

Annual Comprehensive Financial Report

FOR THE YEAR ENDED
**SEPTEMBER 30,
2023**



CITY OF IDAHO FALLS, IDAHO

Annual Comprehensive Financial Report
For the fiscal year ended September 30, 2023

Prepared By:

Municipal Services Department
Finance Division

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Introductory Section

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO

MUNICIPAL SERVICES**Municipal Services** (208) 612-8249**City Clerk** (208) 612-8415**IT Division** (208) 612-8118**Finance Division** (208) 612-8230**Treasurer's Office** (208) 612-8218**General Services** (208) 612-8431

May 2, 2024

To the Honorable Mayor, Members of the City Council

And Citizens of Idaho Falls

The Annual Comprehensive Financial Report of the City of Idaho Falls (City) for the fiscal year ended September 30, 2023 is hereby submitted. Responsibility for the accuracy of the data, and the completeness and fairness of the presentations, including all disclosures, rests with the City and is based upon a comprehensive framework of internal control that the City has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The administration believes the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

Eide Bailly LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal control and compliance with legal requirements, with special emphasis on internal control and legal requirements involving the administration of federal awards. These reports are contained in the single audit section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

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The accompanying Annual Comprehensive Financial Report includes the financial activities of the City, the primary government, and its component unit, The Idaho Falls Redevelopment Agency.

Profile of the City

The City of Idaho Falls was incorporated in 1889 under the laws of the State of Idaho. The City operates under a Mayor-Council form of government and provides the following services: general administrative services, planning and building, public safety (police, fire, ambulance, and animal control), parks and recreation, streets, library, public works, airport, and water, sanitation, electric, fiber, and wastewater utilities.

The City of Idaho Falls is located in Idaho's southeastern corner. The City currently occupies a land area of approximately 26 square miles with an estimated population of around 66,000. The City has the authority to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its boundaries by annexation, which occurs as deemed appropriate by the City Council.

Policy-making and legislative authority are vested in a governing City Council (Council) consisting of the Mayor and six Council members. The Council is responsible, among other things, for passing ordinances, adopting the budget, confirming committee members and working with various department heads as assigned by the Mayor. The Mayor is responsible for carrying out the policies and ordinances of the Council, overseeing the day-to-day operations of the City; and appointing the heads of the various departments. The Council is elected on a non-partisan basis.

Council members serve four-year staggered terms, with three Council members elected every two years. The Mayor is elected to serve a four-year term. The Mayor and Council members are elected at large.

An operating, equipment, and capital budget, including proposed expenditures and the means of financing them is proposed by the Mayor to the Council members for approval. Budgets are integrated into the accounting system to facilitate management control during the year. Budgetary control is enhanced for governmental funds using an encumbrance system. As purchase orders are issued, corresponding appropriations are reserved by the use of encumbrances for later payment so that appropriations may not be overspent.

Local Economy

The Idaho Falls economy can be characterized as a regional center for retail, wholesale, medical, educational and governmental services. Underlying the City economy is a very strong base of agriculture production and processing in barley, potatoes, wheat, and cattle. Coupled with the agriculture base is the scientific and hi-tech research and supporting businesses for the Idaho National Laboratory (INL).

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This scientific sector provides a highly educated workforce and high incomes in the local economy. This diversified and regional market economy provides economic stability in jobs, incomes and tax base.

The regional market area extends from the City of Blackfoot to the south of Idaho Falls into Montana and Wyoming on the north and east and on into Central Idaho. The regional medical center, including hospitals, medical specialties and services, is concentrated in Idaho Falls.

Idaho Falls is the regional market center on the western side of Yellowstone National Park and Jackson Hole. To the west is the Craters of the Moon National Monument. The outdoor activities of fly-fishing, hunting, skiing, snowmobiling, hiking, and sightseeing support many businesses and manufacturers. The tourism and entertainment business within the City is growing and supporting more jobs and businesses. The state's largest museum is in Idaho Falls, which anchors a growing cultural tourism sector.

The state and federal offices in Idaho Falls also serve all of Eastern Idaho. The City is also the County seat. Three universities have a large classroom and research presence in the City and are associated with INL. A community college also serves the area. There are two school districts and several private school systems.

Because of its location in a region with a varied economic base, unemployment has been relatively stable. Currently the City is experiencing slow but steady economic growth. Within the past ten years, the unemployment rate has reached a high of 3.4 percent in the year 2020 and returned back down to 2.4 percent in 2023. The unemployment rate at the end of fiscal year 2023, reflects a recovery of the job market in the Idaho Falls metropolitan area. Idaho Falls continues to experience some of the lowest unemployment rates in the nation. The economy is expected to continue to diversify and grow in the manufacturing and technology industries.

Long-term Financial Planning

Historically, the City Council has set a general fund reserve of 25%, or 3 months of operations and maintenance expenses. The unassigned fund balance in the general fund is currently below the reserve threshold. The City will work on a repayment schedule to replenish the general fund reserve over the next 7-10 years.

The City maintains and reviews a five-year capital plan and is developing a more comprehensive plan that outlines major purchases and projects. Some of the major projects planned are the reconstruction or revitalization of parks, reconstruction of roads and intersections, wastewater treatment plant upgrades, water tower, a law enforcement building, and other public safety buildings.

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Relevant Financial Policies

It is the City's policy that "one-time" resource inflows are not be used for operating purposes . All grants received are designated and spent for the purposes that are stated in the grant application. It is also the City's policy to base payment in-lieu of taxes on comparative market rates rather than negotiated rates.

Major Initiatives

A few of the important initiatives that will have an impact on City operations at the state level are education and transportation funding; online sales tax collection, tax increment financing, highway funding, road maintenance, and local option taxation.

The preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of the entire staff of the Finance Manager's office, together with assistance from other Departments and Divisions of the City, and the assistance of the City's independent auditor, Eide Bailly LLP. All of these efforts are greatly appreciated.

Respectfully submitted,

A handwritten signature in blue ink that reads "Mark Hagedorn". The signature is fluid and cursive, with the first name "Mark" and last name "Hagedorn" clearly legible.

Mark Hagedorn, CPA

Finance Manager

Principal Officials September 30, 2023

City Council

Rebecca L. Noah Casper
Michelle Ziel-Dingman
Lisa Burtenshaw
Thomas Hally
Jim Francis
John B. Radford
James S. Freeman

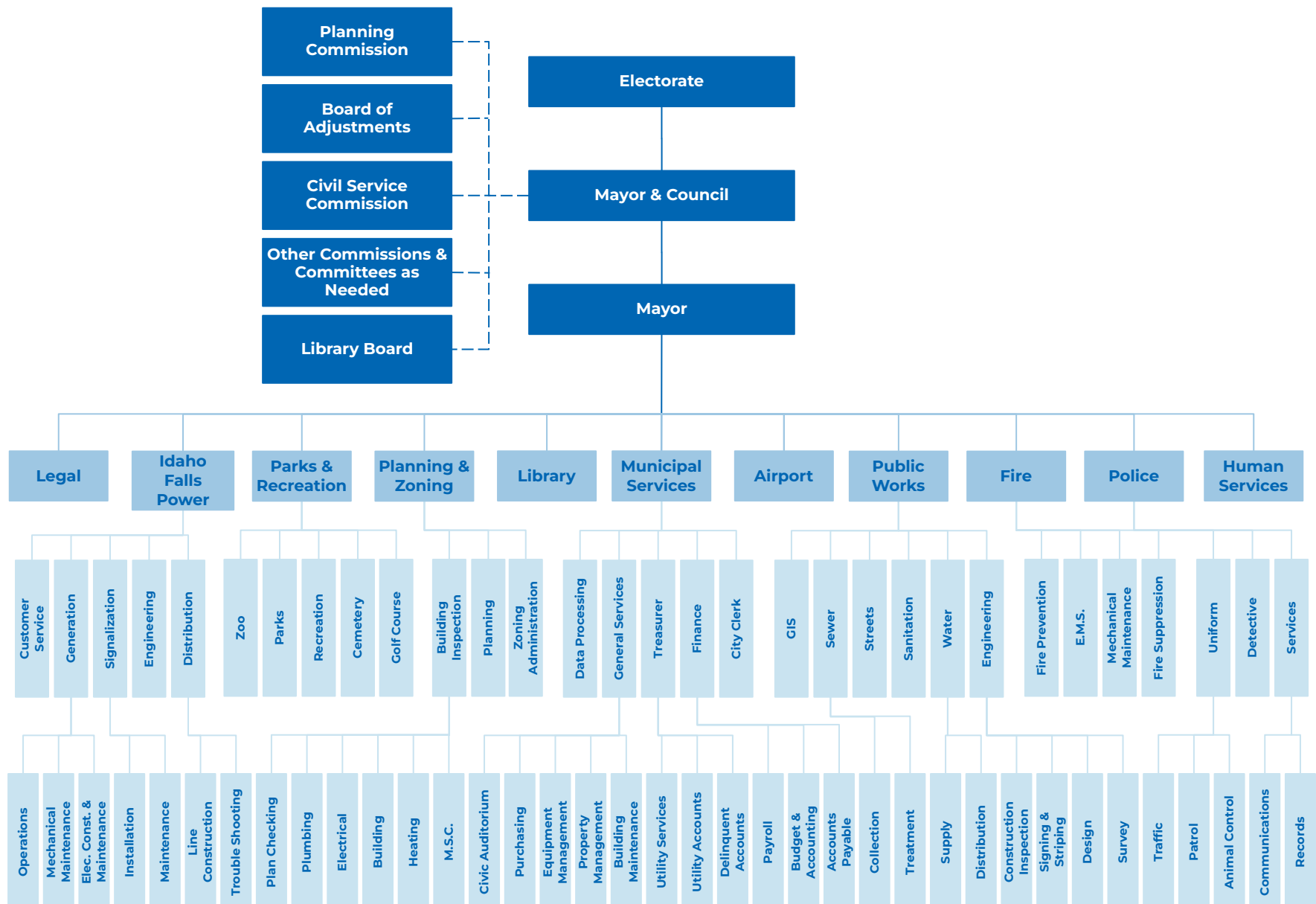
Mayor
Council Member (Seat 1) | Council President
Council Member (Seat 2)
Council Member (Seat 3)
Council Member (Seat 4)
Council Member (Seat 5)
Council Member (Seat 6)

Other Principal Officers

Pam Alexander
Vacant
Randall Fife
Chris Fredericksen
Paul Holm
Bryce Johnson
Duane Nelson
Bear Prairie
Wade Sanner
Ryan Tew
Robert Wright

Municipal Services Director
Airport Director
City Attorney
Public Works Director
Parks & Recreation Director
Police Chief
Fire Chief
Idaho Falls Power General Manager
Community Development
Human Resources Director
Library Director

City of Idaho Falls Organization



An aerial photograph of Idaho Falls, Idaho, showing a river on the left, a large green park area with trees in autumn colors, a paved road with a bike lane, and city buildings on the right. A blue banner is overlaid on the bottom right of the image.

Financial Section

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO



Independent Auditor's Report

To the Honorable Mayor and Members of the City Council
City of Idaho Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Idaho Falls, Idaho (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. In our opinion, based on our audit and the report of the other auditors, the accompanying 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 unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, the streets fund, and the emergency medical services fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Idaho Falls Redevelopment Agency which represents 100% of the assets, net position, and revenues of the discretely presented component unit as of September 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for the Idaho Falls Redevelopment Agency are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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, 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.

Adoption of New Accounting Standard

As discussed in Note III.L to the financial statements, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based-Information Technology Arrangements*. As a result of implementing the standard, there was no effect on net position as of October 1, 2022. Our opinions are not modified with respect to this matter.

Correction of Error

As discussed in Note III.L to the financial statements, certain errors resulting in an understatement of amounts previously reported for accounts receivable, deferred inflows of resources and revenue as of September 30, 2022, were discovered during the current year. Accordingly, a restatement has been made to the fund balance of the general fund and the net position of the governmental activities as of September 30, 2022, to correct the error. Our opinions are not modified with respect to this matter.

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'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 GAAS 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 GAAS 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'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'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 and the Schedule of Employer's Share of Net Pension Liability (Asset) and Contributions of the Base and FRF Plans, and the Changes in Net Pension Liability of the Policeman Retirement Fund 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 GAAS, 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's basic financial statements. The combining and individual nonmajor fund financial statements; budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying 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* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration and is not a required part of the basic financial statements. Such information, collectively referred to as supplementary 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 supplementary 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 GAAS. In our opinion, the supplementary information is 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 May 2, 2024 on our consideration of the City'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'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's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho
May 2, 2024

Management Discussion and Analysis

The discussion and analysis of the City of Idaho Falls' financial performance provides an overall review of the City's financial activities for the year ended September 30, 2023. The intent of this discussion and analysis is to provide an overview of the City's financial performance over a 12-month period. Management recommends the review of the transmittal letter and financial statements to enhance the understanding of the City's reported financial performance in greater detail.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows for the period ending September 30, 2023 by \$660,381,129 (net position). Of this amount, \$147,786,528 represents an unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased \$35,583,291 as a result of this year's operations. The governmental net position increased by \$20,458,042 and the business-type net position increased by \$15,125,249.
- As of September 30, 2023, the City's governmental activities reported a combined ending net position of \$236,133,213. Approximately 16.56 percent of this amount, or \$39,104,963, is held in unrestricted net position.
- For the period ending September 30, 2023, the general fund balance was \$30,026,845, of which \$1,409,705 is classified as non-spendable and \$490,126 is classified as restricted as defined in the financial statement footnote III.K. The remaining \$28,127,014 represents 29.58 percent of the total general fund budget dedicated for funding City operations.
- The City's total noncurrent liabilities (including notes and compensated absences, excluding net pension liabilities) was \$69,402,067 for the period ending September 30, 2023. Net pension liability is detailed in Note III.O.

Overview of the Financial Statements

This overview and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The Statement of Net Position presents information on all of the City's assets and liabilities, and deferred outflows/inflows 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 is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event is incurred, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements include not only the City itself (known as the primary government), but also the Idaho Falls Redevelopment Agency, a legally separate component unit of the City. Financial information for the component unit is reported separately from the financial information presented for the primary government.

Fund Financial Statements

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

Governmental 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 evaluating a government's financial health and 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 maintains twenty-three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, streets fund and emergency medical services fund, which are considered to be major funds. Data from the other twenty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, its major funds, and its non-major funds. A budgetary comparison statement has been presented for the general fund in the fund statements section and all other funds in the supplementary information section to demonstrate compliance with these budgets.

