THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: August 8, 2011

To: Urban Renewal Agency of the City of Twin Falls

From: Melinda Anderson, URA Executive Director

Request:

Consideration of a request to approve the FY 2012 URA budget.

Background:

The Budget committee along with staff developed the FY 2012 preliminary budget which was reviewed by the board at its July 21 board meeting. At that meeting there were no changes requested by the board.

Revenues

Revenues projected for FY 2012 are:

Property Tax Revenue	$2,000,000
Rental Income	$ 402,560
Investment Income	$ 7,200
Total	$2,644,836

. In addition there is an expected $3.8 million cash carryover from FY 2011.

Expenditures

Bonds and debt	$ 995,000
Overhead	$ 154,100 (management fee, legal, insurance, prof. development, etc.).
Real estate	$ 190,550 (maintenance, management, taxes, etc.)
Projects	$5,045,185 (waterline construction, Eldridge road reimbursement, downtown projects, professional services, etc.)
Total	$6,384,836 (balance of funds come from the FY 2011 cash carryover)

Approval Process:

A majority vote of a quorum of the Agency board in open meeting.

Budget Impact:

This allows for the approval and adoption of the 2011-2012 fiscal year budget for the URA of the City of Twin Falls.

Regulatory Impact:

Title 50, Chapter 20 Section 50-2006 1.(d.) of Idaho Statues states:

> An Urban renewal agency shall have the same fiscal year as a municipality and shall be subject to the same audit requirements as a municipality. An urban renewal agency shall be required to prepare and file with its local governing body an annual financial report and prepare, approve and adopt an annual budget for filing with the local governing body, for information purposes. A budget means an estimate of revenues and expenses for the following fiscal year of the agency.

Conclusion:

Staff and the budget subcommittee recommend the board approve FY 2012 budget.

Attachments:

1. FY 2012 Draft Budget

	2008-2009 Actual	2009-2010 Actual	2010-2011 Budget	2011-2012 Budget	2010-2011 Actual to Date 6/27
Revenue					
Capital Lease	230,075.49	230,088.52	230,076.00	230,076.00	153,383.77
Contributions	309,303.40	309,303.40	0.00	-	0.00
Investment Income	19,196.20	3,191.65	14,050.00	7,200.00	15,562.84
Other Income	390.98	35.00	0.00	-	0.00
Property Taxes	1,934,431.37	2,004,543.34	1,925,000.00	2,005,000.00	1,105,184.77
Rental Income	4,200.00	33,013.33	386,560.00	402,559.92	265,806.62
Sale of Assets	104,000.00	0.00	0.00	0.00	0.00
Total Revenue	2,601,597.44	2,580,175.24	2,555,686.00	2,644,835.92	1,539,938.00
Expenditures					
Area Development 4-1					
Defined Projects			99,000.00	2,110,000.00	
Future Projects			4,247,670.00	1,500,185.75	
Area Dev. 4-1 Total	45,752.00	14,280.00	4,346,670.00	3,610,185.75	204,867.32
Area Development 4-2					
Defined Projects			140,000.00	1,375,000.00	
Future Projects			60,000.00	60,000.00	
Area Dev. 4-2 Total	115,000.00	115,000.00	200,000.00	1,435,000.00	57,674.87
Bond Trustee Fees	0.00	4,500.00	3,500.00	3,500.00	
Community Relations & Website			22,500.00	25,000.00	17,389.60
Debt Payments - Interest	472,768.94	480,775.88	414,468.00	340,971.17	195,162.67
Debt Payments - Principal	787,289.33	815,062.22	878,798.00	650,181.00	158,391.47
Insurance Expense	2,292.00	5,635.65	2,500.00	6,448.00	5,423.75
Legal Expense	3,900.12	570.35	5,000.00	5,000.00	343.75
Management Fee	86,500.00	94,000.00	94,000.00	106,000.00	
Meeting Expense	1,281.37	5,224.40	1,500.00	3,500.00	2,469.77
Miscellaneous	0.00	230.84	500.00	500.00	550.00
Office Expense	49.45	980.96	500.00	500.00	87.79
Dues and Subscriptions				900.00	
Prof. Dev.\Training			7,500.00	7,500.00	6,321.40
Real Estate Exp. - Call Center					
Operating Costs			83,400.00	65,000.00	33,087.93
Property Taxes			76,850.00	31,850.00	6,482.55
Capital Improvements			125,000.00	15,000.00	
Real Estate Exp. - Call Center	0.00	414,048.29	285,250.00	111,850.00	39,570.48
Real Estate Exp. - Other	859.15	7,891.01		10,700.00	13,240.59
Real Estate Lease	58,832.61	68,000.00	68,000.00	68,000.00	68,000.00
Real Estate Purchase	41,562.79	0.00	0.00	-	
Recruitment			25,000.00	-	
Total Expenditures	1,616,087.76	2,026,199.60	6,355,686.00	6,384,835.92	769,493.46
Excess Revenues	985,509.68	553,975.64	-3,800,000.00	(3,740,000.00)	770,444.54
Cash Carryover			3,800,000.00	3,740,000.00	
Net Change	**985,509.68**	**553,975.64**	**0.00**	**0.00**	**770,444.54**

