

# CHUBBUCK

DEVELOPMENT AUTHORITY

## 2024 ANNUAL REPORT



# **AGENCY CHARTER AND STATUTORY COMPLIANCE**

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The Chubbuck Development Authority (CDA) was officially created on April 14, 1992, by Resolution No. 4-92 of the Chubbuck City Council. Its purpose is to eliminate slum and blight and deteriorated or deteriorating conditions within the City of Chubbuck. This report is in accordance with Idaho Code Section 50-2006(c) which states that:

*An agency authorized to transact business and exercise powers under this chapter shall file, with the local governing body, on or before March 31 of each year a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year. The agency shall be required to hold a public meeting to report these findings and take comments from the public. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the city clerk or county recorder and in the office of the agency.*

By virtue of certain amendments to the Idaho Urban Renewal Law adopted in 2002, the fiscal year of an urban renewal agency has been established as October 01 through September 30. Consequently, any formal financial statement is limited to a report through the end of the CDA's fiscal year.

Under the Idaho Urban Renewal Law, Chapter 20, Title 50, Idaho Code, an urban renewal agency is required to file with the local governing body and the Idaho State Controller, on or before March 31 of each year, a report of its activities for the preceding calendar year, which shall include certain financial data and audit reports as set forth in Idaho Code Sections 67-1075 and 67-1076.

## **ACKNOWLEDGEMENTS**

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To fulfill its purpose the CDA works with many other agencies, state and local elected officials, real estate developers, jurisdictions including the County, City of Chubbuck, and the state and private and nonprofit organizations and is grateful for the support and efforts of each. The CDA is grateful for the support from the taxing districts affected by the CDA's urban renewal areas as all seek to preserve the tax base in these areas in attempt to minimize property tax rates for the community as a whole. Finally, and most of all, the CDA appreciates those businesses and property owners who strive to grow their businesses, maintain their properties, and promote development in the City of Chubbuck since without them, efforts of the Chubbuck Development Authority would be greatly minimized.

# **ORGANIZATION**

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The Chubbuck Development Authority consists of seven (7) commissioner seats, with seats being filled with appointments to varying terms by the Chubbuck City Council. Commissioners and Staff are:

| <b><u>Name</u></b> | <b><u>Term Expiration Date</u></b> |
|--------------------|------------------------------------|
| Annette Baumeister | October 2024                       |
| Rick Keller        | October 2026                       |
| Jeff Hough         | October 2026                       |
| Dan Heiner         | October 2028                       |
| Krystal Denney     | October 2027                       |
| Amanda James       | October 2028                       |
| Oliver Ibarra      | October 2028                       |

Also serving with the CDA are:

- ❑ Devin Hiram, Administrator/Executive Director through June 2024
- ❑ Ashley Squyres, Administrator/Executive Director from July 2024 through present
- ❑ TJ Budge, Racine Olson, Legal Counsel
- ❑ Jordan & Company, Bookkeeper
- ❑ Joey Bowers, Clerk & Secretary

## **CDA Board Leadership:**

Annette Baumeister and Rick Keller served as Chairwoman and Vice-Chairman respectively through October 2024.

Dan Heiner and Amanda James were elected as Chairman and Vice-Chairwoman respectively in October 2024.

## **RESOLUTIONS**

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The Chubbuck Development Authority passed the following resolutions in Calendar Year 2024:

Resolution 2024-01 passed on March 26, 2024 declaring an emergency exists with relation to the abatement of unsafe conditions at its property at 339 East Chubbuck Road, and allowing for the emergency expenditures of funds to abate the unsafe property through demolition and disposal.

Resolution 2024-02 passed on August 12, 2024 adopting the Fiscal Year 2025 budget for October 01, 2024 through September 30, 2025.

Resolution 2024-03 passed on August 12, 2024 revoked Resolution 2017-01 which delegated certain authorities to the executive director of the authority; and revoking and replacing Resolution 2022-01 to amend the process by which ministerial claims are paid.

Resolution 2024-04 passed on August 12, 2024 amended the process for payment of ministerial claims as defined in Resolution 2022-01.

Resolution 2024-05 passed on September 17, 2024 adopted the Amended Fiscal Year 2024 budget for October 01, 2023 through September 30, 2024.

## **FINANCIAL INFORMATION PER I.C. 67-1072(2)(B),(C)**

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In accordance with Idaho Code section 67-1076(2)(b),(c), the following are included as attachments to this report:

1. FY2024 Amended Budget
2. FY2023 Audit

## **URBAN RENEWAL DISTRICTS**

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### *Chubbuck Urban Renewal District (est. 1992)*

The Authority's Urban Renewal Plan was adopted by the Chubbuck City Council via Ordinance Number 385 on October 27, 1992. In May of 2021, the CDA and City Council executed an agreement for the administration of the Plan until it sunset at the end of 2023. The agreement established roles for each entity and approved and possible projects. The First Amendment to the plan was passed by City Council as Ordinance 758 on August 03, 2016. The effect of this amendment was to remove certain parcels from the plan to allow those areas to be included in the Pine Ridge Plan.

## 2024 Urban Renewal Projects

Projects and payments undertaken in calendar year 2024 projects by the Chubbuck Development Authority Board are follows:

- ***Eagle Road Stormwater Improvement Project:*** This project came about due to the ongoing flooding of Eagle Road during and following any significant rain storm. The water would completely submerge the road in multiple locations and would block the road for several days at times. In 2024, the Eagle Road stormwater project was constructed which installed new storm drain inlets and pipe in Eagle Road to allow the water in one area to drain off the road. In addition, a large stormwater pond was built in Briarwood Park to allow the water at the other end of Eagle Road to drain off the road and infiltrate into the ground. The project included installing fence around the pond to protect the public and replacing the small basketball court and a section of walking path that had to be removed to build the pond. The total cost of the project was about \$180,000 with CDA covering a little more than \$145,370. This project results in reduced maintenance costs and better road conditions in the future and the city was very appreciative of CDA's contribution.
- ***Pedestrian Safety Crossings:*** In 2024, the CDA funded pedestrian safety crossings throughout the community as one of the final projects of the 1992 Plan and the crossing were installed by the City. These improvements, called Rectangular Rapid Flashing Beacons (RRFBs), help notify oncoming traffic of a pedestrian's intent to cross the road at uncontrolled, marked crosswalks, day or night, through bright flashing LED lights. These improved crossings were installed at mid-block locations on Philbin Road, West Chubbuck Road, Hawthorne Road, Whitaker Road, and New Day Parkway. Installation of the RRFBs aligned with the CDA and City's goals of increasing walkability through the community as part of a plan to better create "place" which will help attract new residents and businesses to locate in Chubbuck. The total cost of the project was \$305,217.

