

**Hailey Urban Renewal Agency
Hailey City Hall
115 Main Street S
Council Chambers – upstairs AND via Teams
Tuesday, June 4, 2024
11:00 AM**

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Email: Public comments may be shared with the Agency Board via email to Lisa Horowitz, lisa.horowitz@haileycityhall.org. Emails or other written testimony must be **received no later than 5:00 p.m. on Monday, June 3, 2024.**

Live Meeting Attendance: Members of the public wishing to attend the meeting may do so remotely through the virtual platform with a phone or a computer or in person. The Agency strives to make the meeting available virtually but cannot guarantee access due to platform failure, internet interruptions or other potential technological malfunctions. Log-in information is located at the top of this agenda.

If there are any questions, contact Lisa Horowitz at lisa.horowitz@haileycityhall.org or (208) 788-4221.

Chair:	Larry Schwartz
Vice Chair:	Sandi Viau
Treasurer	Becky Stokes
Board Members	Walt Denekas, Martha Burke, Bob Brand
Staff Support:	Lisa Horowitz, Executive Director of HURA and City Administrator

Next Resolution Available: 2024-010

- 1. CALL TO ORDER**
- 2. New Business:**
 - a. Discussion of RFQ of Airport Way Transportation Master Plan. **ACTION ITEM**
- 3. Old Business:**
 - a. Discussion of the annual financial statements for Fiscal Year Ending September 30, 2023, prepared by Brady Workman, auditor, followed by acceptance and adoption of audited financial statements. **ACTION ITEM**
- 4. Staff Update:**
 - a. Update on URA Projects
 - b. Upcoming Meetings
 - i. July 16, 2024: Eric Heringer Presentation, Revision to Participation Policy to reflect increase from 50% to 75% reimbursement.
- 5. Executive Session**

- a. Executive Session under Idaho Code §74-206(1)(c) to acquire an interest in real property not owned by a public agency..... **ACTION ITEM**

6. Adjourn

AGENDA ITEM SUMMARY

DATE: 06/04/2024

District: Airport Way District

STAFF: LH

SUBJECT: Consideration to advertise Request for Qualifications to develop the Airport Way Transportation Master Plan.

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

On May 21, 2024, staff recommended preparing a Request for Qualifications (RFQ) for a master plan targeting the revitalization of the three-year-old Airport Way District. The recommendation was made to ensure that the board could review and approve the RFQ at their next meeting.

The goal of the master plan is to guide the district's redevelopment efforts, addressing current needs and future growth. The board discussed the importance of this step in moving forward with the district's revitalization, highlighting the need for a comprehensive and strategic approach to attract investment and enhance the area's economic vitality.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to authorize staff to advertise the Request for Qualifications for the development of the Airport Way Transportation Master Plan.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

REQUEST FOR QUALIFICATIONS

Airport Way Master Plan

June 5, 2024

STATEMENT OF PURPOSE

The Hailey Urban Renewal Agency (HURA) is seeking qualifications from experienced and innovative firms to develop the Airport Way Transportation Master Plan. This pivotal project aims to transform an area of approximately 40 acres, located within the city limits in the southwestern part of Hailey, just west of the Friedman Memorial Airport. The Hailey City Council approved the Airport Way District Urban Renewal Project on November 22, 2021, establishing the Airport Way District revenue allocation area (the “Project Area”), marking a significant step towards revitalizing this key area. The boundary map for the Project Area is attached hereto as Exhibit A.

The proposed master plan will focus on comprehensive improvements to public infrastructure and other publicly owned assets throughout the project area. The vision is to create a thriving mixed-use zone, featuring light industrial, commercial and office with possible live-work residential units. This development will be designed with an emphasis on motorized and nonmotorized connectivity to the broader community, enhancing accessibility and integration with other public facilities.

Key components of the project include, but are not limited to:

- Streets and streetscapes, including streetlights and landscaping
- Open spaces
- Pedestrian and bike paths and trails
- Water, sewer, and storm drainage improvements
- Public parking facilities
- Public art installations

OVERVIEW

The Airport Way Urban Renewal District is in an older, unplanned section of Airport Way, generally bounded by State Highway 75 on the north, Airport Way and Aviation Drive on the east, south of Domier Way on the south, and Broadford Road on the west. The Project Area is a predominantly industrial area, as well as six (6) parcels under

ownership of public entities. Of the privately held parcels, approximately 15.05 acres is vacant property, none of which has been used for an agricultural operation or forestry purposes within the past three years. The URD includes mixed zoning for light industrial, limited manufacturing and research and design uses, public, commercial, office and limited residential uses. This area is underdeveloped, and current uses may not be wholly consistent with the City's vision set forth in the Comprehensive Plan. The Project Area is accessed by way of Airport Way from State Highway 75 and includes a number of intersecting low-volume streets. Airport Way/Highway 75 intersection can be considered one of the primary entrances to the City of Hailey, and in the long-term could function as a gateway entrance. Visitors arriving by plane, both via private aviation and Friedman Memorial Airport, travel through the URD to this intersection, creating a "first impression" that is now in great need of improvement.

