

POCATELLO DEVELOPMENT AUTHORITY
Board of Directors Meeting

Conference Room
Pocatello City Hall

February 25, 1991
Noon to 1:00 p.m.

Noon

Call to Order and Introduction - John Carlson, President
Minutes - Motion to approve and/or amend
Agenda - Add or Delete Action or Discussion Items

Action Items

Ratify 1990 Financials
Review and Approve January and February Expenses
Consider Transfer of Funds Between PDA Accounts
Consider Refund of Earnest Money Deposits
Consider Arrangement With Metropolitan Outdoor Advertising
on Former US West Property
Review Officers & Directors Liability Insurance

Discussion Items

Ceratile, Inc.
Domsea Farms, Inc.
Kress Building

NOTE: NEXT MEETING WILL BE THIRD MONDAY IN MARCH (March 18)

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
February 25, 1991

Members present: Peter Angstadt, Val Arvas, Dick Clay, Mike Ransom, Nancy Taylor, Robert Weppner (John Carlson excused)

Others present: Steve Ernst and Mark Reid, City C D & R Department, Dean Tranmer, City Attorney

1. Administrative details

A. Meeting called to order by Mike Ransom at 12:10 p.m.

B. It was MSC to approve the minutes of the January meeting, with a correction on Item 1(E) to show \$1400 instead of \$900 in the Main and Bonneville account.

2. Financial statements. Extensive discussion of the draft financial statement occurred, with a number of items specially noted: \$95 cost of acquisition of Main & Bonneville property included in the estimate of the land's value as an asset; SICOG has claim of approximately \$5,000 still due for previous services; the earnest money deposits on M & B project are still included in cash balance; there is a slim possibility that additional money might be forthcoming from Ceratile for administrative expenses, but it has not been included. Tom Arnold reported that Scott McDonald sent a request to Ceratile requesting that any additional funds be forwarded directly to SICOG. Members requested that Tom Arnold reiterate to both Scott and Ceratile that administrative expense funds are due directly to PDA for distribution.

It was then MSC to approve the draft financial statements, provided the earnest money deposits were deleted (they will be returned) and provided that \$9,150 be shown as being due for the Ceratile lease.

It was then MSC (Taylor abstaining) to have Tom move towards collecting all (or any portion possible) of the \$13,000 which Ceratile "owes" for administrative expenses and to pay SICOG \$550 and \$4,250 for administrative services from the monies collected, provided that no payment is to be made to SICOG if no money is collected.

3. January/February expenses. Tom distributed copies of expense sheets for member approval. Design of expense sheets as well as expenditures approved.

4. Fund transfers. Tom was directed to handle any fund transfers necessary to pay invoices, provided that the Board was promptly informed and that appropriate records were maintained.

5. Earnest Money Deposits. After discussion on the most appropriate use of the Main and Bonneville property, it was MSC to refund earnest money deposits for the M & B project. Tom will send an accompanying letter of explanation.

6. Billboards. Metropolitan Outdoor Advertising owns the billboards on the M & B property. It was MSC to authorize Tom to contact the company and arrange for an increase in the annual rent for the signs. Tom to report next meeting on arrangements.

7. Insurance. Coverage as yet unobtainable for reasonable cost. Recording Secretary requested to request an opinion from the Attorney General as to whether the City could cover PDA members. (NOTE: City Attorney did follow-up and based on his research determined that coverage by the City was possible. Tom will present follow-up at next meeting.)

8. There being no further business, the meeting was adjourned at 1:45 p.m.

R. Valentine 3/11/91

POCATELLO DEVELOPMENT AUTHORITY
Board of Directors Meeting

Conference Room
Pocatello City Hall

February 25, 1991
Noon to 1:00 p.m.