## Properties in the District Owned by the CDA

In 2018-2019, the CDA purchased several properties deemed blighted and in need of redevelopment under the urban renewal plan to redevelop the properties in the newly identified downtown or city center of the city of Chubbuck. The CDA intends to dispose of the properties within 3 years of completing rehabilitation in accordance with the Idaho Urban Renewal Law. As planned, in Spring 2022 the City adopted a

downtown plan and associated zoning code for the downtown area, named Chubbuck Village, and the CDA commenced with the disposal process for all properties as required by Idaho law. No complete responses were received, however, and the CDA decided to wait until calendar year 2023 to attempt again to dispose of the properties with adjusted response standards in hopes of gaining more developer interest.

In 2023, the CDA commenced the statutory disposal process for its properties. Multiple responses were provided to the request for proposals and the CDA selected preferred developers with whom to proceed. As part of the disposition process, the CDA deeded two (2) properties adjacent to City Hall to the City of Chubbuck to be used as parks/open space; in 2023, the City constructed improvements on the adjacent property west of City Hall with picnic tables, benches, and cornhole pedestals.

Properties owned by the CDA at the end of 2024 include:

- **339 East Chubbuck Rd:** In 2023, an Agreement to Negotiate Exclusively and a Development Disposition Agreement were signed with the preferred developer, and a Fair Reuse Appraisal was obtained. Unfortunately, on January 07, 2024, a fire destroyed the property's building and the CDA has determined that it must commence anew with the disposal process outlined by Idaho Code.
- **Chubbuck City Hall Subdivision Lot (unaddressed):** In 2023, an Agreement to Negotiate Exclusively was signed with the preferred developer and the CDA contracted to have a Fair Reuse Appraisal completed. An appraisal was completed; however, in 2024, the preferred developer has chosen not to pursue a project at this time. The CDA is contemplating issuing a new Request for Proposal (RFP).
- **211 East Linden, 208 Evans, 206 Evans, 162 Evans, 152 Evans, 140 Evans:** In 2023, an Agreement to Negotiate Exclusively was signed with the preferred developer and the CDA contracted to have a Fair Reuse Appraisal completed, which was received in December 2023. The CDA worked continuously with the developer throughout 2024 to meet the negotiated conditions of approval of a property transfer. The CDA expects to close on the property transfer in early 2025.

### **Future Needs/Plans**

Moving into calendar years 2025 and 2026, the CDA intends to dispose of all of its properties pursuant to Idaho Code. Excess monies will be remitted to the County Treasurer for disbursement to the taxing districts.

## Pine Ridge Urban Renewal Plan (est. 2016)

The Pine Ridge Urban Renewal Plan was adopted by the Chubbuck City Council via Ordinance Number 759 on August 03, 2016. The future revenue and expenditures of the Pine Ridge Urban Renewal Plan will be administered by CDA under an owner participation agreement and annual activities are included in this report.

### **2016 to 2036 Projects - Revenue Allocation Bond (2020)**

The approved Pine Ridge plan establishes what improvement projects are eligible for CDA participation. The Plan also predicts tax increment revenue generated by Plan improvements. Under the 2016 agreement, CDA and the City of Chubbuck agreed to reimburse Pine Ridge ownership 100% of increment revenue less administrative cost which shall not exceed \$15,000.

In October 2020, however, the CDA closed on a revenue allocation bond in the amount of \$1,940,000 at a discount of \$50,000 at the request of the Pine Ridge Mall developer. The bond carries an interest rate of 6.750% and a maturity date of November 01, 2037. The bond is being used to provide monies to reimburse the developer for already completed eligible costs and thereby provides more capital for further investment in the development in the Pine Ridge Mall urban renewal district. Whereas prior to the bond sale, 100% of the increment revenues, less administrative costs, were owed to the developer for eligible improvements, now 100% of the increment, excluding the CDA's administrative costs, is dedicated to the bond commitment until repaid. Due to the additional administrative staff time with the bond proceeds, the developer agreed to a \$15,000 administrative fee in 2024 and the administrative fee was transferred to the CDA General Fund in 2024.

The Pine Ridge District generated \$245,334.52 in tax increment revenues and interest earnings during calendar year 2024. There were no significant developments or construction within the district in calendar year 2024, with the increased interest rates likely playing a large role in the lack of continued redevelopment in the plan area.

### **Future Needs/Plans**

Moving into 2025, the CDA will continue to pay its bond obligations as required. The CDA is optimistic about continued development in this district and looks forward to the year to come.

### Northside Crossing Urban Renewal Plan (est. 2020)

The Northside Crossing Urban Renewal Plan was adopted by the Chubbuck City Council via Ordinance Number 819 on November 04, 2020 and was accepted by the State Tax Commission on December 07, 2020. The future revenue and expenditures of the Northside Crossing Urban Renewal Plan will be administered by CDA under the terms of the Plan and through further owner participation agreements. In 2021, the CDA and developer executed an owner participation agreement establishing qualified reimbursement terms and processes. Several improvements that were approved as part of the Plan have already been completed. Development progress in the district is occurring rapidly, although it was less rapidly in 2024 than in previous years, likely due to increased interest rates.

In calendar year 2024, the CDA received approximately \$233,925.07 in property tax increment revenue and the CDA reimbursed the Developer in the amount of \$182,938.92 in accordance with the executed Owner Participation Agreement between the CDA and the Developer.

#### **Future Needs/Plans**

Moving into 2025, the CDA will continue to review and approve qualified expense reimbursement requests in accordance with the Owner Participation Agreement. The CDA is optimistic about continued development in this district and looks forward to the year to come.

### Harvest Springs Urban Renewal Plan (est. 2021)

The Harvest Springs Urban Renewal Plan was adopted by the Chubbuck City Council via Ordinance Number 840 on November 03, 2021 and was accepted by the State Tax Commission on November 18, 2021. The future revenue and expenditures of the Harvest Springs Urban Renewal Plan will be administered by CDA under the terms of the Plan and through further owner participation agreements. In 2022, an owner participation agreement was formalized to agree to qualified reimbursement terms with the Developer. Several improvements that were approved as part of the Plan have already been completed and development progress in the district is occurring rapidly with some certificates of occupancy having been issued.

In calendar year 2024, the CDA received \$19,260.46 in property tax increment revenue. The CDA did not provide any reimbursement for owner participation agreements.



## **COMING IN 2025: A NEW “DOWNTOWN” URBAN RENEWAL DISTRICT?**

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In October 2024, the CDA partnered with the City of Chubbuck to engage the Urban Land Institute of Idaho on a technical panel study. This purpose of this study was to provide strategic recommendations to support Chubbuck’s development initiatives; focusing on sustainable growth, infrastructure enhancement, and community engagement.

The report offers actionable insights, both short-term and long-term, into urban planning; economic development; and transportation strategies tailored to Chubbuck’s unique context. It emphasizes the importance of creating vibrant public spaces, improving connectivity, and fostering economic opportunities to enhance the quality of life for residents. The report also offered the perceived barriers and suggestions for overcoming these challenges.

In order to find ways to begin implementation of these recommendations, a funding source is needed. One of the key recommendations was for the City of Chubbuck to create a tax increment financing district in order to assist in the funding of the projects and to encourage private investment in an area where many would like to create a downtown experience.

