



BOARD MEETING MINUTES

WEDNESDAY JULY 19, 2023 4:00 P.M.

COEUR D'ALENE PUBLIC LIBRARY COMMUNITY ROOM

1. CALL TO ORDER

Chairman Hoskins called the **ignite cda** board meeting to order at 4:00 p.m.

ignite cda board members present: Hoskins, Evans, English, Jordan, Mandel, Garcia

ignite cda board members attending remotely: Armon

ignite cda staff present: Berns **ignite cda** legal counsel present: Quade

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

No public comment was provided.

4. APPROVAL OF CONSENT CALENDAR

- Approval of June 21, 2023 Board Meeting Minutes
- Approval of Payables as Submitted
- Approval of District Monthly Financial Statements

Motion by Commissioner Garcia, seconded by Commissioner Evans, to approve the Consent Calendar. Motion carried.

5. REPORTS

- Finance Committee
Fiscal Year 2023 Amended Budget: Discussion & Publication Approval

Ex. Director Berns shared an overview of the proposed amendments to the Fiscal Year 2023 (FY23) budget with the board (summary table below). The proposed budget amendments are necessary due to changes in district project costs and timelines. Proposed budget amendments are highlighted in red font in the following table.

The process for amended fiscal year budgets calls for the **ignite cda** board to review amended budgets at the July board meeting and authorize publication of the amended budget prior to the August board meeting where a public hearing is held on the amended budget.

ignite CDA FY2023 Budget : AMENDED									
Line		River District	Amended River District	Atlas District	Amended Atlas District	HC District	Amended HC District	Total	Amended Total
1	Estimated Beginning Fund Balance (10/1/22)	\$ 4,576,154	\$ 3,524,600	\$ 2,342,064	\$ 7,463,259	\$ 442,775	\$ 438,235	\$ 7,360,993	\$ 11,426,094
2									
3	Revenues								
4	Estimated Tax Increment	\$ 2,516,970	\$ 1,539,767	\$ 164,666	\$ 100,566	\$ 665,352	\$ 408,831	\$ 3,346,988	\$ 2,049,164
5	Property Rental Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Int. & Misc. Funds	\$ 4,200	\$ 18,000	\$ 5,400	\$ 30,000	\$ 500	\$ 2,500	\$ 10,100	\$ 50,500
7	Note Draws	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Property Divestitures	\$ -	\$ -	\$ 2,400,000	\$ 2,250,000	\$ -	\$ -	\$ 2,400,000	\$ 2,250,000
9	Cap. Acq. Fin. / Inter-District Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Total	\$ 2,521,170	\$ 1,557,767	\$ 2,570,066	\$ 2,380,566	\$ 665,852	\$ 411,331	\$ 5,757,088	\$ 4,349,664
11									
12	Expenses								
13	Administration	\$ 109,601	\$ 109,601	\$ 54,801	\$ 54,801	\$ 54,801	\$ 54,801	\$ 219,203	\$ 219,203
14	Office Expenses	\$ 5,294	\$ 5,294	\$ 2,648	\$ 2,648	\$ 2,648	\$ 2,648	\$ 10,590	\$ 10,590
15	Travel	\$ 1,500	\$ 1,500	\$ 750	\$ 750	\$ 750	\$ 750	\$ 3,000	\$ 3,000
16	Professional Services	\$ 32,200	\$ 52,200	\$ 97,750	\$ 97,750	\$ 11,250	\$ 18,250	\$ 141,200	\$ 168,200
17	Notices	\$ 1,000	\$ 1,000	\$ 2,500	\$ 2,500	\$ 100	\$ 100	\$ 3,600	\$ 3,600
18	Communications	\$ 1,500	\$ 1,500	\$ 750	\$ 750	\$ 750	\$ 750	\$ 3,000	\$ 3,000
19	Insurance	\$ 4,035	\$ 4,035	\$ 2,017	\$ 2,017	\$ 2,017	\$ 2,017	\$ 8,069	\$ 8,069
20	Meetings	\$ 2,500	\$ 2,500	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 5,000	\$ 5,000
21	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Property Management	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Organization Dues	\$ 5,290	\$ 5,290	\$ 2,645	\$ 2,645	\$ 2,645	\$ 2,645	\$ 10,580	\$ 10,580
24	Miscellaneous	\$ 500	\$ 500	\$ 250	\$ 250	\$ 250	\$ 250	\$ 1,000	\$ 1,000
25	Public Art	\$ 25,170	\$ 15,398	\$ 1,647	\$ 1,006	\$ 6,654	\$ 4,088	\$ 33,471	\$ 20,492
26	Capital Acq. Exp. / Inter Dist. Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Debt: Interest (non-OPA,IRA)	\$ 2,000	\$ 14,000	\$ 1,340	\$ 1,340	\$ -	\$ -	\$ 3,340	\$ 15,340
28	Debt: Principal (non-OPA,IRA)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Parking Initiatives	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	Planning	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000	\$ -
31	Agency Funded Programs	\$ 2,181,070	\$ 322,600	\$ 2,674,940	\$ 6,061,649	\$ -	\$ -	\$ 4,856,010	\$ 6,384,249
32	Partnership Agreements (OPAs, IRAs)	\$ 807,091	\$ 807,091	\$ -	\$ -	\$ -	\$ -	\$ 807,091	\$ 807,091
33	Special Project Reserve	\$ 350,000	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000	\$ 400,000	\$ 50,000
34	Total	\$ 3,553,751	\$ 1,342,509	\$ 2,843,288	\$ 6,229,356	\$ 133,115	\$ 137,549	\$ 6,530,154	\$ 7,709,414
35	Estimated Ending Fund Balance (9/30/23)	\$ 3,543,573	\$ 3,739,858	\$ 2,068,842	\$ 3,614,469	\$ 975,512	\$ 712,017	\$ 6,587,927	\$ 8,066,344

