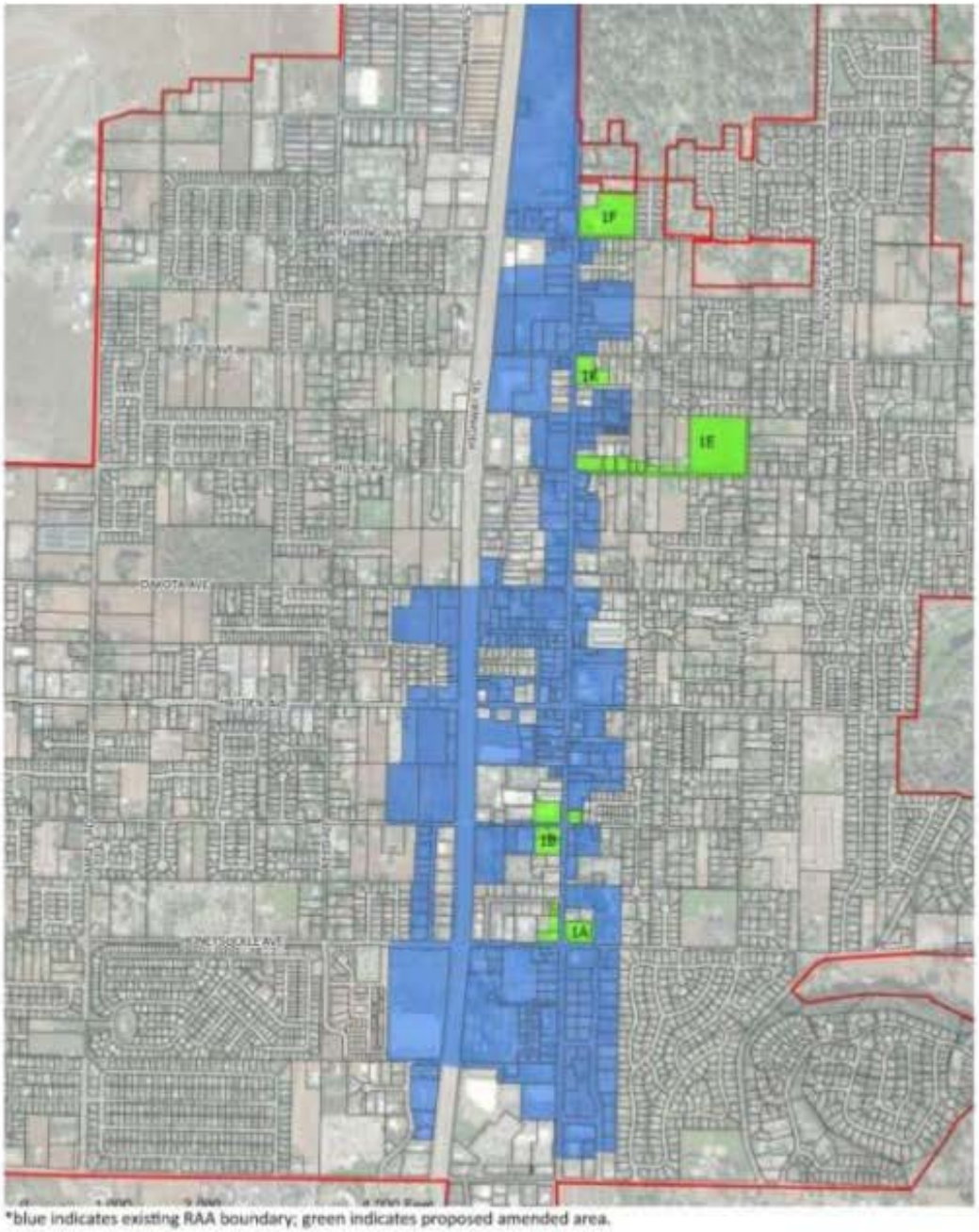


Photos of Croffoot Park Expansion





Photos of Ramsey Road Sewer Project



*blue indicates existing RAA boundary; green indicates proposed amended area.

**Please note that concerning Node 1E, only the first two parcels east of Government Way and north of Miles Avenue are considered in the expansion area; the remaining parcels are not being considered for inclusion in the existing RAA.

To the left is an excerpt from the City's Eligibility Study for the RAA boundary expansion. The City Council elected to remove a portion of 1E, only allowing the first 2 parcels west of the Miles/ Government Way intersection to be considered. The HURA board recommended moving forward with the modified boundary in September. The expansion process is on-going.

HURA's Positive Impact 2005—2024

Over the past 19 years, HURA pursuit of meeting the objectives outlined in the plan has had a significant impact and resulted in nearly $303,000,000[1] in assessed value increase. Some of HURA's impact within the district is shown on this page in the form of before and after imagery. The "before" photos were all taken in 2007. HURA has collected roughly $9.9 million in increment since 2005 and has spent approximately $6.5 million on public infrastructure, facility upgrades, and public art reimbursements to the City. Additionally, there have been $521,000 for public infrastructure reimbursed as a part of developer OPA agreements.





In 2005, the Cotton Club caught fire and was inhabitable. HURA purchased the property, demolished structures and performed remediation, and then constructed the public parking that exists today.





HURA contributed to the City Hall remodel and façade improvements, which helped to set the character of Hayden's downtown.





The property which now is part of the Capone's parking lot was an abandoned gas station. HURA purchased this property and remediated it so that it could be repurposed into much needed parking.



The northwest corner of the Government Way/Hayden Avenue intersection had deteriorated buildings including an abandoned carwash. HURA purchased the properties, completed demolition and remediation to make the property attractive for development.





HURA contributed to the final design and construction of Hayden Avenue, which did not include curb, gutter, and sidewalks.

