

CITY OF TWIN FALLS IDAHO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED: **2**
SEPTEMBER **0**
30 **2**
3



City of Twin Falls, Idaho



**Annual Comprehensive Financial Report
For the Fiscal Year
Ended September 30, 2023**

Prepared by the Finance Department

CITY OF TWIN FALLS, IDAHO

Financial Statements

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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

March 8, 2024

Mayor Ruth Pierce, City Council,
and Citizens of the City of Twin Falls, Idaho

The Finance Department is pleased to submit the Annual Comprehensive Financial Report of the City of Twin Falls, Idaho (the City) for the fiscal year ended September 30, 2023. 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 located in south-central Idaho along the scenic Snake River canyon. With a population of approximately 55,000 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 88,576. 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 265,000, as well as parts of Northern Nevada. As a result, the daytime population of Twin Falls swells by an estimated 50,000 daily.

Twin Falls began as an agricultural center owing 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. As a result 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.

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 two 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 and 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.

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.

The Urban Renewal Agency of Twin Falls, Idaho (URA) is an organization with which the City has a special relationship. 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

All aspects of the economy have been experiencing growth and prosperity over the past few years, but the cascading effects of the COVID-19 pandemic's impact and uncertainty still affect the current environment. Statistics with respect to the City of Twin Falls, the State of Idaho, and the Country show reason for concern about inflation, labor, and supply chains. To offset inflation, the Federal Reserve increased its benchmark funds rate with the highest interest rate hikes in almost three decades, and they have displayed no intention of substantial decreases soon. These uncertainties may affect economic performance in the near future.

Despite the inflation uncertainty, Twin Falls continues to make headlines for its prosperity and is faring better than most. The latest report from the Milken Institute highlights Idaho's economic landscape and specifically mentions that four smaller cities in Idaho, including Twin Falls, have secured their places among the top seven small cities in the nation for economic performance because of their post pandemic success.

The current rate of unemployment in the country is 3.7%. The unemployment rate in Idaho is 2.6%. The state's unemployment rate increased significantly in 2020 due to the pandemic, although it began declining gradually in 2021 and 2022. In line with the rest of the country, Idaho's unemployment rate is near an all-time low.

B. Outlook and Long-Term Planning

Twin Falls continues to foster a strong industrial and commercial base, healthy reserve funds, local government innovation, and excellent community amenities. Serving as the retail, educational, entertainment, medical and employment hub of a geographic area that contains nearly 265,000 individuals, our future, highlighted by major capital improvement projects, several promising businesses, retail providers, and housing developments, is bright. We remain optimistic about the long-term health of our local economy.

Local government budgets in Idaho are driven by growth in their taxable property valuations. One of the leading indicators communities often use to determine their health is property taxes. 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 impact the City's ability to capture an adequate share of revenue sources which the City has historically utilized to meet the increased demand for services that accompanies growth. Continued State legislative proposals would reduce local governments' accessibility to historical revenue sources.

We have been cautious not to make any purchases in this year's budgeting proposals that would result in a structural imbalance in the future. It is becoming increasingly crucial to strike a balance between the community's priorities and the need to guarantee long-term viability, particularly in view of the State's ongoing discussions of revenue reduction.

C. Major initiatives

The City has committed, through the budgeting process, to improvements in its infrastructure and to the City's compensation levels and health insurance plans. These topics are discussed more fully in sections of the Management Discussion and Analysis as well as the City's approved budget report on the City's website (tfid.org).

The City recently finished construction of two new fire stations. The new fire stations are replacing older stations that were constructed in the 60's and 70's. They feature drive-thru bays and enough space to store and protect all the fire apparatus inside,

instead of outside, exposed to the elements. The stations also include the latest designs and amenities to protect firefighters from being exposed to toxic chemicals and compounds, which pose a greater threat than the blazes themselves. People were not aware of these dangers when they constructed the earlier facilities. This construction was an outgrowth of recommendations from a citizen's committee formed in 2017. The committee worked together to document the inadequacies of the existing buildings, noting outdated technology, living standards, decay, mold, leaking roofs, violations of life safety codes, exposure to carcinogens, and inefficiencies.

The City is also overseeing construction of a regional fire training center. Land and some initial design costs are being funded by the City, but most of the funding is being provided by the Twin Falls Rural Fire Protection District. Many nearby communities will benefit from using the fire training facility along with the City.

The City of Twin Falls is continuing its commitment to Priority Based Budgeting. The City is a lean and innovative organization that is efficient in the delivery of services, and our employees take pride in their work as public servants. Changes in service demands, overburdened employees, and limited resources are factors that can lead to frustration within the organization. Priority Based Budgeting should provide our organization with a framework that will help us share our story, align needs with resources, and highlight areas where changes can be made with maximum impact. It will allow each department to examine programs and services through the lens of pre-established metrics such as outside revenue sources, mandates from other governmental entities, and the degree to which programs affect the citizens in our community. The goal is not to eliminate programs simply as a cost saving measure, but to evaluate service demands and needs against resources and ability to provide services. Through this process, departments can view their budgets as programs instead of line items, and in doing so, will build a robust performance measurement program with the data generated.

This past year, the City navigated a process to spend Federal grant funds coming through the State and Local Fiscal Recovery Funds (SLFRF) initiative. In response to the Covid-19 public health emergency, the Federal Government provided governments across the country with resources to fight the pandemic and support families and businesses struggling with its public health and economic affects, maintain vital public services, and build a strong recovery by making investments that support long-term growth and opportunity. The City of Twin Falls received an allocation of approximately \$8,500,000. The City opened an opportunity for the community to propose projects to compete for those funds, along with City staff advocating for City projects that wouldn't otherwise have access to existing budget resources. With independent public input, almost \$6,700,000 went to City projects, and the balance went to other organizations for projects that would directly benefit the local citizenry.

There are two other items of note. First, the addition of a second nonstop flight at the airport to Salt Lake International Airport. Along with the new schedule, the flights will see upgraded aircraft able to carry more passengers. Second, the launch of a micro-transit system, Ride TFT, which is discussed in more detail in the accompanying Management's Discussion and Analysis.

FINANCIAL INFORMATION

A. Accounting system

The City's accounting system supports an appropriate 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 requires estimates and judgments by management.

B. Budgetary Control

The City separates its activities and responsibilities into separate accounting entities called "Funds". Each fund is a self-balancing set of accounts, recording cash and other financial resources, related liabilities, residual equities or fund balances, and annual changes in each. The City Manager recommends a budget for all governmental funds, and the City Council serves as the "Budget Committee" in appropriating the recommended expenditures for each fund. 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, by Idaho State law, 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 help of City staff, monitors the budget during the fiscal year to address any changing financial needs and conditions. No fund can overspend its budget without the approval of the City Council.

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, 2022, and for the eight previous years. 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 annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the eighth consecutive year that the City government has achieved this prestigious award. 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.

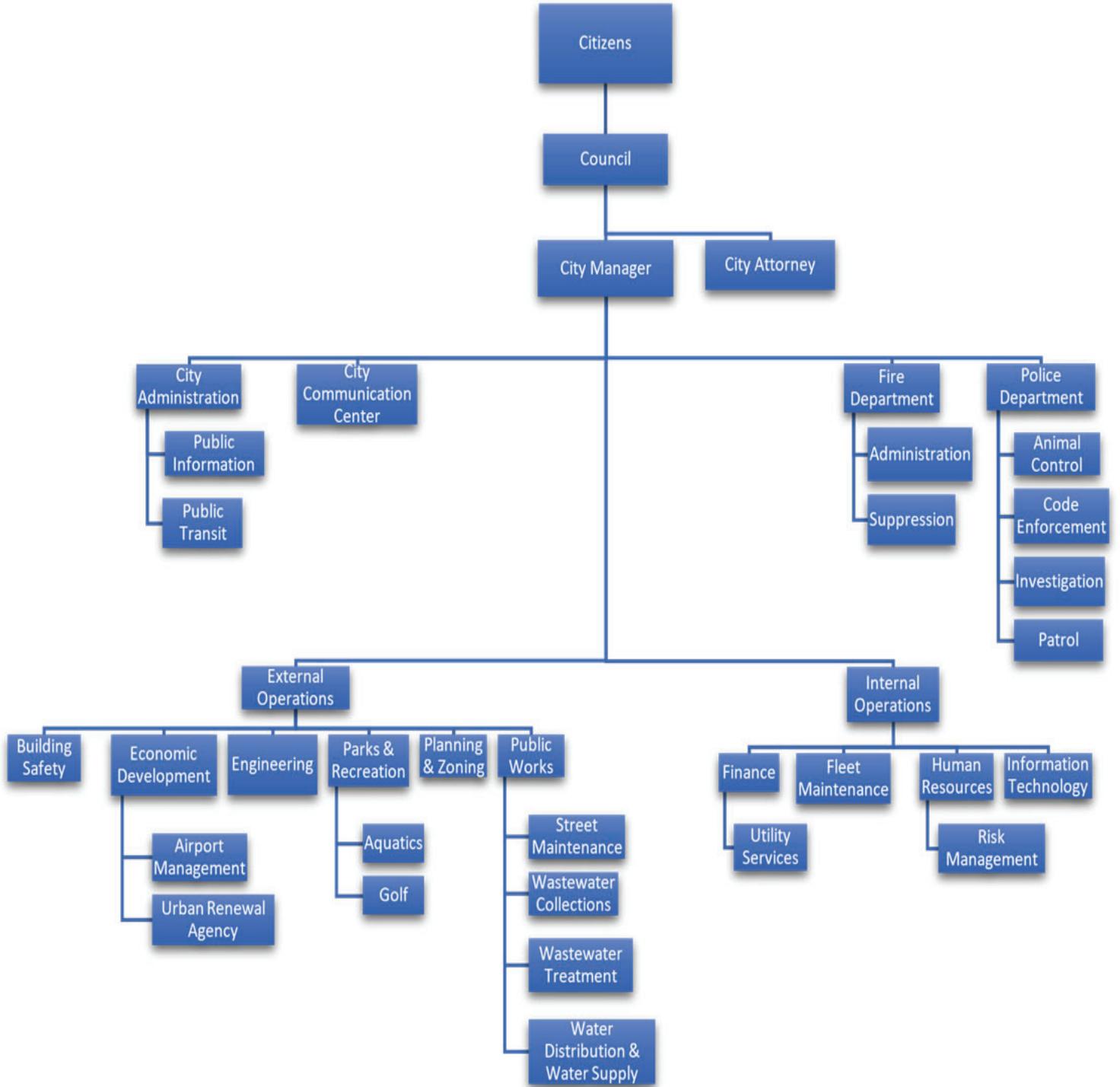
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

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,

A handwritten signature in black ink, appearing to read "Breanna Howard". The signature is fluid and cursive, with the first name "Breanna" written in a larger, more prominent script than the last name "Howard".

Breanna Howard
Finance Director



City of Twin Falls, Idaho
Names of the Principal City Officials As of
February 2024

<u>Name</u>	<u>Position – Title</u>	<u>Email</u>
Ruth Pierce	Mayor	rpierce@tfid.org
Jason Brown	Vice-Mayor	jbrown@tfid.org
Cherie Vollmer	City Councilwoman	cvollmer@tfid.org
Grayson Stone	City Councilman	gstone@tfid.org
Craig Hawkins	City Councilman	chawkins@tfid.org
Chris Reid	City Councilman	creid@tfid.org
Spencer Cutler	City Councilman	scutler@tfid.org
Travis Rothweiler	City Manager	trothweiler@tfid.org
Mitch Humble	Deputy City Manager,	mhumble@tfid.org
Gretchen Scott	Deputy City Manager	gscott@tfid.org



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Twin Falls
Idaho**

For the Fiscal Year Beginning

October 01, 2022

Christopher P. Morill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to City of Twin Falls, Idaho, for its Annual Budget for the fiscal year beginning October 01, 2022. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Twin Falls
Idaho**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

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

INDEPENDENT AUDITORS' REPORT

City Council
City of Twin Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

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, 2023, 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.

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, 2023, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Twin Falls, Idaho and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Twin Falls, Idaho's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Twin Falls, Idaho's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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 is the responsibility of management and, 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.

Supplementary 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 accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 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.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 8, 2024, 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
March 8, 2024



City of Twin Falls, Idaho

Management's Discussion and Analysis

We, as management of the City of Twin Falls, offer this narrative overview and analysis of the financial activities of the City of Twin Falls for the fiscal year ended September 30, 2023, to accompany the City's financial statements for the same period. 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. Numbers have been rounded.

Financial Highlight

On a government wide basis, the City's net unrestricted position experienced an increase of \$3,700,000. That net total comprises a decrease of \$500,000 originating from governmental activities and an increase of \$4,200,000 from business-type activities (primarily water, wastewater, and sanitation). Business-type activities result in 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 should serve as an introduction to the City of Twin Falls' basic financial statements. Those statements comprise 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* provide readers with a broad overview of the City of Twin Falls' finances, in a manner like a private-sector business. The *statement of net position* presents financial information regarding all 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 principally supported by taxes and intergovernmental revenues (governmental activities) or other functions that should 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, airport, and culture and recreation. 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 represents a grouping of related accounts that individuals use to maintain control over resources that they have segregated for specific activities or objectives. The City of Twin Falls, like other state and local governments, uses fund accounting to ensure and illustrate compliance with finance-related legal requirements. The City of Twin Falls divides all its funds 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 fourteen individual governmental funds. The City of Twin Falls presents information 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 major funds. We aggregate data from nine other smaller funds into a single presentation. Individual fund data for each of these nonmajor governmental funds is provided as combining statements in the combining and individual fund statements and schedules section of this report.

You can find the basic governmental fund financial statements on pages 21-23 of this report.

The City of Twin Falls maintains two types of proprietary funds, namely enterprise and internal service. 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 enterprise funds to account for the utility services it provides, specifically 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 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 in 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 also major funds of the City. Conversely, both internal service funds are combined into a single, aggregated presentation in the proprietary fund's financial statements. Individual fund data for the internal service funds are provided as combining statements in the combining and individual fund statements and schedules section of this report. The City maintains two other smaller enterprise funds that are also 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. The government does not report fiduciary funds in the government-wide financial statements because the resources of those funds are not available to support the government's own programs. The accounting for fiduciary funds closely resembles that of proprietary funds. Currently, Twin Falls has no fiduciary funds.

Notes to the Financial Statements. The *Notes to the Financial Statements* provide additional information that is necessary to gain a full understanding of the data provided in the government-wide and fund financial statements. You can find the notes to the financial statements on pages 29-62 of this report.

Besides 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 and *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.

The City reports liabilities with average maturities greater than one year in two components - the amount due within one year and the amount due over one year. The City's net position is determined by the difference between its assets and liabilities.

Fortunately, the City has operated incurring no general obligation bonds. The City has, however, entered into three leases, including two for fire apparatus and one for construction of a fire station. The fire station lease takes the form of certificates of participation. Those leases are being presented as financing debt with balances of \$590,000, \$980,000, and \$8,200,000 respectively. Compensated absences are the only other long-term debt currently in the governmental activities. They constitute an obligation of the City in the amount of \$2,800,000. That obligation represents unused vacation pay employees have earned and not used, as well as overtime hours for which the employee has chosen to defer payment to a future period. Upon retirement or resignation, the company compensates employees for any remaining 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, as long-standing employees retire, with the City paying out their disproportionately higher balances mitigates the increase a little. Employees are constantly using and replenishing their compensated absence balances. Most balances will be used in the upcoming year and have been reflected as a current liability, even though those balances will be replenished with new replacement hours.

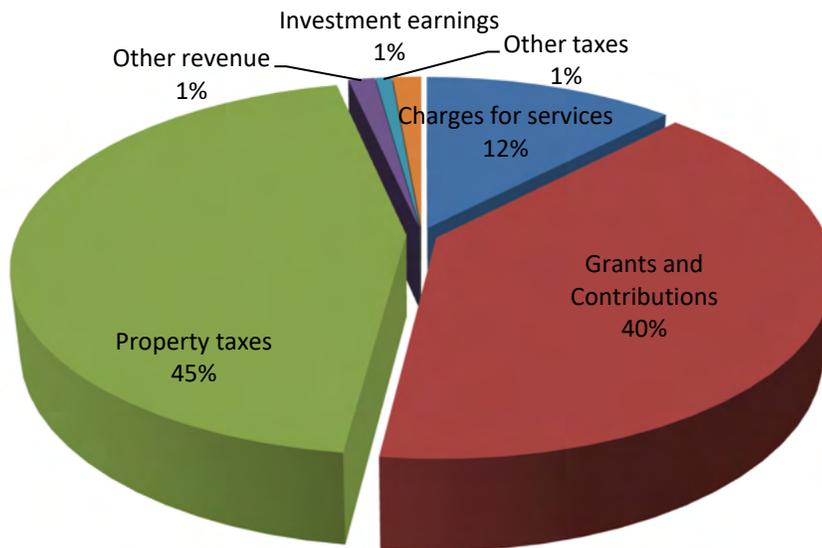
The City's other existing debt comprises revenue bonds. The revenue bonds are more fully discussed with the analysis of the Proprietary Funds.

In its mission to provide citizens of the City with 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. 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 \$9,800,000 for the government funds and \$5,700,000 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 affordably. 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, 2022, and 2023, 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 \$204,800,000 for governmental activities and by \$148,900,000 for business-type activities, for a combined total of \$353,700,000 for the primary government. Governmental Activities net position increased by \$7,400,000 from 2022 to 2023, while the net position for business-type activities increased by \$4,500,000 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 \$256,000,000 at the 2023 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; these net assets are not available for future spending. Restricted assets totaling \$13,200,000 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 collected by the City and are custodial and dedicated for specific purposes. The remaining balance of \$84,600,000 is unrestricted and available to meet the ongoing obligations of the City to its citizens and creditors.

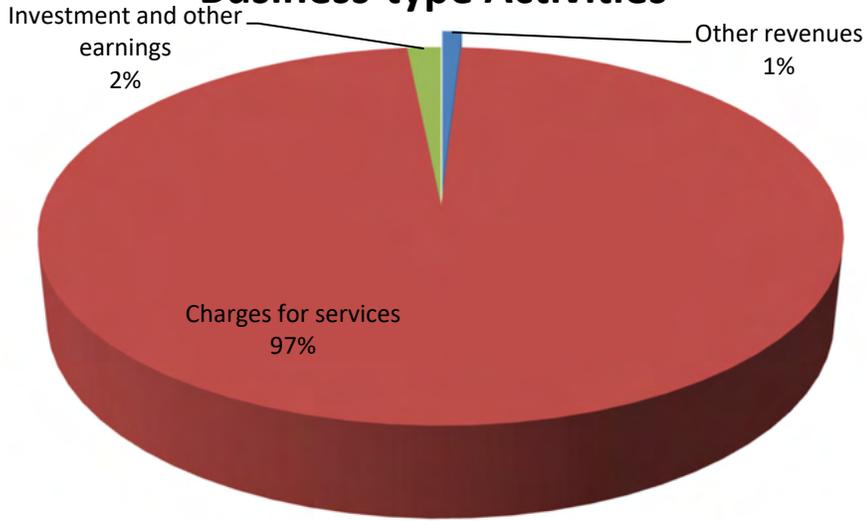
	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2023	2022	2023	2022	2023
Current and other assets	\$ 79,838,700	\$ 75,298,884	\$ 40,470,050	\$ 47,612,359	\$ 120,308,750	\$ 122,911,243
Capital assets	154,024,496	159,304,515	140,475,459	137,512,121	294,499,955	296,816,636
Total assets	233,863,196	234,603,399	180,945,509	185,124,480	414,808,705	419,727,879
Deferred Outflow of Resources	12,004,860	8,956,210	1,176,164	789,464	13,181,024	9,745,674
Current and other liabilities	(38,842,617)	(28,501,817)	(3,754,941)	(6,368,973)	(42,597,558)	(34,870,790)
Bonds and Lease	(9,634,545)	(10,223,244)	(33,930,860)	(30,598,345)	(43,565,405)	(40,821,589)
Total liabilities	(48,477,162)	(38,725,061)	(37,685,801)	(36,967,318)	(86,162,963)	(75,692,379)
Deferred Inflow of Resources	(3,106)	(46,708)	(28,301)	(4,300)	(31,407)	(51,008)
Net position:						
Investment in capital assets	153,295,664	149,081,271	106,544,599	106,913,776	259,840,263	255,995,047
Restricted	1,035,049	13,151,527			1,035,049	13,151,527
Unrestricted	43,057,076	42,555,043	37,862,972	42,028,550	80,920,048	84,583,593
Total net position	\$ 197,387,789	\$ 204,787,841	\$ 144,407,571	\$ 148,942,326	\$ 341,795,360	\$ 353,730,167

Sources of General Revenue for FY 2023 Governmental Activities



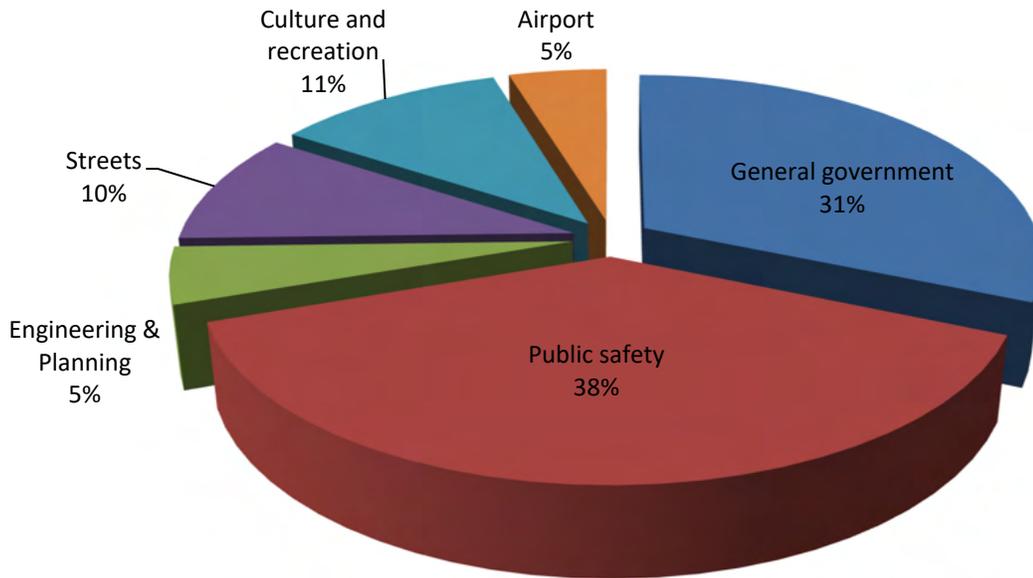
Sources of Revenue for FY 2023

Business-type Activities

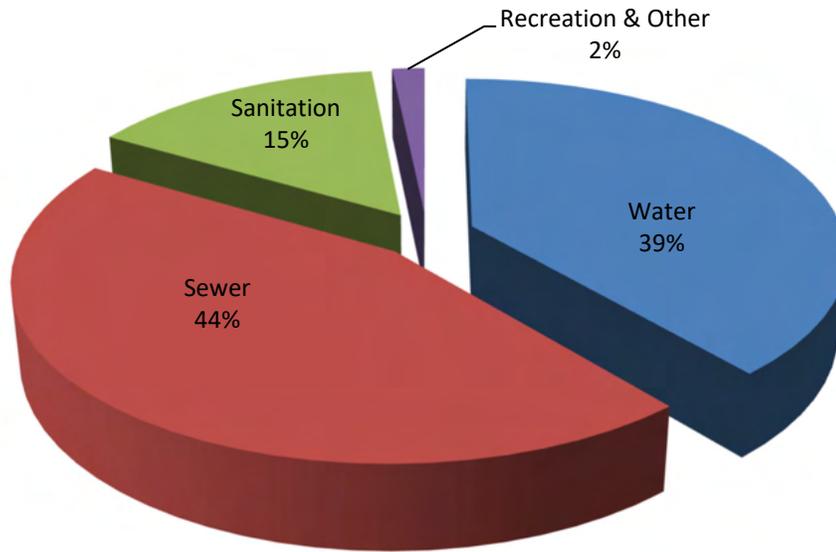


Program Expenses for FY 2023

Governmental Activities



Program Expenses for FY 2023 Business-type Activities



Analysis of Condensed Statement of Activities

The following table presents the City's condensed statement of activities for the fiscal year 2021-22 and fiscal year 2022-23. It is derived from the government-wide Statement of Activities. Over time, increases 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	
	2022	2023	2022	2023	2022	2023
Program revenues						
Charges for services	\$ 8,401,811	\$ 7,522,657	\$ 28,324,137	\$ 29,685,642	\$ 36,725,948	\$ 37,208,299
Grants and contributions						
Operating	12,190,859	21,296,809	43,017	158,755	12,233,876	21,455,564
Capital	4,341,949	3,091,748			4,341,949	3,091,748
Total program revenue	24,934,619	31,911,214	28,367,154	29,844,397	53,301,773	61,755,611
General revenues and payments						
Property taxes	25,555,842	27,302,364			25,555,842	27,302,364
Other taxes	432,623	480,255			432,623	480,255
Investment earnings (Loss)	(4,444,340)	862,606	(2,478,291)	485,641	(6,922,631)	1,348,247
Other revenues	893,674	792,835	171,408	283,576	1,065,082	1,076,411
Total general revenues and payments	22,437,799	29,438,060	(2,306,883)	769,217	20,130,916	30,207,277
Total general revenues and payments	47,372,418	61,349,274	26,060,271	30,613,614	73,432,689	91,962,888
Program expenses						
General government	16,129,395	17,585,202	-	-	16,129,395	17,585,202
Public safety	20,618,658	21,516,743	-	-	20,618,658	21,516,743
Streets, Engineering, P&Z	7,904,354	8,154,469	-	-	7,904,354	8,154,469
Culture and recreation	5,902,619	6,196,170	-	-	5,902,619	6,196,170
Airport	2,639,863	2,649,057	-	-	2,639,863	2,649,057
Water	-	-	8,018,753	9,280,724	8,018,753	9,280,724
Sewer	-	-	9,727,160	10,680,918	9,727,160	10,680,918
Sanitation	-	-	3,247,214	3,571,360	3,247,214	3,571,360
Recreation enterprises	-	-	220,062	334,029	220,062	334,029
Other	-	-	56,381	59,409	56,381	59,409
Total program expenses	53,194,889	56,101,641	21,269,570	23,926,440	74,464,459	80,028,081
Excess (deficiency) before gain (loss) and transfers	(5,822,471)	5,247,633	4,790,701	6,687,174	(1,031,770)	11,934,807
Transfers	2,059,969	2,152,419	(2,059,969)	(2,152,419)	-	-
Asset Sales & Contributions					-	-
Change in net position	(3,762,502)	7,400,052	2,730,732	4,534,755	(1,031,770)	11,934,807
Beginning net position	201,150,291	197,387,789	141,676,839	144,407,571	342,827,130	341,795,360
Ending net position	\$ 197,387,789	\$ 204,787,841	\$ 144,407,571	\$ 148,942,326	\$ 341,795,360	\$ 353,730,167

Governmental Revenues

The City is heavily reliant on property taxes to support governmental operations, with that support currently at 45% of funding. Other sources of general revenues are mainly grants and contributions (40%) and charges for services (12%). Other sources of revenue, around 3%, include investment earnings and other taxes.

