

**POST FALLS URBAN RENEWAL
AGENCY**

**Financial Statements and
Accountants' Compilation Report**

July 31, 2009

POST FALLS URBAN RENEWAL AGENCY

Contents

	<u>Page</u>
<i>ACCOUNTANTS' COMPILATION REPORT</i>	2
<i>FINANCIAL STATEMENTS:</i>	
<i>Statement of Net Assets</i>	3
<i>Balance Sheet-Governmental Funds</i>	4
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-for the month ended July 31, 2009</i>	5
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-for the ten- month period ended July 31, 2009</i>	6
<i>Supplemental Information:</i>	
<i>Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual-Year to Date Comparison-General Fund-for the ten-month period ended July 31, 2009</i>	8
<i>Schedule of Tax Increment by Special Revenue Fund for the ten-month period ended July 31, 2009</i>	9
<i>Schedule of Legal Fees by Special Revenue Fund for the ten-month period ended July 31, 2009</i>	10
<i>Schedule of cash balances as of July 31, 2009</i>	11

To the Board of Directors
Post Falls Urban Renewal Agency
Post Falls, Idaho

We have compiled the accompanying statement of net assets and balance sheet-governmental funds of Post Falls Urban Renewal Agency as of July 31, 2009, and the related statement of revenues, expenditures, and changes in fund balance for the ten month period then ended, and statement of revenues, expenditures, and changes in fund balance-budget and actual for the ten month period then ended, and the statement of revenues, expenditures, and changes in fund balance-budget and actual-year to date comparison-general fund for the ten month period then ended, and the accompanying supplemental information provided, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by generally accepted accounting principles. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Agency's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Post Falls Urban Renewal Agency.

Coeur d'Alene, Idaho
August 10, 2009

Post Falls Urban Renewal Agency

Statement of Net Assets

July 31, 2009

ASSETS

Cash and cash equivalents	\$ 1,486,514
Investments-CD's	1,006,792
Investments-State Pool-reserves	3,576,961
Interest receivable	7,378
Accounts receivable-taxes	<u>315,160</u>
Total assets	<u>\$ 6,392,805</u>

LIABILITIES:

Accounts payable	\$ 6,841
Accrued interest payable	2,820
Note payable-City Center-Cent Trail	20,000
Note Payable-Washington Trust-Center Point	<u>323,700</u>
Total liabilities	<u>343,700</u>

NET ASSETS:

Unrestricted (deficit)	<u>6,049,105</u>
Total net assets	<u>\$ 6,392,805</u>

See accompanying accountants' compilation report.

Post Falls Urban Renewal Agency
GOVERNMENTAL FUNDS
BALANCE SHEET
July 31, 2009

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 254,194	\$ 1,232,320	\$ -	\$ -	\$ 1,486,514
Investments-CD's		1,006,792			1,006,792
Investments-State Pool-reserves	0	3,576,961			3,576,961
Due from other funds		0			-
Interest receivable		7,378			7,378
Accounts receivable-taxes		315,160			315,160
Total assets	<u>\$ 254,194</u>	<u>\$ 6,138,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,392,805</u>
LIABILITIES AND FUND BALANCES:					
LIABILITIES:					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	6,841				6,841
Accrued interest payable			2,820		2,820
Deferred tax revenue		267,240			267,240
Note payable-City Center-Cent Trail			20,000		20,000
Note Payable-Washington Trust-Center Point			323,700		323,700
Total liabilities	<u>6,841</u>	<u>267,240</u>	<u>346,520</u>	<u>-</u>	<u>620,601</u>
FUND BALANCES:					
Reserved-capital projects					-
Unreserved:					-
Undesignated	247,353	5,871,371	(346,520)		5,772,204
	<u>247,353</u>	<u>5,871,371</u>	<u>(346,520)</u>	<u>-</u>	<u>5,772,204</u>
Total liabilities and fund balances	<u>\$ 254,194</u>	<u>\$ 6,138,611</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,392,805</u>

See accompanying accountants' compilation report.