It is anticipated in early 2025 the CDA, along with the City, will contemplate the exploration of creating a new urban renewal district.

## **CONCLUSION**

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The Chubbuck Development authority (CDA) continues to fulfill its charter and through its projects in the urban renewal districts has successful thus far in eliminating slum and blight and is optimistic that this ability will carry on into the future for decades to come to enhance the properties in the city of Chubbuck for the benefit of the area’s businesses, residents, and visitors. The CDA is in a fiscally sound position to continue improving the area in coordination with project developers and its government partners.

**Attachments:**  
**Fiscal Year 2024 Budget & Fiscal Year 2023 Audit**



The urban renewal agency for the City of Chubbuck, Idaho

**CHUBBUCK DEVELOPMENT AUTHORITY**  
**A COMPONENT UNIT OF THE CITY OF CHUBBUCK, IDAHO**  
**AUDITED FINANCIAL STATEMENTS**  
**AS OF SEPTEMBER 30, 2023**  
**WITH COMPARATIVE TOTALS AS OF SEPTEMBER 30, 2022**

**CHUBBUCK DEVELOPMENT AUTHORITY  
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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Commissioners  
Chubbuck Development Authority  
Chubbuck, Idaho

### **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of the governmental activities and each major fund of the Chubbuck Development Authority, (the Authority) a component unit of City of Chubbuck as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities information of the Chubbuck Development Authority, 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 Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Chubbuck Development Authority, 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 opinion.

#### ***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; this includes 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 Chubbuck Development Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Chubbuck Development Authority's basic financial statements. The schedule of surplus is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance thereon.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the Authority's basic financial statements for the year ended September 30, 2022, and we expressed unmodified opinions on the respective financial statements of the fiduciary fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements as a whole. The summarized comparative information is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated March 25, 2024, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the Authority's internal control over financial reporting and compliance.



Pocatello, Idaho  
March 25, 2024

**CHUBBUCK DEVELOPMENT AUTHORITY**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2023**  
**WITH COMPARATIVE TOTALS AT SEPTEMBER 30, 2022**

|                                 | <b>Governmental Activities</b> |              |
|---------------------------------|--------------------------------|--------------|
|                                 | <b>2023</b>                    | <b>2022</b>  |
| <b>ASSETS</b>                   |                                |              |
| Current assets                  |                                |              |
| Cash and cash equivalents       | \$ 2,382,566                   | \$ 1,572,994 |
| Prepaid expense                 | 3,593                          | -            |
| Property tax receivable         | 16,706                         | 8,220        |
| Restricted cash                 | 142,384                        | 196,694      |
|                                 | 2,545,249                      | 1,777,908    |
| Noncurrent assets               |                                |              |
| Non-depreciable capital assets  | 1,260,321                      | 1,622,524    |
|                                 | 1,260,321                      | 1,622,524    |
|                                 | 3,805,570                      | 3,400,432    |
| <b>LIABILITIES</b>              |                                |              |
| Current liabilities             |                                |              |
| Accounts payable                | 2,127                          | 4,260        |
| Grant Payable                   | -                              | 407,264      |
| Current portion of bond payable | 56,198                         | 107,886      |
|                                 | 58,325                         | 519,410      |
| Noncurrent liabilities          |                                |              |
| Bond payable                    | 1,292,891                      | 1,429,408    |
|                                 | 1,292,891                      | 1,429,408    |
|                                 | 1,351,216                      | 1,948,818    |
| <b>NET POSITION</b>             |                                |              |
| Restricted for districts        | 2,368,237                      | 683,130      |
| Unrestricted                    | 86,117                         | 768,484      |
|                                 | \$ 2,454,354                   | \$ 1,451,614 |

The accompanying notes are an integral part of these financial statements

**CHUBBUCK DEVELOPMENT AUTHORITY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2022**

|  | <b>Governmental Activities</b> |                     |
|--|--------------------------------|---------------------|
|  | <b>2023</b>                    | <b>2022</b>         |
| <b>EXPENSES</b>                        |                                |                     |
| General government                     | \$ 44,924                      | \$ 31,899           |
| Chubbuck Urban Renewal District        | 1,620,647                      | 3,923,024           |
| Pine Ridge Mall Urban Renewal District | 109,347                        | 157,267             |
| Northside Urban Renewal District       | 28,110                         | -                   |
|  | <u>1,803,028</u>               | <u>4,112,190</u>    |
| <b>NET (EXPENSES)/REVENUE</b>          | (1,803,028)                    | (4,112,190)         |
| <b>GENERAL REVENUE</b>                 |                                |                     |
| Property taxes                         | 2,722,800                      | 3,073,877           |
| Interest                               | 50,894                         | 7,268               |
| Service and contract revenue           | 5,000                          |                     |
| Other                                  | 27,074                         | 30,001              |
|  | <u>2,805,768</u>               | <u>3,111,146</u>    |
| <b>CHANGE IN NET POSITION</b>          | 1,002,740                      | (1,001,044)         |
| <b>BEGINNING NET POSITION</b>          | <u>1,451,614</u>               | <u>2,452,658</u>    |
| <b>ENDING NET POSITION</b>             | <u>\$ 2,454,354</u>            | <u>\$ 1,451,614</u> |

The accompanying notes are an integral part of these financial statements

**CHUBBUCK DEVELOPMENT AUTHORITY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023  
WITH COMPARATIVE TOTALS AT SEPTEMBER 30, 2022**

|  | General Fund      | Chubuck Urban Renewal District Fund | Nonmajor Pine Ridge Mall Urban Renewal District Fund | Northside Urban Renewal District Fund | Harvest Springs Urban Renewal District Fund | 2023                | 2022                |
|--|-------------------|-------------------------------------|--|---------------------------------------|---|---------------------|---------------------|
| <b>ASSETS</b>                                |                   |                                     |  |                                       |   |                     |                     |
| Cash and cash equivalents                    | \$ 156,713        | \$ 1,952,378                        | \$ -   | \$ 256,977                            | \$ 16,498                                   | \$ 2,382,566        | \$ 1,572,994        |
| Prepaid expense                              | 3,593             | -                                   | -  | -                                     | -   | 3,593               | -                   |
| Property tax receivable                      | -                 | 9,087                               | -  | 7,619                                 | -   | 16,706              | 8,220               |
| Restricted cash                              | 18                | -                                   | 142,366  | -                                     | -   | 142,384             | 196,694             |
| <b>TOTAL ASSETS</b>                          | <b>\$ 160,324</b> | <b>\$ 1,961,465</b>                 | <b>\$ 142,366</b>                                    | <b>\$ 264,596</b>                     | <b>\$ 16,498</b>                            | <b>\$ 2,545,249</b> | <b>\$ 1,777,908</b> |
| <b>LIABILITIES</b>                           |                   |                                     |  |                                       |   |                     |                     |
| Accounts payable                             | \$ 2,127          | \$ -                                | \$ -   | \$ -                                  | \$ -  | \$ 2,127            | \$ 4,260            |
| Grant payable                                | -                 | -                                   | -  | -                                     | -   | -                   | 407,264             |
| Deferred tax revenues                        | -                 | 9,087                               | -  | 7,619                                 | -   | 16,706              | 7,730               |
|  | 2,127             | 9,087                               | -  | 7,619                                 | -   | 18,833              | 419,254             |
| <b>FUND BALANCES</b>                         |                   |                                     |  |                                       |   |                     |                     |
| Restricted                                   | 18                | 1,952,378                           | 142,366  | 256,977                               | 16,498                                      | 2,368,237           | 683,130             |
| Committed                                    | -                 | -                                   | -  | -                                     | -   | -                   | 635,264             |
| Unassigned                                   | 158,179           | -                                   | -  | -                                     | -   | 158,179             | 40,260              |
|  | 158,197           | 1,952,378                           | 142,366  | 256,977                               | 16,498                                      | 2,526,416           | 1,358,654           |
| <b>TOTAL LIABILITIES &amp; FUND BALANCES</b> | <b>\$ 160,324</b> | <b>\$ 1,961,465</b>                 | <b>\$ 142,366</b>                                    | <b>\$ 264,596</b>                     | <b>\$ 16,498</b>                            | <b>\$ 2,545,249</b> | <b>\$ 1,777,908</b> |