1) Total increment estimate shown on the state website: Microsoft Power BI.

Financial Overview

At the time of this report, the 2023 audit was the most recent. The 2023 audit and 2024 unaudited fiscal year reporting are attached to this report. The major difference in revenues was an increase in anticipated interest. The major difference in expenditures was an anticipated property acquisition that did not occur. All expenses for fiscal year 2024 were within budget.

Budget Item	Approved Budget (FY24)[1]	Actual Revenues or Expenditures (FY24)
Property Taxes	$939,000	$1,092,367
Interest Earnings	$40,000	$223,328
Other Revenue	$18,040	$24,034
Total Revenues	**$997,040**	**$1,339,729**
Operating/Administrative	$40,732	$24,603
Professional Services	$121,500	$75,443
Capital Purchases/Projects	$4,695,000	$3,872,658
Total Expenditures	**$4,857,232**	**$3,972,704**

Notes
1) Fund balance carryovers are excluded from this table, but are shown in the unaudited report. The estimated carryover from FY 2022 was $4,573,656, but the actual audited position on October 1, 2022 was $4,966,843.

Financial History

	2019	2020	2021	2022[5]	2023[5]	2024[5]
Tax Increment	$739,400	$845,000	$825,800	$858,508	$820,069	$1,092,367
Total Revenues	$838,100	$1.45 million[1]	$874,800	$908,373	$1,055,252	$1,339,729
Total Expenditures	$126,000	$993,300[2]	$417,000[2,3,4]	$94,678	$541,6808[6]	$3,972,704[7]
Total Assets	$4.27 million	$4.73 million	$5.22 million	$5.73 million	$6.24 million	$3.33 million

Notes
1) Included sale of land.
2) Included reimbursement for Hayden Avenue final design and construction.
3) Included reimbursement for Gov't Way/Miles intersection design.
4) Included reimbursement for Gov't Way. Corridor Study.
5) From 2022 forward, the financial history is reported as fiscal year. Preceding years are reported as calendar year.
6) Included reimbursement for City Hall remodel and design of Ramsey Road sewer project.
7) Included reimbursement for Ramsey Road sewer, Ramsey Road federal-aid, Croffoot Park, and Come Together Bench program.

Public Infrastructure Expenditures

Since 2005, HURA has spent nearly $7 million on public infrastructure, upgrades to City Hall, public art, and plans/studies. The table below provides a summary.

Project Type	Total Sum Paid By HURA
Ramsey Road Fed-Aid	$1,760,000
Hayden Avenue	$1,128,328
Various Public Parking Lots	$807,487
Croffoot Park	$804,511
Gov't Way	$567,658
H-6 Sewer (Hayden Village OPA Agreement)	$500,978
City Hall	$463,360
Ramsey Road Sewer	$427,829
Public Art	$210,500
Studies/Standards	$181,854
Gov't Way/Miles	$114,067
TOTAL	**$6,966,573**

Active Owner Participation Agreements

HURA has four active OPA Agreements:

- Rock Properties is a subdivision that created 19 commercial lots. The OPA was approved January 2022 for reimbursement of up to $1,685,000 for Warren Street and Lancaster Road frontage improvements, as well as, other public infrastructure paid through 75% of the HURA tax increment collected on the subject property. HURA received final costs, and the promissory note was executed in September 2022. The first reimbursement of increment was paid to Rock Properties in FY24 because the Hayden Village OPA was paid in full. The payment to Rock Properties in FY24 was $5,184.31.
- Marketplace at Miles OPA was approved August 2022 for reimbursement of up to $40,000 for demolition of existing building at the intersection of Miles Avenue and Government Way paid through 75% of the HURA tax increment collected on the subject property. HURA received final costs, and the promissory note was executed in May 2024. The first increment reimbursement payment of $618 was paid in FY24.
- Chubbs, LLC OPA was approved in September 2020 for removal of blighted structures and Hayden Avenue frontage improvements paid through 75% of the HURA tax increment collected on the subject property. The promissory note was executed in February 2023. The HURA obligation for this OPA is $80,955.95. The payment to Chubbs, LLC in FY24 was $14,284.
- Hayden Village OPA amendment No. 1 was approved April 2017 for reimbursement of up to $500,987 for a 24" sewer line to serve large light industrial and commercial properties in the northern part of the City. The OPA obligation was paid in full in FY24, which was expected). In FY24, $82,408 was paid, which brought the total paid to $500,987. Now that this obligation is fulfilled, the Rock Properties OPA (which was nested in Hayden Village OPA) is receiving reimbursements.

HURA-Owned Properties

- HURA owns a home and 1.7-acre parcel east of the Government Way/Orchard intersection. The property was rented through 2024 and is planned to continue until a plan is in place for the property. This property is located northeast of Hayden City Hall.
- HURA owns the parcels on Government Way that serve as public overflow parking for City Hall, McIntire Family Park, and the downtown core. This property is located north of City Hall.
- HURA purchased the former Owl Café property in 2024 which is located on the southwest corner of Government Way and Orchard Avenue. HURA intends to hold onto this property because it may potentially help achieve the goal of a civic campus.
- HURA has held onto these properties because they properties may potentially help achieve the objective of participating in the development of a civic campus (civic buildings or community facilities), and a request for planning proposals for this purpose was advertised in 2024.



Public infrastructure constructed as a part of the Rock Properties OPA.



Frontage improvements constructed as a part of the Chubbs OPA



Marketplace at Miles OPA now has a building under construction and a new coffee stand.