Program Expenses and Revenue for Governmental Activities

The following table presents the net costs for governmental activities. Two programs had substantial shifts: the cost of general government and the airport. The general government went from a net cost of \$6,200,000 in 2022 to having a net surplus of \$800,000 this year. The primary difference between the years was the recognition this year of a federal grant, Coronavirus State and Local Fiscal Recovery Funds (SLFRF) of \$8,500,000. Otherwise, the net program cost for the general government would be very consistent.

Federal Grants also played a major role in the swing in net program costs at the airport. The net airport costs went from the surplus of \$1,500,000 to essentially breakeven. In the prior year, the airport received new funding from the Federal Aviation Administration of \$1,100,000. That funding came from the Coronavirus Aid, Relief, and Economic Security (CARES) Act Airport Grant Program. The Federal Aviation Administration provided these funds to cover operational costs at the airport when travel was reduced. The federal grant program is a one-time circumstance related to the pandemic. In the future, the figures for the current year will provide a better reflection of net costs for the airport.

Functions/Programs	Program Expenses	Less Program Revenues	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2023	2022	2023	2022
General government	\$ 17,585,202	\$ 18,359,574	\$ (774,372)	\$ 6,150,871	104.4%	61.9%
Fire	6,608,175	626,247	5,981,928	6,056,102	9.5%	9.0%
Police	14,908,568	1,054,621	13,853,947	12,944,734	7.1%	7.3%
Engineering & planning	2,728,814	1,216,145	1,512,669	725,899	44.6%	70.5%
Library	2,220,523	75,525	2,144,998	2,112,254	3.4%	3.1%
Culture & recreation	3,975,647	1,033,109	2,942,538	2,538,900	26.0%	31.8%
Highways & streets	5,425,655	6,761,434	(1,335,779)	(796,505)	124.6%	114.6%
Airport	2,649,057	2,784,559	(135,502)	(1,471,985)	105.1%	155.8%
Totals	\$ 56,101,641	\$ 31,911,214	\$ 24,190,427	\$ 28,260,270	56.9%	46.9%

Program Expenses and Revenue for Business-type Activities

The following table presents net income and costs for business-type activities. Sound management principles of a municipality require that these activities not only cover operational costs, but also generate profits that can be used as a resource for debt funding and capital improvements.

Overall, the net program costs for City wastewater and sanitation services remained relatively unchanged. However, the net costs related to water increased more than the normal year-to-year increase, which has historically been about \$1,000,000. The City is becoming more proactive in identifying and replacing waterlines that are nearing failure. The higher costs this year reflect the increased activity. In addition, a major water line break in a newly constructed water main on Washington street generated a substantial repair bill for the City. 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	
			2023	2022	2023	2022
Water	\$ 12,303,503	\$ 9,280,724	\$ 3,022,779	\$ 3,968,543	75.4%	66.9%
Sewer	12,978,666	10,680,918	2,297,748	2,225,677	82.3%	81.4%
Sanitation	3,963,058	3,571,360	391,698	718,418	90.1%	81.9%
Dierkes Lk/Shoshone Falls	524,403	334,029	190,374	183,046	63.7%	54.6%
Common Area Maintenance	74,767	59,409	15,358	1,900	79.5%	96.7%
Totals	\$ 29,844,397	\$ 23,926,440	\$ 5,917,957	\$ 7,097,584	80.2%	75.0%

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. Fund balances that are not restricted or committed 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. On September 30, 2023, the City of Twin Falls' governmental funds reported combined fund balances of \$58,900,000, with \$49,100,000 representing the portion that was not restricted or committed. That is an increase in the balance that is not restricted or committed of \$10,100,000 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 \$9,700,000 on September 30, 2023, with most of that fund balance being available. That balance compares to an ending fund balance of \$11,000,000 on September 30, 2022. The General fund experienced relatively small variances from its budget. One exception was the activity in Federal grants revenue. The budgeted grant revenue was \$400,000, but the actual grant revenue amounted to \$8,500,000, primarily from the SLFRF Federal grant mentioned earlier. Also, the Police department spent \$500,000 less than the budgeted amount. The positive variance largely related to a saving in salaries, with the department not being able to staff at the levels it had hoped to.

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 completing the annual audit, the City will transfer the amount above that 25%, reduced by any deficit fund balances in other City Funds, to the City's Capital Improvement Fund. The transferred amount will be available for one-time projects recommended by the City Manager and approved by the City Council. That transfer in the current year under the policy contributed to the reduction in the General Fund balance in the amount of \$3,700,000.

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 on fuel sales. The Street fund ensures that the funds are used solely for the benefit of the City's streets. Along with these dedicated taxes, the City budgets to supplement the fuel taxes with other State shared revenues, property taxes, and grants to meet the needs of the City's roads.

The Street Fund's fund balance increased from \$7,300,000 to \$9,800,000. Street re-surfacing can be large overlay projects that require millions of dollars and last for several years. The City endeavors to plan the timing of these projects so that the funds are available within the fund balance when needed. The fund balance at the end of any year also includes long-term construction projects that are at various stages of completion.

Over the years, the City has developed 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 and has increased efficiency.

Airport and Airport Construction Funds

The City has identified the Airport and Airport Construction Funds as major funds. 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 National Plan of Integrated Airport Systems (NPIAS) includes the City's as part of the national plan. That means that the Airport has been identified as having significance to national transportation within the United States, making it 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 over several years to the airport facility to bring it into compliance with the Transportation Security Administration (TSA) security guidelines and a major restructuring of the runways. AIP grants and the CARES Act (discussed below) have brought major grant revenues. In the prior year, grant revenue for the Airport Fund and the Airport Construction fund totaled \$8,500,000. This year's grant revenue for the two funds totaled \$1,600,000 which is closer to historical averages with the CARES programs being exhausted.

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. This year the Capital Improvement fund once again included the construction activity on two new fire stations and a fire training facility. At year's end, it had spent \$10,300,000 toward those undertakings. The new fire stations are nearing completion and are discussed below.

The City has a policy that requires the General Fund balance to be evaluated each year. Any excess over 25% of the annual budgeted revenues are to be transferred to the Capital Improvement Fund, where it will be available for one-time projects. This year, \$3,700,000 was transferred under the policy.

Proprietary Funds

The City's proprietary funds reported combined ending net positions of \$148,900,000 on September 30, 2023, with most of that invested in capital assets, net of debt (\$106,900,000). \$42,000,000 is reported as unrestricted for all Proprietary Funds at year's end.

The Funds met their scheduled debt payments and reduced continuing bonds in the Water and Wastewater Funds by \$3,115,000. The three outstanding bonds will be paid off in one, four, and ten years. Currently no new debt in the proprietary funds is being considered.

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 that a ratio of 1.25 of operating revenue to operating expenses be maintained. The City is meeting the requirements, as well as fully complying with all other promises it made to bondholders as a condition of lending.

Waterworks Fund

The Water Fund's fund balance (other than the investment in Capital Assets) increased by \$2,500,000. Capital assets only increased by less than \$100,000, with depreciation being offset by asset replacements. The water fund has a healthy unrestricted net position, \$16,900,000, but the City has an aging water system that will require use of reserves as projects are determined necessary and feasible. The City has been working with outside partners to determine the priority of projects needed and develop a plan for updating our water system in areas that are deficient. Included in that plan is the need for a new water tank, costing around \$13,000,000.

Wastewater Fund

Included in charges for services in the Wastewater Fund is a decrease of \$600,000 for the processing of industrial waste. Treated wastewater gallons remained virtually unchanged from 3,098 (million gallons) for the fiscal year ended September 30, 2022 to 3,073 in the current year. However, over the same period, solids treated (in thousands of pounds) dropped from 9,518 to 7,724. Also in the current year, some industrial customers have exceeded their discharge permits and are incurring penalties. City staff work with these companies to achieve permanent solutions to their excess discharges. If a solution is found the City may rebate some of the penalties assessed to fund the solution. Each situation is evaluated on a case-by-case basis.

The City of Twin Falls has an agreement with a neighboring City, Kimberly, to process the wastewater of Kimberly on much the same terms as it does industrial users. The City of Kimberly is responsible for the additional cost of infrastructure needed to move the waste to the treatment plant. Along with regular capacity fees charged to developers, the City of Kimberly paid \$2,400,000 to assure that the City of Twin Falls would have the capacity to handle its wastewater. That amount is included in the Fund financial statements for the Wastewater fund and significantly increases Non-Operating Revenues for the year. The unrestricted portion of the Wastewater fund balance increased \$1,400,000.

Sanitation Fund

The last major proprietary fund is the Sanitation Fund. The City contracts sanitation services with a private third party. The City provides the administrative duties of subscribing and ending services, as well as billing, collections, and related landfill fees with the plan to cover costs with fees. This year the fund decreased by \$40,000. The Fund has an Unrestricted balance of \$960,000. The fund has no debt and no need for an investment in capital assets. In order to decrease that balance, a hold was placed on rate increases for the current year. The City will probably adopt a similar stance until the reserves of the fund are reduced-further, yet keeping enough of a fund balance to keep the fund viable.

Included in the Sanitation Fund activities is the City's recycling program. Based on input from the community to support 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 now focuses efforts on commodities generating the most revenue, while continuing to capture a significant amount of the previous recycling flow. During the current year, the City diverted 719 tons from the landfill or about 3.3%.

Economic Factors

Inflation has cooled recently, but it remains above the Fed's 2% target. With inflation currently at 3.1%, the Federal Reserve has messaged that there is no urgency to lower interest rates. The Municipal Cost Index (MCI) represents the effects of inflation on the cost of providing municipal services. It shows that municipalities are faring better than the public sector, with a current rate better than nationally measured inflation. The MCI sits at 1.45%. It has come down from an all-time high of 12.45% in May 2022. The dramatic increase in the Federal Reserve's benchmark funds rate, to offset inflation, created the highest interest rate hike in almost three decades and had a direct impact on the Country with ~~has~~ reduced investments, lowered economic growth, and an increased cost of borrowing.

The Fed's reaction to these inflationary pressures through increased rates has affected construction activity for Twin Falls and demand has decreased significantly in terms of single-family building permits issued. There were 106 single family permits issued through September 2023; this is down 31% for the same timeframe in 2022, and that follows a reduction of 68% the year before. The high costs of mortgages come on top of several years of supply chain and labor shortages. Single family building permits issued by the City for the past six years are:

Fiscal Year Ending	Permits Issued
2018	243
2019	326
2020	573
2021	486
2022	154
2023	106

Commercial construction shows a slowing as well. There were only 51 new commercial building permits issued in FY 2023 with the values permitted equaling \$26,000,000, the lowest value in over a decade.

Nationwide unemployment rates increased significantly at the beginning of the pandemic in 2020 but have continued a gradual decrease throughout 2021, 2022, and 2023, ending at 3.8% in September 2023. Like the rest of the nation, unemployment levels are at historic lows in Idaho. Statewide unemployment was 3.1% in September 2023. That matches the City of Twin Falls unemployment rate that was also 3.1% at the end of the fiscal year. The low unemployment rate shows the State's struggle to employ workers.

The City of Twin Falls, as a governmental entity, and the Twin Falls community did much better than the nation during the Great Recession of 2008, the worst economic crisis since the Great Depression. Healthy reserve funds, local government innovation, and a history of conservative fiscal management supported the City's ability to cope. Several factors influenced the community's ability to manage successfully, including a strong agricultural base, a strong industrial and commercial base, and excellent community services. Twin Falls has a unique position. It serves as the retail, educational, entertainment, medical and employment hub of a geographic area that contains nearly 265,000 individuals hailing from over 12,000 square miles. Our future, highlighted by major capital improvement projects, several promising businesses, retail providers, and housing developments, is bright. Twin Falls' desirability as a place to live is clear, even in these demanding times.

Assessed net taxable market values within the City increased \$1,547,000,000 from \$4,036,000,000 to \$5,583,000,000. Most of that increase was attributed to the closing of the original revenue allocation area by the Urban Renewal Agency. That event is discussed further below. Properties are required to be reassessed by the County Appraiser every five years. The following is a table showing a comparison of the levy rates for the 2024 and 2023 budget years.

Taxing District	2023 Levy	2022	Percent Change
	Rates (funded 2023-2024 budget)	Rates (funded 2022-23 budget)	
City of Twin Falls	0.004714041	0.004783910	1.5%
Twin Falls County	0.002671258	0.002782758	4.0%
Twin Falls County Ambulance District	0.000111169	0.000112486	1.2%
Twin Falls County Abatement District	0.000063292	0.000064329	1.6%
Twin Falls School District 411	0.001604588	0.002262071	29.1%
Twin Falls Highway District	0.000703461	0.000716758	1.9%
College of Southern Idaho	0.000705854	0.000728329	3.1%
Combined	0.010573663	0.011450641	7.7%

SLFRF Funding

The City of Twin Falls closely monitors and examines international, national, state, and local economic indicators when developing and tracking its annual appropriation measures. Over the course of the last several years, economic conditions on all levels have reflected growth and prosperity, but the effects of the Covid-19 pandemic created a swift and destabilizing level of economic uncertainty that is still present in the current environment. When analyzing the statistics of the City of Twin Falls, the state of Idaho, and the nation, there is a prosperity that is hindered by inflation, and labor and supply chain issues. These economic factors are creating an uncertainty that will influence budgetary decisions in the foreseeable future.

In response to the Covid-19 public health emergency, the Federal Government provided governments across the country with resources to fight the pandemic through the American Rescue Plan Act of 2021 (“ARPA”), signed into law on March 11, 2021. Among other provisions, one of the key components of ARPA is the State and Local Fiscal Recovery Fund (“SLFRF”), which committed \$350 billion to state and local governments to support their response to, and recovery from, the COVID-19 pandemic. The Fund was created to support families and businesses struggling with its public health and economic effects, maintain vital public services, and build a strong recovery by making investments that support long-term growth and opportunity.

The City of Twin Falls received an allocation of \$8,465,111. Allocations were determined by the population within the unit of government’s jurisdiction. The City committed to allocate the funds to projects with would have a significant impact on the community. The City formed a committee to hear and evaluate submissions from City staff and local organizations, then make a recommendation after an extensive process that was implemented with public input. The final recipients were judged to be:

- \$2,000,000 Vista Bonita Park – A 6.4 Community park near Fire Station #3 on south Washington
- \$1,728,460 Idaho Housing Company – Partnering on a 72 unit workforce housing project
- \$2,895,000 Parks Department - Shoshone Falls Grade, design & construction
- \$1,500,000 Fleet Maintenance – Shop expansion and ADA compliance
- \$125,000 Economic Development – Events Center feasibility study
- \$105,651 Public Works - Sidewalk upgrades, improvements, and construction
- \$62,000 Police Department - Crime scene 3D mapping and diagraming
- \$49,000 MV Fellowship Hall – Needed repairs for a facility servicing those seeking addiction recovery

All funds must be committed by December 31, 2024, and spent in their entirety by December 31, 2026.

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. The City develops a plan and sets goals, 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:

Health Insurance and Compensation

Providing quality benefits to employees remains an important ingredient in the City's overall attraction and retention strategy. Health insurance continues to be a difficult subject to navigate, recognizing the importance of continuing to offer competitive benefits packages and understanding that it is a critical component in the City's efforts to be an employer of choice. However, the cost of the current health plan continues to outpace the Consumer Price Index, the Municipal Cost Index, and available resources. The City's overall experience rate (the group's medical history and claims experience) has caused the organization to realize significant increases in overall health insurance costs over the years. The cost of monthly insurance premiums to cover an employee and their family has doubled in the last ten years. The organization responded to a proposed increase of 14% by changing both the traditional and high deductible plans in FY 2020. In response to a 10% increase, the City implemented minor adjustments in FY 2021. With another 9.4% in FY 2022, the decision was made to eliminate the traditional health insurance plan and move all employees and dependents to the high-deductible plan to allow for modest increases to co-pays, deductibles, and out-of-pocket maximums. It is important to maintain a competitive benefit plan compared to other public employers. The City's health care benefits remain competitive, but the impact of rising health care coverage on employees is a concern.

As an organization, the City has made significant strides toward improving its competitive place in the labor market over the last several years. The salary tables have increased substantially since 2011, and the retention pay program that began in December 2018 continues.

Several years ago, the City surveyed its employees regarding compensation issues. One of the most highly discussed topics involved the City's policies for sickness and vacation. A complex system had developed over the years, and it was apparent that the system motivated incorrect behaviors. The amount of vacation and employee received was determined based on the number of sick hours in that leave bank. This created a motivation to either come to work sick or use vacation hours to build up sick bank balances. Other issues were identified as well. Representatives from around the City formed a review team to come up with equitable policies that would strike the appropriate balance between the City's and the employees' interests. The review team also had the responsibility of developing the transition path into the new plan. After management made some modifications and the City Council approved them, the policies were adopted. The plans have been well received and the City now has a more traditional sick policy, with a consistent rate of accrual for all employees, and a vacation policy based on tenure. To strike the right balance between the City and its workforce, the City created a Voluntary Employees' Benefit Plan (VEBA), with annual contributions. The employees have completed the transition and are adapting to any personal effects.

Fire Stations and Fire Training Center Construction

In the autumn of 2017, a planning effort was undertaken to determine the current state of fire facilities in the City and the future needs of the community. A steering committee and program committee worked together to document the existing conditions of each facility. Stations 2 and 3 were built in 1961 and 1979, respectively. They have outdated technology and living standards and are experiencing decay, such as mold and leaky roofs. There are no facilities for female firefighters at either station, the apparatus bays are too small, and the stations have apparatus sitting outside—a situation that hinders response capability. The facilities do not meet current building, ADA, essential facility, and life safety code requirements. Further, the existing stations have inefficient floor plan layouts and do not support quick 'turn-out' times. The Committee determined that more efficient floor plans and station locations would improve response times, increasing public health and safety. In addition, the stations lack a designated area for contaminated equipment—a modern necessity that allows for gear to be properly cleaned and limits exposure to carcinogens and other potential health hazards. It became clear that existing Station 2 and existing Station 3 are inadequate for serving the needs of the Twin Falls Fire Department and lack the form to fit the function for today's firefighting needs. The deficiencies of the current stations, together with recent population and industry growth, required new facilities to maintain public health and safety.

After careful consideration, it was determined that the City could use general fund reserves and impact fees to finance one of the stations, and Certificates of Participation were issued to finance the construction of the other. The planned construction was also to include a regional fire training center. That facility is being paid for by the Twin Falls Rural Fire Protection District, with construction oversight by the City. It will prove a valuable resource to surrounding communities and the City of Twin Falls.

The construction of these projects has proven challenging given the unpredictable economy, supply chain issues and labor shortages. However, the need to replace these stations continues to be greater than the challenges in completing the projects. Both stations completed their construction shortly after the fiscal year and the training center is well along.

Ride TFT

The City of Twin Falls exceeded 50,000 in population with the certification of the 2020 census. This growth triggers multiple federal requirements while also highlighting the need for certain services that were not previously provided or were lacking in quality or quantity. One example is public transportation. In Twin Falls, Trans IV was the face of public transportation since 1979. Managed by the College of Southern Idaho, Trans IV operated in a demand-response system that primarily served older adults and persons with disabilities.

When Trans IV announced their operations would end on September 30, 2022, the City of Twin Falls began looking at alternatives to this system that would serve a larger number of citizens effectively. Fixed-route transportation systems that transport people from one bus stop to another rely on two factors – multiple routes that cover much of the community and a level of frequency that allows for minimal wait times. Designing a system in Twin Falls that would serve those in need and encourage ridership with a frequency that allows for minimal wait times would be cost prohibitive.

City officials and staff began looking for alternatives to a fixed route, keeping in mind the priorities were to serve those in our community that required public transit, including, but not limited to, our aging population, individuals with disabilities, and citizens without a driver's license or a car (transit dependent). The solution that many communities across the country have implemented is micro transit.

Micro transit is a flexible form of on-demand responsive public transportation that is a cross between ride sharing and mass transit. Residents can request a ride through an app on a smart phone or by calling a dispatch center, and a community can designate flexible routes or service areas for designated vehicles to service. Riders can pay through the app or use cash when the vehicles arrive. Vehicles include larger vans that are equipped for para-transport (individuals in wheelchairs that require ADA accommodations) and minivans, depending on the ride request and number of ride requests at any time.

Since its launch on July 1, 2023, RIDE TFT has experienced tremendous success and growth. The system operates two ADA vans and five passenger vans. Ridership surpassed 5,000 rides in November and has continued to increase month over month. The system charges a fare of \$3, offering a discount fare of \$1 for individuals over the age of 60 or those who are disabled. Approximately 50% of the riders participating are discount eligible.

Urban Renewal Agency

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

Under governmental accounting standards, the Agency is considered a component unit of the City, and 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.

Creation of Old Towne-2 Revenue Allocation Area

Building on the momentum of public and private development partnerships in the Downtown area of Twin Falls, the Agency worked on the establishment of a new Project Area: the Old Towne-2 Revenue Allocation Area. In compliance with Idaho Code, the Agency developed an Urban Renewal Plan for the Old Towne-2 Revenue Allocation Area, which was adopted by the Twin Falls City Council on November 27, 2023. The Board's vision for the new area includes additional downtown housing, hotels, a convention center, continued small development on Main Avenue, commercial and light industrial development in the Historical Warehouse District. A Downtown Master Plan, outlining 20 years of development goals, opportunities, and strategies, has been approved.

Orchard Drive East Revenue Allocation Area

In Spring 2023, crews began site work and initial construction of infrastructure to include water and wastewater extensions, and electricity and natural gas enhancements. The first phase of this 1,215,000 square-foot industrial park will include three buildings totaling 117,500 square feet. These buildings are class A concrete tilt-up construction with insulated panels, providing a superior thermal envelope that allows for low operating costs. All three buildings offer spaces of different sizes between 6,000-60,000 square feet. Future phases consist of several individual buildings, ranging in size from 5,000 square feet to 200,000 square feet and will serve a variety of different businesses and users. The project will be constructed in phases, offering both build-to-suit and ready-to-lease products.

Revenue Allocation Area 4-1 Ends

The Agency completed the termination of Revenue Allocation Area 4-1. This was the original revenue allocation area created in 1998. Throughout its lifespan, the Agency invested approximately \$49,400,000 in public infrastructure. At its conclusion, the area had \$300,000 of remaining funds it sent back to the County for redistribution to local taxing districts. Along with contributing substantially to the local economy and providing countless employment opportunities, the area's assessed value grew more than \$225,600,000. The development will continue to enhance Twin Falls perpetually, giving an excellent example of why Urban Renewal Agencies are needed and how they benefit the public.

As part of the closure, the Agency transferred multiple properties from the Area to the City of Twin Falls, to support public parking and public space. Included in the properties were Rock Creek Canyon properties, which the City has interest in for water quality improvement projects.

To get ready for the new Old Towne-2 Area, the Agency invested approximately \$2,800,000 to acquire development opportunities in overlapping areas.

FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2023

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
<u>Assets</u>				
Cash and Investments	\$ 60,163,117	\$ 40,020,453	\$ 100,183,570	\$ 4,909,215
Receivables:				
Taxes	590,152	-	590,152	-
Fees and Services, net of allowances for uncollectibles	-	3,270,151	3,270,151	-
Intergovernmental	2,941,976	115,870	3,057,846	-
Interest	-	-	-	20,861
Accounts	641,652	2,964,298	3,605,950	-
Prepaid Expenses	979,238	119,189	1,098,427	-
Inventory	-	1,122,398	1,122,398	-
Capital Assets not being Depreciated				
Land	11,972,762	12,825,918	24,798,680	3,942,322
Construction in Progress	16,615,970	2,741,680	19,357,650	-
Capital Assets				
Buildings and Structures	37,142,256	19,037,928	56,180,184	-
Infrastructure	305,074,291	120,589,386	425,663,677	-
Improvements	21,602,558	39,123,806	60,726,364	-
Machinery and Equipment	28,088,369	17,349,894	45,438,263	-
Accumulated Depreciation	(261,191,691)	(74,156,491)	(335,348,182)	-
Pension Asset-FFR Plan	9,982,749	-	9,982,749	-
Total Assets	234,603,399	185,124,480	419,727,879	8,872,398
<u>Deferred Outflows of Resources</u>				
Pension Obligations	8,956,210	789,464	9,745,674	-
Total Deferred Outflows of Resources	8,956,210	789,464	9,745,674	-
Total Assets and Deferred Outflows of Resources	\$ 243,559,609	\$ 185,913,944	\$ 429,473,553	\$ 8,872,398

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2023

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
<u>Liabilities</u>				
Pooled Cash	\$ 102,486	\$ -	\$ 102,486	\$ 26,730
Accounts Payable	3,243,559	1,622,547	4,866,105	27,927
Accrued Expenses	391,001	-	391,001	-
Accrued Interest	52,442	27,072	79,514	5,838,742
Customer Deposits	642,128	2,531,160	3,173,288	4,556
Noncurrent Liabilities:				
Compensated Absences-Current Portion	1,558,753	175,080	1,733,833	-
Leases Payable Current Portion	142,984	-	142,984	-
Certificates of Participation- Current Portion	270,000	-	270,000	-
Revenue Bond Payable-Current Portion	-	3,255,000	3,255,000	2,468,000
Compensated Absences	1,016,759	34,298	1,051,057	-
Leases Payable	1,424,783	-	1,424,783	-
Certificates of Participation	8,385,477	-	8,385,477	-
Revenue Bond Payable	-	27,343,345	27,343,345	26,329,000
Development & Project Reimbursement Agreements	-	-	-	24,468,081
Pension Liability	21,494,689	1,978,816	23,473,505	-
Total Liabilities	38,725,061	36,967,318	75,692,378	59,163,036
<u>Deferred Inflows of Resources</u>				
Pension Obligations	46,708	4,300	51,008	-
Total Deferred Inflows of Resources	46,708	4,300	51,008	-
<u>Net Position</u>				
Net Investment in Capital Assets	149,081,271	106,913,776	255,995,047	(49,322,759)
Restricted for:				
Debt Service & Redevelopment	-	-	-	3,334,394
Law Enforcement Activities	102,155	-	102,155	-
Benefit of the TFPD	11,826	-	11,826	-
Capital Construction	2,121,835	-	2,121,835	-
Park Development	932,962	-	932,962	-
Pensions	9,982,749	-	9,982,749	-
Unrestricted	42,555,043	42,028,550	84,583,593	(4,302,273)
Total Net Position	204,787,841	148,942,326	353,730,167	(50,290,638)
Total Liabilities, Deferred Inflows and Net Position	\$ 243,559,609	\$ 185,913,944	\$ 429,473,553	\$ 8,872,398

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Activities
For the Year Ended September 30, 2023

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	
Primary Government:								
Governmental Activities:								
General Government	\$ 17,585,202	\$ 1,761,062	\$ 15,492,603	\$ 1,105,909	\$ 774,372	\$ -	\$ 774,372	
Fire	6,608,175	626,247	-	-	(5,981,928)	-	(5,981,928)	
Police	14,908,568	1,054,621	-	-	(13,853,947)	-	(13,853,947)	
Engineering/Planning	2,728,814	1,216,145	-	-	(1,512,669)	-	(1,512,669)	
Library	2,220,523	75,525	-	-	(2,144,998)	-	(2,144,998)	
Culture and Recreation	3,975,647	686,097	347,012	-	(2,942,538)	-	(2,942,538)	
Highway and Street	5,425,655	1,310,043	5,030,249	421,142	1,335,779	-	1,335,779	
Airport	2,649,057	792,917	426,945	1,564,697	135,502	-	135,502	
Total Governmental Activities	56,101,641	7,522,657	21,296,809	3,091,748	(24,190,427)	-	(24,190,427)	
Business-Type Activities:								
Water	9,280,724	12,188,528	114,975	-	-	3,022,779	3,022,779	
Wastewater	10,680,918	12,934,886	43,780	-	-	2,297,748	2,297,748	
Sanitation	3,571,360	3,963,058	-	-	-	391,698	391,698	
Dierkes Lake/Shoshone Falls	334,029	524,403	-	-	-	190,374	190,374	
Common Area Maintenance	59,409	74,767	-	-	-	15,358	15,358	
Total Business-Type Activities	23,926,440	29,685,642	158,755	-	-	5,917,957	5,917,957	
Total Primary Government	\$ 80,028,081	\$ 37,208,299	\$ 21,455,564	\$ 3,091,748	\$ (24,190,427)	\$ 5,917,957	\$ (18,272,470)	
Component Unit:								
Urban Renewal Agency								\$ (4,246,353)
General Revenues:								
Taxes:								
Property taxes, Levied for General Purposes					27,302,364	\$ -	\$ 27,302,364	\$ -
Property taxes, Levied for Debt Service					-	-	-	7,456,918
Franchise and Public Service Taxes					480,255	-	480,255	-
Interest, Dividends & Changes in Fair Value					862,606	485,641	1,348,247	243,714
Gain (Loss) on Sale of Assets or Transfer of Assets					104,450	52,388	156,838	(1,764,821)
Miscellaneous Revenues					688,385	231,188	919,573	485,668
Transfers					2,152,419	(2,152,419)	-	-
					31,590,479	(1,383,202)	30,207,277	6,421,479
Change in Net Position					7,400,052	4,534,755	11,934,807	2,175,126
Net Position - October 1, 2022					197,387,789	144,407,571	341,795,360	(52,465,764)
Net Position - September 30, 2023					\$ 204,787,841	\$ 148,942,326	\$ 353,730,167	\$ (50,290,638)

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Fund Balance Sheets
Governmental Funds
September 30, 2023

	<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>
Assets							
Cash and Investments	\$ 9,836,453	\$ 9,257,851	\$ 4,087,445	\$ 26,177,373	\$ 157,125	\$ 10,040,247	\$ 59,556,494
Receivables (net of allowance)							
Taxes	539,606	21,683	-	21,934	-	1,698	584,921
Intergovernmental	1,221,992	1,032,590	694	588,254	-	97,935	2,941,465
Accounts	93,585	392,893	87,857	-	19,450	8,813	602,598
Prepaid Asset				979,238			979,238
Total Assets	\$ 11,691,636	\$ 10,705,017	\$ 4,175,996	\$ 27,766,799	\$ 176,575	\$ 10,148,693	\$ 64,664,716
Liabilities							
Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,486	\$ 102,486
Accounts Payable	473,478	906,360	71,761	1,598,070	72,811	78,880	3,201,360
Accrued Expenditures	365,070	-	6,187	-	-	19,485	390,742
Customer Deposits Payable	642,128	-	-	-	-	-	642,128
Total Liabilities	1,480,676	906,360	77,948	1,598,070	72,811	200,851	4,336,716
Deferred Inflows of Resources							
Unavailable Revenues-Property Taxes	479,479	15,809	-	17,101	-	1,401	513,790
Unavailable Revenues-Other	-	-	-	918,176	-	-	918,176
Total Deferred Inflows of Resources	479,479	15,809	-	935,277	-	1,401	1,431,966
Fund Balances							
Nonspendable Fund Balance	-	-	-	979,238	-	-	979,238
Restricted, Expendable for							
Law Enforcement Activities	102,155	-	-	-	-	-	102,155
Restricted for the Benefit for TFPD	11,826	-	-	-	-	-	11,826
Park Development	-	-	-	-	-	932,962	932,962
Committed Fund Balance							
Budgeted Surplus Res.	-	-	356,815	-	-	831,600	1,188,415
Impact Fees	-	-	-	-	-	6,270,617	6,270,617
Drug Seizure	-	-	-	-	-	240,675	240,675
Public Art Fund	-	-	-	71,735	-	-	71,735
Assigned Fund Balance							
General Government	9,617,500	-	-	-	-	-	9,617,500
Streets	-	9,782,848	-	-	-	-	9,782,848
Airport	-	-	3,741,233	-	103,764	-	3,844,997
Street Light	-	-	-	-	-	438,761	438,761
Capital Improvements	-	-	-	24,182,479	-	-	24,182,479
Community Services-Library	-	-	-	-	-	1,241,516	1,241,516
Unassigned Fund Balance	-	-	-	-	-	(9,690)	(9,690)
Total Fund Balance	9,731,481	9,782,848	4,098,048	25,233,452	103,764	9,946,441	58,896,034
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 11,691,636	\$ 10,705,017	\$ 4,175,996	\$ 27,766,799	\$ 176,575	\$ 10,148,693	\$ 64,664,716

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, 2023

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

Total Governmental Fund Balances	\$	58,896,034
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		159,087,965
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.		1,436,491
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.		802,582
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		8,956,210
Deferred inflows of resources		(46,708)
Pension liability-base plan		(21,494,689)
Pension asset-FFR plan		9,982,749
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		(52,442)
Certificates of Participation and Equipment Notes		(10,223,242)
Compensated absences		(2,575,512)
Compensated absences included in the internal service funds		18,403
		18,403
Net Position of Governmental Activities	\$	204,787,841

CITY OF TWIN FALLS, IDAHO
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2023

	<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>
Revenues							
Property Taxes, Including Interest	\$ 22,926,877	\$ 840,614	\$ 427,263	\$ 780,376	\$ -	\$ 2,072,169	\$ 27,047,299
Other Taxes	550,290	-	-	-	-	480,255	1,030,545
Special Assessments, Including Interest	-	-	-	-	-	108,861	108,861
Fines and Forfeitures	22,243	-	-	-	-	30,765	53,008
Licenses and Permits	1,165,799	-	-	-	-	-	1,165,799
Fees and Services	1,443,814	-	626,678	-	74,459	1,464,111	3,609,062
Intergovernmental	4,121,321	5,030,249	426,945	2,150,223	-	347,012	12,075,750
Federal Grants	8,544,326	421,142	425,339	1,069,332	1,154,358	36,579	11,651,076
Interest, Dividends & Changes in Fair Value	363,497	80,814	43,130	241,400	10,095	123,711	862,647
Farm Income	-	-	63,634	-	-	-	63,634
Miscellaneous	1,123,797	1,432,261	32,682	53,136	-	84,250	2,726,126
Total Revenue	<u>40,261,964</u>	<u>7,805,080</u>	<u>2,045,671</u>	<u>4,294,467</u>	<u>1,238,912</u>	<u>4,747,713</u>	<u>60,393,807</u>
Expenditures							
Current							
General Government	6,388,931	-	-	224,749	-	-	6,613,680
Public Safety	20,559,365	-	-	11,534,760	-	61,473	32,155,598
Engineering	1,412,545	-	-	-	-	-	1,412,545
Community Development	1,097,459	-	-	-	-	20,075	1,117,534
Culture and Recreation	2,567,800	-	-	518,765	-	2,849,456	5,936,021
Highway and Streets	-	3,834,533	-	12,059	-	430,502	4,277,094
Airport	-	-	1,812,111	-	1,076,237	-	2,888,348
Capital Outlay	-	1,941,815	-	968,792	-	649,303	3,559,910
Total Expenditures	<u>32,026,100</u>	<u>5,776,348</u>	<u>1,812,111</u>	<u>13,259,125</u>	<u>1,076,237</u>	<u>4,010,809</u>	<u>57,960,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,235,864	2,028,732	233,560	(8,964,658)	162,675	736,904	2,433,077
Other Financing Sources and (Uses)							
Donations	-	-	-	5,262	-	-	5,262
Transfers In	2,758,262	798,100	6,085	13,526,920	179,489	52,578	17,321,434
Transfers Out	(12,223,774)	(380,362)	(631,630)	(841,426)	-	(1,421,746)	(15,498,938)
Issuance of Debt	-	-	-	5,796,048	-	-	5,796,048
Total Other Financing Sources and (Uses)	<u>(9,465,512)</u>	<u>417,738</u>	<u>(625,545)</u>	<u>18,486,804</u>	<u>179,489</u>	<u>(1,369,168)</u>	<u>7,623,806</u>
Net Change in Fund Balance	(1,229,648)	2,446,470	(391,985)	9,522,146	342,164	(632,264)	10,056,883
Fund Balance October 1, 2022	<u>10,961,129</u>	<u>7,336,378</u>	<u>4,490,033</u>	<u>15,711,306</u>	<u>(238,400)</u>	<u>10,578,706</u>	<u>48,839,152</u>
Fund Balance September 30, 2023	<u>\$ 9,731,481</u>	<u>\$ 9,782,848</u>	<u>\$ 4,098,048</u>	<u>\$ 25,233,452</u>	<u>\$ 103,764</u>	<u>\$ 9,946,441</u>	<u>\$ 58,896,034</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, 2023

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities for the year ended September 30, 2023

Net Change in Fund Balances - Total Government Funds	\$	10,056,883
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	15,286,369	
Less current year depreciation	<u>(9,834,191)</u>	
		5,452,178
In, the statement of activities, the gain (loss) on the sale of the equipment is reported, whereas in the governmental funds, the proceeds from sales increase financial resources. thus, the change in net position differs from the change in fund balance by the net book value of the equipment sold.		
		(158,850)
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.		
Compensated Absences		(159,770)
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.		
		70,555
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Certificates of Participation and Leases Payable issued		(5,796,049)
Repayment of Debt		365,303
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.		
		(2,570,853)
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>140,655</u>
Change in Net Position of Governmental Activities	\$	<u><u>7,400,052</u></u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

Proprietary Funds

September 30, 2023

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
Assets						
Current Assets						
Cash and Investments	\$ 18,185,507	\$ 18,713,043	\$ 853,367	\$ 2,268,536	\$ 40,020,453	\$ 606,623
Receivables, net of allowance for uncollectibles						
Taxes	-	-	-	-	-	5,231
Fees and Services	1,156,167	1,698,051	405,046	10,887	3,270,151	-
Intergovernmental	114,975	895	-	-	115,870	511
Accounts	529,524	2,433,380	-	1,394	2,964,298	39,054
Inventories	1,122,398	-	-	-	1,122,398	-
Total Current Assets	21,108,571	22,845,369	1,258,413	2,280,817	47,493,170	651,419
Noncurrent Assets						
Prepaid Asset	-	119,189	-	-	119,189	-
Capital Assets (Net of Accum. Depreciation)	52,970,118	83,325,325	-	1,216,678	137,512,121	216,549
Total Noncurrent Assets	52,970,118	83,444,514	-	1,216,678	137,631,310	216,549
Total Assets	74,078,689	106,289,883	1,258,413	3,497,495	185,124,480	867,968
Deferred Outflows of Resources						
Pension Obligations	548,785	240,679	-	-	789,464	-
Total Deferred Outflows of Resources	548,785	240,679	-	-	789,464	-
Total Assets and Deferred Outflows of Resources	\$ 74,627,474	\$ 106,530,562	\$ 1,258,413	\$ 3,497,495	\$ 185,913,944	\$ 867,968
Liabilities and Net Position						
Current Liabilities:						
Accounts Payable	686,204	345,045	299,799	291,499	1,622,547	42,199
Accrued Interest	1,654	25,418	-	-	27,072	259
Unavailable Revenue	-	-	-	-	-	4,525
Customer Deposits Payable	2,531,160	-	-	-	2,531,160	-
Revenue Bonds Payable - Current	805,000	2,450,000	-	-	3,255,000	-
Compensated Absences	135,621	39,459	-	-	175,080	11,927
Total Current Liabilities	4,159,639	2,859,922	299,799	291,499	7,610,859	58,910
NonCurrent Liabilities:						
Revenue Bonds Payable (Net of Discounts)	77,100	27,266,245	-	-	27,343,345	-
Compensated Absences	26,568	7,730	-	-	34,298	6,476
Pension Liability	1,375,547	603,269	-	-	1,978,816	-
Total Non-current Liabilities	1,479,215	27,877,244	-	-	29,356,459	6,476
Total Liabilities	5,638,854	30,737,166	299,799	291,499	36,967,318	65,386
Deferred Inflows of Resources						
Pension Obligations	2,989	1,311	-	-	4,300	-
Total Deferred Inflows of Resources	2,989	1,311	-	-	4,300	-
Net Position						
Net Investment In Capital Assets	52,088,018	53,609,080	-	1,216,678	106,913,776	216,549
Restricted	-	-	-	-	-	-
Unrestricted	16,897,613	22,183,005	958,614	1,989,318	42,028,550	586,033
Total Net Position	68,985,631	75,792,085	958,614	3,205,996	148,942,326	802,582
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 74,627,474	\$ 106,530,562	\$ 1,258,413	\$ 3,497,495	\$ 185,913,944	\$ 867,968

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, 2023

	Business-Type Activities				Total	Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type		
Operating Revenues:						
Charges for Services	\$ 12,035,516	\$ 10,412,263	\$ 3,963,058	\$ 599,170	\$ 27,010,007	\$ 582,052
Taps, Connection and Other Fees	153,012	-	-	-	153,012	-
Special Assessments, Including Interest	-	-	-	-	-	215,482
Miscellaneous	109,063	15,094	2,023	3,752	129,932	-
Total Operating Revenues	<u>12,297,591</u>	<u>10,427,357</u>	<u>3,965,081</u>	<u>602,922</u>	<u>27,292,951</u>	<u>797,534</u>
Operating Expenses:						
Contracted Services	270,013	4,060,545	2,562,887	139,258	7,032,703	8,225
Personnel Expenses	2,812,911	1,166,187	-	28,825	4,007,923	434,148
Depreciation and Amortization	1,926,041	3,498,705	-	57,484	5,482,230	13,310
Utilities	1,213,862	5,308	-	5,931	1,225,101	11,912
Landfill Expenses	-	-	901,072	-	901,072	-
Supplies	376,292	59,141	-	8,786	444,219	43,530
Insurance	-	-	-	-	-	487,144
Repairs and Maintenance	185,477	21,033	-	16,170	222,680	13,741
Vehicle Expenses	210,999	62,067	-	928	273,994	2,739
Small Equipment	1,697,565	627,453	-	140,675	2,465,693	36,519
Studies and Projects	32,493	-	91,636	-	124,129	-
Rental Expense	157,219	-	-	-	157,219	-
Miscellaneous Expense	211,316	43,684	15,765	(4,619)	266,146	2,417
Testing and Monitoring	97,358	-	-	-	97,358	-
Travel and Meetings	12,250	3,660	-	-	15,910	3,177
Total Operating Expenses	<u>9,203,796</u>	<u>9,547,783</u>	<u>3,571,360</u>	<u>393,438</u>	<u>22,716,377</u>	<u>1,056,862</u>
Operating Income (Loss)	3,093,795	879,574	393,721	209,484	4,576,574	(259,328)
Non-Operating Revenues (Expenses):						
Development Fees	-	2,522,623	-	-	2,522,623	-
Interest, Dividends & Changes in Market Value	171,599	284,795	11,869	17,378	485,641	(40)
Rent and Royalties	101,256	-	-	-	101,256	-
Federal Grants	114,975	43,780	-	-	158,755	-
Gain (Loss) on Sale or Transfer of Assets	44,853	7,535	-	-	52,388	-
Interest Expense	(76,928)	(1,133,135)	-	-	(1,210,063)	-
Total Non-Operating Revenues (Exp.)	<u>355,755</u>	<u>1,725,598</u>	<u>11,869</u>	<u>17,378</u>	<u>2,110,600</u>	<u>(40)</u>
Income (Loss) Before Interfund Transfers	3,449,550	2,605,172	405,590	226,862	6,687,174	(259,368)
Interfund Transfers						
Transfers In	466,352	-	-	137,630	603,982	401,110
Transfers Out	(1,351,469)	(940,803)	(448,292)	(15,837)	(2,756,401)	(71,187)
Net Transfers	<u>(885,117)</u>	<u>(940,803)</u>	<u>(448,292)</u>	<u>121,793</u>	<u>(2,152,419)</u>	<u>329,923</u>
Net Income (Loss)	2,564,433	1,664,369	(42,702)	348,655	4,534,755	70,555
Total Net Position, October 1, 2022	<u>66,421,198</u>	<u>74,127,716</u>	<u>1,001,316</u>	<u>2,857,341</u>	<u>144,407,571</u>	<u>732,027</u>
Total Net Position, September 30, 2023	<u>\$ 68,985,631</u>	<u>\$ 75,792,085</u>	<u>\$ 958,614</u>	<u>\$ 3,205,996</u>	<u>\$ 148,942,326</u>	<u>\$ 802,582</u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities				Total	Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type		
Cash Flows from Operating Activities						
Receipts from Customers	\$ 14,223,615	\$ 8,266,988	\$ 4,000,587	\$ 600,342	\$ 27,091,532	\$ -
Cash Received from Interfund Services Provided	-	-	-	-	-	583,524
Property Taxes, Including Interest	-	-	-	-	-	175,094
Payments to Suppliers	(4,494,379)	(4,837,250)	(3,551,360)	(76,189)	(12,959,178)	(633,559)
Payments to Employees	(2,761,567)	(1,028,480)	-	(28,825)	(3,818,872)	(430,009)
Other Receipts	109,063	15,094	2,023	3,752	129,932	-
Net Cash Provided (Used) by Operating Activities	<u>7,076,732</u>	<u>2,416,352</u>	<u>451,250</u>	<u>499,080</u>	<u>10,443,414</u>	<u>(304,950)</u>
Cash Flows from Non-Capital Financing Activities						
Interfund Transfers to Other Funds	(1,351,469)	(940,803)	(448,292)	(15,837)	(2,756,401)	(71,187)
Receipts from (Advances) to Other Funds	466,352	-	-	137,630	603,982	401,110
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(885,117)</u>	<u>(940,803)</u>	<u>(448,292)</u>	<u>121,793</u>	<u>(2,152,419)</u>	<u>329,923</u>
Cash Flows from Capital and Related Financing Activities						
Purchase of Capital Assets	(107,693)	(262,335)	-	-	(370,028)	-
Construction in Progress	(1,111,839)	(1,109,374)	-	(137,630)	(2,358,843)	-
(Gain) Loss on Disposals, Transfers of Capital Assets	-	(7,535)	-	-	(7,535)	-
Principal Paid on Capital Debt	(765,000)	(2,350,000)	-	-	(3,115,000)	-
Interest Paid on Capital Debt	(78,500)	(1,135,531)	-	-	(1,214,031)	-
Development Fees	-	2,522,623	-	-	2,522,623	-
Rents and Royalties	101,256	-	-	-	101,256	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(1,846,801)</u>	<u>(2,298,372)</u>	<u>-</u>	<u>(137,630)</u>	<u>(4,282,803)</u>	<u>-</u>
Cash Flows from Investing Activities						
(Purchase) or Sale of Securities	(1,105,516)	2,113,264	(99,467)	(946,807)	(38,526)	(6,821)
Interest, Dividends & Changes in Fair Value	171,599	284,795	11,869	17,378	485,641	(40)
Net Cash Provided (Used) by Investing Activities	<u>(933,917)</u>	<u>2,398,059</u>	<u>(87,598)</u>	<u>(929,429)</u>	<u>447,115</u>	<u>(6,861)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,410,897	1,575,236	(84,640)	(446,186)	4,455,307	18,112
Balances - Beginning of the Year	<u>1,123,244</u>	<u>(2,614,153)</u>	<u>114,345</u>	<u>974,014</u>	<u>(402,550)</u>	<u>358,910</u>
Balances - End of the Year	<u>\$ 4,534,141</u>	<u>\$ (1,038,917)</u>	<u>\$ 29,705</u>	<u>\$ 527,828</u>	<u>\$ 4,052,757</u>	<u>\$ 377,022</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 3,093,795	\$ 879,574	\$ 393,721	\$ 209,484	\$ 4,576,574	\$ (259,328)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	2,003,141	3,639,119	-	57,484	5,699,744	13,310
Amortization	(77,100)	(140,414)	-	-	(217,514)	-
Gain or Loss on Disposal of Assets	44,853	7,535	-	-	52,388	-
Change in Assets and Liabilities:						
Receivables, Net	(351,179)	(2,145,125)	37,979	1,172	(2,457,153)	(40,079)
Prepaid Expenses	-	11,919	-	-	11,919	-
Inventories	(203,243)	-	-	-	(203,243)	-
Due From Other Funds	-	-	-	-	-	-
Unavailable Revenue	-	-	-	-	-	1,163
DOF or Resources-Pension Obligations	352,822	33,878	-	-	386,700	-
Accounts Payable	128,855	26,187	20,000	230,940	405,982	(24,155)
Customer Deposits	2,386,266	(150)	(450)	-	2,385,666	-
Compensated Absences	7,347	5,005	-	-	12,352	4,139
Pension Asset or Liability	(246,269)	60,269	-	-	(186,000)	-
DIF or Resources-Pension Obligations	(62,556)	38,555	-	-	(24,001)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,076,732</u>	<u>\$ 2,416,352</u>	<u>\$ 451,250</u>	<u>\$ 499,080</u>	<u>\$ 10,443,414</u>	<u>\$ (304,950)</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds						
Cash and Investments-Statement of Net Position	\$ 18,185,507	\$ 18,713,043	\$ 853,367	\$ 2,268,536	\$ 40,020,453	\$ 606,623
Less: Investments	<u>(13,651,366)</u>	<u>(19,751,960)</u>	<u>(823,662)</u>	<u>(1,740,708)</u>	<u>(35,967,696)</u>	<u>(229,601)</u>
Cash and Cash Equivalents	<u>\$ 4,534,141</u>	<u>\$ (1,038,917)</u>	<u>\$ 29,705</u>	<u>\$ 527,828</u>	<u>\$ 4,052,757</u>	<u>\$ 377,022</u>

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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, 2023

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, 2023

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, 2023

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, 2023

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, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-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 \$4,713 as of September 30, 2023.