**Amounts reported for governmental activities in the statements of net position are different because:**

|  |                     |                     |
|--|---------------------|---------------------|
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds, net of accumulated depreciation of \$0. | 1,260,321           | 1,622,524           |
| Certain receivables are not current resources and are reported as deferred revenues in the governmental funds  | 16,706              | 7,730               |
| Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:<br>Bond payable                   | (1,349,089)         | (1,537,294)         |
| Net Position of Governmental Activities  | <u>\$ 2,454,354</u> | <u>\$ 1,451,614</u> |



**CHUBBUCK DEVELOPMENT AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED SEPTEMBER 30, 2022**

|   | General<br>Fund   | Chubbuck<br>Urban Renewal<br>District Fund | Nonmajor<br>Pine Ridge Mall<br>Urban Renewal<br>District Fund | Northside<br>Urban Renewal<br>District Fund | Harvest Springs<br>Urban Renewal<br>District Fund | 2023                | 2022                |
|---|-------------------|--|---|---|---|---------------------|---------------------|
| <b>REVENUES</b>   |                   |  |   |   |   |                     |                     |
| Property taxes  | \$ 14             | \$ 2,292,592                               | \$ 253,054  | \$ 151,666                                  | \$ 16,498   | \$ 2,713,824        | \$ 3,077,481        |
| Administration  | 117,123           | -  | -   | -   | -   | 117,123             | -                   |
| Interest revenue  | 45,720            | -  | 5,174   | -   | -   | 50,894              | 7,269               |
| Other revenue   | -                 | 27,074                                     | -   | -   | -   | 27,074              | 30,000              |
| Service and contract revenue                            | -                 | 5,000                                      | -   | -   | -   | 5,000               | -                   |
|   | <u>162,857</u>    | <u>2,324,666</u>                           | <u>258,228</u>  | <u>151,666</u>                              | <u>16,498</u>                                     | <u>2,913,915</u>    | <u>3,114,750</u>    |
| <b>EXPENDITURES</b>                                     |                   |  |   |   |   |                     |                     |
| Administration  | 10,935            | 84,037                                     | 17,500  | 22,123                                      | -   | 134,595             | 35,950              |
| Construction  | -                 | 1,254,407                                  | -   | -   | -   | 1,254,407           | 3,271,140           |
| Grants  | -                 | -  | -   | -   | -   | -                   | 635,264             |
| Professional services                                   | 26,265            | -  | -   | -   | -   | 26,265              | 22,516              |
| Other expenses  | 7,724             | -  | -   | 28,110                                      | -   | 35,834              | 8,169               |
| Debt services   |                   |  |   |   |   |                     |                     |
| Principal   | -                 | -  | 191,000   | -   | -   | 191,000             | 563,616             |
| Interest and fiscal charges                             | -                 | -  | 104,052   | -   | -   | 104,052             | 136,357             |
|   | <u>44,924</u>     | <u>1,338,444</u>                           | <u>312,552</u>  | <u>50,233</u>                               | <u>-</u>  | <u>1,746,153</u>    | <u>4,673,012</u>    |
| <b>EXCESS OF REVENUES OVER<br/>(UNDER) EXPENDITURES</b> | <u>117,933</u>    | <u>986,222</u>                             | <u>(54,324)</u>   | <u>101,433</u>                              | <u>16,498</u>                                     | <u>1,167,762</u>    | <u>(1,558,262)</u>  |
| <b>NET CHANGE IN FUND BALANCE</b>                       | 117,933           | 986,222                                    | (54,324)  | 101,433                                     | 16,498  | 1,167,762           | (1,558,262)         |
| <b>BEGINNING FUND BALANCE</b>                           | 40,264            | 966,156                                    | 196,690   | 155,544                                     | -   | 1,358,654           | 2,916,916           |
| <b>ENDING FUND BALANCE</b>                              | <u>\$ 158,197</u> | <u>\$ 1,952,378</u>                        | <u>\$ 142,366</u>   | <u>\$ 256,977</u>                           | <u>\$ 16,498</u>                                  | <u>\$ 2,526,416</u> | <u>\$ 1,358,654</u> |
| Net change in fund balances-total governmental funds    |                   |  |   |   |   | \$ 1,167,762        | \$ (1,558,262)      |

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

Governmental funds only report taxes received within 60 days as current fund revenues. All taxes receivable are treated as revenues in the statement of activities. 8,976 (3,604)

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is depreciated over their estimated useful lives:

Capital asset donation (362,203) -

Governmental funds report principal repayment on debt as an expenditure and debt issuance as an other financing source. Long-term notes provide current financial resources to the governmental funds, but issuing debt increases long term liabilities in the Statement of Net Position. The discount on the long-term debt is an other financial resource in the government fund but decreases the net liability in the Statement of Net Position:

Principal repayment on debt 191,000 563,616  
Long term debt discount (2,795) (2,794)

Change in Net Position of Governmental Activities \$ 1,002,740 \$ (1,001,044)

**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies**

**A. *Reporting entity***

The Idaho Urban Renewal Law of 1965 authorized the Mayor, with advice and consent of the City Council, to appoint a board of commissioners for an urban renewal agency to function within the municipality of Chubbuck, provided that the Council has first passed a resolution finding that one or more such areas are necessary, and that there is a need for an urban renewal agency to function in the City.

Chubbuck's urban renewal agency, Chubbuck Development Authority (CDA), was found necessary by a resolution in 1992 and the board members were appointed thereafter. Unlike other advisory boards to the City Council, state law declares this agency to be "an independent public body corporate and politic" and gives it a wide range of authority to effectuate urban renewal.

