

**TAX INCREMENT DISTRICT
FINANCIAL REPORT
JULY 1, 2022 TO JUNE 30, 2023**



CITY OF POLSON, MONTANA

History of the Polson Redevelopment Agency

Polson adopted Resolution No. 739 on November 3, 1997. This resolution designated four areas in the City of Polson as blighted: Salish Point, The Central Business District, the Railyard and the adjacent Commercial/Light Industrial areas; and called for the creation of an urban renewal plan for the City.

The Polson Community Development Corporation (no longer in existence) developed a draft urban renewal plan (draft plan) for the City and presented that draft plan in August 1998 to the City-County Planning Board (CCPB) for their approval. The CCPB determined that the draft Plan conformed to the Polson Master Plan and Development Code. Ordinance No. 559 was passed on January 19, 1999, which created an urban renewal planning commission to further review the draft plan and complete a final plan to be presented to the public and the City Commission for approval.

The final Urban Renewal Plan called "Consider the Possibilities for Polson!" was adopted by the City Commission on May 1, 2000. This plan created the tax increment financing district (TIF) with a base year of 1999 (which was later revised to 2002 by Ordinance No. 591) and the Polson Redevelopment Agency (PRA). The initial members of the PRA were also nominated and appointed at that meeting. Ordinance No. 591 was passed on October 20, 2003, that formally adopted the Urban Renewal Plan pursuant to Section 7-15-4216(3) MCA.

The PRA consists of five members who must be City residents. Each member serves a 4 year term. The members are appointed by the City Commission. The PRA has oversight of the Tax Increment Financing Fund (Fund #2310) but the City Commission has final approval on all expenditures for that fund. Included with this report is a map of the TIF district. For a period of 8 years following establishment of the base year, the TIF received no tax revenue. The PRA asked the County to conduct an audit of the TIF district to ascertain why there was no increase in value over the base year. That audit concluded that there were errors in the setup and calculation of the TIF district by the Department of Revenue. The City received a lump sum of \$90,000 from the County in 2010 and another \$8,000 in early 2011 for back years 2003 – 2009 and has been receiving tax revenue since that time. The County held \$2,473 for tax year 2009 pending final valuation adjustments from the Department of Revenue. In FY21 that amount was released one-half to the TIF district and one-half to the other taxing jurisdictions.

During the City's FY2014 audit, the City's auditor was asked to look at the requirement for a bi-annual audit of the PRA and its activities. Based on her finding #2014-2 she stated that the implementation document (Consider the Possibilities for Polson!) and the actual functioning of the PRA were not aligned. Under MCA codes the PRA can either operate as its own separate body and its activities would be a component unit of the City or it can merely be an advisory board to the City with City control of all activities. The City clarified the function of the PRA as an advisory board to the City Commission through Ordinance #2015-009.

The TIF district has previously contributed funds to the Streetscape project (\$150,000), Riverside Park Stairs (\$6,269), the walking path in Sacajawea Park (\$76,677), the walkway connecting Sacajawea Park and Riverside Park and the City Dock Rehab (secured debt financing of \$800,000 plus \$66,500 in cash). Starting in FY18, the PRA established a grant program for properties within the TIF district for infrastructure and façade improvements. Included with this report is a list of current projects that have received Tax Increment District funding or are scheduled to receive funding.

RESOLUTION NO. 739

A RESOLUTION FINDING THAT AN AREA OF BLIGHT EXISTS WITHIN AREAS DESIGNATED BY POLSON'S MASTER PLAN AS SALISH POINT, THE CENTRAL BUSINESS DISTRICT, RAILYARD AND THE ADJACENT TRANSITIONAL AND LIGHT INDUSTRIAL/COMMERCIAL (EXHIBIT "A") ZONES AND THAT REHABILITATION, REDEVELOPMENT OR A COMBINATION THEREOF, WITHIN SUCH AREA IS NECESSARY IN THE INTEREST OF THE PUBLIC HEALTH, SAFETY, MORALS OR WELFARE OF THE RESIDENTS OF THE CITY OF POLSON.