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, 2023

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, 2023, no capital assets were considered to be impaired, and no impairment loss was recognized for the year that ended September 30, 2023.

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 assets that applies to future periods 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 pension liability, and the contributions subsequent to the measurement date of the City's 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 assets 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 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, 2023

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, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-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, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-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.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

On or before June 1st 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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

3. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents

A reconciliation of cash and cash equivalents on September 30, 2023 is as follows:

Reconciled Bank Accounts	\$ 3,844,008
State Investment Pool	2,260,469
Money Market Mutual Funds	10,723,565
Library Operating Fund	125,115
Petty Cash	2,490
Total Cash	<u>\$ 16,955,647</u>

**Cash and Investment Reconciliation
to the Statement of Net Position**

Cash as Stated Above	\$ 16,955,647
Investments	83,125,437
Pooled Cash Deficit	102,486
Cash and Investments	<u>\$ 100,183,570</u>

On September 30, 2023, the Urban Renewal Agency’s reconciliation of cash and cash equivalents is as follows:

Cash in Bank	\$ 51,029	Reconciliation to the Statement of Net Assets	
State Investment Pool	1,530,083	Cash on Statement of Net Assets	\$ 4,909,215
Money Market Fund	3,301,373	Pooled Cash Deficit	<u>(26,730)</u>
Total	<u>\$4,882,485</u>	Total Cash	<u>\$ 4,882,485</u>

The City’s and the Agency’s reconciled bank balances are covered by \$500,000 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 on September 30, 2023.

US Government Bonds	\$ 1,209,730
Certificates of Deposit	246,260
Mortgage/Asset Backed Securities	76,193,308
Municipal Bonds	2,311,684
Corporate Bonds	3,164,455
Total	<u>\$ 83,125,437</u>

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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

3. DEPOSITS AND INVESTMENTS-Continued

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:

Investments	Investment Maturities (in years)				
	Fair Value	Less than 1 year	1-5 Years	6-10 Years	Over 10 Years
Certificates of Deposit	\$ 246,260	\$ -	\$ 246,260	\$ -	\$ -
U.S. Government Bonds					
Small Business Admin GTD	752,770	-	-	262,174	490,596
Federal Home Loan Banks	456,960	-	456,960	-	-
Mortgage/Asset Backed Securities					
Federal Home Loan Mortgage Corporation	1,055,223	-	121,973	507,310	425,940
FHLMC Multiclass Mtg Partn CTFS	30,500,678	364	4,430,831	8,615,326	17,454,157
FNMA GTD MTG Pass thru CTFS Pool	3,613,727	-	2,888,305	725,422	-
FNMA GTD REMIC PASS THRU	79,736	-	37,045	42,691	-
FNMA GTD REMIC PASS THRU	30,412,386	-	2,825,426	9,639,305	17,947,655
FNMA STRIPPED MTG BACKED SECURITIES	152,002	-	-	-	152,002
FHLMC MultiFamily Structured	-	-	-	-	-
FHLMC GNMA	-	-	-	-	-
FRESB MultiFamily Mortgage	241,285	-	241,285	-	-
GNMA GTD MTG PASS THRU CTFS POOL	9,017	-	9,017	-	-
GNMA GTD Multifamily remic pass thru	2,452,836	-	-	92,358	2,360,478
GNMA GTD REMIC PASS THRU SECS	6,552,656	-	308,530	351,985	5,892,141
GNMA II GTD MTG PASS THRU CTFS POOL	174,559	-	151,797	-	22,762
JPMorgan Chase & Co Medium Term NTS	437,905	-	-	437,905	-
Small Business Admin GTD DEV PARTN	226,994	-	67,599	-	159,395
Small Business Admin GTD PARTN CTFS	722,209	-	401,148	-	321,061
Municipal Bonds					
Vermont St Student Assistance Corp	2,311,684	-	-	-	2,311,684
Corporate Bonds	2,726,550	-	2,726,550	-	-
	<u>\$ 83,125,437</u>	<u>\$ 364</u>	<u>\$ 14,912,726</u>	<u>\$ 20,674,476</u>	<u>\$ 47,537,871</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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:

Investments subject to credit risk	Fair Value	S & P Rating
Certificates of Deposits	\$ 246,260	Unrated
U.S. Government Bonds		
Small Business Admin GTD	752,770	Unrated
Federal Home Loan Banks	456,960	AA+
Mortgage/Asset Backed Securities		
Federal Home Loan Mortgage Corporation	1,055,223	Unrated
FHLMC Multiclass Mtg Partn CTFS	30,500,678	Unrated
FNMA GTD MTG Pass thru CTFS Pool	3,613,727	Unrated
FNMA GTD REMIC PASS THRU	79,736	Unrated
FNMA GTD REMIC PASS THRU	30,412,386	Unrated
FNMA STRIPPED MTG BACKED SECURITIES	152,002	Unrated
FRESB MultiFamily Mortgage	241,285	Unrated
GNMA GTD MTG PASS THRU CTFS POOL	9,017	Unrated
GNMA GTD Multifamily remic pass thru	2,452,836	Unrated
GNMA GTD REMIC PASS THRU SECS	6,552,656	Unrated
GNMA II GTD MTG PASS THRU CTFS POOL	174,559	Unrated
JPMorgan Chase & Co Medium Term NTS	437,905	A-
Small Business Admin GTD DEV PARTN	226,994	Unrated
Small Business Admin GTD PARTN CTFS	722,209	Unrated
Municipal Bonds		
Vermont St Student Assistance Corp	2,311,684	AAA
Corporate Bonds	1,822,990	A-
Corporate Bonds	903,560	BBB+
	<u>\$ 83,125,437</u>	

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

3. DEPOSITS AND INVESTMENTS-Continued

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.

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. The following groups of investments did exceed 5%.

	Reported	
	Amount	Percentage
Mortgage/Asset Backed Securities		
FHLMC Multiclass Mtg Partn CTFS	30,500,678	36.69%
FNMA GTD REMIC PASS THRU	30,412,386	36.59%
GNMA GTD REMIC PASS THRU SECS	6,552,656	7.88%

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 on September 30, 2023:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Certificates of Deposit	\$ 246,260	\$ 246,260	\$ -	\$ -
US Government Bonds	1,209,730	-	1,209,730	-
Mortgage/Asset Backed Securities	76,631,213	-	76,631,213	-
Municipal Bonds	2,311,684	-	2,311,684	-
Corporate Bonds	2,726,550	-	2,726,550	-
Total	\$ 83,125,437	\$ 246,260	\$ 82,879,177	\$ -

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

3. DEPOSITS AND INVESTMENTS-Continued

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

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Local Government Investment Pool	\$ 2,260,469	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 20th 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.

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, 2023, are considered to be deferred revenue.

Taxes receivable and deferred revenue on September 30, 2023, consist of the following for the City:

Fund	Taxes Receivable	Unavailable Revenue
General	\$ 539,606	\$ 479,479
Street	21,683	15,809
Street Lighting	1,698	1,401
Capital Improvement	21,934	17,101
Insurance	5,231	4,525
Total	<u>\$ 590,152</u>	<u>\$ 518,315</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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

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

Property Taxes	\$ 518,315
Unearned Revenues-Other	<u>918,176</u>
Total	<u>\$ 1,436,491</u>

Urban Renewal Agency taxes receivable and unavailable revenue on September 30, 2023 consist of 2022 property tax revenue to be collected after November 30, 2023.

Amounts due from other governments on September 30, 2023 are presented as follows for the City:

<u>Fund</u>	<u>State</u>	<u>County</u>	<u>Local</u>	<u>Total</u>
General	\$ 1,070,980	\$ 74,048	\$ 76,964	\$ 1,221,992
Street	1,027,636	4,954	-	1,032,590
Street Lighting	-	158	-	158
Library	-	3,144	-	3,144
Airport	-	694	-	694
Capital Improvement	586,383	1,871	-	588,254
Insurance	-	511	-	511
Water	-	-	-	-
Pool	92,310	-	-	92,310
Fireworks	2,323	-	-	2,323
Water	114,975	-	-	114,975
Wastewater	895	-	-	895
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund and Government-wide Financial Statements	<u>\$ 2,895,502</u>	<u>\$ 85,380</u>	<u>\$ 76,964</u>	<u>\$ 3,057,846</u>

Urban Renewal Agency receivable from other governments consists of property taxes collected by the County prior to December 1, 2023.

5. CAPITAL ASSETS

Changes in capital assets for the City for the year ended September 30, 2023, are as follows:

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Government-wide Assets:					
Capital Assets, not Being Depreciated					
Land	\$ 11,309,612	\$ 663,150	\$ -	\$ -	\$ 11,972,762
Construction in Progress	17,869,212	12,905,518	(66,206)	(14,092,554)	16,615,970
Total Capital Assets, not Being Depreciated	29,178,824	13,568,668	(66,206)	(14,092,554)	28,588,732
Capital Assets Being Depreciated					
Buildings and Structures	37,142,256	-	-	-	37,142,256
Infrastructure	291,764,548	308,224	-	13,001,519	305,074,291
Improvements	21,192,026	152,504	-	258,028	21,602,558
Machinery and Equipment	27,075,117	1,256,973	(1,170,901)	927,180	28,088,369
Total Capital Assets Being Depreciated	377,173,947	1,717,701	(1,170,901)	14,186,727	391,907,474
Less Accum. Deprec. For Govt. Wide					
Buildings and Structures	12,955,075	1,052,690	-	-	14,007,765
Infrastructure	207,357,683	6,088,859	-	-	213,446,542
Improvements	15,319,474	758,800	-	-	16,078,274
Machinery and Equipment	16,696,042	1,947,151	(1,085,790)	101,707	17,659,110
Total Accum. Deprec.	252,328,274	9,847,500	(1,085,790)	101,707	261,191,691
Governmental Activities Capital Assets, net	\$ 154,024,497	\$ 5,438,869	\$ (151,317)	\$ (7,534)	\$ 159,304,515
Business Type Activity Assets:					
Capital Assets, not Being Depreciated					
Land	\$ 12,825,918	\$ -	\$ -	\$ -	\$ 12,825,918
Construction in Progress	2,577,838	2,358,843	-	(2,195,001)	2,741,680
Total Capital Assets, not Being Depreciated	15,403,756	2,358,843	-	(2,195,001)	15,567,598
Capital Assets Being Depreciated					
Buildings and Structures	19,037,928	-	-	-	19,037,928
Infrastructure	118,394,384	-	-	2,195,002	120,589,386
Improvements	39,123,806	-	-	-	39,123,806
Machinery and Equipment	17,191,170	370,028	(117,130)	(94,174)	17,349,894
Total Capital Assets Being Depreciated	193,747,288	370,028	(117,130)	2,100,828	196,101,014
Less Accum. Deprec. For Business Type Activities					
Buildings and Structures	15,634,127	419,009	-	-	16,053,136
Infrastructure	22,824,654	3,642,580	-	-	26,467,234
Improvements	20,078,409	758,348	-	-	20,836,757
Machinery and Equipment	10,138,395	879,806	(117,130)	(101,707)	10,799,364
Total Accum. Deprec.	68,675,585	5,699,743	(117,130)	(101,707)	74,156,491
Business-type Activities Capital Assets, net	\$ 140,475,459	\$ (2,970,872)	\$ -	\$ 7,534	\$ 137,512,121

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

5. CAPITAL ASSETS - Continued

Changes in capital assets for the Urban Renewal Agency for the year ended September 30, 2023, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Government-wide Assets:				
Capital Assets, not Being Depreciated				
Land and Buildings	\$ 2,913,562	\$ 2,793,582	\$ (1,764,822)	\$ 3,942,322
Total Capital Assets, not Being Depreciated	<u>\$ 2,913,562</u>	<u>\$ 2,793,582</u>	<u>\$ (1,764,822)</u>	<u>\$ 3,942,322</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	\$ 7,259,815
Fire	378,125
Police	295,472
Library	86,538
Culture and Recreation	319,451
Highway and Streets	541,303
Airport	911,295
Pool	42,191
	<u>9,834,190</u>
Depreciation on Capital Assets held by the City's Internal Service Fund	<u>13,310</u>
Total Depreciation Expense-Governmental Activities	<u>\$ 9,847,500</u>

Lessee Agreements

The City utilizes leases when deemed appropriate or necessary. Lease assets are capital assets and are included in the capital asset activity discussed previously.

As of September 30, 2023, the City held lease asset balances of the following:

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

5. CAPITAL ASSETS - Continued

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Capital assets not being depreciated				
Construction in Progress	\$ 7,901,195		\$ -	\$ 7,901,195
Total capital assets not being depreciated	7,901,195	-	-	7,901,195
Capital assets being depreciated				
Equipment	728,832	-	-	728,832
Total capital assets being depreciated	728,832	-	-	728,832
Less accumulated depreciation for:				
Equipment	(24,294)	(72,883)	-	(97,177)
Total accumulated depreciation	(24,294)	(72,883)	-	(97,177)
Total capital assets being depreciated, net	704,538	(72,883)	-	631,655
Governmental Activities capital assets, net	\$ 8,605,733	\$ (72,883)	\$ -	\$ 8,532,850

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 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. Issuance costs are recognized in the period the bonds are issued.

In the fund financial statements, government fund types recognize long-term obligations as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources are reported as a liability of a governmental fund. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. 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, 2023

6. LONG-TERM LIABILITIES-Continued

The City Council determined that the best interests of the community would be served with the replacement of two fire stations. One of the fire stations is being financed with general fund reserves. The other is being financed through a lease agreement with Zions Bancorporation, National Association (Zions). Under the terms of the agreement, the City is leasing the fire facility to Zions and Zions is leasing the facility back, with no actual payment due. Zions is providing the financing for construction of the fire station through certificates of participation in the amount of \$8,405,000. Lease payments, under the agreement, are appropriated annually. The lease would end if a payment were not funded. However, it is the intent of the City to fulfil all terms of the agreement. The lease agreement is being represented as a financing arrangement for the fire station costs. During construction, costs are being inventoried as Construction in Process.

In addition to the lease agreement for the construction and use of the fire station above. The City also agreed with Zions for the lease of a fire pumper truck for \$728,832. The lease term is for five years. Each year's funding needs to be appropriated, or the lease ends. The City again intends to meet all requirements of the lease agreement and is presenting the lease as a financing arrangement, with interest accruing at 1.91%.

In addition to the lease agreement for the construction and use of the fire station above. The City also agreed with Zions for the lease of a fire pumper truck for \$979,238. The lease term is for five years. Each year's funding needs to be appropriated, or the lease ends. The City again intends to meet all requirements of the lease agreement and is presenting the lease as a financing arrangement, with interest accruing at 4.43%.

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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

6. LONG-TERM LIABILITIES-Continued

	Beginning Balance	Additions	Principal Payments	Amort.	Ending Balance
Governmental Activities:					
Annual Appropriation Certificates of Participation, Series 2022	\$ 8,905,713	\$ -	\$ (225,000)	\$ (25,236)	\$ 8,655,477
Zions Bancorporation-lease	728,832		(140,303)		588,529
Zions Bancorporation-lease	-	979,238	-	-	979,238
Total	<u>\$ 9,634,545</u>	<u>\$ 979,238</u>	<u>\$ (365,303)</u>	<u>\$ (25,236)</u>	<u>\$ 10,223,244</u>
Business-type Activities:					
Idaho Bond Bank Authority, Water Bonds	\$ 1,724,200		\$ (765,000)	\$ (77,100)	\$ 882,100
Idaho Bond Bank Authority, Parity Lien Revenue	3,142,414		(565,000)	(35,483)	2,541,931
Idaho Bond Bank Authority, Revenue Bonds	29,064,245		(1,785,000)	(104,931)	27,174,314
Total	<u>\$ 33,930,859</u>	<u>\$ -</u>	<u>\$ (3,115,000)</u>	<u>\$ (217,514)</u>	<u>\$ 30,598,345</u>

The following are obligations of the City.

Governmental Activities

Annual Appropriation Certificates of Participation, Series 2022

Payable in semi-annual installments over 20 years with interest rates that varies from 4 to 5%

\$ 8,180,000

Plus: Unamortized Premium

475,477

Total

\$ 8,655,477

Zions Bancorporation

Payable in annual installments over 5 years with interest rates of 1.91%

588,529

Payable in annual installments over 5 years with interest rates of 4.43%

979,238

Total

\$10,223,244

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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%

	\$	805,000	
Plus: Unamortized Premium		<u>77,100</u>	
Total			\$ 882,100

*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%

		2,400,000	
Plus: Unamortized Premium		<u>141,931</u>	
Total			2,541,931

*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%

		26,125,000	
Plus: Unamortized Premium		<u>1,049,314</u>	
Total			<u>27,174,314</u>
Total			<u><u>\$ 30,598,345</u></u>

The Debt service requirements to maturity are as follows:

September 30,	Governmental Activities:			Business-type Activities:		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 412,984	\$ 434,721	\$ 847,705	\$ 3,255,000	\$ 1,074,526	\$ 4,329,526
2025	659,843	418,490	1,078,333	2,520,000	965,125	3,485,125
2026	682,777	391,307	1,074,084	2,590,000	893,987	3,483,987
2027	711,214	363,120	1,074,334	2,670,000	814,350	3,484,350
2028	590,949	333,660	924,609	2,765,000	716,850	3,481,850
2029-2033	1,905,000	1,347,000	3,252,000	15,530,000	1,880,900	17,410,900
2034-2038	2,430,000	820,750	3,250,750	-	-	-
2039-2042	<u>2,355,000</u>	<u>240,200</u>	<u>2,595,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 9,747,767</u>	<u>\$ 4,349,248</u>	<u>\$ 14,097,015</u>	<u>\$ 29,330,000</u>	<u>\$ 6,345,738</u>	<u>\$ 35,675,738</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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 on September 30, 2023 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%. \$ 9,575,000

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. 19,222,000

Total \$ 28,797,000

Expected annual maturities of these obligations are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,468,000	\$ 2,003,890	\$ 4,471,890
2025	2,540,000	1,829,425	4,369,425
2026	2,627,000	1,648,779	4,275,779
2027	2,718,000	1,461,289	4,179,289
2028	2,819,000	1,266,784	4,085,784
2029-2033	13,010,000	3,142,367	16,152,367
2034-2036	<u>2,615,000</u>	<u>263,450</u>	<u>2,878,450</u>
Total	<u>\$ 28,797,000</u>	<u>\$ 11,615,984</u>	<u>\$ 40,412,984</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. On September 30, 2023, the Agency was indebted in the amount of \$14,234,032.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

6. LONG-TERM LIABILITIES-Continued

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. On September 30, 2023, the Agency was indebted in the amount of \$10,234,049. That amount accrues interest at a variable rate, 7.5% on September 30, 2023. Accrued interest at year end totaled \$5,052,010. For several years the Agency has not been able to make any payments on the indebtedness. The agreement states that any existing debt with Clif Bar by the Agency at the end of the revenue allocation area's life ends without recourse.

Changes in Long-Term Debt

During the year ended September 30, 2023, 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	\$ 20,882,000	\$ -	\$ (1,660,000)	\$ 19,222,000
Revenue Allocation Bonds, Series 2016	10,315,000	-	(740,000)	9,575,000
Total Revenue Bonds	31,197,000	-	(2,400,000)	28,797,000
Chobani Idaho, LLC-Projects Improvements	14,562,772	-	(328,740)	14,234,032
Clif Bar Development	10,234,049	-	-	10,234,049
Total Agreements	24,796,821	-	(328,740)	24,468,081
Total	\$ 55,993,821	\$ -	\$ (2,728,740)	\$ 53,265,081

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	\$ 2,357,480	\$ 1,852,841	\$ (1,634,809)	\$ 2,575,512	\$ 1,558,753
Business-type	197,026	194,614	(182,262)	209,378	175,080
Total	\$ 2,554,506	\$ 2,047,455	\$ (1,817,071)	\$ 2,784,890	\$ 1,733,833

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, 2023

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 Fund Types record operating subsidies as other revenue whereas the fund paying the subsidy records it as either an expenditure or transfer.

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 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.

Interfund transfers for the year are as follows:

	Transfers to											Total
	General	Street	Airport	Airport Const	Capital Imp.	Fire Works	Water Works	Dierkes	Insurance	Shop Revolving	Pool	
Transfers From												
General	\$ -	\$ -	\$ 6,085	\$ -	\$ 12,165,111	\$ 11,975	\$ -	\$ -	\$ -	\$ -	\$ 40,603	\$ 12,223,774
Street	344,430	-	-	-	-	-	-	-	35,932	-	-	380,362
Street Light	28,147	-	-	-	-	-	-	-	-	-	-	28,147
Airport	416,209	-	-	179,489	-	-	-	-	35,932	-	-	631,630
Capital Imp.	-	682,507	-	-	-	-	-	137,630	-	21,289	-	841,426
Waterworks	1,156,417	115,593	-	-	-	-	-	-	79,459	-	-	1,351,469
Wastewater	488,130	-	-	-	-	-	233,176	-	219,497	-	-	940,803
Common Area	3,523	-	-	-	-	-	-	-	-	-	-	3,523
Sanitation	206,115	-	-	-	-	-	233,176	-	9,001	-	-	448,292
Dierkes Lake	12,314	-	-	-	-	-	-	-	-	-	-	12,314
CBDG	31,790	-	-	-	-	-	-	-	-	-	-	31,790
Impact Fees	-	-	-	-	1,361,809	-	-	-	-	-	-	1,361,809
Shop	819	-	-	-	-	-	-	-	-	-	-	819
Insurance	70,368	-	-	-	-	-	-	-	-	-	-	70,368
Total	\$ 2,758,262	\$ 798,100	\$ 6,085	\$ 179,489	\$ 13,526,920	\$ 11,975	\$ 466,352	\$ 137,630	\$ 379,821	\$ 21,289	\$ 40,603	\$ 18,326,526

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

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 the 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 the 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.

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.

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 the 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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

9. PENSION PLANS-Continued

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 74% for public safety. As of June 30, 2023 it was 7.16% for general employees and 9.13% for public safety. The employer contribution rate as a percentage 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 \$2,894,397 for the year ended June 30, 2023.

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

For the Base Plan on September 30, 2023, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, 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. On June 30, 2023, the City's proportion was .005701241 percent.

For the FRF on September 30, 2023, the City reported an asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, 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. On June 30, 2023, the City's proportion was .042227719 percent.

For the year ended September 30, 2023, the City recognized pension expense (revenue) of \$3,517,227 for the Base Plan and (\$813,977) for the FRF Plan for an aggregate total of \$2,703,250. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

9. PENSION PLANS-Continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
BASE PLAN		
Differences between expected and actual experience	\$ 3,899,826	\$ -
Changes in assumptions or other inputs	2,252,905	-
Net difference between projected and actual earnings on pension plan investments	2,135,589	-
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	297,828	51,008
The City's contributions subsequent to the measurement date	<u>778,786</u>	<u>-</u>
Total	<u>\$ 9,364,934</u>	<u>\$ 51,008</u>
FRF		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	380,740	-
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>-</u>	<u>-</u>
Total	<u>\$ 380,740</u>	<u>\$ -</u>

For the Base Plan, \$778,786 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, 2023.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined on July 1, 2022 the beginning of the measurement period ended June 30, 2022 is 4.6 and 4.4 years for the measurement period June 30, 2023 for the Base Plan and 1 year for the FRF Plan.

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:

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

9. PENSION PLANS-Continued

Year Ended September 30,

	<u>Base Plan</u>	<u>FRF</u>
2024	\$ 2,995,842	\$ 29,553
2025	1,432,807	(121,603)
2026	4,364,866	574,493
2027	<u>(258,375)</u>	<u>(101,703)</u>
	\$ 8,535,140	\$ 380,740

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, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expenses
Cost-of living adjustments	1.00%

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries – Males Pub – 2010 General Tables, increased 11%
 General Employees and All Beneficiaries – Females Pub – 2010 General Tables, increased 21%
 Teachers – Males Pub – 2010 Teacher Tables, increased 12%
 Teachers – Females Pub – 2010 Teacher Tables, increased 21%
 Fire & Police – Males Pub – 2010 Safety Tables, increased 21%
 Fire & Police – Females Pub – 2010 Safety Tables, increase 26%
 Disabled Members – Males Pub – 2010 Disabled Tables, increased 38%
 Disabled Members – Females Pub – 2010 Disabled Tables, increase 36%

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, 2023

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	2.30%
Salary increases	3.05%
Investment rate of return	6.35%, net of investment expenses
Cost-of living adjustments	3.05%

Contributing Members, Service Retirement Members, and Beneficiaries

Fire & Police – Males Pub – 2010 Safety Tables, increased 21%

Fire & Police – Females Pub – 2010 Safety Tables, increase 26%

Disabled Members – Males Pub – 2010 Disabled Tables, increased 38%

Disabled Members – Females Pub – 2010 Disabled Tables, increase 36%

For the Base Plan, an experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability for the Base Plan as of June 30, 2023 is based on the results of an actuarial valuation date of July 1, 2023.