Currently, Airport Way/Aviation Way provides the primary access to the URD, with limited secondary access from Broadford Road, which is located a substantial distance from the most developed part of the URD. This is significant due to the location of the Friedman Memorial Airport entrance within the URD and critical uses just south of the URD, including the City's Street Shop facilities, St Lukes Medical Clinic, and the Blaine County Public Safety Complex. Should the northern end of Airport Way be blocked for any reason, access to and from these critical community facilities would be severely hampered. When the Airport Way subdivision, which includes the above-mentioned projects, was annexed to the City in 2002 a future connection from Airport West to Broadford Road was contemplated but not implemented. This connection should be studied as part of this planning effort. Additionally, the intersections of Highway 75/Airport Way and Highway 75/Cedar Street should be studied for long-term circulation planning, safety, and aesthetics.

The URD area has not developed evenly and there are significant gaps in the area's public infrastructure. Many of the local streets within the Project Area do not have curb, gutter or sidewalks, or related streetscape improvements, such as regular street-lighting. Storm drainage facilities are also lacking in areas creating significant safety issues for all users of the roadway during periods where there is ponding of water from rain and snowmelt. This condition also creates short- and long-term maintenance issues to the roadway. Further, pedestrian and bicycle facilities are inconsistent throughout the URD, forcing multiple users into the roadway, which can create user conflict and presents safety concerns.

The adopted URD Plan proposes improvements to public infrastructure and other publicly-owned assets throughout the URD, creating the framework for the development of a thriving mixed-use light industrial, commercial, office, and limited associated residential area, with connectivity to the broader community, as well as other public facilities and public improvements, including but not limited to streets, streetscapes, water, sewer, and storm drainage improvements, public parking, public art, open space and pedestrian/bike paths and trails.

The primary objective for this phase of the Airport URD Improvement plan is to study the area with consideration for multimodal circulation, vehicular traffic, and frontage property access needs. The deliverable of the study should include recommended roadway typical sections for all roadways within the plan with specific concepts for:

- Airport Way
- Northern Aviation Drive
- Broadford Road.

Geometry should also be considered throughout, with specific concepts for the intersections of:

- Airport Way/SH-75
- Airport Way/Aviation Drive
- Aviation Drive/Broadford Road
- Broadford/Cedar/SH-75 intersection area

Additional considerations and recommendations include:

- Multimodal corridor locations & alignments
- Engineering Traffic projections and analysis at SH-75 intersections

The Airport Way District Plan can be viewed here: <https://haileycityhall.org/boards-and-commissions/hailey-urban-renewal-agency/hura-airport-way-district/>

SUBMITTAL DEADLINE

HURA will accept proposals at City Hall, 115 Main Street South, Hailey, Idaho 83333, or electronically to Lisa Horowitz at lisa.horowitz@haileycityhall.org until July 12, 2024 at 5:00 p.m. MST.

QUESTIONS AND CONTACTS

To establish a fair and transparent selection process where proposers have equal access to all information about the project, all questions or requests for information should be submitted via email to Lisa Horowitz at lisa.horowitz@haileycityhall.org.

Copies of the Request for Qualifications may be [obtained online](#) or by submitting an email request to lisa.horowitz@haileycityhall.org.

SCOPE OF WORK

Primary Goals:

1. **Public Outreach Coordination:** Engage with the community to gain input and insights: number of meetings to be scoped in advance for budgetary purposes.
2. **Concept Development:** Create up to three distinct concept typical section alternatives based on public input.
3. **Public Feedback:** Present these concepts to the public on one (1) public workshop, incorporating their feedback.
4. **Concept Selection:** Finalize and present concept selected by the public on or about October 2024.

TIMELINE AND TASKS

RFQ Timeline:

- June 5, 2024 – Notice published and RFQ issued
- July 5, 2024 – Proposals due to HURA
- July 2024 – Review of proposals by Hura
- August 2024 – Negotiation and Execution of Agreement

Task Timeline:

- **July:**
 - Contract awarded.
- **August:**
 - Kickoff meeting with HURA, City of Hailey and owner/business stakeholders.
 - Initial public outreach efforts begin, including survey.
- **August/September:**
 - Development of up to three preliminary typical section concepts based on the initial public input.
 - Mid-month presentation of concepts to HURA and the public for feedback.
- **September/October:**
 - Revisions and refinements to the concepts based on public feedback.
 - Final HURA and City Council public meeting to present the refined concepts.
- **October:**
 - Final presentation of the selected concept to the Hailey City Council and HURA for approval and next steps.

