

BOARD
Vacant, Chair
Tayler Tibbitts, Vice Chair
Amber Bothwell, Commissioner
Greg McPherson, Commissioner
Aime Menges, Commissioner

**Kuna Urban Renewal Agency
City Hall Council Chambers
751 W. 4th Street, Kuna, ID, 83634**



**MEETING NOTICE & AGENDA
March 19, 2025, at 6:00 PM
Rescheduled from March 5, 2025
Council Chambers/Virtual via Zoom**

The meeting shall be conducted via Zoom and in person for Agency Commissioners, city staff, and consultants. Individuals who wish to provide written comment on Agenda items may do so by emailing Jessica Hall at jhall@kunaid.gov, on or before March 17, 2025, by 12:00 PM; staff is also available in person at City Hall.

1. CALL TO ORDER & ROLL CALL

2. ADOPTION OF AGENDA: Action Item

3. CONSENT AGENDA: Action Item

All items listed are routine and acted on with one (1) Motion by the Board; there will be no separate discussion unless the Chair, Vice Chair, Commissioners, or staff requests an item be removed. Removed items will be placed under Business unless otherwise instructed.

A. Expenses

- I. Approval of Paid Invoices – Report**

B. Minutes & Reports

- I. Approval of URA Meeting Minutes February 19, 2025**

4. OFFICER ELECTIONS: Action Item

- A. Per Agency Bylaws, officer elections shall be held during the March meeting each year. Terms are limited to one (1) year and until their successor is duly elected and qualified.**

- 1. Chair**
- 2. Vice Chair**
- 3. Secretary – Shall be city staff per Administrative & Support Services Agreement**
- 4. Treasurer – Shall be city staff per Administrative & Support Services Agreement**

5. DISCUSSION ITEM:

- A. Presentation of FY2024 Audit – Jared Empey, Treasurer**

6. NEW BUSINESS: Action Item

- A. Consideration to Approve FY2024 Audit**

7. PUBLIC MEETING: Action Item

- A. Consideration of public comment on 2024 Annual Report**

Public notice was published March 7, 2025, a copy of the Draft 2024 Annual Report was posted to the city website, and a copy was part of the February 19, 2025, meeting packet.

8. RESOLUTION: Action Item

- A. Consideration to approve RESOLUTION NO. URA 02-2025**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE
URBAN RENEWAL AGENCY OF THE CITY OF KUNA, IDAHO, A/K/A
THE KUNA URBAN RENEWAL AGENCY, TO BE TERMED THE**

“ANNUAL REPORT RESOLUTION” APPROVING THE ANNUAL REPORT OF THE URBAN RENEWAL AGENCY, FOR CALENDAR YEAR 2024; APPROVING THE NOTICE OF FILING THE ANNUAL REPORT WITH THE CITY AND IDAHO STATE CONTROLLER; AUTHORIZING THE CHAIR, VICE-CHAIR, OR AGENCY ADMINISTRATOR TO FILE SAID REPORT; AND PROVIDING AN EFFECTIVE DATE.

9. BOARD QUESTIONS OR CONCERNS:

10. ADJOURN:

BOARD

Vacant, Chair
Tayler Tibbitts, Vice Chair
Amber Bothwell, Commissioner
Greg McPherson, Commissioner
Aime Menges, Commissioner

**Kuna Urban Renewal Agency
City Hall Council Chambers
751 W. 4th Street, Kuna, ID, 83634**



**MEETING MINUTES
February 19, 2025, at 6:00 PM
Rescheduled from February 5, 2025
Council Chambers/Virtual via Zoom**

The meeting was conducted via Zoom and in person for Agency Commissioners, city staff, and consultants. There were no public attendees.

1. CALL TO ORDER & ROLL CALL

(Timestamp 00:00:17)

Vice Chairman Tibbitts called the meeting to order and requested roll call be taken.

(Timestamp 00:00:28)

Secretary Jessica Hall called roll.

COMMISSIONERS PRESENT:

Tayler Tibbitts, Vice Chairman
Amber Bothwell, Commissioner
Amie Menges, Commission
Greg McPherson, Commissioner

CITY STAFF PRESENT:

Morgan Treasure, Agency Administrator & Economic Development Director
Jessica Hall, Agency Secretary

CONSULTANTS PRESENT:

Meghan Conrad, Elam & Burke

2. ADOPTION OF AGENDA *Action Item*

(Timestamp 00:00:39)

Vice Chairman Tibbitts confirmed with city staff that a Motion was needed in order to adopt the agenda.

(Timestamp 00:00:46)

Motion To: Adopt meeting agenda as published.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbitts

Voting Nay: 0

Vacancy: 1

4-0-0

3. CONSENT AGENDA *Action Item*

All items listed are routine and acted on with one (1) Motion by the Board; there will be no separate discussion unless the Chair, Vice Chair, Commissioners, or staff requests an item be removed. Removed items will be placed under Business unless otherwise instructed.