Noon

Call to Order and Introduction - John Carlson, President
Minutes - Motion to approve and/or amend
Agenda - Add or Delete Action or Discussion Items
Downtown Revitalization meeting

Action Items

Ratify 1990 Financials *Approved as modified*
Review and Approve January and February Expenses *Approved*
Consider Transfer of Funds Between PDA Accounts
Consider Refund of Earnest Money Deposits *will be refunded*
Consider Arrangement With Metropolitan Outdoor Advertising
on Former US West Property *Regraince w/ Metropolitan*
Review Officers & Directors Liability Insurance

Discussion Items

Ceratile, Inc.
Domsea Farms, Inc.
Kress Building

MEMORANDUM

TO: Peter Angstadt, Mayor
FROM: Dean Tranmer, City Attorney *DT*
DATE: February 26, 1991
RE: Insurance coverage for PDA members

The City of Pocatello provides liability insurance coverage to its own employees, volunteers, board members, and so forth. The Pocatello Development Authority, as an urban renewal agency, is a separate body whose members act as an arm of the state government and are not normally eligible for insurance coverage by the City. However, Idaho Code §50-2015 specifically states that any public body may assist urban renewal agencies by providing administrative and other services to them, with or without compensation. Under this authority, then, the City can provide coverage for the board members without fear of exceeding its authority or misusing its funds.

FILE COPY

Pocatello Development Authority
Statement of Revenues, Expenses, and
Changes in Retained Earnings (Unaudited)

For the years ended December 31,

	1989	1990
<i>Revenues:</i>		
Tax increment Revenue	\$20,722	\$44,580
Unrestricted Grants	0	0
Restricted Grants	46,400	0
Project Administration Fees	2,000	15,000
Rental Income	0	0
Interest Income	<u>75</u>	<u>2,693</u>
 Total Revenues	 <u>\$69,197</u>	 <u>\$62,273</u>
<i>Expenses:</i>		
Administrative Expense	\$0	\$0
Domsea Project Costs	93,751	0
Ceratile Project Costs	13,376	3,645
Main & Bonneville Project Costs	170	1,166
Interest Expense	<u>11,157</u>	<u>12,728</u>
 Total Expenses	 <u>\$118,454</u>	 <u>\$17,539</u>
 Net Income (loss) for the Period	 (\$49,257)	 \$44,734
Appropriated Retained Earnings, Beginning	<u>(42,278)</u>	<u>(91,535)</u>
 Appropriated Retained Earnings, Ending	 <u><u>(\$91,535)</u></u>	 <u><u>(\$46,801)</u></u>

The accompanying notes are an integral part of the financial statements

Pocatello Development Authority
Balance Sheet (Unaudited)

D R A F T

For the years ended December 31,

<u>Assets</u>	1989	1990
Current Assets:		
Cash in Checking	\$6	\$10,094
Cash in Savings	46,475	896
Accounts Receivable/Deposits	2,000	500
Tax Increment Receivable	<u>20,722</u>	<u>37,031</u>
Total Current Assets	<u>\$69,203</u>	<u>\$48,521</u>
Noncurrent Assets:		
Main & Bonneville Land	\$0	\$46,495
Total Assets	<u>\$69,203</u>	<u>\$95,016</u>
 <u>Liabilities</u>		
Current Liabilities:		
Current Portion of LT Debt	\$6,700	\$7,691
Accounts Payable	3,556	247
Interest Payable on LT Debt	2163	2,686
Escrow deposits - M & B	0	577
Due to SICOG	<u>10,025</u>	<u>0</u>
Total Current Liabilities	<u>\$22,444</u>	<u>\$11,201</u>
Long-Term Debt:		
9% Note due to E.I.D.C	\$54,972	\$51,875
9% Note due City of Pocatello	<u>83,322</u>	<u>78,741</u>
Total Long-Term Debt	<u>\$138,294</u>	<u>\$130,616</u>
Fund Equity:		
Contribution from City	\$0	\$0
Appropriated Retained Earnings	(91,535)	(\$46,801)
Unappropriated Retained Earnings	<u>0</u>	<u>0</u>
Total Fund Equity	<u>(\$91,535)</u>	<u>(\$46,801)</u>
Total Liabilities and Fund Equity	<u>\$69,203</u>	<u>\$95,016</u>

The accompanying notes are an integral part of the financial statements

Pocatello Development Authority
Notes to Financial Statements

1. Summary of Accounting Policies

Enterprise Fund. The accounting records for Pocatello Development Authority have been maintained as an enterprise fund. Accordingly, full accrual accounting has been used to report all assets and liabilities. Distinction has been made in the fund equity accounts between equity contributed to the fund and earnings resulting from operations of the fund.