SUBMITTAL REQUIREMENTS

Interested firms should provide the following information in their submittals:

1. **Proposed Approach:** Outline the approach to achieve the primary goals and timeline of the project, remaining within parameters of number of public meetings specified.
2. **Team Composition:** List all team members with their qualifications and experience with similar projects.
3. **Qualifications and Experience:** Detailed descriptions of relevant past projects, emphasizing experience with similar scale and complexity.
4. **Hourly Rates and Initial Budget Estimate:** Provide hourly rates for all team members and an initial budget estimate. *(Note that this cost information will not be used in scoring or evaluating the proposals. A negotiation on costs and the contract will occur after the qualifications-based selection. The estimate is requested solely to evaluate feasibility within the City's budget.)*
5. **References:** Provide at least three references from previous similar projects, including contact information and a brief description of the projects.
6. **Release, Waiver and Indemnity Agreement:** Executed Release, Waiver and Indemnity Agreement in the form attached hereto as Exhibit B.

EVALUATION CRITERIA

Proposals will be evaluated based on the following criteria:

1. **Quality and Relevant Past Project Performance:** Demonstrated success in similar "typical section" projects.
2. **Positive Reference Feedback:** References should attest to the firm's capability and performance and ability to deliver within project budget once established.
3. **Experience and Availability of Team Members:** Each team member's qualifications and ability to commit to the project timeline.
4. **Demonstration of Clear Understanding of Project:** Clarity and comprehensiveness of the proposed approach.
5. **Ability to Meet Proposed Scope of Work and Timeline:** Feasibility and thoroughness of the plan to achieve project goals within the specified timeline and on a modest budget.

HURA reserves the right to reject any and all proposals or any part thereof, to waive any formalities or informalities, and further to award the services to the most responsive and responsible consultant, according to HURA's evaluation and as deemed to be in the best interest of the City. HURA may opt to conduct interviews at its own discretion following the proposal deadline.

The RFQ process is guided by Idaho law for professional services, which are selected on a qualifications-based selection (QBS) process versus the lowest bid. HURA looks forward to reviewing your qualifications and working together to bring the Airport Way District Project to fruition.

HURA Discretion and Authority; Disclaimers

HURA reserves the right to act in the public best interest and in furtherance of the purposes of the Idaho Code Title 50, Chapter 20 (Idaho Urban Renewal Law) and Idaho Code Title 50, Chapter 29 (Local Economic Development Act). HURA reserves the right to waive any formalities or defects as to form, procedure, or content with respect to this RFQ and any irregularities in the proposals received, to request additional data and information from any and all Respondents, to reject any submissions based on real or apparent conflict of interest, to reject any submissions containing inaccurate or misleading information, and to accept the proposal or proposals that are in the best interest of HURA and the public. The issuance of this RFQ and the receipt and evaluation of proposals does not obligate HURA to select a company nor award a contract. HURA may in its discretion cancel, postpone, or amend this RFQ at any time without liability.

Public Nature of RFQ Submissions

HURA is a public agency. All documents in its possession are public records subject to inspection and copying under the Idaho Public Records Act, Idaho Code §§ 74-101 through 74-126. The Public Records Act contains certain exemptions – including an exemption for trade secrets. Trade secrets include a formula, pattern, compilation, program, computer program, device, method, technique, or process that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons and is subject to the efforts that are reasonable under the circumstances to maintain its secrecy. Prices quoted in a proposal are not trade secrets.

If any Respondent claims any part of a proposal is exempt from disclosure under the Idaho Public Records Act, the Respondent must: 1.) Indicate by marking the pertinent document “CONFIDENTIAL”; and, 2.) Include the specific basis for the position that it be treated as exempt from disclosure. Marking the entire proposal as “Confidential” is not in accordance with Idaho Public Records Act and will not be honored.

HURA, to the extent allowed by law and in accordance with these Instructions, will honor a nondisclosure designation. By claiming material to be exempt from disclosure under the Idaho Public Records Act, Respondent expressly agrees to defend, indemnify, and hold HURA harmless from any claim or suit arising from HURA’s refusal to disclose such materials pursuant to the Respondent’s designation. Any questions regarding the applicability of the Public Records Act shall be addressed to your own legal counsel prior to submission.

ADDITIONAL INFORMATION

1. Any and all costs associated with the preparation of a response to this RFQ are the responsibility of the respondents. HURA will not reimburse any parties responding to this RFQ for any costs incurred prior to award.
2. HURA reserves the right to reject any or all offers and to negotiate final terms and conditions of the proposal and resulting agreement.
3. HURA shall not be bound by oral explanations or instructions given at any time during the competitive process or after the award.
4. Only information which is received in response to this RFQ will be evaluated. Reference to information previously submitted shall not be evaluated.
5. All responses, inquiries or correspondence relating to or in reference to the RFQ, and all other reports, charts, displays, schedules, exhibits, and other documentation submitted by the parties responding to this RFQ shall become the property of HURA when received.
6. Parties responding to this RFQ are cautioned that this is a Request for Qualifications. It is not a request to contract, and HURA reserves the right to reject any and all offers when it is deemed to be in the best interest of the City.

