



**CITY OF TWIN FALLS, IDAHO**  
 Financial Statements  
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## **INTRODUCTORY SECTION**



P.O. Box 1907

203 Main Ave. E

Twin Falls, Idaho 83303-1907

Fax: (208) 736-2296

February 12, 2021

Mayor Suzanne Hawkins, City Council,  
and Citizens of the City of Twin Falls, Idaho

The Finance Department is pleased to submit the Comprehensive Annual Financial Report of the City of Twin Falls, Idaho (the City) for the fiscal year ended September 30, 2020. The report has been subject to an independent audit.

This report is published to provide the City Council, City staff, our citizens, and other readers with detailed information concerning the financial position and activities of the City. City management is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures.

To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

### **CITY PROFILE**

The City of Twin Falls is in south-central Idaho along the scenic Snake River canyon. With a population of approximately 49,800 residents, Twin Falls is the eighth largest city in Idaho and encompasses 18.16 square miles. It is in Twin Falls County, which covers approximately 1,928 square miles of mostly irrigated agriculture land and has a total population of 86,081. Twin Falls is located 135 miles east of Boise and 218 miles north of Salt Lake City. Twin Falls is the urban center of the Magic Valley, which consists of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka and Twin Falls counties. The city serves as the retail, educational, medical and employment center for this eight-county area that has a total population of over 260,000. As a result, the daytime population on Twin Falls swells by an estimated 35,000 people.

Twin Falls began as an agricultural center thanks to the foresight of entrepreneur I.B. Perrine in the early 1900s. Perrine convinced private financiers to build a dam along the Snake River with a corresponding canal system to deliver water to the fertile Snake River Plain. Because of these investments at the beginning of the 20th century, Twin Falls and the Magic Valley have grown into one of the world's most productive farming regions and a hub for food and dairy manufacturing.

Twin Falls is known as a city that moves at the speed of business. Chobani was able to build the world's largest yogurt processing plant in 326 days, largely due to a nationally recognized commitment to helping business partners get up-and-running on their timeline. The City Building Department has a guaranteed 24-hour turn-around time on all commercial inspection requests, and is equally committed to plan review and zoning requests.

Idaho statutes are the basic governing law under which the City operates. Twin Falls conducts its business with a City Council/City Manager form of government. Twin Falls is one of only three Idaho cities which has this form of government. Seven City Council members are elected, at-large, to four-year terms. They serve on a part-time basis. The council members act as legislators and administrators; are responsible for enacting and enforcing City laws and approving the annual budget. The City Council has secured the services of a City Manager who works full time implementing the direction of the Council.

## **CITY PROFILE-continued**

The City provides the following services to its citizens:

- Planning and community development: building plan reviews, building inspections, and economic development
- Public safety: police, fire, and rescue, emergency communications and emergency management
- Street improvements and street maintenance
- Support services: Information systems, communications, facilities, financial, fleet, human resources, information, and risk management
- Parks, recreational and cultural services
- Airport
- Utilities: water, sewer, and sanitation
- Other operations: refuse disposal and environmental remediation

## **REPORTING ENTITY**

This report includes all funds of the City including those organizations required to be included because the City is financially accountable for them. A unique relationship exists between the City and the City Library. Under Idaho State statutes the City Library is a separate governmental agency with its own independent governing board. However, the Library is not a taxing district and most of the revenue to support the Library comes from property taxes. Therefore, the Library must interface with the City during the budgeting process. The Library budget is included in the City's budget and because of the close relationship between the two organizations, the Library Fund activity is included in these financial statements.

Another organization which the City has a special relationship to is the Urban Renewal Agency of Twin Falls, Idaho (URA). This organization is required to have separate financial audits conducted by external certified public accountants. However, the City can exert a certain degree of control over the organization's governance by appointing individuals to the URA's board of directors. That control feature requires that the URA's activities be included in this report as well. The information of the URA that is presented, has been condensed from the separate financial report of the Agency.

## **ECONOMIC CONDITIONS AND OUTLOOK**

### **A. Recent economic performance**

According to the Idaho Department of Labor's January 2021 Twin Falls County Workforce Trends report, Twin Falls County had an unemployment rate of 4.3% in December 2020. This compares to the State of Idaho unemployment rate of 4.4%. and a national unemployment rate of 6.7%. The national unemployment rate peaked at 14.8% in April during the Coronavirus pandemic. During the pandemic, the Idaho unemployment rate has always been below the national average and Twin Falls County has been below Idaho's unemployment rate. Real Per Capita Income during the last 10 years has been trending up in Twin Falls from around 34,000 to 43,000.

Although not a significant percentage of the City's revenue, building permits are a good measure of current economic activity that also helps predict future performance. Construction activity in Twin Falls has grown dramatically, especially in terms of single-family and multi-family unit permits issued. There were 573 single family permits issued in 2020, with the highest level of permitting revenue ever. Multi-family home starts have been steadily declining in nationwide reports. However, 2020 also saw 368 multi-family units constructed in Twin Falls. There have been 156 single family permits issued for the first three month of FY 2021. Primary housing contractors in the area have 30-50 homes backlogged. If the current pace of single housing starts continues, 2021 will be the biggest year ever for housing construction.

These trends, coupled with the extraordinary success that the City has had in attracting new businesses, will continue to improve the quality of life and economic stability of the community.

## ECONOMIC CONDITIONS AND OUTLOOK-continued

### B. Outlook and Long-Term Planning

We remain optimistic about the long-term health of our local economy. The investment bank Piper Sandler has Idaho and Utah as the top two states in their recently published Financial Strength Index. New residential construction activity will continue to see growth with accelerated development of new subdivisions. The total construction value of all types of new construction was \$146 million for fiscal 2020. We are projecting growth from new construction activities will be around \$185 million for the upcoming fiscal year.

Local government budgets in Idaho are driven by growth in their taxable property valuations. Property taxes are often used as one of the leading indicators to determine the health of a community. These property values within the City are increasing. In addition, revenues from other sources such as sales tax, income taxes, and highway user taxes continue to outpace the prior year's performance. The City should benefit directly and indirectly from this revenue advancement. However, pending legislation may adjust the City's ability to capture an adequate share of revenue sources, as it has in the past, to meet the increased demand for services that accompanies growth. Several recently introduced State legislative proposals would reduce local governments accessibility to historical revenue sources.

In this year's budgeting recommendations, we have been mindful to not make expenditures that would create or cause future structural imbalance in our budget. Balancing the priorities of the community with the needs to ensure long-term sustainability, especially in light of the State's threat of revenue reduction, is increasingly important.

### C. Major initiatives

The City has committed, through the budgeting process, to improvements in its infrastructure and to the City's compensation levels. These topics are discussed more fully in sections of the Management Discussion and Analysis as well as the City's approved budget report at the City's website ([Budget Link](#))

- The City anticipates that the recently completed US census will confirm that the City and surrounding area has passed the critical population threshold of 50,000 and will now be designated an *urbanized area* (UA). If an area is designated as a UA with more than 50,000 population (based upon the 1,000 persons per square mile population/density formula), it will be tagged as a Metropolitan Planning Area (MPA). It usually takes the US Census Bureau about 2 years following the decennial census to complete their analysis and formally define any new MPAs. Based on this timeline, the City of Twin Falls will not receive the MPA designation until late 2022 or early 2023.
- In the fall of 2017, a planning effort was undertaken to determine the current state of fire facilities in Twin Falls and the future needs of the community. A steering committee and program committee worked together to document the existing conditions of each facility while also developing concept designs, cost estimates, and future facility plans for the fire department. A citizen's committee was then formed to determine the highest needs of the department and work with staff to develop a plan that was presented to City Council. The City is reviewing options on how to best to proceed to meet the critical needs and how to best finance costs.

## FINANCIAL INFORMATION

### A. Accounting system

The City's accounting system supports an adequate internal control structure. This structure helps to safeguard the City's assets against loss, theft, or misuse. The accounting system provides reliable financial records for preparing financial statements in conformity with generally accepted accounting principles. The internal control structure provides reasonable, but not absolute, assurance that the City's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits require estimates and judgments by management.

### B. Budgetary Control

The preparation of the City's budget is governed by Idaho State Law. The City Manager recommends a budget, and the City Council serves as the "Budget Committee" in approving and adopting the budget. Public notice is given for all budget meetings. Citizens are involved in the budget process through forums and public hearings. The City Council is required to adopt a budget prior to September 30, the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The Council, with the assistance of City staff, monitors the budget during the fiscal year to address any changing financial needs and conditions.

## FINANCIAL INFORMATION-continued

The Government Finance Officers Association of the United States and Canada (GFOA) is a non-profit professional association serving approximately 19,000 government finance professionals. The GFOA has awarded a Distinguished Budget Presentation Award to the City for the way it presented its budget for the fiscal year ending September 30, 2020 and for the six previous years. In order to receive the award, the City must publish an easily readable and efficiently organized budget report, whose contents conform to program standards. The Award is valid for a period of one year only. Our current budget report continues to conform to professional requirements and the GFOA's best practices.

### C. Financial Reporting and Policies

The GFOA also awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Twin Falls for its comprehensive annual financial report for the fiscal year ended September 30, 2019. This was the fifth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

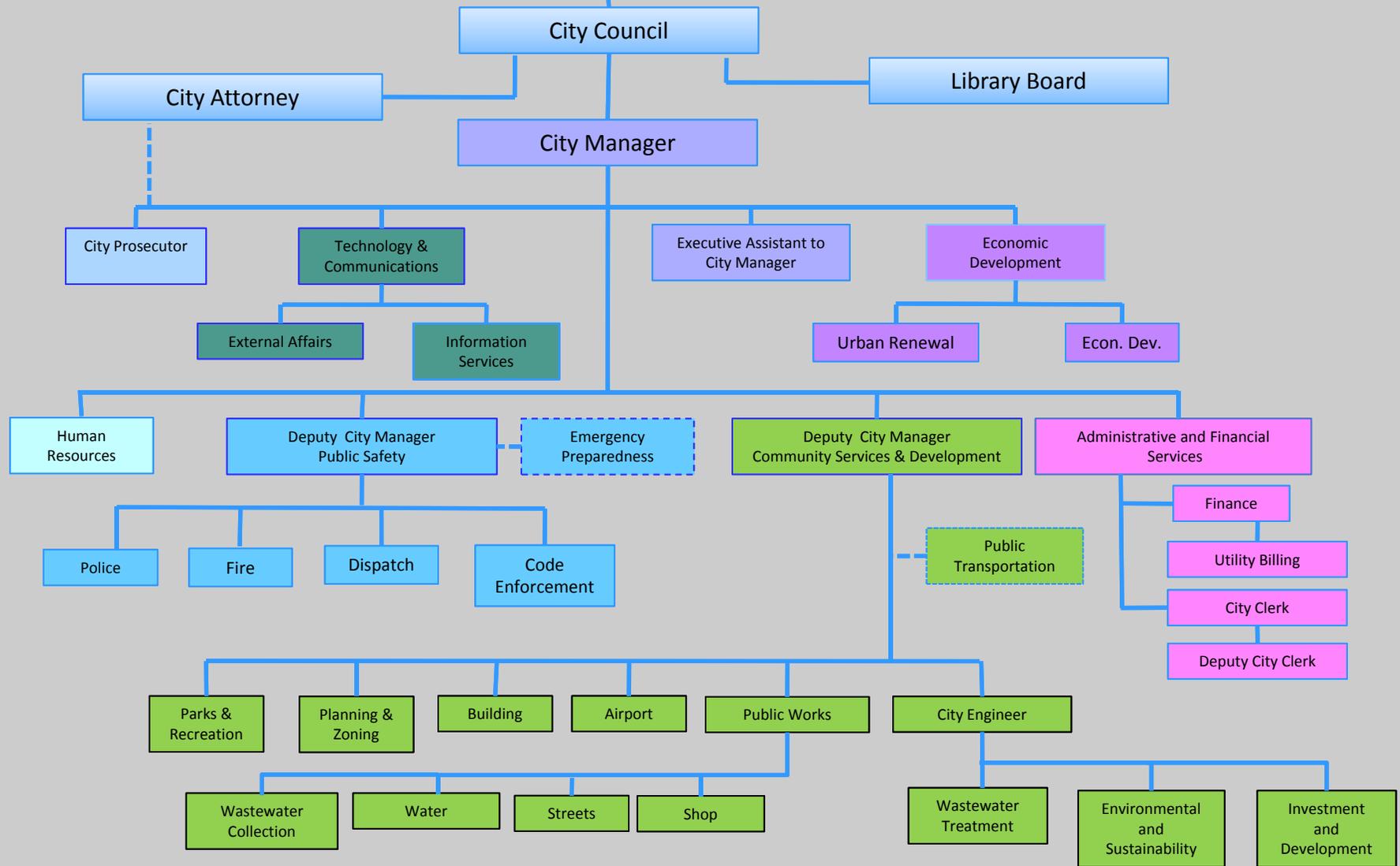
The City follows entity-wide financial policies in the budget development process, including long-term financial policies in areas such as budget and planning, investments, and fund balances.

Respectfully submitted,



Breanna Howard  
Finance Director

# Citizens of Twin Falls



City of Twin Falls, Idaho  
Names of the Principal City Officials As of  
February 2021

<u>Name</u>	<u>Position – Title</u>	<u>Email</u>
Suzanne Hawkins	Mayor	shawkins@tfid.org
Ruth Pierce	Vice-Mayor	rpierce@tfid.org
Shawn Barigar	City Councilman	sbarigar@tfid.org
Nikki Boyd	City Councilwoman	nboyd@tfid.org
Greg Lanting	City Councilman	glanting@tfid.org
Craig Hawkins	City Councilman	chawkins@tfid.org
Chris Reid	City Councilman	creid@tfid.org
Travis Rothweiler	City Manager	trothweiler@tfid.org
Mitch Humble	Deputy City Manager,	mhumble@tfid.org



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**City of Twin Falls  
Idaho**

For the Fiscal Year Beginning

**October 1, 2019**

*Christopher P. Morrill*

Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Twin Falls  
Idaho**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**



Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Twin Falls, Idaho

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Twin Falls, Idaho's basic financial statements as listed in the table of contents.

### *Management's Responsibility 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; this includes 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.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary and prior year comparison schedules, schedule of employer's share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such 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. 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 Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Twin Falls, Idaho's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary and prior year comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary and prior year comparison schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparisons schedules and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 12, 2021, on our consideration of the City of Twin Falls, Idaho'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 City of Twin Falls, Idaho'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 City of Twin Falls, Idaho's internal control over financial reporting and compliance.

Sincerely,

*Mahlke Hunsaker & Co.*

MAHLKE HUNSAKER & CO., pllc  
Twin Falls, Idaho  
February 12, 2021



# City of Twin Falls, Idaho

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## Management's Discussion and Analysis

As management of the City of Twin Falls, we offer readers of the City of Twin Falls' financial statements this narrative overview and analysis of the financial activities of the City of Twin Falls for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements. Most numbers have been rounded.

### Financial Highlight

On a government wide basis, the City's net unrestricted position experienced an increase of \$3,600,000. That net total is comprised of a decrease of \$2,100,000 coming from governmental activities and an increase of \$5,600,000 from business type activities (mainly water, wastewater, and sanitation). Business type activities have heavy requirements for capital needs and infrastructure; these needs are met with current revenues, out of reserves, or borrowing. Healthy performing business type activities are necessary for future growth and development, and to fund current debt obligations.

### Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Twin Fall's basic financial statements. Those statements consist of three components: 1) government-wide statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Twin Falls' finances, in a manner similar to a private-sector business. The *statement of net position* presents financial information on all of the City of Twin Falls' assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Twin Falls is improving or deteriorating.

The *statement of activities* presents information showing how the City of Twin Falls' net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City of Twin Falls that are either principally supported by taxes and intergovernmental revenues (governmental activities) or other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Twin Falls include general government, public safety, highways and streets, sanitation, an airport, and culture and recreation. The business-type activities of the City of Twin Falls include water, wastewater, and sanitation.

The government-wide financial statements also separately detail the financial position and activities of a legally independent urban renewal agency.

The government-wide financial statements can be found on pages 17-19 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Twin Falls, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Twin Falls can be divided into two categories, governmental funds and proprietary funds.

*Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Twin Falls maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, street fund, airport fund, capital improvement fund, and airport construction fund. These funds are considered major funds. Data from eight other smaller funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The basic governmental fund financial statements can be found on pages 21-23 of this report

Two types of *Proprietary Funds* are maintained by the City of Twin Falls. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements and are labeled as such in the fund statements. The City of Twin Falls uses enterprises funds to account for the utility services it provides; water, wastewater and sanitation. Internal service funds are another type of proprietary funds used by the City. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Twin Falls' various functions. The City of Twin Falls uses internal service funds to account for the management of its retained risks and insurance and for the maintenance of its fleet of vehicles and heavy equipment. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, wastewater, and sanitation functions, which are major funds of the City of Twin Falls. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report. The City maintains three other enterprise funds that are contained in the supplemental information of the financial statements.

The proprietary fund financial statements for the three major funds can be found on pages 25-27 of this report.

There is a third type of fund often used with fund accounting, *Fiduciary Funds*. Fiduciary Funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the governmental entities own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City of Twin Falls currently has no fiduciary funds.

**Notes to the Financial Statements.** The *Notes to the Financial Statements* provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-63 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents *other supplementary information*, some of which is required, concerning the City of Twin Falls as well as *statistical information* and information on the activity of the City's federal grant activity.

## **Financial Analysis of the City as a Whole**

### ***Analysis of Condensed Statement of Net Position***

The Statement of Net Position reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity.

Liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the City, consisting of revenue bonds, and compensated absences payable, have been reported in this manner on the Statement of Net Position. The difference between the City's assets and liabilities is its net position.

The City is fortunate enough to have operated without incurring any outstanding general obligation bonds. The only long-term debt currently in the governmental activities is the lease of a fire truck and compensated absences. Compensated absences have been included as an obligation of the City in the amount of \$2,400,000. That obligation represents unused vacation pay that employees have earned and not used as well as hours worked that an employee has elected to defer payment of until a future period. Should an employee retire or quit, they are paid any existing balance. As the City has grown, the number of employees has also increased. That and compensation increases have caused a natural increase in the balance of compensated absences being reported as a liability. However, that increase is mitigated a little as older employees retire, and their disproportionately higher balances are paid out. Employees are constantly using and replenishing their compensated absence balances. Most of the balances will be used in the upcoming year and have been reflected as a currently liability, even though those balances will be replenished with new replacement hours.

The City's existing debt consists of a new fire truck lease and revenue bonds. The lease requires ten years of annual rental payments of \$147,000. At any time, the City can exercise an option to purchase the truck. The option price is equal to the outstanding principal, as if the lease was being amortized like a debt. The revenue bonds are more fully discussed with the analysis of the Proprietary Funds.

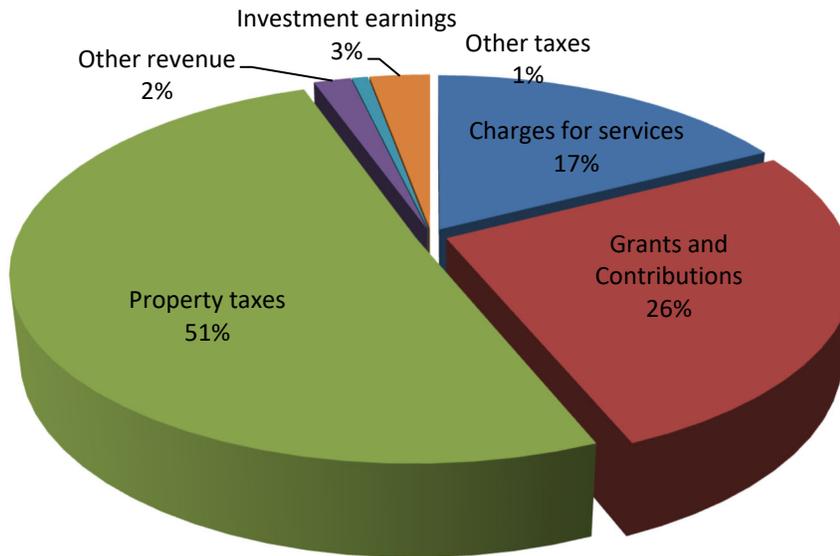
In its mission to provide citizens of the City the services and protections they require, the City maintains a substantial investment in streets, water systems, waste treatment and disposal structures, offices, a pool of vehicles, and general and heavy equipment. All those capital assets have a definitive useful life and are subject to depreciation, or a decrease in value, over time. One way to quantify the average capital replacement needs of the City is through this depreciation. During the current year depreciation was estimated to be \$10,100,000 for the government funds and \$5,400,000 for the business type activities. Using the City's current depreciation amounts the City would need to average \$15,500,000 in capital acquisitions each year to maintain its present level of services. The City will continue to maintain a balance with its budgeting efforts to assure that this investment in capital assets is appropriately maintained at a level which will allow the City to provide needed services and still assure that those needs are met in an affordable way. More detailed information on capital assets can be found in the notes to the financial statements under the caption "Capital Assets".

The table below presents the City's Condensed Statement of Net Position as of September 30, 2020 and 2019, which is derived from the government-wide Statement of Net Position. The assets of the City exceeded its liabilities (net position) at the close of the year by \$188,000,000 for governmental activities and by \$135,000,000 for business-type activities, for a combined total of \$323,000,000 for the primary government. Governmental Activities net position decreased by \$2,100,000 from 2019 to 2020, while the net position for business type activities increased by \$5,600,000 during the same period. The three components of net position include net investment in capital assets, restricted, and unrestricted. The largest component of net position, totaling \$247,000,000 at the 2020 year-end, is the investment in capital assets, which includes all the sewer and water lines and roads of the City. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net assets are not available for future spending. Restricted assets

totaling \$1,700,000 represent resources that are subject to external restrictions and other provisions on how they can be used. These restricted assets are in the general fund and represent amounts taken in by the City and are custodial in nature and dedicated for specific purposes. The remaining balance of \$76,700,000 is unrestricted and available to meet the ongoing obligations of the City to its citizens and creditors.

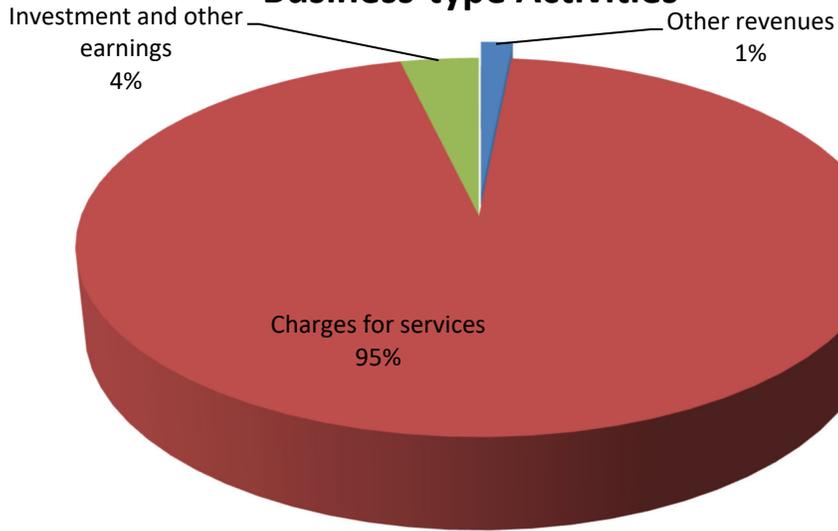
	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 56,725,693	\$ 47,595,066	\$ 37,756,622	\$ 32,337,303	\$ 94,482,315	\$ 79,932,369
Capital assets	148,052,251	154,340,686	148,166,100	153,170,656	296,218,351	307,511,342
Total assets	204,777,944	201,935,752	185,922,722	185,507,959	390,700,666	387,443,711
Deferred Outflow of Resources	3,263,389	1,212,504	374,942	180,501	3,638,331	1,393,005
Current and other liabilities	(17,875,613)	(10,182,837)	(2,863,039)	(2,392,323)	(20,738,652)	(12,575,160)
Bonds and Lease	(1,315,854)	-	(48,736,084)	(53,297,705)	(50,051,938)	(53,297,705)
Total liabilities	(19,191,467)	(10,182,837)	(51,599,123)	(55,690,028)	(70,790,590)	(65,872,865)
Deferred Inflow of Resources	(312,302)	(3,037,202)	(66,569)	(318,988)	(378,871)	(3,356,190)
Net position:						
Investment in capital assets	148,052,251	148,693,057	99,430,017	99,872,951	247,482,268	248,566,008
Restricted	1,683,155	941,273		6,378,604	1,683,155	7,319,877
Unrestricted	38,802,159	40,293,887	35,201,955	23,427,888	74,004,114	63,721,775
Total net position	\$ 188,537,565	\$ 189,928,217	\$ 134,631,972	\$ 129,679,443	\$ 323,169,537	\$ 319,607,660

### Sources of General Revenue for FY 2020 Governmental Activities



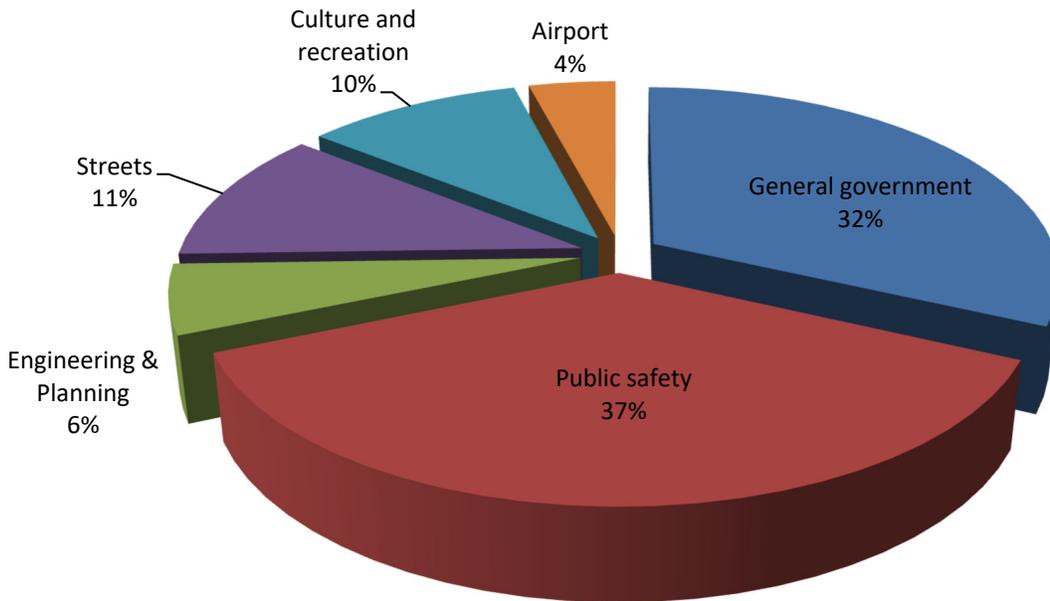
### Sources of Revenue for FY 2020

#### Business-type Activities

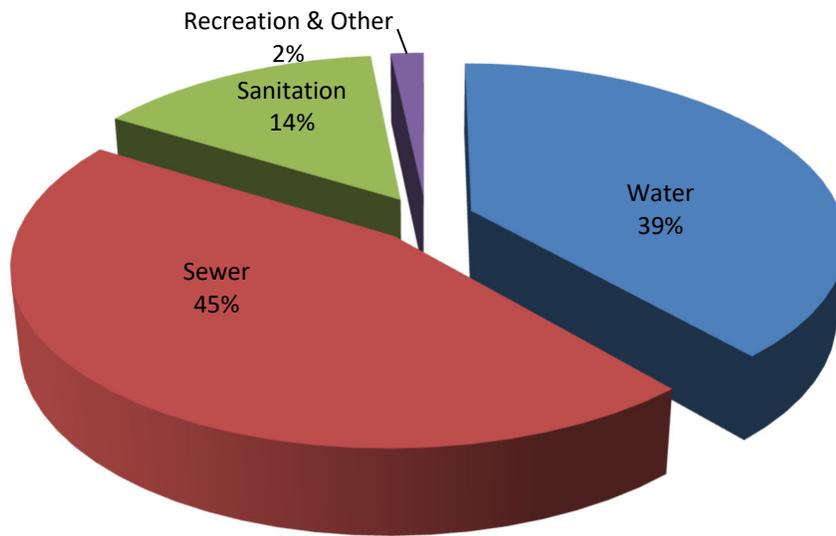


### Program Expenses for FY 2020

#### Governmental Activities



## Program Expenses for FY 2020 Business-type Activities



### *Analysis of Condensed Statement of Activities*

The following table presents the City's condensed statement of activities for the fiscal year 2019-20 and fiscal year 2018-19. It is derived from the government-wide Statement of Activities. Over time, increase and decreases in net position measure whether the City's financial position is improving or deteriorating.

**Condensed Statement of Activities**  
For the Fiscal Year Ended September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Program revenues</b>						
Charges for services	\$ 8,027,791	\$ 7,342,801	\$ 25,763,546	\$ 25,637,594	\$ 33,791,337	\$ 32,980,395
Grants and contributions						
Operating	9,975,484	9,232,149		175,959	9,975,484	9,408,108
Capital	2,154,900	3,225,200			2,154,900	3,225,200
<b>Total program revenue</b>	<b>20,158,175</b>	<b>19,800,150</b>	<b>25,763,546</b>	<b>25,813,553</b>	<b>45,921,721</b>	<b>45,613,703</b>
<b>General revenues and payments</b>						
Property taxes	23,386,148	22,160,886			23,386,148	22,160,886
Other taxes	356,555	369,688			356,555	369,688
Investment earnings	1,326,248	1,664,320	1,005,583	1,041,825	2,331,831	2,706,145
Other revenues	821,233	1,001,583	413,746	337,187	1,234,979	1,338,770
Total general revenues and payments	25,890,184	25,196,477	1,419,329	1,379,012	27,309,513	26,575,489
<b>Total general revenues and payments</b>	<b>46,048,359</b>	<b>44,996,627</b>	<b>27,182,875</b>	<b>27,192,565</b>	<b>73,231,234</b>	<b>72,189,192</b>
<b>Program expenses</b>						
General government	15,661,483	16,117,728	-	-	15,661,483	16,117,728
Public safety	18,080,010	16,028,595	-	-	18,080,010	16,028,595
Streets, Engineering, P&Z	8,354,986	9,176,803	-	-	8,354,986	9,176,803
Culture and recreation	5,014,400	4,297,386	-	-	5,014,400	4,297,386
Airport	2,013,652	2,202,086	-	-	2,013,652	2,202,086
Water	-	-	7,926,989	7,982,299	7,926,989	7,982,299
Sewer	-	-	9,294,699	9,321,354	9,294,699	9,321,354
Sanitation	-	-	2,978,268	2,900,054	2,978,268	2,900,054
Recreation enterprises	-	-	295,147	976,540	295,147	976,540
Other	-	-	49,723	46,909	49,723	46,909
<b>Total program expenses</b>	<b>49,124,531</b>	<b>47,822,598</b>	<b>20,544,826</b>	<b>21,227,156</b>	<b>69,669,357</b>	<b>69,049,754</b>
Excess (deficiency) before gain (loss) and transfers	(3,076,172)	(2,825,971)	6,638,049	5,965,409	3,561,877	3,139,438
Transfers	992,122	634,732	(992,122)	(634,732)	-	-
Asset Sales & Contributions				(49,523)	-	(49,523)
Change in net position	(2,084,050)	(2,191,239)	5,645,927	5,281,154	3,561,877	3,089,915
Beginning net position	190,621,615	192,119,456	128,986,045	124,398,289	319,607,660	316,517,745
Ending net position	\$ 188,537,565	\$ 189,928,217	\$ 134,631,972	\$ 129,679,443	\$ 323,169,537	\$ 319,607,660

## Governmental Revenues

The City is heavily reliant on property taxes to support governmental operations, currently 51%. Other sources of general revenues are mainly grants and contributions (26%) and charges for services (17%), other sources of revenue account for the remaining 6%.