WHEREAS, on February 21, 1994 the City Council of the City of Polson adopted the Polson Master Plan (hereinafter "Plan"); and

WHEREAS, on March 7, 1994 the City Council of the City of Polson adopted the Polson Development Code (hereinafter "Code"); and

WHEREAS, the Plan adopted investment strategies calling for urban renewal and revitalization within the Policy Areas known as Salish Point, the Central Business District (CBD) and the Railyard; and

WHEREAS, the Code provides for a well-planned transition from single family residential to higher density residential or commercial uses within the Transitional area adjacent to the CBD; and

WHEREAS, the Code also provides for a wider range of commercial and industrial development is similar to that specified for the Railyard; and

WHEREAS, in the process of developing the Plan and in conducting a windshield survey of the residential and commercial structures in the areas, the following blighting conditions were found:

- 1) present urbanized land use patterns incorporate a haphazard and incompatible mix of uses;
- 2) 147 existing structures are structurally substandard, of which 50 are substantially to severely substandard;
- 3) interaction of pedestrians, bicycles and vehicles can create dangerous situations; and
- 4) growth within the areas is resulting in increased strains on infrastructure, parking, streets, sidewalks and other city services; and

WHEREAS, the above factors involving land use, transportation and safety indicate a relationship of factors contributing to the blighting conditions which exist in the area under subsection 7-15-4206, MCA; and

WHEREAS, urban renewal and revitalization of the above mentioned areas are an integral part of the Plan as adopted by the City; and

WHEREAS, such urban renewal and revitalization will enable the City to consider projects and incentives to encourage the orderly redevelopment of commercial and residential properties in the area; and

WHEREAS, preparation of an urban renewal plan for the entire area may result in an Ordinance which includes:

- 1) an urban renewal plan for the area conforming to the Code and Plan, or parts thereof, for the City of Polson as a whole, and
- 2) an urban renewal plan affording maximum opportunity, consistent with the sound needs of the City of Polson as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise, and
- 3) an urban renewal plan addressing infrastructure needs, prioritized and conforming to the Code, plan and capital improvements plan, or parts thereof, for the City of Polson as a whole; and
- 4) a phased schedule of implementation which addresses the specific concerns of each of the zones (Salish Point, CBD, Railyard) within the renewal area and provides for orderly transition between zones; and
- 5) an implementation schedule which prioritizes projects and determines which portions of the renewal area should be addressed over a sequential period of time; and

6) a sound and adequate financial program for financing of said project(s).

WHEREAS, it is the desire of the City of Polson to exercise the powers conferred by the Montana Urban Renewal Law; and

WHEREAS, the Montana Urban Renewal Law states that no municipality may exercise any of the powers conferred therein until after its local governing body shall have adopted a Resolution of Necessity.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF POLSON, MT:

SECTION I. That one or more blighted areas exist in the City of Polson, specifically the area encompassing the Salish Point, Central Business District, Railyard, Transition and Commercial/Light Industrial Zones as described in Exhibit "A".

SECTION II. That the rehabilitation, redevelopment or combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals and welfare of the residents of the City of Polson.

SECTION III. That the Polson Community Development Corporation, as a non-profit organization working with and on behalf of City Council, shall be authorized to prepare an Urban Renewal Plan for the area as described above and in Exhibit "A".

SECTION IV. That said plan shall be presented to the Polson City/County Planning Board within sixty days from the date of this resolution.

SECTION V. That this resolution shall take effect immediately upon passage by the city Council.