Proprietary Funds

The City maintains two different types of proprietary funds: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its public utilities (water, wastewater, electric, fiber, and sanitation) and the airport. Internal service funds are an accounting device used to accumulate and allocate support services costs internally among the City's various functions. The City uses an internal service fund to account for workers' compensation claims and risk as a self-insurance mechanism. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the airport, water and wastewater, sanitation, fiber, and electric operations, all of which the City considers to be major funds.

Notes to The Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statement and accompanying notes, this report also presents required supplementary information and other supplementary information. The required supplementary information presents the City's schedules required for disclosure of pension benefits. The combining statements referred to earlier in connection with non-major governmental funds are presented in the other supplementary information section. Also included are budget to actual comparisons for the governmental special revenue funds and capital improvement funds.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded its liabilities and deferred inflows by \$660,381,129 as of September 30, 2023. By far the largest portion of the City's net position, 70.76%, reflects its net investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Position

A portion of the net position, about 6.9%, represents resources which are subject to external restrictions on how the resources may be utilized. The remaining balance of unrestricted net position, \$147,786,528 may be used to meet the City's ongoing obligations.

For the year ended September 30, 2023, the City's net position increased by \$35,583,291 or 5.7% compared to last year due to continued operations. The City's operations improved as a result of increased revenues in taxes, charges for services, and capital grants and contributions. The City's financial performance is improving, as assets and deferred outflows of resources are growing faster than liabilities and deferred inflow of resources, leading to an increase in net position.

Comparative Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Assets						
Current and other assets	\$ 83,444,451	\$ 90,688,130	\$ 128,885,188	\$ 126,412,965	\$ 212,329,639	\$ 217,101,095
Capital assets	190,827,983	160,417,004	341,145,638	329,925,464	531,973,621	490,342,468
Net pension asset	33,606,273	29,190,140	-	-	33,606,273	29,190,140
Total assets	307,878,707	280,295,274	470,030,826	456,338,429	777,909,533	736,633,703
Total deferred outflows	13,650,525	19,519,457	4,637,123	5,978,588	18,287,648	25,498,045
Liabilities						
Long-term liabilities outstanding	39,814,635	37,731,356	29,587,432	30,653,753	69,402,067	68,385,109
Net pension liability	28,213,264	28,132,794	11,293,262	10,949,118	39,506,526	39,081,912
Other liabilities	16,548,034	17,075,903	7,344,818	9,268,655	23,892,852	26,344,558
Total liabilities	84,575,933	82,940,053	48,225,512	50,871,526	132,801,445	133,811,579
Total deferred inflows	820,086	1,199,507	2,194,521	2,322,824	3,014,607	3,522,331
Net position						
Net investment in capital assets	155,551,079	129,426,745	311,748,677	310,315,672	467,299,756	439,742,417
Restricted	41,477,171	37,706,879	3,817,674	1,079,623	45,294,845	38,786,502
Unrestricted	39,104,963	48,541,547	108,681,565	97,727,372	147,786,528	146,268,919
Total net position	\$ 236,133,213	\$ 215,675,171	\$ 424,247,916	\$ 409,122,667	\$ 660,381,129	\$ 624,797,838

*2022 balances were restated due to the implementation of GASB 96 SBITAs and a prior period adjustment related to opioid settlements. See Note III.L.

Comparative Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022*
Revenues:						
Program revenues:						
Charges for services	\$ 19,985,971	\$ 19,113,145	\$ 116,478,891	\$ 112,194,544	\$ 136,464,862	\$ 131,307,689
Operating grants & contributions	13,489,139	12,504,060	146,475	1,133,680	13,635,614	13,637,740
Capital grants & contributions	18,047,067	8,685,786	14,963,312	10,658,176	33,010,379	19,343,962
General revenues:						
Property taxes	42,351,492	39,989,329	-	-	42,351,492	39,989,329
Other taxes	14,833,558	12,952,169	-	-	14,833,558	12,952,169
Other	3,180,554	1,654,789	4,947,830	(2,273,458)	8,128,384	(618,669)
Total revenues	111,887,781	94,899,278	136,536,508	121,712,942	248,424,289	216,612,220
Expenses:						
General government	12,550,998	11,241,998	-	-	12,550,998	11,241,998
Public safety	40,833,424	41,441,487	-	-	40,833,424	41,441,487
Streets	14,596,669	13,995,776	-	-	14,596,669	13,995,776
Culture and recreation	21,421,970	19,797,143	-	-	21,421,970	19,797,143
Public works	2,788,783	1,940,631	-	-	2,788,783	1,940,631
Interest on long-term obligations	961,239	-	-	-	961,239	-
Airport	-	-	9,972,966	7,726,355	9,972,966	7,726,355
Water	-	-	11,409,807	12,015,046	11,409,807	12,015,046
Sanitation	-	-	5,390,799	4,194,284	5,390,799	4,194,284
Electric	-	-	73,004,639	62,537,857	73,004,639	62,537,857
Fiber	-	-	5,762,235	6,476,949	5,762,235	6,476,949
Wastewater	-	-	14,147,469	12,329,333	14,147,469	12,329,333
Total expenses	93,153,083	88,417,035	119,687,915	105,279,824	212,840,998	193,696,859
Increase (decrease) in net position before transfers	18,734,698	6,482,243	16,848,593	16,433,118	35,583,291	22,915,361
Transfer	1,723,344	4,569,205	(1,723,344)	(4,569,205)	-	-
Increase (decrease) in net position	20,458,042	11,051,448	15,125,249	11,863,913	35,583,291	22,915,361
Net position - beginning, restated	215,675,171	204,623,723	409,122,667	397,258,754	624,797,838	601,882,477
Net position - ending	\$ 236,133,213	\$ 215,675,171	\$ 424,247,916	\$ 409,122,667	\$ 660,381,129	\$ 624,797,838

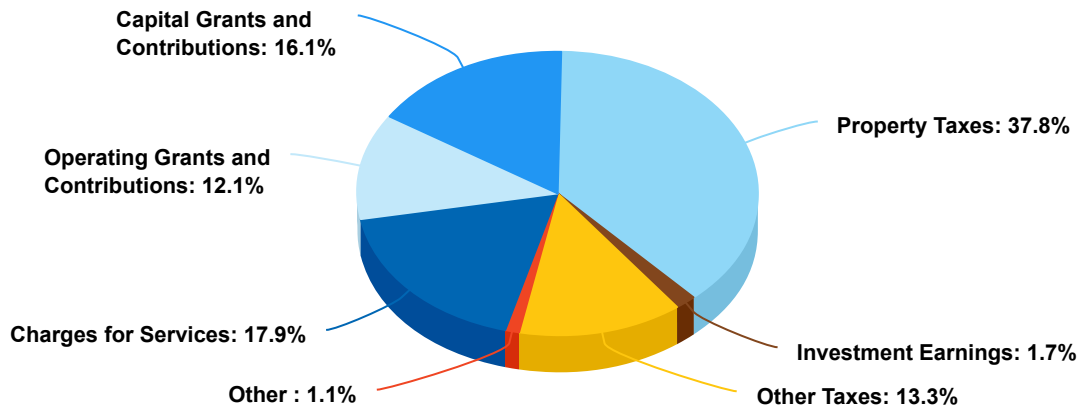
*2022 balances were restated due to the implementation of GASB 96 SBITAs and a prior period adjustment related to opioid settlements. See Note III.L.

Governmental Activities

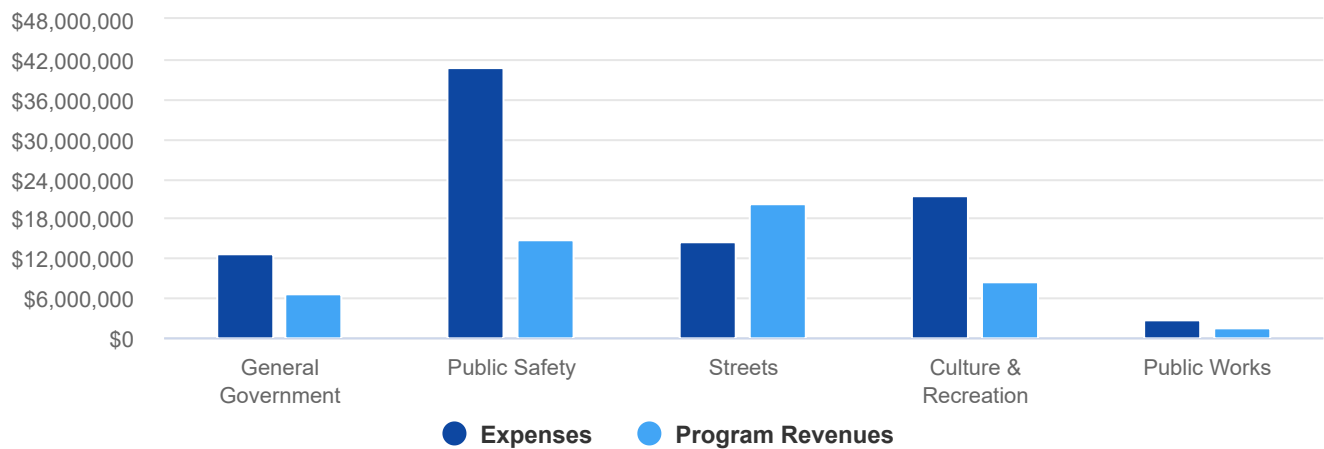
During the current fiscal year, net position for governmental activities increased \$20,458,042 or 9.49% from the prior year for an ending balance of \$236,133,213. Key elements of the year are as follows:

- Governmental revenue increased by \$16,988,503 or 17.9% compared to September 30, 2022. This increase is primarily due to the increase in property taxes, state shared revenues, capital contributions and federal grants.
- Governmental expenses increased by \$4,736,048 or 5.36% compared to September 30, 2022. The net change is primarily due to significant increase of pension related expenses.

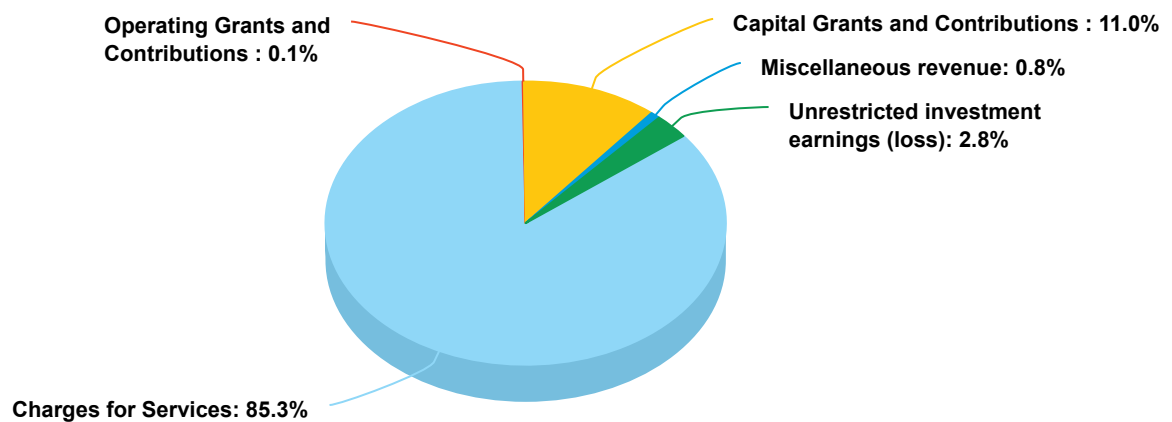
2023 Revenues by Source - Governmental Activities



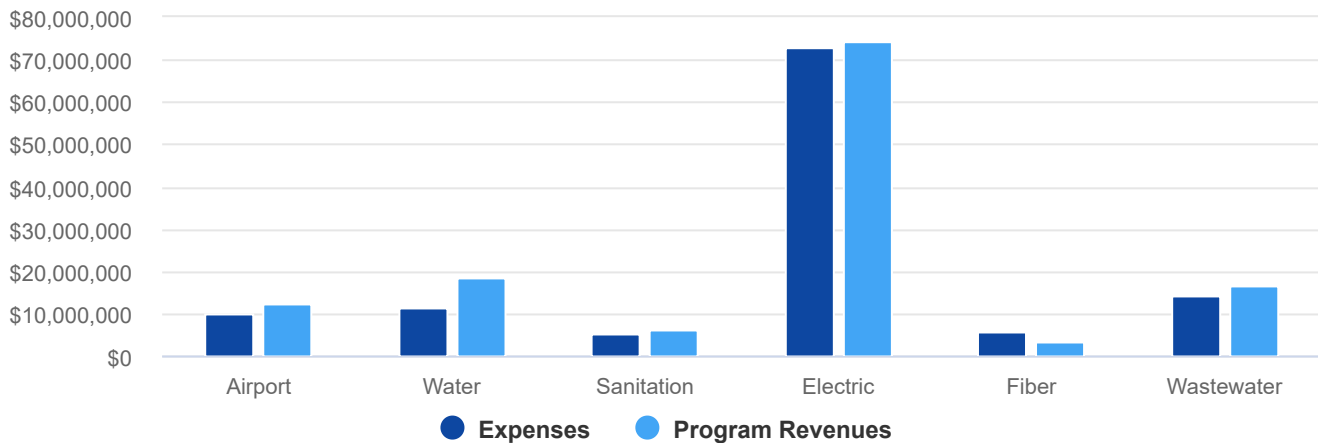
2023 Expenses and Program Revenues - Governmental Activities



2023 Revenues by Source - Business-Type Activities



2023 Expenses and Program Revenues - Business-Type Activities



Business-type activities. Business-type activities increased the City's net position by \$15,125,249 or 3.7% compared to September 30, 2022 for an ending balance of \$424,247,916. Key elements of this increase are as follows:

- Business-type capital related assets increased by \$11,220,174 or 3.4% compared to September 30, 2022. This increase is primarily due to wastewater treatment plant upgrades, airport terminal expansion projects, and fiber infrastructure expansion projects that will continue into fiscal year 2024.
- Business-type revenues increased by \$14,823,566 or 12.18% compared to September 30, 2022. This increase is related to fee increases for city utilities and contributed capital by developers.

Financial Analysis of the Governmental Funds

The City uses governmental funds to provide information on current inflows, outflows, and balances of spendable resources. This information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for discretionary use.