Exhibit A

Project Area Map

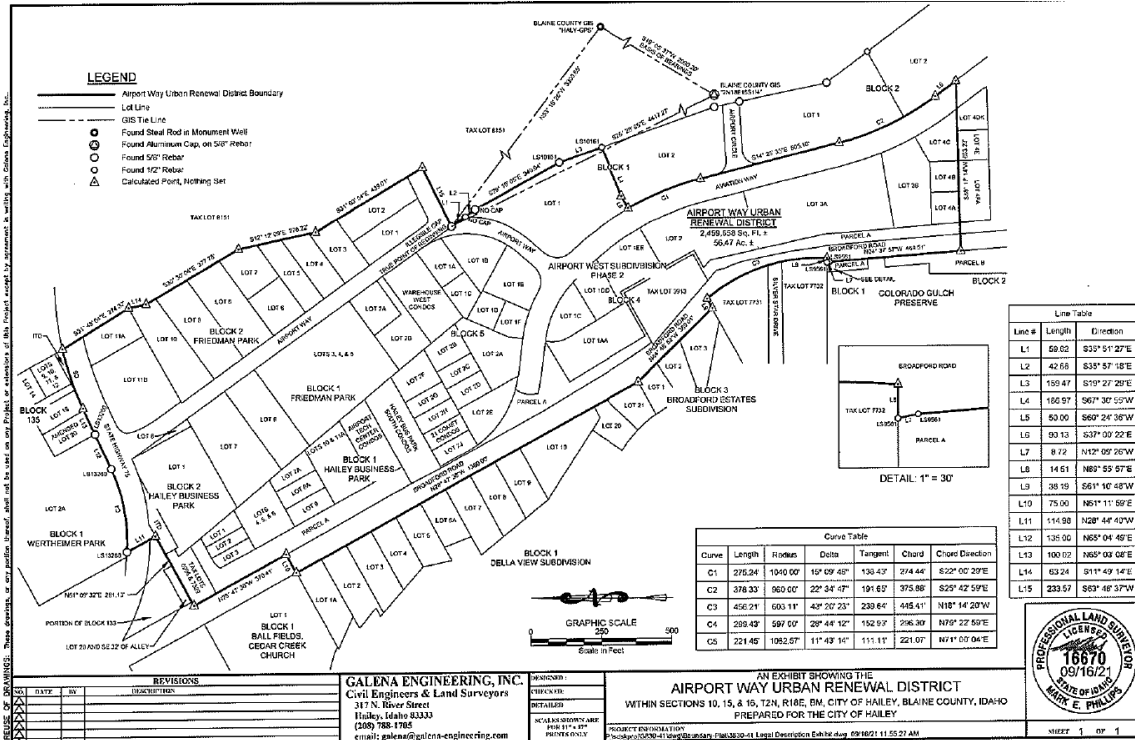


Exhibit B

Release, Waiver and Indemnity Agreement

RELEASE, WAIVER AND INDEMNITY AGREEMENT

The undersigned has read and fully accepts the discretion and non-liability of Hailey Urban Renewal Agency (HURA), City of Hailey, Idaho (hereinafter "City") as stipulated herein.

A. Discretion of City and HURA

HURA reserves the right in its sole discretion and judgment for whatever reasons it deems appropriate to, at any time:

1. Modify or suspend any and all aspects of the process for the Request for Qualifications (hereinafter "RFQ").
2. Obtain further information from any person, entity, or group, including, but not limited to, any person, entity, or group responding to HURA's RFQ (any such person, entity, or group so responding is, for convenience, hereinafter referred to as "Respondent");
3. Waive any formalities or defects as to form, procedure, or content with respect to its RFQ and any responses by any Respondent thereto;
4. Accept or reject any proposal or statement of interest received in response to the RFQ including any proposal or statement of interest submitted by the undersigned, or select one Respondent over another;
5. Accept or reject all or any part of any materials, drawings, plans, implementation programs, schedules, phasings, and proposals or statements, including, but not limited to, the nature and type of development.