PASSED AND APPROVED BY THE CITY COUNCIL AND MAYOR OF THE CITY OF POLSON THIS 3rd DAY OF NOVEMBER, 1997

John W. Glueckert

John W. Glueckert, Mayor

ATTEST:

Aggi Loeser

Aggi Loeser, City Clerk

STATE OF MONTANA)
: ss.)
County of Lake)

On this 3rd day of November, 1997, before me, the undersigned Notary Public for the State of Montana, personally appeared JOHN W. GLUECKERT and AGGI LOESER, known to me to be the Mayor and the City Clerk of the CITY OF POLSON, Montana, the municipal corporation that executed the foregoing instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal the day and year in this certificate first above written.

Bonnie Cornette

Notary Public for the State of Montana
Residing at Polson Montana
My commission expires: 8-16-2000

EXHIBIT "A" (Resolution #739)



ORDINANCE NO. 591

AN ORDINANCE TO APPROVE AN URBAN RENEWAL PLAN FOR THE CITY OF POLSON:

Whereas, the City of Polson did, in November, 1997, create an Urban Renewal District; and,

Whereas, a draft Urban Renewal Plan was reviewed by the City-County Planning Board in August, 1998, open to public comment upon lawful notice, which determined that such Plan conforms with Polson Master Plan and Development Code or parts thereof for the municipality as a whole; and,

Whereas, the City of Polson did, in January, 1999, create an Urban Renewal Commission, appointing members thereto in June, 1999; and,

Whereas, in April, 2000, the Polson Urban Renewal Commission held a public hearing on the issue of tax increment financing of the proposed Urban Renewal Plan; and,

Whereas, in October, 2002, the City Council of the City of Polson, by and through its appointed agent, the Polson Urban Renewal Commission, held public hearing on the proposed Urban Renewal Plan pursuant to Section 7-15-4214 and 4215; and,

Whereas, at the regular meeting of the Polson City Council of November 18, 2002, the motion was made, seconded, and passed unanimously approving the Urban Renewal Plan with proposed amendments; the adoption of the district boundaries as previously defined and consideration of including all of the rail yard within the district boundaries; adoption of the 2002 year as the base year for the purpose of tax increment gathering; inclusion of the statutes in question, and the inclusion of a statement that all redevelopment actions taken by the Polson Redevelopment Agency are to go before the City Council for review and approval; and,

Whereas, a copy of the proposed and adopted Urban Renewal Plan, entitled, "Consider the Possibilities for Polson!", is appended hereto, adopted herein, and made a part hereof as if fully set forth in this place, subject to the amendments mentioned above; and,

Whereas, the City of Polson desires by this Ordinance to formally adopt the Urban Renewal Plan pursuant to Section 7-15-4216(3), Montana Codes; and,

Whereas, it is the intention of the City of Polson, by this Ordinance approving and adopting such Urban Renewal Plan, to authorize, as provided in Section 7-15-4282, Montana Codes, the provisions in such Urban Renewal Plan for the segregation and application of tax increments.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF POLSON, MONTANA:

1. The foregoing recitals are not mere recitals but are part and parcel of this ordinance.
2. The Urban Renewal Plan entitled "Consider the Possibilities for Polson!" is adopted as the Urban Renewal Plan.
3. The District Boundaries shall be those set forth in the Plan.

- 4. The tax year 2002 shall, so far as is feasible, be the base year for any tax increment financing scheme contemplated in the Plan.
- 5. Administration of the Plan shall proceed under Chapter 9.2 thereof, under the Commissioners appointed pursuant to Polson City Ordinance Number 559 and any successor Commissioners subsequently appointed pursuant to that Ordinance and Section 7-15-4234 and 4235, Montana Codes. Until further direction by the City Council, any contemplated Urban Renewal Projects, as defined at Section 7-15-4206(19), Montana Codes, undertaken pursuant to the Plan shall be subject to review and approval by the Polson City Council.
- 6. Such administration shall, as its first task, review and make any necessary amendments to the text of the Urban Renewal Plan predicated on any comments received during any public comment period already held, for final approval by the City Council of the City of Polson.

REPEALING CLAUSE: All Ordinances or parts of ordinances in conflict herewith are hereby repealed.