### *Program Expenses and Revenue for Governmental Activities*

The following table presents the net costs for governmental activities. Program revenues as a percentage of program expenses remained virtually the same, although there are variations within program functions. Program revenues are higher than the prior year by 2%. Mainly due to grants received in the Street Fund.

Program expenses increased by \$1,300,000 between the two years, which equated to a 3% increase.

For the Fiscal Year Ended September 30

Functions/Programs	Program Expenses	Less Program Revenues	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2020	219	2019	2018
General government	\$ 15,661,483	\$ 8,265,897	\$ 7,395,586	\$ 8,679,003	52.8%	46.2%
Fire	5,207,029	542,398	4,664,631	3,873,339	10.4%	12.1%
Police	12,872,981	872,356	12,000,625	10,717,299	6.8%	7.8%
Engineering & planning	2,861,883	1,914,366	947,517	1,150,287	66.9%	58.0%
Library	1,932,768	37,895	1,894,873	1,828,095	2.0%	3.6%
Culture & recreation	3,081,632	562,458	2,519,174	2,118,840	18.3%	11.8%
Highways & streets	5,493,103	4,532,933	960,170	(546,203)	82.5%	108.5%
Airport	2,013,652	3,429,872	(1,416,220)	201,787	170.3%	90.8%
<b>Totals</b>	<b>\$ 49,124,531</b>	<b>\$ 20,158,175</b>	<b>\$ 28,966,356</b>	<b>\$ 28,022,447</b>	<b>41.0%</b>	<b>41.4%</b>

**Program Expenses and Revenue for Business-type Activities**

The following table presents net income and costs for business-type activities. Program revenues generated from business-type activities were generally sufficient to cover most program operational expenses; debt funding, and capital investment. In a previous year the City entered into a contract which leased the golf course. The contract reduced the City's exposure to the losses that had been occurring and still allowed the City enough input to assure that this asset of the City retains its value and continues to provide recreation services to the community. Even though the lease allows the City to participate in profits of its lessee/partner, it has been determined that the City will probably be dependent on property taxes to maintain its needed capital investment. That determination has caused a reclassification of the Golf Fund. Going forward it will be merged back into the General Fund with other recreational activities.

Overall charges for City water, wastewater, and sanitation services remained relatively unchanged as did the expenses of each activity. This year the City's Pool Fund was reclassified as a governmental activity and is included in the category "Culture and Recreation" above. More discussion about the reclassification is included in the notes to the financial statements. Generally, the user rates of business type activities are structured so that the activities are self-supporting without generating substantial profits. However, the City must maintain significant funds in both the water and sewer area to be able to repay bond liabilities and fund long-term capital improvements. An overview of the Enterprise funds follows:

**Net Income (Costs) of Business-type Activities**

For the Fiscal Year Ended September 30

Functions/Programs	Program Revenues	Less Program Expenses	Net Program Income (Costs)		Program Expenses as a Percentage of Program Revenues	
			2020	2019	2020	2019
Water	\$ 11,776,312	\$ 7,926,989	\$ 3,849,323	\$ 3,054,621	67.3%	72.3%
Sewer	9,805,782	9,294,699	511,083	928,195	94.8%	90.9%
Sanitation	3,570,220	2,978,268	591,952	470,239	83.4%	86.0%
Golf	27,592	63,308	(35,716)	(42,690)		
Dierkes Lk/Shoshone Fls	527,599	231,839	295,760	280,875	43.9%	44.4%
Common Area Maintenance	56,041	49,723	6,318	5,611	88.7%	89.3%
<b>Totals</b>	<b>\$ 25,763,546</b>	<b>\$ 20,544,826</b>	<b>\$ 5,218,720</b>	<b>\$ 4,586,397</b>	<b>79.7%</b>	<b>82.2%</b>

## **Fund Analysis**

### ***Governmental Funds***

The focus of the City of Twin Falls' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Twin Falls' financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Twin Falls itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council. On September 30, 2020, the City of Twin Falls' governmental funds reported combined fund balances of \$42,800,000 which is an increase of \$2,800,000 in comparison with the prior year.

### ***General Fund***

The general fund is the chief operating fund of the City. The City's general fund reported an ending fund balance of \$10,800,000 on September 30, 2020, with most of that fund balance (\$10,400,000) being available. That balance compares to an ending fund balance of \$11,700,000 on September 30, 2019 and reflects an 8% decrease in the balance. The General fund experienced relatively small variances from its final budget. But overall, they totaled up to over \$2,500,000 in favorable variances for the year. The two largest variances related to projected construction activity, which caused higher permitting revenue than expected, and the unforeseen direct expenses related to the Covid 19.

The City of Twin Falls has a policy of maintaining a reserve balance in the General Fund of 25% of the annual budgeted base revenues to provide reasonable assurance that the City will pay all general obligations and meet unforeseen emergencies. At the end of each fiscal year, after completion of the annual audit, the amount above the 25%, reduced by an deficit fund balances in other City Funds, will be transferred to the City's Capital Improvement Fund, where it will be available for one-time projects recommended by the City Manager and approved by City Council. That transfer did not occur for the 2018-2019 fiscal year this current fiscal year. The \$3,500,000 transfer in the current year under the policy contributed to the reduction in the fund balance referenced in the paragraph above.

### ***Street Fund***

The City receives a substantial amount of revenue from the State of Idaho which is dedicated to highway and street maintenance and operations. Those revenues come from taxes collected from fuel sales. The Street fund is charged with guaranteeing that the funds are only used for the benefit of the City's streets. Along with these dedicated taxes the City budgets to supplement the fuel taxes with other State share revenues, property taxes, and grants to meet the needs of the City's roads.

The Street Fund's fund balance grew about \$500,000 to \$7,900,000. Over the years the City has been able to develop a street maintenance program by dividing the City up into eight geographical areas and rotating a maintenance program to each area over an eight-year time frame. That has allowed the City to budget more consistently for maintenance expenditures. Of note is that the fund balance at the end of any year also includes long-term construction projects that are at various stages of completion.

### ***Airport and Airport Construction Funds***

The Airport and Airport Construction Funds have been identified as major funds of the City. Both saw consistent fund balances between the prior fiscal year and this fiscal year. The City has a joint operation agreement with Twin Falls County for the Airport operations. Both contribute 50% of the funding that is needed beyond other sources of operational revenue.

The Airport has been designated as part of the National Plan of Integrated Airport Systems (NPIAS). That means that the Airport has been identified as being significant to national transportation within the United States, and thus eligible to receive federal grants under the Airport Improvement Program (AIP). Isolating federal AIP funding grants within the Airport Construction Fund allows the City to follow grant restrictions and maintain the compliance required with the grants.

Some of the recent grants have been significant, including a major renovation to the airport facility to bring it into compliance with Transportation Security Administration (TSA) security guidelines and a major restructuring of the runways. AIP grants and the related activity can cause significant fluctuations between years. In the prior year grant revenue was \$600,000 and this year grant revenue was \$1,600,000 of expenditures that were capital related mirrored the change.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act has special provisions to assist airports in response to the Covid-19 pandemic. The Airport receive a grant of \$1,200,000 which is designated to assist with operational costs from the CARES funding. Past federal grants have generally been for capital projects. Through the end of the fiscal year the Airport realized \$540,000 of the grant with the balance available for expenditures in the next fiscal year.

#### Capital Improvement Fund

The final major fund of the City's is the Capital Improvement Fund. Its purpose is to account for all capital improvements in the General Fund. The Capital Improvement fund's largest project this year was the purchase and implementation of a new geographic information system (GIS). This system will be useful to many departments within the City (police, fire, and public works). The project is estimated to total more than \$1,500,000 when it is fully implemented, \$700,000 was expended in the current year and the project will continue into the next year.

The City has a policy that requires the General Fund balance be evaluated each year. Any excess of 25% of the annual budgeted revenues are transferred to the Capital Improvement Fund where it will be available for one-time projects. This year it is anticipated that that amount will be \$1,900,000 and happen in the 2020-2021 budget year.

#### Proprietary Funds

The City's proprietary funds reported combined ending net positions of \$135,000,000 on September 30, 2020, with most of that locked up and unavailable as restricted for debt retirement, or invested in capital assets, net of debt (\$99,400,000). \$35,200,000 is reported as unrestricted for all the Proprietary Funds at year end.

There were no new borrowings in the proprietary funds this year. The only activity was the scheduled payments of interest and principal on bonds. The City reduced its bonds in the Water and Wastewater Funds by \$4,560,000.

In the major proprietary funds that are capital intensive and have existing amounts of debt (Water Fund and Wastewater Fund) – increases to the fund balance through net income are essential to maintain adequate equipment and facilities, as well as the ability to repay debt. The existing revenue bond covenants require a that a ratio of 1.25 of operating revenue to operating expenses be maintained. The City is meeting the requirements, as well as being in full compliance with all other promises it made to bond holders as a condition of lending.

#### Waterworks Fund

The Water Fund's fund balance (other than the investment in Capital Assets) increased \$3,800,000. The amount invested in capital assets increased a net of \$1,300,000. The water fund has a healthy unrestricted portion of its net position, \$15,100,000. In prior years a substantial portion of the net position was restricted to provide for debt retirement. Upon further review it was determined that the City's existing bond payment agreements contain a provision for separate insurance coverage in the event of a payment default. The agreements do not provide for any specific reserve requirement. The effect of eliminating the restriction for debt coverage produces a considerable swing between the restricted portion of the net position in prior years and the current year.

#### Wastewater Fund

The Wastewater Fund has an increase in its fund balance of \$1,300,000. As with the Water Fund there was a change in the classification of the unrestricted portion of the Net Position. The Wastewater Fund also had previously classified a portion as restricted for debt retirement. The bond debt agreement, like the water bonds, provides for an insurance policy instead of a reserve requirement. In both the Waterworks Fund and the Wastewater Fund the unrestricted balances attest to the health of the fund. This will allow for needed capital improvement projects to be budget and planned for out of the fund reserves rather than funding them through debt financing or other means.

Sanitation Fund

The last major proprietary fund is the Sanitation Fund. The City contracts for sanitation services with a private third party. The City provides the administrative duties of subscribing and terminating services, as well as billing and collections. The City also pays the landfill fees. The goal of the Sanitation Fund is to breakeven. This year the fund netted \$600,000, which is higher than anticipated. That income will become part of the funds reserves going forward and be factored into the amount of any rate increases needed to keep the fund viable.

Included in the Sanitation Fund activities are the City’s recycling program. In recent years, China began rejecting recycled materials that contained more than 0.5% of contaminated materials. This decision had a profound impact on the City of Twin Falls and the curbside recycling program. It became apparent that there was a need to re-evaluate the current single-stream curbside recycling program as it existed. Recycling tonnage in Twin Falls had decreased the past few years. There was a need to consider the total impacts to the environment. All recyclable materials collected in Twin Falls are shipped to Boise for sorting, then shipped elsewhere, in some cases more than 2,000 miles. Based on input from the community in support of continued recycling and careful consideration of the balance between being good stewards and the economic costs of doing so – the City Council determined to continue the program, but limit the definition of acceptable recycling items to aluminum, cardboard and tin (ACT). Limiting recycling to those substances would focus efforts on commodities generating the most revenue, while continuing to capturing a significant amount of the previous recycling flow.

**Economic Factors**

Twin Falls as a desirable place to live is reflected the demand for housing and a related increase in housing values as the community struggles to keep up. The Federal Housing Finance Agency’s report for the quarter ended December 2020 ranks Idaho as the number one state in percentage change in housing prices. For 2020 housing prices increased 21% in the state and have increase 83% in the last five years. Activity levels for construction continue to exceed budgeted forecasts. Single family building permits issued by the City for the past five years are as follows:

Fiscal Year Ending	Permits Issued
2016	236
2017	224
2018	243
2019	326
2020	573

As commercial construction is also strong with \$32,500,000 in new permits issued. The community is on track to exceed that based on the first three month of the subsequent year. The total estimated value of building permits for residential construction increased from \$63. million last year to \$88.8 million this year. Projections for the coming year are for the City to see a record increase in the number of residential properties constructed again.

Unemployment levels have increased due to Covid, and as discussed below, Covid has had an impact of the City’s economy, but the unemployment rates for the City have consistently been lower than the State and National rates. A year ago, the City’s unemployment level was reported at 2.8%. At the end of the current year, unemployment stood at 6.3%.

The increased building growth impacts the city utilities as well. This can be illustrated with residential sanitation service accounts, which saw customer counts increase from 15,303 to 15,585 between September 30, 2019 and 2020.

Assessed net taxable market values within the City increased from \$2,901,000,000 to \$3,226,000,000. Properties are required to be reassessed by the County Appraiser every five years.

All but one of the levy rates charged by local taxing districts will be decreasing next year. The following is a table showing a comparison of the levy rates for the 2020 and 2021 budget years. More discussion about the substantial decrease (35%) follows below under Covid.

<u>Taxing District</u>	2019 Levy Rates (funded 2019-20 budget)	2020 Levy Rates (funded 2020-21 budget)	Percent Change
City of Twin Falls	0.007134065	0.005300426	-34.6%
Twin Falls County	0.004192917	0.003974578	-5.5%
Twin Falls County Ambulance District	0.000179316	0.000169938	-5.5%
Twin Falls County Abatement District	0.000103273	0.000097697	-5.7%
Twin Falls School District 411	0.004275126	0.003629366	-17.8%
Twin Falls Highway District	0.001091370	0.001069504	-2.0%
College of Southern Idaho	0.000889340	0.001014337	12.3%
Combined	<u>0.017865407</u>	<u>0.015255846</u>	-17.1%

## Covid-19

The City's operations, revenues, and expenditures were negatively impacted as a result of the COVID-19 outbreak in the United States and the subsequently mandatory shelter-in-place orders given by the Governor. The uncertainty continues but the pandemic's impact seems to be moderating. The full extent of the financial impact and other possible impacting matters are not completely known at this time.

The City tracked unusual expenditures that were directly related to the pandemic and recorded \$350,000 for the fiscal year ended September 30, 2020. Other areas of impact included summer youth sports which were 36% lower than the previous year and airport generated revenue (landing fees, firefighting revenues, franchise use fees) was down 25%.

Many essential services such as first responders and utilities were required to remain operating in the public arena at great personal risk and with limited staffing due to other employees' need to quarantine. At one point more than 25% of the City's work force was unavailable due to the Covid sickness or quarantining from exposure. The City had to adjust its operations with employees working from home where, work could be done productively. The City was able to keep all permanent employees employed during the height of the pandemic by not hiring temporary and seasonal employees and where possible shifting work responsibilities among available staff.

The City was able to benefit from Federal grants distributed by the State under the Coronavirus Aid Relief and Economic Security Act. in the amount of \$511,000 to the airport and \$281,000 to the City proper. Citizens benefited from the Governor's plan for property tax reduction as outlined in the notes to the financial statement at note #15.

## Future Issues

The City engages in a process of strategic planning whereby it analyzes the needs of the community and the role the City has in meeting those needs. A plan has been established and goals are identified, along with specific timelines. Those goals have been, and will continue to be, integrated within the budget process, and regularly reviewed to determine the best way to move forward. The following are specific issues the City faces, some defined in that process:

### State changes to Property Tax Statutes

The substantial appreciation in Idaho home values, mentioned earlier, has shifted the property tax burden in recent years from farms and businesses to residential property. State legislators have advanced several bills in the current session with the aim of reducing that burden and limiting property tax revenue available to local taxing districts, including Twin Falls. School Districts, Counties, and Cities and other local governmental agencies have lobbied legislators about the effect these proposed reductions would have on the ability to meet the current level of services being provided, especially given the acceleration of growth that is taking place. Idaho's constitution, like most states, grants very limited authority to local governments to determine governing statutes. A city or county must obtain permission from the state legislature if it wishes to pass a law or ordinance which is not specifically permitted. Whatever adjustments the State legislature dictates, as far as the ability to collect property tax revenue, will be implemented. If the changes are severe enough, the City will be in a

position of cutting services or limiting growth. At this time, none of the proposals have been signed into law by the Governor. The City will need to be flexible in moving forward to be responsive to any changes required by the State.

#### Metropolitan Planning Area

The City of Twin Falls was recently designated a metropolitan statistical area (MSA). An MSA is a geographical region with a relatively high population density having economic ties. MSA's are designated federally by the Office of Management and Budget (OMB) using Census data for statistical purposes. This change in designation can happen at any time, although the Twin Falls MSA was the only new MSA designated in 2017. As the city nears the critical population threshold of 50,000 the next step will be the designation of a UZA (urbanized areas). That designation can only follow a decennial census after applying specified criteria and data analysis. If an area is designated as a UZA with more than 50,000 population it will be tagged as a Metropolitan Planning Area (MPA). It usually takes the US Census Bureau about 2 years following the decennial census to complete their analysis and formally define any new MPAs. Based on this timeline, current populations, and current growth, the City of Twin Falls will receive an MPA designation in late 2022 or early 2023. As a result, members of the City's team have dedicated time and resources to ensure the City is well-prepared to meet new requirements and operating realities when the designations are in effect.

#### Compensation and Health Insurance

One issue that the City continues to deal with is compensation. We have made significant strides toward improving our competitive place in the market over the last several years. For example, our salary tables have increased by over 50% since 2011 and the City continues to strive to be the employer of choice.

In keeping with the concerns that the City has had about the compensation issue, the City Council took unprecedented action and began offering a retention pay program in December 2018. The incentive plan encourages employees to continue employment with the City by offering additional compensation at defined anniversary dates based on longevity. Payments must be returned to the City if employees do not continue employment for an additional three years.

Health care cost inflation continues to outpace price indexes. In response, the City opted to offer a traditional insurance plan and a high-deductible insurance plan. Those employees choosing the high-deductible plan had an additional \$1,000 set aside in a Health Savings Account (HSA), to use on eligible expenses. Because of increasing health care costs the City has had to make plan changes. Employees have seen modest increases to co-pays, deductibles, and out of pocket maximums. A prescription deductible was also added to the traditional plan. These small changes kept insurance premium costs down to an acceptable increase. The City hopes to only make modest adjustments going forward to keep the benefit package competitive with competing employers. There remains a concern about how to keep health care benefits sustainable in the long-term.

#### Firefighting Facilities

As the City has expanded over the years, it has not always been in ways that were projected forty or fifty years ago. The City's growth has required an evaluation of how the City is meeting its fire protection services. The City engaged a Citizen Committee to determine several immediate and future needs of fire and rescue facilities and their locations, the departments conformity with national standards, call response times, public safety, and future staffing. Based on the Committee's concerns and recommendations, the City Council presented the question to the citizens in the form of a general obligation (GO) bonds in the amount of \$36,000,000, to be used for the construction of new fire stations. GO bonds in Idaho are required to pass with a super majority (66.6%), and the bond measure failed to reach that threshold. As a result, the citizen committee and staff have considered other options for fire stations. At this point plans are being made that would meet the most critical needs using what resources may be available without securing a new bond.

#### Recreation Center

Over the years, individuals have discussed the need for the City to have a recreation center available for its citizens. The desire for a recreation center has also been brought up in a bi-annual survey the City sponsors. The survey gauges the attitude of citizens toward City services, and how well the City is carrying out its mission. Based on that survey and based on a separate study done on the issue, the City has formed a citizen's committee. This committee reviewed the feasibility of a City recreation center, and made recommendations to the City Council on the matter.

The City Council accepted the Phase One recommendations and directed the Committee to continue working with a consultant on Phase Two of the analysis. At this time activity on a new recreation center has slowed.

## **Urban Renewal Agency**

The Urban Renewal Agency of the City of Twin Falls, Idaho (URA) was organized under Idaho law in 1965 to redevelop deteriorating areas and to promote economic development.

Under governmental accounting standards the Agency is considered a component unit of the City so a summary of its financial information is discretely presented in the City's financial statements along with notes to those financial statements which add insight and clarification. The Agency's financial statements are available upon request.

In the downtown portion of the URA area, the agency completed an undertaking for significant work, largely improving Main Street. The Project won several awards including:

- 1) Association of Idaho City Achievement Award - Won for the category of Economic and Community Development. Won for creative and innovative solution to engage community.
- 2) Idaho Business Review Top Projects of the Year - Recognition of key public infrastructure project that was completed on time and within budget.
- 3) Idaho Grow Smart Award - Won for major reconstruction of Twin Falls' main downtown street creates public gathering space, a new city hall, more pedestrian-oriented streets and other amenities as a magnet for new mixed-use private investment.
- 4) American Council of Engineering Companies Award

As an associated part of the downtown project the URA purchased a building which sat on the same intersection as the new City Hall. The Agency has partnered with a developer to construct a six story, mixed use project that has about 18,000 square feet of commercial space and then 4 floors of residential equaling 44 units. The Agency demolished the existing building and provided the bare land as their part of the project which is currently being constructed.

The earliest revenue allocation area in the URA will terminate in 2 years. As the Agency winds down its activities in the Area, it is working toward and planning the best disposition of those Area assets.

## **FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CITY OF TWIN FALLS, IDAHO**

Statement of Net Position

September 30, 2020

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
<b><u>Assets</u></b>				
Cash and Investments	\$ 42,878,096	\$ 33,136,314	\$ 76,014,410	\$ 5,956,171
Receivables:				
Taxes	516,647	-	516,647	84,194
Fees and Services, net of allowances for uncollectibles	-	3,244,492	3,244,492	-
Intergovernmental	6,203,005	564,638	6,767,643	1,219
Interest	2,091	-	2,091	-
Accounts	528,059	5,529	533,588	-
Internal Balances	341,227	(341,227)	-	-
Prepaid Expenses	-	154,946	154,946	-
Inventory	-	991,930	991,930	-
Capital Assets not being Depreciated				
Land	7,277,795	12,853,768	20,131,563	3,150,167
Construction in Progress	9,550,030	2,207,914	11,757,944	-
Capital Assets				
Buildings and Structures	36,192,350	19,762,062	55,954,412	-
Infrastructure	285,028,514	115,815,518	400,844,032	-
Improvements	20,068,221	39,572,945	59,641,166	-
Machinery and Equipment	23,334,760	17,039,626	40,374,386	-
Accumulated Depreciation	(233,399,419)	(59,085,733)	(292,485,152)	-
Net Pension Asset	6,256,568	-	6,256,568	-
<b>Total Assets</b>	<b>204,777,944</b>	<b>185,922,722</b>	<b>390,700,666</b>	<b>9,191,751</b>
<b><u>Deferred Outflows of Resources</u></b>				
Pension Obligations	3,263,389	374,942	3,638,331	-
<b>Total Deferred Outflows of Resources</b>	<b>3,263,389</b>	<b>374,942</b>	<b>3,638,331</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 208,041,333</b>	<b>\$ 186,297,664</b>	<b>\$ 394,338,997</b>	<b>\$ 9,191,751</b>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**

Statement of Net Position

September 30, 2020

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
<b><u>Liabilities</u></b>				
Pooled Cash	\$ 13,028	\$ 210,025	\$ 223,053	\$ -
Accounts Payable	2,866,207	880,708	3,746,914	759,229
Accrued Expenses	176,950	600	177,550	-
Accrued Interest	14,510	52,600	67,110	3,629,593
Due to Other Governments	-	-	-	3,000,000
Unearned Revenue	124,983	-	124,983	-
Customer Deposits	408,915	136,174	545,089	-
Noncurrent Liabilities:				
Compensated Absences-Current Portion	1,390,948	113,392	1,504,340	-
Capital Lease-Current Portion	122,205	-	122,205	-
Revenue Bond Payable-Current	-	4,435,000	4,435,000	3,431,000
Revenue Bond Payable	-	44,301,084	44,301,084	35,723,000
Capital Lease	1,193,649	-	1,193,649	-
Compensated Absences	855,191	25,975	881,166	-
Development & Project Reimbursement Agreements	-	-	-	16,773,913
Net Pension Liability	12,024,881	1,443,565	13,468,446	-
<b>Total Liabilities</b>	<b>19,191,467</b>	<b>51,599,123</b>	<b>70,790,589</b>	<b>63,316,735</b>
<b><u>Deferred Inflows of Resources</u></b>				
Pension Obligations	312,302	66,569	378,871	-
<b>Total Deferred Inflows of Resources</b>	<b>312,302</b>	<b>66,569</b>	<b>378,871</b>	<b>-</b>
<b><u>Net Position</u></b>				
Net Investment in Capital Assets	148,052,251	99,430,016	247,482,267	(52,777,746)
Restricted for:				
Park Development	694,686	-	694,686	3,008,394
Airport Construction	895,600	-	895,600	407,160
Law Enforcement Activities	92,869	-	92,869	-
Unrestricted	38,802,159	35,201,956	74,004,115	(4,762,792)
<b>Total Net Position</b>	<b>188,537,565</b>	<b>134,631,972</b>	<b>323,169,537</b>	<b>(54,124,984)</b>
<b>Total Liabilities, Deferred Inflows and Net Position</b>	<b>\$ 208,041,333</b>	<b>\$ 186,297,664</b>	<b>\$ 394,338,997</b>	<b>\$ 9,191,751</b>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**  
Statement of Activities  
For the Year Ended September 30, 2020

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Unit - Urban Renewal
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business- Type Activities	Total	
<b>Primary Government:</b>								
<b>Governmental Activities:</b>								
General Government	\$ 15,661,483	\$ 2,418,558	\$ 5,847,259	\$ 80	\$ (7,395,586)	\$ -	\$ (7,395,586)	
Fire	5,207,029	542,398	-	-	(4,664,631)	-	(4,664,631)	
Police	12,872,981	872,356	-	-	(12,000,625)	-	(12,000,625)	
Engineering/Planning	2,861,883	1,914,366	-	-	(947,517)	-	(947,517)	
Library	1,932,768	37,895	-	-	(1,894,873)	-	(1,894,873)	
Culture and Recreation	3,081,632	375,664	186,794	-	(2,519,174)	-	(2,519,174)	
Highway and Street	5,493,103	989,614	3,543,319	-	(960,170)	-	(960,170)	
Airport	2,013,652	876,940	398,112	2,154,820	1,416,220	-	1,416,220	
Total Governmental Activities	49,124,531	8,027,791	9,975,484	2,154,900	(28,966,356)	-	(28,966,356)	
<b>Business-Type Activities:</b>								
Water	7,926,988	11,776,309	-	-	-	3,849,321	3,849,321	
Wastewater	9,294,699	9,805,783	-	-	-	511,084	511,084	
Sanitation	2,978,268	3,570,221	-	-	-	591,953	591,953	
Golf	63,308	27,592	-	-	-	(35,716)	(35,716)	
Dierkes Lake/Shoshone Falls	231,840	527,600	-	-	-	295,760	295,760	
Common Area Maintenance	49,723	54,871	-	-	-	5,148	5,148	
Total Business-Type Activities	20,544,826	25,762,376	-	-	-	5,217,550	5,217,550	
Total Primary Government	\$ 69,669,357	\$ 33,790,167	\$ 9,975,484	\$ 2,154,900	\$ (28,966,356)	\$ 5,217,550	\$ (23,748,806)	
<b>Component Unit:</b>								
Urban Renewal Agency								\$ (4,621,849)
<b>General Revenues:</b>								
Taxes:								
Property taxes, Levied for General Purposes					23,386,148	\$ -	\$ 23,386,148	\$ -
Property taxes, Levied for Debt Service					-	-	-	7,722,992
Franchise and Public Service Taxes					356,555	-	356,555	-
Interest and Investment Earnings					1,326,248	1,005,583	2,331,831	73,002
Gain on Sale of Assets or Transfer of Assets					40,301	54,398	94,699	-
Miscellaneous Revenues					780,932	360,518	1,141,450	41,602
Transfers					992,122	(992,122)	-	-
					26,882,306	428,377	27,310,683	7,837,596
Changes in Net Position					(2,084,050)	5,645,927	3,561,877	3,215,747
<b>Net Position - October 1, 2019, restated</b>					190,621,615	128,986,045	319,607,660	(57,340,731)
<b>Net Position - September 30, 2020</b>					\$ 188,537,565	\$ 134,631,972	\$ 323,169,537	\$ (54,124,984)

See accompanying notes to the financial statements.