(Timestamp 00:00:54)

A. Expenses

I. Approval of Paid Invoices – Report

B. Minutes & Reports

I. Approval of URA Meeting Minutes November 7, 2024

(Timestamp 00:01:09)

Motion To: Adopt meeting agenda as published.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbits

Voting Nay: 0

Vacancy: 1

4-0-0

4. OLD BUSINESS Action Item

(Timestamp 00:01:19)

A. Staff findings regarding research on amending July URA meeting to June.

(Timestamp 00:01:33)

Secretary Jessica Hall stated that Chairman Case had requested to change the July meeting to June due to the 4th of July holiday and after review of the Agency Bylaws, there was nothing that stated specific months in which meetings were to be held, only that a certain number of meetings per year were required. Mrs. Hall recommended that a Motion be made to move the meeting to June with the amendment of the Bylaws.

(Timestamp 00:02:09)

As there was no further discussion from the Commissioners, Vice Chairman Tibbits requested a Motion.

(Timestamp 00:02:19)

Motion To: Move the Agency's July meeting to June.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbits

Voting Nay: 0

Vacancy: 1

4-0-0

5. NEW BUSINESS Action Item

(Timestamp 00:02:30)

A. Consideration to approve Draft Annual Report, set public hearing date to receive public comments, and publish public hearing notice.

(Timestamp 00:02:30)

Vice Chairman Tibbits asked if there were comments from staff.

(Timestamp 00:02:55)

Agency Administrator Morgan Treasure provided an overview of the 2024 draft Annual report.

(Timestamp 00:03:36)

As there were no questions from the Commissioners, Vice Chairman Tibbits confirmed with staff the correct way to proceed.

(Timestamp 00:03:55)

Agency Lawyer Meghan Conrad reminded the Commissioners that the Annual Report was a two-step process; tentative approval of the Annual Report, then scheduling the public meeting to receive comments.

(Timestamp 00:04:23)

Motion To: Approve the 2024 Draft Annual Report, set the public meeting date of March 5, 2025, and approve publication of the public notice.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbits

Voting Nay: 0

Vacancy: 1

4-0-0

6. RESOLUTION: Action Item

(Timestamp 00:05:00)

A. Resolution No. URA 01-2025 – Morgan Treasure, Agency Administrator

(Timestamp 00:05:10)

Agency Administrator Morgan Treasure explained to the Agency that the Resolution was a formal action to confirm changing the Agency's July meeting to June.

(Timestamp 00:05:29)

Vice Chairman Tibbits further explained the Resolution was to approve the amended Bylaws that reflect the previously stated change. As there was no further discussion from the Commissioners, he requested a Motion.

(Timestamp 00:05:45)

Motion To: Approve Resolution No. URA 01-2025.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbits

Voting Nay: 0

Vacancy: 1

4-0-0

7. DISCUSSION ITEM:

(Timestamp 00:05:58)

A. Quarterly Financial Report – Jared Empey, Agency Treasurer

(Timestamp 00:06:08)

Agency Administrator Morgan Treasure notified the Agency that as the meeting was rescheduled, Mr. Empey was unable to attend, and she would be providing an overview. Ms. Treasure explained the Agency was moving in a good direction, the tax assessments were starting to come in which meant those increment dollars were coming in; she then stated that the Agency would hopefully be able to pursue a project in 2025. She also explained that the East Urban Renewal District would be a slower build due to not having the Meta increments, but the West Urban Renewal District did have increments, and the Agency would be considering potential projects for 2025.

(Timestamp 00:07:11)

B. Legislative Update – Morgan Treasure, Agency Administrator

(Timestamp 00:07:19)

Ms. Treasure turned the update over to Agency Attorney Meghan Conrad.

(Timestamp 00:07:39)

Ms. Conrad provided an overview of House Bill 255 which would provide an avenue for the dissolution of an Urban Renewal Agency.

(Timestamp 00:11:28)

Ms. Treasure thanked Ms. Conrad then stated there were a few other Bill's that may or may not move forward but staff was keeping an eye on them.

(Timestamp 00:12:10)

Vice Chairman Tibbits asked if there were questions from the Commission. As there were none, he thanked Ms. Treasure.

8. BOARD QUESTIONS OR CONCERNS:

(Timestamp 00:12:19)

The Vice Chairman asked if there were any discussion topics from the city.

(Timestamp 00:12:29)

Ms. Treasure notified the Commissioners that Chairman Case had reached his term limit, therefore there was a vacancy; she then asked the Commissioners to consider possible replacements.