Post Falls Urban Renewal Agency

Statement of Revenues, Expenditures, and Changes in Fund Balance-
Budget and Actual
For the month ended July 31, 2009

	June		
	Actual	Budget	Favorable (Unfavorable)
REVENUES:			
Property taxes	\$ 1,476,220	\$ -	\$ 1,476,220
Interest income	1,584	5,378	(3,794)
Miscellaneous income	-	-	-
Administration fees	-	9,917	(9,917)
Total Revenues	1,477,804	15,295	1,462,509
EXPENDITURES:			
Administration fees	-	-	-
Contract employee	5,666	7,692	2,026
Contract accounting services	525	583	58
City services	-	-	-
Professional fees	600	1,500	900
Contract legal	350	1,500	1,150
Advertising and legal notices	-	21	21
Dues and subscriptions	-	33	33
Travel and meetings	59	167	108
Marketing and promotion	-	42	42
Meals and entertainment	-	-	-
Insurance	-	208	208
Moving expense	-	165	165
Equipment rent	227	-	(227)
Office furniture	-	-	-
Office supplies	7	42	35
Publications and books	-	13	13
Postage	46	50	4
Printing	-	83	83
Rent	430	833	403
Repair and maintenance	-	21	21
Mileage reimbursement	25	33	8
Telephone and voicemail	193	142	(51)
Website design and maintenance	215	83	(132)
Audit fee	-	417	417
Contingency for miscellaneous	-	1,667	1,667
Special Revenue:			
Proponent payments	-	-	-
Capital outlay:			
Capital projects-proponents	-	-	-
Debt service:			
Principal payments-proponents	-	-	-
Principal payments-financial institution	-	-	-
Interest expense-proponents	3,792	-	(3,792)
Interest expense-financial institution	12,450	-	(12,450)
Total Expenditures	24,585	15,295	(9,290)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,453,219	-	1,453,219
OTHER FINANCING SOURCES (USES):			
Borrowed funds	-	-	-
Transfers in (out)	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	1,453,219	\$ -	\$ 1,453,219
FUND BALANCE, BEGINNING OF PERIOD	4,939,586		
FUND BALANCE, END OF PERIOD	\$ 6,392,805		

See accompanying accountants' compilation report.

Post Falls Urban Renewal Agency

Statement of Revenues, Expenditures, and Changes in Fund Balance-
Budget and Actual-Year to date Comparison
For the Ten-Month Period Ended July 31, 2009

	(1)	(2)	(3)	(4)	(5)
	Budget	Actual	Favorable (Unfavorable)	Annual Budget	(4-2) Variance
REVENUES:					
Property taxes	\$ -	\$ 3,574,423	\$ 3,574,423	\$ -	\$ 3,574,423
Interest income	53,779	52,288	(1,491)	64,535	(12,247)
Miscellaneous income	-	8	8	-	8
Administration fees	99,166	23,000	(76,166)	119,000	(96,000)
Total Revenues	<u>152,945</u>	<u>3,649,719</u>	<u>3,496,774</u>	<u>183,535</u>	<u>3,466,184</u>
EXPENDITURES:					
Administration fees	-	-	-	-	-
Contract employee	76,917	53,000	23,917	92,300	39,300
Contract accounting services	5,833	5,250	583	7,000	1,750
City services	-	-	-	0	-
Professional fees	15,000	6,312	8,688	18,000	11,688
Contract legal	15,000	22,372	(7,372)	18,000	(4,372)
Advertising and legal notices	417	89	328	500	411
Dues and subscriptions	333	278	55	400	122
Travel and meetings	1,667	235	1,432	2,000	1,765
Marketing and promotion	208	-	208	250	250
Meals and entertainment	-	-	-	-	-
Insurance	2,083	-	2,083	2,500	2,500
Moving expense	1,654	-	1,654	1,985	1,985
Equipment rent	-	1,192	(1,192)	-	(1,192)
Office furniture	-	-	-	-	-
Office supplies	417	970	(553)	500	(470)
Postage	500	376	124	600	224
Printing	833	186	647	1,000	814
Rent	8,333	4,240	4,093	10,000	5,760
Repair and maintenance	208	80	128	250	170
Mileage reimbursement	333	389	(56)	400	11
Telephone and voicemail	1,417	1,624	(207)	1,700	76
Website design and maintenance	833	645	188	1,000	355
Publications and book	125	485	(360)	150	(335)
Audit fee	4,167	5,200	(1,033)	5,000	(200)
Contingency for miscellaneous	16,667	-	16,667	20,000	20,000
Special Revenue:					
Proponent payments	-	1,059,346	(1,059,346)	-	(1,059,346)
Capital outlay:					
Capital projects-proponents	-	-	-	-	-
Debt service:					
Principal payments-proponents	-	96,761	(96,761)	-	(96,761)
Principal payments-financial institution	-	49,800	(49,800)	-	(49,800)
Interest expense-proponents	-	-	-	-	-
Interest expense-financial institution	-	15,998	(15,998)	-	(15,998)
Total Expenditures	<u>152,945</u>	<u>1,324,828</u>	<u>(1,171,883)</u>	<u>183,535</u>	<u>(1,141,293)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	<u>2,324,891</u>	<u>2,324,891</u>	-	<u>2,324,891</u>
OTHER FINANCING SOURCES (USES):					
Borrowed funds	-	-	-	-	-
Transfers in (out)	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>2,324,891</u>	<u>\$ 2,324,891</u>	<u>\$ -</u>	<u>\$ 2,324,891</u>
FUND BALANCE, BEGINNING OF PERIOD		<u>4,067,914</u>			
FUND BALANCE, END OF PERIOD		<u>\$ 6,392,805</u>			