B. Non-Liability of City and HURA

The undersigned agrees: (1) that neither City nor HURA shall have any liability whatsoever of any kind or character, directly or indirectly, by reason of all or any of the following; and (2) that the undersigned has not obtained and shall not obtain at any time, whether before or after acceptance or rejection of any statement of interest or proposal, any claim or claims against City, HURA, or any of them, or against City property (all as hereinafter defined) or HURA, directly or indirectly, by reason of all or any of the following:

1. Any aspect of the RFQ, including any information or material set forth therein or referred to therein;
2. Any modification or suspension of the RFQ for informalities or defects therein;
3. Any modification of or criteria or selection or defects in the selection procedure or any act or omission of HURA with respect thereto, including, but not limited to,

- obtaining information from any Respondent contacts or consultations with Respondents who have submitted statements of interest or proposals as to any matters or any release or dissemination of any information submitted to HURA;
4. The rejection of any statement of interest or proposal, including any statement of interest or proposal by the undersigned, or the selection of one Respondent over another;
 5. The acceptance by HURA of any statement of interest or proposal;
 6. Entering into and thereafter engaging in exclusive negotiations;
 7. The expiration of exclusive negotiations;
 8. Entering into any development agreement, other agreement or lease, relating to the statement of interest or proposal, or as a result thereof;
 9. Any statement, representations, acts, or omissions of HURA in connection with all or any of the foregoing;
 10. The exercise of HURA discretion and judgment set forth herein or with respect to all or any of the foregoing; and
 11. Any and all other matters arising out of or directly or indirectly connected with all or any of the foregoing.

The undersigned further, by its execution of this Release, expressly and absolutely waives any and all claim or claims against HURA and HURA property, or City and City property, directly or indirectly, arising out of or in any way connected with all or any of the foregoing.

For purposes of this section, the terms "HURA," and "City" include their respective commissioners, appointed and elected officials, members, officers, employees, agents, selection committee, volunteers, successors, and assigns; the terms "HURA property" or "City property" include property which is the subject of the RFQ and all other property of HURA and City, real, personal, or of any other kind or character; the terms "claim or claims" include any and all protests, rights, remedies, interest, objections, claims, demands, actions, or causes of actions, of every kind or character whatsoever, in law or equity, for money or otherwise including, but not limited to, claims for injury, loss, expense, or damage, claims to property, real or personal, or rights or interests therein, and claims to contract or development rights or development interests of any kind or character, in any HURA and/or City property, or claims which might be asserted against to cloud title to HURA or City property. The words "Respondent or Respondents" shall include any person, entity, or group responding to HURA's RFQ.

C. Hold Harmless and Indemnity

The undersigned shall defend, hold harmless, and indemnify HURA and City, and each of them, from and against any and all claims, directly or indirectly, arising out of the Undersigned's responses to the RFQ, including, but not limited to, claims, if any, made by Undersigned or by

anyone connected or associated with Undersigned or by anyone claiming directly or indirectly through Undersigned.

Interested Respondent
BY: _____
Its: _____

Date: _____

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2024, before me, _____,
a Notary Public in and for said State, personally appeared _____,
known or identified to me (or proved to me on the oath of _____) to be the
_____ of _____, an _____,
the entity that executed the instrument or the person who executed the instrument on behalf of
said entity and acknowledged to me that such entity executed the same.

Notary Public for the State of Idaho
My commission expires _____

Return to Agenda

AGENDA ITEM SUMMARY

DATE: 06/04/2024

District: Gateway and Airport Way Districts

STAFF: JP

SUBJECT: Adoption of the annual financial statements for Fiscal Year Ending September 30, 2023.

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Attached is the final Hailey Urban Renewal Agency FY23 audit by Workman & Company.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to adopt FY24 audit as presented.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

HAILEY URBAN RENEWAL AGENCY

HAILEY, IDAHO

**Financial Statements
at September 30, 2023**

**HAILEY URBAN RENEWAL AGENCY
HAILEY, IDAHO**

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INDEPENDENT AUDITOR'S REPORT

December 29, 2023

To the Board of Commissioners
Hailey Urban Renewal Agency
Hailey, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities of the Hailey Urban Renewal Agency, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Hailey Urban Renewal 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 of the Hailey Urban Renewal Agency, as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Hailey Urban Renewal 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 these 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 Hailey Urban Renewal 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 Responsibility

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 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 judgement made by a reasonable user based on the financial statements.

Report Continued—

In performing an audit in accordance with generally accepted 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 Hailey Urban Renewal 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 Hailey Urban Renewal 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 planning 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 management's discussion and analysis and budgetary comparison information on page 13 be presented to supplement the basic financial statements. Management has omitted a 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. 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2023, on our consideration of the Hailey Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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.