Attachments:
1) Resolution No. 23-02 with Budget 2) Unaudited FY2024 financial report with budget, 3) 2023 Audit, and 4) Notice in the CDA Press

ATTACHMENT 1
RESOLUTION 23-02 WITH BUDGET

RESOLUTION NO. 23-02

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF HAYDEN:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF HAYDEN, IDAHO, TO BE TERMED THE ANNUAL BUDGET RESOLUTION ADOPTING A BUDGET FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024, FOR ALL GENERAL, SPECIAL, AND CORPORATE PURPOSES; DIRECTING THE ADMINISTRATOR TO SUBMIT SAID BUDGET; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Hayden, Idaho, an independent public body corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, a duly created and functioning urban renewal agency for Hayden, Idaho, hereinafter referred to as the Agency.

WHEREAS, the Agency, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, as amended and supplemented (Law);

WHEREAS, the City Council of the City of Hayden, Idaho (the City), on November 2, 2005, after notice duly published, conducted a public hearing on the Hayden Urban Renewal Plan (the Plan);

WHEREAS, following said public hearing the City adopted Ordinance 406 on December 13, 2005, approving the Plan and making certain findings;

WHEREAS, pursuant to Idaho Code Sections 50-2006, 50-2903(5), and 50-1002, Agency staff has prepared a budget and the Agency has tentatively approved estimated revenues and expenditures for the fiscal year commencing October 1, 2023, and ending September 30, 2024, by virtue of its action at the Agency's Board Meeting of June 12, 2023;

WHEREAS, the Agency has previously published notice of a public hearing (on June 22, 2023 and June 29, 2023) to be conducted on July 10, 2023, at 3:00 p.m. at the Hayden City Hall, Hayden, Idaho, a copy of which notice is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, on July 10, 2023, pursuant to Section 50-1002, Idaho Code, the Agency held a public hearing at the Hayden City Hall City Council Chambers, Hayden, Idaho, on the proposed budget and considered public comment on services, expenditures, and revenues planned for Fiscal Year 2024;

WHEREAS, pursuant to Sections 50-2006 and 50-2903, Idaho Code, the Agency is required to annually approve a budget for the following fiscal year and submit the budget to the City of Hayden, Idaho;

WHEREAS, pursuant to Idaho Code § 67-1076(2)(b)(i), the budget must also be submitted to the Local Governing Entities Central Registry by December 1, 2023.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF HAYDEN, IDAHO, AS FOLLOWS:

Section 1. That the above statements are true and correct.

Section 2. That the budget attached hereto as Exhibits A and B for the fiscal year commencing October 1, 2023 and ending September 30, 2024 is hereby adopted

Section 3. That the Administrator shall submit said budget to the City of Hayden on or before September 1, 2023 and to the Local Governing Entities Registry on or before December 1, 2023.

Section 4. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Urban Renewal Agency of the City of Hayden, Idaho, on July 10, 2023. Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on this 10th day of July 2023.

APPROVED:

By L Mitchell
Chairman of the Board

ATTEST:

L Spencer
Secretary clerk

Exhibit A Notice of Public Hearing

Exhibit B Budget

EXHIBIT A

NOTICE OF PUBLIC HEARING
PROPOSED BUDGET FOR FISCAL YEAR 2024
HAYDEN URBAN RENEWAL AGENCY

A public hearing pursuant to Idaho Code §§ 50-1002, 50-2006 and 50-2903(5) will be held for consideration of the proposed budget for the fiscal year beginning October 1, 2023 and ending September 30, 2024. The hearing will be held at the City of Hayden City Council Chambers, 8930 N. Government Way, Hayden, Idaho 83835, at 3:00 pm on Monday, July 10, 2023. All interested persons are invited to appear and provide comments regarding the proposed budget. Copies of the budget are available during regular office hours (8:00 am to 5:00 pm weekdays) at City Hall. Assistance for persons with disabilities will be provided upon 24-hour notice prior to the public hearing.

REVENUES	FY 22 Actual (unaudited)	FY 23 Budgeted	FY 24 Proposed
Property Taxes	858,508	920,000	939,000
Investment Earnings	31,790	15,000	40,000
Other Revenue	18,075	760,100	18,040
Fund Balance Forward From Previous Year	4,911,907	1,660,267	4,573,656
TOTAL REVENUES	5,820,280	3,355,367	5,570,696

EXPENDITURES	FY 22 Actual (Unaudited)	FY 23 Budgeted	FY 24 Proposed
General	16,652	27,515	40,732
Professional Services	20,243	95,700	121,500
Capital Projects	57,784	2,411,000	4,695,000
Fund Balance Forward To Next Year	5,725,601	821,152	713,464
TOTAL EXPENDITURES	5,820,280	3,355,367	5,570,696

The proposed revenues and expenditures for fiscal year 2024 have been tentatively approved by the Hayden Urban Renewal Agency at their meeting on June 12, 2023.