For the period ended September 30, 2023, the City's governmental funds reported an ending fund balance of \$61,558,011 which is a \$7,295,365 or 10.6% decrease compared to September 30, 2022. Reporting for Governmental funds is represented in two classifications, non-spendable and spendable. Non-spendable fund balance cannot be spent due to its nature or external limitations. Spendable fund balances are either restricted, committed, unassigned, or assigned. Restricted amounts are spent on specific purposes stipulated by external parties. Committed amounts are used for particular purposes determined by the City Council. Assigned funds have an intended purpose but are neither considered committed or restricted. Unassigned funds is the classification for the government's general fund that are not included in the other categories. The following includes the total amounts of each classification:

- Within the non-spendable fund balance category is inventory and prepaid items for a total of \$1,826,131.
- The restricted fund balance category comprises funds restricted for airport improvements and public safety for a total of \$4,655,385.
- The entirety of the committed fund balance of \$6,626,377 is attributed contracts the City has entered into for the following areas: law enforcement building of \$4,238,736, street and capital improvements of \$909,324, civic center improvements of \$532,500 and general operation and maintenance of \$945,816.

- At September 30, 2023 the City has made the \$39,865,695 in assignments of fund balance to the following: street and municipal projects of \$12,439,467, machinery and equipment replacement program of \$8,152,755, public safety projects \$4,458,673, culture and recreation projects of \$5,303,185, health self insurance \$4,325,682, capital projects of \$4,111,243, operational and maintenance of \$1,050,000, and Downtown Business Improvement District of \$24,691.
- The unassigned fund balance is \$8,584,423 .

The General Fund–Revenue & Expenditure Analysis

The general fund is the City’s primary operating fund. Fund balance of the City’s general fund decreased by \$11,095,365 or 27.0% as compared to the prior fiscal year. The key factor is City expenditures exceeded revenues/transfers. The key factors in this are as follows:

- Revenues increased by \$5,363,360 or 10.51% as compared to the prior year. This increase is the result of the tax growth, intergovernmental revenues, and increased investment earnings.
- Expenditures increased by \$17,882,103 or 29.64% as compared to the prior year. This increase also was the result of the City construction of a new law enforcement building.

General Fund Budgetary Highlights

The general fund expenditure budget had a final net increase by \$1,103,198 compared to the adopted budget. This increase was for operations and maintenance needs affecting departments ability to provide services.

Final budgeted expenditures exceeded final budgeted revenues and transfers in by \$30,272,504. The excess budgeted expenditures over revenues was for the acquisition and construction of capital items funded through the City’s machinery and equipment replacement program and certificates of participation.

The major differences between the budget and actual for the general fund are summarized as follows:

- The general fund actual revenues were less than budgeted revenues by \$3,700,429 due to timing of grant funds expected from intergovernmental grant awards.
- Actual expenditures in the general fund were less than budgeted expenditures by \$16,884,517 as a result of capital construction project timing.

Capital and Leased Assets and Debt Administration

Capital and leased assets. The City’s investment in capital assets for its governmental and business type activities for the period ending September 30, 2023 amounts to \$531,973,621 (net of accumulated depreciation and amortization). The investment in capital assets includes land, infrastructure, buildings, improvements other than buildings, machinery and equipment, and construction in progress. For fiscal 2023, the City’s investment in capital assets increased by 8.49% in comparison to the prior year. Of this percentage, governmental activities accounted for the majority of the increase.

Major capital projects during the year were:

- Increases in infrastructure, construction in progress, and buildings and improvements related to governmental assets is primarily from developer contributions/annexations of streets and the construction of a new law enforcement building.
- The increase of \$11,220,174 in proprietary funds is primarily from the increase in infrastructure and construction in progress. Infrastructure additions were from expansion of water, wastewater, and electrical systems. The increase of construction in progress was from the construction of the new law enforcement building and Airport and fiber infrastructure expansion.

Comparative Capital Assets

	Governmental Activities		Business-Type Activities		Total	
	2023	2022*	2023	2022*	2023	2022
Land	\$ 22,994,377	\$ 21,281,911	\$ 19,220,310	\$ 19,220,310	\$ 42,214,687	\$ 40,502,221
Infrastructure	152,412,214	141,158,211	503,715,235	485,032,124	656,127,449	626,190,335
Buildings and improvements	90,550,655	87,362,731	69,314,404	69,180,947	159,865,059	156,543,678
Right to use assets	7,228,788	2,632,549	44,244	44,244	7,273,032	2,676,793
Machinery and equipment	39,836,675	38,429,345	45,763,666	43,873,505	85,600,341	82,302,850
Construction in progress	34,404,592	14,840,202	56,954,385	48,384,446	91,358,977	63,224,648
Accumulated depreciation/amortization	(156,599,318)	(145,287,945)	(353,866,606)	(335,810,112)	(510,465,924)	(481,098,057)
Total	\$ 190,827,983	\$ 160,417,004	\$ 341,145,640	\$ 329,925,464	\$ 531,973,623	\$ 490,342,468

* Prior year balances reclassified as a result of the implementation of GASB 96. See note III.F.

Additional information about the City's capital and leased assets can be found in Note III.D in the Notes to the Financial Statements.

Debt administration. For the period ending September 30, 2023, the City's noncurrent liabilities (excluding net pension liabilities) of \$69,402,067 is an increase of 1.74% compared to the previous year.

City of Idaho Falls' Outstanding Noncurrent Liabilities

	2023	Restated 2022*
Governmental-Type Activities		
Law Enforcement Complex Bond	\$ 27,515,538	\$ 28,822,447
Zoo facility	-	103,415
Right-to-use leased & SBITA assets	5,295,228	2,064,396
Compensated absences	7,003,869	6,741,094
Business-Type Activities		
Transmission Expansion Bond	18,491,223	19,565,548
State of Idaho DEQ note	8,811,324	8,811,324
Right-to-use SBITA assets	27,199	44,949
Compensated absences	2,257,686	2,232,637
Total	\$ 69,402,067	\$ 68,385,810

* Prior year balances reclassified as a result of the implementation of GASB 96. See note III.F.

The lease and SBITA agreements are right of use assets for three to five years. Additional information about the City's long-term debt, Leases and SBITAs can be found in Note III.I, III.E, and III.F, respectively.

The State of Idaho Note is a wastewater treatment facility loan for design and construction. Payments of \$1,079,623 for principal and interest are due each year.

The Law Enforcement Complex Bond is for the design and construction of a new police facility. Payments of \$1,999,000 for principal and interest are due each year for 20 years.

The Transmission Bond is for the design and construction of expansion to the electric power grid. Payments of \$1,552,450 for principal and interest are due each year for 15 years.

Additional information about the City's long-term debt can be found in Note III.I.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City decreased over last year and is reported at 2.4 percent. This compares favorably to the state's average unemployment rate of 3.8 percent.
- Inflationary trends for the City are about the same as the national level.
- Interest rates are expected to remain the same throughout fiscal year 2023/2024.
- The City compares favorably with the Mountain West Region in economic growth. Revenues from building permits have modest growth with an increase in multi-family complexes.
- There has been modest growth in taxable assessed property value during the year. It is expected that the assessed value increases will taper off in the near future.

These factors and many others were considered in preparing the City's budget for the 2023/2024 fiscal year.

The general fund ended the current year with an unassigned fund balance of \$9,088,188 . The City has not appropriated any of this unassigned fund balance for spending in the 2023 fiscal year budget.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mark Hagedorn, CPA, City of Idaho Falls, 308 Constitution Way, P.O. Box 50220, Idaho Falls, ID 83405.

Statement of Net Position September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Redevelopment Agency
Assets				
Cash and cash equivalents	\$ 2,561,653	\$ 4,638,054	\$ 7,199,707	\$ 374,630
Investments	56,141,512	100,360,650	156,502,162	1,697,585
Receivables, net of allowance for uncollectibles	6,911,744	9,006,084	15,917,828	6,359
Due from other governments	4,809,417	2,863,340	7,672,757	-
Bond receivable	9,324,038	128,943	9,452,981	-
Lease receivables	454,870	2,049,776	2,504,646	-
Inventories	1,099,145	9,683,681	10,782,826	-
Prepaid expenses	726,986	-	726,986	-
Internal balances	924,961	(924,961)	-	-
Net pension asset	33,606,273	-	33,606,273	-
Investments, restricted	490,126	1,079,623	1,569,749	-
Capital assets:				
Capital assets, not being depreciated	57,398,969	76,174,695	133,573,664	-
Capital assets, net of depreciation	128,139,594	264,941,550	393,081,144	-
Right of use assets, net of amortization	5,289,419	29,391	5,318,810	-
Total assets	307,878,707	470,030,826	777,909,533	2,078,574
Deferred outflows of resources				
Deferred outflows related to pensions	13,650,525	4,637,123	18,287,648	-
Total deferred outflows of resources	13,650,525	4,637,123	18,287,648	-
Liabilities				
Accounts payable	5,745,377	6,906,481	12,651,858	13,694
Accrued wages payable	1,127,918	438,337	1,566,255	-
Retainage payable	1,030,997	-	1,030,997	-
Security deposits	464,609	-	464,609	106,051
Unearned revenue	8,179,133	-	8,179,133	-
Noncurrent liabilities:				
Due within one year	7,122,581	3,176,041	10,298,622	-
Due in more than one year	32,692,054	26,411,391	59,103,445	13,715,425
Net pension liability	28,213,264	11,293,262	39,506,526	-
Total liabilities	84,575,933	48,225,512	132,801,445	13,835,170
Deferred inflows of resources				
Deferred inflows related to pensions	377,856	151,249	529,105	-
Deferred inflows related to leases	442,230	2,043,272	2,485,502	-
Total deferred inflows	820,086	2,194,521	3,014,607	-
Net position				
Net investment in capital assets	155,551,079	311,748,677	467,299,756	-
Restricted for:				
Public safety	1,639,752	-	1,639,752	-
Debt service	-	1,079,623	1,079,623	-
Conservation program	-	2,738,051	2,738,051	-
Passenger facility charges (PFCs)	2,397,989	-	2,397,989	-
Pension obligations (FRF, PRF)	35,672,159	-	35,672,159	-
Development impact fee	1,767,271	-	1,767,271	-
Unrestricted	39,104,963	108,681,565	147,786,528	(11,756,596)
Total net position (deficit)	\$ 236,133,213	\$ 424,247,916	\$ 660,381,129	\$ (11,756,596)

The notes to the financial statements are an integral part of this statement.

Statement of Activities For the Year Ended September 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-type Activities	Total	Redevelopment Agency
Primary Government:								
Governmental activities:								
General government	\$ 12,550,998	\$ 5,356,346	\$ 1,323,203	\$ 91,600	\$ (5,779,849)	\$ -	\$ (5,779,849)	\$ -
Public safety	40,833,424	6,260,802	7,667,264	754,175	(26,151,183)	-	(26,151,183)	-
Streets	14,596,669	869,328	2,346,703	16,868,432	5,487,794	-	5,487,794	-
Culture and recreation	21,421,970	7,221,145	1,017,124	332,860	(12,850,841)	-	(12,850,841)	-
Public works	2,788,783	278,350	1,134,845	-	(1,375,588)	-	(1,375,588)	-
Interest on long-term obligations	961,239	-	-	-	(961,239)	-	(961,239)	-
Total governmental activities	93,153,083	19,985,971	13,489,139	18,047,067	(41,630,906)	-	(41,630,906)	-
Business-type activities:								
Airport	9,972,966	4,882,744	-	7,615,383	-	2,525,161	2,525,161	-
Water	11,409,807	13,814,570	-	4,463,036	-	6,867,799	6,867,799	-
Sanitation	5,390,799	5,980,889	-	-	-	590,090	590,090	-
Electric	73,004,639	74,406,763	146,475	-	-	1,548,599	1,548,599	-
Fiber	5,762,235	3,501,915	-	-	-	(2,260,320)	(2,260,320)	-
Wastewater	14,147,469	13,892,010	-	2,884,893	-	2,629,434	2,629,434	-
Total business-type activities	119,687,915	116,478,891	146,475	14,963,312	-	11,900,763	11,900,763	-
Total primary government	\$ 212,840,998	\$ 136,464,862	\$ 13,635,614	\$ 33,010,379	\$ (41,630,906)	\$ 11,900,763	\$ (29,730,143)	\$ -
Component unit:								
Redevelopment agency	637,841	-	-	-				(637,841)
Total component unit	\$ 637,841	\$ -	\$ -	\$ -				\$ (637,841)
General revenues:								
Property taxes					42,351,492	-	42,351,492	1,429,191
Unrestricted sales and alcoholic beverage tax and revenue sharing					12,428,157	-	12,428,157	-
Impact fees					1,588,221	-	1,588,221	-
Franchise taxes					817,180	-	817,180	-
Unrestricted investment earnings (loss)					1,905,113	3,868,974	5,774,087	62,629
Miscellaneous revenue					1,275,441	1,078,856	2,354,297	33,000
Transfers					1,723,344	(1,723,344)	-	-
Total general revenues and transfers					62,088,948	3,224,486	65,313,434	1,524,820
Change in net position					20,458,042	15,125,249	35,583,291	886,979
Net position (deficit), beginning, restated					215,675,171	409,122,667	624,797,838	(12,643,575)
Net position (deficit), ending					\$ 236,133,213	\$ 424,247,916	\$ 660,381,129	\$ (11,756,596)

The notes to the financial statements are an integral part of this statement.