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, 2023 is based on the results of an actuarial valuation date of July 1, 2023.

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 for the base plan are as of 2023.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

9. PENSION PLANS-Continued

BASE Plan

Capital Market Assumptions 2022

Asset Class	<u>DB Plans</u>	<u>Sick Leave</u>
Fixed Income	30.00%	50.00%
US/Global Equity	55.00%	39.30%
International Equity	15.00%	10.70%
Cash	0.00%	0.00%
 Total	 100.00%	 100.00%

	<u>Target Allocation</u>	<u>Long-term Expected Rate of Return</u>
FRF Plan		
Asset Class		
Cash	0.00%	0.00%
Large Cap	18.00%	4.50%
Small/Mid Cap	11.00%	4.70%
International Equity	15.00%	4.50%
Emerging Markets Equity	10.00%	4.90%
Domestic Fixed	20.00%	-0.25%
TIPS	10.00%	-0.30%
Real Estate	8.00%	3.75%
Private Equity	8.00%	6.00%

Discount Rate

The discount rate used to measure the total pension liability was 7.05% for the Base Plan and 6.35% for the FRF Plan. 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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

9. PENSION PLANS-Continued

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 6.35 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 (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Rate (6.35%)	1% Increase (7.35%)
BASE PLAN			
Employer's proportionate share of the net pension liability (asset)	\$ 41,641,733	\$ 23,473,505	\$ 8,624,386
FRF			
Employer's proportionate share of the net pension asset	\$ (9,131,301)	\$ (9,982,749)	\$ (10,724,825)

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.

Payable to the pension plan

On September 30, 2023, there were no payables to the defined benefit pension plans for legally required employer contributions or for legally required employee contributions that 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 levys 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.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

10. TAX ABATEMENTS-continued

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 taxpayer 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.

11. 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, 2023, the City was in compliance with these covenants.

12. FUND BALANCE AND NET ASSET DEFICITS

The City did not have any fund deficits as of September 30, 2023, which are significant.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2023

13. URBAN RENEWAL SUMMARIZED INFORMATION

	Year Ended September 30, 2023
Assets	\$ 8,872,398
Total Assets	<u>\$ 8,872,398</u>
 Liabilities & Net Position	
Liabilities	\$ 59,163,036
Net Assets:	
Net Investment in Capital Assets	(49,322,759)
Restricted	3,334,394
Unrestricted	(4,302,273)
Total Liabilities & Net Position	<u>\$ 8,872,398</u>
 Revenues	\$ 6,421,479
Expenditures	<u>(4,246,353)</u>
 Excess (Deficiency) Revenues over Expenditures	\$ 2,175,126
 Net Position - Beginning of Year	<u>(52,465,764)</u>
 Net Position - End of Year	<u>\$ (50,290,638)</u>

14. COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS

On November 27, 2023, a new revenue allocation area was created by the Urban Renewal Agency, the Old Towne-2 Revenue Allocation Area. It comprises approximately 370 acres and is generally bordered by 2nd Ave. N. (NE), Washington Street (W), Blue Lakes Blvd. (E), Rockcreek (S).

The trustee of the Revenue Allocation Bonds, Series 2013A, notified the Urban Renewal Agency that it did not meet the requirement that property tax revenue collected must exceed the debt service payment by 1.25 times. As a result, the trustee will hold back 75% of “Available Pledged Revenue” following the April 1 payment date and it will be applied to the bonds. This process will continue until coverage returns to 1.25x through either increases in tax revenues, decreases to debt service, or both.

The City is involved in civil litigation, Hamilton Manufacturing, Inc., et al. v. City of Twin Falls, et. al. This is a civil lawsuit filed in state court relating to a 2018 main water line repair and replacement project undertaken by the City on private property. According to the property owners, the City’s actions caused damage to their property. Most claims in this litigation have been resolved by the parties. The trial for the remaining claims is set for March 11, 2024. The City’s insurance carrier is vigorously defending the City against these remaining claims. Estimated damages are \$800,000. If the City receives a judgment, the insurance carrier will contribute to the majority, if not all, of the settlement.

The City and Agency have evaluated subsequent events through March 8, 2024, the date which the financial statements were available to be issued and determined the following disclosures were needed.

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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes, Including Penalty and Interest	\$22,796,522	\$22,796,522	\$22,926,877	\$ 130,355	\$21,928,967
Non-property Taxes	445,000	445,000	550,290	105,290	451,916
Fines and Forfeitures	5,000	5,000	22,243	17,243	19,315
Licenses and Permits	1,419,000	1,419,000	1,165,799	(253,201)	1,580,313
Fees and Services	1,423,877	1,423,877	1,443,814	19,937	1,545,660
Intergovernmental	3,887,184	3,993,125	4,121,321	128,196	4,473,163
Federal Grants	180,000	441,000	8,544,326	8,103,326	118,556
Interest, Dividends & Changes in Market Value	112,848	112,848	363,497	250,649	(1,669,697)
Miscellaneous	859,240	859,240	1,123,797	264,557	1,191,370
Total Revenues	<u>31,128,671</u>	<u>31,495,612</u>	<u>40,261,964</u>	<u>8,766,352</u>	<u>29,639,563</u>
Expenditures:					
Current					
Data Processing	2,926,978	2,926,978	2,688,381	238,597	2,500,718
Council	149,508	149,508	155,696	(6,188)	142,136
Manager	1,224,102	1,224,102	1,215,740	8,362	1,161,509
Finance	848,608	848,608	828,168	20,440	844,419
Attorney	703,091	703,091	687,872	15,219	515,086
Personnel	763,678	763,678	659,961	103,717	545,693
Janitorial	136,185	136,185	153,113	(16,928)	175,012
Total General Government	<u>6,752,150</u>	<u>6,752,150</u>	<u>6,388,931</u>	<u>363,219</u>	<u>5,884,573</u>
Police	13,509,108	13,509,108	12,787,744	721,364	12,087,263
Fire	6,359,675	6,359,675	6,270,825	88,850	5,956,839
Inspection	1,021,383	1,021,383	914,625	106,758	920,942
Animal Control	576,503	576,503	586,171	(9,668)	492,184
Total Public Safety	<u>21,466,669</u>	<u>21,466,669</u>	<u>20,559,365</u>	<u>907,304</u>	<u>19,457,228</u>
Engineering	1,843,716	1,843,716	1,412,545	431,171	1,450,042
Planning and Zoning	880,835	880,835	774,565	106,270	735,799
Economic Development	306,507	306,507	322,894	(16,387)	111,840
Total Community Development	<u>1,187,342</u>	<u>1,187,342</u>	<u>1,097,459</u>	<u>89,883</u>	<u>847,639</u>
Parks	1,803,600	1,803,600	1,800,009	3,591	1,690,881
Recreation	856,606	856,606	767,791	88,815	753,177
Total Culture and Recreation	<u>2,660,206</u>	<u>2,660,206</u>	<u>2,567,800</u>	<u>92,406</u>	<u>2,444,058</u>
Total Expenditures	<u>33,910,083</u>	<u>33,910,083</u>	<u>32,026,100</u>	<u>1,883,983</u>	<u>30,083,540</u>
Excess (Deficiency) of Revenue Over Expenditures	(2,781,412)	(2,414,471)	8,235,864	10,650,335	(443,977)
Other Financing Sources (Uses)					
Transfers In	2,799,472	2,799,472	2,758,262	(41,210)	2,496,773
Transfers Out	(18,060)	(385,001)	(12,223,774)	(11,838,773)	(3,018,313)
Total Other Financing Sources (Uses)	<u>2,781,412</u>	<u>2,414,471</u>	<u>(9,465,512)</u>	<u>(11,879,983)</u>	<u>(521,540)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>\$ -</u>	<u>\$ -</u>	<u>(1,229,648)</u>	<u>\$ (1,229,648)</u>	<u>\$ (965,517)</u>
Fund Balance, October 1st,			10,961,129		11,926,646
Fund Balance, September 30th			<u>\$ 9,731,481</u>		<u>\$ 10,961,129</u>

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, 2023
With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes	\$ 831,360	\$ 831,360	\$ 840,614	\$ 9,254	\$ 422,305
Intergovernmental	4,218,632	4,218,632	5,030,249	811,617	5,032,163
Grants	60,000	60,000	421,142	361,142	-
Interest, Dividends & Changes in Market Value	56,300	56,300	80,814	24,514	(672,391)
Miscellaneous	1,040,250	1,040,250	1,432,261	392,011	1,208,643
Total Revenues	<u>6,206,542</u>	<u>6,206,542</u>	<u>7,805,080</u>	<u>1,598,538</u>	<u>5,990,720</u>
Expenditures:					
Current					
Highways and Streets	3,856,991	3,856,991	3,834,533	22,458	3,239,392
Capital Outlay	2,814,782	2,814,782	1,941,815	872,967	1,639,585
Total Expenditures	<u>6,671,773</u>	<u>6,671,773</u>	<u>5,776,348</u>	<u>895,425</u>	<u>4,878,977</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(465,231)	(465,231)	2,028,732	2,493,963	1,111,743
Other Financing Sources (Uses)					
Transfers In	845,593	845,593	798,100	47,493	520,911
Transfers Out	(380,362)	(380,362)	(380,362)	-	(341,277)
Total Other Sources (Uses)	<u>465,231</u>	<u>465,231</u>	<u>417,738</u>	<u>47,493</u>	<u>179,634</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	2,446,470	<u>\$ 2,446,470</u>	1,291,377
Fund Balances, October 1st			<u>7,336,378</u>		<u>6,045,001</u>
Fund Balances, September 30th			<u>\$ 9,782,848</u>		<u>\$ 7,336,378</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, 2023
With Comparative Actual Amounts from the Previous Year

	2023			Variance Favorable (Unfavorable)	2022 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Property Taxes	\$ 426,944	\$ 426,944	\$ 427,263	\$ 319	\$ 407,280
Fees and Services	615,704	615,704	626,678	10,974	706,691
Intergovernmental	426,944	426,944	426,945	-	408,120
Grants	-	153,384	425,339	271,955	1,131,937
Interest, Dividends & Changes in Market Value	22,000	22,000	43,130	21,130	(267,753)
Farm Income	57,791	57,791	63,634	5,843	49,613
Miscellaneous	-	-	32,682	32,682	90,142
Total Revenues	<u>1,549,383</u>	<u>1,702,767</u>	<u>2,045,671</u>	<u>342,903</u>	<u>2,526,030</u>
Expenditures:					
Current					
Airport	1,469,212	1,891,917	1,812,111	79,806	1,705,520
Total Expenditures	<u>1,469,212</u>	<u>1,891,917</u>	<u>1,812,111</u>	<u>79,806</u>	<u>1,705,520</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	80,171	(189,150)	233,560	422,710	820,510
Other Financing Sources (Uses)					
Transfers In	6,085	6,085	6,085	-	5,812
Transfers Out	(452,141)	(452,141)	(631,630)	-	(405,274)
Total Other Sources (Uses)	<u>(446,056)</u>	<u>(446,056)</u>	<u>(625,545)</u>	<u>-</u>	<u>(399,462)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (365,885)</u>	<u>\$ (635,206)</u>	(391,985)	<u>\$ 422,710</u>	421,048
Fund Balances, October 1st			<u>4,490,033</u>		<u>4,068,985</u>
Fund Balances, September 30th			<u>\$ 4,098,048</u>		<u>\$ 4,490,033</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*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's portion of the net pension (asset) liability	.005701241	.005831701	.005857242	.006008378	.006125586	.005940511	.005813347	.005422236	.005566001
City's proportionate share of the net pension (asset) liability	\$ 23,473,505	\$ 22,867,124	\$ (406,916)	\$ 13,468,446	\$ 6,116,243	\$ 7,955,648	\$ 8,356,557	\$ 11,008,731	\$ 7,114,158
City's covered payroll	\$ 23,900,808	\$ 22,761,735	\$ 21,589,895	\$ 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	98.21%	100.46%	-1.88%	63.62%	29.76%	42.17%	46.85%	69.73%	46.91%
Plan fiduciary net position as a percentage of the total pension liability	83.83%	83.09%	100.36%	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*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's portion of the net pension asset	.042227719	.042227719	.042227719	.042227719	.042011350	.038550585	.036537638	.040605333	.038831200
City's proportionate share of the net pension asset	\$ 9,982,749	\$ 8,668,968	\$ 11,411,063	\$ 6,256,568	\$ 5,647,629	\$ 4,190,076	\$ 3,353,402	\$ 2,086,650	\$ 1,947,697
City's covered payroll	\$ 3,876,509	\$ 3,772,373	\$ 3,505,708	\$ 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	257.52%	229.80%	325.50%	192.37%	171.17%	144.51%	126.72%	82.66%	84.46%
Plan fiduciary net position as a percentage of the total pension asset	200.58%	184.72%	211.83%	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).

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*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 2,963,452	\$ 2,773,662	\$ 2,695,296	\$ 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>2,963,452</u>	<u>2,773,662</u>	<u>2,695,296</u>	<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	\$ 24,473,754	\$ 22,948,042	\$ 22,302,258	\$ 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	12.11%	12.09%	12.09%	11.89%	11.60%	11.49%	11.48%	11.63%	11.20%

Schedule of Employer Contributions
FRF
Last 10 - Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ -	\$ -	\$ -	\$ 158,979	\$ 170,631	\$ 150,607	\$ 137,351	\$ 137,818	\$ 138,382
Contribution in relation to the statutorily required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<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>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 4,011,738	\$ 3,814,149	\$ 3,505,708	\$ 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	0.00%	0.00%	0.00%	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.

CITY OF TWIN FALLS, IDAHO
Notes to Required Supplementary Information
September 30, 2023

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, 2023

	Special Revenue Funds					Capital Projects Fund					Total Other Government Funds	
	Street Light	Library	Pool	Drug Seizure	Fireworks	Total	Historic Preservation	Park Develop.	Impact Fee	CDBG		Total
Assets												
Cash and Investments	\$ 501,502	\$ 1,380,291	\$ -	\$ 304,175	\$ -	\$ 2,185,968	\$ -	\$ 932,962	\$ 6,921,110	\$ 207	\$ 7,854,279	\$ 10,040,247
Receivables (net of allowance)												
Taxes	1,698	-	-	-	-	1,698	-	-	-	-	-	1,698
Intergovernmental	158	3,144	92,310	-	2,323	97,935	-	-	-	-	-	97,935
Accounts	-	-	8,813	-	-	8,813	-	-	-	-	-	8,813
Total Assets	<u>\$ 503,358</u>	<u>\$ 1,383,435</u>	<u>\$ 101,123</u>	<u>\$ 304,175</u>	<u>\$ 2,323</u>	<u>\$ 2,294,414</u>	<u>\$ -</u>	<u>\$ 932,962</u>	<u>\$ 6,921,110</u>	<u>\$ 207</u>	<u>\$ 7,854,279</u>	<u>\$ 10,148,693</u>
Liabilities												
Pooled Cash	\$ -	\$ -	\$ 92,365	\$ -	\$ 6,376	\$ 98,741	\$ 3,745	\$ -	\$ -	\$ -	\$ 3,745	\$ 102,486
Accounts Payable	63,196	4,434	10,650	-	-	78,280	-	-	600	-	600	78,880
Accrued Expenditures	-	19,485	-	-	-	19,485	-	-	-	-	-	19,485
Total Liabilities	<u>63,196</u>	<u>23,919</u>	<u>103,015</u>	<u>-</u>	<u>6,376</u>	<u>196,506</u>	<u>3,745</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>4,345</u>	<u>200,851</u>
Deferred Inflows of Resources												
Unavailable Revenue - Property Taxes	1,401	-	-	-	-	1,401	-	-	-	-	-	1,401
Total Deferred Inflows of Resources	<u>1,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,401</u>
Fund Balance												
Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-	-	-	-	-	-
Park Development	-	-	-	-	-	-	-	932,962	-	-	932,962	932,962
Committed Fund Balance												
Budgeted Surpluses	-	118,000	-	63,500	-	181,500	-	-	650,100	-	650,100	831,600
Impact Fees	-	-	-	-	-	-	-	-	6,270,410	207	6,270,617	6,270,617
Drug Seizure	-	-	-	240,675	-	240,675	-	-	-	-	-	240,675
Assigned Fund Balance												
Street Light	438,761	-	-	-	-	438,761	-	-	-	-	-	438,761
Community Services-Library	-	1,241,516	-	-	-	1,241,516	-	-	-	-	-	1,241,516
Unassigned Fund Balance	-	-	(1,892)	-	(4,053)	(5,945)	(3,745)	-	-	-	(3,745)	(9,690)
Total Fund Balance	<u>438,761</u>	<u>1,359,516</u>	<u>(1,892)</u>	<u>304,175</u>	<u>(4,053)</u>	<u>2,096,507</u>	<u>(3,745)</u>	<u>932,962</u>	<u>6,920,510</u>	<u>207</u>	<u>7,849,934</u>	<u>9,946,441</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 503,358</u>	<u>\$ 1,383,435</u>	<u>\$ 101,123</u>	<u>\$ 304,175</u>	<u>\$ 2,323</u>	<u>\$ 2,294,414</u>	<u>\$ -</u>	<u>\$ 932,962</u>	<u>\$ 6,921,110</u>	<u>\$ 207</u>	<u>\$ 7,854,279</u>	<u>\$ 10,148,693</u>

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, 2023

	Special Revenue Funds						Capital Projects Fund					Total Other Government Funds
	Street Light	Library	Pool	Drug Seizure	Fireworks	Total	Historic Preservation	Park Develop.	Impact Fee	CDBG	Total	
Revenues												
Property Taxes, Including Interest	\$ 68,791	\$ 2,003,378	\$ -	\$ -	\$ -	\$ 2,072,169	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,072,169
Other Taxes	480,255	-	-	-	-	480,255	-	-	-	-	-	480,255
Special Assessments, Including Interest	-	-	-	108,861	-	108,861	-	-	-	-	-	108,861
Fines and Forfeitures	-	30,765	-	-	-	30,765	-	-	-	-	-	30,765
Fees and Services	-	29,811	449,481	-	1,986	481,278	-	-	982,833	-	982,833	1,464,111
Intergovernmental	-	-	338,493	-	8,519	347,012	-	-	-	-	-	347,012
Federal Grants	-	-	-	-	-	-	-	-	36,579	-	36,579	36,579
Interest, Dividends & Changes in Fair Value	-	13,969	-	-	-	13,969	-	11,504	98,238	-	109,742	123,711
Miscellaneous	14,308	68,169	736	-	1,037	84,250	-	-	-	-	-	84,250
Total Revenue	563,354	2,146,092	788,710	108,861	11,542	3,618,559	-	11,504	1,081,071	36,579	1,129,154	4,747,713
Expenditures												
Current												
Public Safety	-	-	-	56,685	-	56,685	-	-	-	4,788	4,788	61,473
Community Development	-	-	-	-	20,000	20,000	-	-	-	75	75	20,075
Culture and Recreation	-	2,050,045	799,411	-	-	2,849,456	-	-	-	-	-	2,849,456
Highway and Streets	430,502	-	-	-	-	430,502	-	-	-	-	-	430,502
Airport	-	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	65,868	-	-	65,868	-	-	583,435	-	583,435	649,303
Total Expenditures	430,502	2,050,045	865,279	56,685	20,000	3,422,511	-	-	583,435	4,863	588,298	4,010,809
Excess of Revenues Over (Under) Expenditures	132,852	96,047	(76,569)	52,176	(8,458)	196,048	-	11,504	497,636	31,716	540,856	736,904
Other Financing Sources (Uses)												
Transfers In	-	-	40,603	-	11,975	52,578	-	-	-	-	-	52,578
Transfers Out	(28,147)	-	-	-	-	(28,147)	-	-	(1,361,809)	(31,790)	(1,393,599)	(1,421,746)
Net Transfers	(28,147)	-	40,603	-	11,975	24,431	-	-	(1,361,809)	(31,790)	(1,393,599)	(1,369,168)
Net Change in Fund Balance	104,705	96,047	(35,966)	52,176	3,517	220,479	-	11,504	(864,173)	(74)	(852,743)	(632,264)
Fund Balance October 1, 2022	334,056	1,263,469	34,074	251,999	(7,570)	1,876,028	(3,745)	921,458	7,784,683	282	8,702,678	10,578,706
Fund Balance September 30, 2023	\$ 438,761	\$ 1,359,516	\$ (1,892)	\$ 304,175	\$ (4,053)	\$ 2,096,507	\$ (3,745)	\$ 932,962	\$ 6,920,510	\$ 207	\$ 7,849,934	\$ 9,946,441

CITY OF TWIN FALLS, IDAHO
Combining Statement - Proprietary Funds
Fund Balance Sheets
September 30, 2023

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
<u>Assets</u>			
Current Assets			
Cash and Investments	\$ 2,213,893	\$ 54,643	\$ 2,268,536
Receivables, net of allowance for uncollectibles			
Fees and Services	-	10,887	10,887
Accounts	1,394	-	1,394
Total Current Assets	2,215,287	65,530	2,280,817
Noncurrent Assets			
Capital Assets (Net of Accum. Depreciation)	1,216,678	-	1,216,678
Total Noncurrent Assets	1,216,678	-	1,216,678
Total Assets	3,431,965	65,530	3,497,495
<u>Deferred Outflows of Resources</u>			
Pension Obligations	-	-	-
Total Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 3,431,965	\$ 65,530	\$ 3,497,495
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable	\$ 269,318	\$ 22,181	\$ 291,499
Total Current Liabilities	269,318	22,181	291,499
Total Liabilities	269,318	22,181	291,499
<u>Deferred Inflows of Resources</u>			
Pension Obligations	-	-	-
Total Deferred Inflows of Resources	-	-	-
<u>Net Position</u>			
Invested In Capital Assets, net of related debt	1,216,678	-	1,216,678
Restricted	-	-	-
Unrestricted	1,945,969	43,349	1,989,318
Total Equity	3,162,647	43,349	3,205,996
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 3,431,965	\$ 65,530	\$ 3,497,495

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, 2023

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Totals
Operating Revenues:			
Charges for Services	\$ 524,403	\$ 74,767	\$ 599,170
Miscellaneous	3,752	-	3,752
Total Operating Revenues	528,155	74,767	602,922
Operating Expenses:			
Contracted Services	90,625	48,633	139,258
Personnel Expenses	28,825	-	28,825
Depreciation and Amortization	57,484	-	57,484
Utilities	4,628	1,303	5,931
Supplies	8,786	-	8,786
Repairs and Maintenance	6,851	9,319	16,170
Vehicle Expenses	928	-	928
Small Equipment	140,675	-	140,675
Miscellaneous Expense	(4,773)	154	(4,619)
Total Operating Expenses	334,029	59,409	393,438
Operating Income (Loss)	194,126	15,358	209,484
Non-Operating Revenues (Expenses):			
Interest, Dividends & Changes in Fair Value	17,378	-	17,378
Loss on Transfer of Assets	-	-	-
Total Non-Operating Revenues (Exp.)	17,378	-	17,378
Income (Loss) Before Contributions and Transfers	211,504	15,358	226,862
Contributions and Interfund Transfers:			
Transfers In	137,630	-	137,630
Transfers Out	(12,314)	(3,523)	(15,837)
Net Transfers	125,316	(3,523)	121,793
Net Income (Loss)	336,820	11,835	348,655
Total Net Position, October 1, 2022	2,825,827	31,514	2,857,341
Total Net Position, September 30, 2023	\$ 3,162,647	\$ 43,349	\$ 3,205,996

City of Twin Falls, Idaho
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2023

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
Cash Flows from Operating Activities			
Receipts from Customers	\$ 525,900	\$ 74,442	\$ 600,342
Payments to Suppliers	(18,542)	(57,647)	(76,189)
Payments to Employees	(28,825)	-	(28,825)
Other Receipts (Payments)	3,752	-	3,752
Net Cash Provided (Used) by Operating Activities	482,285	16,795	499,080
Cash Flows from Non-Capital Financing Activities			
Interfund Transfers to Other Funds	(12,314)	(3,523)	(15,837)
Transfers from Other Funds	137,630	-	137,630
Net Cash Provided (Used) by Non-Capital Financing Activities	125,316	(3,523)	121,793
Cash Flows from Capital and Related Financing Activities			
Construction in Progress	(137,630)	-	(137,630)
Net Cash Provided (Used) by Capital and Related Financing Activities	(137,630)	-	(137,630)
Cash Flows from Investing Activities			
Interest, Dividends & Changes in Fair Value	17,378	-	17,378
Net Cash Provided (Used) by Investing Activities	(929,429)	-	(929,429)
Net Increase (Decrease) in Cash and Cash Equivalents	(459,458)	13,272	(446,186)
Balances - Beginning of the Year	932,643	41,371	974,014
Balances - End of the Year	\$ 473,185	\$ 54,643	\$ 527,828
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ 194,126	\$ 15,358	\$ 209,484
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	57,484	-	57,484
Change in Assets and Liabilities:			
Receivables, Net	1,497	(325)	1,172
Accounts Payable	229,178	1,762	230,940
Net Cash Provided (Used) by Operating Activities	\$ 482,285	\$ 16,795	\$ 499,080
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds			
Cash and Investments-Statement of Net Position	\$ 2,213,893	\$ 54,643	\$ 2,268,536
Less: Investments	(1,740,708)	-	(1,740,708)
Cash and Cash Equivalents	\$ 473,185	\$ 54,643	\$ 527,828