Under generally accepted accounting principles, as adopted by the Governmental Accounting Standards Board, the CDA is included in the Annual Financial Statements of the City of Chubbuck as a discretely presented component unit.

**B. *Government-wide and fund financial statements***

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the government. For the most part, the effect of interfund activity has been removed from these statements.

The fund financial statements provide information about the Authority's funds. The emphasis of fund financial statements is on major funds, each displayed in a separate column.

The Authority reports the following major funds:

The General Fund is the Authority's primary operating fund. It accounts for all financial resources, except those accounted for in another fund.

The Chubbuck Tax Increment Financing (TIF) District Fund (Chubbuck District), a special revenue fund, accounts for the Authority's operations within the revenue allocation area of that district. The Chubbuck District was established in 1992 and has a termination date in the year 2023.

The Pine Ridge Tax Increment Financing (TIF) District Fund (Pine Ridge District), a special revenue fund, accounts for the Authority's operations within the revenue allocation area of that district. The Pine Ridge District was established in 2016 and has a termination date in the year 2036, except for revenues which may be received in 2037.

The Northside Crossing Tax Increment Financing (TIF) District Fund (Northside District), a special revenue fund, accounts for the Authority's operations within the revenue allocation area of that district. The Northside District was established in 2022.

The Harvest Spring Tax Increment Financing (TIF) District Fund (Harvest Springs District), a special revenue fund, accounts for the Authority's operations within the revenue allocation area of that district. The Harvest Springs District was established in 2023.

The revenue generated in the districts' fund are restricted to be used for the district and within the TIF district boundaries.

**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**C. *Measurement focus, basis of accounting, and financial statement presentation***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

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.

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. All other revenue items are considered to be measurable and available only when cash is received by the authority.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**D. *Assets, liabilities, and net position or fund balance***

**1. *Deposits and investments***

Unrestricted cash balances from all funds are combined and invested in investments authorized under Idaho State Code. Earnings from these investments are credited to the funds based on the monthly balance of cash in each fund. Cash includes cash on hand, deposits, and other investments which are immediately convertible to cash or have a maturity of less than 90 days.

The CDA is authorized under State Code to invest in obligations of the U.S. Treasury, U.S. Government backed institutions, commercial paper, and repurchase agreements. CDA's policy is to restrict investment to highly liquid money market accounts.

**2. *Receivables and payables***

Property taxes receivable are recorded when certified by the State Tax Commission in October of each year. Taxes not received within sixty days of year-end are deferred. The taxing authorities within each tax increment financing district levy property taxes by the third Monday of September on a market value basis. These taxes are billed to the taxpayers in November and are due December 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment roll as delinquent on the first day of January of the succeeding year. Property taxes are assessed and collected for the Authority by Bannock County.

**3. *Restricted assets***

It is the Authorities policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

**4. *Capital Assets***

The Authority has purchased land properties within the Chubuck TIF District as capital assets. The land is to be developed by the authority, sold to a third party for further development, or donated. It is the policy of the Authority to capitalize assets that are expected to last longer than one year and cost exceeds \$5,000.

**5. *Compensated Absences***

The Authority has no liability for compensated absences.

**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**D. *Assets, liabilities, and net position or fund balance (continued)***

**6. *Fund Balance***

In the fund financial statements, governmental funds report the following classifications of fund balance:

*Nonspendable items*- This category includes a portion of net resources that cannot be spent because of their form or because they must be maintained intact. This includes inventories and prepaid items.

*Restricted items*- This category includes resources where limitations are imposed by external entities, such as grantors and creditors, or to comply with laws and regulations of governments.

*Committed items*- This category includes amounts that can only be used for the specific purposes determined by a formal action of the Authority's highest level of decision-making for the Authority. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

*Assigned items*- Assigned items represent the Authority's intent to use certain resources for specific purposes. The Board may establish the intended use of these funds for a designated purpose.

*Unassigned items*- Represents the remainder of the Authority's equity in governmental fund-type balances in excess of the aforementioned classifications.

**NOTE 2 - Reconciliation of Government-wide and Fund Financial Statements**

**A. *Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position.***

The governmental fund balance sheet includes the reconciliation between *fund balance - total governmental funds* and *net position - governmental activities* as reported in the government-wide statement of net position. One element of the reconciliation explains that "Certain receivables are not current resources and are reported as deferred revenues in the governmental funds". The detail of this difference is as follows:

|   |  |
|---|--|
| Deferred Property Taxes   | \$ 16,706                                  |
| <hr style="border-top: 3px double #000;"/>  |  |
| Capital assets are made up of the following non-depreciable assets:   |  |
| Land  | \$ 1,622,524                               |
| <hr style="border-top: 3px double #000;"/>  |  |
| On October 15, 2020, the Authority approved the issuance of a bond in the amount of \$1,940,000 at a discount of \$50,000. The bond carries an interest rate at 6.750%. |  |
| Long-term Bond Payable  | \$ 1,391,000                               |
| Long-term Bond Discount   | (41,911)                                   |
|   | <hr style="border-top: 3px double #000;"/> |
|   | \$ 1,349,089                               |
|   | <hr style="border-top: 3px double #000;"/> |

**NOTE 3 - Stewardship, Compliance and Accountability**

**A. *Budgetary information***

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general and special revenue funds. All annual appropriations lapse at fiscal year end.

**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - Stewardship, Compliance and Accountability (Continued)**

**A. Budgetary information (continued)**

The Board of the Chubbuck Development Authority does not and is not required to hold public meeting in conjunction with adoption of its annual budget. The City Council approved the 2020 budget and previous fiscal years. The Authority approved the 2021 budget and will approve future budgets. The new budget is submitted to the board at its meeting in October as part of the cash report presented by the Treasurer. This is when the budget is approved. Budgets may be amended by the same procedure used to adopt the budget.

**NOTE 4 - Detailed Notes on All Funds**

**A. Deposits and investments**

Cash and cash equivalents at year-end consist of the following:

|                    | Bank         | Book         |
|--------------------|--------------|--------------|
| Deposits           |              |              |
| Cash in bank       | \$ 2,736,177 | \$ 2,382,584 |
| Escrow             | 142,366      | 142,366      |
| Outstanding checks | (353,593)    | -            |
|                    | \$ 2,524,951 | \$ 2,524,951 |

The Authority has no investments.

Deposits - Custodial Credit Risk for deposits is the risk that, in the event of bank (financial institute) failure, the government's deposits may not be returned to it.

Deposits and investment transactions are subject to risks.

*Interest Rate Risk* is the risk that changes in interest rates will adversely affect the value of an investment. This risk is null since the Authority has no investments.

*Credit Risk* is the risk that an issuer or a counter party to an investment will not fulfill its obligations.

*Concentration of Credit Risk* is the risk of loss attributed to the magnitude of an investment in a single issuer. Because the Authority has all trust deposits held within one trust department and invested in the same fund, a concentration risk exists. Deposits are held in an institution covered by collateralized accounts or federal depository insurance up to \$250,000. The Authority's concentration credit risk is \$0.