Balance Sheet Governmental Funds September 30, 2023

	General	Streets Fund	Emergency Medical Services Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 1,195,176	\$ 416,250	\$ 86,422	\$ 699,387	\$ 2,397,235
Investments	26,140,078	9,138,901	1,897,423	15,355,271	52,531,673
Restricted Investments	490,126	-	-	-	490,126
Taxes receivable	895,249	107,418	-	112,843	1,115,510
Accounts receivable	2,250,533	21,797	1,932,812	1,167,929	5,373,071
Interest receivable	189,113	38,877	6,616	72,671	307,277
Due from other governments	2,992,342	1,291,918	525,157	-	4,809,417
Bond receivable	9,324,038	-	-	-	9,324,038
Lease receivables	454,870	-	-	-	454,870
Inventories	682,719	107,428	-	308,998	1,099,145
Prepaid items	726,986	-	-	-	726,986
Due from other funds	1,577,587	-	-	-	1,577,587
Total assets	\$ 46,918,817	\$ 11,122,589	\$ 4,448,430	\$ 17,717,099	\$ 80,206,935
Liabilities					
Accounts payable	\$ 4,051,518	\$ 191,820	\$ 41,929	\$ 845,710	\$ 5,130,977
Accrued wages payable	875,617	35,924	116,735	97,982	1,126,258
Retainage payable	1,030,997	-	-	-	1,030,997
Security deposits	372,051	10,000	-	82,557	464,608
Unearned revenue	8,179,133	-	-	-	8,179,133
Due to other funds	-	-	-	151,074	151,074
Total liabilities	14,509,316	237,744	158,664	1,177,323	16,083,047
Deferred inflows of resources					
Unavailable revenue	1,940,426	89,407	-	93,814	2,123,647
Lease related	442,230	-	-	-	442,230
Total deferred inflows of resources	2,382,656	89,407	-	93,814	2,565,877
Fund balances					
Nonspendable	1,409,705	107,428	-	308,998	1,826,131
Restricted	490,126	-	-	4,165,259	4,655,385
Committed	5,782,824	529,555	-	313,998	6,626,377
Assigned	13,256,002	10,158,455	4,289,766	12,161,472	39,865,695
Unassigned	9,088,188	-	-	(503,765)	8,584,423
Total fund balances	30,026,845	10,795,438	4,289,766	16,445,962	61,558,011
Total liabilities, deferred inflows of resources, and fund balances	\$ 46,918,817	\$ 11,122,589	\$ 4,448,430	\$ 17,717,099	\$ 80,206,935

The notes to the financial statements are an integral part of this statement.

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position September 30, 2023

Total fund balances reported on the governmental funds balance sheet	\$ 61,558,011
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	190,827,983
Other long-term assets are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Net pension asset	33,606,273
Internal service funds are used by management to charge the costs of workers' compensation to individual funds. The assets and liabilities of the fund are included in governmental activities in the statement of net position.	2,869,961
Deferred inflows and outflows	
Deferred outflows related to pensions	13,650,525
Deferred inflows related to pensions	(377,856)
Deferred inflows related to property taxes and charges for services	974,021
Deferred inflows related to opioid settlements	1,149,626
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the funds.	
Interest payable related to leases and SBITAs	(97,432)
Compensated absences	(7,003,869)
Leases	(4,918,375)
SBITAs	(376,853)
Bond obligation	(27,515,538)
Net pension liability	(28,213,264)
Net position of governmental activities	\$ 236,133,213

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended September 30, 2023

	General	Streets Fund	Emergency Medical Services Fund	Total Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 33,873,040	\$ 4,766,171	\$ -	\$ 4,284,649	\$ 42,923,860
Intergovernmental	16,378,309	4,851,090	4,189,706	2,035,728	27,454,833
Charges for services	2,753,199	550,153	4,957,941	6,722,787	14,984,080
Licenses and permits	1,333,467	17,873	-	1,588,221	2,939,561
Fines	179,129	34,705	-	8,169	222,003
Investment earnings (loss)	980,329	279,720	40,130	472,034	1,772,213
Miscellaneous	907,815	102,520	167,332	654,180	1,831,847
Total revenues	56,405,288	10,602,232	9,355,109	15,765,768	92,128,397
Expenditures					
Current:					
General government	9,610,679	-	-	179,000	9,789,679
Public safety	38,923,482	-	7,981,261	863,006	47,767,749
Streets	-	7,590,050	-	-	7,590,050
Culture & recreation	10,912,064	-	-	8,504,896	19,416,960
Public works	2,668,656	-	-	-	2,668,656
Capital outlay	14,963,242	-	-	2,528,131	17,491,373
Debt service	1,138,415	-	-	-	1,138,415
Total expenditures	78,216,538	7,590,050	7,981,261	12,075,033	105,862,882
Excess (deficiency) of revenues over (under) expenditures	(21,811,250)	3,012,182	1,373,848	3,690,735	(13,734,485)
Other financing sources (uses)					
Transfers in	6,135,142	-	-	446,460	6,581,602
Transfers out	-	-	-	(4,738,720)	(4,738,720)
Leases and SBITAs issued	4,580,743	-	-	15,495	4,596,238
Total other financing sources (uses)	10,715,885	-	-	(4,276,765)	6,439,120
Net change in fund balances	(11,095,365)	3,012,182	1,373,848	(586,030)	(7,295,365)
Fund balances, beginning, restated	41,122,210	7,783,256	2,915,918	17,031,992	68,853,376
Fund balances, ending	\$ 30,026,845	\$ 10,795,438	\$ 4,289,766	\$ 16,445,962	\$ 61,558,011

The notes to the financial statements are an integral part of this statement.

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 governmental funds	\$ (7,295,365)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays less donations, transfers and the disposition of work in progress exceeded depreciation in the current period.	10,388,168
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Change related to right to use assets related to leases and SBITAs, net of the change in the related liability and interest payable	27,815
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (i.e., Contributed capital)

Contributed capital	16,666,735
Unavailable revenue	229,642

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.

Debt principal payments and amortization of premiums	1,410,323
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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 governmental funds (i.e., compensated absences, pension expense, and other postemployment benefits).

Pension expense	(1,185,185)
Compensated absences	(264,035)

Internal service funds are used by management to charge the costs of workers' compensation claims to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	479,943
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Change in net position of governmental activities	\$ 20,458,042
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General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 34,362,469	\$ 34,362,469	\$ 33,873,040	\$ (489,429)
Intergovernmental	20,655,403	20,655,403	16,378,309	(4,277,094)
Charges for services	2,208,000	2,208,000	2,753,199	545,199
Licenses and permits	1,687,026	1,687,026	1,333,467	(353,559)
Fines	255,600	255,600	179,129	(76,471)
Investment earnings (loss)	280,000	280,000	980,329	700,329
Miscellaneous	657,219	657,219	907,815	250,596
Total revenues	60,105,717	60,105,717	56,405,288	(3,700,429)
Expenditures				
Current:				
General government	11,788,397	12,062,439	9,610,679	2,451,760
Public safety	36,226,310	36,429,055	38,923,482	(2,494,427)
Culture and recreation	12,472,754	13,098,331	10,912,064	2,186,267
Public works	3,510,396	3,511,230	2,668,656	842,574
Capital outlay	30,000,000	30,000,000	14,963,242	15,036,758
Debt service	-	-	1,138,415	(1,138,415)
Total expenditures	93,997,857	95,101,055	78,216,538	16,884,517
Excess (deficiency) of revenues over (under) expenditures	(33,892,140)	(34,995,338)	(21,811,250)	13,184,088
Other financing sources (uses)				
Transfers in	4,722,834	4,722,834	6,135,142	1,412,308
Leases and SBITAs issued	-	-	4,580,743	4,580,743
Total other financing sources (uses)	4,722,834	4,722,834	10,715,885	5,993,051
Net change in fund balances	(29,169,306)	(30,272,504)	(11,095,365)	19,177,139
Fund balance, beginning, restated	20,895,174	14,465,605	41,122,210	26,656,605
Fund balance, ending	\$ (8,274,132)	\$ (15,806,899)	\$ 30,026,845	\$ 45,833,744

The notes to the financial statements are an integral part of this statement.

Streets Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 4,580,000	\$ 4,580,000	\$ 4,766,171	\$ 186,171
Intergovernmental	3,656,900	3,656,900	4,851,090	1,194,190
Charges for services	-	-	550,153	550,153
Licenses and permits	19,000	19,000	17,873	(1,127)
Fines	-	-	34,705	34,705
Investment earnings (loss)	10,000	10,000	279,720	269,720
Miscellaneous	20,000	20,000	102,520	82,520
Total revenues	8,285,900	8,285,900	10,602,232	2,316,332
Expenditures				
Streets	8,968,274	9,217,196	7,590,050	1,627,146
Excess (deficiency) of revenues over (under) expenditures	(682,374)	(931,296)	3,012,182	3,943,478
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(682,374)	(931,296)	3,012,182	3,943,478
Fund balances - beginning	3,828,164	2,205,431	7,783,256	5,577,825
Fund balances - ending	\$ 3,145,790	\$ 1,274,135	\$ 10,795,438	\$ 9,521,303

The notes to the financial statements are an integral part of this statement.

Emergency Medical Services Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2023

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental	\$ 4,356,904	\$ 4,356,904	\$ 4,189,706	\$ (167,198)
Charges for services	3,918,500	3,918,500	4,957,941	1,039,441
Investment earnings (loss)	-	-	40,130	40,130
Miscellaneous	35,000	35,000	167,332	132,332
Total revenues	8,310,404	8,310,404	9,355,109	1,044,705
Expenditures				
Public safety	7,615,368	8,072,818	7,981,261	91,557
Excess (deficiency) of revenues over (under) expenditures	695,036	237,586	1,373,848	1,136,262
Other financing sources (uses)				
Net change in fund balances	695,036	237,586	1,373,848	1,136,262
Fund balances - beginning	404,148	(126,066)	2,915,918	3,041,984
Fund balances - ending	\$ 1,099,184	\$ 111,520	\$ 4,289,766	\$ 4,178,246

The notes to the financial statements are an integral part of this statement.

Statement of Net Position Proprietary Funds September 30, 2023

	Business-type Activities-Enterprise Funds							Governmental Activities- Internal Service Funds
	Airport	Water	Sanitation	Electric	Fiber	Wastewater	Total	
Assets								
Current assets:								
Cash and cash equivalents	\$ 17,750	\$ 928,056	\$ 299,413	\$ 2,160,212	\$ 58,984	\$ 1,173,639	\$ 4,638,054	\$ 164,417
Investments	-	20,375,763	6,573,719	47,428,163	1,295,010	24,687,995	100,360,650	3,609,839
Receivables, net of allowance for uncollectibles:								
Utility & accounts	178,544	1,425,654	594,933	4,643,881	345,719	1,170,151	8,358,882	92,802
Interest	66,303	116,930	37,875	272,443	7,436	146,217	647,204	23,084
Due from other governments	2,720,076	-	-	-	-	143,264	2,863,340	-
Bond receivable	-	-	-	128,943	-	-	128,943	-
Lease receivables	1,978,712	-	-	68,418	-	2,646	2,049,776	-
Inventories	-	2,050,904	-	6,578,725	1,052,274	1,778	9,683,681	-
Due from other funds	-	-	-	19,463,846	-	2,550,000	22,013,846	-
Total current assets	4,961,385	24,897,307	7,505,940	80,744,631	2,759,423	29,875,690	150,744,376	3,890,142
Noncurrent assets:								
Restricted assets:								
Investments	-	-	-	-	-	1,079,623	1,079,623	-
Total noncurrent assets	-	-	-	-	-	1,079,623	1,079,623	-
Capital assets:								
Capital assets, not being depreciated	34,585,554	5,248,818	-	22,688,019	8,701,527	4,950,777	76,174,695	-
Capital assets, depreciated	93,229,871	94,240,025	11,617,008	279,692,806	15,502,064	124,511,530	618,793,304	-
Less accumulated depreciation	(59,169,736)	(48,650,507)	(6,881,436)	(172,628,771)	(5,922,628)	(60,598,676)	(353,851,754)	-
Right to use assets	44,244	-	-	-	-	-	44,244	-
Less accumulated amortization	(14,853)	-	-	-	-	-	(14,853)	-
Total capital assets (net of accumulated depreciation and amortization)	68,675,080	50,838,336	4,735,572	129,752,054	18,280,963	68,863,631	341,145,636	-
Total assets	73,636,465	75,735,643	12,241,512	210,496,685	21,040,386	99,818,944	492,969,635	3,890,142
Deferred outflow of resources								
Deferred outflows related to pensions	494,383	333,314	416,772	2,533,743	200,088	658,823	4,637,123	-
Total deferred outflow of resources	494,383	333,314	416,772	2,533,743	200,088	658,823	4,637,123	-
Total assets and deferred outflows of resources	\$ 74,130,848	\$ 76,068,957	\$ 12,658,284	\$ 213,030,428	\$ 21,240,474	\$ 100,477,767	\$ 497,606,758	\$ 3,890,142

The notes to the financial statements are an integral part of this statement.

Statement of Net Position (Continued)

Proprietary Funds

September 30, 2023

Business-type Activities-Enterprise Funds

	Airport	Water	Sanitation	Electric	Fiber	Wastewater	Total	Governmental Activities- Internal Service Funds
Liabilities								
Current liabilities:								
Accounts payable	\$ 702,590	\$ 884,191	\$ 125,007	\$ 3,953,046	\$ 505,311	\$ 736,336	\$ 6,906,481	\$ 516,969
Accrued wages payable	41,748	32,817	42,547	234,948	20,280	65,997	438,337	1,660
Security deposits	-	-	-	-	-	-	-	-
Due to other funds	3,976,513	-	-	-	19,463,846	-	23,440,359	-
Compensated absences	96,661	54,213	109,240	740,626	30,397	150,356	1,181,493	-
SBITA payable	27,199	-	-	-	-	-	27,199	-
Total current liabilities	4,844,711	971,221	276,794	4,928,620	20,019,834	952,689	31,993,869	518,629
Noncurrent liabilities:								
Compensated absences	119,258	47,818	96,707	600,173	12,417	199,820	1,076,193	-
Net pension liability	1,204,022	811,754	1,015,008	6,170,684	487,295	1,604,499	11,293,262	-
Loan payable	-	-	-	18,491,223	-	8,811,324	27,302,547	-
Total noncurrent liabilities	1,323,280	859,572	1,111,715	25,262,080	499,712	10,615,643	39,672,002	-
Total liabilities	6,167,991	1,830,793	1,388,509	30,190,700	20,519,546	11,568,332	71,665,871	518,629
Deferred inflow of resources								
Deferred inflows related to pensions	16,125	10,872	13,594	82,643	6,526	21,489	151,249	-
Deferred inflows related to leases	1,965,069	-	-	75,546	-	2,657	2,043,272	-
Total deferred inflow of resources	1,981,194	10,872	13,594	158,189	6,526	24,146	2,194,521	-
Net Position								
Net investment in capital assets	68,190,004	50,445,085	4,702,688	110,495,730	18,133,126	59,782,045	311,748,678	-
Restricted for debt service	-	-	-	-	-	1,079,623	1,079,623	-
Restricted for conservation program	-	-	-	2,738,051	-	-	2,738,051	-
Unrestricted	(2,208,341)	23,782,207	6,553,493	69,447,758	(17,418,724)	28,023,621	108,180,014	3,371,513
Total net position	65,981,663	74,227,292	11,256,181	182,681,539	714,402	88,885,289	423,746,366	\$ 3,371,513
Total liabilities, deferred inflows of resources and net position	\$ 74,130,848	\$ 76,068,957	\$ 12,658,284	\$ 213,030,428	\$ 21,240,474	\$ 100,477,767		

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Net position of business-type activities

501,552

\$ 424,247,918

The notes to the financial statements are an integral part of this statement.

Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds For the Year Ended September 30, 2023

	Business-type Activities-Enterprise Funds							Governmental Activities- Internal Service Funds
	Airport	Water	Sanitation	Electric	Fiber	Wastewater	Total	
Operating revenues:	\$ 4,781,225	\$ 13,814,572	\$ 5,980,890	\$ 75,379,689	\$ 3,501,915	\$ 13,893,209	\$ 117,351,500	\$ 2,351,760
Operating expenses:								
Operations and maintenance	6,759,370	8,650,228	4,508,603	64,958,468	4,961,735	10,429,609	100,268,013	2,264,785
Depreciation	3,092,129	2,749,397	877,385	7,981,016	714,078	3,705,233	19,119,238	-
Total operating expenses	9,851,499	11,399,625	5,385,988	72,939,484	5,675,813	14,134,842	119,387,251	2,264,785
Operating income (loss)	(5,070,274)	2,414,947	594,902	2,440,205	(2,173,898)	(241,633)	(2,035,751)	86,975
Nonoperating revenues (expenses):								
Intergovernmental	7,615,383	-	-	75,000	-	143,264	7,833,647	-
Investment earnings (loss)	100,968	688,449	217,674	1,785,996	16,462	1,059,425	3,868,974	132,901
Other	277,723	-	-	-	-	-	277,723	272,960
Interest expense	(112,667)	-	-	-	(81,352)	-	(194,019)	-
Total nonoperating revenues (expenses)	7,881,407	688,449	217,674	1,860,996	(64,890)	1,202,689	11,786,325	405,861
Income (loss) before contributions and transfers	2,811,133	3,103,396	812,576	4,301,201	(2,238,788)	961,056	9,750,574	492,836
Capital contributions	-	4,463,036	-	-	-	2,741,629	7,204,665	-
Transfers in(out)	(455,673)	(561,046)	(265,500)	178,256	-	(619,380)	(1,723,343)	(119,538)
Change in net position	2,355,460	7,005,386	547,076	4,479,457	(2,238,788)	3,083,305	15,231,896	373,298
Net position, beginning	63,626,203	67,221,906	10,709,105	178,202,082	2,953,190	85,801,984		2,998,215
Net position, ending	\$ 65,981,663	\$ 74,227,292	\$ 11,256,181	\$ 182,681,539	\$ 714,402	\$ 88,885,289		\$ 3,371,513
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.							(106,645)	
Change in net position of business-type activities							<u>\$ 15,125,251</u>	

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows Proprietary Funds For the Year Ended September 30, 2023

Business-type Activities-Enterprise Funds

	Airport	Water	Sanitation	Electric	Fiber	Wastewater	Total	Governmental Activities- Internal Service Funds
Cash flows from operating activities								
Receipts from customers	\$ 4,687,824	\$ 13,580,212	\$ 5,935,387	\$ 77,252,244	\$ 3,373,571	\$ 13,770,769	\$ 118,600,007	\$ -
Cash received from other funds	-	-	-	-	-	-	-	2,411,557
Payments to suppliers	(4,573,930)	(9,198,132)	(3,013,536)	(56,838,993)	(4,539,188)	(8,215,983)	(86,379,762)	(2,336,605)
Payments to employees	(1,337,540)	(1,038,374)	(1,282,481)	(7,817,738)	(629,023)	(2,148,572)	(14,253,728)	(54,198)
Net cash provided (used) by operations	(1,223,646)	3,343,706	1,639,370	12,595,513	(1,794,640)	3,406,214	17,966,517	20,754
Cash flows from noncapital financing activities								
Intergovernmental revenues	8,067,838	-	-	75,000	-	-	8,142,838	-
Other, net	277,723	-	-	-	-	-	277,723	272,960
Due to/from other funds	(168,972)	-	-	(1,935,868)	6,081,353	(2,550,000)	1,426,513	-
Transfers (to) from other funds	(455,673)	(561,046)	(265,500)	178,256	-	(619,380)	(1,723,343)	(119,538)
Net cash provided (used) by noncapital financing activities	7,720,916	(561,046)	(265,500)	(1,682,612)	6,081,353	(3,169,380)	8,123,731	153,422
Cash flows from capital and related financing activities								
Acquisition and construction of capital assets	(10,221,712)	(1,391,783)	(374,757)	(4,221,923)	(3,269,076)	(3,670,348)	(23,149,599)	-
Principal received on capital debt	-	-	-	4,993,945	-	-	4,993,945	-
Principal paid on capital debt	-	-	-	(1,074,325)	-	-	(1,074,325)	-
Interest paid on capital debt	(112,667)	-	-	-	(81,352)	-	(194,019)	-
Net cash provided (used) by capital and related financing activities	(10,334,379)	(1,391,783)	(374,757)	(302,303)	(3,350,428)	(3,670,348)	(19,423,998)	-
Cash flows from investing activities								
Change in pooled investments	3,652,223	(1,727,971)	(1,083,708)	(11,305,297)	(901,676)	2,637,380	(8,729,049)	(244,746)
Earnings on investments	82,304	650,750	203,125	1,664,749	11,416	1,033,896	3,646,240	124,115
Net cash provided (used) by investing activities	3,734,527	(1,077,221)	(880,583)	(9,640,548)	(890,260)	3,671,276	(5,082,809)	(120,631)
Net increase (decrease) in cash and cash equivalents	(102,582)	313,656	118,530	970,050	46,025	237,762	1,583,441	53,545
Cash and cash equivalents balance, October 1	120,332	614,400	180,883	1,190,162	12,959	935,877	3,054,613	110,872
Cash and cash equivalents balance, September 30	\$ 17,750	\$ 928,056	\$ 299,413	\$ 2,160,212	\$ 58,984	\$ 1,173,639	\$ 4,638,054	\$ 164,417

The notes to the financial statements are an integral part of this statement.

Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended September 30, 2023

	Business-type Activities-Enterprise Funds							Governmental Activities- Internal Service Funds
	Airport	Water	Sanitation	Electric	Fiber	Wastewater	Total	
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:								
Operating income (loss)	\$ (5,070,274)	\$ 2,414,946	\$ 594,901	\$ 2,440,206	\$ (2,173,898)	\$ (241,633)	\$ (2,035,752)	\$ 86,976
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:								
Depreciation expense	3,092,129	2,749,397	877,385	7,981,016	714,078	3,705,233	19,119,238	-
Change in pension accounts	305,192	127,400	120,241	700,394	60,345	240,754	1,554,326	-
(Increase) decrease in accounts receivable	(93,397)	(234,360)	(45,502)	1,872,553	(128,342)	(122,441)	1,248,511	59,796
(Increase) decrease inventory	-	(657,812)	-	(2,910)	579,078	-	(81,644)	-
(Decrease) increase accounts payable	496,292	(1,049,267)	72,226	(366,246)	(840,358)	(209,948)	(1,897,301)	(127,678)
(Decrease) increase in accrued liabilities	46,416	(6,599)	20,119	(29,501)	(5,541)	34,248	59,142	1,660
Total adjustments	3,846,632	928,759	1,044,469	10,155,306	379,260	3,647,846	20,002,272	(66,222)
Net cash provided (used) by operating activities	\$ (1,223,642)	\$ 3,343,705	\$ 1,639,370	\$ 12,595,512	\$ (1,794,638)	\$ 3,406,213	\$ 17,966,520	\$ 20,754
Noncash investing, capital, and financing activities:								
Contributions of capital assets	\$ -	\$ 4,463,036	\$ -	\$ -	\$ -	\$ 2,741,629	\$ 7,204,665	\$ -

The notes to the financial statements are an integral part of this statement.

Notes to the Financial Statements

I. Summary of Significant Accounting Policies

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

A. Government-Wide and Fund Financial Statements

The government-wide financial statements and the major-fund financial statements along with the notes to the financial statements comprise the City of Idaho Falls' (the City) basic financial statements. The government-wide financial statements (the statement of net position and the statement of activities) concentrate on the City as a whole and do not emphasize fund types but rather a governmental and business-type classification. The governmental activities and business-type activities comprise the primary government. Neither fiduciary funds nor component units that are fiduciary in nature are included. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The purpose of the government-wide financial statements is to allow users of the financial statements to be able to determine if the City is in a better or worse financial position than the prior year.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes and other revenues are reported as general revenues.

The City's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set forth in Governmental Accounting Standards Board (GASB) Statement Number 34, *Basic Financial Statements – and Management Discussion and Analysis – for State and Local Governments*. The funds that do not meet the criteria of a major fund are combined into a single column on the fund financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule include payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided, and other charges between the City's water, wastewater, solid waste, and electric functions and other various functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions presented.

B. Reporting Entity

The City of Idaho Falls was incorporated in 1889 under the laws of the State of Idaho. The City is governed by an elected mayor and six-member Governing Council (Council), each serving a four-year term. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The City provides the following services: public safety (police, fire, emergency medical services, and animal control), planning and building, parks and recreation, streets, library, public works, airport, water, wastewater, electric, fiber, sanitation, and general and administrative services. The accompanying financial statements present the City and its component unit, an entity for which the City is considered

financially accountable. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Discretely Presented Component Unit. The Idaho Falls Redevelopment Agency (the Agency) was originally created in 1966 and re-established in 1988 by the Idaho Falls City Council for the purpose of redeveloping and rehabilitating certain deteriorating areas within the City. The Agency is governed by seven members who are appointed by the Board and subsequently approved by the Council. The Agency is authorized under the provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code).

The Agency is a component unit, as defined by generally accepted accounting principles, of the City of Idaho Falls, Idaho, because of its operational or financial relationship with the City. The City appoints the governing body of the Agency and the council has authority over the board's actions.

The Agency's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local government. The more significant accounting policies established in GAAP and used by the Agency are discussed below.

Separately issued financial reports are available for the Idaho Falls Redevelopment Agency. These reports may be obtained by contacting the City of Idaho Falls, City Clerk's office.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City of Idaho Falls' enterprise funds. Separate financial statements are provided for the governmental funds and proprietary funds.

As discussed earlier, the City of Idaho Falls has one discretely presented component unit. The Idaho Falls Redevelopment Agency is presented separately in the government-wide financial statements.

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the City of Idaho Falls funds. Separate statements for each fund category - governmental and proprietary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and proprietary funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City of Idaho Falls 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 accounted for in another fund. Some of these activities include general administration, police, fire, community development, parks and recreation, and public works.

The City has elected to report the following governmental funds, that would normally be classified as non-major, as major funds:

The Streets Fund is a special revenue fund used to account for the activities associated with maintenance of City roads.

The Emergency Medical Services is a special revenue fund and accounts for the activities associated with operating the City's ambulance service.

The City reports the following major enterprise funds:

The Airport fund accounts for the activities of the City airport.

The Water fund is used to account for the operations of the water distribution system.

The Electric fund accounts for the activities of the City's Idaho Falls Power electric generation, transmission and distribution operations.

The Fiber fund accounts for the activities associated with the City's fiber optic operations.

The Wastewater fund is used to account for the operations of wastewater treatment plants and wastewater pumping and collection systems.

The City has elected to report the following enterprise funds, that would normally be classified as non-major, as a major fund:

The Sanitation fund accounts for the activities associated with the City's trash collection operations.

The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business when the intent of the governing body is that 1) the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges or, 2) when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. These enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the funds' ongoing operations. The principal operating revenues are charges to customers. Operating expenses include cost of materials and supplies, personnel costs, administration expenses, and depreciation.

Additionally, the City of Idaho Falls reports the following internal service fund:

The Risk Management fund is used to account for risk management services including liability insurance and self-insured workers' compensation provided to other City departments on a cost reimbursement basis.

During the course of operations the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. Further, certain activity occurs during the year involving transfers of resources between funds reported at gross amounts as transfers in/out. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of recognition in the financial statements of various kinds of transactions or events.

The government-wide and proprietary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related

cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they have been earned and they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City of Idaho Falls considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service principal and interest expenditures on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing under capital leases are reported as other financing sources.

Property taxes, franchise fees, licenses, ambulance fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered measurable and available only when cash is received by the City.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Investments

Cash and cash equivalents are defined as unrestricted cash on hand, demand deposits, short-term investments and restricted cash and investments with original maturities of three months or less from the date of acquisition. As of September 30, 2023, the City of Idaho Falls did not report any cash equivalents. On September 30, 2023, the City reported \$1,569,749 as restricted investments to fulfill federal programs, opioid settlement, and debt service requirements. The City pools its investable funds to maximize interest income. Interest income earned as a result of pooling is distributed to the appropriate funds based on the average balance of pooled cash of each fund. Investments are stated at fair market value.

Idaho Code provides authorization for the investment of funds as well as specific direction as to what constitutes an allowable investment. The City of Idaho Falls is empowered by Idaho Code § 50-1013, to invest in the following types of securities and others as outlined in Idaho Code § 50-1013:

- Revenue bonds issued by the Revenue Bond Act.
- City coupon bonds provided under section I.C. § 50-1019.
- Local improvement district bonds provided under Idaho Code Chapter 17, Title 50.
- Time deposit accounts with public depositories.
- Bonds, treasury bills, interest-bearing notes, or other obligations of the United States, or those for which the faith and credit of the United States are pledged for the payment of principal and interest that include but are not limited to U.S. Treasuries and Government National Mortgage Association securities.