Workman & Company

Certified Public Accountants
Twin Falls, Idaho

HAILEY URBAN RENEWAL AGENCY
Statement of Net Position
at September 30, 2023

	<u>Total Primary Government</u>	<u>Total Reporting Entity</u>
<u>ASSETS</u>		
Cash and Deposits	\$ 707,113	\$ 707,113
Property Tax Receivable	<u>10,772</u>	<u>10,772</u>
Total	<u>717,885</u>	<u>717,885</u>
Capital Assets:		
Land, Buildings and Infrastructure	<u>0</u>	<u>0</u>
Total	<u>0</u>	<u>0</u>
Less Accumulated Depreciation	<u>0</u>	<u>0</u>
Total Capital Assets	<u>0</u>	<u>0</u>
Total Assets	<u>717,885</u>	<u>717,885</u>
<u>LIABILITIES</u>		
Accounts Payable	2,229	2,229
Long-term Liabilities:		
Total	<u>0</u>	<u>0</u>
Total Liabilities	<u>2,229</u>	<u>2,229</u>
<u>NET POSITION</u>		
Invested in Capital Assets - net of related debt	0	0
Restricted For:		
Capital Projects	0	0
Unrestricted	<u>715,656</u>	<u>715,656</u>
Total Net Position	<u>\$ 715,656</u>	<u>\$ 715,656</u>

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Statement of Activities
For the Year Ended September 30, 2023

Activities:	Program Revenues			Net (Expense) Revenues and Changes in Net Position	
Governmental:	Expenses	Fees, Fines, and Charges for Services	Capital Grants and Contributions	Governmental Activities	Total
General Government	\$ 705,861	\$ 0	\$ 0	(705,861)	\$ (705,861)
Total Governmental Activities	705,861	0	0	(705,861)	(705,861)
General Revenues:					
Property Taxes				514,686	514,686
Interest				42,030	42,030
Total general revenues and transfers				556,716	556,716
Changes in net position				(149,145)	(149,145)
Net Position - Beginning				864,801	864,801
Net Position - Ending				\$ 715,656	\$ 715,656

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Balance Sheet
Governmental Funds
for the year ended September 30, 2023

	General Fund	Gateway Zone	Airport Zone	Total Governmental Funds
ASSETS:				
Cash and Cash Deposits	\$ 7,434	\$ 620,102	\$ 79,577	\$ 707,113
Taxes Receivable	<u> </u>	<u>10,197</u>	<u>575</u>	<u>10,772</u>
Total Assets	<u>\$ 7,434</u>	<u>\$ 630,299</u>	<u>\$ 80,152</u>	<u>717,885</u>
LIABILITIES:				
Accounts Payable	<u>2,229</u>	<u>0</u>	<u>0</u>	<u>2,229</u>
Total Liabilities	<u>2,229</u>	<u>0</u>	<u>0</u>	<u>2,229</u>
FUND BALANCE:				
Non-spendable				0
Restricted				0
Committed				0
Assigned		630,299	80,152	710,451
Unassigned	<u>5,205</u>	<u> </u>	<u> </u>	<u>5,205</u>
Total Fund Balance	<u>5,205</u>	<u>630,299</u>	<u>80,152</u>	<u>715,656</u>
Total Liabilities and Fund Balance	<u>\$ 7,434</u>	<u>\$ 630,299</u>	<u>\$ 80,152</u>	<u>\$ 717,885</u>

Amounts reported for governmental activities in the Statement of Net Position (page 3) are different because:

Net Position of Governmental Funds (Page 3) \$ 715,656

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the year ended September 30, 2023

	<u>General Fund</u>	<u>Gateway Zone</u>	<u>Airport Zone</u>	<u>Total Governmental Funds</u>
REVENUE:				
Property Taxes	\$	\$ 398,392	\$ 116,294	\$ 514,686
State Highway Users				0
Local Road and Bridge Tax				0
State Liquor				0
State Revenue Sharing				0
Franchise, Licenses and Permits				0
Sanitation				0
Grants and Contributions				0
Interest Earnings	42,030			42,030
Miscellaneous				0
Total Revenue	<u>42,030</u>	<u>398,392</u>	<u>116,294</u>	<u>556,716</u>
EXPENDITURES:				
Office Expense	118	119	118	355
Professional Fees	21,435			21,435
Insurance	565	564	564	1,693
Administration	932	36,847	395	38,174
Capital Outlay		633,895	10,309	644,204
Total Expenditures	<u>23,050</u>	<u>671,425</u>	<u>11,386</u>	<u>705,861</u>
EXCESS REVENUE (EXPENDITURES)	18,980	(273,033)	104,908	(149,145)
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds				0
Operating transfers (to) other funds				0
NET CHANGE IN FUND BALANCES	18,980	(273,033)	104,908	(149,145)
FUND BALANCE - BEGINNING	<u>(13,775)</u>	<u>903,332</u>	<u>(24,756)</u>	<u>864,801</u>
FUND BALANCE - ENDING	<u>\$ 5,205</u>	<u>\$ 630,299</u>	<u>\$ 80,152</u>	<u>\$ 715,656</u>

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
for the year ended September 30, 2023

Net Change in Fund Balance - Total Governmental Funds (Page 6)	\$ (149,145)
--	--------------

Governmental funds report capital outlays as current year expenditures. In the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount of current capital outlay for new fixed assets.

This is the amount of current year depreciaton.	0
---	---

This is the amount of new Governmental Fund assets.	0
---	---

Long term liabilities are not recorded in the Governmental funds.