FIRST READING: October 6, 2003

SECOND READING: October 20, 2003

NOW, THEREFORE, the foregoing Ordinance shall become effective on November 20, 2003.

PASSED AND ADOPTED THIS twentieth day of October, 2003.

CITY OF POLSON


 Randy Ingram, Mayor

ATTEST:

 Aggi Loesser, City Clerk

ORDINANCE # 2015-009

AN ORDINANCE TO AMEND SECTION 2.05.510 TO CLARIFY
THAT NO SEPARATE AGENCY IS CREATED FOR
POLSON URBAN RENEWAL

WHEREAS, the City Commission of Polson has been requested by its auditor to clarify its intentions in the creation of the urban renewal board and to define its role in the administration of the urban renewal planning

WHEREAS, the Commission has never intended by its actions or statements to create a separate agency for urban renewal and seeks to minimize the costs of the improvements by administering and accounting within the existing departments and personnel of the city;

WHEREAS, it appears in the best public interest that the following ordinance be amended to clarify the Commission's intentions for the urban renewal planning of the City of Polson.

NOW, THEREFORE, BE IT ORDAINED by the City of Polson that the following section of the Ordinances of the City of Polson be amended:

Sec. 2.05.510. Creation; powers and duties.

The city commission shall by resolution or ordinance create an urban renewal board or economic development district board to exercise any of the powers authorized pursuant to Title 7, Chapter 15, Parts 42 and 43, MCA which are specifically authorized for that board by the city commission. The city elects not to create a separate agency for purposes of administration of these sections and to assign the project powers to the urban renewal board, with final approval by the city commission. Furthermore, the financial and accounting functions of the urban renewal process are assigned to the finance department of the City, as authorized by MCA 7-15-4232.

The clerk is hereby instructed to codify this Ordinance and to place the same in the Book of Ordinances of the City of Polson.