Publish June 22 and June 29, 2023

EXHIBIT B

Hayden Urban Renewal Agency FY 24 Budget

Revenues		FY 22 (2021-2022 Actual Unaudited)	FY23 Budget	FY23 Activity Thru 6-6-2023	FY23 Projected Activity Through 9-30-2023	FY24 Requested Budget (DRAFT)
212 Fund Balance Carryover						
300-212-49550	Fund Balance Carryover (beginning balance)	$4,911,907	$1,660,267		$5,725,601	$4,573,656
313 Real Property Taxes						
300-311-41110	Property Taxes Current	$820,496	$920,000	$552,401	$939,000	$939,000
300-311-41111	Property Taxes Delinquent	$1,652		$19,896	$19,896	
300-311-41112	Property Taxes Penalties & Interest	$2,415				
300-311-41113	Personal Ptax Exemption Repl.	$33,945		$9,468	$9,468	
Total for 313		**$858,508**	**$920,000**	**$581,765**	**$968,364**	**$939,000**
361 Interest Revenues						
300-361-46111	Interest Revenues	**$31,790**	**$15,000**	**$85,066**	**$102,000**	**$40,000**
390 Other Financing						
300-390-47006	Proceeds from Sale of Land		$740,000			
300-390-57008	HURA Public Parking Lot Lease	200	$100	$100	$100	$100
300-390-47009	HURA 58 E Orchard Rental	$17,875	$20,000	$8,775	$17,940	$17,940
300-390-47010	HURA Reimbursements from City of Hayden					
Total for 361		**$18,075**	**$760,100**	**$8,875**	**$18,040**	**$18,040**
Total Revenues		**$5,820,280**	**$3,355,367**	**$675,706**	**$6,814,005**	**$5,570,696**
Expenses						
241 Operating and Administrative						
300-241-53101	Audit	4150	$4,500	$3,700	$4,500	$5,000
300-241-53102	Legal/Professional Services	3125	$7,000	$5,975	$11,375	$15,000
300-241-54100	HURA Utilities	1701	$1,815	$956	$1,434	$2,500
300-241-55201	ICRMP Insurance Premium	1715	$2,000	$1,767	$2,000	$2,032
300-241-55301	Real Property Assessments	3539	$3,700	$1,657	$3,314	$4,000
300-241-55401	Advertising, Publishing, Recording	202	$300		$300	$400
300-241-55701	Dues, Memberships, and Subscriptions	2185	$3,000	$1,930	$3,000	$3,000
300-241-55801	Travel, Meetings, Training		$5,000			$5,000
300-241-56101	Office Supplies	35	$200	$6	$200	$200
300-241-53xxx	Video Meetings					$3,600
Total for 241		**$16,652**	**$27,515**	**$15,991**	**$26,123**	**$40,732**
248 Professional Services						
300-248-53203	Study/Project Professional Services		$5,000			$10,000
300-248-53204	HURA City Staff Support	$18,813	$9,000	$7,050	$10,575	$9,600
300-248-53205	HURA Executive Director		$80,000	$18,781	$49,000	$100,000
300-248-54346	Property Management Fees - 58 E Orchard	$1,430	$1,700	$702	$1,560	$1,900
Total for 248		**$20,243**	**$95,700**	**$26,533**	**$61,135**	**$121,500**
899 Capital Purchases						
300-899-58004	HURA Arts	5590				$5,000
300-899-59901	HURA Infrastructure Projects		$1,500,000			$1,500,000
300-899-59902	Property Acquisition		$800,000			$2,760,000
300-899-59908	H-6 Promissory Note	$47,607	$69,000	$59,505	$120,000	$125,000
300-899-59909	Improvements 58 E Orchard	318	$2,000	$5,300	$5,300	$5,000
300-899-59910	Gov't Way/Miles Intersection Design	4268				$30,000
300-899-59911	Government Way Corridor Study	1				
300-899-59912	CHUBBS LLC Promissory Note		$40,000		$7,000	$15,000
300-899-599xx	Marketplace at Miles Promissory Note					$5,000
300-899-599xx	Croffoot Park Supplemental Funding				$1,300,000	
300-899-599xx	Ramsey Road Sewer				$470,791	
300-899-599xx	Design for Infrastructure Projects					$250,000
300-899-599xx	HURA Contribution to City Hall Remodel				$250,000	
Total for 899		**$57,784**	**$2,411,000**	**$64,805**	**$2,153,091**	**$4,695,000**
300-900-59550	Fund Balance Carryforward (Ending Balance)	**$5,725,601**	**$821,152**		**$4,573,656**	**$713,464**
Total Expenses		**$5,820,280**	**$3,355,367**	**$107,329**	**$6,814,005**	**$5,570,696**

ATTACHMENT 2
UNAUDITED FY2024 FINANCIAL REPORT

REVENUE AND EXPENDITURE REPORT FOR CITY OF HAYDEN
PERIOD ENDING 09/30/2024
% Fiscal Year Completed: 100.00