There are no long-term liabilities in the Agency	<u>0</u>
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Change in Net Position of Governmental Activities (Page 4)	\$ <u><u>(149,145)</u></u>
--	----------------------------

The accompanying notes are a part of these financial statements.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Hailey Urban Renewal Agency (the Agency) was created for the purpose of redeveloping and rehabilitating certain deteriorating areas in the City of Hailey, Idaho, and was established by a resolution from the Hailey City Council dated January 25, 2010. The Agency is authorized under provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code).

The Agency is a component unit, as defined by generally accepted accounting principles, of the City of Hailey, Idaho, because of its operational and financial responsibility with the City. The City of Hailey appoints the governing body of the Agency.

The financial statements of the Hailey Urban Renewal Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net position) report information on all of the non-fiduciary activities of the Agency.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Agency's activities and general administrative services are classified as governmental activities. The Agency has no business-type activities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the Agency receives cash.

The Agency reports the following major governmental funds:

- The *General Fund* is the Agency's primary operating fund. It accounts for all financial resources of the Agency.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Continued—

Budgetary Policy

The Agency prepares a budget for its general fund operations. The statement of revenues and expenditures and changes in fund balances and actual-general fund presents comparison of the legally adopted budget with the actual data on a budgetary basis.

Under Idaho Code, the Agency's budget establishes maximum legal authorization for expenditures during the fiscal year. Expenditures are not to exceed the budgeted amounts, except as allowed by the Code for certain events.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Agency because it is not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

Capital Assets

Capital Assets, which include land, building and improvements, and furniture and equipment, are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

The Agency's capital assets are being depreciated using the straight-line method over their useful lives.

As of the balance sheet date, the Agency does not report any capital assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require 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.

Entity Classifications

- A. Agency-Wide Financial Statements – The Agency reports net assets in three categories – invested in capital assets, restricted and unrestricted.
- B. Fund Financial Statements – The Agency has adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54) which defines how fund balances of the governmental funds are presented in the financial statements. There are five classifications of fund balances as presented below:

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Continued—

Non-spendable – These funds are not available for expenditures based on legal or contractual requirements. In this category, one would see inventory, long-term receivables, unless proceeds are restricted, committed, or assigned and legally or contractually required to be maintained intact (corpus or a permanent fund).

Restricted – These funds are governed by externally enforceable restrictions. In this category, one would see restricted purpose grant funds, debt service or capital projects.

Committed – Fund balances in this category are limited by the governments' highest level of decision making. Any changes of designation must be done in the same manner that it was implemented and should occur prior to end of the fiscal year, though the exact amount may be determined subsequently.

Assigned – These funds are intended to be used for specific purposes, intent is expressed by; governing body or an official delegated by the governing body.

Unassigned – This classification is the default for all funds that do not fit into the other categories. This, however, should not be a negative number for the general fund. If it is, the assigned fund balance must be adjusted.

Order of Use of Fund Balance – The Agency's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined.

2. PROPERTY TAXES

Property taxes are billed and collected within the same period in which the taxes are levied. The Agency does not levy property taxes; however, it is entitled to the taxes levied on the increase in assessed valuation of real and personal property within its jurisdiction that occur after January 1, 2010.

In accordance with Idaho law, property taxes are levied in September for each calendar year. All personal taxes and one-half of real property taxes are due by December 20. The second half of the real property taxes is due by June 20. Tax levies on such assessed values are certified to the County prior to the commencement of the fiscal year.

Taxes are collected by Blaine County and remitted to the Agency primarily in January and July of the fiscal year. The Agency defers recognition of property taxes assessed but not collected within 60 days of the fiscal year-end. Such amounts have been recognized as revenues as they are deemed immaterial to the financial statements taken as a whole.

3. CASH AND DEPOSITS

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Agency has no deposit policy for custodial credit risk. At year end, \$ 7,434 of the Agency's bank balance was not exposed to custodial credit risk because it was insured by the FDIC and \$ 0 of deposits were exposed to custodial credit risk.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

Continued—

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the Agency held the following investments:

Investment Type

Idaho State Local Government Investment Pool \$ 699,679.

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the Agency voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the Agency's position in the external investment pool is the same as the value of the pool shares.

Credit Risk: The Agency's policy is to comply with Idaho State statutes which authorize the Agency to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

Interest rate risk and concentration of credit risk: The Agency has no policy regarding these two investment risk categories.

The Agency maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is presented on the combined balance sheet as "Cash and Deposits."