## **FUND FINANCIAL STATEMENTS**

**CITY OF TWIN FALLS, IDAHO**

Fund Balance Sheets

Governmental Funds

September 30, 2020

	<b>General</b>	<b>Street</b>	<b>Airport</b>	<b>Capital Improvement</b>	<b>Airport Construction</b>	<b>Other Governmental</b>	<b>Total Governmental</b>
<b>Assets</b>							
Cash and Investments	\$ 9,568,962	\$ 5,934,211	\$ 2,519,431	\$ 15,150,139	\$ 66,134	\$ 9,012,353	\$ 42,251,230
Receivables (net of allowance)							
Taxes	472,270	21,109	-	17,620	-	755	511,754
Intergovernmental	1,327,926	834,368	125,687	479,351	376,289	54,265	3,197,886
Interest	2,091	-	-	-	-	-	2,091
Accounts	56,647	307,608	129,475	-	16,469	15,410	525,609
Due from Other Funds	683,166	-	-	-	-	-	683,166
<b>Total Assets</b>	<b>\$ 12,111,062</b>	<b>\$ 7,097,296</b>	<b>\$ 2,774,593</b>	<b>\$ 15,647,110</b>	<b>\$ 458,892</b>	<b>\$ 9,082,783</b>	<b>\$ 47,171,736</b>
<b>Liabilities</b>							
Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,028	\$ 13,028
Accounts Payable	322,181	1,262,148	77,046	657,823	475,464	63,500	2,858,162
Accrued Expenditures	155,119	-	6,135	-	-	15,437	176,691
Customer Deposits Payable	408,915	-	-	-	-	-	408,915
Due to Other Funds	-	-	-	-	-	341,939	341,939
<b>Total Liabilities</b>	<b>886,215</b>	<b>1,262,148</b>	<b>83,181</b>	<b>657,823</b>	<b>475,464</b>	<b>433,904</b>	<b>3,798,735</b>
<b>Deferred Inflows of Resources</b>							
Unavailable Revenues-Property Taxes & Rents	418,757	20,610	124,983	16,535	-	197	581,082
<b>Total Deferred Inflows of Resources</b>	<b>418,757</b>	<b>20,610</b>	<b>124,983</b>	<b>16,535</b>	<b>-</b>	<b>197</b>	<b>581,082</b>
<b>Fund Balances</b>							
Nonspendable Fund Balance	-	-	-	-	-	-	-
Restricted, Expendable for							
Law Enforcement Activities	81,043	-	-	-	-	-	81,043
Restricted for the Benefit for TFPD	11,826	-	-	-	-	-	11,826
Deposits	330,493	-	-	-	-	-	330,493
Committed Fund Balance							
Budgeted Surplus Res.	-	3,000,000	93,755	394,719	-	729,000	4,217,474
Park Development	-	-	-	-	-	980,600	980,600
Impact Fees	-	-	-	-	-	5,533,673	5,533,673
Drug Seizure	-	-	-	-	-	97,542	97,542
Public Art Fund	-	-	-	52,535	-	-	52,535
Assigned Fund Balance							
General Government	10,382,728	-	-	-	-	-	10,382,728
Streets	-	2,814,538	-	-	-	-	2,814,538
Airport	-	-	2,472,674	-	-	-	2,472,674
Street Light	-	-	-	-	-	146,030	146,030
Capital Improvements	-	-	-	14,525,498	-	-	14,525,498
Community Services-Library	-	-	-	-	-	1,272,795	1,272,795
Unassigned Fund Balance	-	-	-	-	(16,572)	(110,958)	(127,530)
<b>Total Fund Balance</b>	<b>10,806,090</b>	<b>5,814,538</b>	<b>2,566,429</b>	<b>14,972,752</b>	<b>(16,572)</b>	<b>8,648,682</b>	<b>42,791,919</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 12,111,062</b>	<b>\$ 7,097,296</b>	<b>\$ 2,774,593</b>	<b>\$ 15,647,110</b>	<b>\$ 458,892</b>	<b>\$ 9,082,783</b>	<b>\$ 47,171,736</b>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
September 30, 2020

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Governmental Fund Balances	\$	42,791,919
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		147,807,614
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.		3,460,580
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle repairs and maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.		859,411
Net pension assets, liabilities and associated deferred items are not available to pay for current period expenditures and therefore are deferred in the funds:		
Deferred outflows of resources		3,263,389
Deferred inflows of resources		(312,302)
Net pension asset		6,256,568
Net pension liability		(12,024,881)
Long-term liabilities, including capitalized leases, equipment notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.		
Accrued Interest		(14,510)
Leases and Equipment Notes		(1,315,854)
Compensated absences		(2,246,139)
Compensated absences included in the internal service funds		11,770
		11,770
Net Position of Governmental Activities	\$	188,537,565

**CITY OF TWIN FALLS, IDAHO**  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Funds  
For the Year Ended September 30, 2020

	<u>General</u>	<u>Street</u>	<u>Airport</u>	<u>Capital Improvement</u>	<u>Airport Construction</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
<b>Revenues</b>							
Property Taxes, Including Interest	\$ 19,388,589	\$ 798,141	\$ 398,350	\$ 771,463	\$ -	\$ 1,856,935	\$ 23,213,478
Other Taxes	445,807	-	-	-	-	356,555	802,362
Special Assessments, Including Interest	-	-	-	-	-	54,172	54,172
Fines and Forfeitures	16,279	-	-	-	-	16,048	32,327
Licenses and Permits	1,882,560	-	-	-	-	-	1,882,560
Fees and Services	1,168,201	-	725,191	-	100,131	1,987,709	3,981,232
Intergovernmental	3,459,964	3,543,319	398,112	1,736,550	-	186,794	9,324,739
Federal Grants	639,674	-	541,201	80	1,613,618	-	2,794,573
Farm Income	-	-	51,617	-	-	-	51,617
Miscellaneous	1,290,424	1,233,867	117,575	1,657,912	131	338,937	4,638,846
<b>Total Revenue</b>	<u>28,291,498</u>	<u>5,575,327</u>	<u>2,232,046</u>	<u>4,166,005</u>	<u>1,713,880</u>	<u>4,797,150</u>	<u>46,775,906</u>
<b>Expenditures</b>							
Current							
General Government	5,485,881	-	-	1,093,105	-	-	6,578,986
Public Safety	17,702,699	-	-	570,898	-	13,371	18,286,968
Engineering	1,683,416	-	-	-	-	-	1,683,416
Community Development	979,728	-	-	-	-	18,000	997,728
Culture and Recreation	2,084,267	-	-	399,436	-	2,207,434	4,691,137
Highway and Streets	-	3,727,917	-	-	-	441,672	4,169,589
Airport	-	-	1,331,412	-	1,766,135	-	3,097,547
Capital Outlay	-	3,949,255	-	968,632	-	135,566	5,053,453
<b>Total Expenditures</b>	<u>27,935,991</u>	<u>7,677,172</u>	<u>1,331,412</u>	<u>3,032,071</u>	<u>1,766,135</u>	<u>2,816,043</u>	<u>44,558,824</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	355,507	(2,101,845)	900,634	1,133,934	(52,255)	1,981,107	2,217,082
<b>Other Financing Sources and (Uses)</b>							
Transfers In	2,213,831	329,503	5,631	3,500,000	-	10,493	6,059,458
Transfers Out	(3,516,124)	(320,096)	(383,248)	(1,177,287)	-	(23,793)	(5,420,548)
<b>Total Other Financing Sources and (Uses)</b>	<u>(1,302,293)</u>	<u>9,407</u>	<u>(377,617)</u>	<u>2,322,713</u>	<u>-</u>	<u>(13,300)</u>	<u>638,910</u>
<b>Net Change in Fund Balance</b>	(946,786)	(2,092,438)	523,017	3,456,647	(52,255)	1,967,807	2,855,992
<b>Fund Balance October 1, 2019-restated</b>	<u>11,752,876</u>	<u>7,906,976</u>	<u>2,043,412</u>	<u>11,516,105</u>	<u>35,683</u>	<u>6,680,875</u>	<u>39,935,927</u>
<b>Fund Balance September 30, 2020</b>	<u>\$ 10,806,090</u>	<u>\$ 5,814,538</u>	<u>\$ 2,566,429</u>	<u>\$ 14,972,752</u>	<u>\$ (16,572)</u>	<u>\$ 8,648,682</u>	<u>\$ 42,791,919</u>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**

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, 2020

**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, 2020**

Net Change in Fund Balances - Total Government Funds		\$	2,855,992
Amounts reported for governmental activities in the Statement of Activities are different because:			
Government funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period			
Expenditures for capital assets	8,831,435		
Less current year depreciation	(10,111,313)		
Loss on disposal of capital assets	<u>(70,938)</u>		(1,350,816)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in government funds.			(1,360,141)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and shop repairs and maintenance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.			(48,293)
Changes in net pension liability and related pension obligations deferred outflow and employer pension assumption deferred inflow of resources do not provide required current financial resources and therefore are not reflected in the funds.			(1,249,904)
Revenues that will not be collected for several months after the City's fiscal year ends are not considered "available" revenues and are deferred in the governmental funds. Deferred inflows of resources decreased by this amount in the current year.			<u>(930,888)</u>
Change in Net Position of Governmental Activities		\$	<u><u>(2,084,050)</u></u>

**CITY OF TWIN FALLS, IDAHO**

Statement of Net Position

Proprietary Funds

September 30, 2020

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
<b>Assets</b>						
Current Assets						
Cash and Investments	\$ 14,029,496	\$ 17,241,161	\$ 598,502	\$ 1,267,155	\$ 33,136,314	\$ 626,866
Receivables, net of allowance for uncollectibles						
Taxes	-	-	-	-	-	4,893
Fees and Services	1,358,243	1,503,636	374,880	7,733	3,244,492	-
Intergovernmental	326,482	238,156	-	-	564,638	5,119
Accounts	3,023	-	-	2,506	5,529	2,450
Inventories	991,930	-	-	-	991,930	-
<b>Total Current Assets</b>	<b>16,709,174</b>	<b>18,982,953</b>	<b>973,382</b>	<b>1,277,394</b>	<b>37,942,903</b>	<b>639,328</b>
Noncurrent Assets						
Prepaid Asset	-	154,946	-	-	154,946	-
Due from Other Funds	-	20,794	-	-	20,794	-
Capital Assets (Net of Accum. Depreciation)	56,595,936	90,020,064	-	1,550,101	148,166,101	244,637
<b>Total Noncurrent Assets</b>	<b>56,595,936</b>	<b>90,195,804</b>	<b>-</b>	<b>1,550,101</b>	<b>148,341,841</b>	<b>244,637</b>
<b>Total Assets</b>	<b>73,305,110</b>	<b>109,178,757</b>	<b>973,382</b>	<b>2,827,495</b>	<b>186,284,744</b>	<b>883,965</b>
<b>Deferred Outflows of Resources</b>						
Pension Obligations	279,382	87,025	-	8,536	374,943	-
<b>Total Deferred Outflows of Resources</b>	<b>279,382</b>	<b>87,025</b>	<b>-</b>	<b>8,536</b>	<b>374,943</b>	<b>-</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 73,584,492</b>	<b>\$ 109,265,782</b>	<b>\$ 973,382</b>	<b>\$ 2,836,031</b>	<b>\$ 186,659,687</b>	<b>\$ 883,965</b>
<b>Liabilities and Net Position</b>						
Current Liabilities:						
Pooled Cash	\$ -	\$ -	\$ -	\$ 210,025	\$ 210,025	\$ -
Accounts Payable	491,933	89,239	253,627	45,909	880,708	8,046
Accrued Expenses	20,172	33,029	-	-	53,201	259
Due to Other Funds	-	-	-	362,021	362,021	-
Unavailable Revenue	-	-	-	-	-	4,481
Customer Deposits Payable	134,400	75	-	1,699	136,174	-
Revenue Bonds Payable - Current	2,305,000	2,130,000	-	-	4,435,000	-
Compensated Absences	88,106	25,286	-	-	113,392	10,518
<b>Total Current Liabilities</b>	<b>3,039,611</b>	<b>2,277,629</b>	<b>253,627</b>	<b>619,654</b>	<b>6,190,521</b>	<b>23,304</b>
NonCurrent Liabilities:						
Revenue Bonds Payable (Net of Discounts)	9,469,612	34,831,472	-	-	44,301,084	-
Compensated Absences	21,417	4,559	-	-	25,976	1,248
Net Pension Liability	1,088,736	320,072	-	34,758	1,443,566	-
<b>Total Non-current Liabilities</b>	<b>10,579,765</b>	<b>35,156,103</b>	<b>-</b>	<b>34,758</b>	<b>45,770,626</b>	<b>1,248</b>
<b>Total Liabilities</b>	<b>13,619,376</b>	<b>37,433,732</b>	<b>253,627</b>	<b>654,412</b>	<b>51,961,147</b>	<b>24,552</b>
<b>Deferred Inflows of Resources</b>						
Pension Obligations	32,585	31,335	-	2,648	66,568	-
<b>Total Deferred Inflows of Resources</b>	<b>32,585</b>	<b>31,335</b>	<b>-</b>	<b>2,648</b>	<b>66,568</b>	<b>-</b>
<b>Net Position</b>						
Net Investment In Capital Assets	44,821,324	53,058,592	-	1,550,101	99,430,017	244,637
Unrestricted	15,111,207	18,742,123	719,755	628,870	35,201,955	614,776
<b>Total Net Position</b>	<b>59,932,531</b>	<b>71,800,715</b>	<b>719,755</b>	<b>2,178,971</b>	<b>134,631,972</b>	<b>859,413</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 73,584,492</b>	<b>\$ 109,265,782</b>	<b>\$ 973,382</b>	<b>\$ 2,836,031</b>	<b>\$ 186,659,687</b>	<b>\$ 883,965</b>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended September 30, 2020

	<b>Business-Type Activities</b>				<b>Total</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Waterworks</b>	<b>Wastewater</b>	<b>Sanitation</b>	<b>Other Business- Type</b>		
<b>Operating Revenues:</b>						
Charges for Services	\$ 11,463,822	\$ 9,343,523	\$ 3,570,221	\$ 610,063	\$ 24,987,629	\$ 424,866
Taps, Connection and Other Fees	312,487	-	-	-	312,487	-
Special Assessments, Including Interest	-	-	-	-	-	197,010
Miscellaneous	56,661	226,697	670	4,838	288,866	-
<b>Total Operating Revenues</b>	<b>11,832,970</b>	<b>9,570,220</b>	<b>3,570,891</b>	<b>614,901</b>	<b>25,588,982</b>	<b>621,876</b>
<b>Operating Expenses:</b>						
Contracted Services	245,308	3,213,100	2,059,200	128,443	5,646,051	6,953
Personnel Expenses	2,461,741	835,670	-	56,062	3,353,473	424,144
Depreciation and Amortization	1,867,783	3,363,290	-	123,716	5,354,789	14,916
Utilities	930,699	3,219	-	5,692	939,610	7,893
Landfill Expenses	-	-	795,282	-	795,282	-
Supplies	571,632	60,853	-	10,037	642,522	28,469
Insurance	-	-	-	-	-	467,742
Repairs and Maintenance	149,847	14,493	-	13,038	177,378	12,616
Vehicle Expenses	143,804	48,428	-	1,203	193,435	1,552
Small Equipment	547,409	234,242	-	6,047	787,698	62,779
Studies and Projects	38,150	-	97,394	-	135,544	-
Rental Expense	160,243	10,987	-	-	171,230	-
Miscellaneous Expense	193,869	56,071	26,392	633	276,965	409
Testing and Monitoring	82,461	-	-	-	82,461	-
Travel and Meetings	5,209	1,489	-	-	6,698	920
<b>Total Operating Expenses</b>	<b>7,398,155</b>	<b>7,841,842</b>	<b>2,978,268</b>	<b>344,871</b>	<b>18,563,136</b>	<b>1,028,393</b>
<b>Operating Income (Loss)</b>	<b>4,434,815</b>	<b>1,728,378</b>	<b>592,623</b>	<b>270,030</b>	<b>7,025,846</b>	<b>(406,517)</b>
<b>Non-Operating Revenues (Expenses):</b>						
Development Fees	-	462,260	-	-	462,260	-
Investment Income	437,995	515,236	18,069	34,281	1,005,581	5,014
Rent and Royalties	71,652	-	-	-	71,652	-
Gain (Loss) on Sale or Transfer of Assets	14,254	42,207	-	(2,062)	54,399	-
Interest Expense	(528,833)	(1,452,857)	-	-	(1,981,690)	-
<b>Total Non-Operating Revenues (Exp.)</b>	<b>(4,932)</b>	<b>(433,154)</b>	<b>18,069</b>	<b>32,219</b>	<b>(387,798)</b>	<b>5,014</b>
<b>Income (Loss) Before Interfund Transfers</b>	<b>4,429,883</b>	<b>1,295,224</b>	<b>610,692</b>	<b>302,249</b>	<b>6,638,048</b>	<b>(401,503)</b>
<b>Interfund Transfers</b>						
Transfers In	595,366	1,000,000	-	35,500	1,630,866	413,390
Transfers Out	(1,175,333)	(954,348)	(479,918)	(13,389)	(2,622,988)	(60,178)
<b>Net Transfers</b>	<b>(579,967)</b>	<b>45,652</b>	<b>(479,918)</b>	<b>22,111</b>	<b>(992,122)</b>	<b>353,212</b>
<b>Net Income (Loss)</b>	<b>3,849,916</b>	<b>1,340,876</b>	<b>130,774</b>	<b>324,360</b>	<b>5,645,926</b>	<b>(48,291)</b>
<b>Total Net Position, October 1, 2019-restated</b>	<b>56,082,615</b>	<b>70,459,839</b>	<b>588,981</b>	<b>1,854,611</b>	<b>128,986,046</b>	<b>907,704</b>
<b>Total Net Position, September 30, 2020</b>	<b>\$ 59,932,531</b>	<b>\$ 71,800,715</b>	<b>\$ 719,755</b>	<b>\$ 2,178,971</b>	<b>\$ 134,631,972</b>	<b>\$ 859,413</b>

See accompanying notes to the financial statements.

**CITY OF TWIN FALLS, IDAHO**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended September 30, 2020

	Business-Type Activities				Total	Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type		
<b>Cash Flows from Operating Activities</b>						
Receipts from Customers	\$ 11,347,166	\$ 10,152,475	\$ 3,586,658	\$ 611,230	\$ 25,697,529	\$ -
Cash Received from Interfund Services Provided	-	-	-	-	-	425,766
Property Taxes, Including Interest	-	-	-	-	-	190,906
Payments to Suppliers	(3,220,652)	(3,691,485)	(3,145,210)	(131,876)	(10,189,223)	(593,124)
Payments to Employees	(2,250,572)	(782,649)	-	(52,179)	(3,085,400)	(424,065)
Other Receipts	56,661	226,697	670	4,838	288,866	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>5,932,603</u>	<u>5,905,038</u>	<u>442,118</u>	<u>432,013</u>	<u>12,711,772</u>	<u>(400,517)</u>
<b>Cash Flows from Non-Capital Financing Activities</b>						
Interfund Transfers to Other Funds	(1,175,333)	(954,348)	(479,918)	(13,390)	(2,622,989)	(60,179)
Receipts from (Advances) to Other Funds	595,366	1,000,000	-	35,500	1,630,866	413,390
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<u>(579,967)</u>	<u>45,652</u>	<u>(479,918)</u>	<u>22,110</u>	<u>(992,123)</u>	<u>353,211</u>
<b>Cash Flows from Capital and Related Financing Activities</b>						
Purchase of Capital Assets	(167,127)	(45,427)	-	(19,780)	(232,334)	-
Construction in Progress	(768,309)	(207,649)	-	(129,091)	(1,105,049)	-
Principal Paid on Capital Debt	(2,215,000)	(2,030,000)	-	-	(4,245,000)	-
Interest Paid on Capital Debt	(533,417)	(1,455,281)	-	-	(1,988,698)	-
Development Fees	-	462,260	-	-	462,260	-
Rents and Royalties	71,652	-	-	-	71,652	-
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<u>(3,612,201)</u>	<u>(3,276,097)</u>	<u>-</u>	<u>(148,871)</u>	<u>(7,037,169)</u>	<u>-</u>
<b>Cash Flows from Investing Activities</b>						
(Purchase) or Sale of Securities	(1,619,804)	(2,097,716)	(74,372)	(103,637)	(3,895,529)	(27,647)
Investment Income	437,995	515,236	18,069	34,281	1,005,581	5,014
<b>Net Cash Provided (Used) by Investing Activities</b>	<u>(1,181,809)</u>	<u>(1,582,480)</u>	<u>(56,303)</u>	<u>(69,356)</u>	<u>(2,889,948)</u>	<u>(22,633)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	558,626	1,092,113	(94,103)	235,896	1,792,532	(69,939)
<b>Balances - Beginning of the Year</b>	<u>1,062,585</u>	<u>79,782</u>	<u>122,891</u>	<u>237,358</u>	<u>1,502,616</u>	<u>462,260</u>
<b>Balances - End of the Year</b>	<u>\$ 1,621,211</u>	<u>\$ 1,171,895</u>	<u>\$ 28,788</u>	<u>\$ 473,254</u>	<u>\$ 3,295,148</u>	<u>\$ 392,321</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>						
Operating Income (Loss)	\$ 4,434,815	\$ 1,728,378	\$ 592,623	\$ 270,030	\$ 7,025,846	\$ (406,517)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	1,989,498	3,558,196	-	123,716	5,671,410	14,916
Amortization	(121,715)	(194,906)	-	-	(316,621)	-
Change in Assets and Liabilities:						
Receivables, Net	(437,518)	809,427	16,437	(533)	387,813	(5,823)
Prepaid Expenses	-	11,919	-	-	11,919	-
Inventories	(106,531)	-	-	-	(106,531)	-
Unavailable Revenue	-	-	-	-	-	619
DOF or Resources-Pension Obligations	(151,808)	(39,845)	-	(2,790)	(194,443)	-
Accounts Payable	(45,490)	(60,522)	(166,942)	(51,274)	(324,228)	(3,791)
Due to Other Funds-Pooled Cash	-	-	-	84,491	84,491	-
Customer Deposits	8,375	(475)	-	1,701	9,601	-
Compensated Absences	(188)	(2,452)	-	-	(2,640)	79
Net Pension Liability	560,238	147,044	-	10,293	717,575	-
DIF or Resources-Pension Obligations	(197,073)	(51,726)	-	(3,621)	(252,420)	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ 5,932,603</u>	<u>\$ 5,905,038</u>	<u>\$ 442,118</u>	<u>\$ 432,013</u>	<u>\$ 12,711,772</u>	<u>\$ (400,517)</u>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds</b>						
Cash and Investments-Statement of Net Position	\$ 14,029,496	\$ 17,241,161	\$ 598,502	\$ 1,267,155	\$ 33,136,314	\$ 626,866
Less: Investments	(12,408,285)	(16,069,266)	(569,714)	(793,901)	(29,841,166)	(234,545)
<b>Cash and Cash Equivalents</b>	<u>\$ 1,621,211</u>	<u>\$ 1,171,895</u>	<u>\$ 28,788</u>	<u>\$ 473,254</u>	<u>\$ 3,295,148</u>	<u>\$ 392,321</u>

See accompanying notes to the financial statements.

**NOTES TO FINANCIAL STATEMENTS**

# CITY OF TWIN FALLS, IDAHO

## *Notes to Financial Statements*

September 30, 2020

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES**

The City of Twin Falls, Idaho is a municipal corporation governed by an elected seven-member council.

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

#### **FINANCIAL REPORTING ENTITY**

As required by generally accepted accounting principles, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government. Each blended component unit and each discretely presented component unit has a September 30 year end. A brief description of the discretely presented components units follows:

##### **Blended Component Unit-Twin Falls Public Library**

Blended component units are legally separate organizations but are intertwined enough that they are reported as part of the primary government. The City's relationship with the Library is such that the City Council, the governing body of the City of Twin Falls, is also the definitive and final governing body of the Library and there exists a financial benefit and burden between the City and the Library. As such the activity of the Library is presented with the City's.

##### **Discretely Presented Component Units-Urban Renewal Agency**

The Urban Renewal Agency is a directly presented component unit of the City

A discretely presented component unit is legally separate from the City but is financially accountable to the City, or its relationship with the City is such that exclusion would cause the City's financial statements to be misleading or incomplete. Component units are reported in a separate column to emphasize that they are legally separate from the primary government.

The Urban Renewal Agency is responsible for rehabilitation, conservation and redevelopment of deteriorated properties in areas within the City's jurisdiction. The seven-member board is appointed by the City Council. The City and the Agency have an agreement that the City will make available certain personnel for administrative, legal, engineering, budgeting and accounting services and assistance to the Agency to the extent that the City has appropriated necessary funds to provide such assistance. The Agency has agreed to reimburse the City annually for these costs. The City has no responsibility for debt issuance of the Agency. The Agency is presented as a governmental fund type.

Complete financial statements for the Urban Renewal Agency may be obtained at the entity's administrative offices.

#### **BASIS OF PRESENTATION**

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

# CITY OF TWIN FALLS, IDAHO

## *Notes to Financial Statements*

September 30, 2020

### ***1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued***

#### **Government-Wide Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The fiduciary funds of the primary government are not included in the government-wide financial statements.

The statement of net position presents the financial position of the governmental and business-type activities of the City and its discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Other revenue sources not properly included with program revenues are reported as general revenues of the City. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City.

#### **Fund Financial Statements**

During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns.

#### **Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses three categories of funds: governmental, proprietary and fiduciary.

#### **Governmental Funds**

Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between its governmental fund assets and its liabilities and deferred inflows of resources as fund balance.

## CITY OF TWIN FALLS, IDAHO

### Notes to Financial Statements

September 30, 2020

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

The government reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Street Fund** is a special revenue fund. It accounts for and reports State tax revenues that are dedicated to maintenance and operation of roads as well as revenues collected from users of roads and streets through a fuel tax. Other revenues which are used to meet the maintenance need and supplement the State revenues include general property taxes and franchise fees collected by the City's electrical utility provider.

The **Airport Fund** is another reported special revenue fund and accounts for and reports the operational activity of the municipal airport. Accounting for the activities of the airport is the responsibility of the City. However, the airport is jointly funded with the City's use of property tax revenue and an equal contribution from the County. The Fund also receives revenues from landing fees, concession and franchise fees, and hanger and land rentals.

The **Capital Improvement Fund and Airport Construction Fund** are used to account for the acquisition of capital assets or construction of major capital projects. The Capital Improvement Fund reflects projects other than airport projects that are not being financed by proprietary or non-expendable trust funds. The Airport Construction Fund is specific to capital projects on site at the airport.

#### Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds.

The government reports the following major proprietary funds:

The **Waterworks Fund** is used to account for the costs necessary to operate the City's water system and the charges necessary to offset those costs.

The **Wastewater Fund** is used to account for the costs necessary to operate the City's sewer system and the charges necessary to offset those costs.

The **Sanitation Fund** is used to account for the costs necessary to operate the City's garbage collection and the charges necessary to offset those costs.

#### Fiduciary Funds

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the City under the terms of a formal trust agreement. In the current year the City does not have any Fiduciary Funds.

#### Other Fund Types

The City also reports the following fund types:

**Internal Service Funds** account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis. The City of Twin Falls uses internal service funds to account for the management of its retained risks and insurance and for its fleet of vehicles and heavy equipment.

# CITY OF TWIN FALLS, IDAHO

## Notes to Financial Statements

September 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

#### **MEASUREMENT FOCUS**

##### **Government-wide Financial Statements**

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

##### **Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statements of cash flows provide information about how the City finances and meets the cash flow needs of its proprietary activities.

#### **BASIS OF ACCOUNTING**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Fiduciary funds use the accrual basis at the fund reporting level. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

##### **Revenues-Exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

##### **Revenues-Non-exchange Transactions**

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized in the governmental funds.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued**

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: Property taxes, franchise taxes, licenses, interest, federal and state grants and special assessments. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

**ASSETS, LIABILITIES, DEFERRED INFLOW/OUTFLOW OF RESOURCES, AND NET POSITION OR EQUITY**

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents include amounts of cash on hand, demand deposits and highly liquid short-term investments with an original maturity of three months or less from the date acquired by the government.

For purposes of the statement of cash flows, The City considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

State statutes authorize the City to invest in certain revenue bonds, general obligation bonds, local improvement district bonds, registered warrants of state and local governmental entities, time deposit accounts, tax anticipation and interest-bearing notes, bonds, treasury bills, debentures or other similar obligations of the United States Government and the Farm Credit System and repurchase agreements.

The City's Investment Policy requires that investments within the portfolio be diversified in order to avoid risks in specific instruments, individual financial institutions or maturities.

Investments are stated at fair value, as determined by quoted market prices, except for certificates of deposits, which are non-participating contracts, and are therefore carried at amortized cost. Idaho Code provided authorization for the investment of funds as well as to what constitutes an allowable investment. The City policy allows for investment of idle funds consistent with the Idaho State Code 67-1210 and 67-1210A.

The City is a voluntary participant in the State of Idaho Local Government Investment Pool (LGIP). The LGIP is regulated by State of Idaho Code under the oversight of the Treasurer of the State of Idaho. The fair value of the City's investments in the pool is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair market value provided by the fund for the entire portfolio. The State Treasurer does not provide any legally binding guarantees to support the value of the shares to participants. The LGIP is not rated by a nationally recognized statistical rating organization.

# CITY OF TWIN FALLS, IDAHO

## Notes to Financial Statements

September 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

#### **Cash, Cash Equivalents and Investments-continued**

The LGIP is managed by the State of Idaho's Treasure's office. The funds of the pool are invested in certificates of deposits, repurchase agreements, and U.S. government securities. The certificates of deposits are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank. Interest income earned on pooled investments is allocated to the various funds of the City in proportion to each fund's respective investment balances.

#### **Pooled Cash Deficits**

The City uses a pooled cash system of cash management. All City obligations are paid through the general fund. Cash is then allocated to the other funds based on amounts received and spent. Some funds have investments that cover the fund overdrafts. Also, some funds are involved in federal grants that the City must fund and then request reimbursement from the federal government.

#### **Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the fund balance sheets. They are eliminated on the government-wide financial statements. Short-term inter-fund loans are classified as "interfund receivables /payables".

All trade and property tax receivables are shown net of an allowance for uncollectibles for the City and the Agency.

Fees and Services receivable are amounts owed to the City for customer services and are due from area residents and businesses and relate to water, sewer and trash services provided by the City. The receivable is reported net of an allowance for uncollectible accounts. An allowance is reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts was \$5,708 as of September 30, 2020.

#### **Inventories and Prepaid Items**

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of inventory items are recognized as expenditures in governmental fund financial statements and as expenses in government-wide and proprietary fund financial statements when used (consumption method).

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### **Capital Assets, Depreciation, and Amortization**

The City's property, plant equipment, and infrastructure with useful lives of more than one year are stated at historical cost and comprehensively reported in the government-wide financial statements. The City maintains infrastructure asset records consistent with all other capital assets. Proprietary and component unit capital assets are also reported in their respective fund and combining component unit's financial statements. Donated assets are valued at their acquisition value. In the event that donated capital assets are received under a service concession agreement those assets would be recorded at acquisition value. The City generally capitalizes assets with a cost of \$5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets, including those of component units, are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued**

Estimated useful lives, in years, for depreciable assets are as follows:

Land	Not depreciated
Buildings and Structures	20-50
Infrastructure	40
Improvements	30
Machinery and equipment	3-20

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment are depreciated in the proprietary funds using the straight-line method over the following estimated useful lives:

Land	Not depreciated
Buildings and improvements	50 years
Machinery and equipment	5-20 years

As of September 30, 2020, no capital assets were considered to be impaired and no impairment loss was recognized for the year that ended September 30, 2020.

The Urban Renewal Agency has acquired certain properties and made improvements such as streets, parking lots and parks in its effort to rehabilitate many areas of the City of Twin Falls. Many of these parcels acquired and constructed have been contributed to the City of Twin Falls but certain real estate acquisitions are held by the Agency for future rehabilitation, conservation, redevelopment, and sale in accordance with its purpose.

No depreciation has been computed or recorded in these statements for any existing buildings on these properties for the Agency.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City's deferred outflow of resources are its pension obligations. The pension obligations are the difference between the expected and actual experience of the pension plan, the difference between projected and actual investment earnings, the changes in assumptions, the change in the City's proportionate share of the City's net pension liability, and the contributions subsequent to the measurement date of the City's net pension liability.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualifies for reporting in this category: the deferred pension obligation and unavailable revenue. The employer deferred pension obligation results from the differences between expected and actual experience and the net difference between projected and actual earnings on pension plan investments derived from the actuarial calculation of the City's net pension liability. Unavailable revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

# CITY OF TWIN FALLS, IDAHO

## Notes to Financial Statements

September 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

#### Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, comp hours in lieu of overtime hours, and sick pay benefits. Vacation pay and comp hours are accrued when incurred in proprietary funds and reported as a fund liability. Vacation pay and comp hours for governmental funds are reported as expenditures of the related fund when paid. Accrued vacation pay and comp hours of governmental funds are further recorded as liabilities in the Government Wide Financial Statements.

No liability is reported for unpaid accumulated sick leave. However, once employees reach a maximum sick leave accrual amount, any excess hours are accumulated in a "Retirement Account" and at retirement they may be converted to their dollar equivalent and used exclusively for the purchase of health insurance. Retirement hour accruals and expenditures are treated the same as unused vacation and comp hours.

#### Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Capital leases are recognized as a liability in the governmental fund financial statements when due.

#### Debt Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against debt payable and debt issuance costs are recognized as an outflow of resources in the period incurred. On the government-wide and proprietary fund type statement of activities, unamortized debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

At the government fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditures.

#### Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

#### Governmental Fund Balances

Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those resources can be spent. Fund balances are classified as follows:

Non-spendable Fund Balance - Includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted Fund Balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

# CITY OF TWIN FALLS, IDAHO

## Notes to Financial Statements

September 30, 2020

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

#### **Governmental Fund Balances-continued**

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action by the City's highest level of decision-making authority, the City Council. Formal actions taken by the City Council that are recognized as committed funds are City Ordinances. Ordinances are enacted by a majority vote of Council Members. Idaho State statutes sometimes restrict or dictate the allowable content of City Ordinances as well as the process to establish, modify, or rescind a City Ordinance.

Assigned Fund Balance – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This intent can be expressed by the City Council or through the City Council delegating this responsibility to the City manager through the budgetary process.

Unassigned Fund Balance – Residual balances in the General Fund that have not been restricted, committed or assigned.

Other governmental funds may report a negative unassigned fund balance should the total of nonspendable, restricted, and committed fund balances exceed the total net resources of the fund.

The City passes ordinances and resolutions which may control the use of the City's funds. An ordinance constitutes the more binding constraint and is the restriction that is used for classifying when a fund balance is restricted.

It is the policy of the City that expenditures, for which more than one category of fund balance could be used, will be expended in the following categorical order: restricted, committed, assigned, and unassigned.

#### **Net Position**

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

#### **Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water, wastewater and sanitation. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Items that do not result from the provision of goods or services to customers or directly relate to the principal and usual activity of the fund are recorded as nonoperating revenues and expenses. These items include investment earnings and gains or losses on the disposition of capital assets.

#### **Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued**

**Interfund Activity-continued**

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

**Pensions**

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension asset and pension expense (revenue), information about the fiduciary net position of the Firefighters' Retirement Fund Plan (FRF) and additions to/deductions from FRF's fiduciary net position have been determined on the same basis as they are reported by the FRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. It is at least reasonably possible that the significant estimates used will change within the next year.