9. ADJOURN:

(Timestamp 00:13:01)

As there were no other agenda items, Vice Chairman Tibbits requested a Motion to adjourn.

(Timestamp 00:13:07)

Motion To: Adjourn.

Motioned By: Commissioner McPherson

Seconded By: Commissioner Bothwell

Further Discussion: None

Voting Aye: Commissioners Bothwell, Menges, McPherson, Tibbits

Voting Nay: 0

Vacancy: 1

4-0-0

Taylor Tibbits, Vice Chairman

ATTEST:

Jessica Hall, Secretary

February 25, 2025

To the Board of Commissioners
Kuna Urban Renewal Agency

We have audited the financial statements of the governmental activities and the fund information of Kuna Urban Renewal Agency for the year ended September 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 4, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Kuna Urban Renewal Agency are described in the notes to the financial statements. No new accounting policies were adopted that had any effect on the Agency and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting both the governmental activities and the fund financial statements was:

Management's estimate of the property tax receivable and related deferral is based on management's knowledge of the receivable and related deferral. We evaluated the key factors and assumptions used to develop the property tax receivable and related deferral in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The schedule attached to the management representation letter summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. We found no other misstatements that needed to be provided to management to correct.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 25, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the budgetary comparison schedules, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of Kuna Urban Renewal Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Bailey & Co.

**KUNA URBAN
RENEWAL AGENCY**

Audited Financial Statements and
Required Supplementary Information

For the Year Ended September 30, 2024

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Independent Auditor's Report

To the Board of Commissioners
Kuna Urban Renewal Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the fund information of Kuna Urban Renewal Agency (the Agency), a component unit of City of Kuna, Idaho, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the fund information of Kuna Urban Renewal Agency as of September 30, 2024, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Agency 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2025, on our consideration of the Agency's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Bailey & Co.

Nampa, Idaho
February 25, 2025

Kuna Urban Renewal Agency
Statement of Net Position
September 30, 2024

	Governmental Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 949,668
Receivables, Net:	
Property Taxes	577,075
Interest	3,058
Total Current Assets	1,529,801
Noncurrent Assets:	
Capital Assets:	
Intangibles, Net	201,680
Total Assets	1,731,481
Deferred Outflows	0
Liabilities	
Current Liabilities:	
Accounts Payable	25
Deferred Inflows	
Property Tax Revenue	573,108
Net Position	
Net Investment in Capital Assets	201,680
Restricted	956,668
Total Net Position	\$ 1,158,348

The accompanying notes are an integral
part of the financial statements

Kuna Urban Renewal Agency
Statement of Activities
For the Year Ended September 30, 2024

		Program Revenues				Net (Expense) Revenue and Changes in Net Position - Governmental Activities
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental Activities						
General Government	\$ 23,440	\$ 0	\$ 0	\$ 0		\$ (23,440)
Total Governmental Activities	\$ 23,440	\$ 0	\$ 0	\$ 0		(23,440)
General Revenues:						
						484,397
						24,225
						508,622
						485,182
						673,166
						\$ 1,158,348

The accompanying notes are an integral
part of the financial statements

Kuna Urban Renewal Agency
Balance Sheet -
Governmental Funds
September 30, 2024

	West District	East District	Total
Assets			
Cash and Cash Equivalents	\$ 941,440	\$ 8,228	\$ 949,668
Receivables, Net:			
Property Taxes	512,943	64,132	577,075
Interest	3,058	0	3,058
Total Assets	1,457,441	72,360	1,529,801
Deferred Outflows			
	0	0	0
Total Assets and Deferred Outflows	\$ 1,457,441	\$ 72,360	\$ 1,529,801
Liabilities			
Accounts Payable	\$ 25	\$ 0	\$ 25
Deferred Inflows			
Unavailable Property Tax Revenue	512,352	64,132	576,484
Fund Balances			
Restricted	945,064	8,228	953,292
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 1,457,441	\$ 72,360	\$ 1,529,801

The accompanying notes are an integral
part of the financial statements

Kuna Urban Renewal Agency
 Reconciliation of the Balance Sheet of the Governmental
 Funds to the Statement of Net Position
 September 30, 2024

Total Fund Balances - Governmental Funds	\$	953,292
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Amounts reported for governmental activities in the statement of net position are different because of the following:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds. The cost of assets consist of:

Construction in Progress	\$	0	
Intangibles, Net of \$33,459 Accumulated Depreciation		201,680	
			201,680

Some of the property taxes receivable are not available to pay for current period expenditures and are, therefore, considered unavailable in the funds. However, in the government-wide statements, only the portion of the receivable that is for future periods is reported as deferred inflows.