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Conclusion:

Staff and the budget subcommittee recommend the board approve FY 2012 budget.

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1. FY 2012 Draft Budget

Urban Renewal Agency of the City of Twin Falls, Idaho

Budget Estimates for Notice of Public Hearing

Fiscal Year October 1, 2011 through September 30, 2012

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Debt Service Amounts

		Principal	Interest
Tax Exempt Refunding Bonds, Series 2005			
Estimaged Balance at September 30, 2011	$ 5,695,000		
8/1/2012		$ 400,000	$ 149,856
2/1/2012			149,856
Note Payable - D L Evans Bank (Jayco I)			
Estimated Balance at September 30, 2011	$ 676,757		
Monthly payments, per amortization schedule		$ 205,222	
			$ 24,854
Note Payable - Larry McElliott			
Estimated Balance at September 30, 2011	$ 19,558		
Monthly payments, per amortization schedule		$ 16,680	
			$ 720
Note Payable - Larry Tucker and Karen Tucker			
Estimated Balance at September 30, 2011	$ 274,237		
Monthly payments, per amortization schedule		28,279	
			15,685
Total budgeted principal and interest expenditures		$ 650,181	$ 340,971

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Rental Income	Monthly	Annual
C3	32,113	385,360
US Treasury - VA	1,333	16,000
JJ Winterholer	100	1,200
	33,547	402,560

Defined Projects	Area 1	Area 2
Consulting Engineer	20,000	10,000
Jayco Waterline		1,250,000
Annual Jayco Reimb./Eldridge St.		115,000
Professional Services - Brix & Co.	65,000	
Public Improvements Downtown	1,300,000	
Downtown Fountain Plaza	50,000	
Kruzer's Property	25,000	
242 2nd Ave South-Brick Warehouse	50,000	
Red's Property	50,000	
Downtown Building Partnerships	550,000	
	2,110,000	1,375,000

Community Relations and Website	
Website	1,000
Community Relations-Media Assist.	24,000
	25,000

Insurance Expense	
Parking Lot	2,100
ICRMP	4,348
	6,448

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Management Fee	
Fritz Wonderlich	12,000
Melinda Anderson - 60%	52,400
Trudi Nutile	7,000
Finance - Julie, Brent, Lorie, Sharon	14,600
Audit Allocation	10,000
Engineering	10,000
	106,000

Operating Costs - Call Center	
Remote Lot	20,000
General Operations	45,000
	65,000

Property Taxes	
Remote Lot (Western Development)	15,000
Call Center Building	16,850
	31,850

Capital Improvements	
HVAC Replacement	15,000
	15,000

Real Estate Exp. - Other	
Electricity	1,200
Weed Spraying	8,000
Other	1,500
	10,700

Dues and Subscriptions	
CDFA	400
RAI	500
	900