**Risks and Uncertainties**

The World Health Organization has declared the spread of the coronavirus disease 2019 ("COVID-19") a world-wide pandemic. COVID-19 is impacting global markets, supply chains, businesses, and communities. With regard specifically to the City, the full impact of COVID-19 is unknown. The City believes it is taking appropriate actions to mitigate this negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as it is still developing.

**Comparative Data**

Comparative total data for the prior year have been presented only for individual funds in the required supplementary information and in the supplementary information in order to provide an understanding of the changes in the financial position and operations of these funds.

**Recently Issued and Adopted Accounting Pronouncements**

***Change in Accounting Principal***

The City adopted the provisions of GASB Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. The objective of this statement is to improve consistency in the information that is disclosed in notes to financial statements related to debt including direct borrowings and direct placements and to provide financial statement users additional information about debt. This statement requires additional essential information related to debt be disclosed in the notes to the financial statements, including unused lines of credit; assets pledged as collateral of debt and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant acceleration clauses.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

On or before June 1<sup>st</sup> of each year, all agencies of the City submit requests for appropriation to the City’s manager so that a budget may be prepared. The Budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. The budget includes amounts for capital expenditures but does not include allowances for depreciation.

Before August 31, the proposed budget is presented to the City’s Council for review. The City Council holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City’s manager or the revenue estimates must be changed by an affirmative vote of a majority of the City’s Council. The City’s department heads may make transfers of appropriations within a department.

Expenditures may not legally exceed budgeted appropriations at the activity level. During the year, some supplementary appropriations were necessary.

Although not required by statute, the City also maintains a long-term planning committee which is charged with making budget recommendations, generally for personnel request and capital items, five years into the future.

**Excess of Expenditures over Appropriations**

For the fund year ended September 30, 2020, expenditures exceeded appropriations in Pool fund by \$60,234, the Historic Preservation Fund by \$2,000, and the Fireworks Fund by \$5,839.

**3. DEPOSITS AND INVESTMENTS**

**Cash and Cash Equivalents**

A reconciliation of cash and cash equivalents at September 30, 2020 is as follows:

Reconciled Bank Accounts	\$ 3,270,230
State Investment Pool	3,865,935
Savings & Certificates	1,032,415
Money Market Mutual Funds	129,371
Library Operating Fund	43,551
Petty Cash	2,563
Total Cash	<u>\$ 8,344,065</u>

Cash and Investment Reconciliation to the Statement of Net Position	
Cash as Stated Above	\$ 8,344,065
Investments	67,447,292
Pooled Cash Deficit	223,053
Cash and Investments	<u>\$ 76,014,410</u>

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**3. DEPOSITS AND INVESTMENTS-Continued**

At September 30, 2020, the Urban Renewal Agency’s reconciliation of cash and cash equivalents is as follows:

Cash in Bank	\$ 35,848
State Investment Pool	1,956,575
Money Market Fund	3,963,748
Total	<u>\$ 5,956,171</u>

The City’s and the Agency’s reconciled bank balances are covered by \$541,188 and \$250,000 respectively, of federal depository insurance with the remainder covered by collateral held by their agent.

**Investments** – The City held the following investments at September 30, 2020.

**US Government and Agency Obligations**

Federal Farm Credit Bank	\$ 529,990
Federal Home Loan Mortgage Corporation Pool	411,333
Federal National Mortgage Association Pool	3,046,572
Government National Mortgage Association Pool	700,264

**Mortgage/Asset Backed Securities**

Fanniemae	95,888
Federal National Mortgage Association	21,717,051
Federal Home Loan Mortgage Corporation	19,959,260
FRESB MultiFamily Mortgage	421,712
Government National Mortgage Association	8,961,558
Small Business Administration	1,068,817

**Corporate Obligations** 10,534,847

Total \$ 67,447,292

All investments are guaranteed by the U.S. Government except for the corporate obligations. All investments were held in trust for the City in the Agents name. The City or Agency has no investments in foreign currency and no exposure to foreign currency risk.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The risk can be managed using a calculation called duration that uses various inputs such as yield and years until maturity to estimate interest rate risk. Generally, the higher the duration number, the higher the risk. The City manages exposure to interest rate risk by purchasing a combination of long and short-term investments. Information about the exposure of the City’s debt type investments to this risk, using the segmented time distribution model is as follows:

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**3. DEPOSITS AND INVESTMENTS-Continued**

Investment	Investment Maturities (in years)				
	Fair Value	Less than 1 year	1-5 Years	6-10 Years	Over 10 Years
<b>US Government and Agency Obligations</b>					
Federal Farm Credit Bank	\$ 529,990	\$ -	\$ 529,990	\$ -	\$ -
Federal Home Loan Mortgage Corporation Pool	411,333	-	892	410,441	-
Federal National Mortgage Association Pool	3,046,572	-	1,971,114	1,075,458	-
Government National Mortgage Association Pool	700,264	-	57,243	588,522	54,499
<b>Mortgage/Asset Backed Securities</b>					
Fanniemae	95,888	95,888	-	-	-
Federal National Mortgage Association	21,717,051	18,758	305,528	3,801,858	17,590,907
Federal Home Loan Mortgage Corporation	19,959,260	-	2,143,406	4,994,169	12,821,685
FRESB MultiFamily Mortgage	421,712	-	-	421,712	-
Government National Mortgage Association	8,961,558	-	596,483	404,235	7,960,840
Small Business Administration	1,068,817	131,290	188,951	-	748,576
<b>Corporate Obligations</b>	<b>10,534,847</b>	<b>5,950,885</b>	<b>3,073,780</b>	<b>1,510,182</b>	<b>-</b>
<b>Total</b>	<b>\$ 67,447,292</b>	<b>\$ 6,196,821</b>	<b>\$ 8,867,387</b>	<b>\$ 13,206,577</b>	<b>\$ 39,176,507</b>

**Concentration of Credit Risk**

The City's investment policy has limits on the amount that can be invested in any one issuer. The City did not have investments in any one issuer (other than State investment pools) that represented 5% or more of total City investments.

US Government and Agency Obligations	Reported	
	Amount	Percentage
Federal Farm Credit Bank	\$ 529,990	0.79%
Federal Home Loan Mortgage Corporation Pool	411,333	0.61%
Federal National Mortgage Association Pool	3,046,572	4.52%
Government National Mortgage Association Pool	700,264	1.04%
<b>Mortgage/Asset Backed Securities</b>		
Fanniemae	95,888	0.14%
Federal National Mortgage Association	21,717,051	32.20%
Federal Home Loan Mortgage Corporation	19,959,260	29.59%
FRESB MultiFamily Mortgage	421,712	0.63%
Government National Mortgage Association	8,961,558	13.29%
Small Business Administration	1,068,817	1.58%
<b>Corporate Obligations</b>	<b>10,534,847</b>	<b>15.62%</b>
<b>Total</b>	<b>\$ 67,447,292</b>	

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**3. DEPOSITS AND INVESTMENTS-Continued**

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy requires a rating of A- or its equivalent by two or more public rating agencies at the time of purchase. Short term credit ratings for commercial paper must be top tier AI/PI/FI by two of the three credit rating agencies at the time of purchase. The ratings of investments subject to credit risk are as follows:

<u>Investments subject to credit risk</u>	<u>Fair Value</u>	<u>S &amp; P Rating</u>
<b>US Government and Agency Obligations</b>	\$ 4,688,159	AA+
<b>Mortgage/Asset Backed Securities</b>		Unrated
Fanniemae	95,888	
Federal National Mortgage Association	21,717,051	
Federal Home Loan Mortgage Corporation	19,959,260	
FRESB MultiFamily Mortgage	421,712	
Government National Mortgage Association	8,961,558	
Small Business Administration	1,068,817	
Corporate Obligations	977,951	A+
Corporate Obligations	2,056,535	A
Corporate Obligations	2,851,938	A-
Corporate Obligations	503,610	AA
Corporate Obligations	-	AA-
Corporate Obligations	1,194,278	AAA
Corporate Obligations	2,950,535	BBB+
<b>Total</b>	<u>\$ 67,447,292</u>	

**Custodial Credit Risk**

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The City only conducts investment purchases on a delivery versus payment basis with all securities held by a safe keeper, in the City's name, to eliminate custodial credit risk.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**3. DEPOSITS AND INVESTMENTS-Continued**

**Fair Value**

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the Statement of Net Position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset’s fair value. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted price for identical investments in active markets;

Level 2: Observable inputs other than quoted market prices; and

Level 3: Unobservable inputs.

The City’s investment fair value measurements are as follows at September 30, 2020:

<b>Investments</b>	<b>Fair Value</b>	<b>Level 1 Inputs</b>	<b>Level 2 Inputs</b>	<b>Level 3 Inputs</b>
<b>Debt Securities</b>				
US Government and Agency Obligations	\$ 4,688,159	\$ -	\$ 4,688,159	\$ -
Mortgage/Asset Backed Securities	52,224,286	-	\$ 52,224,286	-
Corporate Bonds	10,534,847	-	10,534,847	-
<b>Total</b>	<b>\$ 67,447,292</b>	<b>\$ -</b>	<b>\$ 67,447,292</b>	<b>\$ -</b>

Level 2 inputs for the investments are based on a matrix pricing model. Investments valued using the net asset value (NAV) per share generally do not have readily obtainable fair values and are instead valued based on the City’s pro-rata share of the pool’s net position. The City values these investments based on the information provided by the State of Idaho Treasurer’s Office. The following table presents the unfunded commitments, redemption frequency and the redemption notice period for the City’s investments measured at NAV:

**Investments Measured at the NAV**

	<b>Fair Value</b>	<b>Unfunded Commitments</b>	<b>Redemption Frequency</b>	<b>Redemption Notice Period</b>
Local Government Investment Pool	\$ 3,865,935	None	Daily	1-3 days

**4. TAXES RECEIVABLE, UNAVAILABLE REVENUE, AND DUE FROM OTHER GOVERNMENTS**

The City of Twin Falls and its component unit, the Urban Renewal Agency, are located in Twin Falls County.

Taxes on property are due on the 20<sup>th</sup> of December; however, they may be paid in two installments with the second installment due June 20. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**4. TAXES RECEIVABLE, UNAVAILABLE REVENUE, AND DUE FROM OTHER GOVERNMENTS-Continued**

Taxes on real property are a lien on the property and attach on July 1, of the year for which taxes are levied. After a three-year waiting period, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by owner and such persons as described by statute by paying all back taxes and accumulated penalties, interest and costs before sale.

Taxes on personal property are collected currently. Personal property declarations are mailed out annually and the tax is computed using percentages of taxable values established by the Department of Taxation.

Property taxes uncollected by November 30, 2020, are considered to be deferred revenue.

Taxes receivable and deferred revenue as of September 30, 2020, consist of the following for the City:

<b>Fund</b>	<b>Taxes Receivable</b>	<b>Unavailable Revenue</b>
General	\$ 472,270	\$ 418,757
Street	21,109	20,610
Street Lighting	755	197
Capital Improvement	17,620	16,535
Insurance	4,893	4,481
Total	<u>\$ 516,647</u>	<u>\$ 460,580</u>

Unavailable revenue, per the fund balance sheets consists of the following:

Property Taxes	\$ 460,580
Prepaid Rent	<u>124,983</u>
Total	<u>\$ 585,563</u>

Urban Renewal Agency taxes receivable and unavailable revenue at September 30, 2020 consist of 2019 property tax revenue to be collected after November 30, 2020.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**4. TAXES RECEIVABLE, UNAVAILABLE REVENUE, AND DUE FROM OTHER GOVERNMENTS-Continued**

Amounts due from other governments at September 30, 2020 are presented as follows for the City:

<b>Fund</b>	<b>Federal</b>	<b>State</b>	<b>County</b>	<b>Local</b>	<b>Total</b>
General	\$ 53,921	\$ 1,103,973	\$ 60,361	\$ 109,671	\$ 1,327,926
Street	-	638,453	5,274	190,641	834,368
Street Lighting	-	-	71	-	71
Library	-	-	4,122	-	4,122
Airport	124,782	-	905	-	125,687
Capital Improvement	-	458,794	1,647	18,910	479,351
Insurance	-	4,623	496	-	5,119
Fireworks	-	243	-	-	243
Pool	-	49,829	-	-	49,829
Airport Construction	376,289	-	-	-	376,289
Water	-	74,085	-	252,397	326,482
Wastewater	-	-	-	238,156	238,156
<b>Total Fund Financial Statements</b>	<b>554,992</b>	<b>2,330,000</b>	<b>72,876</b>	<b>809,775</b>	<b>3,767,643</b>
Government Wide Adjustments-Capital Improvements Fund	-	-	-	3,000,000	3,000,000
<b>Total Government-wide Financial Statements</b>	<b>\$ 554,992</b>	<b>\$ 2,330,000</b>	<b>\$ 72,876</b>	<b>\$ 3,809,775</b>	<b>\$ 6,767,643</b>

Urban Renewal Agency receivable from other governments consists of property taxes collected by the County prior to December 1, 2020.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**5. CAPITAL ASSETS**

Changes in capital assets for the City for the year ended September 30, 2020, are as follows:

	Beginning				Ending
	Balance	Increases	Decreases	Transfers	Balance
<b>Government-wide Assets:</b>					
Capital Assets, not Being Depreciated					
Land	\$ 7,237,494	\$ 40,301	\$ -	\$ -	\$ 7,277,795
Construction in Progress	8,071,653	5,746,066	(4,267,689)	-	9,550,030
Total Capital Assets, not Being Depreciated	<u>15,309,147</u>	<u>5,786,367</u>	<u>(4,267,689)</u>	<u>-</u>	<u>16,827,825</u>
Capital Assets Being Depreciated					
Buildings and Structures	35,946,814	73,232	-	172,304	36,192,350
Infrastructure	281,377,976	3,650,538	-	-	285,028,514
Improvements	18,460,449	44,000	-	1,563,772	20,068,221
Machinery and Equipment	20,285,163	3,621,296	(470,810)	(100,889)	23,334,760
Total Capital Assets Being Depreciated	<u>356,070,402</u>	<u>7,389,066</u>	<u>(470,810)</u>	<u>1,635,187</u>	<u>364,623,845</u>
<b>Less Accum. Deprec. For Govt. Wide</b>					
Buildings and Structures	9,278,501	1,059,452	-	110,624	10,448,577
Infrastructure	189,007,369	6,692,436	-	-	195,699,805
Improvements	11,745,285	604,875	-	940,417	13,290,577
Machinery and Equipment	12,655,337	1,769,466	(377,961)	(86,382)	13,960,460
Total Accum. Deprec.	<u>222,686,492</u>	<u>10,126,229</u>	<u>(377,961)</u>	<u>964,659</u>	<u>233,399,419</u>
Governmental Activities Capital Assets, net	<u>\$ 148,693,057</u>	<u>\$ 3,049,204</u>	<u>\$ (4,360,538)</u>	<u>\$ 670,528</u>	<u>\$ 148,052,251</u>
<b>Business Type Activity Assets:</b>					
Capital Assets, not Being Depreciated					
Land	\$ 12,853,768	\$ -	\$ -	\$ -	\$ 12,853,768
Construction in Progress	1,316,697	1,105,048	(213,831)	-	2,207,914
Total Capital Assets, not Being Depreciated	<u>14,170,465</u>	<u>1,105,048</u>	<u>(213,831)</u>	<u>-</u>	<u>15,061,682</u>
Capital Assets Being Depreciated					
Buildings and Structures	19,720,535	213,831	-	(172,304)	19,762,062
Infrastructure	115,815,518	-	-	-	115,815,518
Improvements	41,136,717	-	-	(1,563,772)	39,572,945
Machinery and Equipment	16,771,714	232,333	(65,310)	100,889	17,039,626
Total Capital Assets Being Depreciated	<u>193,444,484</u>	<u>446,164</u>	<u>(65,310)</u>	<u>(1,635,187)</u>	<u>192,190,151</u>
<b>Less Accum. Deprec. For Business Type Activities</b>					
Buildings and Structures	14,975,204	504,253	-	(110,624)	15,368,833
Infrastructure	12,156,583	3,519,380	-	-	15,675,963
Improvements	19,197,103	820,153	-	(940,417)	19,076,839
Machinery and Equipment	8,115,402	827,624	(65,310)	86,382	8,964,098
Total Accum. Deprec.	<u>54,444,292</u>	<u>5,671,410</u>	<u>(65,310)</u>	<u>(964,659)</u>	<u>59,085,733</u>
Business-type Activities Capital Assets, net	<u>\$ 153,170,657</u>	<u>\$ (4,120,198)</u>	<u>\$ (213,831)</u>	<u>\$ (670,528)</u>	<u>\$ 148,166,100</u>

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**5. CAPITAL ASSETS - Continued**

Changes in capital assets for the Urban Renewal Agency for the year ended September 30, 2020, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Government-wide Assets:</b>				
Capital Assets, not Being Depreciated				
Land and Buildings	\$ 3,640,735	\$ -	\$ (490,568)	\$ 3,150,167
Total Capital Assets, not Being Depreciated	<u>\$ 3,640,735</u>	<u>\$ -</u>	<u>\$ (490,568)</u>	<u>\$ 3,150,167</u>

Investments in real estate have not been allocated between land and buildings. Depreciation expense was charged to the governmental functions for the City as follows:

General Government	\$ 7,635,232
Fire	393,118
Police	454,476
Library	86,778
Culture and Recreation	278,417
Highway and Streets	490,003
Airport	773,289
	<u>10,111,313</u>
Depreciation on Capital Assets held by the City's Internal Service Fund	<u>14,916</u>
Total Depreciation Expense-Governmental Activities	<u>\$ 10,126,229</u>

**6. LONG-TERM LIABILITIES**

Long-term liabilities consist of bonds, notes, and other indebtedness including liabilities associated with compensated absences.

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, government fund types recognize bond premiums and discounts as well as bond issuance cost, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

The City’s revenue bonds are with the Idaho Bond Bank Authority. The Authority is a state level entity which lends money to local governments within the state, with the goal of providing funds for their infrastructure needs and access to the capital markets at competitive interest rates. That lending is then pooled and placed with public investors. The Authority is currently rated “Aa1” by Moody’s. The rating is based on a pledge of the State of Idaho's sales tax revenues to the repayment of any bonds the Authority has, and reflects the solid, statewide economic base for tax collections.

The City has pledged its water and wastewater revenues to repayment of the bonds with the Authority. If pledged revenues (net of expenditures) during the year are less than 125 percent of required debt service coverage due the following year, then the City is required to increase utility rates or reduce expenses to meet the required level.

Additionally, the bonds between the City and the Authority contain a provision that in the event of a payment default, the State can intercept intergovernmental sales tax revenues, property tax revenues, liquor tax money, or any other source of operating money disbursed by the State to the City.

The City is in compliance with all bond covenants, including continuing reporting disclosures.

A summary of Long-term liabilities for the City for the year ended is as follows. Additional detailed information is available on the following pages.

	Beginning Balance	Additions	Principal Payments	Amort.	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>						
Capital Lease	\$ -	\$ 1,315,854	\$ -	\$ -	\$ 1,315,854	\$ 122,205
Total	\$ -	\$ 1,315,854	\$ -	\$ -	\$ 1,315,854	\$ 122,205
<b>Business-type Activities:</b>						
Idaho Bond Bank Authority, Water Bonds	\$ 12,967,955		\$ (1,890,000)	\$ (80,592)	\$ 10,997,363	\$ 1,965,000
Idaho Bond Bank Authority, Parity Lien Revenue Refunding Bonds, Series XXXXX	1,143,373		(325,000)	(41,123)	777,250	340,000
Idaho Bond Bank Authority, Parity Lien Sewer Revenue Bond, Series 2012B	1,518,476		(430,000)	(54,492)	1,033,984	450,000
Idaho Bond Bank Authority, Parity Lien Revenue	4,793,863		(490,000)	(35,483)	4,268,380	515,000
Idaho Bond Bank Authority, Revenue Bonds	32,874,038		(1,110,000)	(104,931)	31,659,107	1,165,000
Total	\$ 53,297,705	\$ -	\$ (4,245,000)	\$ (316,621)	\$ 48,736,084	\$ 4,435,000

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

**Business-Type Activities - Revenue Obligations**

Following are obligations the City has pledged income derived from the acquired or constructed assets to pay debt service.

*Idaho Bond Bank Authority, Loan Payable,*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5%

\$ 2,995,000

Plus: Unamortized Premium

308,400

Total

\$ 3,303,400

*Idaho Bond Bank Authority, Revenue Bonds,*

*Series 2010 A-2*

Payable in semi-annual installments over 15

years with interest rates that varies from 3.55 to

7,680,000

Plus: Unamortized Premium

13,965

Total

7,693,965

*Idaho Bond Bank Authority, Parity Lien Water*

*Revenue Refunding Bond, Series 2012C*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5%

695,000

Plus: Unamortized Premium

82,247

Total

777,247

*Idaho Bond Bank Authority, Parity Lien*

*Sewer Revenue Refunding Bond, Series 2012A*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5%

925,000

Plus: Unamortized Premium

108,984

Total

1,033,984

*Idaho Bond Bank Authority, Parity Lien*

*Sewer Revenue Refunding Bond, Series 2012B*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5%

4,020,000

Plus: Unamortized Premium

248,380

Total

4,268,380

*Idaho Bond Bank Authority, Revenue Bonds,*

*Series 2014*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5%

30,295,000

Plus: Unamortized Premium

1,364,108

Total

31,659,108

Total

\$ 48,736,084

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

The Debt service requirements to maturity are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 4,435,000	\$ 1,926,889	\$ 6,361,889
2022	4,630,000	1,704,378	6,334,378
2023	4,470,000	1,472,092	5,942,092
2024	4,655,000	1,264,024	5,919,024
2025	4,865,000	1,083,783	5,948,783
2026-2030	13,890,000	3,522,687	17,412,687
2031-2033	<u>9,665,000</u>	<u>783,400</u>	<u>10,448,400</u>
Total	<u>\$46,610,000</u>	<u>\$11,757,253</u>	<u>\$58,367,253</u>

In February 2021, the City entered into a capital lease with Zions Bancorporation for the purchase of a fire truck in the amount of \$1,315,854. The lease requires annual payments of principal and interest at 2.12% in the amount of \$147,079.

The debt service requirements to maturity are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 122,205	\$ 24,874	\$ 147,079
2022	121,774	25,305	147,079
2023	124,355	22,724	147,079
2024	126,992	20,087	147,079
2025	129,684	17,395	147,079
2026-2030	<u>690,844</u>	<u>44,552</u>	<u>735,396</u>
Total	<u>\$ 1,315,854</u>	<u>\$ 154,938</u>	<u>\$1,470,792</u>

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

**Urban Renewal Agency**

All long-term debt the Agency has issued are revenue allocation bonds that are payable, both principal and interest, solely from the revenues the Agency derives from the increased property taxes generated from the revenue allocation area described in the bond ordinance.

Revenue bonds and outstanding debt at September 30, 2020 consists of the following:

*Revenue Allocation Bond, Series 2016A*, dated July 1, 2016 and maturing September 1, 2036. The proceeds of the bonds provided funds to repay interim financing for the Clif Bar Project, establish a reserve fund, and to pay costs of issuance of the Bonds and other expenses. The bonds are term bonds that require semiannual payments on March 1, and September 1 each year. The bonds bear interest at 5.5%. \$ 11,785,000

*Revenue Allocation Refunding Bonds, Series 2015A (Tax Exempt)*, dated February 5, 2015 and maturing August 1, 2022. The proceeds of the bonds provided funds to refund prior obligations issued, establish a reserve fund, and to pay costs of issuance of the Bonds and other expenses. The bonds are term bonds that require annual sinking fund deposits on August 1 each year. 623,000

*Revenue Allocation Bonds, Series 2013A*, dated February 21, 2013 and maturing April 1, 2032. The proceeds of the bonds provided funding to certain urban renewal projects. The bonds are term bonds that require annual sinking fund deposits on April 1 each year. The bonds bear interest at 4.502%. Repayment of the bonds is guaranteed by Chobani Global Holding, Inc. 23,969,000

*Revenue Allocation Bonds, Series 2015C*, dated July 23, 2015 and maturing August 1, 2022. The proceeds of the bonds were used and will be used to fund renewal projects along or near the Main Ave. of Twin Falls, downtown. The bonds are term bonds that require semi-annual interest payments on February 1 and August 1. Annual principal payments are due on August 1 each year beginning on August 1, 2018. The bonds interest rates vary; currently the rate is 1.534%. 2,777,000

Total \$ 39,154,000

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

Expected annual maturities of these obligations are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,431,000	\$ 2,236,765	\$ 5,667,765
2022	4,526,000	2,071,636	6,597,636
2023	2,400,000	1,876,433	4,276,433
2024	2,468,000	1,730,995	4,198,995
2025	2,540,000	1,581,276	4,121,276
2026-2030	14,080,000	5,471,951	19,551,951
2031-2035	8,714,000	1,337,781	10,051,781
2036	995,000	40,975	1,035,975
Total	<u>\$ 39,154,000</u>	<u>\$ 16,347,812</u>	<u>\$ 55,501,812</u>

The Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. At September 30, 2020, the Agency was indebted in the amount of \$6,539,864. The Agency is also indebted to Clif Bar & Company. The Agency entered into a Development Agreement on October 17, 2013, to reimburse cost incurred by Clif Bar & Company to construct certain Project Improvements authorized by the Development Agreement. At September 30, 2020, the Agency was indebted in the amount of \$10,234,049.

The Agency is also indebted to the City of Twin Falls. The Agency entered into an agreement on April 10, 2017 to purchase a parcel of real property, including a wastewater treatment facility. The property was then transferred to Con Agra. At September 30, 2020, the Agency was indebted in the amount of \$3,000,000. The obligation bears no interest and requires repayment as incremental tax revenue from Revenue Allocation Area 4-1 becomes available and full repayment prior to the area's closure.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**6. LONG-TERM LIABILITIES-Continued**

**Changes in Long-Term Debt**

During the year ended September 30, 2020, the following changes occurred in liabilities reported as the general long-term debt.

	Beginning Balance	Additions	Principal Payments	Ending Balance
Revenue Allocation Bonds, Series 2013A	\$ 25,403,000	\$ -	\$ (1,434,000)	\$ 23,969,000
Revenue Allocation Bonds, Series 2015A-Tax Exempt	834,000	-	(211,000)	623,000
Revenue Allocation Bonds, Series 2015C-Taxable	3,716,000	-	(939,000)	2,777,000
Revenue Allocation Bonds, Series 2016	12,530,000	-	(745,000)	11,785,000
<b>Total Revenue Bonds</b>	42,483,000	-	(3,329,000)	39,154,000
Chobani Idaho, LLC-Projects Improvements	7,041,806	-	(501,942)	6,539,864
Clif Bar Development	10,234,049	-	-	10,234,049
City of Twin Falls Agreement	4,000,000	-	(1,000,000)	3,000,000
<b>Total Agreements</b>	21,275,855	-	(1,501,942)	19,773,913
<b>Total</b>	<b>\$ 63,758,855</b>	<b>\$ -</b>	<b>\$ (4,830,942)</b>	<b>\$ 58,927,913</b>

The bonds, or other debt of the Agency are not indebtedness, within the meaning of any constitutional or statutory debt limitation, and are not and will not be a debt of the City of Twin Falls, and the Agency shall not be liable thereon.

Changes in accrued compensated absences are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amount due Within 1 year
Governmental	\$ 2,216,282	\$ 1,511,110	\$ (1,481,253)	\$ 2,246,139	\$ 1,390,948
Business-type	142,008	145,489	(148,130)	139,367	113,392
<b>Total</b>	<b>\$ 2,358,290</b>	<b>\$ 1,656,599</b>	<b>\$ (1,629,383)</b>	<b>\$ 2,385,506</b>	<b>\$ 1,504,340</b>

For the governmental activities, approximately 95 percent of compensated absences are generally liquidated by the general fund and the remainder by special revenue funds.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**7. INTERFUND TRANSACTIONS**

During the course of normal operations, the City has numerous transactions among funds, including expenditures and transfers of resources primarily to provide services. The Governmental Fund Type and Proprietary Fund Types financial statements generally reflect such transactions as transfers.

All City funds record payments to the Internal Service Funds as operating expenses. The Proprietary Funds Types record operating subsidies as other revenue whereas the fund paying the subsidy records it as either an expenditure or transfer.

Individual fund interfund receivable/payable balances at September 30, 2020:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 683,166	\$ -
Golf	-	362,021
Historic Preservation	-	3,987
Pool	-	337,286
Fireworks	-	666
Wastewater	<u>20,794</u>	<u>-</u>
 Total	 <u><u>\$ 703,960</u></u>	 <u><u>\$ 703,960</u></u>

Interfund transfers for the year are as follows:

	<u>Transfers to</u>											<u>Total</u>
	<u>General</u>	<u>Street</u>	<u>Capital Imp.</u>	<u>Water Works</u>	<u>Waste Water</u>	<u>Golf</u>	<u>Pool</u>	<u>Insurance</u>	<u>Shop Revolving</u>	<u>Fire Works</u>	<u>Airport</u>	
<b>Transfers From</b>												
General	\$ -	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ 3,993	\$ -	\$ -	\$ 6,500	\$ 5,631	\$ 3,516,124
Street	288,174	-	-	-	-	-	-	31,922	-	-	-	320,096
Street Light	23,793	-	-	-	-	-	-	-	-	-	-	23,793
Airport	351,325	-	-	-	-	-	-	31,922	-	-	-	383,247
Capital Imp.	-	141,787	-	-	1,000,000	35,500	-	-	-	-	-	1,177,287
Waterworks	931,073	97,716	-	-	-	-	-	70,593	75,951	-	-	1,175,333
Wastewater	371,660	90,000	-	297,683	-	-	-	195,005	-	-	-	954,348
Common Area	2,979	-	-	-	-	-	-	-	-	-	-	2,979
Sanitation	174,239	-	-	297,683	-	-	-	7,997	-	-	-	479,919
Dierkes Lake	10,410	-	-	-	-	-	-	-	-	-	-	10,410
Shop	693	-	-	-	-	-	-	-	-	-	-	693
Insurance	59,485	-	-	-	-	-	-	-	-	-	-	59,485
 Total	 <u>\$ 2,213,831</u>	 <u>\$ 329,503</u>	 <u>\$ 3,500,000</u>	 <u>\$ 595,366</u>	 <u>\$ 1,000,000</u>	 <u>\$ 35,500</u>	 <u>\$ 3,993</u>	 <u>\$ 337,439</u>	 <u>\$ 75,951</u>	 <u>\$ 6,500</u>	 <u>\$ 5,631</u>	 <u>\$ 8,103,714</u>

## **CITY OF TWIN FALLS, IDAHO**

### *Notes to Financial Statements*

September 30, 2020

#### **7. INTERFUND TRANSACTIONS-Continued**

Transfers to the General Fund and the Insurance Fund are normally made to provide for administrative services and liability protections. Transfers from the General Fund to the Golf, Pool, and Fire Works funds are made to cover funding deficits. Operating costs that are common to the public works function are recorded in the Water Fund with the Wastewater Fund and Sanitation Fund generating transfers for their allocated share.

The City has concluded that it should maintain 25% of the annual budgeted base revenues of the ensuing fiscal year in the General Fund, to provide reasonable assurance to purchasers of City debt instruments that the City will pay all general obligations and meet unforeseen emergencies. A policy has been adopted where funds in excess of that 25% are transferred annually to the Capital Improvement Fund, where it will be available for one-time projects recommended by the City Manager and approved by City Council.

#### **8. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There are a few lawsuits and claims pending against the City. The City currently is defending its position through its legal staff, other law firms or its insurance company (if the insurance company acknowledges coverage).

The Insurance fund is budgeted through property tax assessments and transfers from the enterprise funds. The City is insured for all risk through ICRMP (Idaho County Risk Management Program). The annual deductible is \$20,000.

The City participates in a number of federal and state assisted grant programs, the principal of which are the Community Development Block Grants, FAA Airport Improvement Program and Local Public Works Programs which have been subjected to financial and compliance audit under Circular A-133. All audits are subject to review by the granting agencies but the City does not expect any questioned costs as a result of review.