- General obligations bonds of the State of Idaho, or those for which the faith and credit of this State are pledged for the payment of principal and interest.
- General obligation bonds of any county, city, metropolitan water district municipal utility district, school district, or other taxing district of this State.
- Notes, bonds, debentures, mortgage pass-through securities or other similar obligations issued by the Farm Credit System or institutions forming a part thereof under the Farm Credit Act of 1971 and all Acts of Congress amendatory thereof or supplementary thereto as outlined in Idaho Code § 50-1013, including but not limited to the following federal agencies: Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Company, Federal National Mortgage Association.
- Bonds, notes or other similar obligations issued by public corporations of the State of Idaho including, but not limited to, the Idaho State Building Authority, the Idaho Housing Authority and the Idaho Water Resource Board, but such investment shall not extend beyond seven (7) days.
- Repurchase agreements and reverse repurchase agreements covered by any legal investment for the State of Idaho or as otherwise allowed by this section, provided that reverse repurchase agreements shall only be used for the purpose of liquidity and not for leverage or speculation.
- Tax anticipation bonds or notes, income and revenue anticipation bonds or notes and registered warrants of the State of Idaho or of taxing districts of the State of Idaho.
- Time deposit accounts and other savings accounts of state or federal savings and loan associations located within the geographical boundaries of the state in amounts not to exceed the insurance provided by the federal savings and loan corporation, including, but not limited to, accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- Share, savings and deposit accounts of state and federal credit unions located within the geographic boundaries of the state in amounts not to exceed the insurance provided by the national credit union share insurance fund and/or any other share guaranty corporation, including, but not limited to accounts on which interest or dividends are paid and upon which negotiable orders of withdrawal may be drawn, and similar transaction accounts.
- Prime banker's acceptances and prime commercial paper rated in the highest tier (e.g. A-1, D-1 or higher) by a nationally recognized rating agency. Commercial Paper must be issued by corporations organized and operating with the U.S. and having assets in excess of \$500,000,000.
- Money market funds, mutual funds, or any other similar funds to include a local agency investment pool whose portfolios consist of any allowed investment as specified in this section.
- Bonds, debentures or notes of any corporation organized, controlled and operating within the United States which, at the time of their purchase, have an "A" rating or higher by a commonly known rating service. No more than 10 percent may be invested in any one issuer.

2. Receivables and Payables

The property tax levy rate is set in September and the dollar amount is set in November for the following calendar year and when the City has an enforceable legal claim. Levies are determined on the second Monday of September. All of the personal property tax and one-half of the real property tax are due on or before December 20. The remaining one-half of the real property tax is due on or before June 20, of the following year. Property taxes attach as an enforceable lien on property as of January 1, of the following year. Notice of foreclosure is filed with the County Clerk on property three years from the date of delinquency. The property tax revenue is budgeted for the ensuing fiscal year.

Delinquent utility receivables are carried in the accounts of the utility funds for five years from the date of the last transaction before they are written off against the allowance for uncollectible accounts. Such amounts are included in the allowance for uncollectible accounts after one year with no activity. All trade receivables are shown net of allowance for uncollectible accounts.

Opioid settlements receivable are recorded as settlement agreements are finalized, the future payment schedules, and the associated allocation schedules are determined by the Idaho State Attorney General's office.

Due from other governments represent grants, shared revenues, charges for services, or other contributions that are due but not yet received from federal, state, or local governmental units. These amounts are considered due when the City fulfills the terms of the agreements or contracts.

The Internal Service Fund maintains liabilities for workers' compensation claims in relation to being self-insured. Outstanding reserve for current claims total \$488,203 and is presented with accounts payable in the internal service fund.

Lease receivables are recorded by the City as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the City charges the lessee.

3. Inventory

Inventory is reported using the average cost or net realizable value method. Inventory for all funds except for the Golf Fund (a non-major fund) consist of expendable supplies held for consumption and is recorded as an expense when consumed (consumption method). Inventory for the Golf Fund consists of items for resale.

4. Bond Receivables

Bond receivables are amounts that the City has right to by the issuing of debt but has not yet been received or drawn upon. Draws are required to be approved by a custodian over the funds to ensure they are being used for the approved activities stated in the issuance. The City has law enforcement complex certificate of participation bonds and electric transmission expansion revenue bonds that are reported as receivables while the construction is being completed and requested for reimbursement. The amounts reported as bonds receivable for the certificate of participation and transmission revenue bonds as of September 30, 2023 are \$9,324,038 and \$128,943, respectively.

5. Capital and Right to Use Assets

Capital assets, including property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements as well as the proprietary fund financial statements. The City capitalization threshold for capitalizing property, plant, and equipment is generally an initial cost of more than \$10,000 and an estimated useful life in excess of two years. Infrastructure, water and wastewater lines, wells, electrical distribution and transmission lines and generation facility costs are summarized at year-end and recorded as summary totals for the year. Major outlays for capital assets and improvements are capitalized as projects are constructed. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential on the date of the donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Right to use leased assets are recognized at the lease commencement date and represent the City's right to use an underlying asset for the lease term. Right to use leased assets are measured at the

initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful life of the underlying asset using the straight-line method. The amortization period varies from 3 to 5 years.

Land and construction in progress are not depreciated. The other tangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated or amortized using the straight-line method over the following estimated useful lives:

Capital asset classes	Lives
Buildings	7-50
Improvements other than buildings	5-50
Machinery and equipment	3-50
Infrastructure	25-50

6. Deferred Outflows/Inflows of Resources

The Statement of Net Position includes a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City of Idaho Falls has only one type of deferred outflow of resources. This amount is the deferred amount related to pension related differences between estimated and actual investment earnings, changes in actuarial assumptions and other related changes. City's allocable share of the effect of changes during the year on the valuation of the net pension liability or asset. This amount is reported only in the business-type funds and in the government-wide financial statements.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as inflow of resources (revenue) until that time. The City has three types of items in this area. One item, which arises only under a modified accrual basis of accounting, unavailable revenue, is reported only in the governmental funds balance sheet and represents unavailable revenues from property taxes and opioid settlements. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second type of deferred inflow relates to the effect of changes during the year in the calculation of the net pension liability or asset. The third type is deferred inflows related to leases where the City is the lessor and is reported in the governmental funds and enterprise funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) over the term of the lease.

7. Compensated Absences

a. Governmental funds:

The City reports compensated absences for the governmental funds in accordance with the codification: code section C60: *Compensated Absences*. The City uses the current financial resources measurement focus and the modified accrual basis of accounting, therefore, a liability for these amounts is reported in the governmental funds only if they have matured, for example, resulting from employee resignations or retirements.

b. Enterprise funds:

The City reports compensated absences for the enterprise funds in accordance with the code section C60: *Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits

through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits in the future. The amount is based on eligible accumulated sick leave and employee wage rates at retirement.

The entire compensated absence liability is reported on the government-wide financial statements.

8. Long-Term Obligations

In the government-wide financial statements and in the fund financial statements for the proprietary funds, long-term debt and other long-term obligations are reported as noncurrent liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. In the fund financial statements, governmental fund types recognize the face amount of debt issued, including capital leases, as other financing sources.

Lease and Subscription Based Information Technology Arrangements (SBITA) Liabilities represent the City's obligation to make lease or subscription payments arising from the lease or SBITA. Lease and SBITA liabilities are recognized at the commencement date based on the present value of future lease payments expected to be made during the term. The present value of lease or SBITA payments are discounted based on a borrowing rate determined by the City.

9. Pensions

For purposes of measuring the net pension liability or asset and pension expense (expense offset), information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan), the Firefighters' Retirement Fund Plan (FRF), and the Policemen's Retirement Fund (PRF) and additions to/deductions from Base Plan's, FRF's and PRF's fiduciary net position have been determined on the same basis as they are reported by the Base Plan, FRF, and PRF. 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.

10. Net Position and Fund Balance

The City considers resources from restricted net position are used prior to those from unrestricted net position. The City considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, within unrestricted fund balance, the City considers that committed balances are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Designations of fund balance as non-spendable, restricted, committed, assigned, or unassigned are based upon the types of constraints placed on the outstanding balances.

G. Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. The actual results could differ from these estimates.

H. Explanation of Certain Differences Between the Proprietary Fund Statement of Net Position and the Government-Wide Statement of Net Position

The proprietary fund Statement of Net Position includes a reconciliation between Net Position – Total Enterprise Funds and the net position of business-type activities as reported in the government-wide Statement of Net Position. The description of the sole element of that reconciliation is “Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.” The detail of this difference is as follows:

Internal receivable representing charges in excess of cost to business-type activities-prior years	\$ 608,197
Internal receivable representing charges in excess of cost to business-type activities-current year	<u>(106,645)</u>
Net adjustment to increase net position – total enterprise funds to arrive at net position – business-type activities	<u>\$ 501,552</u>

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

All governmental and proprietary fund types are legally required to adopt an annual budget.

Budgets are adopted and are reported in the financial statements with a basis that is consistent with generally accepted accounting principles.

The City uses an encumbrance accounting system to provide budgetary control over City expenditures. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances outstanding at year-end are reported as committed or assigned fund balances and do not constitute expenditures or liabilities because the commitments will be re-budgeted and re-encumbered during the subsequent year.

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

- On or before June 9 of each year, all divisions of the City submit appropriation requests to the City Controller’s office so that a budget may be prepared. The budget is prepared for the entire City by fund, function and activity, and includes information on the past year, current year estimates and requested appropriation for the next fiscal year.
- Prior to the fourth Thursday of August, the Mayor submits to the City Council a proposed budget for the fiscal year commencing October 1. The budget summary includes proposed expenditures and the means of financing them.
- The City Council reviews and amends the proposed budget, and then publishes the budget for public comments.
- A public hearing is conducted to obtain citizen comments.
- The City Council adopts the budget after considering public input.
- Prior to October 1, the budget is legally enacted through passage of an appropriation ordinance.

The budget includes the general, special revenue, capital project, and enterprise funds. The level of control (level at which expenditures, including encumbrances, should not exceed budget) is the fund. The legal level of control is the appropriation ordinance.

Any budget transfer within an individual fund by management does not require formal City Council approval. State law does allow the City Council to amend the original appropriation ordinance. During

the 2023 fiscal year, the City did not formally amend its original budget ordinance. However, during the year certain adjustments to the budget were made to reallocate authority as priorities change.

B. Excess of Expenditures over Appropriations

The funds listed below had excess expenditures over appropriations. In each of these instances the excess expenditures were covered by available fund balance.

Over budget amount for Expenditures for Individual Funds

Fund	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
• PARKS CAPITAL IMPROVEMENT	\$ 16,897	\$ 107,062	\$ 90,165
• GOLF	3,187,320	3,363,163	175,843
• BUSINESS IMPROVEMENT DISTRICT	115,000	179,000	64,000

C. Deficit Fund Balance

The fund listed below had deficit fund balance at the end of the fiscal year. The Parks Capital Improvement fund spent more on projects than actual resources available. The City is planning to allocate resources to cover the overspent fund balance.

Deficit Balances

Fund	Deficit Fund Balances
• PARKS CAPITAL IMPROVEMENT	\$ 151,074

III. Detailed Notes on All Activities and Funds

A. Cash and Investments

It is the policy of the City of Idaho Falls to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City, and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital), liquidity, and yield.

The City of Idaho Falls utilizes a pooled cash and investment concept for all its funds, to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

1. Custodial Credit Risk – Cash Deposits with financial institutions

Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned. The City of Idaho Falls does not have a deposit policy for custodial credit risk. Pursuant to 12 C.F.R. 330.15, the Federal Deposit Insurance Corporation (FDIC) separately insures each official custodian of funds deposited with an insured institution. The City has three official custodians at each financial institution. As of September 30, 2023, the reporting amount of the City’s deposits was \$7,199,707 and the respective bank balances totaled \$9,313,175. Of the bank balances \$600,000 was insured and \$8,713,175 was collateralized.

2. Custodial Credit Risk – Investments

As of September 30, 2023, none of the City's investments totaling \$158,071,911 were covered by federal depository insurance or by collateral held by the City's agent or pledging financial institution's trust department or agent in the name of the City.

3. Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City of Idaho Falls manages its exposure to declines in fair values arising from rising interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations primarily by investing in shorter-term securities, money market, certificate of deposits, or similar investment pools.

4. Credit Risk

Credit risk is the risk that an issuer will not fulfill its obligation to the holder of the investment. The City of Idaho Falls investment policy requires that it limit investments to the safest types of securities and to diversify the City's investment portfolio so that potential losses on securities are minimized. The City follows Idaho Statute 50-1013 that outlines qualifying investment options. As of September 30, 2023, the City's investments were rated as follows:

Investment Type	S & P	Moody	Market Value
Treasury Notes	AA+	Aaa	\$ 31,768,719
Agencies	AA+	Aaa	39,657,085
Corporate/Municipal Bonds	AAA to BBB+	Aaa to Baa1	50,673,557
Corporate Bonds	N/A	N/A	6,372,946
Certificates of Deposit	N/A	N/A	28,515,657
Local Government Investment Pool	N/A	N/A	978,719
Mutual Funds	N/A	N/A	105,228
Total Investments			\$ 158,071,911

5. Concentration of Credit Risk

The concentration of credit risk is the risk of loss that may be caused by the City's investment in a single issuer. No specific percentage identifies when concentration risk is present. The GASB has adopted a principle that governments should provide note disclosure when 5% of the entity's total investments are concentrated in any one issuer.

Investments in any one issuer that represents 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount	Percentage
Federal Home Loan Bank	Agency	\$ 15,382,405	9.73%
Freddie Mac	Agency	\$ 12,837,821	8.12%

6. Investments

The City's investments at September 30, 2023 are summarized below:

Investment Type	Market Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
Treasury Notes	\$ 31,768,719	\$ 18,795,709	\$ 12,973,010	\$ -	\$ -
Agencies	39,657,085	16,158,570	23,080,808	-	417,707
Corporate/Municipal Bonds	50,673,557	16,910,499	33,763,058	-	-
Corporate Bonds	6,372,946	3,685,287	2,687,659	-	-
Certificates of Deposit	28,515,657	28,515,657	-	-	-
Local Government Investment Pool	978,719	978,719	-	-	-
Mutual Funds	105,228	105,228	-	-	-
Total Investments	\$ 158,071,911	\$ 85,149,668	\$ 72,504,536	\$ -	\$ 417,707

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: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments	Fair Value	Fair Market Value Measurements Using		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Treasury Notes	\$ 31,768,719	\$ 31,768,719	\$ -	\$ -
Agencies	39,657,085	-	39,657,085	-
Corporate/Municipal Bonds	50,673,557	-	50,673,557	-
Corporate Bonds	6,372,946	-	6,372,946	-
Certificates of Deposit	28,515,657	-	28,515,657	-
Mutual Funds	105,228	-	105,228	-
Total Investments Measured at Fair Value	\$ 157,093,192	\$ 31,768,719	\$ 125,324,473	\$ -

Investment in State Investment Pools

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 investment in the pools 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 LGIP is unrated.

The Joint Powers Investment Pool was established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield. The Local Government Investment Pool (the Pool) is managed by the State of Idaho Treasurer's office. The funds of the pool are invested in certificates of deposit, repurchase agreements, and U.S. government securities. The certificates of deposit are federally insured. The U.S. government securities and the collateral for the repurchase agreements are held in trust by a safekeeping bank. Even though the weighted average of the underlying investments of the Pool is greater than 90 days, the City can liquidate its deposits within a few days. An annual audit of the Joint Powers Investment Pool is conducted by the State Legislative Auditors Office or an Independent accounting firm. The Legislative Auditor of the State of Idaho has full access to the records of the Pool.