GL NUMBER	DESCRIPTION	2023-24 AMENDED BUDGET	YTD BALANCE 09/30/2024 NORMAL (ABNORMAL)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
Fund 300 - HAYDEN URBAN RENEWAL AGENCY					
Revenues					
Dept 212 - FUND BALANCE CARRYOVER					
300-212-49550	HURA FUND BALANCE CARRYOVER	4,573,656.00	0.00	4,573,656.00	0.00
Total Dept 212 - FUND BALANCE CARRYOVER		4,573,656.00	0.00	4,573,656.00	0.00
Dept 311 - REAL PROPERTY TAXES					
300-311-41110	PROPERTY TAXES CURRENT	939,000.00	1,074,714.61	(135,714.61)	114.45
300-311-41111	PROPERTY TAXES DELINQUENT	0.00	(1,283.61)	1,283.61	100.00
300-311-41112	PROPERTY TAXES PENALTIES & INTEREST	0.00	0.00	0.00	0.00
300-311-41113	PERSONAL PTAX EXEMPTION REPL	0.00	18,935.96	(18,935.96)	100.00
Total Dept 311 - REAL PROPERTY TAXES		939,000.00	1,092,366.96	(153,366.96)	116.33
Dept 361 - INTEREST REVENUES					
300-361-46111	INTEREST REVENUES	40,000.00	223,328.59	(183,328.59)	558.32
Total Dept 361 - INTEREST REVENUES		40,000.00	223,328.59	(183,328.59)	558.32
Dept 390 - OTHER FINANCING SOURCES					
300-390-47006	PROCEEDS FROM SALE OF ASSETS	0.00	3,944.15	(3,944.15)	100.00
300-390-47008	HURA PUBLIC PARKING LOT LEASE	100.00	100.00	0.00	100.00
300-390-47009	HURA 58 E ORCHARD RENTAL	17,940.00	19,990.00	(2,050.00)	111.43
300-390-47010	HURA REIMBURSEMENTS FROM CITY OF HAYDI	0.00	0.00	0.00	0.00
Total Dept 390 - OTHER FINANCING SOURCES		18,040.00	24,034.15	(5,994.15)	133.23
TOTAL REVENUES		5,570,696.00	1,339,729.70	4,230,966.30	24.05
Expenditures					
Dept 241 - OPERATING & ADMINISTRATIVE					
300-241-53101	AUDIT	5,000.00	5,750.00	(750.00)	115.00
300-241-53102	LEGAL/PROFESSIONAL SERVICES	15,000.00	9,275.00	5,725.00	61.83
300-241-53409	VIDEO RECORDING	3,600.00	4,600.00	(1,000.00)	127.78
300-241-54100	HURA UTILITIES	2,500.00	4,525.11	(2,025.11)	181.00
300-241-55201	ICRMP INSURANCE PREMIUM	2,032.00	2,642.00	(610.00)	130.02
300-241-55301	REAL PROPERTY ASSESSMENTS	4,000.00	(6,262.30)	10,262.30	(156.56)
300-241-55401	ADVERTISING, PUBLISHING, RECORDING	400.00	225.06	174.94	56.27
300-241-55701	DUES, MEMBERSHIPS & SUBSCRIPTIONS	3,000.00	2,411.25	588.75	80.38
300-241-55801	TRAVEL, MEETINGS, TRAINING	5,000.00	1,290.00	3,710.00	25.80
300-241-55901	HURA BANKING FEES & CHARGES	0.00	67.00	(67.00)	100.00
300-241-56101	OFFICE SUPPLIES	200.00	79.80	120.20	39.90
Total Dept 241 - OPERATING & ADMINISTRATIVE		40,732.00	24,602.92	16,129.08	60.40
Dept 248 - PROFESSIONAL SERVICES					
300-248-53203	STUDY/PROJECT PROFESSIONAL SERVICES	10,000.00	0.00	10,000.00	0.00
300-248-53204	HURA CITY STAFF SUPPORT	9,600.00	4,941.67	4,658.33	51.48
300-248-53205	HURA EXECUTIVE DIRECTOR CONTRACT	100,000.00	68,901.91	31,098.09	68.90
300-248-54346	PROPERTY MGMT FEES - 58 E ORCHARD AVE	1,900.00	1,599.20	300.80	84.17
Total Dept 248 - PROFESSIONAL SERVICES		121,500.00	75,442.78	46,057.22	62.09
Dept 899 - CAPITAL PURCHASES/PROJECTS					
300-899-58004	HURA ARTS	5,000.00	0.00	5,000.00	0.00
300-899-59251	RAMSEY RD EX WYOMING/LANCASTER ROAD PI	0.00	1,760,000.00	(1,760,000.00)	100.00
300-899-59836	COME TOGETHER BENCH PROGRAM	0.00	19,528.00	(19,528.00)	100.00
300-899-59901	HURA INFRASTRUCTURE PROJECTS	1,500,000.00	0.00	1,500,000.00	0.00
300-899-59902	PROPERTY ACQUISITION	2,760,000.00	881,309.93	1,878,690.07	31.93
300-899-59905	HURA PROP IMPR 9627/9667 N GOVT	0.00	0.00	0.00	0.00
300-899-59906	HURA PROP IMPR 47 W HAYDEN AVE	0.00	0.00	0.00	0.00
300-899-59907	HURA HAYDEN AVE/FINAL DSGN & CONST	0.00	0.00	0.00	0.00
300-899-59908	HURA H-6 BASIN PROMISSORY NOTE	125,000.00	82,408.33	42,591.67	65.93
300-899-59909	HURA PROP IMPR 58 E ORCHARD AVE	5,000.00	1,245.00	3,755.00	24.90
300-899-59910	HURA GOVT WAY/MILES INTERSECTION IMPR(	30,000.00	0.00	30,000.00	0.00
300-899-59911	HURA GOVERNMENT WAY TRAFFIC STUDY	0.00	0.00	0.00	0.00
300-899-59912	HURA CHUBBS LLC PROMISORY NOTE	15,000.00	14,284.80	715.20	95.23
300-899-59913	HURA SEWER RAMSEY RD DESIGN PHASE 3	250,000.00	26,268.11	223,731.89	10.51
300-899-59914	HURA RAMSEY RD SEWER PHASE 3 CONSTRUC'	0.00	277,301.00	(277,301.00)	100.00
300-899-59915	HURA CITY HALL REMODEL	0.00	0.00	0.00	0.00
300-899-59916	HURA CROFFOOT PARK EXPANSION	0.00	804,510.56	(804,510.56)	100.00

REVENUE AND EXPENDITURE REPORT FOR CITY OF HAYDEN
PERIOD ENDING 09/30/2024
% Fiscal Year Completed: 100.00