See accompanying accountants' compilation report.

Post Falls Urban Renewal Agency

**Statement of Revenues, Expenditures, and Changes in Fund Balance-
Budget and Actual-Year to date Comparison-General Fund
For the Ten-Month Period Ended July 31, 2009**

	(1)	(2)	(3)	(4)	(5)
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>	<u>Annual Budget</u>	<u>(4-2) Variance</u>
REVENUES:					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Interest income	53,779	52,288	(1,491)	64,535	(12,247)
Miscellaneous income	-	8	8	-	8
Administration fees	99,166	23,000	(76,166)	119,000	(96,000)
Total Revenues	<u>152,945</u>	<u>75,296</u>	<u>(77,649)</u>	<u>183,535</u>	<u>(108,239)</u>
EXPENDITURES:					
Administration fees	-	-	-	-	-
Contract employee	76,917	53,000	23,917	92,300	39,300
Contract accounting services	5,833	5,250	583	7,000	1,750
City services	-	-	-	-	-
Professional fees	15,000	6,312	8,688	18,000	11,688
Contract legal	15,000	22,372	(7,372)	18,000	(4,372)
Advertising and legal notices	417	89	328	500	411
Dues and subscriptions	333	278	55	400	122
Travel and meetings	1,667	235	1,432	2,000	1,765
Marketing and promotion	208	-	208	250	250
Meals and entertainment	-	-	-	-	-
Insurance	2,083	-	2,083	2,500	2,500
Moving expense	1,654	-	1,654	1,985	1,985
Equipment rent	-	1,192	(1,192)	-	(1,192)
Office furniture	-	-	-	-	-
Office supplies	417	970	(553)	500	(470)
Postage	500	376	124	600	224
Printing	833	186	647	1,000	814
Rent	8,333	4,240	4,093	10,000	5,760
Repair and maintenance	208	80	128	250	170
Mileage reimbursement	333	389	(56)	400	11
Telephone and voicemail	1,417	1,624	(207)	1,700	76
Website design and maintenance	833	645	188	1,000	355
Publications and book	125	485	(360)	150	(335)
Audit fee	4,167	5,200	(1,033)	5,000	(200)
Contingency for miscellaneous	16,667	-	16,667	20,000	20,000
Total Expenditures	<u>152,945</u>	<u>102,923</u>	<u>50,022</u>	<u>183,535</u>	<u>80,612</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>(27,627)</u>	<u>(27,627)</u>	<u>\$ -</u>	<u>\$ (27,627)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in (out)	-	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	<u>\$ -</u>	<u>(27,627)</u>	<u>\$ (27,627)</u>		
FUND BALANCE, BEGINNING OF PERIOD		<u>281,821</u>			
FUND BALANCE, END OF PERIOD		<u>\$ 254,194</u>			

See accompanying accountants' compilation report.