FY23 Amended District Budgets: Comments

FY23 amended budgets for the three districts capture key budget elements that are proposed for amendment. Comments by line item:

Line 1: significant variances in the River and Atlas updated starting values reflect the timing of project spending for the Atlas project as well as actual levy rate values.

Line 4: amended tax increment revenue receipts for the Districts are reduced due to calculations using actual levy rates and updated County valuation numbers.

Line 8: Property divestitures. Atlas District amended value reflects slightly lower than budgeted sale proceeds.

Line 16: Professional Services. Amended values reflect higher legal counsel costs related to the Atlas project.

Line 25: Public Art: Amended values reflect more accurate calculations based on actual levy rates.

Line 27: Debt: Interest (non-OPA, IRA): amended River District value reflects increased interest payments related to outstanding River District Note balance.

Line 31: Agency funded programs. River District amended value primarily reflects the non-reimbursement to City for Atlas mill site acquisition costs. Atlas District amended value reflects the actual timing of costs related to the Atlas project shifting from FY22 to FY23.

Line 33: River District special reserve account set to zero.

Motion by Commissioner Garcia, seconded by Commissioner Evans, to authorize the ignite cda Executive Director to publish the Amended FY23 Budget as presented in the CDA Press prior to the August 16, 2023 budget public hearing date. Motion carried.

Fiscal Year 2024 Draft Budget: Discussion & Publication Approval

Ex. Director Berns shared an overview of the draft Fiscal Year 2024 (FY24) budget with the board (summary table below). Ex. Director Berns also shared that under Idaho urban renewal law, urban renewal agencies are required to prepare and finalize budgets prior to September 1st of each year. Therefore, the ignite cda board needs to review draft budgets at the July board meeting and authorize publication of the draft budgets prior to the August board meeting where a public hearing is held on the proposed budgets.