Cash and Deposits are comprised of the following at the financial statement date:

Cash on Hand	\$	0
Deposits with financial institutions:		
Demand deposits		7,434
State of Idaho Investment Pool		<u>699,679</u>
Total		<u>\$ 707,113</u>

4. LABOR AND ASSOCIATED COSTS

The Agency does not currently employ any staff and contracts with the City of Hailey for administrative duties. Labor and associated costs are allocated to the Agency for reimbursement purposes. Because of the nature of the reimbursement, the Agency does not report any payroll or retirement liabilities.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

5. LITIGATION

The Agency, at the financial statement date, is not involved in any material disputes as either plaintiff or defendant.

6. RISK MANAGEMENT

The Agency is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; injuries to the general public; and natural disasters. The Agency carries commercial insurance coverage for these risks to the extent deemed prudent by the board of commissioners.

7. SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the auditor's report, which is the date the Financial statements were available to be issued.

8. CAPITAL ASSETS

The Agency has invested resources into improving infrastructure within each District area. These amounts have been expensed in the year they have occurred. The below chart is for information purposes only.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
<i>Capital Assets being depreciated:</i>				
Infrastructure - Gateway	303,937	633,895		937,832
Infrastructure - Airport		10,309		10,309
Total	<u>303,937</u>	<u>644,204</u>	0	<u>948,141</u>
Less: Accumulated Depreciation:				0
Total Net Depreciated Assets	<u>303,937</u>	<u>644,204</u>	<u>0</u>	<u>948,141</u>
Governmental capital assets, net	\$ <u>303,937</u>	\$ <u>644,204</u>	\$ <u>0</u>	\$ <u>948,141</u>

**REQUIRED
SUPPLEMENTARY INFORMATION**

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
General Fund
for the year ended September 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 0	\$ 0	\$ 0
Earnings on investments	<u>2,000</u>	<u>42,030</u>	<u>40,030</u>
Total revenues	<u>2,000</u>	<u>42,030</u>	<u>40,030</u>
EXPENDITURES:			
Office Expense		118	(118)
Professional Fees		21,435	(21,435)
Insurance		565	(565)
Administrative Expenses		932	(932)
Capital Outlay		<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>23,050</u>	<u>(23,050)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,000</u>	<u>18,980</u>	<u>16,980</u>
NET CHANGE IN FUND BALANCE	2,000	18,980	\$ <u><u>16,980</u></u>
FUND BALANCE - BEGINNING	<u>(13,775)</u>	<u>(13,775)</u>	
FUND BALANCE - ENDING	<u>\$ (11,775)</u>	<u>\$ 5,205</u>	

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
Gateway Zone
for the year ended September 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 375,000	\$ 398,392	\$ 23,392
Earnings on investments	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>375,000</u>	<u>398,392</u>	<u>23,392</u>
EXPENDITURES:			
Office Expense	2,500	119	2,381
Professional Fees	0	0	0
Insurance	0	564	(564)
Administrative Expenses	26,000	36,847	(10,847)
Capital Outlay	<u>370,000</u>	<u>633,895</u>	<u>(263,895)</u>
Total expenditures	<u>398,500</u>	<u>671,425</u>	<u>(272,925)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(23,500)</u>	<u>(273,033)</u>	<u>(249,533)</u>
NET CHANGE IN FUND BALANCE	(23,500)	(273,033)	\$ <u><u>(249,533)</u></u>
FUND BALANCE - BEGINNING	<u>903,332</u>	<u>903,332</u>	
FUND BALANCE - ENDING	<u>\$ 879,832</u>	<u>\$ 630,299</u>	

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
Airport Zone
for the year ended September 30, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 17,394	\$ 116,294	\$ 98,900
Earnings on investments	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>17,394</u>	<u>116,294</u>	<u>98,900</u>
EXPENDITURES:			
Office Expense	0	118	(118)
Professional Fees	0	0	0
Insurance	0	564	(564)
Administrative Expenses	25,000	395	24,605
Capital Outlay	<u>50,000</u>	<u>10,309</u>	<u>39,691</u>
Total expenditures	<u>75,000</u>	<u>11,386</u>	<u>63,614</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(57,606)</u>	<u>104,908</u>	<u>162,514</u>
NET CHANGE IN FUND BALANCE	(57,606)	104,908	\$ <u><u>162,514</u></u>
FUND BALANCE - BEGINNING	<u>(24,756)</u>	<u>(24,756)</u>	
FUND BALANCE - ENDING	<u><u>\$ (82,362)</u></u>	<u><u>\$ 80,152</u></u>	

The accompanying notes are a part of these financial statements.

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**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**

December 29, 2023

To the Board of Commissioners
Hailey Urban Renewal Agency
Hailey, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Hailey Urban Renewal Agency, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Hailey Urban Renewal Agency's basic financial statements, and have issued our report thereon dated December 29, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hailey Urban Renewal Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hailey Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hailey Urban Renewal 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 may exist that have not been identified.

Compliance and Other Matters

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

Report Continued—

Purpose of this Report

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

Workman & Company

WORKMAND AND COMPANY
Certified Public Accountants
Twin Falls, Idaho

Return to Agenda