	3,376
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Total Net Position - Governmental Activities	\$	1,158,348
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The accompanying notes are an integral
 part of the financial statements

Kuna Urban Renewal Agency
Statement of Revenues, Expenditures, and
Changes in Fund Balances -
Governmental Funds
For the Year Ended September 30, 2024

	West District	East District	Total
Revenues			
Property Taxes	\$ 474,630	\$ 9,364	\$ 483,994
Interest Earnings	24,225	0	24,225
Total Revenues	498,855	9,364	508,219
Expenditures			
Current:			
General Government:			
Administrative	1,207	541	1,748
Legal and Professional	9,340	595	9,935
Total Expenditures	10,547	1,136	11,683
Net Change in Fund Balances	488,308	8,228	496,536
Fund Balances - Beginning	456,756	0	456,756
Fund Balances - Ending	\$ 945,064	\$ 8,228	\$ 953,292

The accompanying notes are an integral
part of the financial statements

Kuna Urban Renewal Agency
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of the Governmental Funds
 to the Statement of Activities
 For the Year Ended September 30, 2024

Total Net Change in Fund Balances - Governmental Funds	\$	496,536
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Amounts reported for governmental activities in the statement of activities are different because of the following:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. In the current period these amounts are:

Capital Outlay	\$	0	
Depreciation Expense		<u>(11,757)</u>	(11,757)

Some of the property tax revenues are not available to pay for current period expenditures and are, therefore, considered unavailable in the funds. However, in the government-wide statements, only the portion of the revenue that is for future periods is reported as deferred inflows. This accounts for the change in these unavailable revenues.

		<u>403</u>
Change in Net Position of Governmental Activities	\$	<u><u>485,182</u></u>

The accompanying notes are an integral
 part of the financial statements

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Kuna Urban Renewal Agency (the Agency) is a separate and distinct legal entity of City of Kuna, Idaho (the City) created by and existing under the Idaho Urban Renewal Law of 1965, as amended. The Commissioners for the Agency were appointed by the City Council. The Agency funds infrastructure that supports redevelopment, development of bare undeveloped land, and brownfield development (industrial).

For financial reporting purposes, in conformity with governmental accounting standards, the Agency is included as a discretely presented component unit in the City's financial statements. The Agency provides urban renewal services to the City and its citizens. These statements present only the funds of the Agency and are not intended to present the financial position and results of operations of the City in conformity with generally accepted accounting principles.

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Agency's accounting policies are described below.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report financial information about the Agency as a whole, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. The Agency's activities only consist of governmental activities, which are generally financed through taxes, intergovernmental revenues, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.
- Indirect expenses of the general government related to the administration and support of the Agency's programs, such as personnel and accounting (but not interest on long-term debt), are allocated to programs based on their percentage of total expenses.
- Program revenues include (a) charges paid by the recipients of goods or services offered by a program or function and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

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 intended to finance. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The fund financial statements provide information about the Agency's funds, which consists of only governmental funds. The Agency reports the following major governmental funds:

- *West District fund.* This fund accounts for general and administrative activities of the Agency and the urban renewal activities that occur in the western revenue allocation area of the Agency.
- *East District fund.* This fund accounts for urban renewal activities that occur in the eastern revenue allocation area of the Agency.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payments are made.

Property Taxes

The Agency has no direct taxing power. When the Agency was reinstated in 2020, this established the base year for property values. The property taxes the Agency receives in years after the base year are calculated on the increase in property values subsequent to the base year. This is known as tax increment revenue. Property taxes are due in two installments on December 20 and June 20 and are considered delinquent on January 1 and July 1.

The Agency receives tax revenue from Ada County. The County is responsible for property valuation and collection of tax levies. The taxes that have not been remitted to the Agency as of September 30, 2024, are considered by the Agency as a receivable. Taxes not collected within 60 days after September 30, 2024, are not considered available for use by the Agency and are recorded as deferred inflows in the fund financial statements. The tax charges for the current year are intended to finance operations in the next year, so the current tax charges are also a deferred inflow in the government-wide financial statements.

Risk Management

As a component unit of City of Kuna, Idaho, the Agency is exposed to various risks of loss related to theft of, damage to, or destruction of assets. The City and the Agency participate in a public entity risk pool, Idaho Counties Risk Management Pool (ICRMP), for property and liability insurance. The City's and the Agency's exposure to loss from their participation in ICRMP is limited to the extent of their deductible only.

Capital Assets

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed assets are reported at estimated fair value at the time received. Intra-entity assets contributed are reported at their carrying value.

Capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the government-wide statements are shown below:

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	Capitalization Policy	Depreciation Method	Estimated Useful Life
Nondepreciable Assets	\$5,000	N/A	N/A
Buildings and Improvements	\$5,000	Straight-Line	5 - 75 Years
Equipment and Vehicles	\$5,000	Straight-Line	5 - 20 Years
Intangibles	\$5,000	Straight-Line	3 - 20 Years

Depreciation is used to allocate the actual or estimated historical cost of all capital assets over their estimated useful lives.