GL NUMBER	DESCRIPTION	2023-24 AMENDED BUDGET	YTD BALANCE 09/30/2024 NORMAL (ABNORMAL)	AVAILABLE BALANCE NORMAL (ABNORMAL)	% BDGT USED
Fund 300 - HAYDEN URBAN RENEWAL AGENCY					
Expenditures					
300-899-59917	MARKETPLACE AT MILES PROMISSORY NOTE	5,000.00	618.44	4,381.56	12.37
300-899-59918	ROCK PROPERTIES LLC PROMISSORY NOTE	0.00	5,184.31	(5,184.31)	100.00
Total Dept 899 - CAPITAL PURCHASES/PROJECTS		4,695,000.00	3,872,658.48	822,341.52	82.48
Dept 900 - FUND BALANCE CARRYFORWARD					
300-900-59550	HURA FUND BALANCE CARRYFORWARD	0.00	0.00	0.00	0.00
Total Dept 900 - FUND BALANCE CARRYFORWARD		0.00	0.00	0.00	0.00
TOTAL EXPENDITURES		4,857,232.00	3,972,704.18	884,527.82	81.79
Fund 300 - HAYDEN URBAN RENEWAL AGENCY:					
TOTAL REVENUES		5,570,696.00	1,339,729.70	4,230,966.30	24.05
TOTAL EXPENDITURES		4,857,232.00	3,972,704.18	884,527.82	81.79
NET OF REVENUES & EXPENDITURES		713,464.00	(2,632,974.48)	3,346,438.48	369.04

ATTACHMENT 3
FY2023 AUDIT

HAYDEN URBAN RENEWAL AGENCY

FOR THE YEAR ENDED
SEPTEMBER 30, 2023

FINANCIAL AUDIT REPORTS AND STATEMENTS

Prepared by

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY

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INDEPENDENT AUDITORS' REPORT

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY

Office (208) 777-1099 Fax (202) 773-5108
1810 E. Schneidmiller Ave, Ste 310
Post Falls, ID 83854

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Hayden Urban Renewal Agency
Hayden, Idaho

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Hayden Urban Renewal Agency, a component unit of the City of Hayden, as of and for the year ended September 30, 2023, 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 Hayden Urban Renewal Agency, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 or the Audit of the Financial Statements section of our report. We are required to be independent of the 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 these 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 Agency's ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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, evidencing 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 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 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 budgetary comparison information as noted 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.

Management has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 29, 2024, on our consideration of the Hayden 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Hayden Urban Renewal 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 Hayden Urban Renewal Agency's internal control over financial reporting and compliance.

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
October 29, 2024

BASIC FINANCIAL STATEMENTS

HAYDEN URBAN RENEWAL AGENCY
Statement of Net Position – Governmental Activities
September 30, 2023

ASSETS	
Cash and cash equivalents	$ 5,497,740
Property tax receivable	18,324
Prepaid expenses	2,032
Land	543,963
Capital assets, net of accumulated depreciation	172,590
Total assets	6,234,649
LIABILITIES	
Accounts payable and accrued expenses	9,582
Due to other governments	275,406
Total liabilities	284,988
NET POSITION	
Net investment in capital assets	716,553
Unrestricted	5,233,108
Total Net Position	$ 5,949,661

See accompanying notes and independent auditors report

HAYDEN URBAN RENEWAL AGENCY
Statement of Activities – Governmental Activities
For the Year Ended September 30, 2023

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
FUNCTIONS/PROGRAMS:					
Governmental Activities					
General government	$ 110,669	$ -	$ -	$ -	$ (110,669)
Redevelopment projects	653,809	-	-	-	(653,809)
Tax increment rebate	84,741	-	-	-	(84,741)
	$ 849,219	$ -	$ -	$ -	$ (849,219)
General revenues:					
Property tax increment revenue					811,178
Interest income					233,839
Other income					19,600
Total general revenues					1,064,617
Change in Net Position					215,398
Net position - October 1, 2022					5,734,263
Net position - September 30, 2023					$ 5,949,661

See accompanying notes and independent auditors report

HAYDEN URBAN RENEWAL AGENCY
Balance Sheet – General Fund
September 30, 2023

ASSETS		
Cash and cash equivalents	$	5,497,740
Taxes receivable		18,324
Prepaid expenses		2,032
Total assets	$	5,518,096
LIABILITIES		
Accounts payable	$	9,582
Due to other governments		275,406
Total liabilities		284,988
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes		16,496
FUND BALANCES		
Assigned - Arts		23,720
Nonspendable		2,032
Unassigned		5,190,860
Total fund balances		5,216,612
Total liabilities, deferred inflows of resources and fund balances	$	5,518,096

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total fund balances at September 30, 2023 - Governmental Fund	$	5,216,612
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds:		716,553
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 - unavailable property taxes		16,496
Net position of governmental activities at September 30, 2023	$	5,949,661

See accompanying notes and independent auditors report

HAYDEN URBAN RENEWAL AGENCY
Statement of Revenues, Expenditures and Changes In Fund Balances – General Fund
For the Year Ended September 30, 2023

REVENUES	
Property taxes	$ 820,894
Interest income	233,839
Other income	19,600
Total revenues	1,074,333
EXPENDITURES	
General government	86,014
Redevelopment projects	653,809
Tax increment rebate	84,741
Total expenditures	824,564
EXCESS OF REVENUES OVER EXPENDITURES	249,769
Net Change in Fund Balance	249,769
Fund Balance - October 1	4,966,843
Fund Balance - September 30	$ 5,216,612

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - total governmental funds	$ 249,769
Govenmental funds report capital outlays as expenditures. However the statement of activities, the cost of these assets is allocted over their estimated useful lives and reported as deprecition exspense.	(24,655)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Difference between revenue earned on property taxes on modified accrual basis versus revenue on property taxes on accrual basis	(9,716)
Change in net position of governmental activities	$ 215,398

See accompanying notes and independent auditors report

HAYDEN URBAN RENEWAL AGENCY
Notes to Financial Statements
September 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Hayden Urban Renewal Agency (the "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 Hayden Urban Renewal Agency. The Agency is included in the City of Hayden, Idaho financial reporting. 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 Hayden, Idaho in conformity with generally accepted accounting principles (GAAP).