**B. Changes in Capital Assets**

A summary of capital assets at year end is as follows:

|                        | Beginning<br>Balance | Additions | Deletions  | Ending<br>Balance |
|------------------------|----------------------|-----------|------------|-------------------|
| Non-depreciable assets |                      |           |            |                   |
| Land                   | \$ 1,622,524         | \$ -      | \$ 362,203 | \$ 1,260,321      |
|                        | \$ 1,622,524         | \$ -      | \$ 362,203 | \$ 1,260,321      |



**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - Detailed Notes on All Funds (Continued)**

**C. *Receivables***

*1. Property Taxes*

Property tax revenues are recognized and accrued when billed by Bannock County. CDA's property taxes, levied by the third Monday of September on a market value basis, are billed to the taxpayers in November. Half of the real, personal and mobile home property taxes are due on December 20 and the remainder is due the following June 20. Other property taxes are due December 20. Real property taxes not paid constitute a lien on the property when entered on the real property assessment roll as delinquent on the first day of January of the succeeding year. Property taxes are assessed and collected for CDA by Bannock County.

*2. Property Tax Receivable and Deferred Property Taxes*

At yearend, property tax receivable and deferred tax revenues consisted of the following:

|   | Receivables | Deferred Tax |
|---|-------------|--------------|
| General fund                                | \$ -        | \$ -         |
| Chubbuck Urban Renewal District Fund        | 9,087       | 9,087        |
| Pine Ridge Mall Urban Renewal District Fund | -           | -            |
| Northside Crossing TIF District Fund        | 7,619       | 7,619        |
| Harvest Springs TIF District Fund           | -           | -            |
|   | \$ 16,706   | \$ 16,706    |

**D. *Long-term Debt***

On October 15, 2020, the Authority approved the issuance of a bond in the amount of \$1,940,000 at a discount of \$50,000. The bond carries an interest rate at 6.750% and a maturity date of November 1, 2037. The bond is being used to provide monies to reimburse the developer of the Pine Ridge Mall for eligible costs and thereby provide more capital for further development in the Pine Ridge Mall Project Area. The Pine Ridge Mall Project is within the Pine Ridge Tax Increment Financing District (TIF) District. The bond will be payable from and secured by the revenues generated from the TIF District tax increments.

|                    | Face Value   | Discount  | Book Value   |
|--------------------|--------------|-----------|--------------|
| Current portion    | \$ 58,992    | \$ 2,794  | \$ 56,198    |
| Noncurrent portion | 1,332,008    | 39,117    | 1,292,891    |
|                    | \$ 1,391,000 | \$ 41,911 | \$ 1,349,089 |

|                         | Beginning<br>Balance | Additions | Reductions   | Ending<br>Balance |
|-------------------------|----------------------|-----------|--------------|-------------------|
| Long-term bond payable  | \$ 1,582,000         | \$ -      | \$ (191,000) | \$ 1,391,000      |
| Long-term debt interest | (44,705)             | -         | 2,794        | (41,911)          |
|                         | \$ 1,537,295         | \$ -      | \$ (188,206) | \$ 1,349,089      |

**NOTE 5 - Other Information**

**A. *Contingent liabilities***

The majority of the revenue collected by the CDA is derived from tax increment financing. Tax increment financing is a method of segregating a portion of the property taxes paid on properties within an urban renewal district to fund improvements for which the district was formed. This is accomplished by freezing the market value of property within the district.

A contingent liability exists when the market value increase in the district is not large enough to fund any debt incurred by the district to finance the improvements within the district.

**CHUBBUCK DEVELOPMENT AUTHORITY  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - Other Information (Continued)**

***B. Subsequent events***

Subsequent events were evaluated up to March 25, 2024, the date the financial statements were available to be issued.

The district was under contract to sale real property at yearend. However, a building included in the contract was destroyed by a fire and the contract was withdrawn by both parties in January of 2024.

***C. Tax abatement***

During the year the Authority was not subject to any tax abatements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**CHUBBUCK DEVELOPMENT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

|                                   | <u>Original<br/>Budget<br/>Amounts</u> | <u>Amended<br/>Budget<br/>Amounts</u> | <u>Actual<br/>Amounts</u> | <u>Variance</u>     |
|-----------------------------------|--|---------------------------------------|---------------------------|---------------------|
| <b>REVENUES</b>                   |  |                                       |                           |                     |
| Interest revenue                  | \$ -                                   | \$ -                                  | \$ 45,720                 | \$ 45,720           |
| Other revenue                     | 55,000                                 | 265,450                               | 117,137                   | (148,313)           |
|                                   | <u>55,000</u>                          | <u>265,450</u>                        | <u>162,857</u>            | <u>(102,593)</u>    |
| <b>EXPENDITURES</b>               |  |                                       |                           |                     |
| Administration                    | 42,000                                 | 17,900                                | 10,935                    | 6,965               |
| Professional services             | 20,000                                 | 20,500                                | 26,265                    | (5,765)             |
| Other expenses                    | 3,200                                  | 4,600                                 | 7,724                     | (3,124)             |
|                                   | <u>65,200</u>                          | <u>43,000</u>                         | <u>44,924</u>             | <u>(1,924)</u>      |
| <b>NET CHANGE IN FUND BALANCE</b> | <u>\$ (10,200)</u>                     | <u>\$ 222,450</u>                     | 117,933                   | <u>\$ (104,517)</u> |
| <b>BEGINNING FUND BALANCE</b>     |  |                                       | <u>40,264</u>             |                     |
| <b>ENDING FUND BALANCE</b>        |  |                                       | <u>\$ 158,197</u>         |                     |

**CHUBBUCK DEVELOPMENT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
CHUBBUCK URBAN RENEWAL DISTRICT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

|                                   | Original<br>Budget<br>Amounts | Amended<br>Budget<br>Amounts | Actual<br>Amounts   | Variance            |
|-----------------------------------|-------------------------------|------------------------------|---------------------|---------------------|
| <b>REVENUES</b>                   |                               |                              |                     |                     |
| Property taxes                    | \$ 2,575,000                  | \$ 2,450,000                 | \$ 2,292,592        | \$ (157,408)        |
| Miscellaneous revenue             | -                             | -                            | 32,074              | 32,074              |
|                                   | <u>2,575,000</u>              | <u>2,450,000</u>             | <u>2,324,666</u>    | <u>(125,334)</u>    |
| <b>EXPENDITURES</b>               |                               |                              |                     |                     |
| Administration                    | 35,000                        | 80,000                       | 84,037              | (4,037)             |
| Construction                      | 2,104,800                     | 2,548,213                    | 1,254,407           | 1,293,806           |
| Other expenses                    | -                             | 44,237                       | -                   | 44,237              |
| Debt services                     | 420,000                       | -                            | -                   | -                   |
|                                   | <u>2,559,800</u>              | <u>2,672,450</u>             | <u>1,338,444</u>    | <u>1,334,006</u>    |
| <b>NET CHANGE IN FUND BALANCE</b> | <u>\$ 15,200</u>              | <u>\$ (222,450)</u>          | 986,222             | <u>\$ 1,208,672</u> |
| <b>BEGINNING FUND BALANCE</b>     |                               |                              | <u>966,156</u>      |                     |
| <b>ENDING FUND BALANCE</b>        |                               |                              | <u>\$ 1,952,378</u> |                     |