Cash Equivalents and Investments

All amounts included in cash and investment accounts are considered cash equivalents, as even the long-term investments can be converted to cash without significant penalty within a one-to-two-week timeframe. The Agency's cash and investments are pooled, so each fund has equity in the pooled amount.

Idaho Code authorizes the Agency to invest any available funds in obligations issued or guaranteed by the United States Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts and repurchase agreements. Investments are stated at fair value as determined by the fair value hierarchy, except non-participating contracts, money market investments, and participating interest-earning contracts with a remaining maturity of one year or less. These are carried at amortized cost.

Fund Balance Reporting in Governmental Funds

The Agency uses the restricted fund balance category in the governmental fund balance sheet. Restricted fund balances are defined as balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.

The remaining fund balance classifications (nonspendable, committed, assigned, and unassigned) were not applicable for the current fiscal year. However, if there had been committed funds, these amounts would have been decided by the Board of Commissioners, the Agency's highest level of decision making authority, through a resolution. The Board of Commissioners would also have the authority to assign funds or authorize another official to do so.

When both restricted and unrestricted resources are available for use, it is the Agency's intent to use restricted amounts first, followed by committed, assigned, then unassigned amounts. The majority of the Agency's resources come from property taxes that are restricted for urban renewal projects and related operations, as defined by Idaho Statute.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

2. CASH AND INVESTMENTS

Deposits

The majority of the Agency's bank balances are held within the City of Kuna, Idaho's pooled accounts. As of September 30, 2024, the carrying amount of the Agency's share of the deposits was \$202,671 and the Agency's share of the respective bank balances totaled \$202,754. \$202,040 of the Agency's share of the bank balances were insured or collateralized.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned. As of September 30, 2024, \$714 of the Agency's share of deposits were not covered by the NCUA, FDIC, or by collateral held by the Agency's agent or pledging financial institution's trust department or agent in the name of the Agency, and thus were exposed to custodial credit risk.

The Agency does not have a formal policy limiting its exposure to custodial credit risk. However, the Agency uses the following procedures to mitigate the bank default risk of loss associated with the Agency's demand deposits which exceed the FDIC/NCUA insurance coverage limit of \$250,000 per financial institution:

- Partner with large federally chartered banks with solid histories and strong credit worthiness ratings;
- Subscribe to and monitor online rating agency reports regularly as provided by the "Big Three" rating agencies (Standard & Poor's, Moody's, Fitch Group);
- Monitor online FDIC/NCUA information regarding financial institutions which have been on watch lists and/or which have failed recent stress tests;
- Monitor bank-specific online rating agency reports (Bauer Financial, Inc.; IDC Financial Publishing, Inc.; Veribanc) for bank rating information. The aforementioned entities offer very specific in-depth information for a fee, and also offer free high-level data.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. It is the Agency's policy to prioritize safety of the funds, then probable income to be derived from an investment, and then liquidity of an investment. Investments must meet the following criteria:

- Non-state and non-municipal short-term investments shall have a minimum rating of Prime-1 (P-1) or equivalent.
- Non-state and non-municipal long-term investments shall have a minimum rating of "A" or higher or equivalent by two nationally recognized statistical rating organizations of the Securities and Exchange Commission (SEC).
- State and municipal entity short-term investments shall have a minimum rating of P-1, MIG 1, or VMIG 1, or equivalent.
- State and municipal entity long-term investments shall have a minimum rating of "A."
- Investments in State of Idaho run funds, e.g. the Local Government Investment Pool (LGIP), or the State of Idaho requires no credit rating.
- Investments in the U.S. government or federal agency securities or securities guaranteed by either the U.S. government or a federal agency (excluding government sponsored enterprises) require no credit rating.

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

2. CASH AND INVESTMENTS (continued)

Interest Rate Risk

The Agency does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Investments

The Agency (via funds pooled with the City of Kuna, Idaho) holds funds with Time Value Investments, which are measured at amortized cost or fair value depending on the nature and maturities of these investments. The Agency also holds funds with the Idaho State Treasurer. Funds held at the Idaho State Treasurer are in the Local Government Investment Pool (the pool). The pool is not rated and is not registered with the Securities and Exchange Commission or any other regulatory body. The pool is valued using the Net Asset Value (NAV) per share method. Investments using the NAV per share method do not have readily obtainable fair values and are, instead, valued based on the Agency's pro-rata share of the pool's net position. The Agency values these investments based on information provided by the State of Idaho Treasurer's Office. The State Treasurer does not provide any legally binding guarantee to support the value of the shares to participants. Participants have overnight availability to their funds up to \$10 million. Withdrawals of more than \$10 million require three business days' notification.