CITY OF TWIN FALLS, IDAHO
Combining Statement - Internal Service Funds
Statement of Net Position
September 30, 2023

	Governmental Activities - Internal Service Funds		
	Shop		
	Insurance	Revolving	Total
<u>Assets</u>			
Current Assets:			
Cash and Investments	\$ 224,967	\$ 381,656	\$ 606,623
Receivables, net of allowance for uncollectibles			
Taxes	5,231	-	5,231
Intergovernmental	511	-	511
Accounts	40,435	(1,381)	39,054
Total Current Assets	<u>271,144</u>	<u>380,275</u>	<u>651,419</u>
Noncurrent Assets:			
Capital Assets (Net of Accum. Depreciation)	-	216,549	216,549
Total Noncurrent Assets	<u>-</u>	<u>216,549</u>	<u>216,549</u>
 Total Assets	 <u><u>\$ 271,144</u></u>	 <u><u>\$ 596,824</u></u>	 <u><u>\$ 867,968</u></u>
<u>Liabilities and Net Position</u>			
Current Liabilities:			
Accounts Payable	\$ 16,826	\$ 25,373	\$ 42,199
Accrued Expenses	-	259	259
Unavailable Revenue	4,525	-	4,525
Compensated Absences	-	11,927	11,927
Total Current Liabilities	<u>21,351</u>	<u>37,559</u>	<u>58,910</u>
NonCurrent Liabilities:			
Compensated Absences	-	6,476	6,476
Total Non-Current Liabilities	<u>-</u>	<u>6,476</u>	<u>6,476</u>
 Total Liabilities	 21,351	 44,035	 65,386
<u>Net Position</u>			
Net Investment in Capital Assets	-	216,549	216,549
Restricted	-	-	-
Unrestricted	249,793	336,240	586,033
Total Net Position	<u>249,793</u>	<u>552,789</u>	<u>802,582</u>
 Total Liabilities and Net Position	 <u><u>\$ 271,144</u></u>	 <u><u>\$ 596,824</u></u>	 <u><u>\$ 867,968</u></u>

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, 2023

	Governmental Activities - Internal Service Funds Shop		
	<u>Insurance</u>	<u>Revolving</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 582,052	\$ 582,052
Special Assessments, Including Interest	215,482	-	215,482
Total Operating Revenues	<u>215,482</u>	<u>582,052</u>	<u>797,534</u>
Operating Expenses:			
Contracted Services	-	8,225	8,225
Personnel Expenses	-	434,148	434,148
Depreciation and Amortization	-	13,310	13,310
Utilities	-	11,912	11,912
Supplies	-	43,530	43,530
Insurance	487,144	-	487,144
Repairs and Maintenance	-	13,741	13,741
Vehicle Expenses	-	2,739	2,739
Small Equipment	-	36,519	36,519
Miscellaneous Expense	-	2,417	2,417
Travel and Meetings	138	3,039	3,177
Total Operating Expenses	<u>487,282</u>	<u>569,580</u>	<u>1,056,862</u>
Operating Income (Loss)	(271,800)	12,472	(259,328)
Non-Operating Revenues (Expenses):			
Interest, Dividends & Changes in Fair Value	(40)	-	(40)
Total Non-Operating Revenues (Exp.)	<u>(40)</u>	<u>-</u>	<u>(40)</u>
Income (Loss) Before Operating Transfers	(271,840)	12,472	(259,368)
Operating Transfers:			
Operating Transfers In	379,821	21,289	401,110
Operating Transfers Out	(70,368)	(819)	(71,187)
Net Transfers	<u>309,453</u>	<u>20,470</u>	<u>329,923</u>
Net Income (Loss)	37,613	32,942	70,555
Total Net Position, October 1, 2022	<u>212,180</u>	<u>519,847</u>	<u>732,027</u>
Total Net Position, September 30, 2023	<u>\$ 249,793</u>	<u>\$ 552,789</u>	<u>\$ 802,582</u>

CITY OF TWIN FALLS, IDAHO
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2023

	Governmental Activities		
	Insurance	Shop Revolving	Total
Cash Flows from Operating Activities			
Cash Received from Interfund Services Provided	\$ -	\$ 583,524	\$ 583,524
Property Taxes, Including Interest	175,094	-	175,094
Payments to Suppliers	(485,958)	(147,601)	(633,559)
Payments to Employees	-	(430,009)	(430,009)
Net Cash Provided (Used) by Operating Activities	(310,864)	5,914	(304,950)
Cash Flows from Non-Capital Financing Activities			
Interfund Transfers to Other Funds	(70,368)	(819)	(71,187)
Transfers from Other Funds	379,821	21,289	401,110
Net Cash Provided (Used) by Non-Capital Financing Activities	309,453	20,470	329,923
Cash Flows from Capital and Related Financing Activities			
Disposals, Transfers of Capital Assets	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-
Cash Flows from Investing Activities			
Interest, Dividends & Changes in Fair Value	(40)	-	(40)
Net Cash Provided (Used) by Investing Activities	(6,861)	-	(6,861)
Net Increase (Decrease) in Cash and Cash Equivalents	(8,272)	26,384	18,112
Balances - Beginning of the Year	3,638	355,272	358,910
Balances - End of the Year	\$ (4,634)	\$ 381,656	\$ 377,022
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (271,800)	\$ 12,472	\$ (259,328)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	-	13,310	13,310
Change in Assets and Liabilities:			
Receivables, Net	(41,551)	1,472	(40,079)
Accounts Payable	1,324	(25,479)	(24,155)
Unavailable Revenue	1,163	-	1,163
Compensated Absences	-	4,139	4,139
Net Cash Provided (Used) by Operating Activities	\$ (310,864)	\$ 5,914	\$ (304,950)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds			
Cash and Investments-Statement of Net Position	\$ 224,967	\$ 381,656	\$ 606,623
Less: Investments	(229,601)	-	(229,601)
Cash and Cash Equivalents	\$ (4,634)	\$ 381,656	\$ 377,022

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, 2023
 With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes	\$ 770,000	\$ 770,000	\$ 780,376	\$ 10,376	\$ 783,031
Intergovernmental	2,001,835	2,001,835	2,150,223	148,388	1,588,349
Federal Grants	-	1,247,032	1,069,332	(177,700)	1,384,829
Interest, Dividends & Changes in Fair Value	120,500	120,500	241,400	120,900	(1,051,431)
Miscellaneous or Reserves	-	-	58,397	58,397	7,460
Total Revenues	<u>2,892,335</u>	<u>4,139,367</u>	<u>4,299,728</u>	<u>160,361</u>	<u>2,712,238</u>
Expenditures:					
Current					
General Government	234,552	234,552	224,749	9,803	304,844
Public Safety	1,080,205	13,011,270	11,534,760	1,476,510	5,080,813
Culture and Recreation	1,016,000	1,016,000	518,765	497,235	533,614
Highways and Streets	3,020	3,020	12,059	(9,039)	-
Debt Issuance Costs	-	-	-	-	184,321
Capital Outlay	626,433	1,384,471	968,792	415,679	354,168
Total Expenditures	<u>2,960,210</u>	<u>15,649,313</u>	<u>13,259,125</u>	<u>2,390,188</u>	<u>6,457,760</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(67,875)	(11,509,946)	(8,959,397)	2,550,549	(3,745,522)
Other Financing Sources (Uses)					
Transfers In	647,875	908,875	13,526,920	12,618,045	3,000,000
Transfers Out	(730,000)	(880,000)	(841,425)	38,575	(501,223)
Issuance of Debt	-	6,029,306	5,796,048	(233,258)	3,174,736
Total Other Sources (Uses)	<u>(82,125)</u>	<u>6,058,181</u>	<u>18,481,543</u>	<u>12,423,362</u>	<u>5,673,513</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (150,000)</u>	<u>\$ (5,451,765)</u>	9,522,146	<u>\$ 14,973,911</u>	1,927,991
Fund Balances, October 1st			<u>15,711,306</u>		<u>13,783,315</u>
Fund Balances, September 30th			<u>\$ 25,233,452</u>		<u>\$ 15,711,306</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, 2023
 With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Fees and Services	\$ 67,000	\$ 67,000	\$ 74,459	\$ 7,459	\$ 64,636
Federal Grants	1,000,000	1,000,000	1,154,358	154,358	1,749,152
Interest, Dividends & Changes in Market Value	200	200	10,095	9,895	1,099
Miscellaneous	-	-	-	-	-
Total Revenues	<u>1,067,200</u>	<u>1,067,200</u>	<u>1,238,912</u>	<u>171,712</u>	<u>1,814,887</u>
Expenditures:					
Current					
Airport	1,067,200	1,067,200	1,076,237	(9,037)	1,665,492
Total Expenditures	<u>1,067,200</u>	<u>1,067,200</u>	<u>1,076,237</u>	<u>(9,037)</u>	<u>1,665,492</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	162,675	162,675	149,395
Other Financing Sources (Uses)					
Transfers In	-	-	179,489	179,489	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>179,489</u>	<u>179,489</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	342,164	<u>\$ 342,164</u>	149,395
Fund Balances, October 1st			<u>(238,400)</u>		<u>(387,795)</u>
Fund Balances, September 30th			<u>\$ 103,764</u>		<u>\$ (238,400)</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023			Variance Favorable (Unfavorable)	2022 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 12,489,631	\$ 12,489,631	\$ 12,035,516	\$ (454,115)	\$ 11,809,705
Taps, Connection and Other Fees	175,000	175,000	153,012	(21,988)	177,590
Miscellaneous	35,000	35,000	109,063	74,063	65,043
Total Operating Revenues	<u>12,699,631</u>	<u>12,699,631</u>	<u>12,297,591</u>	<u>(402,040)</u>	<u>12,052,338</u>
Operating Expenses:					
Contracted Expenses	406,525	406,525	270,013	136,512	236,814
Personnel Expenses	3,041,689	3,041,689	2,812,911	228,778	2,677,961
Depreciation and Amortization	-	-	1,926,041	(1,926,041)	1,909,192
Utilities	1,131,250	1,131,250	1,213,862	(82,612)	1,105,556
Supplies	809,450	809,450	376,292	433,158	748,203
Repairs and Maintenance	192,000	192,000	185,477	6,523	172,607
Vehicle Expense	208,836	208,836	210,999	(2,163)	185,581
Capital & Equipment	6,171,750	6,171,750	1,697,565	4,474,185	394,527
Studies and Projects	32,000	32,000	32,493	(493)	30,078
Rental Expense	167,500	167,500	157,219	10,281	151,404
Miscellaneous Expenses	209,100	209,100	211,316	(2,216)	176,985
Testing and Monitoring	93,750	93,750	97,358	(3,608)	94,674
Travel and Meetings	5,800	5,800	12,250	(6,450)	4,359
Total Operating Expenses	<u>12,469,650</u>	<u>12,469,650</u>	<u>9,203,796</u>	<u>3,265,854</u>	<u>7,887,941</u>
Operating Income (Loss)	229,981	229,981	3,093,795	2,863,814	4,164,397
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	103,000	103,000	171,599	68,599	(956,398)
Rent and Royalties	70,759	70,759	101,256	30,497	1,326
Federal Grants	-	-	114,975	114,975	-
Debt Principal Payments	(765,000)	(765,000)	-	765,000	-
Gain (Loss) on Sale of Assets	-	-	44,853	44,853	(775)
Interest Expense	(59,375)	(59,375)	(76,928)	(17,553)	(130,812)
Total Non-operating Revenues (Exp.)	<u>(650,616)</u>	<u>(650,616)</u>	<u>355,755</u>	<u>1,006,371</u>	<u>(1,086,659)</u>
Income (Loss) Before Operating Transfers	(420,635)	(420,635)	3,449,550	3,870,185	3,077,738
Interfund Transfers and Donations:					
Transfers In	466,352	466,352	466,352	-	675,699
Transfers Out	(1,351,469)	(1,351,469)	(1,351,469)	-	(1,292,864)
Net Transfers and Donations	<u>(885,117)</u>	<u>(885,117)</u>	<u>(885,117)</u>	<u>-</u>	<u>(617,165)</u>
Net Income (Loss)	<u>\$ (1,305,752)</u>	<u>\$ (1,305,752)</u>	2,564,433	<u>\$ 3,870,185</u>	2,460,573
Net Position, October 1st,			<u>66,421,198</u>		<u>63,960,625</u>
Net Position, September 30th			<u>\$ 68,985,631</u>		<u>\$ 66,421,198</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, 2023
With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 10,616,203	\$ 10,616,203	\$ 10,412,263	\$ (203,940)	\$ 11,695,412
Miscellaneous	3,000	3,000	15,094	12,094	132,559
Total Operating Revenues	<u>10,619,203</u>	<u>10,619,203</u>	<u>10,427,357</u>	<u>(191,846)</u>	<u>11,827,971</u>
Operating Expenses:					
Contracted Expenses	3,430,829	4,019,308	4,060,545	(41,237)	3,585,790
Personnel Expenses	1,094,179	1,094,179	1,166,187	(72,008)	902,206
Depreciation and Amortization	-	-	3,498,705	(3,498,705)	3,446,599
Utilities	4,900	4,900	5,308	(408)	3,850
Supplies	82,000	82,000	59,141	22,859	62,569
Repairs and Maintenance	25,000	25,000	21,033	3,967	34,035
Vehicle Expense	71,578	71,578	62,067	9,511	61,262
Capital & Equipment	2,627,000	3,746,350	627,453	3,118,897	331,763
Rental Expense	1,000	1,000	-	1,000	-
Miscellaneous Expenses	42,000	42,000	43,684	(1,684)	51,865
Travel and Meetings	4,000	4,000	3,660	340	2,611
Total Operating Expenses	<u>7,382,486</u>	<u>9,090,315</u>	<u>9,547,783</u>	<u>(457,468)</u>	<u>8,482,550</u>
Operating Income (Loss)	3,236,717	1,528,888	879,574	(649,314)	3,345,421
Non-operating Revenues (Expenses):					
Development Fees	10,000	598,479	2,522,623	1,924,144	214,408
Interest, Dividends & Changes in Fair Value	181,300	181,300	292,330	111,030	(1,338,351)
Federal Grants	-	-	43,780	43,780	43,017
Debt Principal Payments	(2,350,000)	(2,350,000)	-	2,350,000	-
Loss on Sale of Assets	-	-	-	-	550
Interest Expense	(1,135,531)	(1,135,531)	(1,133,135)	2,396	(1,244,610)
Total Non-operating Revenues (Exp.)	<u>(3,294,231)</u>	<u>(2,705,752)</u>	<u>1,725,598</u>	<u>4,431,350</u>	<u>(2,324,986)</u>
Income (Loss) Before Operating Transfers	(57,514)	(1,176,864)	2,605,172	3,782,036	1,020,435
Interfund Transfers and Donations:					
Transfers In	-	-	-	-	-
Transfers Out	(940,803)	(940,803)	(940,803)	-	(981,873)
Net Transfers and Donations	<u>(940,803)</u>	<u>(940,803)</u>	<u>(940,803)</u>	<u>-</u>	<u>(981,873)</u>
Net Income (Loss)	<u>\$ (998,317)</u>	<u>\$ (2,117,667)</u>	1,664,369	<u>\$ 3,782,036</u>	38,562
Net Position, October 1st,			<u>74,127,716</u>		<u>74,089,154</u>
Net Position, September 30th			<u>\$ 75,792,085</u>		<u>\$ 74,127,716</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 4,126,390	\$ 4,126,390	\$ 3,963,058	\$ (163,332)	\$ 3,965,632
Miscellaneous	-	-	2,023	2,023	2,004
Total Operating Revenues	<u>4,126,390</u>	<u>4,126,390</u>	<u>3,965,081</u>	<u>(161,309)</u>	<u>3,967,636</u>
Operating Expenses:					
Contracted Expenses	2,613,394	2,613,394	2,562,887	50,507	2,357,990
Landfill Expenses	956,720	956,720	901,072	55,648	812,665
Studies and Projects	90,884	90,884	91,636	(752)	55,891
Miscellaneous Expenses	25,000	25,000	15,765	9,235	20,668
Total Operating Expenses	<u>3,685,998</u>	<u>3,685,998</u>	<u>3,571,360</u>	<u>114,638</u>	<u>3,247,214</u>
Operating Income (Loss)	440,392	440,392	393,721	(46,671)	720,422
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	7,900	7,900	11,869	3,969	(61,405)
Total Non-operating Revenues (Exp.)	<u>7,900</u>	<u>7,900</u>	<u>11,869</u>	<u>3,969</u>	<u>(61,405)</u>
Income (Loss) Before Operating Transfers	448,292	448,292	405,590	(42,702)	659,017
Interfund Transfers and Donations:					
Transfers In	-	-	-	-	-
Transfers Out	(448,292)	(448,292)	(448,292)	-	(530,183)
Net Transfers and Donations	<u>(448,292)</u>	<u>(448,292)</u>	<u>(448,292)</u>	<u>-</u>	<u>(530,183)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	(42,702)	<u>\$ (42,702)</u>	128,834
Net Position, October 1st,			<u>1,001,316</u>		<u>872,482</u>
Net Position, September 30th			<u>\$ 958,614</u>		<u>\$ 1,001,316</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes	\$ 68,397	\$ 68,397	\$ 68,791	\$ 394	\$ 56,866
Non-Property Taxes	384,750	384,750	480,255	95,505	432,623
Miscellaneous & Intergovernmental	-	-	14,308	14,308	23,312
Total Revenues	<u>453,147</u>	<u>453,147</u>	<u>563,354</u>	<u>110,207</u>	<u>512,801</u>
Expenditures:					
Current					
Highways and Streets	425,000	425,000	430,502	(5,502)	406,648
Total Expenditures	<u>425,000</u>	<u>425,000</u>	<u>430,502</u>	<u>(5,502)</u>	<u>406,648</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,147	28,147	132,852	104,705	106,153
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(28,147)	(28,147)	(28,147)	-	(25,095)
Total Other Sources (Uses)	<u>(28,147)</u>	<u>(28,147)</u>	<u>(28,147)</u>	<u>-</u>	<u>(25,095)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	104,705	<u>\$ 104,705</u>	81,058
Fund Balances, October 1st			<u>334,056</u>		<u>252,998</u>
Fund Balances, September 30th			<u>\$ 438,761</u>		<u>\$ 334,056</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, 2023
With Comparative Actual Amounts from the Previous Year

	2023				2022
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:					
Property Taxes	\$ 2,001,986	\$ 2,001,986	\$ 2,003,378	\$ 1,392	\$ 1,901,978
Fines and Forfeits	25,000	25,000	30,765	5,765	34,866
Fees and Services	22,000	22,000	29,811	7,811	24,169
Interest, Dividends & Changes in Fair Value	12,000	12,000	13,969	1,969	(107,481)
Miscellaneous & Intergovernmental	19,500	19,500	68,169	48,669	53,714
Total Revenues	<u>2,080,486</u>	<u>2,080,486</u>	<u>2,146,092</u>	<u>65,606</u>	<u>1,907,246</u>
Expenditures:					
Current					
Culture and Recreation	2,080,486	2,080,486	2,050,045	30,441	1,998,665
Capital Outlay	130,000	130,000	-	130,000	-
Total Expenditures	<u>2,210,486</u>	<u>2,210,486</u>	<u>2,050,045</u>	<u>160,441</u>	<u>1,998,665</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(130,000)	(130,000)	96,047	226,047	(91,419)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (130,000)</u>	<u>\$ (130,000)</u>	96,047	<u>\$ 226,047</u>	(91,419)
Fund Balances, October 1st			<u>1,263,469</u>		<u>1,354,888</u>
Fund Balances, September 30th			<u>\$ 1,359,516</u>		<u>\$ 1,263,469</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Charges for Services	\$ 365,000	\$ 438,900	\$ 449,481	\$ 10,581	\$ 367,887
Intergovernmental	315,156	340,156	338,493	(1,663)	553,585
Miscellaneous	-	-	736	736	3,100
Total Revenues	<u>680,156</u>	<u>779,056</u>	<u>788,710</u>	<u>9,654</u>	<u>924,572</u>
Expenditures:					
Contracted Expenses	4,000	7,500	10,246	(2,746)	10,310
Personnel Expenses	455,906	585,947	579,127	6,820	468,244
Utilities	73,000	109,800	105,737	4,063	75,349
Supplies	39,600	68,600	67,048	1,552	44,587
Repairs and Maintenance	18,000	18,000	17,699	301	18,831
Capital & Equipment	76,000	76,000	65,868	10,132	186,931
Miscellaneous Expenses	13,650	19,150	19,104	46	26,042
Travel and Meetings	-	-	450	(450)	1,333
Total Expenditures	<u>680,156</u>	<u>884,997</u>	<u>865,279</u>	<u>19,718</u>	<u>831,627</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(105,941)	(76,569)	(10,064)	92,945
Other Financing Sources (Uses):					
Transfers In	-	105,941	40,603	(65,338)	-
Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>105,941</u>	<u>40,603</u>	<u>(65,338)</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	<u>(35,966)</u>	<u>\$ (75,402)</u>	<u>92,945</u>
Fund Balances, October 1st			<u>34,074</u>		<u>(58,871)</u>
Fund Balances, September 30th			<u>\$ (1,892)</u>		<u>\$ 34,074</u>

CITY OF TWIN FALLS, IDAHO
Special Revenue - Drug Seizure Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2023
With Comparative Actual Amounts from the Previous Year

	2023			Variance Favorable (Unfavorable)	2022
	Proposed Budget	Final Budget	Actual		Actual
Revenues:					
Special Assessments, Including Interest	\$ -	\$ -	\$ 108,861	\$ 108,861	\$ 148,034
Total Revenues	<u>-</u>	<u>-</u>	<u>108,861</u>	<u>108,861</u>	<u>148,034</u>
Expenditures:					
Public Safety	66,000	66,000	56,685	9,315	75,092
Total Expenditures	<u>66,000</u>	<u>66,000</u>	<u>56,685</u>	<u>9,315</u>	<u>75,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,000)	(66,000)	52,176	118,176	72,942
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (66,000)</u>	<u>\$ (66,000)</u>	52,176	<u>\$ 118,176</u>	72,942
Fund Balances, October 1st			<u>251,999</u>		<u>179,057</u>
Fund Balances, September 30th			<u>\$ 304,175</u>		<u>\$ 251,999</u>

CITY OF TWIN FALLS, IDAHO
Special Revenue - Fireworks Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2023
With Comparative Actual Amounts from the Previous Year

	2023			Variance Favorable (Unfavorable)	2022
	Proposed Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental	\$ 7,825	\$ 7,825	\$ 8,519	\$ 694	\$ 9,692
Miscellaneous and Permits	2,200	2,200	3,023	823	2,921
Total Revenues	<u>10,025</u>	<u>10,025</u>	<u>11,542</u>	<u>1,517</u>	<u>12,613</u>
Expenditures:					
Community Development	22,000	22,000	20,000	2,000	22,000
Total Expenditures	<u>22,000</u>	<u>22,000</u>	<u>20,000</u>	<u>2,000</u>	<u>22,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,975)	(11,975)	(8,458)	3,517	(9,387)
Other Financing Sources (Uses)					
Transfers In	11,975	11,975	11,975	-	12,500
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>11,975</u>	<u>11,975</u>	<u>11,975</u>	<u>-</u>	<u>12,500</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	3,517	<u>\$ 3,517</u>	3,113
Fund Balances, October 1st			<u>(7,570)</u>		<u>(10,683)</u>
Fund Balances, September 30th			<u>\$ (4,053)</u>		<u>\$ (7,570)</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, 2023
 With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Current					
Community Development	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances, October 1st			<u>(3,745)</u>		<u>(3,745)</u>
Fund Balances, September 30th			<u>\$ (3,745)</u>		<u>\$ (3,745)</u>

CITY OF TWIN FALLS, IDAHO

Capital Projects - Park Development

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

For the Fiscal Year Ended September 30, 2023

With Comparative Actual Amounts from the Previous Year

	2023			Variance Favorable (Unfavorable)	2022 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Interest, Dividends & Changes in Fair Value	\$ -	\$ -	\$ 11,504	\$ 11,504	\$ (67,027)
Miscellaneous & Intergovernmental	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>11,504</u>	<u>11,504</u>	<u>(67,027)</u>
Expenditures:					
Current					
Park Development	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	11,504	11,504	(67,027)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	<u>11,504</u>	<u>\$ 11,504</u>	<u>(67,027)</u>
Fund Balances, October 1st			<u>921,458</u>		<u>988,485</u>
Fund Balances, September 30th			<u>\$ 932,962</u>		<u>\$ 921,458</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:					
Fees and Services	\$ -	\$ -	\$ 982,833	\$ 982,833	\$ 1,621,815
Interest, Dividends & Changes in Fair Value	-	-	98,238	98,238	(594,744)
Total Revenues	-	-	1,081,071	1,081,071	1,027,071
Expenditures:					
Current					
Community Development	-	-	-	-	(5,700)
Capital Outlay	-	641,764	583,435	58,329	478,729
Total Expenditures	-	641,764	583,435	58,329	473,029
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(641,764)	497,636	1,139,400	554,042
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(647,875)	(647,875)	(1,361,809)	713,934	-
Total Other Sources (Uses)	(647,875)	(647,875)	(1,361,809)	713,934	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (647,875)</u>	<u>\$ (1,289,639)</u>	(864,173)	<u>\$ 1,853,334</u>	554,042
Fund Balances, October 1st			7,784,683		7,230,641
Fund Balances, September 30th			<u>\$ 6,920,510</u>		<u>\$ 7,784,683</u>