**CHUBBUCK DEVELOPMENT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
PINE RIDGE MALL URBAN RENEWAL DISTRICT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

|   | Original<br>Budget<br>Amounts | Amended<br>Budget<br>Amounts | Actual<br>Amounts | Variance           |
|---|-------------------------------|------------------------------|-------------------|--------------------|
| <b>REVENUES</b>                           |                               |                              |                   |                    |
| Property taxes                            | \$ 297,000                    | \$ 270,000                   | \$ 253,054        | \$ (16,946)        |
| Interest revenue                          | -                             | -                            | 5,174             | 5,174              |
|   | <u>297,000</u>                | <u>270,000</u>               | <u>258,228</u>    | <u>(11,772)</u>    |
| <b>EXPENDITURES</b>                       |                               |                              |                   |                    |
| Administration                            | 15,000                        | 15,000                       | 17,500            | (2,500)            |
| Debt services                             |                               |                              |                   |                    |
| Principal                                 | 287,000                       | 255,000                      | 191,000           | 64,000             |
| Interest and fiscal charges               | -                             | -                            | 104,052           | (104,052)          |
|   | <u>302,000</u>                | <u>270,000</u>               | <u>312,552</u>    | <u>(42,552)</u>    |
| <b>REVENUES OVER (UNDER) EXPENDITURES</b> | <u>(5,000)</u>                | <u>-</u>                     | <u>(54,324)</u>   | <u>(54,324)</u>    |
| <b>NET CHANGE IN FUND BALANCE</b>         | <u>\$ (5,000)</u>             | <u>\$ -</u>                  | <u>(54,324)</u>   | <u>\$ (54,324)</u> |
| <b>BEGINNING FUND BALANCE</b>             |                               |                              | <u>196,690</u>    |                    |
| <b>ENDING FUND BALANCE</b>                |                               |                              | <u>\$ 142,366</u> |                    |

**CHUBBUCK DEVELOPMENT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
NORTHSIDE CROSSING URBAN RENEWAL DISTRICT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

|                                   | Original<br>Budget<br>Amounts | Amended<br>Budget<br>Amounts | Actual<br>Amounts | Variance            |
|-----------------------------------|-------------------------------|------------------------------|-------------------|---------------------|
| <b>REVENUES</b>                   |                               |                              |                   |                     |
| Property taxes                    | \$ 170,000                    | \$ 170,000                   | \$ 151,666        | \$ (18,334)         |
| <b>EXPENDITURES</b>               |                               |                              |                   |                     |
| Administration                    | 34,000                        | 49,600                       | 22,123            | 27,477              |
| Other expenses                    | 136,000                       | 120,400                      | 28,110            | 92,290              |
|                                   | <u>170,000</u>                | <u>170,000</u>               | <u>50,233</u>     | <u>119,767</u>      |
| <b>NET CHANGE IN FUND BALANCE</b> | <u>\$ -</u>                   | <u>\$ -</u>                  | 101,433           | <u>\$ (138,101)</u> |
| <b>BEGINNING FUND BALANCE</b>     |                               |                              | 155,544           |                     |
| <b>ENDING FUND BALANCE</b>        |                               |                              | <u>\$ 256,977</u> |                     |

**CHUBBUCK DEVELOPMENT AUTHORITY  
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL  
HARVEST SPRINGS URBAN RENEWAL DISTRICT FUND  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

|                                   | Original<br>Budget<br>Amounts | Amended<br>Budget<br>Amounts | Actual<br>Amounts | Variance           |
|-----------------------------------|-------------------------------|------------------------------|-------------------|--------------------|
| <b>REVENUES</b>                   |                               |                              |                   |                    |
| Property taxes                    | \$ 20,000                     | \$ 20,000                    | \$ 16,498         | \$ (3,502)         |
| <b>EXPENDITURES</b>               |                               |                              |                   |                    |
| Administration                    | 5,000                         | 5,000                        | -                 | 5,000              |
| Other expenses                    | 15,000                        | 15,000                       | -                 | 15,000             |
| Grant expense                     | -                             | -                            | -                 | -                  |
|                                   | <u>20,000</u>                 | <u>20,000</u>                | <u>-</u>          | <u>20,000</u>      |
| <b>NET CHANGE IN FUND BALANCE</b> | <u>\$ -</u>                   | <u>\$ -</u>                  | 16,498            | <u>\$ (23,502)</u> |
| <b>BEGINNING FUND BALANCE</b>     |                               |                              | -                 |                    |
| <b>ENDING FUND BALANCE</b>        |                               |                              | <u>\$ 16,498</u>  |                    |



**CHUBBUCK DEVELOPMENT AUTHORITY**

**NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

**NOTE 1 - BUDGETARY INFORMATION**

**GENERAL FUND**

The Authority did not budget for the interest revenue that would be received.

The Authority did not budget for the inter-fund activity, including inter-fund transfers to the General Fund.

The Authority budgeted an excess of funds for administrative expenses.

**CHUBBUCK URBAN RENEWAL DISTRICT FUND**

The Authority did not budget sufficient amounts for the following expenditures:

Administration

The under-budgeted expenditures were paid using revenues in excess of budget and unspent revenues from other expenses.

**PINE RIDGE MALL URBAN RENEWAL DISTRICT FUND**

The Authority did not budget sufficient amounts for the following expenditures:

Administration

Interfund transfers

Bond Interest expense and Bond Discount

The under-budgeted expenditures were paid using revenues in excess of budget.

**NORTHSIDE CROSSING URBAN RENEWAL DISTRICT FUND**

The Authority over-estimated both the administrative and grant expenses.

The Authority over-estimated the level of revenue from the county.

**HARVEST SPRINGS URBAN RENEWAL DISTRICT FUND**

The Authority over-estimated the level of revenue from the county.

**NOTE 2 - LEGAL ADOPTION OF BUDGET**

The Authority is required by State law to adopt annual budgets on all governmental funds that cover a period from October 1, through September 30. The City Council approved the Fiscal Year End 2022 budget and previous fiscal years. The Authority approved the Fiscal Year End 2023 budget and will approve future budgets.



**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  
Chubbuck Development Authority  
Chubbuck, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund, and the aggregate remaining fund information of Chubbuck Development Authority, as of and for the years ended September 30, 2023, and the related notes to the financial statements, which collectively comprise Chubbuck Development Authority's basic financial statements, and have issued our report thereon dated March 25, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Chubbuck Development Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Chubbuck Development Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Chubbuck Development Authority's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

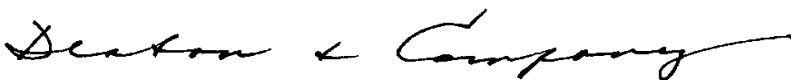
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Deaton & Company". The signature is written in black ink and is positioned centrally below the "Purpose of this Report" section.