As of September 30, 2024, the Agency's investments had the following maturities:

Investment	Rating	Level 2	Maturity in Years	
			Less than 1	1 - 5
US Treasury Bonds	Aaa	\$ 14,707	\$ 6,559	\$ 8,148
Money Market Mutual Funds	Aaa	5	5	0
External Investment Pool	Not Rated	N/A	732,285	0
		<u>\$ 14,712</u>	<u>\$ 738,849</u>	<u>\$ 8,148</u>

At year-end, cash and cash equivalents were reported in the basic financial statements in the following categories:

	Governmental Activities
Cash and Cash Equivalents	\$ 202,671
Investments Categorized as Cash Equivalents	<u>746,997</u>
	<u>\$ 949,668</u>

3. RELATED PARTY TRANSACTIONS

The Agency is a component unit of City of Kuna, Idaho. The capital assets constructed from the Agency's activities are contributed to the City. In the current year, there were no capital assets constructed or contributed to the City. The City did charge the Agency \$794 for the use of its personnel and facilities. There were no balances due to or from the City as of September 30, 2024.

Kuna Urban Renewal Agency
Notes to Financial Statements
For the Year Ended September 30, 2024

4. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

<u>Governmental Activities:</u>	<u>10/1/2023</u>	<u>Restate- ment</u>	<u>Additions</u>	<u>Disposals</u>	<u>09/30/2024</u>
Capital Assets Not Being Depreciated:					
Construction in Progress	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Nondepreciable Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Capital Assets Being Depreciated:					
Intangibles	235,139	0	0	0	235,139
Total Depreciable Assets	<u>235,139</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>235,139</u>
Less: Accumulated Depreciation					
Intangibles	21,702	0	11,757	0	33,459
Total Accumulated Depreciation	<u>21,702</u>	<u>0</u>	<u>11,757</u>	<u>0</u>	<u>33,459</u>
Net Depreciable Assets	<u>213,437</u>	<u>0</u>	<u>(11,757)</u>	<u>0</u>	<u>201,680</u>
Capital Assets - Net	<u>\$ 213,437</u>	<u>\$ 0</u>	<u>\$ (11,757)</u>	<u>\$ 0</u>	<u>\$ 201,680</u>

Depreciation expense for governmental activities was charged to the functions of the Agency as follows:

General Government	<u>\$ 11,757</u>
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REQUIRED SUPPLEMENTARY INFORMATION

Kuna Urban Renewal Agency
 Budgetary (GAAP Basis) Comparison Schedule
 West District
 For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 400,320	\$ 400,320	\$ 474,630	\$ 74,310
Interest Earnings	0	0	24,225	24,225
Total Revenues	<u>400,320</u>	<u>400,320</u>	<u>498,855</u>	<u>98,535</u>
Expenditures				
Current:				
General Government:				
Administrative	14,000	14,000	1,207	12,793
Legal and Professional	15,000	15,000	9,340	5,660
Capital Outlay	300,000	300,000	0	300,000
Contingency	471,320	471,320	0	471,320
Total Expenditures	<u>800,320</u>	<u>800,320</u>	<u>10,547</u>	<u>789,773</u>
Net Change in Fund Balances	(400,000)	(400,000)	488,308	888,308
Fund Balances - Beginning	400,000	400,000	456,756	56,756
Fund Balances - Ending	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 945,064</u>	<u>\$ 945,064</u>

Kuna Urban Renewal Agency
 Budgetary (GAAP Basis) Comparison Schedule
 East District
 For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final		
Revenues				
Property Taxes	\$ 75,100	\$ 75,100	\$ 9,364	\$ (65,736)
Expenditures				
Current:				
General Government:				
Administrative	14,000	14,000	541	13,459
Legal and Professional	10,000	10,000	595	9,405
Contingency	51,100	51,100	0	51,100
Total Expenditures	75,100	75,100	1,136	73,964
Net Change in Fund Balances	0	0	8,228	8,228
Fund Balances - Beginning	0	0	0	0
Fund Balances - Ending	\$ 0	\$ 0	\$ 8,228	\$ 8,228

Kuna, Idaho Urban Renewal Agency
Notes to Required Supplementary Information
For the Year Ended September 30, 2024

1. BUDGETS AND BUDGETARY ACCOUNTING

- A. The Agency is required by Idaho State Code to adopt an annual appropriated budget and must be provided to the City of Kuna, Idaho by September 1 of each year.
- B. Prior to September 1, the budget is legally enacted through passage at a board meeting.
- C. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).
- D. Formal budgetary integration is employed as a management control device during the year.