Date: 09/09/15

First Reading: 7 ayes nays abstentions

Date: 09/21/15

Second Reading: 5 ayes nays abstentions 2 absent

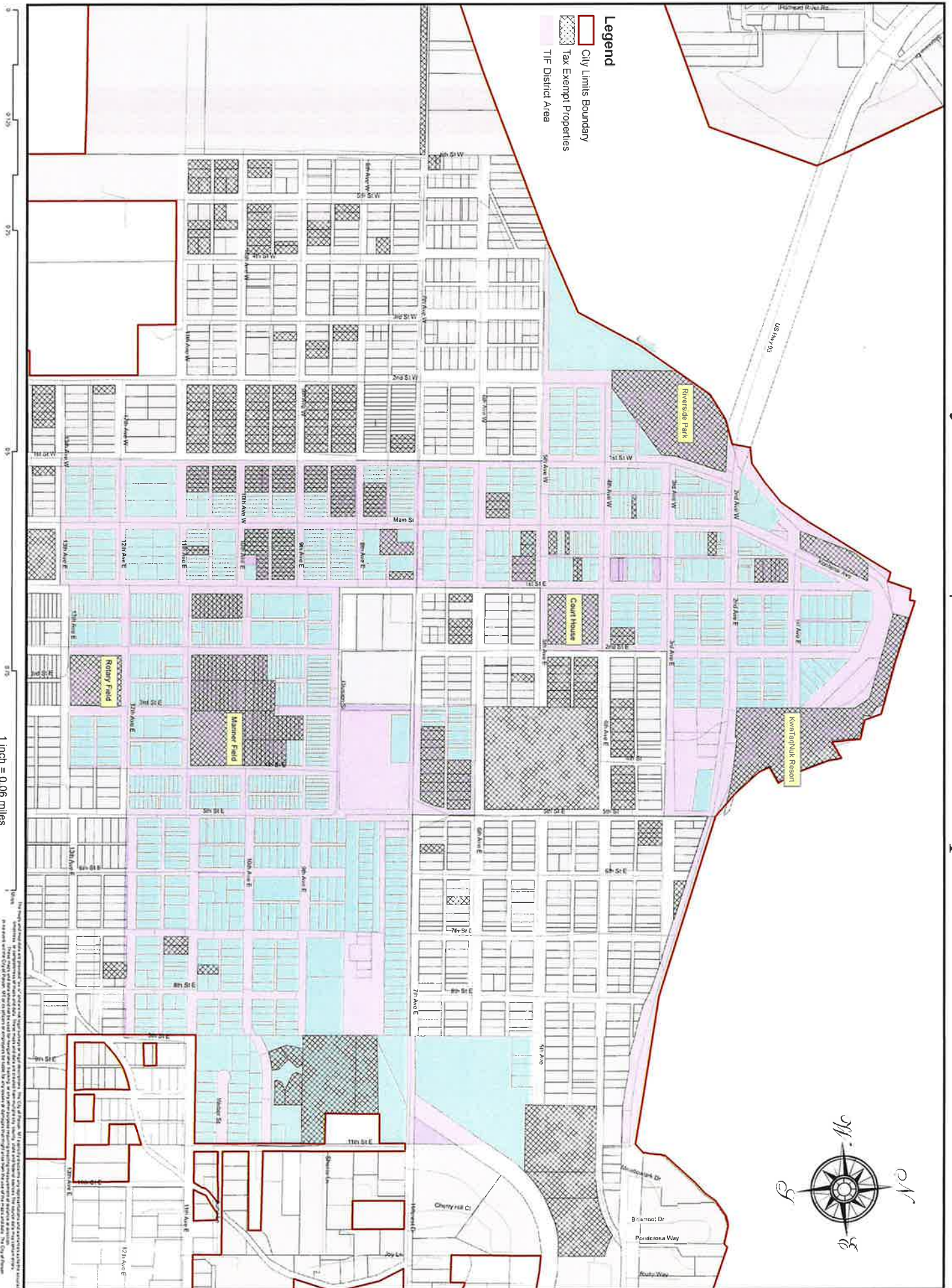
Effective Date: October 21, 2015

Mayor Heather Knutson

Attest:

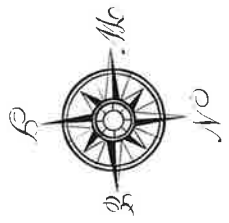
City Clerk Cora E. Pritt

City of Polson | TIF District Map



Legend

- City Limits Boundary
- Tax Exempt Properties
- TIF District Area



1 inch = 0.06 miles

This map was prepared by the City of Polson, MT, for the purpose of illustrating the proposed TIF Districts. The City of Polson, MT, is not responsible for any errors or omissions on this map. The City of Polson, MT, is not responsible for any damages or losses resulting from the use of this map. The City of Polson, MT, is not responsible for any actions taken by any person based on the information contained in this map. The City of Polson, MT, is not responsible for any actions taken by any person based on the information contained in this map.

**FY 2023 (July 1, 2022 – June 30, 2023)
Polson Redevelopment Agency (PRA)
At-a-glance Status Report**

As of June 30, 2023

PRA Board Members: Karen Dunwell (Chair), Walter Congdon, Sheldon Eklund-Olson, Jenifer Bagley

PROJECTS/TASKS	STATUS	LOGIC	FUNDS AWARDED	FUNDS DISPERSED	URBAN RENEWAL PLAN GOAL
Define and understand scope of responsibilities and functions of PRA advisory board	<ul style="list-style-type: none"> Quarterly meetings Goal-setting process for members and community Revised PRA Application 	<ul style="list-style-type: none"> To obtain better education for agency and community Revised PRA application better fits goals of Polson Redevelopment Plan 	--	--	Using TIF funds, the PRA partners with public and private entities to help improve economic vitality, create jobs, ameliorate blight, and encourage investment in the district.
PRA Grant: Joe & Geraldine Browning	PRA Grant awarded to install a new water line from the City to the building and reinsulating the entire structure to bring it up to code	Project involves business building improvements on 3 rd Avenue East. Funding contributed toward new water line and insulation	\$15,000 (FY22)	\$15,000 (FY23)	Goal #9 (<i>Consider the Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)