Under the Idaho Code, in May 2006 the Hayden City Council passed an ordinance that created the Hayden Urban Renewal Agency. The Agency was established to promote urban development and improvement in and around the City of Hayden. 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. Hayden City Council is not responsible for approving the Agency budget or funding any annual deficits. The Agency controls disbursements independent of City Council.

The accounting methods and procedures adopted by Hayden Urban Renewal Agency conform to generally accepted accounting principles as applied to governmental entities. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Agency's basic financial statements.

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for governmental units as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The most significant of the Agency's accounting policies are described below.

Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Basis of Presentation – Fund Financial Statements

The Agency uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Agency functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Agency has the following fund type:

Governmental Funds – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is the Agency's major governmental fund:

General Fund – The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund is available for any purpose provided it is expended or transferred according to the laws of the state of Idaho.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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 related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The 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 of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes and interest 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the Agency.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. When applicable, the fair value of donated assets used during the year is reported in the operating statement as an expense with a like amount reported as donated assets revenue.

Cash and Investments

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 include 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 uncollectibles. Allowance for uncollectibles for property taxes was -0- at September 30, 2023.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Expenses
Prepaid items for the Agency consist primarily of insurance premiums paid in advance.

Capital Assets
General capital assets usually result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The Agency maintains a capitalization threshold of $2,500 on capital assets with estimated useful lives of more than one year. Improvements and interest incurred during the construction of capital assets are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Buildings and Improvements	40 years
Equipment Furniture	5 years

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

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.

However, claims and judgments and the non-current portion of capital leases, which will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, 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.

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial 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.

In addition to liabilities, the statement of financial 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 one type of items, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, unavailable revenue, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position Flow Assumptions

Net position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Agency or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Sometimes the Agency 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, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Agency's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Classifications of fund balance are hierarchical and are based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the Agency to classify and report amounts in the appropriate fund balance classifications. The Agency's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

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

Nonspendable—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 ordinance or resolution.

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

Unassigned—All amounts not included in other spendable classifications.

Sometimes the Agency 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 Agency'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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

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.

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. Property tax payments are due in one-half installments every December and June. 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 criterion are recorded in the deferred inflows of resources – unavailable revenue account and will be recognized as revenue when measurable and available.

NOTE 2 – CASH AND INVESTMENTS

General
State statutes authorize the Agency's investments and deposits. The 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. No violations of these categories have occurred during the year.

Custodial Credit Risk
Custodial credit risk is the 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, 2023, the Agency's deposits were exposed to custodial credit risk as follows:

Deposits without exposure to custodial credit risk:		
Amount insured by FDIC or other agencies	$	133,112
Deposits with exposure to custodial credit risk:		
Amount collateralized with securities held in trust, but not in the Agency's name		5,364,628
Total bank balance (deposits)	$	5,497,740

Fair value
The Agency's investments in 2a-7-like pools are valued based upon the value of pool shares. The Agency invests in one 2a-7-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. The pool does not include any involuntary participants.

NOTE 2 – CASH AND INVESTMENTS (CONCLUDED)

Fair value

The balances that the Agency has in the State Investment Pool are carried at its fair market value of $5,364,628. The Agency's portion of the State Investment Pool had an unrealized gain of $9,104 at September 30, 2023, which has been recorded and recognized in the financial statements.

The Agency considers funds held in the State Investment Pool to be cash equivalents, as the Agency is able to liquidate their account at any time.

Credit risk

The Idaho State Investment Pool does not have an established credit rating but invests in entities with a minimum credit rating of "A" as stipulated by Idaho code. The Agency does not have a formal policy for credit risk. Financial information on the investment pool can be obtained by contacting the Idaho State Treasurer.

NOTE 3 – CAPITAL ASSETS

The following is a summary of capital asset activity for the year ended September 30, 2023:

	Restated Balance 9/30/2022	Increases	Decreases	Balance 9/30/2023
Capital assets, not being depreciated				
Land	543,963	-	-	543,963
Capital assets, being depreciated				
Buildings and improvements	197,245	-	-	197,245
Less accumulated depreciation	-	24,655	-	24,655
Total capital assets being depreciated, net	197,245	(24,655)	-	172,590
Total capital assets, net	741,208	(24,655)	-	716,553

Depreciation expense of $24,655 for the year ended September 30, 2023, was charged the general government function.

NOTE 4 – TRANSACTIONS WITH PRIMARY GOVERNMENT

Effective August of the fiscal year ending September 30, 2017, the Agency has a contract with the City of Hayden whereby amounts paid to the City of Hayden would be based on actual hours worked by support staff. In total, the amounts paid to the City of Hayden for administrative services totaled $8,104 for the fiscal year ending September 30, 2023, included in general government expenditures.

NOTE 5 – COMMITMENTS AND CONTINGENCIES

On December 14, 2016, a limited Recourse Promissory Note was entered into between the Agency and Hayden Village, LLC, an Idaho limited liability company, and New Frontiers Investments, LLC in the amount of $411,875 at 0.00% simple interest per annum. The note is scheduled to be paid in semi-annual payments at 75% of the tax revenue allocation proceeds from the private development known as the New Frontiers Property. Payments will continue until paid in full or by December 31, 2030. On December 10, 2018, the Limited Recourse Promissory Note was amended by an Allonge to the Limited Recourse Promissory Note via Resolution 18-03 which increased the principal amount owed on the Note to $500,978 with all other provisions set forth in the Note remaining in full force and effect. Subsequently, Hayden Village, LLC assigned their rights of the note to Todd and Zetta Stam on August 1, 2019. On March 22, 2021, New Frontiers Investments, LLC assigned their rights of the note to Todd and Zetta Stam.

NOTE 6 – 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 for property insurance (including boiler and machinery) 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 $2,000,000 in the aggregate annually per insured. Additionally, crime, boiler and machinery insurance is maintained. Automobile liability has a $2,000,000 single limit of liability.