#### **9. PENSION PLANS**

##### **Plan Descriptions**

The City contributes to the Base Plan and the Firefighter's Retirement Fund (FRF) plans which are cost-sharing multiple-employer defined benefit pension plans administered by Public Employee Retirement System of Idaho (PERSI or System) The Base Plan covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The FRF plan covers a closed group of firefighters who were hired before October 1, 1980, and who received benefits in addition to those provided under the PERSI Base Plan. The costs to administer the plans are financed through the contributions and investment earnings of the plans. Additional FRF funding is obtained from receipts from a state fire insurance premium tax. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov).

Responsibility for administration of the Base Plan and FRF plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members for the Base Plan and System members for the FRF Plan with at least ten years of service and three members who are Idaho citizens not members of the Base Plan or System for the FRF plan except by reason of having served on the Board.

## CITY OF TWIN FALLS, IDAHO

### Notes to Financial Statements

September 30, 2020

#### 9. PENSION PLANS-Continued

##### **Pension Benefits**

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

The FRF provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service as well as the final average salary. A firefighter must have 5 years of service to be eligible for a lifetime retirement allowance at age 60. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance is based on Idaho Code Title 72 Chapter 14.

The benefit payments for the FRF are calculated using a benefit formula adopted by the Idaho Legislature. The FRF cost of living increase is based on the increase in the statewide average firefighter's wage.

##### **Member and Employer Contributions**

Member and employer contributions paid to the Base Plan and FRF are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

For the Base Plan, the contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2020, it was 7.16% for general employees and 8.81% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The City's contributions were \$2,554,578 for the year ended June 30, 2020.

For the FRF Plan, as of June 30, 2020, the total employer rate was 25.93% which includes the employer excess rate of 13.65% plus the PERSI class 2 firefighters' rate of 12.28%. The FRF member rate for the year for class B is 11.45% which is 2.64% above the class 2 rate of 8.81%. The City's contributions were \$166,609 for the year ended June 30, 2020.

##### **Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the Base Plan at September 30, 2020, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2020, the City's proportion was .006008378 percent.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**9. PENSION PLANS-Continued**

For the FRF at September 30, 2020, the City reported a liability for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City's share of contributions in the FRF pension plan relative to the total contributions of all participating FRF employers. At June 30, 2020, the City's proportion was .042227719 percent.

For the year ended September 30, 2020, the City recognized pension expense (revenue) of \$2,503,010 for the Base Plan and (\$1,253,106) for the FRF Plan. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>BASE PLAN</b>		
Differences between expected and actual experience	\$ 1,090,099	\$ -
Changes in assumptions or other inputs	235,958	-
Net difference between projected and actual earnings on pension plan investments	1,599,196	455,572
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	(183,229)	(76,701)
The City's contributions subsequent to the measurement date	<u>593,569</u>	<u>-</u>
Total	<u>\$ 3,335,593</u>	<u>\$ 378,871</u>
<b>FRF</b>		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	260,738	-
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	-	-
The City's contributions subsequent to the measurement date	<u>42,000</u>	<u>-</u>
Total	<u>\$ 302,738</u>	<u>\$ -</u>

For the Base Plan, \$593,569 was reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension liability in the year ending September 30, 2021.

For the FRF Plan, \$42,000 was reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension asset in the year ending September 30, 2021.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**9. PENSION PLANS-Continued**

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2018 the beginning of the measurement period ended June 30, 2019 is 4.8 and 4.8 years for the measurement period June 30, 2020 for the Base Plan and 1 year for the FRF.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year Ended September 30,

	<u>Base Plan</u>	<u>FRF</u>
2021	\$ 43,116	\$ (74,997)
2022	562,373	71,685
2023	763,274	112,894
2024	<u>994,391</u>	<u>151,155</u>
	\$ 2,363,154	\$ 260,738

**Actuarial Assumptions**

For the Base Plan, valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

For the Base Plan, the total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of living adjustments	1.00%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offset:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

For the FRF Plan, valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. Unfunded actuarial accrued liability for FRF is the difference between the actuarial present value of the FRF benefits not provided by the Base Plan and the FRF assets. Currently FRF assets exceed this actuarial present value; therefore, there is not an unfunded liability to amortize at this time. The maximum amortization period for the FRF permitted under Section 59-1394, Idaho Code, is 50 years.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**9. PENSION PLANS-Continued**

For the FRF, the total pension asset in the July 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of living adjustments	3.75%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offset:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

For the Base Plan, an experience study was performed for the period July 1, 2013 through June 30, 2017 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability for the Base Plan as of June 30, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

For the FRF Plan, an experience study was performed for the period July 1, 2011 through June 30, 2015 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Asset for the FRF Plan as of June 30, 2020 is based on the results of an actuarial valuation date of July 1, 2020.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2020.

# CITY OF TWIN FALLS, IDAHO

## Notes to Financial Statements

September 30, 2020

### 9. PENSION PLANS-Continued

#### Capital Market Assumptions from Callan 2020

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	2.80%	0.55%
Broad US Equities	55.00%	8.55%	6.30%
Developed Foreign Equities	15.00%	8.70%	6.45%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.85%	4.60%
Portfolio Standard Deviation		12.33%	12.33%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.25%	3.89%
Assumed Investment Expense		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expense		5.85%	3.49%

#### Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

#### Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**9. PENSION PLANS-Continued**

	<b>1% Decrease (6.05%)</b>	<b>Current Discount Rate (7.05%)</b>	<b>1% Increase (8.05%)</b>
<b>BASE PLAN</b>			
Employer's proportionate share of the net pension liability	\$ 28,128,437	\$ 13,468,446	\$ 1,347,023
<b>FRF</b>			
Employer's proportionate share of the net pension asset	\$ (5,137,831)	\$ (6,256,568)	\$ (7,214,971)

**Pension plan fiduciary net position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at [www.persi.idaho.gov](http://www.persi.idaho.gov).

**Payable to the pension plan**

At September 30, 2020, there were no payables to the defined benefit pension plans for legally required employer contributions or for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

**10. TAX ABATEMENTS**

Twin Falls County is authorized by State statute to transact all property tax activity with property owners in the City. The County levy's and collects property taxes, then allocates and remits those collections among the overlapping taxing districts.

The County is authorized to cancel any property taxes due to hardship; or for property that has been damaged by a casualty. Application for relief is made directly to the County Commissioners for their consideration.

The County is also authorized under the same statute to offer a property tax reduction program, commonly known as the Circuit Breaker Program, of up to \$1,320. To qualify, the property under consideration must be a home the tax payer owns and lives in and their total household income, after deducting medical expenses, is \$30,050 or less. They must also meet one of the following as of January 1st of the taxing year:

- Age 65 or older;
- Widow(er);
- Blind;
- Motherless or fatherless child under 18 years of age;
- Former prisoner of war/hostage;
- Recognized disabled by the Social Security Administration, Railroad Retirement Board, or Federal Civil Service;
- Veteran with 10% or more service-connected disability or receiving a pension from Veterans Affairs (VA) for a non-service-connected disability.

Another tax abatement program available to the County relates to investments in new capital within the County. Businesses that invest at least \$3 million in new manufacturing facilities may receive a partial or full property tax exemption for up to 5 years from local county commissioners. Any reduction is at the discretion of the Commissioners.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**11. FUND BALANCE AND NET ASSET DEFICITS**

Fund deficits as of September 30, 2020, which are significant, are as follows:

Golf Fund- The deficit of \$102,937 is due to accumulated costs exceeding revenues over a number of years. The City has entered into a lease agreement in 2012 where the lessor is responsible for golf course costs.

Pool Fund- The deficit of \$91,762 is due to accumulated costs exceeding revenues over a number of years. The deficit will be taken care of through the budget process over a period of years.

**12. URBAN RENEWAL SUMMARIZED INFORMATION**

	Year Ended September 30, 2020
<b>Assets</b>	\$ 9,191,751
<b>Total Assets</b>	<u>\$ 9,191,751</u>
<b>Liabilities &amp; Net Position</b>	
Liabilities	\$ 63,316,735
Net Assets:	
Net Investment in Capital Assets	(52,777,746)
Restricted	3,415,554
Unrestricted	(4,762,792)
<b>Total Liabilities &amp; Net Position</b>	<u>\$ 9,191,751</u>
<b>Revenues</b>	\$ 7,837,596
<b>Expenditures</b>	<u>(4,621,849)</u>
<b>Excess (Deficiency) Revenues over Expenditures</b>	\$ 3,215,747
<b>Net Position - Beginning of Year</b>	<u>(57,340,731)</u>
<b>Net Position - End of Year</b>	<u>\$ (54,124,984)</u>

**13. BOND COVENANT COMPLIANCE**

The City is subject to various covenants as a result of the various bonds issued by the City. For example, the bonds may require an annual audit, timely payments, an adequate cash reserve in case of late payments, sufficient revenue collections, or notifications of "Listed Events". During the year ended September 30, 2020, the City was in compliance with these covenants.

**14. CHANGE IN PRESENTATION**

The Pool Fund is presented in the current financial statements as a governmental fund. That represents a reclassification from prior years when the fund was categorized as a proprietary fund. The sources of support for the fund were reevaluated and it was determined that, although the fund will generate significant swimming user fees, it will probably require supplement funding from other governmental sources of revenue, now and in the future. The beginning balances of the financial statements have been restated with the effects of the change.

**CITY OF TWIN FALLS, IDAHO**

*Notes to Financial Statements*

September 30, 2020

**15. COMMITMENTS AND SUBSEQUENT EVENTS**

The City and Agency have evaluated subsequent events through February 12, 2021, the date which the financial statements were available to be issued and determined the following disclosures were needed.

The outbreak of the coronavirus disease (COVID-19) has been declared a pandemic by the World Health Organization. The Governor of Idaho declared a state of emergency in the State on March 13, 2020 and the Mayor declared a state of emergency for the pandemic in the City at a special meeting on March 23, 2020, both of which are still in effect. On March 25, 2020, the Governor issued an Order to Self-Isolate. The isolation order requires Idaho residents to stay and work from home as much as possible while ensuring all essential services and business remain available.

The Governor's initial directive has been adjusted as COVID-19 infections and positive test rates have fluctuated. COVID-19 will likely fluctuate in the future and there can be no assurance that cases and deaths in the City will not increase above current levels or that business closures will not be reinstated.

The COVID-19 pandemic and economic disruption resulting from measures to contain it have resulted in reductions in some areas of the City's fiscal year 2020 revenues. However, the City has fared better than initially anticipated. The ultimate impact of the COVID-19 pandemic on the amount and timing of collections of City revenues cannot be determined at this time. No assurance can be provided that the COVID-19 pandemic and resulting economic disruption will not result in revenues to the City that are substantially lower than currently projected.

The Governor created a plan to use a portion of State funds received under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to cover local public safety personnel salaries and give cities and counties the opportunity to pass the savings on to property taxpayers. The City of Twin Falls elected to participate and has received approximately \$5,295,000 in subsequent funding under the plan. With an offsetting reduction in property taxes, the City will not benefit directly. However, the City's citizens obtained a one-time tax reduction with the City's participation.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF TWIN FALLS, IDAHO**

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - General Fund

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019 Actual
	Proposed Budget	Final Budget	Actual		
<b>Revenues:</b>					
Property Taxes, Including Penalty and Interest	\$19,346,242	\$19,346,242	\$19,388,589	\$ 42,347	\$18,313,996
Non-property Taxes	460,000	460,000	445,807	(14,193)	463,791
Fines and Forfeitures	6,500	6,500	16,279	9,779	17,869
Licenses and Permits	1,185,000	1,185,000	1,882,560	697,560	1,563,063
Fees and Services	1,268,731	1,268,731	1,168,201	(100,530)	1,304,886
Intergovernmental	3,272,061	3,272,061	3,459,964	187,903	3,363,367
Federal Grants	433,305	433,305	639,674	206,369	348,050
Miscellaneous	959,731	959,731	1,290,424	330,693	1,389,052
<b>Total Revenues</b>	<b>26,931,570</b>	<b>26,931,570</b>	<b>28,291,498</b>	<b>1,359,928</b>	<b>26,764,074</b>
<b>Expenditures:</b>					
Current					
Data Processing	2,263,418	2,263,418	2,064,527	198,891	1,765,487
Council	143,370	143,370	129,361	14,009	135,200
Manager	1,134,532	1,134,532	973,068	161,464	1,028,211
Finance	841,018	841,018	858,564	(17,546)	809,436
Attorney	463,092	463,092	468,485	(5,393)	410,573
Personnel	561,605	561,605	500,492	61,113	473,150
Janitorial	114,977	114,977	137,402	(22,425)	100,353
Covid 19	-	-	353,981	(353,981)	-
Total General Government	5,522,012	5,522,012	5,485,880	36,132	4,722,410
Police	11,454,645	11,454,645	11,112,921	341,724	10,855,869
Fire	5,666,482	5,666,482	5,380,922	285,560	5,209,380
Inspection	854,067	854,067	759,732	94,335	776,262
Animal Control	454,945	454,945	449,125	5,820	417,109
Total Public Safety	18,430,139	18,430,139	17,702,700	727,439	17,258,620
Engineering	1,796,979	1,796,979	1,683,416	113,563	1,692,915
Planning and Zoning	801,147	801,147	703,224	97,923	748,880
Economic Development	304,919	304,919	276,504	28,415	284,049
Total Community Development	1,106,066	1,106,066	979,728	126,338	1,032,929
Parks	1,530,573	1,530,573	1,441,061	89,512	1,374,730
Recreation	747,502	747,502	643,206	104,296	732,095
Total Culture and Recreation	2,278,075	2,278,075	2,084,267	193,808	2,106,825
<b>Total Expenditures</b>	<b>29,133,271</b>	<b>29,133,271</b>	<b>27,935,991</b>	<b>1,197,280</b>	<b>26,813,699</b>
<b>Excess (Deficiency) of Revenue Over Expenditures</b>	<b>(2,201,701)</b>	<b>(2,201,701)</b>	<b>355,507</b>	<b>2,557,208</b>	<b>(49,625)</b>
<b>Other Financing Sources (Uses)</b>					
Transfers In	2,213,831	2,213,831	2,213,831	-	2,158,464
Transfers Out	(12,130)	(3,512,130)	(3,516,124)	(3,994)	(20,064)
Total Other Financing Sources (Uses)	2,201,701	(1,298,299)	(1,302,293)	(3,994)	2,138,400
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>\$ -</b>	<b>\$ (3,500,000)</b>	<b>(946,786)</b>	<b>\$ 2,553,214</b>	<b>\$ 2,088,775</b>
<b>Fund Balance, October 1st</b>			<b>11,752,876</b>		<b>9,664,101</b>
<b>Fund Balance, September 30th</b>			<b>\$ 10,806,090</b>		<b>\$ 11,752,876</b>

See accompanying notes to required supplementary information.

**CITY OF TWIN FALLS, IDAHO**  
Special Revenue - Street Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Property Taxes	\$ 789,523	\$ 789,523	\$ 798,141	\$ 8,618	\$ 893,786
Fees and Services	-	-	-	-	(198)
Intergovernmental	3,525,000	3,525,000	3,543,319	18,319	3,506,582
Grants	60,000	60,000	-	(60,000)	2,480,515
Miscellaneous	1,147,000	1,147,000	1,233,867	86,867	1,381,018
<b>Total Revenues</b>	<u>5,521,523</u>	<u>5,521,523</u>	<u>5,575,327</u>	<u>53,804</u>	<u>8,261,703</u>
<b>Expenditures:</b>					
Current					
Highways and Streets	3,067,088	3,786,191	3,727,917	58,274	4,493,733
Capital Outlay	2,482,055	4,350,004	3,949,255	400,749	3,806,042
<b>Total Expenditures</b>	<u>5,549,143</u>	<u>8,136,195</u>	<u>7,677,172</u>	<u>459,023</u>	<u>8,299,775</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,620)	(2,614,672)	(2,101,845)	512,827	(38,072)
<b>Other Financing Sources (Uses)</b>					
Transfers In	347,716	347,716	329,503	18,213	865,800
Transfers Out	(320,096)	(320,096)	(320,096)	-	(312,325)
<b>Total Other Sources (Uses)</b>	<u>27,620</u>	<u>27,620</u>	<u>9,407</u>	<u>18,213</u>	<u>553,475</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ (2,587,052)</u>	<u>(2,092,438)</u>	<u>\$ 494,614</u>	<u>515,403</u>
<b>Fund Balances, October 1st</b>			<u>7,906,976</u>		<u>7,391,573</u>
<b>Fund Balances, September 30th</b>			<u>\$ 5,814,538</u>		<u>\$ 7,906,976</u>

See accompanying notes to required supplementary information.

**CITY OF TWIN FALLS, IDAHO**  
Special Revenue - Airport Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Property Taxes	\$ 398,113	\$ 398,113	\$ 398,350	\$ 237	\$ 344,563
Fees and Services	751,600	751,600	725,191	(26,409)	812,996
Intergovernmental	398,113	398,113	398,112	-	344,692
Grants	-	-	541,201	541,201	-
Farm Income	51,000	51,000	51,617	617	56,990
Miscellaneous	30,000	30,000	117,575	87,575	133,526
<b>Total Revenues</b>	<u>1,628,826</u>	<u>1,628,826</u>	<u>2,232,046</u>	<u>603,221</u>	<u>1,692,767</u>
<b>Expenditures:</b>					
Current					
Airport	1,484,055	1,484,055	1,331,412	152,643	1,424,467
<b>Total Expenditures</b>	<u>1,484,055</u>	<u>1,484,055</u>	<u>1,331,412</u>	<u>152,643</u>	<u>1,424,467</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	144,771	144,771	900,634	755,863	268,300
<b>Other Financing Sources (Uses)</b>					
Transfers In	5,630	5,630	5,631	-	5,519
Transfers Out	(383,248)	(383,248)	(383,248)	-	(374,705)
<b>Total Other Sources (Uses)</b>	<u>(377,618)</u>	<u>(377,618)</u>	<u>(377,617)</u>	<u>-</u>	<u>(369,186)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (232,847)</u>	<u>\$ (232,847)</u>	523,017	<u>\$ 755,863</u>	(100,886)
<b>Fund Balances, October 1st</b>			<u>2,043,412</u>		<u>2,144,298</u>
<b>Fund Balances, September 30th</b>			<u>\$ 2,566,429</u>		<u>\$ 2,043,412</u>

See accompanying notes to required supplementary information.

**CITY OF TWIN FALLS, IDAHO**  
Schedule of Employer's Share of Net Pension Asset/Liability

**Schedule of Employer's Share of Net Pension Liability**  
**PERSI - Base Plan**  
**Last 10 - Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's portion of the net pension liability	.006008378	.006125586	.005940511	.005813347	.005422236	.005566001
City's proportionate share of the net pension liability	\$ 13,468,446	\$ 6,116,243	\$ 7,955,648	\$ 8,356,557	\$ 11,008,731	\$ 7,114,158
City's covered payroll	\$ 21,171,721	\$ 20,550,187	\$ 18,865,104	\$ 17,837,788	\$ 15,786,995	\$ 15,164,698
City's proportional share of the net pension liability as a percentage of its covered-employee payroll	63.62%	29.76%	42.17%	46.85%	69.73%	46.91%
Plan fiduciary net position as a percentage of the total pension liability	88.22%	93.79%	91.69%	90.68%	87.26%	94.95%

**Schedule of Employer's Share of Net Pension Asset**  
**FRF**  
**Last 10 - Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
City's portion of the net pension asset	.042227719	.042011350	.038550585	.036537638	.040605333	.038831200
City's proportionate share of the net pension asset	\$ 6,256,568	\$ 5,647,629	\$ 4,190,076	\$ 3,353,402	\$ 2,086,650	\$ 1,947,697
City's covered payroll	\$ 3,252,302	\$ 3,299,502	\$ 2,899,425	\$ 2,646,204	\$ 2,524,390	\$ 2,306,028
City's proportional share of the net pension asset as a percentage of its covered-employee payroll	192.37%	171.17%	144.51%	126.72%	82.66%	84.46%
Plan fiduciary net position as a percentage of the total pension asset	155.55%	152.74%	140.15%	129.65%	118.42%	112.01%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

Data reported is measured as of June 30 (measurement date).

See accompanying notes to required supplementary information.

**CITY OF TWIN FALLS, IDAHO**  
Schedule of Employer's Contributions  
PERSI - Base Plan and FRF

**Schedule of Employer Contributions**  
**Base Plan**  
**Last 10 - Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 2,532,527	\$ 2,420,702	\$ 2,197,901	\$ 2,040,589	\$ 1,813,839	\$ 1,729,630
Contribution in relation to the statutorily required contribution	<u>2,532,527</u>	<u>2,420,702</u>	<u>2,197,901</u>	<u>2,040,589</u>	<u>1,813,839</u>	<u>1,729,630</u>
Contribution deficiency (excess)	<u>\$ -</u>					
City's covered payroll	\$ 21,291,447	\$ 20,875,898	\$ 19,123,237	\$ 17,772,209	\$ 15,594,399	\$ 15,449,357
Contributions as a percentage of covered-employee payroll	11.89%	11.60%	11.49%	11.48%	11.63%	11.20%

**Schedule of Employer Contributions**  
**FRF**  
**Last 10 - Fiscal Years\***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 158,979	\$ 170,631	\$ 150,607	\$ 137,351	\$ 137,818	\$ 138,382
Contribution in relation to the statutorily required contribution	<u>158,979</u>	<u>170,631</u>	<u>150,607</u>	<u>137,351</u>	<u>137,818</u>	<u>138,382</u>
Contribution deficiency (excess)	<u>\$ -</u>					
City's covered payroll	\$ 3,324,570	\$ 3,352,786	\$ 3,000,975	\$ 2,710,218	\$ 2,508,735	\$ 2,296,724
Contributions as a percentage of covered-employee payroll	4.78%	5.09%	5.02%	5.07%	5.49%	6.03%

\*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

Data reported is measured as of September 30.

See accompanying notes to required supplementary information.

**CITY OF TWIN FALLS, IDAHO**  
Notes to Required Supplementary Information  
September 30, 2020

**NOTE 1- BUDGETARY INFORMATION**

*Budgetary-GAAP Reporting Reconciliation*

The accompanying Budgetary Comparison Schedules compare the legally adopted budget with actual data on a budgetary basis. Accounting principles applied for purposes of developing data on the budgetary basis do not differ significantly from those used to present financial statements in conformity with generally accepted accounting principles (GAAP).

*Budgetary Policies*

The City of Twin Falls, Idaho, prepares an annual budget of revenue and expenditures prior to the beginning of the fiscal year. The budget is prepared on the modified accrual basis of accounting. Budget figures are based on prior levels of revenue and expenditures taking into account specific items which may be planned in advance by the City such as capital outlay expenditures. Any excess of budgeted expenditures over budgeted revenues are temporary situations and are budgeted so as to utilize cash balances in the individual fund.

**SUPPLEMENTARY INFORMATION**

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Other Governmental Funds  
Fund Balance Sheets  
September 30, 2020

	Special Revenue Funds				Capital Projects Fund				Other Permanent Funds			Total Other Government Funds
	Street Light	Library	Pool	Total	Historic Preservation	Park Develop.	Impact Fee	Total	Drug Seizure	Fireworks	Total	
<b>Assets</b>												
Cash and Investments	\$ 173,737	\$ 1,380,214	\$ 191,288	\$ 1,745,239	\$ 242	\$ 980,600	\$ 6,142,141	\$ 7,122,983	\$ 144,131	\$ -	\$ 144,131	\$ 9,012,353
Receivables (net of allowance)				-								
Taxes	755	-	-	755	-	-	-	-	-	-	-	755
Intergovernmental	71	4,122	49,829	54,022	-	-	-	-	-	243	243	54,265
Accounts	2,190	-	13,220	15,410	-	-	-	-	-	-	-	15,410
<b>Total Assets</b>	<b>\$ 176,753</b>	<b>\$ 1,384,336</b>	<b>\$ 254,337</b>	<b>\$ 1,815,426</b>	<b>\$ 242</b>	<b>\$ 980,600</b>	<b>\$ 6,142,141</b>	<b>\$ 7,122,983</b>	<b>\$ 144,131</b>	<b>\$ 243</b>	<b>\$ 144,374</b>	<b>\$ 9,082,783</b>
<b>Liabilities</b>												
Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,028	\$ 13,028	\$ 13,028
Accounts Payable	30,526	11,104	8,813	50,443	2,000	-	8,468	10,468	2,589	-	2,589	63,500
Accrued Expenditures	-	15,437	-	15,437	-	-	-	-	-	-	-	15,437
Due to Other Funds	-	-	337,286	337,286	3,987	-	-	3,987	-	666	666	341,939
<b>Total Liabilities</b>	<b>30,526</b>	<b>26,541</b>	<b>346,099</b>	<b>403,166</b>	<b>5,987</b>	<b>-</b>	<b>8,468</b>	<b>14,455</b>	<b>2,589</b>	<b>13,694</b>	<b>16,283</b>	<b>433,904</b>
<b>Deferred Inflows of Resources</b>												
Unavailable Revenue - Property Taxes	197	-	-	197	-	-	-	-	-	-	-	197
<b>Total Deferred Inflows of Resources</b>	<b>197</b>	<b>-</b>	<b>-</b>	<b>197</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>197</b>
<b>Fund Balance</b>												
Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-	-	-	-	-	-
Committed Fund Balance												
Budgeted Surpluses	-	85,000	-	85,000	-	-	600,000	600,000	44,000	-	44,000	729,000
Park Development	-	-	-	-	-	980,600	-	980,600	-	-	-	980,600
Impact Fees	-	-	-	-	-	-	5,533,673	5,533,673	-	-	-	5,533,673
Drug Seizure	-	-	-	-	-	-	-	-	97,542	-	97,542	97,542
Assigned Fund Balance												
Street Light	146,030	-	-	146,030	-	-	-	-	-	-	-	146,030
Community Services-Library	-	1,272,795	-	1,272,795	-	-	-	-	-	-	-	1,272,795
Unassigned Fund Balance	-	-	(91,762)	(91,762)	(5,745)	-	-	(5,745)	-	(13,451)	(13,451)	(110,958)
<b>Total Fund Balance</b>	<b>146,030</b>	<b>1,357,795</b>	<b>(91,762)</b>	<b>1,412,063</b>	<b>(5,745)</b>	<b>980,600</b>	<b>6,133,673</b>	<b>7,108,528</b>	<b>141,542</b>	<b>(13,451)</b>	<b>128,091</b>	<b>8,648,682</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balance</b>	<b>\$ 176,753</b>	<b>\$ 1,384,336</b>	<b>\$ 254,337</b>	<b>\$ 1,815,426</b>	<b>\$ 242</b>	<b>\$ 980,600</b>	<b>\$ 6,142,141</b>	<b>\$ 7,122,983</b>	<b>\$ 144,131</b>	<b>\$ 243</b>	<b>\$ 144,374</b>	<b>\$ 9,082,783</b>

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Other Governmental Funds  
Statements of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended September 30, 2020

	Special Revenue Funds				Capital Projects Fund				Other Permanent Funds			Total Other Government Funds
	Street Light	Library	Pool	Total	Historic Preservation	Park Develop.	Impact Fee	Total	Drug Seizure	Fireworks	Total	
<b>Revenues</b>												
Property Taxes, Including Interest	\$ 42,200	\$ 1,814,735	\$ -	\$ 1,856,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,856,935
Other Taxes	356,555	-	-	356,555	-	-	-	-	-	-	-	356,555
Special Assessments, Including Interest	-	-	-	-	-	-	-	-	54,172	-	54,172	54,172
Fines and Forfeitures	-	16,048	-	16,048	-	-	-	-	-	-	-	16,048
Fees and Services	-	31,811	191,233	223,044	-	-	1,763,235	1,763,235	-	1,430	1,430	1,987,709
Intergovernmental	-	-	185,999	185,999	-	-	-	-	-	795	795	186,794
Miscellaneous	16,228	78,709	10	94,947	-	68,447	174,107	242,554	-	1,436	1,436	338,937
Total Revenue	414,983	1,941,303	377,242	2,733,528	-	68,447	1,937,342	2,005,789	54,172	3,661	57,833	4,797,150
<b>Expenditures</b>												
Current												
Public Safety	-	-	-	-	-	-	-	-	13,371	-	13,371	13,371
Community Development	-	-	-	-	2,000	-	-	2,000	-	16,000	16,000	18,000
Culture and Recreation	-	1,793,681	413,753	2,207,434	-	-	-	-	-	-	-	2,207,434
Highway and Streets	441,672	-	-	441,672	-	-	-	-	-	-	-	441,672
Capital Outlay	-	25,304	27,716	53,020	-	-	82,546	82,546	-	-	-	135,566
Total Expenditures	441,672	1,818,985	441,469	2,702,126	2,000	-	82,546	84,546	13,371	16,000	29,371	2,816,043
Excess of Revenues Over (Under) Expenditures	(26,689)	122,318	(64,227)	31,402	(2,000)	68,447	1,854,796	1,921,243	40,801	(12,339)	28,462	1,981,107
<b>Other Financing Sources (Uses)</b>												
Transfers In	-	-	3,993	3,993	-	-	-	-	-	6,500	6,500	10,493
Transfers Out	(23,793)	-	-	(23,793)	-	-	-	-	-	-	-	(23,793)
Net Transfers	(23,793)	-	3,993	(19,800)	-	-	-	-	-	6,500	6,500	(13,300)
<b>Net Change in Fund Balance</b>	(50,482)	122,318	(60,234)	11,602	(2,000)	68,447	1,854,796	1,921,243	40,801	(5,839)	34,962	1,967,807
<b>Fund Balance October 1, 2019-restated</b>	196,512	1,235,477	(31,528)	1,400,461	(3,745)	912,153	4,278,877	5,187,285	100,741	(7,612)	93,129	6,680,875
<b>Fund Balance September 30, 2020</b>	\$ 146,030	\$ 1,357,795	\$ (91,762)	\$ 1,412,063	\$ (5,745)	\$ 980,600	\$ 6,133,673	\$ 7,108,528	\$ 141,542	\$ (13,451)	\$ 128,091	\$ 8,648,682

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Proprietary Funds  
Fund Balance Sheets  
September 30, 2020

	<b>Business-Type Activities</b>			
	<b>Golf</b>	<b>Dierkes Lake Shoshone Falls</b>	<b>Common Area Maintenance</b>	<b>Total</b>
<b><u>Assets</u></b>				
Current Assets				
Cash and Investments	\$ -	\$ 1,236,205	\$ 30,950	\$ 1,267,155
Receivables, net of allowance for uncollectibles				
Fees and Services	-	-	7,733	7,733
Accounts	-	2,506	-	2,506
<b>Total Current Assets</b>	<b>-</b>	<b>1,238,711</b>	<b>38,683</b>	<b>1,277,394</b>
Noncurrent Assets				
Capital Assets (Net of Accum. Depreciation)	499,678	1,050,423	-	1,550,101
<b>Total Noncurrent Assets</b>	<b>499,678</b>	<b>1,050,423</b>	<b>-</b>	<b>1,550,101</b>
<b>Total Assets</b>	<b>499,678</b>	<b>2,289,134</b>	<b>38,683</b>	<b>2,827,495</b>
<b><u>Deferred Outflows of Resources</u></b>				
Pension Obligations	8,536	-	-	8,536
<b>Total Deferred Outflows of Resources</b>	<b>8,536</b>	<b>-</b>	<b>-</b>	<b>8,536</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 508,214</b>	<b>\$ 2,289,134</b>	<b>\$ 38,683</b>	<b>\$ 2,836,031</b>
<b><u>Liabilities</u></b>				
Current Liabilities:				
Pooled Cash	\$ 210,025	\$ -	\$ -	\$ 210,025
Accounts Payable	-	29,623	16,286	45,909
Due to Other Funds	362,021	-	-	362,021
<b>Total Current Liabilities</b>	<b>572,046</b>	<b>29,623</b>	<b>16,286</b>	<b>617,955</b>
Current Liab. Payable from Restricted Assets:				
Customer Deposits Payable	1,699	-	-	1,699
<b>Total Curr. Liab. From Restricted Assets</b>	<b>1,699</b>	<b>-</b>	<b>-</b>	<b>1,699</b>
NonCurrent Liabilities:				
Net Pension Liability	34,758	-	-	34,758
<b>Total Non-Current Liabilities</b>	<b>34,758</b>	<b>-</b>	<b>-</b>	<b>34,758</b>
<b>Total Liabilities</b>	<b>608,503</b>	<b>29,623</b>	<b>16,286</b>	<b>654,412</b>
<b><u>Deferred Inflows of Resources</u></b>				
Pension Obligations	2,648	-	-	2,648
<b>Total Deferred Inflows of Resources</b>	<b>2,648</b>	<b>-</b>	<b>-</b>	<b>2,648</b>
<b><u>Net Position</u></b>				
Invested In Capital Assets, net of related debt	499,678	1,050,423	-	1,550,101
Restricted	-	-	-	-
Unrestricted	(602,615)	1,209,088	22,397	628,870
<b>Total Equity</b>	<b>(102,937)</b>	<b>2,259,511</b>	<b>22,397</b>	<b>2,178,971</b>
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<b>\$ 508,214</b>	<b>\$ 2,289,134</b>	<b>\$ 38,683</b>	<b>\$ 2,836,031</b>