PROJECTS/TASKS	STATUS	LOGIC	FUNDS AWARDED	FUNDS DISPERSED	URBAN RENEWAL PLAN GOAL
PRA Grant: BayPointe Condominium Association	Grant awarded to repair holes, caulk and repaint the exterior surfaces, trim and posts	Project involves painting improvements to downtown condominiums.	\$12,000 (FY22)	\$12,000 (FY23)	Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Polson Flathead Lake Museum	Grant awarded for costs for materials associated with the new roof project	Project involves museum building improvements on Main Street. Funding contributed toward the cost of roofing materials	\$34,500 (FY22)	\$34,500 (FY23)	Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Leslae Dalpiaz	Grant awarded for exterior painting, replace two entry doors, roof repair, and architect fees	Project involves business building improvements on Main Street	\$27,000 (FY22)	\$27,000 (FY23)	Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Mark A. Johnston	Grant awarded for costs to replace roof, entry door/window, asbestos removal, design/permit costs and insulation costs	Project involves improvements necessary for replacement of roof and asbestos removal	\$20,411.75 (FY22)	\$20,411.75 (FY23)	Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Hair Etc. – Billie Wall	Grant awarded for repainting, roof repair, gutters, a slab staircase, and a handrail	Project includes painting business building, sidewalk repair, roof repair and installing a handrail	\$23,650.00 (FY23)		Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Carol Lynn Lapotka	Grant awarded for exterior painting of building	Project involves business building improvements on Main Street. Funding contributed toward painting the building	\$1,285 (FY23)	\$1,285 (FY23)	Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)

PROJECTS/TASKS	STATUS	LOGIC	FUNDS AWARDED	FUNDS DISPERSED	URBAN RENEWAL PLAN GOAL
PRA Grant: Joan Hart	Grant awarded for exterior painting of building	Project involved remove and replace damaged siding and trim, paint building and replace brick with veretta stone.	\$8,133 (FY23)	\$8,133 (FY23)	<i>Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)
PRA Grant: Jeff Blodgett – Phase 1	Grant awarded for Phase 1 for costs associated with a new roof	Project includes installing a new roof	\$39,471 (FY23)		Goal #9 (<i>Consider the Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)
PRA Grant: Nailtoepia	Grant awarded for exterior painting, entry doors/windows, repair of stucco/siding, new signage, roof repair, code improvements (electrical/plumbing), demolition, architectural design, and permit fees	Project is a major undertaking to make significant improvements to 1 st Street East building	\$105,600 (FY23)		Goal #9 (<i>Consider the Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)
PRA Grant: North Lake County Public Library	Grant awarded for exterior painting, entry doors/windows, repair of stucco/siding, new signage, roof repair, sidewalk repair (disabled parking), foundation repair, code improvements, demolition, architectural design, and permit fees	Project is a major undertaking to make significant improvements and remodeling to the Library building	\$129,614 (FY23)		Goal #9 (<i>Consider the Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)
PRA Grant: Jeff Blodgett – Phase 2	Grant awarded for Phase 2 to restore architectural features, awnings, entry	Project is Phase 2 to make significant improvements to Main Street building	\$56,000 (FY23)		Goal #9 (<i>Consider the Possibilities for Polson!</i> – <i>Urban Renewal Plan</i> , pg. 9)