INTERNAL CONTROL AND COMPLIANCE REPORT



Certified Public Accountants

Weston Flamm, CPA
Cassie Zattiero, CPA

812-B 12th Ave. South
P.O. Box 876
Nampa, ID 83653-0876
208 466-2493
FAX 208 467-2000
www.BaileyCPAs.com

**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
Kuna Urban Renewal Agency

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 the fund information of Kuna Urban Renewal Agency (the Agency), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements, and have issued our report thereon dated February 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kuna Urban Renewal Agency’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bailey & Co.

Nampa, Idaho
February 25, 2025



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 Pocatello, ID 83204
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03/06/25	21880

LEGAL NOTICE PUBLIC NOTICE

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 set forth in Idaho Code 67-1075 & 67-1076. Pursuant to Idaho Code 50-2006(5)(c), the Agency is required to hold a public meeting to report the findings in the annual report and take public comment prior to filing the report with the City and the Idaho State Controller.

A copy of the DRAFT 2024 Annual Report is available at the Kuna City Clerk's office, 751 W 4th Street, Kuna, Idaho, or on the Agency's website at <http://kunacity.id.gov/158/Kuna-Urban-Renwal-Agency>. Written public comment may be submitted PRIOR TO 2:00 PM on Friday March 14, 2025, to Kuna Urban Renewal Agency, ATTN: Morgan Treasure, Agency Administrator, City of Kuna, 751 W 4th Street, Kuna, ID 83634 or mtreasure@kunaid.gov. Public comment will also be received at the Agency's meeting Wednesday March 19, 2025, at 6:00 PM in City Hall Council Chambers, 751 W 4th Street, Kuna, Idaho.

March 7, 2025 615012

1 KUNA, CITY OF
 P.O. BOX 13
 KUNA, ID 83634

AD #	DESCRIPTION	START	STOP	TIMES	AMOUNT
615012	PH 3/19/2025 ANNUAL	03/07/25	03/07/25	2	\$44.78

Payments:

Date	Method	Card Type	Last 4 Digits	Check	Amount
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Discount:	\$0.00	Gross:	\$44.78
Surcharge:	\$0.00	Paid Amount:	\$0.00
Credits:	\$0.00		

Amount Due: **\$44.78**

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RESOLUTION NO. URA 02-2025

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF KUNA, IDAHO, A/K/A THE KUNA URBAN RENEWAL AGENCY:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF KUNA, IDAHO, A/K/A THE KUNA URBAN RENEWAL AGENCY, TO BE TERMED THE “ANNUAL REPORT RESOLUTION” APPROVING THE ANNUAL REPORT OF THE URBAN RENEWAL AGENCY, FOR CALENDAR YEAR 2024; APPROVING THE NOTICE OF FILING THE ANNUAL REPORT WITH THE CITY AND IDAHO STATE CONTROLLER; AUTHORIZING THE CHAIR, VICE-CHAIR, OR AGENCY ADMINISTRATOR TO FILE SAID REPORT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of the City of Kuna, Idaho, also known as the Kuna Urban Renewal Agency, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter, 20, Title 50, Idaho Code, as amended (hereinafter the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the “Act”), a duly created and functioning urban renewal agency for Kuna, Idaho, hereinafter referred to as the “Agency”.

WHEREAS, the City Council (the “City Council”) of the City of Kuna, Idaho, (the “City”), on November 17, 2020, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Kuna West Urban Renewal Project (the “Plan”);

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 2020-32 on November 27, 2020, approving the Plan, establishing the Kuna West revenue allocation area and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Kuna East Urban Renewal Project (the “Kuna East Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2022-34 on November 1, 2022, approving the Kuna East Plan, establishing the Kuna East revenue allocation area and making certain findings;

WHEREAS, pursuant to Idaho Code Section 50-2006(5)(c), the Agency is required to prepare an annual report and file the annual report with the City and the Idaho State Controller, on or before March 31 of each year;

WHEREAS, pursuant to Idaho Code Section 50-2006(5)(c), the Agency Administrator prepared the annual report of the Agency’s activities for calendar year 2024, a copy of report which is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the Agency Board of Commissioners (the “Agency Board”) reviewed and tentatively approved the draft annual report at the March 19, 2025, Agency Board meeting and directed that the report be made available and notice of availability be posted;

WHEREAS, the Agency Administrator took steps to provide a copy of the report for public review and comment;

WHEREAS, On March 19, 2025, pursuant to Idaho Code Section 50-2006 (5)(c), the Agency held an open public meeting, properly noticed, to report these findings in the annual report and to take comments from the public at Kuna City Council Chambers, 751 W 4th Street, Kuna, Idaho, on the proposed annual report.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF KUNA, IDAHO, A/K/A THE KUNA URBAN RENEWAL AGENCY, AS FOLLOWS:

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

Section 2: That the annual report attached hereto as “EXHIBIT A” and the notice of filing the annual report attached hereto as “EXHIBIT B” are hereby approved and adopted by the Agency Board.