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Proprietary Funds  
Statements of Revenues, Expenses, and Changes in Fund Net Position  
For the Year Ended September 30, 2020

	<b>Business-Type Activities</b>			
		<b>Dierkes Lake</b>	<b>Common</b>	
	<b>Golf</b>	<b>Shoshone Falls</b>	<b>Area Maintenance</b>	<b>Totals</b>
<b>Operating Revenues:</b>				
Charges for Services	\$ 27,592	\$ 527,600	\$ 54,871	\$ 610,063
Miscellaneous	-	3,668	1,170	4,838
<b>Total Operating Revenues</b>	<u>27,592</u>	<u>531,268</u>	<u>56,041</u>	<u>614,901</u>
<b>Operating Expenses:</b>				
Contracted Services	-	84,395	44,048	128,443
Personnel Expenses	3,883	52,179	-	56,062
Depreciation and Amortization	59,308	64,408	-	123,716
Utilities	-	4,446	1,246	5,692
Supplies	-	10,037	-	10,037
Repairs and Maintenance	-	8,848	4,190	13,038
Vehicle Expenses	-	1,203	-	1,203
Small Equipment	117	5,930	-	6,047
Miscellaneous Expense	-	394	239	633
<b>Total Operating Expenses</b>	<u>63,308</u>	<u>231,840</u>	<u>49,723</u>	<u>344,871</u>
Operating Income (Loss)	(35,716)	299,428	6,318	270,030
<b>Non-Operating Revenues (Expenses):</b>				
Investment Income	-	34,281	-	34,281
Loss on Transfer of Assets	-	(2,062)	-	(2,062)
<b>Total Non-Operating Revenues (Exp.)</b>	<u>-</u>	<u>32,219</u>	<u>-</u>	<u>32,219</u>
Income (Loss) Before Contributions and Transfers	(35,716)	331,647	6,318	302,249
<b>Contributions and Interfund Transfers:</b>				
Transfers In	35,500	-	-	35,500
Transfers Out	-	(10,410)	(2,979)	(13,389)
<b>Net Transfers</b>	<u>35,500</u>	<u>(10,410)</u>	<u>(2,979)</u>	<u>22,111</u>
Net Income (Loss)	(216)	321,237	3,339	324,360
<b>Total Net Position, October 1, 2019</b>	<u>(102,721)</u>	<u>1,938,274</u>	<u>19,058</u>	<u>1,854,611</u>
<b>Total Net Position, September 30, 2020</b>	<u>\$ (102,937)</u>	<u>\$ 2,259,511</u>	<u>\$ 22,397</u>	<u>\$ 2,178,971</u>

**City of Twin Falls, Idaho**  
Combining Statement of Cash Flows  
Nonmajor Proprietary Funds  
For the Year Ended September 30, 2020

	<b>Business-Type Activities</b>			
		<b>Dierkes Lake Shoshone Falls</b>	<b>Common Area Maintenance</b>	<b>Total</b>
	<b>Golf</b>			
<b>Cash Flows from Operating Activities</b>				
Receipts from Customers	\$ 29,293	\$ 526,542	\$ 55,395	\$ 611,230
Payments to Suppliers	60,078	(139,349)	(52,605)	(131,876)
Payments to Employees	-	(52,179)	-	(52,179)
Other Receipts (Payments)	-	3,668	1,170	4,838
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>89,371</b>	<b>338,682</b>	<b>3,960</b>	<b>432,013</b>
<b>Cash Flows from Non-Capital Financing Activities</b>				
Interfund Transfers to Other Funds	-	(10,410)	(2,980)	(13,390)
Receipts from to Other Funds	35,500	-	-	35,500
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>35,500</b>	<b>(10,410)</b>	<b>(2,980)</b>	<b>22,110</b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Purchase of Capital Assets	(19,780)	-	-	(19,780)
Construction in Progress	(105,091)	(24,000)	-	(129,091)
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(124,871)</b>	<b>(24,000)</b>	<b>-</b>	<b>(148,871)</b>
<b>Cash Flows from Investing Activities</b>				
Investment Income	-	34,281	-	34,281
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>-</b>	<b>(69,356)</b>	<b>-</b>	<b>(69,356)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>-</b>	<b>234,916</b>	<b>980</b>	<b>235,896</b>
<b>Balances - Beginning of the Year</b>	<b>-</b>	<b>207,388</b>	<b>29,970</b>	<b>237,358</b>
<b>Balances - End of the Year</b>	<b>\$ -</b>	<b>\$ 442,304</b>	<b>\$ 30,950</b>	<b>\$ 473,254</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>				
Operating Income (Loss)	\$ (35,716)	\$ 299,428	\$ 6,318	\$ 270,030
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:				
Depreciation and Amortization	59,308	64,408	-	123,716
Change in Assets and Liabilities:				
Receivables, Net	-	(1,058)	525	(533)
DOF or Resources-Pension Obligations	(2,790)	-	-	(2,790)
Accounts Payable	(24,295)	(24,096)	(2,883)	(51,274)
Due to Other Funds-Pooled Cash	84,491	-	-	84,491
Customer Deposits Payable	1,701	-	-	1,701
Net Pension Liability	10,293	-	-	10,293
DIF or Resources-Employer Pension Assumption	(3,621)	-	-	(3,621)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 89,371</b>	<b>\$ 338,682</b>	<b>\$ 3,960</b>	<b>\$ 432,013</b>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds</b>				
Cash and Investments-Statement of Net Position	\$ -	\$ 1,236,205	\$ 30,950	\$ 1,267,155
Less: Investments	-	(793,901)	-	(793,901)
Cash and Cash Equivalents	<b>\$ -</b>	<b>\$ 442,304</b>	<b>\$ 30,950</b>	<b>\$ 473,254</b>

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Internal Service Funds  
Statement of Net Position  
September 30, 2020

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Shop</b>		
	<b>Insurance</b>	<b>Revolving</b>	<b>Total</b>
<b><u>Assets</u></b>			
Current Assets:			
Cash and Investments	\$ 236,045	\$ 390,821	\$ 626,866
Receivables, net of allowance for uncollectibles			
Taxes	4,893	-	4,893
Intergovernmental	5,119	-	5,119
Accounts	2,380	70	2,450
<b>Total Current Assets</b>	<b>248,437</b>	<b>390,891</b>	<b>639,328</b>
Noncurrent Assets:			
Capital Assets (Net of Accum. Depreciation)	-	244,637	244,637
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>244,637</b>	<b>244,637</b>
 <b>Total Assets</b>	 <b>\$ 248,437</b>	 <b>\$ 635,528</b>	 <b>\$ 883,965</b>
 <b><u>Liabilities and Net Position</u></b>			
Current Liabilities:			
Accounts Payable	7,169	877	8,046
Accrued Expenses	-	259	259
Unavailable Revenue	4,481	-	4,481
Compensated Absences	-	10,518	10,518
<b>Total Current Liabilities</b>	<b>11,650</b>	<b>11,654</b>	<b>23,304</b>
NonCurrent Liabilities:			
Compensated Absences	-	1,248	1,248
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>1,248</b>	<b>1,248</b>
 <b>Total Liabilities</b>	 <b>11,650</b>	 <b>12,902</b>	 <b>24,552</b>
 <b><u>Net Position</u></b>			
Net Investment in Capital Assets	-	244,637	244,637
Restricted	-	-	-
Unrestricted	236,787	377,989	614,776
<b>Total Net Position</b>	<b>236,787</b>	<b>622,626</b>	<b>859,413</b>
 <b>Total Liabilities and Net Position</b>	 <b>\$ 248,437</b>	 <b>\$ 635,528</b>	 <b>\$ 883,965</b>

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement - Internal Service Funds  
Statements of Revenues, Expenses, and Changes in Fund Net Assets  
For the Year Ended September 30, 2020

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Insurance</b>	<b>Shop Revolving</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Charges for Services	\$ -	\$ 424,866	\$ 424,866
Special Assessments, Including Interest	197,010	-	197,010
<b>Total Operating Revenues</b>	<u>197,010</u>	<u>424,866</u>	<u>621,876</u>
<b>Operating Expenses:</b>			
Contracted Services	-	6,953	6,953
Personnel Expenses	-	424,144	424,144
Depreciation and Amortization	-	14,916	14,916
Utilities	-	7,893	7,893
Supplies	-	28,469	28,469
Insurance	467,742	-	467,742
Repairs and Maintenance	-	12,616	12,616
Vehicle Expenses	-	1,552	1,552
Small Equipment	-	62,779	62,779
Miscellaneous Expense	209	200	409
Travel and Meetings	-	920	920
<b>Total Operating Expenses</b>	<u>467,951</u>	<u>560,442</u>	<u>1,028,393</u>
Operating Income (Loss)	(270,941)	(135,576)	(406,517)
<b>Non-Operating Revenues (Expenses):</b>			
Investment Income	5,014	-	5,014
Total Non-Operating Revenues (Exp.)	<u>5,014</u>	<u>-</u>	<u>5,014</u>
Income (Loss) Before Operating Transfers	(265,927)	(135,576)	(401,503)
<b>Operating Transfers:</b>			
Operating Transfers In	337,439	75,951	413,390
Operating Transfers Out	(59,485)	(693)	(60,178)
Net Transfers	<u>277,954</u>	<u>75,258</u>	<u>353,212</u>
Net Income (Loss)	12,027	(60,318)	(48,291)
<b>Total Net Position, October 1, 2019</b>	<u>224,760</u>	<u>682,944</u>	<u>907,704</u>
<b>Total Net Position, September 30, 2020</b>	<u>\$ 236,787</u>	<u>\$ 622,626</u>	<u>\$ 859,413</u>

**CITY OF TWIN FALLS, IDAHO**  
Combining Statement of Cash Flows  
Nonmajor Proprietary Funds  
For the Year Ended September 30, 2020

	<b>Governmental Activities</b>		
	<b>Insurance</b>	<b>Shop Revolving</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Cash Received from Interfund Services Provided	\$ -	\$ 425,766	\$ 425,766
Property Taxes, Including Interest	190,906	-	190,906
Payments to Suppliers	(469,654)	(123,470)	(593,124)
Payments to Employees	-	(424,065)	(424,065)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(278,748)</b>	<b>(121,769)</b>	<b>(400,517)</b>
<b>Cash Flows from Non-Capital Financing Activities</b>			
Interfund Transfers to Other Funds	(59,485)	(694)	(60,179)
Receipts from Advances from Other Funds	337,439	75,951	413,390
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>277,954</b>	<b>75,257</b>	<b>353,211</b>
<b>Cash Flows from Investing Activities</b>			
Interest, Dividends and Changes in Market Value	5,014	-	5,014
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>(22,633)</b>	<b>-</b>	<b>(22,633)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(23,427)</b>	<b>(46,512)</b>	<b>(69,939)</b>
<b>Balances - Beginning of the Year</b>	<b>24,927</b>	<b>437,333</b>	<b>462,260</b>
<b>Balances - End of the Year</b>	<b>\$ 1,500</b>	<b>\$ 390,821</b>	<b>\$ 392,321</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities</b>			
Operating Income (Loss)	\$ (270,941)	\$ (135,576)	\$ (406,517)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	-	14,916	14,916
Change in Assets and Liabilities:			
Receivables, Net	(6,723)	900	(5,823)
Accounts Payable	(1,703)	(2,088)	(3,791)
Unavailable Revenue	619	-	619
Compensated Absences	-	79	79
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (278,748)</b>	<b>\$ (121,769)</b>	<b>\$ (400,517)</b>
<b>Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds</b>			
Cash and Investments-Statement of Net Position	\$ 236,045	\$ 390,821	\$ 626,866
Less: Investments	(234,545)	-	(234,545)
Cash and Cash Equivalents	<b>\$ 1,500</b>	<b>\$ 390,821</b>	<b>\$ 392,321</b>

**CITY OF TWIN FALLS, IDAHO**  
 Capital Projects - Capital Improvement Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended September 30, 2020  
 With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Property Taxes	\$ 770,000	\$ 770,000	\$ 771,463	\$ 1,463	\$ 766,876
Intergovernmental	1,670,349	1,670,349	1,736,550	66,201	1,666,828
Federal Grants	10,000	10,000	80	(9,920)	128,613
Miscellaneous or Reserves	210,000	275,000	1,657,912	1,382,912	1,599,522
<b>Total Revenues</b>	<u>2,660,349</u>	<u>2,725,349</u>	<u>4,166,005</u>	<u>1,440,656</u>	<u>4,161,839</u>
<b>Expenditures:</b>					
Current					
General Government	1,737,780	1,737,780	1,093,105	644,675	995,116
Public Safety	390,369	589,369	570,898	18,471	199,728
Culture and Recreation	716,800	716,800	399,436	317,364	650,640
Highways and Streets	-	-	-	-	2,686
Capital Outlay	885,800	1,009,105	968,632	40,473	570,517
<b>Total Expenditures</b>	<u>3,730,749</u>	<u>4,053,054</u>	<u>3,032,071</u>	<u>1,020,983</u>	<u>2,418,687</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,070,400)	(1,327,705)	1,133,934	2,461,639	1,743,152
<b>Other Financing Sources (Uses)</b>					
Contribution of Assets	-	-	-	-	-
Transfers In	-	3,500,000	3,500,000	-	15,085
Transfers Out	(570,000)	(585,500)	(1,177,287)	(591,787)	(2,035,159)
<b>Total Other Sources (Uses)</b>	<u>(570,000)</u>	<u>2,914,500</u>	<u>2,322,713</u>	<u>(591,787)</u>	<u>(2,020,074)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Use:	<u>\$ (1,640,400)</u>	<u>\$ 1,586,795</u>	3,456,647	<u>\$ 1,869,852</u>	(276,922)
<b>Fund Balances, October 1st</b>			<u>11,516,105</u>		<u>11,793,027</u>
<b>Fund Balances, September 30th</b>			<u>\$ 14,972,752</u>		<u>\$ 11,516,105</u>

**CITY OF TWIN FALLS, IDAHO**  
 Capital Projects - Airport Construction Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended September 30, 2020  
 With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Fees and Services	\$ 160,000	\$ 160,000	\$ 100,131	\$ (59,869)	\$ 169,548
Federal Grants	1,000,000	1,860,000	1,613,618	(246,382)	616,072
Miscellaneous	170	170	131	(39)	202
<b>Total Revenues</b>	<u>1,160,170</u>	<u>2,020,170</u>	<u>1,713,880</u>	<u>(306,290)</u>	<u>785,822</u>
<b>Expenditures:</b>					
Current					
Airport	<u>1,326,000</u>	<u>2,186,000</u>	<u>1,766,135</u>	<u>419,865</u>	<u>754,752</u>
<b>Total Expenditures</b>	<u>1,326,000</u>	<u>2,186,000</u>	<u>1,766,135</u>	<u>419,865</u>	<u>754,752</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(165,830)	(165,830)	(52,255)	113,575	31,070
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Use:	<u>\$ (165,830)</u>	<u>\$ (165,830)</u>	(52,255)	<u>\$ 113,575</u>	31,070
<b>Fund Balances, October 1st</b>			<u>35,683</u>		<u>4,613</u>
<b>Fund Balances, September 30th</b>			<u>\$ (16,572)</u>		<u>\$ 35,683</u>

**CITY OF TWIN FALLS, IDAHO**

Enterprise - Waterworks Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 10,736,772	\$ 10,736,772	\$ 11,463,822	\$ 727,050	\$ 10,800,370
Taps, Connection and Other Fees	101,600	101,600	312,487	210,887	236,551
Miscellaneous	35,000	35,000	56,661	21,661	39,120
<b>Total Operating Revenues</b>	<u>10,873,372</u>	<u>10,873,372</u>	<u>11,832,970</u>	<u>959,598</u>	<u>11,076,041</u>
<b>Operating Expenses:</b>					
Contracted Expenses	386,500	386,500	245,308	141,192	262,163
Personnel Expenses	2,370,384	2,370,384	2,461,741	(91,357)	2,285,233
Depreciation and Amortization	-	-	1,867,783	(1,867,783)	1,847,820
Utilities	1,025,250	1,025,250	930,699	94,551	885,104
Supplies	795,164	795,164	571,632	223,532	692,674
Repairs and Maintenance	179,000	179,000	149,847	29,153	176,767
Vehicle Expense	155,164	155,164	143,804	11,360	149,234
Capital & Equipment	2,021,320	2,021,320	547,409	1,473,911	697,175
Studies and Projects	22,000	22,000	38,150	(16,150)	20,970
Rental Expense	141,800	141,800	160,243	(18,443)	137,825
Miscellaneous Expenses	193,752	193,752	193,869	(117)	153,241
Testing and Monitoring	86,000	86,000	82,461	3,539	64,429
Travel and Meetings	5,300	5,300	5,209	91	4,648
<b>Total Operating Expenses</b>	<u>7,381,634</u>	<u>7,381,634</u>	<u>7,398,155</u>	<u>(16,521)</u>	<u>7,377,283</u>
Operating Income (Loss)	3,491,738	3,491,738	4,434,815	943,077	3,698,758
<b>Non-operating Revenues (Expenses):</b>					
Investment Income	150,000	150,000	437,995	287,995	445,120
Rent and Royalties	70,000	70,000	71,652	1,652	71,102
Federal Grants	45,000	45,000	-	(45,000)	-
Debt Principal Payments	(2,215,000)	(2,215,000)	-	2,215,000	-
Loss on Sale of Assets	-	-	14,254	14,254	152,161
Interest Expense	(532,722)	(532,722)	(528,833)	3,889	(605,017)
<b>Total Non-operating Revenues (Exp.)</b>	<u>(2,482,722)</u>	<u>(2,482,722)</u>	<u>(4,932)</u>	<u>2,477,790</u>	<u>63,366</u>
Income (Loss) Before Operating Transfers	1,009,016	1,009,016	4,429,883	3,420,867	3,762,124
<b>Interfund Transfers and Donations:</b>					
Transfers In	595,366	595,366	595,366	-	583,692
Transfers Out	(1,175,333)	(1,175,333)	(1,175,333)	-	(1,150,291)
Net Transfers and Donations	<u>(579,967)</u>	<u>(579,967)</u>	<u>(579,967)</u>	<u>-</u>	<u>(566,599)</u>
Net Income (Loss)	<u>\$ 429,049</u>	<u>\$ 429,049</u>	<u>3,849,916</u>	<u>\$ 3,420,867</u>	<u>3,195,525</u>
<b>Net Position, October 1st,</b>			<u>56,082,615</u>		<u>52,887,090</u>
<b>Net Position, September 30th</b>			<u>\$ 59,932,531</u>		<u>\$ 56,082,615</u>

**CITY OF TWIN FALLS, IDAHO**

Enterprise - Wastewater Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 9,443,742	\$ 9,443,742	\$ 9,343,523	\$ (100,219)	\$ 9,956,050
Miscellaneous	3,000	3,000	226,697	223,697	222,736
<b>Total Operating Revenues</b>	<u>9,446,742</u>	<u>9,446,742</u>	<u>9,570,220</u>	<u>123,478</u>	<u>10,178,786</u>
<b>Operating Expenses:</b>					
Contracted Expenses	3,400,631	3,400,631	3,213,100	187,531	3,366,013
Personnel Expenses	834,731	834,731	835,670	(939)	748,578
Depreciation and Amortization	-	-	3,363,290	(3,363,290)	3,188,421
Utilities	4,750	4,750	3,219	1,531	3,882
Supplies	71,600	71,600	60,853	10,747	57,346
Repairs and Maintenance	25,000	25,000	14,493	10,507	5,683
Vehicle Expense	51,706	51,706	48,428	3,278	45,777
Capital & Equipment	1,117,081	1,117,081	234,242	882,839	320,264
Rental Expense	1,000	1,000	10,987	(9,987)	4,242
Miscellaneous Expenses	25,800	25,800	56,071	(30,271)	31,265
Travel and Meetings	3,000	3,000	1,489	1,511	408
<b>Total Operating Expenses</b>	<u>5,535,299</u>	<u>5,535,299</u>	<u>7,841,842</u>	<u>(2,306,543)</u>	<u>7,771,879</u>
Operating Income (Loss)	3,911,443	3,911,443	1,728,378	(2,183,065)	2,406,907
<b>Non-operating Revenues (Expenses):</b>					
Development Fees	18,000	18,000	462,260	444,260	293,499
Investment Income	240,000	240,000	515,236	275,236	547,004
Debt Principal Payments	(2,030,000)	(2,030,000)	-	2,030,000	-
Loss on Sale of Assets	-	-	42,207	42,207	(201,684)
Interest Expense	(1,455,281)	(1,455,281)	(1,452,857)	2,424	(1,549,476)
<b>Total Non-operating Revenues (Exp.)</b>	<u>(3,227,281)</u>	<u>(3,227,281)</u>	<u>(433,154)</u>	<u>2,794,127</u>	<u>(910,657)</u>
Income (Loss) Before Operating Transfers	684,162	684,162	1,295,224	611,062	1,496,250
<b>Interfund Transfers and Donations:</b>					
Transfers In	-	-	1,000,000	1,000,000	1,000,000
Transfers Out	(864,348)	(864,348)	(954,348)	-	(842,307)
Net Transfers and Donations	<u>(864,348)</u>	<u>(864,348)</u>	<u>45,652</u>	<u>1,000,000</u>	<u>157,693</u>
Net Income (Loss)	<u>\$ (180,186)</u>	<u>\$ (180,186)</u>	1,340,876	<u>\$ 1,611,062</u>	1,653,943
<b>Net Position, October 1st,</b>			<u>70,459,839</u>		<u>68,805,896</u>
<b>Net Position, September 30th</b>			<u>\$ 71,800,715</u>		<u>\$ 70,459,839</u>

**CITY OF TWIN FALLS, IDAHO**

Enterprise - Sanitation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 3,423,969	\$ 3,483,969	\$ 3,570,221	\$ 86,252	\$ 3,370,293
Miscellaneous	-	-	670	670	452
<b>Total Operating Revenues</b>	<u>3,423,969</u>	<u>3,483,969</u>	<u>3,570,891</u>	<u>86,922</u>	<u>3,370,745</u>
<b>Operating Expenses:</b>					
Contracted Expenses	2,048,345	2,068,345	2,059,200	9,145	1,987,031
Landfill Expenses	790,250	820,250	795,282	24,968	728,711
Studies and Projects	98,760	108,760	97,394	11,366	172,085
Miscellaneous Expenses	7,000	7,000	26,392	(19,392)	12,227
<b>Total Operating Expenses</b>	<u>2,944,355</u>	<u>3,004,355</u>	<u>2,978,268</u>	<u>26,087</u>	<u>2,900,054</u>
Operating Income (Loss)	479,614	479,614	592,623	113,009	470,691
<b>Non-operating Revenues (Expenses):</b>					
Investment Income	5,000	5,000	18,069	13,069	18,691
<b>Total Non-operating Revenues (Exp.)</b>	<u>5,000</u>	<u>5,000</u>	<u>18,069</u>	<u>13,069</u>	<u>18,691</u>
Income (Loss) Before Operating Transfers	484,614	484,614	610,692	126,078	489,382
<b>Interfund Transfers and Donations:</b>					
Transfers In	-	-	-	-	-
Transfers Out	(479,918)	(479,918)	(479,918)	-	(470,391)
Net Transfers and Donations	<u>(479,918)</u>	<u>(479,918)</u>	<u>(479,918)</u>	<u>-</u>	<u>(470,391)</u>
Net Income (Loss)	<u>\$ 4,696</u>	<u>\$ 4,696</u>	130,774	<u>\$ 126,078</u>	18,991
<b>Net Position, October 1st,</b>			<u>588,981</u>		<u>569,990</u>
<b>Net Position, September 30th</b>			<u>\$ 719,755</u>		<u>\$ 588,981</u>

**CITY OF TWIN FALLS, IDAHO**

Special Revenue - Street Light Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019
	Proposed Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Property Taxes	\$ 41,893	\$ 41,893	\$ 42,200	\$ 307	\$ 8,754
Non-Property Taxes	378,000	378,000	356,555	(21,445)	369,688
Miscellaneous & Intergovernmental	-	-	16,228	16,228	-
<b>Total Revenues</b>	<u>419,893</u>	<u>419,893</u>	<u>414,983</u>	<u>(4,910)</u>	<u>378,442</u>
<b>Expenditures:</b>					
Current					
Highways and Streets	396,100	471,100	441,672	29,428	378,438
<b>Total Expenditures</b>	<u>396,100</u>	<u>471,100</u>	<u>441,672</u>	<u>29,428</u>	<u>378,438</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,793	(51,207)	(26,689)	24,518	4
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	(23,793)	(23,793)	(23,793)	-	(23,327)
<b>Total Other Sources (Uses)</b>	<u>(23,793)</u>	<u>(23,793)</u>	<u>(23,793)</u>	<u>-</u>	<u>(23,327)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ (75,000)</u>	<u>(50,482)</u>	<u>\$ 24,518</u>	<u>(23,323)</u>
<b>Fund Balances, October 1st</b>			<u>196,512</u>		<u>219,835</u>
<b>Fund Balances, September 30th</b>			<u>\$ 146,030</u>		<u>\$ 196,512</u>

**CITY OF TWIN FALLS, IDAHO**  
Special Revenue - Library Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Property Taxes	\$ 1,813,671	\$ 1,813,671	\$ 1,814,735	\$ 1,064	\$ 1,719,549
Fines and Forfeits	25,000	25,000	16,048	(8,952)	25,649
Fees and Services	41,500	41,500	31,811	(9,689)	27,794
Miscellaneous & Intergovernmental	22,000	22,000	78,709	56,709	145,025
<b>Total Revenues</b>	<u>1,902,171</u>	<u>1,902,171</u>	<u>1,941,303</u>	<u>39,132</u>	<u>1,918,017</u>
<b>Expenditures:</b>					
Current					
Culture and Recreation	1,902,171	1,902,171	1,793,681	108,490	1,815,914
Capital Outlay	61,000	61,000	25,304	35,696	25,723
<b>Total Expenditures</b>	<u>1,963,171</u>	<u>1,963,171</u>	<u>1,818,985</u>	<u>144,186</u>	<u>1,841,637</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,000)	(61,000)	122,318	183,318	76,380
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (61,000)</u>	<u>\$ (61,000)</u>	122,318	<u>\$ 183,318</u>	76,380
<b>Fund Balances, October 1st</b>			<u>1,235,477</u>		<u>1,159,097</u>
<b>Fund Balances, September 30th</b>			<u>\$ 1,357,795</u>		<u>\$ 1,235,477</u>

**CITY OF TWIN FALLS, IDAHO**

Special Revenue - Pool Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Charges for Services	\$ 388,000	\$ 388,000	\$ 191,152	\$ (196,848)	\$ 414,058
Intergovernmental	181,765	181,765	185,999	4,234	175,959
Miscellaneous	-	-	91	91	250
<b>Total Revenues</b>	<u>569,765</u>	<u>569,765</u>	<u>377,242</u>	<u>(192,523)</u>	<u>590,267</u>
<b>Expenditures:</b>					
Contracted Expenses	7,000	7,000	4,288	2,712	8,049
Personnel Expenses	397,615	397,615	292,368	105,247	369,005
Depreciation and Amortization	-	-	-	-	150,214
Utilities	74,000	74,000	57,580	16,420	62,135
Supplies	42,500	42,500	33,562	8,938	56,834
Repairs and Maintenance	18,000	18,000	15,857	2,143	18,208
Capital & Equipment	25,500	25,500	27,716	(2,216)	21,323
Miscellaneous Expenses	5,150	5,150	9,897	(4,747)	14,573
Travel and Meetings	-	-	201	(201)	332
<b>Total Expenditures</b>	<u>569,765</u>	<u>569,765</u>	<u>441,469</u>	<u>128,296</u>	<u>700,673</u>
Excess of Revenues Over (Under) Expenditures	-	-	(64,227)	(64,227)	(110,406)
<b>Other Financing Sources (Uses):</b>					
Transfers In	-	-	3,993	3,993	70,162
Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>3,993</u>	<u>3,993</u>	<u>70,162</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>(60,234)</u>	<u>(60,234)</u>	<u>(40,244)</u>
<b>Net Position, October 1st, restated</b>			<u>(31,528)</u>		<u>8,716</u>
<b>Net Position, September 30th</b>			<u>\$ (91,762)</u>		<u>\$ (31,528)</u>

**CITY OF TWIN FALLS, IDAHO**  
 Capital Projects - Historic Preservation Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended September 30, 2020  
 With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Federal Grants	\$ -	\$ 2,000	\$ -	\$ (2,000)	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>2,000</u>	<u>-</u>	<u>(2,000)</u>	<u>-</u>
<b>Expenditures:</b>					
Current					
Community Development	-	2,000	2,000	-	878
<b>Total Expenditures</b>	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>878</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(2,000)	(2,000)	(878)
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	969
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>969</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(2,000)	<u>\$ (2,000)</u>	91
<b>Fund Balances, October 1st</b>			<u>(3,745)</u>		<u>(3,836)</u>
<b>Fund Balances, September 30th</b>			<u>\$ (5,745)</u>		<u>\$ (3,745)</u>

**CITY OF TWIN FALLS, IDAHO**

Capital Projects - Trail Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Revenues:</b>					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous & Intergovernmental	-	-	-	-	-
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>					
Current					
Trail Development	-	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(541)
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(541)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>(541)</u>
<b>Fund Balances, October 1st</b>			<u>-</u>		<u>541</u>
<b>Fund Balances, September 30th</b>			<u>\$ -</u>		<u>\$ -</u>

**CITY OF TWIN FALLS, IDAHO**

Other Funds - Impact Fees

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019 Actual
	Proposed Budget	Final Budget	Actual		
<b>Revenues:</b>					
Fees and Services	\$ -	\$ -	\$ 1,763,235	\$ 1,763,235	\$ 1,232,529
Miscellaneous	-	-	174,107	174,107	169,242
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>1,937,342</u>	<u>1,937,342</u>	<u>1,401,771</u>
<b>Expenditures:</b>					
Current					
Community Development	-	-	-	-	8,500
Capital Outlay	-	76,037	82,546	(6,509)	853,682
<b>Total Expenditures</b>	<u>-</u>	<u>76,037</u>	<u>82,546</u>	<u>(6,509)</u>	<u>862,182</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	(76,037)	1,854,796	1,930,833	539,589
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses:	<u>\$ -</u>	<u>\$ (76,037)</u>	1,854,796	<u>\$ 1,930,833</u>	539,589
<b>Fund Balances, October 1st</b>			<u>4,278,877</u>		<u>3,739,288</u>
<b>Fund Balances, September 30th</b>			<u>\$ 6,133,673</u>		<u>\$ 4,278,877</u>