PROJECTS/TASKS	STATUS	LOGIC	FUNDS AWARDED	FUNDS DISPERSED	URBAN RENEWAL PLAN GOAL
PRA Grant: Polson Flathead Museum – Phase 2	Grant awarded for costs associated with repainting two buildings	Project involves power-washing, grouting cracks, seal coat, primer and exterior paint	\$15,000 (FY23)		Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Leslae Dalpiaz	Grant awarded for costs associated with the repair and replacement for the sidewalk	Project involves the removal of concrete and asphalt and the rebuild and replacement of sidewalk	\$10,305 (FY23)		Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: Andrew Perkins	Grant awarded for new awnings, entry door/windows, sidewalk repair, required code improvements, demolition, engineering/design/permit fees	Project is a major undertaking to make significant improvements to Main Street building	\$64,600 (FY23)		Goal #9 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
PRA Grant: City of Polson	Grant awarded for 2 nd Street West Street Project for repair and rebuild	Project is to make significant improvements to 2 nd Street West	\$150,000 (FY23)		Goal #8 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
Wayfinding Signs Project	Design phase – overall funding \$10,000	Assist visitors to the TIF district with locating commercial sites, tourist sites, and parking	--	--	Goals #2, and #7 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
Funding assistance for Salish Point Enhancement Project	Preliminary design phase - \$2,000 assistance approved	Create destination point and connectivity in the TIF district	--	--	Goal #1, (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)

PROJECTS/TASKS	STATUS	LOGIC	FUNDS AWARDED	FUNDS DISPERSED	URBAN RENEWAL PLAN GOAL
Sidewalk Grant Program	Planning stage – \$150,000 budgeted	Improve connectivity with new sidewalks or repair of existing sidewalks	--	--	Goal #8 (Consider the Possibilities for Polson! – Urban Renewal Plan, pg. 9)
			Total grant amount awarded and dispersed in FY23: \$118,329.75 Total grant amount to date to be dispersed in FY24: \$594,240 Total grant amount dispersed in FY22: \$49,924 FY23 Year End Fund Balance: \$1,121,598		

3.3 Specific Goals

The general goals, as described above, are further defined by the following specific goals for the district. These goals are expected to be achieved over a fifteen year period with the intent to enhance neighborhoods and commercial areas thereby increasing the quality of life - and value of property - throughout the district! The first areas of focus must be on the Salish Point and CBD areas.

1. Prepare a development plan for Salish Point that creates a focal point of attractive recreational space combined with highly-attractive, low-impact commercial space which draws people – and revenues – into the downtown area. Zoning on Salish Point should be reviewed and if necessary revised to be consistent or compatible with the overall plan.
2. Develop a marketing strategy for the Central Business District to (1) draw shoppers into the area, (2) strengthen its potential as a center for a variety of consumer and professional services, and (3) Develop facilities and amenities which will establish Polson as an "RV Destination".
3. Create safe and attractive links between the recreational and commercial areas on Salish Point and the Central Business district through walkways, bicycle paths, sidewalks and pedestrian crossings controlled by additional traffic lights. Designate parking available for cars, recreational vehicles and trailers; then provide signs along Highway 93 to direct traffic to commercial areas, tourist sites and parking.
4. Create a development plan for the Commercial/Light Industrial area which will include good transportation routes for commercial traffic and which provides adequate – and attractive – sites which attract and encourage private investment in non-polluting industries which will provide jobs for area citizens.
5. Work with Montana Rail Link and other appropriate parties to create a development plan for the Railyard area. Such planning must include steps which assure there is no environmental mitigation which must be completed prior to designing an appropriate commercial and/or residential environment.
6. Provide for public infrastructure which supports a thriving commercial and retail economy within the designated areas.
7. Develop a marketing strategy to strengthen movement to and expansion of the commercial and light industrial areas which border the Central Business District. As these areas grow to provide more jobs, they will naturally draw more people through and to the CBD.
8. Develop traffic and parking plans, and sidewalks, which better facilitate the flow of employees, shoppers and service vehicles throughout the District
9. Overall, create incentives for businesses and homeowners which will encourage private renovation of substandard retail, commercial and residential facilities throughout the district.