Post Falls Urban Renewal Agency
Schedule of Tax Increment by Special Revenue Fund
For the Nine-Month Period Ended June 30, 2009

	Center Point		City Center	East Post Falls			Expo	Riverbend	West Seltice II		General	Total
	Greenstone	Stateline		South	Central	North			Greenstone	ABC Berg		
Tax increment-year-to-date	<u>\$624,689</u>	<u>\$0</u>	<u>\$554,103</u>	<u>\$1,460,262</u>	<u>\$0</u>	<u>\$0</u>	<u>\$290,549</u>	<u>\$502,279</u>	<u>\$142,542</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,574,423</u>
October 2008			41.04	1,343.89			0.00					1,384.93
November 2008			25,642.11	36,115.12			0.00	0.00				61,757.23
December 2008	4,822.30		11,817.05	18,862.54			9,009.98	3,938.13				48,450.00
January 2009	0.00		0.00	0.00			0.00	0.00	0.00			0.00
February 2009	331,224.36		277,945.67	713,392.89			154,759.93	220,465.25	62,675.37			1,760,463.47
March 2009	0.00		4,167.10	29,307.89			0.00	36,389.71	15.18			69,879.88
April 2009			9,661.89	22,686.78			2,166.50	30,902.54	124.77		0.00	65,542.48
May 2009	0.00		3,728.28	4,626.99			459.33	701.57			0.00	9,516.17
June 2009	0.00		25,688.20	15,938.36			1,159.57	38,422.97	0.00		0.00	81,209.10
July 2009	288,641.89		195,411.40	617,987.44			122,994.05	171,458.78	79,726.66			1,476,220.22
August 2009			0.00	0.00			0.00	0.00				0.00
September 2009	0.00		0.00	0.00			0.00	0.00			0.00	0.00
Total-fiscal year-to date	<u>\$624,688.55</u>	<u>\$0.00</u>	<u>\$554,102.74</u>	<u>\$1,460,261.90</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$290,549.36</u>	<u>\$502,278.95</u>	<u>\$142,541.98</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$3,574,423.48</u>

See accompanying accountants' compilation report

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Legal expenses by District

For the Nine-Month Period Ended June 30, 2009

	<u>Center Point</u>	<u>City Center</u>	<u>East Post Falls</u>	<u>Expo</u>	<u>Riverbend</u>	<u>West Seltice II</u>	<u>General</u>	<u>Total</u>
Legal fees	\$0	\$0	\$0	\$0	\$0	\$0	\$22,372	\$22,372

See accompanying accountants' compilation report

**Post Falls Urban Renewal Agency
Schedule of Cash Balances
July 31, 2009**

	General Fund	Special Revenue	Capital Projects	Debt Service Fund	Total
Beginning cash balances October 1, 2008	\$ 282,282	\$ 3,465,514	\$ -	\$ -	\$ 3,747,796
Admin fees income	23,000	0			23,000
Misc income	8				8
Tax revenue	0	3,574,423			3,574,423
Interest income	52,288				52,288
General and admin expenses	(102,923)				(102,923)
Capital outlay			0		0
Debt service payments-principal				(146,561)	(146,561)
Debt service payments-interest				(15,998)	(15,998)
Special Revenue:					
Proponent payments		(1,059,345)			(1,059,345)
Transfers from Special Revenue Fund	0	0	0		0
Transfers from Special Revenue Fund	0	(162,559)	0	162,559	0
Transfers from Special Revenue Fund					
Payment of accounts payable	(461)				(461)
Receivable-overpayment to City of Post Falls	0	(1,960)			(1,960)
Noncash-reversal of accrual for occupancy tax	0				
Admin fees expense		0			0
Cash balances June 30, 2009	\$ 254,194	\$ 5,816,073	\$ -	\$ -	\$ 6,070,267
				<u><u>5,816,073</u></u>	<u><u>\$ 6,070,267</u></u>