The Pool is required to report its investments at net asset value (NAV) which approximates fair value because the weighted average maturity of the investments is greater than 90 days and thus,

the City is required to report its deposits at NAV. However, the City has reported these deposits at cost plus accrued interest which approximates NAV.

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 NAV	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
LGIP	\$ 978,719	None	Next business day	3 days; over \$10,000,000

Debt securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices. Certificates of Deposit are valued based on internal pricing models or independent vendors.

B. Receivables

Amounts considered receivable are aggregated into single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. Based on the table below, \$5,460,991 is not expected to be collected within the next year. Below is the detail of receivables for the governmental and proprietary funds in the aggregate, including the applicable allowances for doubtful accounts:

				Less: Allowance for Doubtful Accounts	Net Total Receivables
	Taxes	Accounts and Interest	Gross Receivables		
General Fund	\$ 895,249	\$ 2,439,646	\$ 3,334,895	\$ -	\$ 3,334,895
Streets	107,418	60,675	168,093	-	168,093
EMS Fund	-	5,871,087	5,871,087	(3,931,659)	1,939,428
Non-Major Funds	112,843	1,240,599	1,353,442	-	1,353,442
Governmental Funds Total	1,115,510	9,612,007	10,727,517	(3,931,659)	6,795,858
Airport	-	244,845	244,845	-	244,845
Water	-	1,728,787	1,728,787	(186,203)	1,542,584
Sanitation	-	716,286	716,286	(83,478)	632,808
Electric	-	5,939,476	5,939,476	(1,023,152)	4,916,324
Fiber	-	364,318	364,318	(11,163)	353,155
Wastewater	-	1,541,704	1,541,704	(225,336)	1,316,368
Business-Type Funds Total	-	10,535,416	10,535,416	(1,529,332)	9,006,084
Risk Management	-	115,886	115,886	-	115,886
Internal Service Funds Total	-	115,886	115,886	-	115,886
Total Receivables	\$ 1,115,510	\$ 20,263,309	\$ 21,378,819	\$ (5,460,991)	\$ 15,917,828

C. Due from Other Governments

The following summarizes the intergovernmental receivables at September 30, 2023:

Governmental activities:	
State of Idaho Revenue Distributions	
Revenue sharing	\$ 1,940,460
Highway distribution	1,291,918
Idaho Department of Transportation	1,051,883
County EMS participation Agreement	525,157
Total intergovernmental receivables – governmental	\$ 4,809,417
Business-type activities:	
Federal government	
Federal Aviation Administration	\$ 2,689,566
Homeland Security	30,510
Department of Environmental Quality	143,264
Total intergovernmental receivables – business-type	\$ 2,863,340

D. Capital and Right to Use Assets

Capital and right to use asset activity for the year ended September 30, 2023 was as follows:

Primary Government:

Governmental Activities	Restated Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 21,281,911	\$ 1,712,466	\$ -	\$ -	\$ 22,994,377
Construction in progress	14,840,202	21,283,268	(311,898)	(1,406,980)	34,404,592
Total assets, not being depreciated	36,122,113	22,995,734	(311,898)	(1,406,980)	57,398,969
Capital assets, being depreciated:					
Infrastructure	141,158,211	11,254,003	-	-	152,412,214
Buildings and improvements	87,362,732	1,985,521	(177,971)	1,380,374	90,550,655
Machinery and equipment	38,429,345	2,238,768	(858,044)	26,606	39,836,675
Total assets, being depreciated	266,950,288	15,478,292	(1,036,015)	1,406,980	282,799,545
Right-to-use assets, being amortized:					
SBITA	125,614	413,524	-	-	539,138
Vehicles	2,506,935	4,182,715	-	-	6,689,650
Total Right-to-use assets, being amortized	2,632,549	4,596,239	-	-	7,228,788
Less accumulated depreciation for:					
Infrastructure	(71,906,364)	(4,556,008)	-	-	(76,462,372)
Buildings and improvements	(44,334,980)	(3,476,518)	274,471	-	(47,537,027)
Machinery and equipment	(28,347,398)	(2,755,949)	442,795	-	(30,660,551)
Total accumulated depreciation	(144,588,742)	(10,788,474)	717,267	-	-
Less accumulated amortization for:					
SBITA	-	(90,825)	-	-	(90,825)
Vehicles	(699,205)	(1,149,339)	-	-	(1,848,544)
Total accumulated amortization	(699,205)	(1,240,164)	-	-	(1,939,369)
Total capital assets, net of accumulated depreciation and amortization	124,294,890	8,045,893	(318,749)	1,406,980	133,429,014
Governmental activities capital assets, net	\$ 160,417,003	\$ 31,041,626	\$ (630,647)	\$ -	\$ 190,827,983

Business-Type Activities	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 19,220,310	\$ -	\$ -	\$ -	\$ 19,220,310
Construction in progress	48,384,446	21,239,912	(11,550)	(12,658,423)	56,954,385
Total assets, not being depreciated	67,604,756	21,239,912	(11,550)	(12,658,423)	76,174,695
Capital assets, being depreciated:					
Infrastructure	485,032,123	7,585,814	(845,721)	11,943,019	503,715,235
Buildings and improvements	69,180,947	112,224	-	21,233	69,314,404
Machinery and equipment	43,873,505	1,698,895	(502,905)	694,171	45,763,666
Total assets, being depreciated	598,086,577	9,396,933	(1,348,626)	12,658,423	618,793,307
Right-to-use assets, being amortized:					
SBITA	44,244	-	-	-	44,244
Total Right-to-use assets, being amortized	44,244	-	-	-	44,244
Less accumulated depreciation for:					
Infrastructure	(295,473,888)	(15,176,381)	574,692	-	(310,075,577)
Buildings and improvements	(19,343,609)	(2,034,445)	-	-	(21,378,055)
Machinery and equipment	(20,992,615)	(1,908,412)	502,905	-	(22,398,122)
Total accumulated depreciation	(335,810,111)	(19,119,239)	1,077,597	-	(353,851,753)
Less accumulated amortization for:					
SBITA	-	(14,853)	-	-	(14,853)
Total accumulated amortization	-	(14,853)	-	-	(14,853)
Total capital assets, net of accumulated depreciation and amortization	262,320,710	(9,737,158)	(271,029)	12,658,423	264,970,946
	\$				
Business-type activities capital assets, net	329,925,466	\$ 11,502,754	\$ (282,580)	\$ -	\$ 341,145,640

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 786,531
Public safety	2,682,055
Streets	5,949,124
Culture and recreation	2,534,992
Public works	75,938

Total depreciation/amortization expense - governmental activities

\$ 12,028,639

Business-type activities:

Airport	\$ 3,106,982
Water	2,749,396
Sanitation	877,385
Electric	7,981,016
Fiber	714,078
Wastewater	3,705,233

Total depreciation/amortization expense - business-type activities

\$ 19,134,091

E. Lease Payable

The City is obligated under leases covering certain public safety vehicles that expire at various dates during the next five years.

The City has entered into various lease agreements as lessee primarily for public safety vehicles. Most leases have initial terms of up to five years. The City's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. The City's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the City's leases is not readily determinable, the City utilizes its incremental borrowing rate to discount the lease payments, ranging from 2.2% to 5.5%.

The statement of net position shows the following amounts relating to leases:

	Governmental Activities
Right to use assets, net of accumulated amortization	
Vehicles	\$ 4,841,107
	\$ 4,841,107
	Governmental Activities
Lease payable	
Current	\$ 1,519,484
Non-current	3,398,891
	\$ 4,918,375

The future principal and interest lease payments as of September 30, 2023, were as follows:

	Governmental Activities	
Fiscal year	Principal	Interest
2024	\$ 1,519,484	\$ 161,059
2025	1,134,792	110,605
2026	843,701	73,583
2027	837,429	46,163
2028	582,970	18,999
Total	\$ 4,918,375	\$ 410,409

F. SBITA Payable

The City is obligated under agreements covering subscription-based information technology arrangements (SBITAs). A SBITA is defined as a contract that conveys control over the right to use another party's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.

The City has entered into these subscriptions for software use and the initial terms are for varying lengths of time, that expire at various dates during the next five years. The City's SBITAs may include fixed payments or variable payments, and represent the "right-to-use" an asset. As the interest rate implicit in the City's SBITAs is not readily determinable, the City utilizes its incremental borrowing rate to discount the payments, of 5.5%.

The statement of net position shows the following amounts relating to SBITAs:

	Governmental Activities	Business-type Activities
Right to use assets, net of accumulated amortization		
SBITA	\$ 448,312	\$ 29,392
	\$ 448,312	\$ 29,392
SBITA payable		
Current	\$ 137,529	\$ 16,253
Non-current	239,323	10,946
	\$ 376,852	\$ 27,199

The future principal and interest SBITA payments as of September 30, 2023, were as follows:

Fiscal year	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 137,529	\$ 20,771	\$ 16,253	\$ 1,497
2025	148,714	13,171	10,946	604
2026	83,160	4,984	-	-
2027	7,448	410	-	-
Total	\$ 376,852	\$ 39,335	\$ 27,199	\$ 2,101

G. Leasing arrangements - Lease Receivable

The City leases out its buildings and land. Most leases have initial terms of up to 20 years, and contain one or more renewals at the City's option, generally for three or five year periods. The City generally included these renewal periods in the lease term when it is reasonably certain that the City will exercise the renewal option. The City's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the City's leases is not readily determinable, the City utilizes its incremental borrowing rate to discount the lease payments.

Although the City is exposed to changes in the residual value at the end of the current leases, the City typically enters into new operating leases and therefore will not immediately realize any reduction in residual value at the end of these leases.

Minimum lease payments receivable on leases of investment properties are as follows:

	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 21,374	\$ 14,321	\$ 168,234	\$ 72,897
2025	18,077	13,618	120,248	67,867
2026	18,664	13,030	118,410	63,591
2027	19,271	12,424	120,946	59,450
2028	19,864	11,831	101,025	55,295
2029-2033	109,583	48,889	405,909	231,945
2034-2038	128,595	29,878	401,200	160,231
2039-2043	119,441	8,018	341,379	93,667
2044-2048	-	-	172,798	41,529
2049-2053	-	-	72,048	18,011
2054-2058	-	-	27,578	4,478
Total	\$ 454,869	\$ 152,009	\$ 2,049,776	\$ 868,960

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

	Governmental Activities	Business-Type Activities	Total
Lease revenue	\$ 31,337	\$ 180,865	\$ 212,202
Interest revenue	15,081	72,680	87,761

H. Interfund Transfer

Summary of interfund transfers by major fund for the 2023 fiscal year are as follows:

	Transfers In	Transfers Out
Major funds:		
General - net	\$ 6,135,142	\$ -
Airport	562,092	1,017,766
Water	-	561,046
Sanitation	-	265,500
Electric	3,901,628	3,723,372
Wastewater	-	619,380
Non-major funds - net	446,460	4,738,720
Internal service fund	-	119,538
	\$ 11,045,322	\$ 11,045,322

Transfers are used to 1) move revenues from the fund the statute requires to collect them and into the fund the budget requires to expend them in, 2) move payment in-lieu of tax amounts from the water, sanitation, electric, and wastewater funds to the general fund, and 3) to close out the Electric Light Purpose fund resources to the Electric Fund, 4) a return of General Fund transfers to fund the Airport Revenue Guarantee program for new flight service.

I. Long-term Obligations

1. Governmental Activities

Zoo Facility Purchase. The City entered into a purchase agreement on October 24, 2019 with Bonneville County for the acquisition of real property adjacent to the existing zoo grounds for a total value of \$430,000. This purchase includes annual payments of \$107,500 for four years. The present value of the payments at origination is \$406,105 at 3.95% discount rate. The total principal and interest paid during the current period is \$103,415 and \$4,085, respectively, completing this purchase agreement.

Certificate of Participation Bonds, Series 2020. The City issued during the fiscal year 2020-21 Annual Appropriation Certificates of the Participation (Certificates), Series 2020 for the total value of \$30,356,265. This includes annual principal payments that are due starting in September 2022 and mature in September 2039, and interest that is payable semi-annually in March and September of each year. The origination of principal amount is \$30,356,265 at 2.04% interest cost rate on the bonds. Certificates maturing on or after September 2031 are callable. Proceeds from these certificates are used to finance the construction of a new Law Enforcement Complex.

2. Business-Type Activities

State of Idaho Note. The City entered into a loan agreement on May 11, 2011, with the State of Idaho as authorized by Title 39, Chapter 36, Idaho Code from the Wastewater Treatment Facility Loan Account. This includes annual debt service in the amount of \$1,079,623. The origination of the loan amount was \$18,150,000 at 1.75% interest rate (interest of 0.75% and loan fee of 1.00%) to be repaid in biannual installments over 20 years. This loan was to assist the City in the design and construction of improvements of the wastewater treatment facility. Due to prepayments made in prior years there was no debt service payment owed during the current period.

IERA Revenue Bond, Series 2021. The City secured bonds under provisions of the Idaho Energy Resources Authority (IERA) Act, Title 67 Chapter 89 of the Idaho Code as amended and the Trust Indenture with Zions Bank Corporation, National Association as trustee dated June 1, 2021. The origination of the revenue bond was \$20,704,016 at 1.7% interest cost rate. Annual principal and interest payments on the bonds are expected to require less than 18 percent of net revenues. The total principal and interest paid during the current period is \$815,000 and \$737,450, respectively. This bond was issued to pay costs of the acquisition and construction of various electric transmission facilities and improvements. The City has pledged future electric customer revenues, net of specified operating expenses, to repay the revenue bonds which are payable through 2027. Bonds maturing on or after September 15, 2031 are callable. The City had \$10,421,221 in electric customer revenue, net of expenses for the year ending September 30, 2023. Total principal and interest remaining on these bonds total \$15,120,000 and \$5,053,800, respectively.