**CITY OF TWIN FALLS, IDAHO**

Other Funds - Drug Seizure Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019 Actual
	Proposed Budget	Final Budget	Actual		
<b>Revenues:</b>					
Special Assessments, Including Interest	\$ -	\$ -	\$ 54,172	\$ 54,172	\$ 41,697
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>54,172</u>	<u>54,172</u>	<u>41,697</u>
<b>Expenditures:</b>					
Public Safety	40,500	40,500	13,371	27,129	85,186
<b>Total Expenditures</b>	<u>40,500</u>	<u>40,500</u>	<u>13,371</u>	<u>27,129</u>	<u>85,186</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(40,500)	(40,500)	40,801	81,301	(43,489)
<b>Other Financing Sources (Uses)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (40,500)</u>	<u>\$ (40,500)</u>	40,801	<u>\$ 81,301</u>	(43,489)
<b>Fund Balances, October 1st</b>			<u>100,741</u>		<u>144,230</u>
<b>Fund Balances, September 30th</b>			<u>\$ 141,542</u>		<u>\$ 100,741</u>

**CITY OF TWIN FALLS, IDAHO**

Other Funds - Fireworks Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019 Actual
	Proposed Budget	Final Budget	Actual		
<b>Revenues:</b>					
Intergovernmental	\$ 825	\$ 825	\$ 795	\$ (30)	\$ 909
Miscellaneous and Permits	8,675	8,675	2,866	(5,809)	10,994
<b>Total Revenues</b>	<u>9,500</u>	<u>9,500</u>	<u>3,661</u>	<u>(5,839)</u>	<u>11,903</u>
<b>Expenditures:</b>					
Community Development	16,000	16,000	16,000	-	16,000
<b>Total Expenditures</b>	<u>16,000</u>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>16,000</u>
Excess (Deficiency) of Revenue Over (Under) Expenditures	(6,500)	(6,500)	(12,339)	(5,839)	(4,097)
<b>Other Financing Sources (Uses)</b>					
Transfers In	6,500	6,500	6,500	-	6,500
Transfers Out	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<u>6,500</u>	<u>6,500</u>	<u>6,500</u>	<u>-</u>	<u>6,500</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(5,839)	<u>\$ (5,839)</u>	2,403
<b>Fund Balances, October 1st</b>			<u>(7,612)</u>		<u>(10,015)</u>
<b>Fund Balances, September 30th</b>			<u>\$ (13,451)</u>		<u>\$ (7,612)</u>

**CITY OF TWIN FALLS, IDAHO**

Enterprise - Golf Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended September 30, 2020

With Comparative Actual Amounts from the Previous Year

	2020				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2019 Actual
<b>Operating Revenues:</b>					
Charges for Services	\$ -	\$ -	\$ 27,592	\$ 27,592	\$ 8,859
<b>Total Operating Revenues</b>	<u>-</u>	<u>-</u>	<u>27,592</u>	<u>27,592</u>	<u>8,859</u>
<b>Operating Expenses:</b>					
Personnel Expenses	-	-	3,883	(3,883)	(6,271)
Depreciation and Amortization	-	-	59,308	(59,308)	52,403
Repairs and Maintenance	-	-	-	-	1,156
Capital & Equipment	20,000	145,500	117	145,383	4,260
<b>Total Operating Expenses</b>	<u>20,000</u>	<u>145,500</u>	<u>63,308</u>	<u>82,192</u>	<u>51,548</u>
Operating Income (Loss)	(20,000)	(145,500)	(35,716)	109,784	(42,689)
<b>Interfund Transfers:</b>					
Transfers In	20,000	35,500	35,500	-	187,528
Transfers Out	-	-	-	-	-
Net Transfers	<u>20,000</u>	<u>35,500</u>	<u>35,500</u>	<u>-</u>	<u>187,528</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (110,000)</u>	(216)	<u>\$ 109,784</u>	144,839
<b>Net Position, October 1st,</b>			<u>(102,721)</u>		<u>(247,560)</u>
<b>Net Position, September 30th</b>			<u>\$ (102,937)</u>		<u>\$ (102,721)</u>

**CITY OF TWIN FALLS, IDAHO**  
 Enterprise - Dierkes Lake/Shoshone Falls Fund  
 Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
 For the Fiscal Year Ended September 30, 2020  
 With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 350,500	\$ 350,500	\$ 527,600	\$ 177,100	\$ 505,194
Miscellaneous	-	-	3,668	3,668	3,727
<b>Total Operating Revenues</b>	<u>350,500</u>	<u>350,500</u>	<u>531,268</u>	<u>180,768</u>	<u>508,921</u>
<b>Operating Expenses:</b>					
Contracted Expenses	71,404	71,404	84,395	(12,991)	66,333
Personnel Expenses	102,256	102,256	52,179	50,077	63,738
Depreciation and Amortization	-	-	64,408	(64,408)	55,267
Utilities	5,000	5,000	4,446	554	8,054
Supplies	6,250	6,250	10,037	(3,787)	4,264
Repairs and Maintenance	9,000	9,000	8,848	152	4,665
Vehicle Expense	-	-	1,203	(1,203)	2,284
Capital & Equipment	602,000	602,000	5,930	596,070	7,323
Miscellaneous Expenses	28,500	28,500	394	28,106	12,092
Telephone	-	-	-	-	297
<b>Total Operating Expenses</b>	<u>824,410</u>	<u>824,410</u>	<u>231,840</u>	<u>592,570</u>	<u>224,317</u>
Operating Income (Loss)	(473,910)	(473,910)	299,428	773,338	284,604
<b>Non-operating Revenues (Expenses):</b>					
Investment Income	6,000	6,000	34,281	28,281	31,011
Loss on Sale of Assets	-	-	(2,062)	(2,062)	-
<b>Total Non-operating Revenues (Exp.)</b>	<u>6,000</u>	<u>6,000</u>	<u>32,219</u>	<u>26,219</u>	<u>31,011</u>
Income (Loss) Before Operating Transfers	(467,910)	(467,910)	331,647	799,557	315,615
<b>Interfund Transfers:</b>					
Transfers In	300,000	300,000	-	(300,000)	-
Transfers Out	(10,410)	(10,410)	(10,410)	-	(10,206)
Net Transfers	<u>289,590</u>	<u>289,590</u>	<u>(10,410)</u>	<u>(300,000)</u>	<u>(10,206)</u>
Net Income (Loss)	<u>\$ (178,320)</u>	<u>\$ (178,320)</u>	321,237	<u>\$ 499,557</u>	305,409
<b>Net Position, October 1st,</b>			<u>1,938,274</u>		<u>1,632,865</u>
<b>Net Position, September 30th</b>			<u>\$ 2,259,511</u>		<u>\$ 1,938,274</u>

**CITY OF TWIN FALLS, IDAHO**  
 Enterprise - Common Area Maintenance  
 Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
 For the Fiscal Year Ended September 30, 2020  
 With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 47,503	\$ 55,003	\$ 54,871	\$ (132)	\$ 52,520
Miscellaneous	-	-	1,170	1,170	-
<b>Total Operating Revenues</b>	<u>47,503</u>	<u>55,003</u>	<u>56,041</u>	<u>1,038</u>	<u>52,520</u>
<b>Operating Expenses:</b>					
Contracted Expenses	36,274	43,774	44,048	(274)	41,475
Utilities	1,250	1,250	1,246	4	1,181
Repairs and Maintenance	7,000	7,000	4,190	2,810	4,238
Miscellaneous Expenses	-	-	239	(239)	16
<b>Total Operating Expenses</b>	<u>44,524</u>	<u>52,024</u>	<u>49,723</u>	<u>2,301</u>	<u>46,910</u>
Operating Income (Loss)	2,979	2,979	6,318	3,339	5,610
<b>Interfund Transfers:</b>					
Transfers In	-	-	-	-	-
Transfers Out	(2,979)	(2,979)	(2,979)	-	(2,920)
Net Transfers	<u>(2,979)</u>	<u>(2,979)</u>	<u>(2,979)</u>	<u>-</u>	<u>(2,920)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	3,339	<u>\$ 3,339</u>	2,690
<b>Net Position, October 1st,</b>			<u>19,058</u>		<u>16,368</u>
<b>Net Position, September 30th</b>			<u>\$ 22,397</u>		<u>\$ 19,058</u>

**CITY OF TWIN FALLS, IDAHO**  
Internal Service - Insurance Fund  
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020			Variance Favorable (Unfavorable)	2019 Actual
	Proposed Budget	Final Budget	Actual		
<b>Operating Revenues:</b>					
Special Assessments, Including Interest	\$ 196,581	\$ 196,581	\$ 197,010	\$ 429	\$ 196,247
<b>Total Operating Revenues</b>	<u>196,581</u>	<u>196,581</u>	<u>197,010</u>	<u>429</u>	<u>196,247</u>
<b>Operating Expenses:</b>					
Insurance Expense	476,455	476,455	467,742	8,713	503,797
Miscellaneous Expenses	1,100	1,100	209	891	-
Travel and Meetings	580	580	-	580	-
<b>Total Operating Expenses</b>	<u>478,135</u>	<u>478,135</u>	<u>467,951</u>	<u>10,184</u>	<u>503,797</u>
Operating Income (Loss)	(281,554)	(281,554)	(270,941)	10,613	(307,550)
<b>Non-operating Revenues (Expenses):</b>					
Investment Income	3,600	3,600	5,014	1,414	7,932
Interest Expense	-	-	-	-	-
<b>Total Non-operating Revenues (Exp.)</b>	<u>3,600</u>	<u>3,600</u>	<u>5,014</u>	<u>1,414</u>	<u>7,932</u>
Income (Loss) Before Operating Transfers	(277,954)	(277,954)	(265,927)	12,027	(299,618)
<b>Operating Transfers:</b>					
Transfers In	337,439	337,439	337,439	-	325,882
Transfers Out	(59,485)	(59,485)	(59,485)	-	(58,319)
<b>Net Transfers</b>	<u>277,954</u>	<u>277,954</u>	<u>277,954</u>	<u>-</u>	<u>267,563</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	12,027	<u>\$ 12,027</u>	(32,055)
<b>Net Position, October 1st</b>			<u>224,760</u>		<u>256,815</u>
<b>Net Position, September 30th</b>			<u>\$ 236,787</u>		<u>\$ 224,760</u>

**CITY OF TWIN FALLS, IDAHO**  
Internal Service - Shop Revolving Fund  
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended September 30, 2020  
With Comparative Actual Amounts from the Previous Year

	2020				2019 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
<b>Operating Revenues:</b>					
Charges for Services	\$ 422,482	\$ 422,481	\$ 424,866	\$ 2,385	\$ 411,783
<b>Total Operating Revenues</b>	<u>422,482</u>	<u>422,481</u>	<u>424,866</u>	<u>2,385</u>	<u>411,783</u>
<b>Operating Expenses:</b>					
Contracted Expenses	5,300	5,300	6,953	(1,653)	5,783
Personnel Expenses	428,840	428,840	424,144	4,696	408,081
Depreciation and Amortization	-	-	14,916	(14,916)	16,350
Utilities	9,300	9,300	7,893	1,407	7,830
Supplies	32,500	32,500	28,469	4,031	21,362
Repairs and Maintenance	16,200	16,200	12,616	3,584	17,904
Vehicle Expense	2,000	2,000	1,552	448	4,359
Capital & Equipment	-	62,779	62,779	-	18,069
Miscellaneous Expenses	2,600	2,600	200	2,400	125
Travel and Meetings	1,000	1,000	920	80	1,826
<b>Total Operating Expenses</b>	<u>497,740</u>	<u>560,519</u>	<u>560,442</u>	<u>77</u>	<u>501,689</u>
Operating Income (Loss)	(75,258)	(138,038)	(135,576)	2,462	(89,906)
<b>Interfund Transfers:</b>					
Transfers In	75,951	75,951	75,951	-	81,631
Transfers Out	(693)	(693)	(693)	-	(679)
Net Transfers	<u>75,258</u>	<u>75,258</u>	<u>75,258</u>	<u>-</u>	<u>80,952</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (62,780)</u>	(60,318)	<u>\$ 2,462</u>	(8,954)
<b>Net Position, October 1st,</b>			<u>682,944</u>		<u>691,898</u>
<b>Net Position, September 30th</b>			<u>\$ 622,626</u>		<u>\$ 682,944</u>

## **STATISTICAL SECTION**

**CITY OF TWIN FALLS, IDAHO**  
*Statistical Section*  
September 30, 2020

This section of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

**Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. (Schedule 1-5)

**Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax. (Schedule 6-8)

**Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. (Schedule 9-12)

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place. (Schedule 13-14)

**Operating Information**

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs. (Schedule 15-16)

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year or the accounting and budget records on file at the City.

City of Twin Falls, Idaho

September 30,  
2017

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Schedule of Net Position - Schedule 1</b>										
(accrual basis of accounting)										
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 148,052,251	\$ 148,693,057	\$ 154,044,906	\$ 144,133,814	\$ 139,207,450	\$ 140,796,310	\$ 148,994,442	\$ 149,862,775	\$ 153,880,017	\$ 155,596,113
Restricted	1,683,155	941,273	472,926	5,689,098	5,333,887	4,228,544	29,878,583	16,259,022	15,353,423	13,881,916
Unrestricted	38,802,159	40,293,887	37,601,624	30,207,292	31,667,251	28,789,849	1,699,141	11,197,181	6,321,892	12,155,857
<b>Total Governmental Activities Net Position</b>	<b>\$ 188,537,565</b>	<b>\$ 189,928,217</b>	<b>\$ 192,119,456</b>	<b>\$ 180,030,204</b>	<b>\$ 176,208,588</b>	<b>\$ 173,814,703</b>	<b>\$ 180,572,166</b>	<b>\$ 177,318,978</b>	<b>\$ 175,555,332</b>	<b>\$ 181,633,886</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 99,430,017	\$ 99,872,951	\$ 99,291,611	\$ 84,024,365	\$ 82,464,944	\$ 67,210,548	\$ 40,851,261	\$ 41,132,893	\$ 44,224,642	\$ 34,747,495
Restricted		6,378,604	6,392,986	4,250,768	8,935,206	15,815,072	29,334,545	199,519	1,781,582	688,746
Unrestricted	35,201,955	23,427,888	18,713,692	19,722,784	11,110,781	14,887,526	22,641,980	18,730,324	11,374,812	10,947,759
<b>Total Business-Type Activities Net Position</b>	<b>\$ 134,631,972</b>	<b>\$ 129,679,443</b>	<b>\$ 124,398,289</b>	<b>\$ 107,997,917</b>	<b>\$ 102,510,931</b>	<b>\$ 97,913,146</b>	<b>\$ 92,827,786</b>	<b>\$ 60,062,736</b>	<b>\$ 57,381,036</b>	<b>\$ 46,384,000</b>
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 247,482,268	\$ 248,566,008	\$ 253,336,517	\$ 228,158,179	\$ 221,672,394	\$ 208,006,858	\$ 189,845,703	\$ 190,995,668	\$ 198,104,659	\$ 190,343,608
Restricted	1,683,155	7,319,877	6,865,912	9,939,866	14,269,093	20,043,616	59,213,128	16,458,541	17,135,005	14,570,662
Unrestricted	74,004,114	63,721,775	56,315,316	49,930,076	42,778,032	43,677,375	24,341,121	29,927,505	17,696,704	23,103,616
<b>Total Primary Government Net Position</b>	<b>\$ 323,169,537</b>	<b>\$ 319,607,660</b>	<b>\$ 316,517,745</b>	<b>\$ 288,028,121</b>	<b>\$ 278,719,519</b>	<b>\$ 271,727,849</b>	<b>\$ 273,399,952</b>	<b>\$ 237,381,714</b>	<b>\$ 232,936,368</b>	<b>\$ 228,017,886</b>

Note - In 2015 the City implemented a new accounting principal for recognizing pension costs under GASB 68, Accounting and Financial Reporting for Pensions. Prior years Net Positions have not been restated to reflect the change.

City of Twin Falls, Idaho

September 30,

2020                      2019                      2018                      2017                      2016                      2015                      2014                      2013                      2012                      2011

**Schedule of Changes in Net Position - Schedule 2**

(accrual basis of accounting)

Expenses:

Governmental Activities:

General Government	\$ 15,661,483	\$ 16,117,728	\$ 14,086,895	\$ 12,728,775	\$ 13,451,319	\$ 13,055,440	\$ 11,943,398	\$ 11,474,562	\$ 10,564,109	\$ 10,102,271
Fire	5,207,029	4,407,629	4,170,533	3,724,075	3,365,672	2,690,217	4,069,035	3,949,996	3,694,364	3,658,319
Police	12,872,981	11,620,966	10,830,232	9,894,491	8,972,945	8,603,022	8,199,302	7,849,707	7,632,626	7,487,176
Engineering/Planning	2,861,883	2,738,386	2,447,395	2,289,208	2,148,670	2,169,122	1,951,363	1,492,029	1,384,368	1,380,902
Library	1,932,768	1,895,668	1,899,062	1,764,149	1,699,739	1,743,574	1,583,001	1,521,534	1,548,327	1,631,261
Culture and Recreation (a)	3,081,632	2,401,718	2,278,971	2,199,115	2,042,063	1,920,259	1,751,333	1,705,144	1,612,078	1,533,417
Streets	5,493,103	6,438,417	8,140,135	5,802,644	3,811,188	3,663,385	3,998,213	3,311,279	2,689,289	2,581,089
Airport	2,013,652	2,202,086	1,856,344	1,817,366	1,747,681	1,734,504	2,132,707	2,050,091	1,380,459	1,149,725
<b>Total</b>	<b>49,124,531</b>	<b>47,822,598</b>	<b>45,709,567</b>	<b>40,219,823</b>	<b>37,239,277</b>	<b>35,579,523</b>	<b>35,628,352</b>	<b>33,354,342</b>	<b>30,505,620</b>	<b>29,524,160</b>

Business-Type Activities:

Water	7,926,989	7,982,299	7,589,565	7,221,602	7,279,970	6,783,620	7,080,671	5,842,097	5,398,289	4,805,882
Wastewater	9,294,699	9,321,354	8,739,629	8,064,545	7,724,769	7,234,304	6,602,907	5,528,219	4,560,436	4,928,568
Sanitation	2,978,268	2,900,054	2,683,396	2,514,297	2,413,932	2,336,654	2,321,666	2,524,489	2,498,537	2,480,848
Golf	63,308	51,549	57,992	43,062	47,036	46,853	58,021	82,998	111,044	341,903
Pool (a)		700,672	534,172	361,136	155,910	181,301	165,031	170,194	161,573	187,079
Dierkes Lake/Shoshone Falls	231,839	224,319	211,501	311,985	193,223	223,664	219,597	225,756	214,236	216,536
Common Area Maintenance	49,723	46,909	41,641	49,998	31,411	23,099	22,930	20,391	92,779	91,407
<b>Total</b>	<b>20,544,826</b>	<b>21,227,156</b>	<b>19,857,896</b>	<b>18,566,625</b>	<b>17,846,251</b>	<b>16,829,495</b>	<b>16,470,823</b>	<b>14,394,144</b>	<b>13,036,894</b>	<b>13,052,223</b>
<b>Total Primary Government</b>	<b>\$ 69,669,357</b>	<b>\$ 69,049,754</b>	<b>\$ 65,567,463</b>	<b>\$ 58,786,448</b>	<b>\$ 55,085,528</b>	<b>\$ 52,409,018</b>	<b>\$ 52,099,175</b>	<b>\$ 47,748,486</b>	<b>\$ 43,542,514</b>	<b>\$ 42,576,383</b>

Program Revenues:

Governmental Activities:

Charges for Services	\$ 8,027,791	\$ 7,342,801	\$ 8,056,954	\$ 6,329,286	\$ 6,354,779	\$ 6,801,330	\$ 6,050,556	\$ 5,652,382	\$ 5,629,074	\$ 4,964,450
Operating Grants and Contributions	9,975,484	9,232,149	8,720,614	8,347,517	8,074,642	7,781,738	6,781,238	5,882,115	5,898,413	5,764,661
Capital Grants and Contributions	2,154,900	3,225,200	6,487,476	1,867,265	4,311,907	985,169	3,989,947	2,314,982	668,580	1,478,780
<b>Total</b>	<b>20,158,175</b>	<b>19,800,150</b>	<b>23,265,044</b>	<b>16,544,068</b>	<b>18,741,328</b>	<b>15,568,237</b>	<b>16,821,741</b>	<b>13,849,479</b>	<b>12,196,067</b>	<b>12,207,891</b>

Business-Type Activities:

Charges for Services	\$ 25,763,546	\$ 25,637,594	\$ 26,031,064	\$ 24,399,151	\$ 23,017,706	\$ 23,046,518	\$ 22,335,115	\$ 19,902,491	\$ 18,906,147	\$ 16,832,890
Operating Grants and Contributions		175,959	142,266	126,233		-	569,853	-		175,131
Capital Grants and Contributions						-	-	845,391	81,463	58,969
<b>Total</b>	<b>25,763,546</b>	<b>25,813,553</b>	<b>26,173,330</b>	<b>24,525,384</b>	<b>23,017,706</b>	<b>23,046,518</b>	<b>22,904,968</b>	<b>20,747,882</b>	<b>18,987,610</b>	<b>17,066,990</b>
<b>Total Primary Government</b>	<b>\$ 45,921,721</b>	<b>\$ 45,613,703</b>	<b>\$ 49,438,374</b>	<b>\$ 41,069,452</b>	<b>\$ 41,759,034</b>	<b>\$ 38,614,755</b>	<b>\$ 39,726,709</b>	<b>\$ 34,597,361</b>	<b>\$ 31,183,677</b>	<b>\$ 29,274,881</b>

**Schedule of Changes in Net Position - Schedule 2 Continued**

(accrual basis of accounting)

General Revenues and Other Changes in Net Position:

Governmental Activities:

Property Taxes - General Purposes	\$ 23,386,148	\$ 22,160,886	\$ 20,596,854	\$ 19,334,072	\$ 18,219,696	\$ 17,673,416	\$ 17,412,749	\$ 16,651,268	\$ 16,075,739	\$ 15,764,702
Franchise Taxes	356,555	369,688	400,950	394,089	393,394	385,292	356,898	223,358	196,323	189,820
Interest and Investment Earnings	1,326,248	1,664,320	152,747	365,364	604,822	577,025	452,434	(44,176)	259,959	151,341
Miscellaneous Rev. (Including Asset Sales)	821,233	1,001,583	1,903,083	6,195,101	322,311	423,292	459,192	370,696	554,904	1,338,416
Contributions of Assets			9,816,959				2,264,987			
Transfers	992,122	634,732	1,663,182	987,999	1,507,521	1,578,589	1,278,570	4,237,557	(5,274,297)	1,237,773
<b>Total</b>	<b>26,882,306</b>	<b>25,831,209</b>	<b>34,533,775</b>	<b>27,276,625</b>	<b>21,047,744</b>	<b>20,637,614</b>	<b>22,224,830</b>	<b>21,438,703</b>	<b>11,812,628</b>	<b>18,682,052</b>

Business-Type Activities:

Interest and Investment Earnings	\$ 1,005,583	\$ 1,041,825	\$ 205,674	\$ 307,138	\$ 611,827	\$ 1,100,433	\$ 393,336	\$ (56,627)	\$ 111,004	\$ 106,459
Miscellaneous Rev. (Including Asset Sales)	413,746	287,664	199,952	429,834	166,115	123,606	118,255	451,952	79,394	75,572
Contributions of Assets			11,342,494			-	26,932,853			
Transfers	(992,122)	(634,732)	(1,663,182)	(987,999)	(1,507,521)	(1,578,589)	(1,278,570)	(4,237,557)	5,274,297	(1,237,773)
<b>Total</b>	<b>427,207</b>	<b>694,757</b>	<b>10,084,938</b>	<b>(251,027)</b>	<b>(729,579)</b>	<b>(354,550)</b>	<b>26,165,874</b>	<b>(3,842,232)</b>	<b>5,464,695</b>	<b>(1,055,742)</b>
<b>Total Primary Government</b>	<b>\$ 27,309,513</b>	<b>\$ 26,525,966</b>	<b>\$ 44,618,713</b>	<b>\$ 27,025,598</b>	<b>\$ 20,318,165</b>	<b>\$ 20,283,064</b>	<b>\$ 48,390,704</b>	<b>\$ 17,596,471</b>	<b>\$ 17,277,323</b>	<b>\$ 17,626,310</b>

Change in Net Position:

Governmental Activities	\$ (2,084,050)	\$ (2,191,239)	\$ 12,089,252	\$ 3,600,870	\$ 2,549,795	\$ 626,328	\$ 3,418,219	\$ 1,933,840	\$ (6,496,925)	\$ 1,365,783
Business-Type Activities	5,645,927	5,281,154	16,400,372	5,707,732	4,441,876	5,862,473	32,600,019	2,511,506	11,415,411	2,959,025
<b>Total Primary Government</b>	<b>\$ 3,561,877</b>	<b>\$ 3,089,915</b>	<b>\$ 28,489,624</b>	<b>\$ 9,308,602</b>	<b>\$ 6,991,671</b>	<b>\$ 6,488,801</b>	<b>\$ 36,018,238</b>	<b>\$ 4,445,346</b>	<b>\$ 4,918,486</b>	<b>\$ 4,324,808</b>

(a) For a period of time during 2012 to 2017 the City pool was operated by the YMCA. During that time the pool was supported with governmental revenues and reported as a governmental activity. Then the City took back operations of the pool and reported the activity as a business-type activity, restating earlier years. This year it was reclassified back as a governmental activity. For this presentation years prior to 2020 are still being reported as a business-type activity.

City of Twin Falls, Idaho

December 31,

2020                      2019                      2018                      2017                      2016                      2015                      2014                      2013                      2012                      2011

**Program Labor Burden - Schedule 3**

(cash basis of accounting)

Labor Cost:

General Government	\$ 3,580,518	\$ 3,514,294	\$ 3,265,129	\$ 2,846,567	\$ 2,600,066	\$ 2,628,021	\$ 2,300,448	\$ 1,958,510	\$ 1,784,519	\$ 1,771,966
Fire	3,478,216	3,446,415	3,140,516	2,872,326	2,589,862	2,573,121	2,417,721	2,362,685	2,268,505	2,245,222
Police	6,955,216	6,904,756	6,633,364	6,058,440	5,752,076	5,578,775	5,125,314	4,980,524	4,796,982	4,644,092
Dispatch *	795,979	573,079	535,200	608,941						
Engineering/Planning	1,530,546	1,513,612	1,433,523	1,516,200	1,363,856	1,318,899	1,139,277	1,159,679	1,025,624	1,062,278
Streets	842,707	843,576	853,955	766,244	702,086	679,117	638,292	567,264	522,918	507,040
Library	965,026	953,313	867,556	834,132	762,985	774,970	761,178	733,922	709,564	691,030
Culture and Recreation *	1,472,540	1,568,655	1,487,072	1,020,463	933,486	908,640	853,077	819,625	817,831	757,064
Airport	526,722	478,006	464,952	412,893	387,441	375,470	359,612	349,287	308,228	295,303
Water	1,586,221	1,543,034	1,593,718	1,426,265	1,325,484	1,294,640	1,197,864	1,049,847	944,786	912,610
Wastewater	423,705	441,489	365,370	393,295	340,666	346,945	303,517	341,046	327,009	313,325
Sanitation	-	-	-	-	-	-	-	-	-	-
	<u>\$ 22,157,396</u>	<u>\$ 21,780,229</u>	<u>\$ 20,640,355</u>	<u>\$ 18,755,766</u>	<u>\$ 16,758,008</u>	<u>\$ 16,478,598</u>	<u>\$ 15,096,300</u>	<u>\$ 14,322,388</u>	<u>\$ 13,505,965</u>	<u>\$ 13,199,930</u>

Program Labor Hours:

General Government	115,280	115,424	93,515	93,728	88,381	90,186	83,068	74,745	70,860	70,438
Fire	148,041	151,204	139,267	140,474	143,128	143,904	141,092	141,493	140,996	142,546
Police	225,152	260,740	279,184	269,115	288,151	293,747	276,639	276,448	278,673	273,870
Dispatch *	30,863	27,598	31,414	35,351						
Engineering/Planning	41,578	43,185	40,671	48,151	47,022	47,639	44,658	44,367	40,469	42,200
Streets	31,937	31,614	30,698	30,383	29,655	29,065	29,062	28,105	28,030	26,974
Library	45,974	64,134	61,570	52,660	43,785	39,476	50,424	50,532	51,563	50,536
Culture and Recreation *	80,607	98,098	93,143	56,097	51,483	51,008	50,597	50,352	52,369	47,821
Airport	20,037	21,292	23,071	21,356	20,652	18,995	18,459	18,630	18,220	18,234
Water	63,341	62,277	65,015	63,047	60,970	62,207	59,356	55,115	51,806	50,972
Wastewater	17,450	18,757	14,384	17,078	17,109	17,456	14,601	15,397	15,541	15,079
Sanitation	-	-	-	-	-	-	-	-	-	-
	<u>820,260</u>	<u>894,323</u>	<u>871,932</u>	<u>827,440</u>	<u>790,336</u>	<u>793,683</u>	<u>767,956</u>	<u>755,186</u>	<u>748,527</u>	<u>738,671</u>

\* During 2017 the City took back responsibility for operating the City Pool. Also in 2017 the Dispatch function which had previously been reported in the Police Department began independent operations

City of Twin Falls, Idaho

September 30,

2020                      2019                      2018                      2017                      2016                      2015                      2014                      2013                      2012                      2011

**Fund Balances, Governmental Funds (a) - Schedule 4**

(modified accrual basis of accounting)

General Fund

Restricted	\$ 423,362	\$ 941,273	\$ 472,443	\$ 78,417	\$ 78,151	\$ 77,852	\$ 257,598	\$ 249,939	\$ 5,913	\$ 5,913
Reserved (for Dedicated Purpose)/Committed		-	14,545	578,141	2,537,477	70,820	158,843	158,843	158,843	4,370,006
Unreserved/Undesignated/Assigned	10,382,728	10,811,603	9,177,112	8,135,374	7,014,566	10,007,787	9,616,943	15,439,425	12,160,105	12,794,580
<b>Total</b>	<b>\$ 10,806,090</b>	<b>\$ 11,752,876</b>	<b>\$ 9,664,100</b>	<b>\$ 8,791,932</b>	<b>\$ 9,630,194</b>	<b>\$ 10,156,459</b>	<b>\$ 10,033,384</b>	<b>\$ 15,848,207</b>	<b>\$ 12,324,861</b>	<b>\$ 17,170,499</b>

All Other Governmental Funds

Restricted			\$ 483		\$ 121,884	\$ 107,175	\$ 799,935	\$ 779,301	\$ 363,669	\$ 255,419
Reserved (for Dedicated Purpose)/Committed	\$ 10,881,826	\$ 7,307,836	5,078,907	\$ 5,930,635	7,245,521	4,148,443	3,410,083	3,197,704	5,582,578	4,833,493
Unreserved/Undesignated/Assigned	21,104,004	20,906,743	21,867,547	19,635,325	25,471,609	22,507,705	17,895,754	7,963,397	3,687,948	4,065,138
<b>Total (b)</b>	<b>\$ 31,985,830</b>	<b>\$ 28,214,579</b>	<b>\$ 26,946,937</b>	<b>\$ 25,565,960</b>	<b>\$ 32,839,014</b>	<b>\$ 26,763,323</b>	<b>\$ 22,105,772</b>	<b>\$ 11,940,402</b>	<b>\$ 9,634,195</b>	<b>\$ 9,154,050</b>

(a) The City changed the classification of fund balances in the governmental funds for fiscal year ending 2011 in accordance with GASB 54. In preparing the schedule an attempt has been made to accommodate these changes as best as possible and to make them as comparable as possible.

(b) In 2015 the City implemented a new accounting principal for recognizing court ordered restitution paid to the City. Prior years Fund Balances have not been restated to reflect the change.