Ignite CDA FY2024 Budget Summary

Line		River District	Atlas District	HC District	Total
1	Estimated Beginning Fund Balance (10/1/23)	\$ 4,047,088	\$ 5,670,940	\$ 763,759	\$ 10,481,787
2					
3	Revenues				
4	Estimated Tax Increment	\$ 1,698,156	\$ 327,544	\$ 588,103	\$ 2,613,803
5	Property Rental Receipts	\$ -	\$ -	\$ -	\$ -
6	Int. & Misc. Funds	\$ 14,400	\$ 24,000	\$ 2,400	\$ 40,800
7	Note Draws	\$ -	\$ -	\$ -	\$ -
8	Property Divestitures	\$ -	\$ 4,870,000	\$ -	\$ 4,870,000
9	Capital Acquisition Financing	\$ -	\$ -	\$ -	\$ -
10	Total	\$ 1,712,556	\$ 5,221,544	\$ 590,503	\$ 7,524,603
11					
12	Expenses				
13	Administration	\$ 115,086	\$ 57,542	\$ 57,542	\$ 230,170
14	Office Expenses	\$ 6,301	\$ 3,151	\$ 3,151	\$ 12,602
15	Travel	\$ 1,500	\$ 750	\$ 750	\$ 3,000
16	Professional Services	\$ 49,750	\$ 113,025	\$ 20,025	\$ 182,800
17	Notices	\$ 1,000	\$ 2,500	\$ 150	\$ 3,650
18	Communications	\$ 1,500	\$ 750	\$ 750	\$ 3,000
19	Insurance	\$ 4,640	\$ 2,320	\$ 2,320	\$ 9,279
20	Meetings	\$ 2,561	\$ 1,281	\$ 1,281	\$ 5,122
21	Utilities	\$ -	\$ -	\$ -	\$ -
22	Property Taxes	\$ -	\$ 100	\$ -	\$ 100
23	Organization Dues	\$ 10,325	\$ 5,163	\$ 5,163	\$ 20,650
24	Miscellaneous	\$ 500	\$ 250	\$ 250	\$ 1,000
25	Public Art	\$ 16,982	\$ 3,275	\$ 5,881	\$ 26,138
26	Capital Acquisition Expense	\$ -	\$ -	\$ -	\$ -
27	Debt: Interest (non-OPA,IRA)	\$ 12,800	\$ 1,537	\$ 154	\$ 14,491
28	Debt: Principal (non-OPA,IRA)	\$ -	\$ -	\$ -	\$ -
29	Parking Initiatives	\$ -	\$ -	\$ -	\$ -
30	Planning	\$ 25,000	\$ 50,000	\$ -	\$ 75,000
31	Agency Funded Programs	\$ 1,883,470	\$ 4,535,000	\$ -	\$ 6,418,470
32	Partnership Agreements (OPAs, IRAs)	\$ 443,463	\$ -	\$ -	\$ 443,463
33	Special Project Reserve	\$ 350,000	\$ 100,000	\$ 50,000	\$ 500,000
34	Total	\$ 2,924,876	\$ 4,876,642	\$ 147,415	\$ 7,948,934
35					
36	Estimated Ending Fund Balance (9/30/24)	\$ 2,834,768	\$ 6,015,842	\$ 1,206,847	\$ 10,057,456

FY24 District Budgets: Comments

General:

- Tax Increment (TI) revenue budget values derived using 2022 levy rates, i.e. budgeted TI revenue values for each district may come in lower or higher than projected due to levy rates set by taxing entities later this year.
- G&A: River District: 50%; Atlas District 25%; Health Corridor District: 25%
- CDA 2030 (Connect Kootenai) funding level is \$12.5K for FY24 vs. \$25K for FY23.
- Jobs Plus funding level is \$15K for FY24 vs. \$5K for FY23.
- Public Art accrual for each district set at 1% of TI revenue receipts.

River District:

- Health Corridor District does not begin reimbursement to River District for accrued HDR master plan & legal costs or for the DOWL traffic study.