Chubbuck, Idaho  
March 25, 2024

**LEGAL NOTICE**  
**Notice of Public Hearing**  
**Urban Renewal Agency of the City of Chubbuck, Idaho**  
**a/k/a Chubbuck Development Authority**  
**Amended Budget for Fiscal Year 2024**

A public hearing for consideration of the Urban Renewal Agency Project amended budget for the fiscal year that begins October 1, 2023 and ends September 30, 2024 will be held in Council Chambers, located at 290 E. Linden Ave, Chubbuck, Idaho, on September 17, 2024, at 5:30 p.m., pursuant to Idaho Code §§ 50-2006(d), 50-2903(5) and 50-1002. Written or oral comments about the proposed budget are welcome. Written comments may be submitted prior to the meeting to: Chubbuck Development Authority, c/o Ashley Squyres, 290 E Linden Ave., Chubbuck, ID 83202.

The Agency budget funds the programs, services, and capital projects that the Agency Board and the City Council have determined to be important to meet the Agency’s strategic goals as described in the adopted urban renewal plans. Agency does not levy property taxes but rather, collects increment revenues generated in accordance with the urban renewal plans.

This public hearing on the proposed amended budget is required for formal adoption of the amended FY 2024 budget.

City Hall is accessible to persons with disabilities.

| <b>Fund Name</b>                                 | FY 2022<br>Budgeted<br>Revenues | FY 2023<br>Budgeted<br>Revenues | FY 2024<br>Budgeted<br>Revenues |
|--|---------------------------------|---------------------------------|---------------------------------|
| <b>Property Tax Revenue (Increment)</b>          |                                 |                                 |                                 |
| Chubbuck Improvement Revenue<br>Allocation Fund  | \$ 2,980,000                    | \$ 2,575,000                    | \$ 433                          |
| Pine Ridge Revenue Allocation Fund               | 175,000                         | 297,000                         | \$ 318,000                      |
| Northside Crossing Revenue<br>Allocation Fund    | 90,000                          | 170,000                         | \$228,500                       |
| Harvest Springs Revenue Allocation<br>Fund       | -                               | 20,000                          | 40,000                          |
| Northgate Revenue Allocation Fund                |                                 |                                 | 7                               |
|  | <b>\$3,245,000</b>              | <b>\$3,062,000</b>              | <b>\$ 586,940</b>               |
| <b>Revenue Sources Other Than Property Taxes</b> |                                 |                                 |                                 |
| Chubbuck Improvement Revenue<br>Allocation Fund  | 55,000                          | 50,000                          | 118,000                         |
| Pine Ridge Revenue Allocation Fund               | -                               | 5000                            | -                               |
| Northside Crossing Revenue<br>Allocation Fund    | -                               | -                               | -                               |

|   |                    |                    |                     |
|---|--------------------|--------------------|---------------------|
| Harvest Springs Revenue Allocation Fund   | -                  | -                  | -                   |
| Fund Balance Carryover & Additional Revenue- Chubbuck Improvement Fund Balance Carryover – Northside Crossing |                    |                    | 1,602,767           |
| Agency Administrative Fund Revenues (from districts and other agreements)                                     |                    |                    | 250,643             |
|   |                    |                    | \$73,308            |
| <b>Total Revenues- All Sources</b>  | <u>\$3,300,000</u> | <u>\$3,117,000</u> | <u>\$ 2,631,658</u> |

| <b>Fund Name</b>                                   | <b>FY 2022<br/>Budgeted<br/>Expenditures</b> | <b>FY 2023<br/>Budgeted<br/>Expenditures</b> | <b>FY 2024<br/>Proposed<br/>Expenditures</b> |
|--|--|--|--|
| Former Categories (Unused in FY23 and FY24)        |  |  |  |
| Admin & Prof Services                              | \$ 95,500                                    | -  | -  |
| Dues & Subscriptions                               | \$ 4,600                                     | -  | -  |
| Other  | \$ 3,000                                     | -  | -  |
| Capital Outlays                                    | \$ 3,196,900                                 | -  | -  |
| Chubbuck Improvement Revenue Allocation Fund       |  |  |  |
| Professional Service, Insurance, & Publications    |  | \$ 65,200                                    | \$ 30,000                                    |
| Owner Participation Agreements or other Agreements | -  | 376,879                                      | 1,111,200                                    |
| Debt Service                                       | -  | 420,000                                      | -  |
| Capital Improvements                               | -  | <u>1,727,921</u>                             | \$ 580,000                                   |
| To Administrative Fund                             | -  | <u>35,000</u>                                | -  |
| Fund Total   | -  | <u>\$ 2,625,000</u>                          | <u>\$ 1,721,200</u>                          |
| Pine Ridge Revenue Allocation Fund                 |  |  |  |
| Administrative Expenses                            | -  | 15,000                                       | \$ 18,000                                    |
| Bond Obligation                                    | -  | <u>287,000</u>                               | <u>300,000</u>                               |
| Fund Total   | -  | <u>302,000</u>                               | <u>318,000</u>                               |
| Northside Crossing Revenue Allocation Fund         |  |  |  |
| Administrative Expenses & Capital Improvements     | -  | 34,000                                       | 60,139                                       |
| Owner Participation Agreements or other Agreements | -  | <u>136,000</u>                               | <u>419,004</u>                               |
| Fund Total   | -  | <u>170,000</u>                               | <u>\$479,143</u>                             |
| Harvest Springs Revenue Allocation Fund            |  |  |  |

|  |                     |                     |                     |
|--|---------------------|---------------------|---------------------|
| Administrative Expenses & Capital Improvements     | -                   | 5,000               | 8,000               |
| Owner Participation Agreements or other Agreements | -                   | 15,000              | 32,000              |
| Capital Improvements                               | -                   |                     | -                   |
| Fund Total   | -                   | <u>20,000</u>       | <u>40,000</u>       |
| Northgate Revenue Allocation Fund                  |                     |                     | <u>7</u>            |
| Administrative Fund                                |                     |                     |                     |
| Office & Financial Administration                  | -                   |                     | 14,000              |
| City Administrative Reimbursement                  | -                   |                     | 15,000              |
| Legal  | -                   |                     | 18,000              |
| Publications                                       | -                   |                     | 1,000               |
| Dues & Subscriptions                               | -                   |                     | 1,800               |
| Insurance  |                     |                     | 3,000               |
| To Fund Balance                                    |                     |                     | 20,505              |
| Fund Total   | -                   |                     | <u>73,308</u>       |
| Total All Expenditures                             | <u>\$ 3,300,000</u> | <u>\$ 3,117,000</u> | <u>\$ 2,631,658</u> |

**Publish:**