CITY OF TWIN FALLS, IDAHO

Capital Projects - CDBG

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

For the Fiscal Year Ended September 30, 2023

With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Federal Grants	\$ 573,000	\$ 573,000	\$ 36,579	\$ (536,421)	\$ 76,031
Total Revenues	<u>573,000</u>	<u>573,000</u>	<u>36,579</u>	<u>(536,421)</u>	<u>76,031</u>
Expenditures:					
Current					
Community Development	500,000	500,000	4,863	495,137	9,453
Total Expenditures	<u>500,000</u>	<u>500,000</u>	<u>4,863</u>	<u>495,137</u>	<u>9,453</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	73,000	73,000	31,716	(41,284)	66,578
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(73,000)	(73,000)	(31,790)	(41,210)	(66,296)
Total Other Sources (Uses)	<u>(73,000)</u>	<u>(73,000)</u>	<u>(31,790)</u>	<u>(41,210)</u>	<u>(66,296)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(74)	<u>\$ (82,494)</u>	282
Fund Balances, October 1st			<u>282</u>		<u>-</u>
Fund Balances, September 30th			<u>\$ 207</u>		<u>\$ 282</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, 2023
 With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 463,500	\$ 463,500	\$ 524,403	\$ 60,903	\$ 403,108
Miscellaneous	-	-	3,752	3,752	5,290
Total Operating Revenues	<u>463,500</u>	<u>463,500</u>	<u>528,155</u>	<u>64,655</u>	<u>408,398</u>
Operating Expenses:					
Contracted Expenses	73,304	73,304	90,625	(17,321)	84,118
Personnel Expenses	94,136	94,136	28,825	65,311	27,486
Depreciation and Amortization	-	-	57,484	(57,484)	58,178
Utilities	5,000	5,000	4,628	372	5,085
Supplies	10,000	10,000	8,786	1,214	3,478
Repairs and Maintenance	10,500	10,500	6,851	3,649	8,697
Vehicle Expense	-	-	928	(928)	2,709
Capital & Equipment	-	334,780	140,675	194,105	21,580
Miscellaneous Expenses	28,000	28,000	(4,773)	32,773	8,731
Total Operating Expenses	<u>220,940</u>	<u>555,720</u>	<u>334,029</u>	<u>221,691</u>	<u>220,062</u>
Operating Income (Loss)	242,560	(92,220)	194,126	286,346	188,336
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	13,300	13,300	17,378	4,078	(122,137)
Loss on Sale of Assets	-	-	-	-	(34,588)
Total Non-operating Revenues (Exp.)	<u>13,300</u>	<u>13,300</u>	<u>17,378</u>	<u>4,078</u>	<u>(156,725)</u>
Income (Loss) Before Operating Transfers	255,860	(78,920)	211,504	290,424	31,611
Interfund Transfers:					
Transfers In	-	150,000	137,630	(12,370)	83,373
Transfers Out	(12,314)	(12,314)	(12,314)	-	(10,979)
Net Transfers	<u>(12,314)</u>	<u>137,686</u>	<u>125,316</u>	<u>(12,370)</u>	<u>72,394</u>
Net Income (Loss)	<u>\$ 243,546</u>	<u>\$ 58,766</u>	336,820	<u>\$ 278,054</u>	104,005
Net Position, October 1st,			<u>2,825,827</u>		<u>2,721,822</u>
Net Position, September 30th			<u>\$ 3,162,647</u>		<u>\$ 2,825,827</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, 2023
 With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 58,000	\$ 58,000	\$ 74,767	\$ 16,767	\$ 58,281
Total Operating Revenues	<u>58,000</u>	<u>58,000</u>	<u>74,767</u>	<u>16,767</u>	<u>58,281</u>
Operating Expenses:					
Contracted Expenses	44,795	50,795	48,633	2,162	50,370
Utilities	1,300	1,300	1,303	(3)	1,199
Repairs and Maintenance	8,382	8,382	9,319	(937)	4,686
Miscellaneous Expenses	-	-	154	(154)	126
Total Operating Expenses	<u>54,477</u>	<u>60,477</u>	<u>59,409</u>	<u>1,068</u>	<u>56,381</u>
Income (Loss) Before Operating Transfers	3,523	(2,477)	15,358	17,835	1,900
Interfund Transfers:					
Transfers In	-	-	-	-	-
Transfers Out	(3,523)	(3,523)	(3,523)	-	(3,141)
Net Transfers	<u>(3,523)</u>	<u>(3,523)</u>	<u>(3,523)</u>	<u>-</u>	<u>(3,141)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (6,000)</u>	11,835	<u>\$ 17,835</u>	(1,241)
Net Position, October 1st,			<u>31,514</u>		<u>32,755</u>
Net Position, September 30th			<u>\$ 43,349</u>		<u>\$ 31,514</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, 2023

With Comparative Actual Amounts from the Previous Year

	2023				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2022 Actual
Operating Revenues:					
Special Assessments, Including Interest	\$ 214,180	\$ 214,180	\$ 215,482	\$ 1,302	\$ 204,054
Total Operating Revenues	214,180	214,180	215,482	1,302	204,054
Operating Expenses:					
Insurance Expense	523,837	523,837	487,144	36,693	519,797
Miscellaneous Expenses	1,296	1,296	-	1,296	11,685
Travel and Meetings	500	500	138	362	97
Total Operating Expenses	525,633	525,633	487,282	38,351	531,579
Operating Income (Loss)	(311,453)	(311,453)	(271,800)	39,653	(327,525)
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	2,000	2,000	(40)	(2,040)	(14,914)
Total Non-operating Revenues (Exp.)	2,000	2,000	(40)	(2,040)	(14,914)
Income (Loss) Before Operating Transfers	(309,453)	(309,453)	(271,840)	37,613	(342,439)
Operating Transfers:					
Transfers In	379,821	379,821	379,821	-	361,404
Transfers Out	(70,368)	(70,368)	(70,368)	-	(62,739)
Net Transfers	309,453	309,453	309,453	-	298,665
Net Income (Loss)	\$ -	\$ -	37,613	\$ 37,613	(43,774)
Net Position, October 1st			212,180		255,954
Net Position, September 30th			\$ 249,793		\$ 212,180

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, 2023
With Comparative Actual Amounts from the Previous Year

	2023				2022 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 578,666	\$ 578,666	\$ 582,052	\$ 3,386	\$ 450,753
Miscellaneous	-	-	-	-	10,091
Total Operating Revenues	<u>578,666</u>	<u>578,666</u>	<u>582,052</u>	<u>3,386</u>	<u>460,844</u>
Operating Expenses:					
Contracted Expenses	8,360	8,360	8,225	135	8,936
Personnel Expenses	484,687	484,687	434,148	50,539	458,360
Depreciation and Amortization	-	-	13,310	(13,310)	16,403
Utilities	9,900	9,900	11,912	(2,012)	9,293
Supplies	41,500	41,500	43,530	(2,030)	35,957
Repairs and Maintenance	15,630	15,630	13,741	1,889	23,348
Vehicle Expense	2,000	2,000	2,739	(739)	2,316
Capital & Equipment	3,870	3,870	36,519	(32,649)	75,144
Miscellaneous Expenses	5,750	5,750	2,417	3,333	3,192
Travel and Meetings	6,150	6,150	3,039	3,111	763
Total Operating Expenses	<u>577,847</u>	<u>577,847</u>	<u>569,580</u>	<u>8,267</u>	<u>633,712</u>
Operating Income (Loss)	<u>819</u>	<u>819</u>	<u>12,472</u>	<u>11,653</u>	<u>(172,868)</u>
Income (Loss) before Operating Transfers	819	819	12,472	11,653	(172,868)
Interfund Transfers:					
Transfers In	-	-	21,289	21,289	83,516
Transfers Out	(819)	(819)	(819)	-	(731)
Net Transfers	<u>(819)</u>	<u>(819)</u>	<u>20,470</u>	<u>21,289</u>	<u>82,785</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>32,942</u>	<u>\$ 32,942</u>	<u>(90,083)</u>
Net Position, October 1st,			<u>519,847</u>		<u>609,930</u>
Net Position, September 30th			<u>\$ 552,789</u>		<u>\$ 519,847</u>

STATISTICAL SECTION

CITY OF TWIN FALLS, IDAHO
Statistical Section
September 30, 2023

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. (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,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Schedule of Net Position - Schedule 1										
(accrual basis of accounting)										
Governmental Activities										
Net Investment in Capital Assets	\$ 149,081,271	\$ 153,295,664	\$ 152,208,211	\$ 148,052,251	\$ 148,693,057	\$ 154,044,906	\$ 144,133,814	\$ 139,207,450	\$ 140,796,310	\$ 148,994,442
Restricted	13,151,527	1,046,875	1,217,245	1,683,155	941,273	472,926	5,689,098	5,333,887	4,228,544	29,878,583
Unrestricted	42,555,043	43,045,250	47,724,835	38,802,159	40,293,887	37,601,624	30,207,292	31,667,251	28,789,849	1,699,141
Total Governmental Activities Net Position	\$ 204,787,841	\$ 197,387,789	\$ 201,150,291	\$ 188,537,565	\$ 189,928,217	\$ 192,119,456	\$ 180,030,204	\$ 176,208,588	\$ 173,814,703	\$ 180,572,166
Business-Type Activities										
Net Investment in Capital Assets	\$ 106,913,776	\$ 106,544,599	\$ 105,800,840	\$ 99,430,017	\$ 99,872,951	\$ 99,291,611	\$ 84,024,365	\$ 82,464,944	\$ 67,210,548	\$ 40,851,261
Restricted					6,378,604	6,392,986	4,250,768	8,935,206	15,815,072	29,334,545
Unrestricted	42,028,550	37,862,972	35,875,999	35,201,955	23,427,888	18,713,692	19,722,784	11,110,781	14,887,526	22,641,980
Total Business-Type Activities Net Position	\$ 148,942,326	\$ 144,407,571	\$ 141,676,839	\$ 134,631,972	\$ 129,679,443	\$ 124,398,289	\$ 107,997,917	\$ 102,510,931	\$ 97,913,146	\$ 92,827,786
Primary Government										
Net Investment in Capital Assets	\$ 255,995,047	\$ 259,840,263	\$ 258,009,051	\$ 247,482,268	\$ 248,566,008	\$ 253,336,517	\$ 228,158,179	\$ 221,672,394	\$ 208,006,858	\$ 189,845,703
Restricted	13,151,527	1,046,875	1,217,245	1,683,155	7,319,877	6,865,912	9,939,866	14,269,093	20,043,616	59,213,128
Unrestricted	84,583,593	80,908,222	83,600,834	74,004,114	63,721,775	56,315,316	49,930,076	42,778,032	43,677,375	24,341,121
Total Primary Government Net Position	\$ 353,730,167	\$ 341,795,360	\$ 342,827,130	\$ 323,169,537	\$ 319,607,660	\$ 316,517,745	\$ 288,028,121	\$ 278,719,519	\$ 271,727,849	\$ 273,399,952

Note - In 2015 the City implemented a new accounting principal for recognizing pension costs under GASB 68, Accounting and Financial Reporting for Pensions. In the current year. The City began classifying net pension assets as a restriction of net position. Prior years net positions have not been restated to reflect these changes.

City of Twin Falls, Idaho

September 30,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Schedule of Changes in Net Position - Schedule 2										
(accrual basis of accounting)										
<u>Expenses:</u>										
Governmental Activities:										
General Government	\$ 17,585,202	\$ 16,129,395	\$ 14,737,970	\$ 15,661,483	\$ 16,117,728	\$ 14,086,895	\$ 12,728,775	\$ 13,451,319	\$ 13,055,440	\$ 11,943,398
Fire	6,608,175	6,656,031	2,882,058	5,207,029	4,407,629	4,170,533	3,724,075	3,365,672	2,690,217	4,069,035
Police	14,908,568	13,962,627	11,807,078	12,872,981	11,620,966	10,830,232	9,894,491	8,972,945	8,603,022	8,199,302
Engineering/Planning	2,728,814	2,463,218	2,457,786	2,861,883	2,738,386	2,447,395	2,289,208	2,148,670	2,169,122	1,951,363
Library	2,220,523	2,179,449	1,967,760	1,932,768	1,895,668	1,899,062	1,764,149	1,699,739	1,743,574	1,583,001
Culture and Recreation (a & b)	3,975,647	3,723,170	3,145,391	3,081,632	2,401,718	2,278,971	2,199,115	2,042,063	1,920,259	1,751,333
Streets	5,425,655	5,441,136	4,402,017	5,493,103	6,438,417	8,140,135	5,802,644	3,811,188	3,663,385	3,998,213
Airport	2,649,057	2,639,863	3,138,840	2,013,652	2,202,086	1,856,344	1,817,366	1,747,681	1,734,504	2,132,707
Total	<u>56,101,641</u>	<u>53,194,889</u>	<u>44,538,900</u>	<u>49,124,531</u>	<u>47,822,598</u>	<u>45,709,567</u>	<u>40,219,823</u>	<u>37,239,277</u>	<u>35,579,523</u>	<u>35,628,352</u>
Business-Type Activities:										
Water	9,280,724	8,018,753	7,801,764	7,926,989	7,982,299	7,589,565	7,221,602	7,279,970	6,783,620	7,080,671
Wastewater	10,680,918	9,727,160	9,042,533	9,294,699	9,321,354	8,739,629	8,064,545	7,724,769	7,234,304	6,602,907
Sanitation	3,571,360	3,247,214	3,033,789	2,978,268	2,900,054	2,683,396	2,514,297	2,413,932	2,336,654	2,321,666
Golf (a)				63,308	51,549	57,992	43,062	47,036	46,853	58,021
Pool (b)					700,672	534,172	361,136	155,910	181,301	165,031
Dierkes Lake/Shoshone Falls	334,029	220,062	214,538	231,839	224,319	211,501	311,985	193,223	223,664	219,597
Common Area Maintenance	59,409	56,381	42,900	49,723	46,909	41,641	49,998	31,411	23,099	22,930
Total	<u>23,926,440</u>	<u>21,269,570</u>	<u>20,135,524</u>	<u>20,544,826</u>	<u>21,227,156</u>	<u>19,857,896</u>	<u>18,566,625</u>	<u>17,846,251</u>	<u>16,829,495</u>	<u>16,470,823</u>
Total Primary Government	<u>\$ 80,028,081</u>	<u>\$ 74,464,459</u>	<u>\$ 64,674,424</u>	<u>\$ 69,669,357</u>	<u>\$ 69,049,754</u>	<u>\$ 65,567,463</u>	<u>\$ 58,786,448</u>	<u>\$ 55,085,528</u>	<u>\$ 52,409,018</u>	<u>\$ 52,099,175</u>
<u>Program Revenues:</u>										
Governmental Activities:										
Charges for Services	\$ 7,522,657	\$ 8,401,811	\$ 9,371,119	\$ 8,027,791	\$ 7,342,801	\$ 8,056,954	\$ 6,329,286	\$ 6,354,779	\$ 6,801,330	\$ 6,050,556
Operating Grants and Contributions	21,296,809	12,190,859	17,286,215	9,975,484	9,232,149	8,720,614	8,347,517	8,074,642	7,781,738	6,781,238
Capital Grants and Contributions	3,091,748	4,341,949	8,837,954	2,154,900	3,225,200	6,487,476	1,867,265	4,311,907	985,169	3,989,947
Total	<u>31,911,214</u>	<u>24,934,619</u>	<u>35,495,288</u>	<u>20,158,175</u>	<u>19,800,150</u>	<u>23,265,044</u>	<u>16,544,068</u>	<u>18,741,328</u>	<u>15,568,237</u>	<u>16,821,741</u>
Business-Type Activities:										
Charges for Services	\$ 29,685,642	\$ 28,324,137	\$ 28,748,863	\$ 25,763,546	\$ 25,637,594	\$ 26,031,064	\$ 24,399,151	\$ 23,017,706	\$ 23,046,518	\$ 22,335,115
Operating Grants and Contributions	158,755	43,017			175,959	142,266	126,233			569,853
Capital Grants and Contributions										
Total	<u>29,844,397</u>	<u>28,367,154</u>	<u>28,748,863</u>	<u>25,763,546</u>	<u>25,813,553</u>	<u>26,173,330</u>	<u>24,525,384</u>	<u>23,017,706</u>	<u>23,046,518</u>	<u>22,904,968</u>
Total Primary Government	<u>\$ 61,755,611</u>	<u>\$ 53,301,773</u>	<u>\$ 64,244,151</u>	<u>\$ 45,921,721</u>	<u>\$ 45,613,703</u>	<u>\$ 49,438,374</u>	<u>\$ 41,069,452</u>	<u>\$ 41,759,034</u>	<u>\$ 38,614,755</u>	<u>\$ 39,726,709</u>

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	\$ 27,302,364	\$ 25,555,842	\$ 18,671,370	\$ 23,386,148	\$ 22,160,886	\$ 20,596,854	\$ 19,334,072	\$ 18,219,696	\$ 17,673,416	\$ 17,412,749
Franchise Taxes	480,255	432,623	398,503	356,555	369,688	400,950	394,089	393,394	385,292	356,898
Interest and Investment Earnings	862,606	(4,444,340)	(56,423)	1,326,248	1,664,320	152,747	365,364	604,822	577,025	452,434
Miscellaneous Rev. (Including Asset Sales)	792,835	893,674	922,967	821,233	1,001,583	1,903,083	6,195,101	322,311	423,292	459,192
Contributions of Assets						9,816,959				2,264,987
Transfers	2,152,419	2,059,969	1,822,858	992,122	634,732	1,663,182	987,999	1,507,521	1,578,589	1,278,570
Total	<u>31,590,479</u>	<u>24,497,768</u>	<u>21,759,275</u>	<u>26,882,306</u>	<u>25,831,209</u>	<u>34,533,775</u>	<u>27,276,625</u>	<u>21,047,744</u>	<u>20,637,614</u>	<u>22,224,830</u>

Business-Type Activities:

Interest and Investment Earnings	\$ 485,641	\$ (2,478,291)	\$ (64,202)	\$ 1,005,583	\$ 1,041,825	\$ 205,674	\$ 307,138	\$ 611,827	\$ 1,100,433	\$ 393,336
Miscellaneous Rev. (Including Asset Sales)	283,576	171,408	215,651	413,746	287,664	199,952	429,834	166,115	123,606	118,255
Contributions of Assets						11,342,494			-	26,932,853
Transfers	(2,152,419)	(2,059,969)	(1,822,858)	(992,122)	(634,732)	(1,663,182)	(987,999)	(1,507,521)	(1,578,589)	(1,278,570)
Total	<u>(1,383,202)</u>	<u>(4,366,852)</u>	<u>(1,671,409)</u>	<u>427,207</u>	<u>694,757</u>	<u>10,084,938</u>	<u>(251,027)</u>	<u>(729,579)</u>	<u>(354,550)</u>	<u>26,165,874</u>
Total Primary Government	<u>\$ 30,207,277</u>	<u>\$ 20,130,916</u>	<u>\$ 20,087,866</u>	<u>\$ 27,309,513</u>	<u>\$ 26,525,966</u>	<u>\$ 44,618,713</u>	<u>\$ 27,025,598</u>	<u>\$ 20,318,165</u>	<u>\$ 20,283,064</u>	<u>\$ 48,390,704</u>

Change in Net Position:

Governmental Activities	\$ 7,400,052	\$ (3,762,502)	\$ 12,715,663	\$ (2,084,050)	\$ (2,191,239)	\$ 12,089,252	\$ 3,600,870	\$ 2,549,795	\$ 626,328	\$ 3,418,219
Business-Type Activities	4,534,755	2,730,732	6,941,930	5,645,927	5,281,154	16,400,372	5,707,732	4,441,876	5,862,473	32,600,019
Total Primary Government	<u>\$ 11,934,807</u>	<u>\$ (1,031,770)</u>	<u>\$ 19,657,593</u>	<u>\$ 3,561,877</u>	<u>\$ 3,089,915</u>	<u>\$ 28,489,624</u>	<u>\$ 9,308,602</u>	<u>\$ 6,991,671</u>	<u>\$ 6,488,801</u>	<u>\$ 36,018,238</u>

(a) The classification of the Golf Fund was reevaluated and determined to be governmental fund. That change occurred in 2020-21. Years prior have not been restated.

(b) The classification of the Pool was reevaluated and since 2019 it has been included as a cultural and recreation activity in Governmental Activities above.

City of Twin Falls, Idaho

December 31,

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Program Labor Burden - Schedule 3										
(cash basis of accounting)										
<u>Labor Cost:</u>										
General Government	\$ 4,533,567	\$ 4,116,928	\$ 3,823,527	\$ 3,580,518	\$ 3,514,294	\$ 3,265,129	\$ 2,846,567	\$ 2,600,066	\$ 2,628,021	\$ 2,300,448
Fire	4,176,172	3,828,422	3,662,943	3,478,216	3,446,415	3,140,516	2,872,326	2,589,862	2,573,121	2,417,721
Police	8,122,703	7,412,373	7,263,972	6,955,216	6,904,756	6,633,364	6,058,440	5,752,076	5,578,775	5,125,314
Dispatch *	773,104	874,245	818,167	795,979	573,079	535,200	608,941	-	-	-
Engineering/Planning	1,401,205	1,237,993	1,479,692	1,530,546	1,513,612	1,433,523	1,516,200	1,363,856	1,318,899	1,139,277
Streets	925,168	895,266	886,006	842,707	843,576	853,955	766,244	702,086	679,117	638,292
Library	1,095,129	1,060,754	994,374	965,026	953,313	867,556	834,132	762,985	774,970	761,178
Culture and Recreation *	1,865,534	1,722,909	1,681,958	1,472,540	1,568,655	1,487,072	1,020,463	933,486	908,640	853,077
Airport	631,196	568,397	575,812	526,722	478,006	464,952	412,893	387,441	375,470	359,612
Water	1,960,581	1,850,260	1,624,009	1,586,221	1,543,034	1,593,718	1,426,265	1,325,484	1,294,640	1,197,864
Wastewater	610,604	566,498	442,399	423,705	441,489	365,370	393,295	340,666	346,945	303,517
Sanitation	-	-	-	-	-	-	-	-	-	-
	<u>\$ 26,094,963</u>	<u>\$ 24,134,045</u>	<u>\$ 23,252,859</u>	<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>Program Labor Hours:</u>										
General Government	119,257	117,526	107,841	115,280	115,424	93,515	93,728	88,381	90,186	83,068
Fire	150,182	146,799	146,756	148,041	151,204	139,267	140,474	143,128	143,904	141,092
Police	235,832	222,416	232,225	225,152	260,740	279,184	269,115	288,151	293,747	276,639
Dispatch *	24,107	24,804	27,195	30,863	27,598	31,414	35,351	-	-	-
Engineering/Planning	37,617	33,269	39,463	41,578	43,185	40,671	48,151	47,022	47,639	44,658
Streets	32,702	32,005	32,480	31,937	31,614	30,698	30,383	29,655	29,065	29,062
Library	52,931	52,756	52,214	45,974	64,134	61,570	52,660	43,785	39,476	50,424
Culture and Recreation *	91,172	88,788	88,967	80,607	98,098	93,143	56,097	51,483	51,008	50,597
Airport	20,972	19,407	20,941	20,037	21,292	23,071	21,356	20,652	18,995	18,459
Water	67,388	63,879	61,662	63,341	62,277	65,015	63,047	60,970	62,207	59,356
Wastewater	20,619	20,688	17,229	17,450	18,757	14,384	17,078	17,109	17,456	14,601
Sanitation	-	-	-	-	-	-	-	-	-	-
	<u>852,779</u>	<u>822,337</u>	<u>826,973</u>	<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>

* 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,

2023 2022 2021 2020 2019 2018 2017 2016 2015 2014

Fund Balances, Governmental Funds - Schedule 4

(modified accrual basis of accounting)

General Fund

Restricted	\$ 113,981	\$ 125,417	\$ 753,573	\$ 423,362	\$ 941,273	\$ 472,443	\$ 78,417	\$ 78,151	\$ 77,852	\$ 257,598
Reserved (for Dedicated Purpose)/Committed					-	14,545	578,141	2,537,477	70,820	158,843
Unreserved/Undesignated/Assigned	9,617,500	10,835,712	11,173,073	10,382,728	10,811,603	9,177,112	8,135,374	7,014,566	10,007,787	9,616,943
Total	\$ 9,731,481	\$ 10,961,129	\$ 11,926,646	\$ 10,806,090	\$ 11,752,876	\$ 9,664,100	\$ 8,791,932	\$ 9,630,194	\$ 10,156,459	\$ 10,033,384

All Other Governmental Funds

Restricted and Nonspendable	\$ 1,912,200	\$ 921,458	\$ 980,485	\$ 980,600	\$ 912,153	\$ 364,769	\$ 236,441	\$ 356,084	\$ 321,410	\$ 799,935
Reserved (for Dedicated Purpose)/Committed	7,771,442	8,748,182	8,349,127	9,901,226	6,395,683	4,714,621	5,694,194	7,011,321	3,934,208	3,410,083
Unreserved/Undesignated/Assigned	39,480,911	28,208,383	24,112,664	21,104,004	20,906,743	21,867,547	19,635,325	25,471,609	22,507,705	17,895,754
Total (a)	\$ 49,164,553	\$ 37,878,023	\$ 33,442,276	\$ 31,985,830	\$ 28,214,579	\$ 26,946,937	\$ 25,565,960	\$ 32,839,014	\$ 26,763,323	\$ 22,105,772