- Atlas District does not begin principal reimbursement to River District for accrued intra-district loan debt. No new funds loaned to Atlas District in FY24. Atlas District will budget for interest payment to River District for outstanding loan balance.
- Line 7: River District 2019 Note Draw: \$0. No need to borrow funds based on revenue/cost projections for River District and no need to loan funds to Atlas District.
- Line 8: Property Divestiture Income: \$0.
- Line 31: Agency Funded Programs
 - Agency planned to reimburse the City in FY23 for acquisition costs for Atlas properties located within River District boundary: land cost reimbursement (\$1,730,402). However, due to Atlas project uncertainty, this planned reimbursement has rolled over to the FY24 budget.
 - Agency planned to reimburse the City in FY23 for fill material costs related to the Atlas project located within River District boundary: 50/50 split with Atlas District (\$153,068). However, due to Atlas project uncertainty, this planned reimbursement has rolled over to the FY24 budget.
 - Atlas Project: Phases 1-3: FY24 budget calls for \$0 of new spending.

Atlas District:

- River District Loan: \$0. Atlas District does not begin principal reimbursement to River District for accrued intra-district loan debt. Will budget for interest payment to River District for outstanding balance.
- Line 8: Property Divestiture Income: \$4,870,000 (Atlas Project Areas 9, 16-19 @ \$3,370,000; Atlas Project Area 5A @ \$1,500,000).
- Line 16: Professional Services: large-budgeted value for legal counsel for Atlas project work.
- Line 31: Agency Funded Programs
 - Agency intent is to reimburse City for acquisition costs for Atlas properties located within Atlas District boundary: land cost & RR r-o-w cost reimbursements (\$5.3M). No FY24 payments.
 - Agency intent is to reimburse City for fill material costs for Atlas project: 50/50 split with River District (\$153,068). No FY24 payments.
 - Atlas Project: Phase 2-3 FY24 budget calls for \$4.5M of new spending.

Health Corridor District (HCD):

- Revenues: River District Loan: \$0 . May need to re-evaluate this line item as the year progresses depending upon strategic initiatives.
- Revenues: Tax Anticipation Note (bank line of credit w/ Kootenai Health (KH) as guarantor): \$0. May need to re-evaluate this line item as the year progresses depending upon strategic initiatives.
- Revenues: KH Payment in Lieu of Taxes (PILOT) contribution: \$0. Still working with KH leadership on this issue, assuming no PILOT funds in FY24.
- Expenses: HCD does not begin reimbursement to River District for accrued HDR master plan & legal costs or for the DOWL traffic study.

Motion by Commissioner English, seconded by Commissioner Evans, to authorize the ignite cda Executive Director to publish the draft FY24 budget as presented in the CDA Press prior to the August 16, 2023 budget public hearing date. Motion carried.

Fiscal Year 2023 Audit: Hoover CPA Engagement

Hoover CPA (Scott Hoover) provided an engagement letter to the Agency to perform the fiscal year 2023 audit. The Hoover CPA proposed audit fee for fiscal year 2023 of \$10,750 represents an increase of \$250 over the fiscal year 2022 audit fee. The additional fee is an inflationary increase.

Motion by Commissioner English, seconded by Commissioner Mandel, to accept the Fiscal Year 2023 audit engagement proposal from Hoover CPA in the amount of \$10,750. Motion carried.

6. EXECUTIVE DIRECTOR'S REPORT

Atlas Project: Update

Phil Boyd (Welch-Comer Engineers) shared an Atlas Project update with the board.

7. BOARD COMMISSIONER COMMENTS:

Commissioner Hoskins shared that Commissioner Jordan's term is expiring in August and he is not seeking reappointment to the board. Board members thanked Commissioner Jordan for his 26 years of service to the Agency and community noting that he is the last of the original board members who were appointed to serve when the Agency was formed in 1997.

8. ADJOURN:

Motion by Commissioner Garcia, seconded by Commissioner Jordan, to adjourn. Motion carried.

The ignite cda board meeting adjourned at 4:20 p.m. Minutes prepared and submitted by Ex. Director Berns.