City of Twin Falls, Idaho

September 30,

2020                      2019                      2018                      2017                      2016                      2015                      2014                      2013                      2012                      2011

**Changes in Fund Balances, Governmental Funds (a) - Schedule 5**

(modified accrual basis of accounting)

Revenues:

Property Taxes	\$ 23,213,478	\$ 22,047,524	\$ 20,296,182	\$ 19,244,951	\$ 18,227,029	\$ 17,674,504	\$ 17,403,998	\$ 16,517,423	\$ 16,006,243	\$ 15,906,743
Other Taxes	1,791,976	833,479	916,669	890,516	880,171	911,857	922,415	743,589	797,050	763,982
Special Assessments	54,172	41,697	52,890	48,712	161,679	86,100	69,427	72,757	91,567	93,964
Fines and Forfeitures	32,327	43,518	41,416	35,378	41,145	49,417	48,003	45,968	45,864	43,394
Licenses and Permits	1,882,560	1,563,063	1,478,997	1,206,907	1,264,310	1,192,848	1,083,837	891,886	765,285	579,772
Fees and Services	3,981,232	3,566,493	4,044,752	2,864,280	2,907,286	3,418,932	2,732,030	2,745,225	2,810,895	2,390,857
Intergovernmental	9,324,739	8,882,379	8,514,511	8,027,528	7,850,437	6,987,622	6,561,282	6,373,641	6,113,841	5,574,317
Federal Grants	2,794,573	3,573,250	6,676,611	2,174,987	3,785,398	1,740,331	4,207,153	1,808,926	452,008	1,587,539
Miscellaneous	3,700,849	5,354,114	5,028,789	2,500,653	3,974,965	2,561,569	2,374,547	1,674,665	2,051,865	1,579,718
<b>Total</b>	<b>46,775,906</b>	<b>45,905,517</b>	<b>47,050,817</b>	<b>36,993,912</b>	<b>39,092,420</b>	<b>34,623,180</b>	<b>35,402,692</b>	<b>30,874,080</b>	<b>29,134,618</b>	<b>28,520,286</b>

Expenditures:

General Government	6,578,986	5,717,526	5,124,801	4,845,447	4,453,961	4,113,905	3,750,276	3,447,775	3,153,796	2,722,890
Public Safety	18,286,968	17,552,034	16,190,076	15,540,831	14,834,689	13,737,173	13,501,256	12,447,261	11,969,176	11,591,611
Engineering	1,683,416	1,692,915	1,553,187	1,499,651	1,426,545	1,320,956	1,642,952	1,350,315	1,266,254	1,260,708
Community Development	997,728	1,049,807	940,192	867,205	716,364	908,135	695,930	197,191	231,322	648,673
Cultural and Recreation	4,691,137	4,512,993	3,901,366	3,705,360	3,959,919	3,933,293	3,684,778	3,388,194	3,458,260	3,038,972
Highways and Streets	4,169,589	4,874,857	7,058,335	4,852,226	2,809,548	2,166,676	2,047,874	1,639,953	1,521,619	1,492,435
Airport	3,097,547	2,179,219	4,943,941	3,493,986	2,632,330	1,230,160	4,420,793	3,163,629	1,270,911	1,769,158
Capital Outlay	5,053,453	5,255,964	6,412,563	11,517,565	3,978,723	3,552,872	2,604,250	3,470,227	4,949,351	3,679,733
<b>Total</b>	<b>44,558,824</b>	<b>42,835,315</b>	<b>46,124,461</b>	<b>46,322,271</b>	<b>34,812,079</b>	<b>30,963,170</b>	<b>32,348,109</b>	<b>29,104,545</b>	<b>27,820,689</b>	<b>26,204,180</b>

Other Financing Sources (Uses):

Contributions							204	2,512	741	60,938
Transfers In	6,059,458	3,052,337	4,183,880	4,224,338	4,737,890	4,180,526	12,096,205	6,105,578	1,811,648	1,877,766
Transfers Out	(5,420,548)	(2,766,120)	(2,857,091)	(3,228,041)	(3,468,805)	(2,860,508)	(10,800,449)	(2,048,072)	(8,071,758)	(906,897)
<b>Total</b>	<b>638,910</b>	<b>286,217</b>	<b>1,326,789</b>	<b>996,297</b>	<b>1,269,085</b>	<b>1,320,018</b>	<b>1,295,960</b>	<b>4,060,018</b>	<b>(6,259,369)</b>	<b>1,031,807</b>

<b>Net Change in Fund Balances</b>	<b>\$ 2,855,992</b>	<b>\$ 3,356,419</b>	<b>\$ 2,253,145</b>	<b>\$ (8,332,062)</b>	<b>\$ 5,549,426</b>	<b>\$ 4,980,028</b>	<b>\$ 4,350,543</b>	<b>\$ 5,829,553</b>	<b>\$ (4,945,440)</b>	<b>\$ 3,347,913</b>
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Debt Service as a percentage of non-capital expenditures

	0%	0%	0%	0%	0%	0%	0%	0%	0%	0.5%
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**City of Twin Falls, Idaho**

**Assessed Value of Taxable Property - Schedule 6**

Fiscal Year	Assessed Valuation	City Levy Rate	Calculated	Actual	Cancellations	Adjustments (Circuit Breaker)	Net Assessed Property Taxes	Collected in	Collected in Subsequent Yr.	Outstanding
			Property Taxes for Budget	Assessment All Property Taxes				Year of Assessment		Balance 9/30/2020
2019	\$ 3,226,338,398	0.007134065	23,016,908	\$ 23,074,463	\$ 1,889	\$ 265,377	22,807,197	\$ 22,471,912	-	\$ 335,285
2018	2,900,999,246	0.007503874	21,768,733	25,950,355	14,301	240,046	25,696,008	25,389,061	\$ 168,757	138,190
2017	2,683,754,266	0.007429860	19,939,918	25,198,015	99,835	233,002	24,865,178	24,588,950	233,896	42,332
2016	2,361,514,635	0.008039014	18,984,249	24,152,122	5,887	232,772	23,913,463	23,630,826	281,819	818
2015	2,274,715,387	0.007868287	17,898,114	22,234,136	27,358	239,628	21,967,150	21,707,166	259,837	147
2014	2,264,943,286	0.007664692	17,360,093	21,596,737	35,309	239,436	21,321,992	20,987,796	334,196	-
2013	2,200,305,399	0.007856543	17,286,794	20,744,396	13,388	234,361	20,496,647	20,143,388	353,259	-
2012	2,152,055,074	0.007713994	16,600,940	17,821,562	26,820	244,594	17,550,148	17,142,639	407,509	-
2011	2,314,981,873	0.006922194	16,024,754	17,079,578	56,541	237,543	16,785,494	16,368,285	417,209	-
2010	2,321,326,751	0.006800067	15,785,177	16,835,130	11,123	253,174	16,570,833	16,106,019	464,814	-
2009	2,331,983,468	0.006587793	15,362,624	16,521,630	3,850	237,989	16,279,791	15,795,086	484,705	-

**Property Tax Levies - Schedule 7**

Fiscal Year	Twin Falls City	Twin Falls County	Twin Falls School District	Twin Falls Highway Dist.	College of Southern Idaho	County Ambulance	County Abatement	Total
2019	0.007134065	0.004192917	0.004275126	0.001091370	0.000889340	0.000179316	0.000103273	0.017865407
2018	0.007503874	0.004282926	0.004750628	0.001131447	0.000914913	0.000198801	0.000108620	0.018891209
2017	0.007429860	0.004311054	0.004618324	0.001151472	0.000931594	0.000191659	0.000112259	0.018746222
2016	0.008039014	0.004620777	0.004821117	0.001245724	0.000982086	0.000211166	0.000124953	0.020044837
2015	0.007868287	0.004552904	0.004765449	0.001223108	0.000963895	0.000208866	0.000125414	0.019707923
2014	0.007664692	0.004499616	0.004786364	0.001194773	0.000955478	0.000202299	0.000124412	0.019427634
2013	0.007856543	0.004622130	0.004396713	0.001207963	0.000968505	0.000211405	0.000125563	0.019388822
2012	0.007713994	0.004526841	0.003788780	0.001181484	0.000957570	0.000206622	0.000125974	0.018501265
2011	0.006922194	0.004190567	0.003706993	0.001077720	0.000904474	0.000187362	0.000115022	0.017104332
2010	0.006800067	0.004045866	0.002726628	0.001038132	0.000872809	0.000180899	0.000107959	0.015772360

Source - Twin Falls County, Idaho

Notes: The County is responsible for assessing, levying, and collecting property taxes for taxing districts within its boundaries. All nonexempt property, including personal property, is subject to property taxation targeted at 100 percent of current market value as of Jan. 1 each year. Idaho law requires that all property within the County be assessed between 90% and 110% of current market value. Properties must be reassessed at least once every five years. Property taxes are a lien on the property and attach on July 1st of the year for which taxes are levied. Taxes on property are due December 20th; however, they may be paid in two installments with the second installment due June 20th.

In Idaho, taxing districts, including the City, may increase the property tax portion of their budgets by up to 3% over the highest amount of the previous three years, plus growth factors for new construction and annexation. When a city chooses to levy less than the maximum amount of property tax revenue allowed by law, the foregone amount accumulates and the city may also add any or all of that amount to its levy in any subsequent year.

The Property Tax Reduction (Circuit Breaker) program reduces property taxes for qualified applicants. The amount of reduction is based on income for the previous calendar year. It is available to personal residences and if someone qualifies, the property taxes on their home and up to one acre of land may be reduced by as much as \$1,320.

The County does not treat the Urban Renewal Agency of Twin Falls, Idaho (URA) as a separate taxing district. The URA is reported as a component unit of the City in the financial statements and the above activity of property taxes assessed and collected, as reported by the County, reflects the activity of the URA as well.

All taxing districts impacting the citizens of the City of Twin Falls have boundaries that extend beyond the City's. There are no taxing geographic boundaries that are not direct.

Property tax levy rates detailed above are expressed as per \$1,000 of net taxable value

City of Twin Falls, Idaho

Principal Property Tax Payers - Schedule 8

Taxpayer	2020	2019	2018	2017	2016	2015	2014	2013
	Taxable Assessed Value							
Chobani, Inc (Agro-Farma)	\$ 305,587,296	\$ 267,321,986	\$ 274,928,865	\$ 425,078,135	\$ 447,967,459	\$ 440,704,927	\$ 397,014,522	\$ 332,583,611
Idaho Power	143,702,217	144,446,139	136,632,843	127,282,949	123,110,502			
Clif Bar Baking Company	102,279,229	105,294,875	103,242,722	96,844,384	37,007,452			
Idaho Frozen Foods	96,214,362	84,485,629	83,612,919	92,120,925	85,206,199	73,766,988	76,896,371	74,497,915
Longview Fiber	37,839,972	52,477,906	21,835,126	18,330,840	19,852,116	17,250,406	18,350,447	
Glanbia Foods, Inc	49,209,189	42,128,211	46,932,648	50,296,001	34,069,915	32,280,570	33,796,073	24,448,073
Magic Valley Mall II , LLC	30,973,975	32,076,216	33,466,990	36,153,343	34,260,684	28,085,114	28,103,597	31,636,266
Jayco	26,959,163	28,055,877					11,576,542	
Wal-Mart Stores, Inc.	22,639,862	19,732,121	18,101,850	18,617,037	18,202,778	15,022,186	18,989,807	13,709,376
Canyon Park West, LLC	20,750,097							
Henningsen Cold Storage Co		24,313,037	17,491,746	19,684,168	17,692,399	17,779,174	17,675,599	22,048,496
Twin Falls Canyon Park (Geronimo LLC)		20,630,808	17,854,445	15,935,346	14,043,318			

Source: Assessed property values are provided by Twin Falls County. Utility taxpayers were added in 2016.

Ratios of Outstanding Debt by Type (a) - Schedule 9

Fiscal Year	Government Activities		Business-type Activities		Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)	City Personal Income	City Population
	Term Loans	Certificates of Participation	Revenue Bonds (c)	Term Loans					
2020	-	-	\$ 48,736,084	-	48,736,084	1.3237	971	3,681,817,000	50,197
2019	-	-	53,297,705	-	53,297,705	1.5626	1,071	3,410,765,000	49,764
2018	-	-	57,684,327	-	57,684,327	1.7698	1,172	3,259,461,000	49,202
2017	-	-	61,978,558	-	61,978,558	2.0653	1,284	3,000,974,000	48,260
2016	-	-	66,173,038	-	66,173,038	2.2900	1,394	2,889,612,000	47,468
2015	-	-	70,287,516	-	70,287,516	2.5287	1,529	2,779,540,000	45,981
2014	-	-	74,291,998	-	74,291,998	2.8356	1,645	2,620,007,000	45,158
2013	-	-	38,340,793	\$ 49,445	38,390,238	1.5406	856	2,491,872,000	44,848
2012	-	\$ 339,011	24,998,870	8,906,309	34,244,190	1.4627	769	2,341,182,000	44,505
2011	-	660,817	26,591,882	9,644,733	36,897,432	1.6244	863	2,271,421,000	42,741

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Obligations from unfunded pension costs have not been included.

(a) Debt is reflected net of any unamortized premium or discount.

(b) See also Schedule 13 regarding personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

(c) The City secured the following new revenue bonds - 2009, \$10,225,000; 2010, \$18,595,000; 2013, \$14,670,000; 2014 \$38,000,000

City of Twin Falls, Idaho

**Direct and Overlapping Governmental Activities Debt (a) - Schedule 10**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct &amp; Overlapping Debt</u>	<u>Combined Debt</u>
Debt Repaid with Property Taxes (b):				
Twin Falls School District - Series 2014C General Obligation Debt (Refunding)	19,950,000	84.11%	16,779,945	
Twin Falls School District - Series 2014A General Obligation Debt	62,460,000	84.11%	52,535,106	
Urban Renewal Agency of Twin Falls, Idaho:				
Revenue Allocation Bonds, Series 2013A	23,969,000	100.00%	23,969,000	
Revenue Allocation Refunding Bonds, Series 2015A	623,000	100.00%	623,000	
Revenue Allocation Bonds, Series 2015C	2,777,000	100.00%	2,777,000	
Revenue Allocation Bonds, Series 2016A	11,785,000	100.00%	11,785,000	
Other Debt:				
Twin Falls School District - Capital Leases (Energy Savings and Building)	1,183,510	84.15%	995,924	
Subtotal, overlapping debt			<u>109,464,975</u>	109,464,975
City Direct Debt (d):				<u>-</u>
Total Direct and Overlapping Debt				<u>\$ 109,464,975</u>

Sources: Assessed value data used to estimate applicable percentages provided by Twin Falls County. Debt outstanding data provided by each governmental unit.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident—and therefore responsible for repaying the debt—of each overlapping government.

(a) The School District's debt information is as of their year end of June 30, 2020. The URA is as of September 30, 2020. The City has no Governmental Activity Debt

(b) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

(c) Even though the URA debt has been reflected as 100% applicable it does not relate to the entire City. Property taxes from specific areas within the City are dedicated for its repayment.

(d) Debt related to business-type activities is not included as part of the City's direct and overlapping debt.

**Legal Debt Margin Information - Schedule 11**

Under Idaho law, the city's outstanding general obligation debt should not exceed 10 percent of total assessed property value. The City has had no general obligation debt for since 2010.

City of Twin Falls, Idaho

**Pledged Revenue Coverage - Schedule 12**

(cash basis of accounting)

Water Revenue Bonds

Fiscal Year	Utility Service	Less: Operating	Net Available	Debt Service		Coverage
	Charges	Expense	Revenue	Principal	Interest (a)	
2020	\$ 11,463,822	\$ 5,530,372	5,933,450	\$ 2,215,000	\$ 572,100	2.13
2019	10,800,370	5,529,462	5,270,908	2,140,000	607,990	1.92
2018	10,751,213	5,406,882	5,344,331	2,085,000	678,166	1.93
2017	10,263,184	4,907,137	5,356,047	2,105,000	709,811	1.90
2016	10,236,640	5,065,364	5,171,276	2,055,000	721,589	1.86
2015	9,743,873	4,561,843	5,182,030	1,930,000	812,559	1.89
2014	9,534,028	4,573,694	4,960,334	1,930,000	878,288	1.77
2013	9,347,841	3,964,573	5,383,268	1,900,000	907,580	1.92
2012	8,984,545	3,856,180	5,128,365	1,560,000	860,031	2.12
2011	8,081,699	3,169,418	4,912,281	1,520,000	817,654	2.10

Wastewater Revenue Bonds

Fiscal Year	Utility Service	Less: Operating	Net Available	Debt Service		Coverage
	Charges	Expense	Revenue	Principal	Interest	
2020	\$ 9,343,523	\$ 4,478,552	4,864,971	\$ 2,030,000	\$ 1,455,281	1.40
2019	9,956,050	4,583,458	5,372,592	1,930,000	1,551,781	1.54
2018	10,213,945	4,239,570	5,974,375	1,905,000	1,578,084	1.72
2017	9,826,394	4,598,570	5,227,824	1,845,000	1,638,516	1.50
2016	9,218,900	4,282,031	4,936,869	1,815,000	1,665,856	1.42
2015	9,865,339	4,035,020	5,830,319	1,765,000	1,713,096	1.68
2014	9,644,992	4,029,245	5,615,747	2,350,000	1,135,032	1.61
2013	7,521,962	4,122,715	3,399,247	1,070,000	344,600	2.40
2012	6,637,147	3,332,619	3,304,528	335,000	34,250	8.95
2011	5,611,424	3,670,746	1,940,678	320,000	50,250	5.24

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization.

(a) The City has qualifying Build America Bonds in its Water Fund. Under that program the federal government participates in the interest expense portion of the bond that the City pays.

City of Twin Falls, Idaho

Demographic and Economic Statistics - Schedule 13

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>City Population</u>	Unavailable	50,197	49,764	49,202	48,260	47,468	45,981	45,158	44,848	44,505
Total Personal Income <u>for Twin Falls County (Thousand Dollars)</u>	Unavailable	3,681,817	3,410,765	3,259,461	3,000,974	\$ 2,889,612	\$ 2,779,540	\$ 2,620,007	\$ 2,491,872	\$ 2,341,182
Personal Income per capita <u>for Twin Falls County</u>	Unavailable	42,379	40,756	38,935	35,934	\$ 35,079	\$ 34,763	\$ 33,336	\$ 31,917	\$ 30,198
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>City Unemployment Rate</u>	6.3	2.8	2.7	2.8	3.3	3.6	4.1	5.4	6.5	7.9
<u>City Labor Force</u>	25,513	24,342	23,761	24,206	23,522	23,221	22,243	22,364	22,155	21,720
<u>School Enrollment</u>	9,294	9,775	9,693	9,602	9,322	9,090	8,865	8,633	8,273	7,912

Source: Population information is provided by the Census Bureau. Personal income and per capita income of Twin Falls County was provided by the Federal Bureau of Economic Analysis. The Twin Falls City Unemployment Rate and City Labor Force were supplied by the Idaho Department of Labor. School enrollment information was provided by the Twin Falls School District.

Notes: The City population and the total personal income for the County and the per capita income were estimated from surveys conducted during the last quarter of each calendar year. Personal income is an estimation of the total for a calendar year. The unemployment and labor force information is as calculated at the end of September. The Department of Labor cautions users that the City is a small sample size for purposes of computing an unemployment rate. School enrollment information is based on the census at September 4th of each school year.

City of Twin Falls, Idaho

City's Largest Employers - Schedule 14

<u>2020</u>			
<u>Business</u>	<u>Rank</u>	<u>Employment Range</u>	<u>Industry</u>
St Luke's Magic Valley Reg. Medical Center	1	2,000 - 2,500	Health Care
Twin Falls School District #411	2	1,000 - 1,499	Local Government - Education
Chobani Idaho Inc.	3	500 - 999	Food Manufacturing
College of Southern Idaho	4	500 - 999	Local Government - Education
Conagra Foods Lamb Weston	5	500 - 999	Food Manufacturing
Personnel Plus Inc.	6	500 - 999	Administrative & Support Services
Amalgamated Sugar Company	7	250 - 499	Food Manufacturing
C3 Customercontact Channels Inc.	8	250 - 499	Administrative & Support Services
Twin Falls County	9	250 - 499	Local Government - Administration
Wal-Mart Associates, Inc.	10	250 - 499	Retail Trade

<u>2011</u>			
<u>Business</u>	<u>Rank</u>	<u>Employment Range</u>	<u>Industry</u>
St. Lukes Magic Valley Reg. Medical Center	1	1,800 - 1,899	Health Care
Personnel Plus Inc.	2	1,200 - 1,299	Administrative & Support Services
College of Southern Idaho	3	1,100 - 1,199	Local Government - Education
Twin Falls School District #411	4	1,000 - 1,099	Local Government - Education
C3 Customercontact Channels Inc.	5	600 - 699	Administrative & Support Services
Conagra Foods Packaged Food Co	6	600 - 699	Food Manufacturing
Amalgamated Sugar Company	7	400 - 499	Food Manufacturing
Twin Falls County	8	300 - 399	Local Government Administration
City of Twin Falls	11	200 - 299	Local Government Administration

Source: Quarterly Report of Employment & Wages reports as reported to the Idaho Department of Labor.

Note: Only employers that have given the Department permission to release employment range data are listed. The listing included both private and public employers and is ranked by total reported wages for the calendar year for 2011 and the 3rd Quarter Wages for 2020.

City of Twin Falls, Idaho

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Selected City Service Information - Schedule 15</b>										
<u>Building:</u>										
Permits Issued (Single Family)	573	326	243	224	236	230	189	182	151	96
Value (Single Family)	\$ 88,824,234	\$ 63,519,682	\$ 47,311,351	\$ 44,391,872	\$ 47,719,056	\$ 46,392,231	\$ 30,578,140	\$ 27,654,144	\$ 21,875,132	\$ 14,705,604
Permits Issued (New Commercial)	58	78	59	32	28	59	36	33	21	18
Value (New Commercial)	\$ 32,537,387	\$ 33,091,360	\$ 63,097,492	\$ 28,328,054	\$ 56,969,584	\$ 87,856,213	\$ 35,167,774	\$ 25,313,089	\$ 17,870,702	\$ 7,079,892
<u>Fire:</u>										
Total Incidents	6,231	5,851	5,003	5,413	2,788	3,170	3,200	3,418	3,233	3,523
Estimate of Property Saved	\$ 21,547,482	\$ 24,260,600	\$ 7,655,605	\$ 18,581,258	\$ 10,636,150	\$ 21,382,821	\$ 12,409,423	\$ 27,200,175	\$ 54,236,490	\$ 5,318,350
Estimate of Property Lost	\$ 2,472,354	\$ 1,265,305	\$ 1,664,981	\$ 1,756,247	\$ 1,008,100	\$ 2,257,189	\$ 1,375,840	\$ 1,327,375	\$ 499,290	\$ 674,270
<u>Police:</u>										
Calls for Service	52,819	54,427	56,621	58,655	54,832	52,552	51,439	54,606	48,556	48,775
Case Reports Taken	7,362	7,492	7,659	7,971	7,275	7,263	7,050	7,377	6,888	6,825
<u>Airport:</u>										
Airplane Takeoff/Landings	39,310	34,488	29,375	25,621	26,337	28,195	25,265	29,731	33,855	31,386
Boarding/Deboarding	53,907	87,497	85,358	81,206	70,055	65,586	56,894	53,683	50,933	75,048
<u>Library:</u>										
Number of Cardholders	32,641	33,107	30,937	28,564	34,804	31,636	30,989	29,277	27,945	26,120
Average Daily Traffic	564	731	726	843	820	797	817	808	790	767
Total Items Checked Out	402,679	555,958	568,046	582,464	474,709	474,844	493,939	453,385	464,343	456,142
<u>Parks:</u>										
Total Maintained Acreage	1,504	1,504	1,395	1,395	1,363	1,363	1,363	1,362	1,362	1,376
<u>Water:</u>										
Water Consumed (Millions)	4,655	4,228	4,589	4,737	4,798	4,616	4,608	4,613	4,765	4,350
<u>Wastewater:</u>										
Gallons Treated (Millions)	2,822	2,727	2,784	2,918	2,850	2,750	2,716	2,560	2,604	2,474
Solids Treated (Thousand lbs. BOD):	6,830	6,358	8,272	8,691	8,608	9,494	9,256	9,368	6,436	4,074
<u>Sanitation:</u>										
Customer Count	15,585	15,303	15,055	14,912	14,618	14,412	14,039	13,874	13,814	13,482
Trash Tonnage (Tons)	21,199	19,430	19,224	18,120	18,086	17,269	17,490	17,037	16,777	16,975
Tonnage per Customer	1.36	1.27	1.28	1.22	1.24	1.20	1.25	1.23	1.21	1.26
Recycling Tons	875	1,578	1,770	1,865	1,938	1,936	1,951	1,958	2,017	1,587

Source: Information is compiled from records maintained within City departments.

Notes: The following departments are reporting data on a calendar year: Police, Fire, Airport, Parks, and Water. The following departments are reporting data on a fiscal year; Building, Library, Wastewater, and Sanitation.

City of Twin Falls, Idaho

	<u>FYE 2021</u>	<u>FYE 2020</u>	<u>FYE 2019</u>	<u>FYE 2018</u>	<u>FYE 2017</u>	<u>FYE 2016</u>	<u>FYE 2015</u>	<u>FYE 2014</u>	<u>FYE 2013</u>	<u>FYE 2012</u>
<b>Other Operating Information - Schedule 16</b>										
<u>Budgeted Fulltime Equivalent Employees:</u>										
General Government	46.00	46.25	45.00	43.00	40.00	40.00	40.00	37.00	32.75	30.31
Fire	47.50	47.50	42.50	42.00	42.00	42.00	41.75	41.75	41.75	41.50
Police	102.75	102.75	103.75	102.75	113.75	107.75	105.75	105.75	101.75	99.50
Dispatch *	13.00	13.00	13.00	11.00						
Engineering/Planning	19.25	19.25	19.25	19.25	19.25	20.25	19.25	19.25	17.25	16.25
Streets	16.00	16.00	16.00	14.00	14.00	14.00	13.00	13.00	13.00	13.00
Library	36.00	45.00	48.00	49.00	55.00	55.00	51.00	53.00	46.00	45.00
Culture and Recreation *	20.00	19.00	19.25	18.00	17.00	17.00	16.00	16.00	16.00	16.75
Airport	9.50	9.50	8.50	8.50	8.13	8.13	7.00	7.00	7.00	7.00
Water	29.50	29.00	28.75	27.75	27.75	27.75	27.75	26.75	26.00	26.25
Wastewater	9.75	9.75	9.75	8.75	8.75	8.75	8.75	7.75	7.75	8.00
Sanitation	-	-	-	-	-	-	-	-	-	-
	349.25	357.00	353.75	344.00	345.63	340.63	330.25	327.25	309.25	303.56

\* During 2017 the City took back responsibility for operating the City Pool. Also in 2017 the Dispatch function which had previously been reported in the Police Department began independent operations

Net Book Value of Capital Assets	<b>Machinery &amp;</b>					
	<u>Land</u>	<u>Building</u>	<u>Infrastructure</u>	<u>Improvements</u>	<u>Equipment</u>	<u>Total</u>
General Government	\$ 7,237,494	\$ 20,850,264	\$ 82,063,649	\$ 1,567,495	\$ 757,799	\$ 112,476,701
Fire	-	134,259	-	22,399	2,806,974	2,963,632
Police & Dispatch	-	108,591	-	209,428	1,114,186	1,432,205
Engineering/Planning	-	-	-	-	79,758	79,758
Streets	-	70,080	2,694,090	2,895	1,460,318	4,227,383
Library	-	1,346,702	-	130,610	2,224,341	3,701,653
Culture and Recreation *	158,532	1,483,422	29,082	2,650,296	476,971	4,798,303
Airport	-	2,246,124	4,541,889	2,962,194	562,321	10,312,528
Water	12,569,052	764,715	31,912,092	8,651,971	1,915,882	55,813,712
Wastewater	126,185	3,132,844	68,227,461	11,076,462	6,067,821	88,630,773
Sanitation						
	\$ 20,091,263	\$ 30,137,001	\$ 189,468,263	\$ 27,273,750	\$ 17,466,371	\$ 284,436,648

\*\* Included in the category of General Government are shared function assets

**SINGLE AUDIT INFORMATION**

**CITY OF TWIN FALLS, IDAHO**  
Schedule of Expenditures of Federal Awards  
For the Year Ended September 30, 2020

<b>Federal Grantor/ Pass Through Grantor/ Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Grantor's Number</b>	<b>Expenditures</b>
<b>Department of Justice</b>			
Coronavirus Emergency Supplemental Funding Program	16.034		\$ 33,137
Crime Victim Assistance	16.575		1,437
COPS Grant	16.710		70,000
Body Worn Camera Grant	16.738		1,792
Justice and Mental Health Collaboration Program	16.745		13,937
<b>Federal Aviation Administration</b>			
Airport Improvement Program	20.106		1,613,618
Airport Improvement Program-Cares Act	20.106		511,201
<b>Department of Transportation</b>			
State and Community Highway Safety	20.600		3,176
National Priority Safety Programs	20.616		7,707
Interagency Hazardous Materials Public Sector Training	20.703		580
<b>Department of the Treasury</b>			
The Coronavirus Aid, Relief, and Economic Security Act	21.019		281,310
<b>Federal Emergency Management Agency</b>			
Staffing for Adequate Fire and Emergency Response	97.083		226,298
<b>Total Expenditures of Federal Awards</b>			<b>\$ 2,764,193</b>

**CITY OF TWIN FALLS, IDAHO**  
Notes to Schedule of Expenditures of Federal Awards  
September 30, 2020

**Note A-Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Twin Falls, Idaho and is presented on the modified accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements. The City received federal awards both directly from federal agencies and indirectly through pass-through entities. Federal financial assistance provided to a subrecipient is treated as expenditure when it is paid to the subrecipient.

**Note B-Significant Accounting Policies**

Governmental fund types account for the City's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis-when they become a demand on current available financial resources. The City's summary of significant accounting policies is presented in Note 1 in the City's basic financial statements.

**CITY OF TWIN FALLS, IDAHO**  
 Schedule of Findings and Questioned Costs  
 For the Year ended September 30, 2020

**Financial Statements**

Unmodified

Type of auditor's report issued:

Internal Control over financial reporting:

Material Weakness(es) identified? Yes  No

Significant deficiency(ies) identified that are not considered to be a Material Weakness? Yes  No

Non-Compliance material to financial statements noted? Yes  No

**Federal Awards**

Internal Control over major programs:

Material Weakness(es) identified? Yes  No

Significant deficiency(ies) identified that are not considered to be a Material Weakness? Yes  No

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance 2 CFR 200.516 Yes  No

Identification of major programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Airport Improvement Program	20.106

Dollar threshold used to distinguish between type A and Type B programs \$750,000

Auditee Qualified as low-risk auditee? Yes  No

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the City Council  
City of Twin Falls, 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated February 12, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Twin Falls, Idaho's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Twin Falls, Idaho'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 City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Sincerely,

*Mahlke Hunsaker & Co.*

MAHLKE HUNSAKER & Co., PLLC  
Twin Falls, Idaho  
February 12, 2021



Mahlke Hunsaker & Company PLLC

C e r t i f i e d P u b l i c A c c o u n t a n t s

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE**

To the City Council  
City of Twin Falls, Idaho

**Report on Compliance for Each Major Federal Program**

We have audited the City of Twin Falls, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Twin Falls, Idaho's major federal programs for the year ended September 30, 2020. The City of Twin Falls, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City of Twin Falls, Idaho's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Twin Falls, Idaho's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Twin Falls, Idaho's compliance.

***Opinion on Each Major Federal Program***

In our opinion, the City of Twin Falls, Idaho, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2020.

## Report on Internal Control over Compliance

Management of the City of Twin Falls, Idaho, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Twin Falls, Idaho's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Sincerely,

*Mahlke Hunsaker & Co.*

MAHLKE HUNSAKER & Co., PLLC  
February 12, 2021