(a) 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,

2023 2022 2021 2020 2019 2018 2017 2016 2015 2014

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

(modified accrual basis of accounting)

Revenues:

Property Taxes	\$ 27,047,298	\$ 25,500,427	\$ 18,606,019	\$ 23,213,478	\$ 22,047,524	\$ 20,296,182	\$ 19,244,951	\$ 18,227,029	\$ 17,674,504	\$ 17,403,998
Other Taxes	1,030,545	884,539	844,815	1,791,976	833,479	916,669	890,516	880,171	911,857	922,415
Special Assessments	108,861	148,034	54,243	54,172	41,697	52,890	48,712	161,679	86,100	69,427
Fines and Forfeitures	53,008	54,181	46,903	32,327	43,518	41,416	35,378	41,145	49,417	48,003
Licenses and Permits	1,165,799	1,580,313	2,277,696	1,882,560	1,563,063	1,478,997	1,206,907	1,264,310	1,192,848	1,083,837
Fees and Services	3,609,059	4,332,625	4,745,584	3,981,232	3,566,493	4,044,752	2,864,280	2,907,286	3,418,932	2,732,030
Intergovernmental	12,075,750	12,065,072	10,273,570	9,324,739	8,882,379	8,514,511	8,027,528	7,850,437	6,987,622	6,561,282
Federal Grants	11,651,076	4,460,505	15,848,906	2,794,573	3,573,250	6,676,611	2,174,987	3,785,398	1,740,331	4,207,153
Miscellaneous & Investment Income	3,652,411	(1,800,917)	2,590,280	3,700,849	5,354,114	5,028,789	2,500,653	3,974,965	2,561,569	2,374,547
Total	60,393,807	47,224,779	55,288,016	46,775,906	45,905,517	47,050,817	36,993,912	39,092,420	34,623,180	35,402,692

Expenditures:

General Government	6,613,680	6,189,417	6,522,913	6,578,986	5,717,526	5,124,801	4,845,447	4,453,961	4,113,905	3,750,276
Public Safety	32,155,598	24,618,708	20,660,157	18,286,968	17,552,034	16,190,076	15,540,831	14,834,689	13,737,173	13,501,256
Engineering	1,412,545	1,450,042	1,651,535	1,683,416	1,692,915	1,553,187	1,499,651	1,426,545	1,320,956	1,642,952
Community Development	1,117,534	867,739	1,083,792	997,728	1,049,807	940,192	867,205	716,364	908,135	695,930
Cultural and Recreation	5,936,021	5,621,033	5,276,359	4,691,137	4,512,993	3,901,366	3,705,360	3,959,919	3,933,293	3,684,778
Highways and Streets	4,277,094	3,646,040	4,569,560	4,169,589	4,874,857	7,058,335	4,852,226	2,809,548	2,166,676	2,047,874
Airport	2,888,348	3,371,090	9,120,557	3,097,547	2,179,219	4,943,941	3,493,986	2,632,330	1,230,160	4,420,793
Debt Issuance Costs		184,321								
Capital Outlay	3,559,910	2,659,413	4,682,551	5,053,453	5,255,964	6,412,563	11,517,565	3,978,723	3,552,872	2,604,250
Total	57,960,730	48,607,803	53,567,424	44,558,824	42,835,315	46,124,461	46,322,271	34,812,079	30,963,170	32,348,109

Other Financing Sources (Uses):

Contributions	5,262									204
Transfers In	17,321,434	6,035,996	5,271,225	6,059,458	3,052,337	4,183,880	4,224,338	4,737,890	4,180,526	12,096,205
Transfers Out	(15,498,938)	(4,357,478)	(3,841,069)	(5,420,548)	(2,766,120)	(2,857,091)	(3,228,041)	(3,468,805)	(2,860,508)	(10,800,449)
Issuance of Debt	5,796,048	3,174,736								
Total	7,623,806	4,853,254	1,430,156	638,910	286,217	1,326,789	996,297	1,269,085	1,320,018	1,295,960

Net Change in Fund Balances	\$ 10,056,883	\$ 3,470,230	\$ 3,150,748	\$ 2,855,992	\$ 3,356,419	\$ 2,253,145	\$ (8,332,062)	\$ 5,549,426	\$ 4,980,028	\$ 4,350,543
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Debt Service as a percentage of
non-capital expenditures

	1.06%	0%	0%	0%	0%	0%	0%	0%	0%	0%
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City of Twin Falls, Idaho

Assessed Value of Taxable Property - Schedule 6

<u>Fiscal Year</u>	<u>Assessed Valuation</u>	<u>City Levy Rate</u>	<u>Calculated Property Taxes for Budget</u>	<u>Actual Assessment All Property Taxes</u>	<u>Cancellations</u>	<u>Adjustments (Circuit Breaker)</u>	<u>Net Assessed Property Taxes</u>	<u>Collected in Year of Assessment</u>	<u>Collected in Subsequent Yr.</u>	<u>Outstanding Balance 9/30/2023</u>
2022	\$ 5,583,114,592	0.004783910	26,709,118	\$ 26,982,837	\$ 95,914	\$ 339,655	26,547,268	\$ 26,148,888	\$ -	\$ 398,380
2021	4,035,957,147	0.006245573	25,206,865	25,345,088	108,864	323,568	24,912,656	24,590,929	181,558	140,169
2020	3,452,293,576	0.005300426	18,298,627	18,367,681	10,776	227,298	18,129,607	17,857,778	229,796	42,033
2019	3,226,338,398	0.007134065	23,016,908	23,074,463	1,889	265,377	22,807,197	22,471,912	326,096	9,189
2018	2,900,999,246	0.007503874	21,768,733	21,860,986	14,230	238,524	21,608,232	21,301,310	306,598	324
2017	2,683,754,266	0.007429860	19,939,918	20,029,737	10,188	232,073	19,787,476	19,504,807	282,638	31
2016	2,361,514,635	0.008039014	18,984,249	19,066,563	7,496	231,976	18,827,091	18,567,107	259,984	-
2015	2,274,715,387	0.007868287	17,898,114	18,040,788	26,521	238,801	17,775,466	17,367,958	407,508	-
2014	2,264,943,286	0.007664692	17,360,093	17,454,148	56,669	238,801	17,158,678	16,805,418	353,260	-
2013	2,200,305,399	0.007856543	17,286,794	17,821,562	26,820	244,595	17,550,147	17,142,639	407,508	-

Property Tax Levies - Schedule 7

<u>Fiscal Year</u>	<u>Twin Falls City</u>	<u>Twin Falls County</u>	<u>Twin Falls School District</u>	<u>Twin Falls Highway Dist.</u>	<u>College of Southern Idaho</u>	<u>County Ambulance</u>	<u>County Abatement</u>	<u>Total</u>
2022	0.004783910	0.002782758	0.002262071	0.000716758	0.000728329	0.000112486	0.000064329	0.011450641
2021	0.006245573	0.003604221	0.003106028	0.000942152	0.000924499	0.000148295	0.000085067	0.015055835
2020	0.005300426	0.003974578	0.003629366	0.001069504	0.001014337	0.000169938	0.000097697	0.015255846
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

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 \$1,500.

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	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	Taxable Assessed Value									
Chobani, Inc (Agro-Farma)	\$ 436,418,386	\$ 397,493,952	\$ 313,752,654	\$ 305,587,296	\$ 267,321,986	\$ 274,928,865	\$ 425,078,135	\$ 447,967,459	\$ 440,704,927	\$ 397,014,522
Idaho Frozen Foods (Lamb Weston)	139,639,621	129,929,956	122,129,924	96,214,362	84,485,629	83,612,919	92,120,925	85,206,199	73,766,988	76,896,371
Idaho Power	138,297,751	175,121,784	162,509,565	143,702,217	144,446,139	136,632,843	127,282,949	123,110,502		
Clif Bar Baking Company	127,487,731	113,922,212	107,013,848	102,279,229	105,294,875	103,242,722	96,844,384	37,007,452		
Westrock (Longview), LLC	63,835,517	56,268,349	56,504,145	37,839,972	52,477,906	21,835,126	18,330,840	19,852,116	17,250,406	18,350,447
Glanbia Foods, Inc	45,552,707	48,851,524	45,812,601	49,209,189	42,128,211	46,932,648	50,296,001	34,069,915	32,280,570	33,796,073
Jayco	37,514,746	32,605,389	28,792,333	26,959,163	28,055,877					11,576,542
Wal-Mart Stores, Inc.	26,148,929	26,220,928	24,684,063	22,639,862	19,732,121	18,101,850	18,617,037	18,202,778	15,022,186	18,989,807
Canyon Park West, LLC	23,567,180	22,450,733	21,022,372	20,750,097						
Twin Falls Golden Eagle, LLC	20,685,551									
Bridgeview Estates		28,055,426								11,667,748
Magic Valley Mall II , LLC			25,468,345	30,973,975	32,076,216	33,466,990	36,153,343	34,260,684	28,085,114	28,103,597
Henningsen Cold Storage Co					24,313,037	17,491,746	19,684,168	17,692,399	17,779,174	17,675,599
Twin Falls Canyon Park (Geronimo LLC)						17,854,445	15,935,346	14,043,318		
Solo Cup Company									14,792,489	14,632,441
Twin Falls Rivercrest Apartments									14,479,199	
Base Jumpers, LLC									12,798,703	

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
	Certificates of Participation	Capitalized Lease	Revenue Bonds (c)	Term Loans					
2023	\$ 8,655,477	\$ 1,567,767	\$ 30,598,345		\$ 40,821,589	0.89%	\$ 752	\$ 4,592,839,000	54,300
2022	8,905,713	728,832	33,930,860	-	43,565,405	1.04%	819	4,208,749,000	53,213
2021	-	-	37,563,989	-	37,563,989	0.96%	725	3,899,972,000	51,807
2020	-	-	48,736,084	-	48,736,084	1.32%	971	3,681,817,000	50,197
2019	-	-	53,297,705	-	53,297,705	1.56%	1,071	3,410,765,000	49,764
2018	-	-	57,684,327	-	57,684,327	1.77%	1,172	3,259,461,000	49,202
2017	-	-	61,978,558	-	61,978,558	2.07%	1,284	3,000,974,000	48,260
2016	-	-	66,173,038	-	66,173,038	2.29%	1,394	2,889,612,000	47,468
2015	-	-	70,287,516	-	70,287,516	2.53%	1,529	2,779,540,000	45,981
2014	-	-	74,291,998	-	74,291,998	2.84%	1,645	2,620,007,000	45,158

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 & Overlapping Debt</u>	<u>Combined Debt</u>
Debt Repaid with Property Taxes (b):				
Twin Falls School District - Series 2014C General Obligation Debt (Refunding)	10,565,000	84.20%	8,895,730	
Twin Falls School District - Series 2020 General Obligation Debt	58,810,000	84.20%	49,518,020	
Urban Renewal Agency of Twin Falls, Idaho:				
Revenue Allocation Bonds, Series 2013A	19,222,000	100.00%	19,222,000	
Revenue Allocation Bonds, Series 2016A	9,575,000	100.00%	9,575,000	
Other Debt:				
Twin Falls School District - Capital Leases (Energy Savings and Building)	664,382	84.20%	559,410	
Subtotal, overlapping debt			<u>87,770,160</u>	87,770,160
City Direct Debt (d):				<u>10,223,244</u>
Total Direct and Overlapping Debt				<u>\$ 97,993,404</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, 2023. The URA is as of September 30, 2023.
- (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, repaid from service revenue, 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 capitalized leases totaling \$10,223,244 (net of amortized premium or discount) which are classified as general obligation debt. The 10 percent limitation under State statutes would be around \$550,000,000.

City of Twin Falls, Idaho

Pledged Revenue Coverage - Schedule 12

(cash basis of accounting)

Water Revenue Bonds

<u>Fiscal Year</u>	Utility Service	Less: Operating	Net Available	Required Debt Service		<u>Coverage</u>
	<u>Charges</u>	<u>Expense</u>	<u>Revenue</u>	<u>Principal</u>	<u>Interest (a)</u>	
2023	\$ 12,035,516	\$ 7,277,755	\$ 4,757,761	\$ 765,000	\$ 76,928	5.65
2022	11,809,706	5,978,749	5,830,957	1,085,000	132,750	4.79
2021	11,955,356	5,561,107	6,394,249	2,305,000	430,245	2.34
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

Wastewater Revenue Bonds

<u>Fiscal Year</u>	Utility Service	Less: Operating	Net Available	Required Debt Service		<u>Coverage</u>
	<u>Charges</u>	<u>Expense</u>	<u>Revenue</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 10,412,263	\$ 6,049,078	\$ 4,363,185	\$ 2,350,000	\$ 1,133,135	1.25
2022	11,695,412	5,035,951	6,659,461	2,235,000	1,247,280	1.91
2021	10,261,051	4,307,539	5,953,512	2,130,000	1,351,237	1.71
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

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.

City of Twin Falls, Idaho

Demographic and Economic Statistics - Schedule 13

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>City Population</u>	Unavailable	54,300	53,213	51,807	50,197	49,764	49,202	48,260	47,468	45,981
<u>Total Personal Income for Twin Falls County (Thousand Dollars)</u>	Unavailable	4,592,839	4,208,749	3,899,972	3,681,817	3,410,765	3,259,461	3,000,974	\$ 2,889,612	\$ 2,779,540
<u>Personal Income per capita for Twin Falls County</u>	Unavailable	49,019	45,627	44,112	42,379	40,756	38,935	35,934	\$ 35,079	\$ 34,763
	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>City Unemployment Rate</u>	3.1	2.7	2.8	6.3	2.8	2.7	2.8	3.3	3.6	4.1
<u>City Labor Force</u>	26,329	26,103	24,014	25,513	24,342	23,761	24,206	23,522	23,221	22,243
<u>School Enrollment</u>	9,282	9,531	9,556	9,294	9,775	9,693	9,602	9,322	9,090	8,865

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 near the beginning of the school year.

City of Twin Falls, Idaho

City's Largest Employers - Schedule 14

2023

<u>Business</u>	<u>Rank</u>	<u>Employment Range</u>	<u>Industry</u>
St Luke's Magic Valley Reg. Medical Center	1	2,000 - 2,999	Health Care
Chobani Idaho Inc.	2	1,000 - 1,499	Food Manufacturing
Twin Falls School District #411	3	1,000 - 1,499	Local Government - Education
College of Southern Idaho	4	1,000 - 1,499	Local Government - Education
Lamb Weston Inc.	5	700 - 799	Food Manufacturing
Amalgamated Sugar Company	6	400 - 499	Food Manufacturing
Wal-Mart Associates, Inc.	7	400 - 499	Retail Trade
Twin Falls County	8	400 - 499	Local Government - Administration
City of Twin Falls	9	300 - 399	Local Government - Administration
Clif Bar Baking Company	10	300 - 399	Food Manufacturing

2014

<u>Business</u>	<u>Rank</u>	<u>Employment Range</u>	<u>Industry</u>
St. Lukes Magic Valley Reg. Medical Center	1	2,000 +	Health Care
Twin Falls School District #411	2	1,000 - 1,999	Local Government - Education
Personnel Plus Inc.	3	1,200 - 1,299	Administrative & Support Services
College of Southern Idaho	4	500 - 999	Local Government - Education
C3 Customercontact Channels Inc.	5	500 - 999	Administrative & Support Services
Chobani Idaho Inc.	6	500 - 999	Food Manufacturing
Conagra Foods Packaged Food Co	7	500 - 999	Food Manufacturing
Twin Falls County	10	250 - 499	Local Government - Administration
Wal-Mart Associates, Inc.	11	250 - 499	Retail Trade
City of Twin Falls	12	250 - 499	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.

City of Twin Falls, Idaho

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Selected City Service Information - Schedule 15										
<u>Building:</u>										
Permits Issued (Single Family)	106	154	486	573	326	243	224	236	230	189
Value (Single Family)	\$ 32,688,177	\$ 47,458,326	\$ 100,909,255	\$ 88,824,234	\$ 63,519,682	\$ 47,311,351	\$ 44,391,872	\$ 47,719,056	\$ 46,392,231	\$ 30,578,140
Permits Issued (New Commercial)	51	59	93	58	78	59	32	28	59	36
Value (New Commercial)	\$ 26,024,044	\$ 80,545,560	\$ 73,075,447	\$ 32,537,387	\$ 33,091,360	\$ 63,097,492	\$ 28,328,054	\$ 56,969,584	\$ 87,856,213	\$ 35,167,774
<u>Fire:</u>										
Total Incidents	6,395	6,418	6,285	6,231	5,851	5,003	5,413	2,788	3,170	3,200
Estimate of Property Saved	\$ 56,402,406	\$ 9,502,636	\$ 121,632,208	\$ 21,547,482	\$ 24,260,600	\$ 7,655,605	\$ 18,581,258	\$ 10,636,150	\$ 21,382,821	\$ 12,409,423
Estimate of Property Lost	\$ 1,162,088	\$ 5,361,155	\$ 4,295,162	\$ 2,472,354	\$ 1,265,305	\$ 1,664,981	\$ 1,756,247	\$ 1,008,100	\$ 2,257,189	\$ 1,375,840
<u>Police:</u>										
Calls for Service	54,960	51,304	50,111	52,819	54,427	56,621	58,655	54,832	52,552	51,439
Case Reports Taken	7,076	6,536	8,707	7,362	7,492	7,659	7,971	7,275	7,263	7,050
<u>Airport:</u>										
Airplane Takeoff/Landings	28,641	32,276	35,358	39,310	34,488	29,375	25,621	26,337	28,195	25,265
Boarding/Deboarding	38,657	32,333	33,796	53,907	87,497	85,358	81,206	70,055	65,586	56,894
<u>Library:</u>										
Number of Cardholders	30,052	31,317	34,604	32,641	33,107	30,937	28,564	34,804	31,636	30,989
Average Daily Traffic	593	1,208	384	564	731	726	843	820	797	817
Total Items Checked Out	535,495	499,369	431,679	402,679	555,958	568,046	582,464	474,709	474,844	493,939
<u>Parks:</u>										
Total Maintained Acreage	1,671	1,662	1,504	1,504	1,504	1,395	1,395	1,363	1,363	1,363
<u>Water:</u>										
Water Consumed (Millions)	4,565	4,730	4,775	4,655	4,228	4,589	4,737	4,798	4,616	4,608
<u>Wastewater:</u>										
Gallons Treated (Millions)	3,073	3,098	2,969	2,822	2,727	2,784	2,918	2,850	2,750	2,716
Solids Treated (Thousand lbs. BOD):	7,724	9,518	8,098	6,830	6,358	8,272	8,691	8,608	9,494	9,256
<u>Sanitation:</u>										
Customer Count	16,648	16,441	15,967	15,585	15,303	15,055	14,912	14,618	14,412	14,039
Trash Tonnage (Tons)	21,449	21,668	21,532	21,199	19,430	19,224	18,120	18,086	17,269	17,490
Tonnage per Customer	1.29	1.32	1.35	1.36	1.27	1.28	1.22	1.24	1.20	1.25
Recycling Tons	719	879	843	875	1,578	1,770	1,865	1,938	1,936	1,951

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 2024</u>	<u>FYE 2023</u>	<u>FYE 2022</u>	<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>
Other Operating Information - Schedule 16										
<u>Budgeted Fulltime Equivalent Employees:</u>										
General Government	51.50	50.00	49.00	46.00	46.25	45.00	43.00	40.00	40.00	40.00
Fire	48.50	48.50	47.50	47.50	47.50	42.50	42.00	42.00	42.00	41.75
Police	107.00	107.00	103.00	102.75	102.75	103.75	102.75	113.75	107.75	105.75
Dispatch *	14.00	13.00	13.00	13.00	13.00	13.00	11.00			
Engineering/Planning	19.00	19.00	19.00	19.25	19.25	19.25	19.25	19.25	20.25	19.25
Streets	16.33	16.33	16.33	16.00	16.00	16.00	14.00	14.00	14.00	13.00
Library	37.00	38.00	38.00	36.00	45.00	48.00	49.00	55.00	55.00	51.00
Culture and Recreation *	19.00	19.00	19.00	20.00	19.00	19.25	18.00	17.00	17.00	16.00
Airport	9.50	9.50	9.50	9.50	9.50	8.50	8.50	8.13	8.13	7.00
Water	32.33	32.33	31.33	29.50	29.00	28.75	27.75	27.75	27.75	27.75
Wastewater	10.84	10.84	9.84	9.75	9.75	9.75	8.75	8.75	8.75	8.75
Sanitation	-	-	-	-	-	-	-	-	-	-
	365.00	363.50	355.50	349.25	357.00	353.75	344.00	345.63	340.63	330.25

* 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

<u>Net Book Value of Capital Assets</u>	<u>Machinery &</u>					
	<u>Land</u>	<u>Building</u>	<u>Improvements</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Total</u>
General Government	\$ 11,944,911	\$ 18,632,668	\$ 1,921,663	\$ 84,671,500	\$ 1,411,782	\$ 118,582,524
Fire	-	79,700	14,889	-	2,454,130	2,548,719
Police & Dispatch	-	66,233	162,673	-	560,877	789,783
Engineering/Planning	-	-	-	-	18,484	18,484
Streets	-	60,689	1,690	2,638,551	1,826,387	4,527,317
Library	-	1,155,743	96,563	-	2,188,239	3,440,545
Culture and Recreation	158,532	1,277,395	2,084,146	15,660	400,011	3,935,744
Airport	-	1,991,688	1,831,386	4,302,038	1,654,459	9,779,571
Water	12,569,052	692,606	7,798,913	29,964,756	1,564,751	52,590,078
Wastewater	126,185	1,960,519	9,899,412	64,157,393	5,187,822	81,331,331
Sanitation						
	\$ 24,798,680	\$ 25,917,241	\$ 23,811,335	\$ 185,749,898	\$ 17,266,942	\$ 277,544,096

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

SINGLE AUDIT INFORMATION

CITY OF TWIN FALLS
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2023

<i>Award Information</i>	<i>AL/other #</i>	<i>Pass-Through Entity Name</i>	<i>Pass-Through Entity #</i>	<i>Passed- through to Subrecipients (\$)</i>	<i>Federal Expenditures (\$)</i>
<i>CDBG - Entitlement Grants-Cluster</i>					
Department of Housing and Urban Development					
Community Development Block Grants/Entitlement Grants					
Community Development Block Grants/Entitlement Grants	14.218				\$ 36,578
Total Community Development Block Grants/Entitlement Grants				0	36,578
<i>Total Department of Housing and Urban Development</i>					36,578
<i>Total CDBG - Entitlement Grants-Cluster</i>					36,578
<i>Highway Safety Cluster-Cluster</i>					
Department of Transportation					
State and Community Highway Safety					
State and Community Highway Safety	20.600	State of Idaho			26,727
Total State and Community Highway Safety				0	26,727
<i>Total Department of Transportation</i>					26,727
<i>Total Highway Safety Cluster-Cluster</i>					26,727
<i>Other Programs (Treated individually for major program determination)</i>					
Department of the Interior					
Historic Preservation Fund Grants-In-Aid					
Historic Preservation Fund Grants-In-Aid	15.904	Idaho State Historical Society			504
Total Historic Preservation Fund Grants-In-Aid				0	504
<i>Total Department of the Interior</i>					504
Department of Transportation					
Airport Improvement Program					
Airport Improvement Program	20.106				1,364,697
Total Airport Improvement Program				0	1,364,697
<i>Total Department of Transportation</i>					1,364,697
Department of the Treasury					
Coronavirus State and Local Fiscal Recovery Funds					
Coronavirus State and Local Fiscal Recovery Funds	21.027	Direct			8,465,111
Coronavirus State and Local Fiscal Recovery Funds	21.027	Idaho Department of Environmental Quality			158,755
Total Coronavirus State and Local Fiscal Recovery Funds				0	8,623,866
<i>Total Department of the Treasury</i>					8,623,866
<i>Total Other Programs (Treated individually for major program determination)</i>					9,989,067
<i>Total Expenditures of Federal Awards</i>					\$ - \$ 10,052,372

The accompanying notes are an integral part of this schedule

CITY OF TWIN FALLS, IDAHO
Notes to Schedule of Expenditures of Federal Awards
September 30, 2023

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.

Note C-Indirect Cost Rate

The City does not draw for indirect administrative expenses, and has not elected to use the 10% de minimus cost rate.

CITY OF TWIN FALLS, IDAHO
 Schedule of Findings and Questioned Costs
 For the Year ended September 30, 2023

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>
Coronavirus State and Local Fiscal Recovery Funds	21.027

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 City of Twin Falls, Idaho, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated March 8, 2024

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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 City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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
March 8, 2024

**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

Opinion on Each Major Federal Program

We have audited the City of Twin Falls, Idaho's compliance with the types of compliance requirements identified as subject to audit 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, 2023. 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.

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, 2023.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Twin Falls, Idaho and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Twin Falls, Idaho's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Twin Falls, Idaho's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Twin Falls, Idaho's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Twin Falls, Idaho's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Twin Falls, Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Twin Falls, Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the City of Twin Falls, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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
March 8, 2024