NOTE 7 – REDEVELOPMENT PROJECTS

Expenditures for redevelopment projects for Hayden Urban Renewal Agency for the fiscal year ended September 30, 2023, related to projects on Ramsey Road and Hayden City Hall.

NOTE 8 – ASSIGNED FUND BALANCE

At one time, the HURA board had a dedicated fund for "arts." Since 2016, the board has not contributed to that fund but continues to spend it down. Though listed as an eligible expense, it is not a requirement of the HURA plan to have dedicated arts expenditures. As of September 30, 2023, there was $23,720 remaining in the dedicated fund.

Annual Tax Collections September 30,	
2006	$ -
2007	153,577
2008	250,908
2009	346,358
2010	405,605
2011	446,359
2012	523,924
2013	544,305
2014	538,076
2015	522,933
2016	522,935
	$ 4,254,980

5% of $4,254,980	$ 212,749
Less utilization September 30,	
2006	-
2007	-
2008	3,360
2009	-
2010	6,175
2011	428
2012	6,456
2013	5,431
2014	-
2015	77,733
2016	68,350
2017	13,000
2018	-
2019	406
2020	-
2021	2,100
2022	5,590
2023	-
	189,029
Balance September 30, 2023	23,720

REQUIRED SUPPLEMENTARY INFORMATION

HAYDEN URBAN RENEWAL AGENCY
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2023

	Final Budgeted Amounts *	Actual Amounts	Variance With Final Budget
REVENUES			
Property taxes	$ 920,000	$ 820,894	$ (99,106)
Interest income	15,000	233,839	218,839
Other income	20,100	19,600	(500)
Total revenues	955,100	1,074,333	119,233
EXPENDITURES			
General government	123,215	86,014	37,201
Redevelopment projects	2,342,000	653,809	1,688,191
Tax increment rebate	69,000	84,741	(15,741)
Total expenditures	2,534,215	824,564	1,709,651
EXCESS OF REVENUES OVER EXPENDITURES	(1,579,115)	249,769	1,828,884
OTHER FINANCING SOURCES (USES)			
Proceeds from the sale of capital assets	740,000	-	(740,000)
Net Change in Fund Balances	(839,115)	249,769	1,088,884
Fund Balances - Beginning	1,660,267	4,966,843	3,306,576
Fund Balances - Ending	$ 821,152	$ 5,216,612	$ 4,395,460

* Budget was not amended

See accompanying notes and independent auditors report

HAYDEN URBAN RENEWAL AGENCY
Notes to Budget and Actual Schedule
For the Year Ended September 30, 2023

NOTE 1: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data

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. The budget was amended in the current fiscal year.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

a) The Agency publishes a proposed budget for public review.

b) Public hearings are set to obtain taxpayer comments.

c) Prior to October 1, the budget is adopted by resolution of the Board of Commissioners and published.

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.

The Agency properly prepared and published its budget for the year, as required by US generally accepted accounting principles and Idaho Code 33-2713A. The budget is adopted on a modified accrual basis, consistent with the fund financial statements.

REPORT REQUIRED BY GAO

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY

Office (208) 777-1099 Fax (202) 773-5108
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INDEPENDENT AUDITOR'S 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*

To the Board of Commissioners
Hayden Urban Renewal Agency
Hayden, ID 83835

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 major fund of Hayden Urban Renewal Agency, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Hayden Urban Renewal Agency's basic financial statements and have issued our report thereon dated October 29, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hayden 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 Hayden Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Hayden 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Hayden Urban Renewal Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described below as 2023-1:

2023-1 - Untimely Audit Completion

Condition: The Agency did not have their fiscal year 2023 audit completed within the nine-month required time frame.

Criteria: Per Idaho State Statute 67-450B, a local government entity whose annual expenditures (from all sources) exceeds two hundred fifty thousand dollars ($250,000) in a fiscal year shall cause a full and complete audit of its financial statements to be made each fiscal year. The entity shall file a completed audit report with the legislative services office within nine months after the end of the audit period.

Cause: Due to staff limitations and other pressing priorities, we were unable to provide the full list of necessary materials to the auditor by the June 30th deadline.

Effect of Condition: There is no financial effect of this deficiency; it is a State compliance issue only.

Recommendation: We recommend that the Agency make every effort to perform year-end procedures timely for the financial statement audit to be completed by the State required time frame

Response: We recognize the importance of the timely submission of our audited financial statements and are committed to ensuring this is not a reoccurring issue.

Hayden Urban Renewal Agency's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Hayden Urban Renewal Agency's response to the findings identified in our audit and described in this letter. Hayden Urban Renewal Agency's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
October 29, 2024

ATTACHMENT 4
NOTICE IN THE CDA PRESS

PUBLIC NOTICE CALENDAR YEAR 2024 ANNUAL REPORT HAYDEN URBAN RENEWAL AGENCY Pursuant to Idaho Code §50-2006(5)(c), the Hayden Urban Renewal Agency will review and take comment regarding the Agency's 2024 calendar year Annual Report. This will take place at the City of Hayden City Council Chambers, 8930 N. Government Way, Hayden, Idaho 83835, at 2:00 pm on Tuesday, February 18, 2025. All interested persons are invited to appear and provide comments regarding the Annual Report. The draft 2024 Annual Report is available on the Agency website at www.haydenurbanrenewalagency.com. Assistance for persons with disabilities will be provided upon 24-hour notice prior to the public hearing. As required by Idaho Code § 50-2011(f), the annual report identifies the real property held by the Agency, sets forth the reasons such property remains unsold and indicates the Agency's plans for disposition of the real property, if necessary. Legal#13899 AD#32770 February 14, 2025 _____