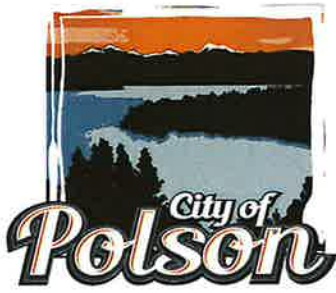
**CITY OF POLSON
TAX INCREMENT FINANCING DISTRICT
SELECTED FINANCIAL INFORMATION DETAIL
June 30, 2023**

Long-term Liabilities:

TIF FUND Current principal portion of long-term debt \$ 74,669.35
(amount due within one year)

TIF FUND Long-term principal portion of debt \$190,907.15

(The debt represents the balance owed on 5 tax increment financing bonds issued on August 15, 2013 in a total amount of \$800,000. Bond term is 12 years with a 2.987% APR. Payments are made semi-annually on February 15th and August 15th. As of June 30, 2023 there are 5 payments remaining with the final payment due on 08/15/2025.)



CITY OF POLSON

Administration & Finance Dept.
106 1st Street E. | Polson, MT 59860
T: 406-883-8204 | F: 406-883-8238
E: finance@cityofpolson.com
W: www.cityofpolson.com

ACCOUNTANT'S COMPILATION REPORT

To the City Commission
City of Polson
106 1st Street East
Polson, Montana 59860

I have compiled the accompanying balance sheet – governmental fund of the City of Polson Tax Increment District as of June 30, 2023, and the related statement of revenues, expenditures, and changes in fund balance for the year then ended. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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 designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. The object of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the fund's assets, liabilities, fund balance, revenues, and expenditures. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the City of Polson because I am an employee of the City of Polson.

Kimberly Sassaman

September 19, 2023

CITY OF POLSON, MONTANA

BALANCE SHEET - GOVERNMENTAL FUND

TAX INCREMENT DISTRICT FUND

June 30, 2023

ASSETS

Current Assets

Cash and Investments - Restricted - Operating	\$ 1,054,992	
Cash and Investments - Revenue Bond Sinking and Interest	26,606	
Cash and Investments - Restricted - Bond Reserve	40,000	
Taxes Receivable	26,219	
Interest Receivable (estimate)		
Due from Lake County		
Total Current Assets		<u>\$ 1,147,817</u>
Total Assets		<u><u>\$ 1,147,817</u></u>

LIABILITIES

Current Liabilities

Accounts Payable		
Accrued Interest Payable		
Deferred Tax Revenue	26,219	
Total Current Liabilities		<u>\$ 26,219</u>
Total Liabilities		<u>26,219</u>

FUND BALANCE

Restricted	<u>1,121,598</u>	
Total Fund Balance		1,121,598
Total Fund Balance and Liabilities		<u><u>\$ 1,147,817</u></u>

CITY OF POLSON, MONTANA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TAX INCREMENT DISTRICT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

REVENUE

Real & Personal Property Tax Revenue	\$ 241,236	
Penalties and Interest on Delinquent Taxes	457	
State Personal Property Tax Reimbursement	27,323	
Interest Earnings	19,379	
	<hr/>	
Total Revenue		\$ 288,396

EXPENDITURES

Purchased Services	8,766	
General Fund Indirect Cost Payment	11,408	
TIFD Grants	118,330	
Improvements - Not Building		
Refund of Prior Year Overpayment		
Debt Service - Principal	72,488	
Debt Service - Interest	7,330	
	<hr/>	
Total Expenditures		218,322

Excess of revenues over expenditures		<hr/>
		70,074

OTHER FINANCING SOURCES (USES)

Total Other Financing Sources (Uses)	<hr/>	<hr/>
		-

NET CHANGE IN FUND BALANCE		70,074
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FUND BALANCE

Fund Balance Beginning of Year, July 1, 2022		1,035,392
Period adjustment (interest)		16,132
		<hr/>
Fund Balance Beginning of Year, Restated		1,051,524
Fund Balance, June 30, 2022		<hr/>
		\$ 1,121,598

See Accountant's Compilation Report
These financial statements are not audited or reviewed