2. Accounts Payable

	<u>1989</u>	<u>1990</u>
Ward, Maguire & Bybee	\$1,386	\$
Idaho State Journal	20	
American Land Title	150	
Stuart Bullington	2,000	
Green, Service, Gasser & Kerl		247
Skinner, Fawcett & Mauk		
	<u> </u>	<u> </u>
Totals	<u>\$3,556</u>	<u>\$ 247</u>

2. Long-Term Debt

9% Note due to Eastern Idaho Development Corporation. In January 1989, Pocatello Development Authority secured a loan from Eastern Idaho Development Corporation for the Domsea Project in the amount of \$55,000. Interest expense of \$2,807 was accrued from the date of disbursement to July 31, 1989 and added to the principle amount of the loan. The modified principle of \$57,807 was to accrue interest at 9% commencing August 1, 1989, with installment payments of \$3,988 due February 1 and August 1 of each year until August 1, 2001.

9% Note due to City of Pocatello. In January 1989, Pocatello Development Authority secured a loan from the City of Pocatello for the Domsea Project in the amount of \$81,000. Interim interest of \$6,187 was accrued from the date of disbursement to December 31, 1989 and added to the principle amount of the loan. The modified principle of \$87,187 was to accrue interest at 9% commencing January 1, 1990, with monthly installment payments of \$992 due February 1, 1990 and each month thereafter until December 31, 2001.

Pocatello Development Authority
Notes to Financial Statements

3. Leases. On March 1, 1990, Pocatello Development Authority entered into a lease agreement with Gateway West Industrial Center for a portion of Building 38. The initial lease period is five years but includes an option for up to three renewal periods of five years each. Concurrently, Pocatello Development Authority assigned its lease to Ceratile, Inc. The terms of the original lease and sublease require Ceratile to make monthly payments in 1990 of \$8,160; in 1991, \$8,925; in 1992, \$9,690; in 1993, \$10,455; in 1994, \$10,455. The base rental amount for any renewal of the lease after March 1, 1995 will be the prior period amount increase by 5%. Pocatello Development authority has agreed to pay toward the rent under the lease up to \$61,428 per year for a period not to exceed 7 years, or a total of \$429,996, commencing July 1, 1991, but limited to the extent of the Revenue Allocation created from the project.

POCATELLO DEVELOPMENT AUTHORITY
US WEST PROJECT
CASH STATEMENT - 1990

Beginning Cash Balance (01-01-90) \$46,475.06

SOURCES OF FUNDS

Interest on Savings	2,693.26	
Earnest Money Deposits	<u>577.32</u>	
Total		3,270.58

CASH AVAILABLE 49,745.64

APPLICATION OF FUNDS

Architect/Design	502.85	
Ownership Report	150.00	
Public Notices	30.80	
Property Option	500.00	
Legal Services	652.50	
Purchase of Property	46,400.00	
Closing Costs	<u>95.50</u>	
Total		48,331.65

Ending Cash Balance (12-31-90) \$ 1,413.99

POCATELLO DEVELOPMENT AUTHORITY
 DOMSEA PROJECT
 CASH STATEMENT - 1990

Beginning Cash Balance (01-01-90) \$ 5.86

SOURCES OF FUNDS

Tax Increment Revenue	28,271.19	
Total	28,271.19	28,271.19

CASH AVAILABLE 28,277.05

APPLICATION OF FUNDS

Principal Payments		
City of Pocatello	3,864.72	
Eastern Idaho Dev. Corp.	2,835.64	
	6,700.36	

Interest Payments		
City of Pocatello	7,051.24	
Eastern Idaho Dev. Corp.	5,140.26	
	12,191.15	

Bank Charge - checks	7.95	
	7.95	

Total		18,899.81
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Ending Cash Balance (12-31-90) \$9,377.24

POCATELLO DEVELOPMENT AUTHORITY
 CERATILE PROJECT
 CASH STATEMENT - 1990

Beginning Cash Balance (05-15-90)		\$ 00.00
 SOURCES OF FUNDS		
Ceratile Payment	15,000.00	
Total	15,000.00	15,000.00
 CASH AVAILABLE		
		15,000.00
 APPLICATION OF FUNDS		
Consulting Services & Costs	9,000.00	
Legal Services	5,800.85	
Total	14,800.85	14,800.85
 Ending Cash Balance (12-31-90)		 \$ 199.15