Section 3: That the Board Chair, Vice-Chair, or Agency Administrator shall submit said annual report to the City Clerk of the City of Kuna, Idaho, and the Idaho State Controller on or before March 31, 2025.

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

PASSED AND ADOPTED by the Urban Renewal Agency of the City of Kuna, Idaho, also known as the Kuna Urban Renewal Agency, on March 19, 2025. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on March 19, 2025.

APPROVED:

Chair of the Board

ATTEST:

Secretary



Kuna Urban Renewal Agency

2024 Annual Report



Urban Renewal Law Requirements

- Idaho Code 50-20 requires an Agency to file a report of its preceding years activities with the local governing body & State Controller on or before March 31st.
- This report shall include certain financial date & audit reports set forth in Idaho Code 67-1075 & 67-1076.
- The Agency's fiscal year commences October 1st & ends September 30th, thus the report would be limited to this timeframe.
- Per Idaho Code 67-450B, an audit is also required for a URA if said expenditures exceed \$150K.



Budgetary Process

The Agency approved the FY24 budget August 7, 2024, via Resolution No. URA03-2024

Reporting

Idaho Code 67-1076 requires the Agency to submit certain information to the State Controller's office by December 1st each year. Idaho Code 50-2913 also requires the Agency to submit certain information to the State Tax Commission for the urban renewal registry.

The Agency has submitted said information by required deadlines.

Urban Renewal Plans

WEST

City Council formally approved the Kuna West Urban Renewal Plan on November 17, 2020, via Ordinance NO. 2020-32 with an effective date of November 25, 2020.

The agency has looked at a few potential projects. With the account balances forecasted for the next year, the agency plans on looking at a downtown project for the next fiscal year.

EAST

City Council formally approved the Kuna East Urban Renewal Plan on November 1, 2022, via Ordinance No. 2022-34 with an effective date of November 23, 2022.

HB 328, signed in 2023, significantly reduced the increment anticipated to flow into the RAA, but the plan remains in place for projects interested in tax increment financing



General Activity

In March 2024, Commissioner Amie Menges was appointed to fill the Board vacancy left by Commissioner Rocco D'Orazio's resignation in October 2023.

2024 Projects

The agency considered a real estate acquisition project in 2024, but ultimately decided not to move forward with the project due to right-of-way and easement uncertainties with the subject property.

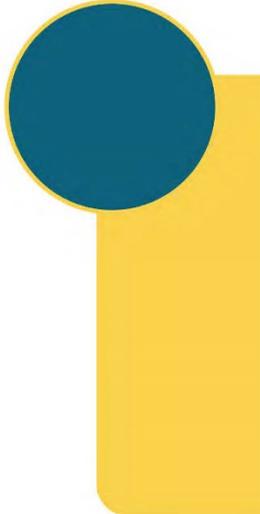


FY2024 Revenues

The agency has received its third year of revenue allocation proceeds for the Kuna West District and the first year of revenue allocation proceeds for the Kuna East District. Due to HB 328, the Kuna East proceeds are much lower than anticipated in the East District plan.

FY2024 Operating Expenses

The Agency's expenses in 2024 were primarily related to the general business of the Agency.



Assets

The Agency's assets are comprised of solely cash accounts & property taxes receivable. The major portions of property taxes are received 2x per year at the end of March & August with smaller amounts of delinquent taxes received during the year.

Liabilities & Debt

The balance of the Agency's liabilities consists only of current accounts payable.



Significant Changes in Agency's Financial Position

There were no significant changes in the Agency's financial position in FY2024, recognizing the limited revenue allocation proceeds generated by the Kuna West District and the reduction in Kuna East District's projected funding due to HB 328.

The Agency will work closely with public entities, including the City of Kuna, and private developers, to develop and fund projects that are of benefit to the public. The Agency will work to consider how best to leverage Agency funds for projects in both the West and East Districts.



KUNA URBAN RENEWAL AGENCY BUDGET & PROJECTIONS

	FY 2024 BUDGET	FY 2024 ACTUAL	FY 2025 PROPOSED
CAPITAL PROJECTS REVENUE			
Property Tax Revenue	475,420	483,994	585,500
Interest Income	0	24,225	24,000
Carryover	400,000	456,418	907,494
TOTAL REVENUE	875,420	964,637	1,516,994
CAPITAL PROJECTS EXPENDITURES			
Capital Improvements	300,000	0	400,000
Contingency	522,420	0	1,058,994
Professional Services	25,000	9,935	28,000
General and Administration	28,000	1,749	30,000
TOTAL EXPENDITURES	875,420	11,684	1,516,994
GRAND TOTAL NET	0	952,953	0