Changes in Long-Term Liabilities. The following is a summary of changes in long-term obligations of the City as of September 30, 2023:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Zoo Facility purchase	\$ 103,415	\$ -	\$ (103,415)	\$ -	\$ -
LEC Bond	24,200,000	-	(1,035,000)	23,165,000	1,070,000
LEC Bond premium	4,622,447	-	(271,909)	4,350,538	271,909
Right-to-use leased & SBITA assets	2,064,398	4,417,076	(1,186,246)	5,295,228	1,657,013
Other long-term debt obligations:					
Compensated absences	6,741,094	3,587,711	(3,324,936)	7,003,869	4,123,659
Governmental activity					
Long-term liabilities	\$ 37,731,354	\$ 8,004,787	\$ (5,921,506)	\$ 39,814,635	\$ 7,122,581
Business-Type Activities:					
Bonds payable:					
IF Power Revenue Bond	\$ 15,935,000	\$ -	\$ (815,000)	\$ 15,120,000	\$ 855,000
IF Power Revenue Bond Premium	3,630,548	-	(259,325)	3,371,223	259,325
State of Idaho DEQ note:					
Loan number WW102	8,811,324	-	-	8,811,324	863,971
Right-to-use SBITA assets	44,949	-	(17,750)	27,199	16,253
Other long-term debt obligations:					
Compensated absences	2,232,635	1,782,945	(1,757,894)	2,257,686	1,181,492
Business-type activity					
Long-term liabilities	\$ 30,654,456	\$ 1,782,945	\$ (2,849,969)	\$ 29,587,432	\$ 3,176,041

Schedule of long-term debt (not including compensated absences, bond premium, leases, and SBITAs):

Year	Principal	Interest
2024	\$ 2,788,971	\$ 1,839,151
2025	2,894,736	1,737,837
2026	3,000,199	1,632,774
2027	3,105,933	1,523,389
2028	3,221,537	1,410,085
2029-2033	17,424,948	5,137,008
2034-2038	12,950,000	1,693,600
2039	1,710,000	68,600
Totals	\$ 47,096,324	\$ 15,042,445

The General Fund and Library fund resources have been used to liquidate the leases and SBITAs payable in prior years.

J. Due to/from other funds

The General Fund provides funds to other funds to offset negative cash balances derived from operations. The City Council is reviewing options to resolve these balances. As of September 30, 2023, the amount due to the General Fund from other funds is \$1,577,587.

The Electric Fund is providing funds to the Fiber Fund for the “Fiber to Home Project”. As of September 30, 2023 the Electric fund had transferred \$19,463,846 to the Fiber fund. Currently the Fiber fund is accruing interest on the use of those funds based on the City’s investment rate of return. The City Council/Power Board have not set a formal loan agreement or decision on the repayment of funds. It is anticipated that the Electric Fund will provide funds to the Fiber Fund until the project is complete.

The Sewer Fund is providing funds to the Airport Fund for acquisition of property. The City Council approved the transfer for temporary funding in conjunction with a Federal Airport Administration grant. The Council approved the funding as a formal loan agreement to be repaid within 18 months at 6.5% interest. The balance as of September 30, 2023 is \$2,550,000.

K. Fund Balances

Fund balance is classified depending on the relative strength of the spending constraints placed on the purposes for which resources can be used as follows:

Nonspendable fund balance – amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes externally imposed by creditors (such as through debt covenants), grantor and contributors, by laws or regulations of other governments, through constitutional provisions, or by enabling legislation.

Committed fund balance – amounts that can only be used for specific purposes, pursuant to constraints imposed by formal action of the government’s highest level of decision making authority. In the case of the City it is by Council action in the form of a resolution.

Assigned fund balance – amounts that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed. The Council has delegated and assigned the authority to the Municipal Services director to assign amounts and adjustments.

Unassigned fund balance – amounts that represent fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In other governmental funds, it may be necessary to report a negative residual balance as unassigned.

Detail of constraints on fund balances of governmental funds:

	General Fund	Streets Fund	EMS Fund	Nonmajor Funds	Total
Fund Balances:					
Nonspendable:					
Inventory	\$ 682,719	\$ 107,428	\$ -	\$ 308,998	\$ 1,099,145
Prepays	726,986	-	-	-	726,986
Restricted for:					
Opioid settlements	389,641	-	-	-	389,641
Law enforcement investigations	100,485	-	-	-	100,485
Passenger facility charge	-	-	-	2,397,989	2,397,989
Growth	-	-	-	1,767,270	1,767,270
Committed to:					
Street and bridges	248,771	529,555	-	130,998	909,324
Law enforcement building	4,238,736	-	-	-	4,238,736
Civic center	532,500	-	-	-	532,500
Operations and maintenance	762,816	-	-	183,000	945,816
Assigned to:					
Health self insurance	4,325,682	-	-	-	4,325,682
Equipment replacement	4,376,911	2,469,352	793,480	513,011	8,152,755
Street and municipal projects	-	6,639,103	-	5,800,364	12,439,467
Culture and recreation	442,165	-	-	4,861,020	5,303,185
Public safety	-	-	3,496,286	962,387	4,458,673
Operations and maintenance	-	1,050,000	-	-	1,050,000
Capital projects	4,111,243	-	-	-	4,111,243
Business district	-	-	-	24,691	24,691
Unassigned:	9,088,188	-	-	(503,765)	8,584,422
Total Fund Balances	\$ 30,026,844	\$ 10,795,438	\$ 4,289,766	\$ 16,445,963	\$ 61,558,011

L. Restatement of Net Position

Implementation of GASB Standards - GASB 96 Subscription-Based Information Technology Arrangements (SBITAs)

As of October 1, 2022, the City of Idaho Falls adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. The implementation of this standard establishes a single model for SBITAs based on the foundational principle that these software arrangements are financings of the right to use an underlying asset. The standard requires recognition of certain right to use SBITAs assets and liabilities for SBITAs that previously were classified as operating expenses and recognized outflows of resources based on the payment provisions of the contract. As a result of implementing this standard, the City recognized SBITA liabilities in the amount of \$169,858 as of October 1, 2022. The City also recognized right of use SBITA assets in the amount of \$169,858 as of October 1, 2022. As a result of these adjustments there was no effect on the beginning net position.

Prior Period Adjustment

In fiscal year 2022, the City was a party to opioid settlement agreements that were finalized and the City is the recipient of distributions from these settlements. During fiscal year 2023 it was discovered that these settlements should have been recorded as settlements receivable and should have recognized the additional \$1,446,153 in settlement revenue to be received based on the future payment schedules and the associated allocation schedules determined by the Idaho State Attorney General's office.

Net position and fund balance as of September 30, 2022 has been adjusted as follows:.

	Governmental Activities
Net position, beginning, as previously stated	214,229,018
Restatement due to correction	1,446,153
Net position, beginning, restated	<u>\$ 215,675,171</u>
	General Fund
Fund balance, beginning, as previously stated	40,886,938
Restatement due to correction	235,272
Fund balance, beginning, restated	<u>\$ 41,122,210</u>

If these amounts had been properly recorded in the prior year, the change in net position and change in fund balance would have been adjusted as follows for the year ended September 30, 2022:

	September 30, 2022, as previously reported	Error Correction	September 30, 2022, as restated
Government-wide - change in net position			
Governmental activities	\$ 9,605,295	\$ 1,446,153	\$ 11,051,448
Governmental funds - net change in fund balances			
General fund	(7,848,479)	235,272	(7,613,207)
Streets fund	2,816,452	-	2,816,452
Emergency medical services fund	1,846,498	-	1,846,498
Total nonmajor governmental funds	2,672,019	-	2,672,019
Total Governmental funds - net change in fund balances	<u>\$ (513,510)</u>	<u>\$ 235,272</u>	<u>\$ (278,238)</u>

M. Other Information

1. 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, injuries to employees, and natural disasters. The City uses public entity commercial insurance contracts to transfer risk of loss to insurance providers.

Major insurance contracts at October 1, 2022 were as follows:

	Coverage Amounts	Deductible
Property and equipment	\$ 200,000,000	\$ 5,000
General liability, per occurrence	500,000	-
General liability, aggregate	3,000,000	-
Employee benefits, liability	500,000	-
Automobile, liability	500,000	-
Automobile, comprehensive	500,000	5,000
Automobile, collision	500,000	5,000
Errors and omissions-public officials	500,000	-
Law enforcement, liability	500,000	125,000
Crime, liability	500,000	5,000
Boiler and machinery, per occurrence	100,000	5,000
Airport, liability	50,000,000	-
Cyber, liability	1,000,000	10,000
Aggregate-sections of general liability, auto liability, errors and omissions, chemical spraying, and endorsements Hydro-generation facility:		
Property and boiler and machinery	100,000,000	250,000

Settled claims have not exceeded commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage in the past fiscal year.

N. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is subject to a number of lawsuits, investigations, and other claims (some of which involve substantial amounts) that are incidental to the ordinary course of its operations. Although the City Attorney does not currently possess sufficient information to reasonably estimate the amounts of the liabilities to be recorded upon the settlement of such claims and lawsuits, some claims could be significant to the City's operations. While the ultimate resolution of such lawsuits, investigations, and claims cannot be determined at this time, in the opinion of City management, based on the advice of the City Attorney, there are none that may have a material effect on the City's financial position but lack sufficient information to reasonably estimate a liability.

O. Pension Plan

Plan Description

The City of Idaho Falls participates in three plans for employee pension plans: the Public Employee Retirement System of Idaho Base Plan (Base Plan) the Firefighters Retirement Fund (FRF), and Idaho Falls Policeman's Retirement Fund (PRF), which Base plan and FRF plans are cost-sharing,

multiple-employer defined benefit pension plans administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies, and various participating political subdivisions. The PRF plan is a single employer plan. The cost to administer these plans are financed through the contributions and investment earnings of the plans. 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. The PRF plan has no separately issued financial statements for this single employer plan.

Responsibility for administration of the Base Plan, FRF, and PRF is assigned to the Board composed 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 with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan, FRF, and PRF provide retirement, disability, death and survivor benefits for eligible members or beneficiaries. Base Plan and PRF benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointment 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. FRF 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 Base Plan, FRF and PRF 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. The Base Plan and PRF 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.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan 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. The City does not have any members in PRF or FRF currently employed and consequently doesn't make any member or employer contributions.

The contribution rates for employees covered under the Base Plan are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. From October 1, 2022 until June 30, 2023, the contribution rate was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters of covered compensation. As of July 1, 2023, the contribution rate changed to 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees and 13.26% for police and

firefighters of covered compensation. The City's contributions required and paid to the Base Plan were \$6,610,016 for the year ended September 30, 2023.

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

On September 30, 2023, the City reported a liability for its proportionate share of the net pension liability of the Base Plan and an asset for its proportionate share of the net pension asset of FRF and PRF. The net pension asset of FRF and PRF and net pension liability of the Base Plan were measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset/liability were determined by an actuarial valuation as of that date. The City's proportion of the net pension liability of the Base Plan was based on the City's share of contributions to the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. For June 30, 2023 and 2022 the City's proportion was 0.99 and 0.99 percent, respectively. The City's proportion of the net pension asset of FRF was based on the City's share of contributions in the FRF pension plan relative to the total contributions of all participating FRF employers. For June 30, 2023 and 2022, the City's proportion was 12.73 percent for both years.

For the year ended September 30, 2023, the City recognized Base Plan net pension expense of \$5,063,531. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the Base Plan pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,771,718	
Changes in assumptions or other inputs	3,911,978	-
Net difference between projected and actual earnings on pension plan investments	3,708,269	-
Changes in the employer's proportion and difference between the employer's contributions and the employer's proportionate contributions	-	529,105
City's total contributions subsequent to the measurement date	1,829,796	-
Total:	\$ 16,221,761	\$ 529,105

Deferred outflows of resources of \$1,829,796 related to Base Plan pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2024.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at the beginning of the measurement period ended June 30, 2023, is 4.4 years.

For the year ended September 30, 2023, the City recognized FRF Plan pension expense offset of \$2,453,034. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the FRF pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	1,147,414	-
Changes in the employer's proportion and difference between the employer's contributions and the employer's proportionate contributions	-	-
City's total contributions subsequent to the measurement date	-	-
Total:	\$ 1,147,414	\$ -

Because the membership of the Fund consists entirely of inactive members, there are no remaining service lives. Therefore all economic/demographic (gains)/losses and assumption changes or inputs are recognized immediately.

For the year ended September 30, 2023, the City recognized PRF Plan pension expense of \$129,015. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the PRF pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	918,472	-
Changes in the employer's proportion and difference between the employer's contributions and the employer's proportionate contributions	-	-
City's total contributions subsequent to the measurement date	-	-
Total:	\$ 918,472	\$ -

Economic/demographic (gains)/losses and assumption changes or inputs are recognized over the average remaining service life for all active and inactive members.

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

Fiscal Year	Base Plan	FRF	PRF
2024	\$ 4,768,936	\$ 89,061	\$ 323,640
2025	2,246,250	(366,467)	323,640
2026	7,465,012	1,731,316	323,642
2027	(617,338)	(306,496)	(52,450)
	\$ 13,862,860	\$ 1,147,414	\$ 918,472

Actuarial Assumptions

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. 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 FRF permitted under Section 59-1394, Idaho Code, is 50 years. Unfunded actuarial accrued liability for PRF is the difference between the actuarial present value of the PRF benefits not provided by the Base Plan and the PRF assets. Currently PRF assets exceed this actuarial present value; therefore there is not an unfunded liability to amortize at this time.

The total pension liability in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Base Plan	FRF	PRF
Inflation	2.30%	2.30%	2.30%
Salary Increases	3.05%	3.05%	3.05%
Salary Inflation	3.05%	3.05%	3.05%
Investment Rate of Return	6.35%	6.35%*	6.35%*
Cost of Living Adjustments	1.00%	N/A	N/A

* Includes 0.05% for expected administrative expenses

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

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, increased 26%.
	5% of Fire and Police active member deaths are assumed to be duty related. This assumption was adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%.
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%.

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. 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 PERSI'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.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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 6.35%. 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 administrative expense.

Sensitivity of the Employer's proportionate share of the net pension liability (asset) to changes in the discount rate.

The following presents the net pension liability of PERSI employer's calculated using the discount rate of 6.35% as well as what the employer's liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability (asset) – Base Plan	\$ 71,054,112	\$ 39,506,526	\$ 13,722,289
Employer's proportionate share of the net pension liability (asset) – FRF	(27,518,478)	(30,084,439)	(32,320,790)
Employer's proportionate share of the net pension liability (asset) – PRF	(3,138,380)	(3,521,834)	(3,860,153)

Pension plan fiduciary net position

Detailed information about the Base and FRF 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.

PRF plan does not have a separately issued financial statement. However, in the valuation report provided by PERSI the disclosed assets are \$9,220,997, liabilities are \$61,334, and net position is \$9,159,663 for June 30, 2023.

P. Idaho Falls Redevelopment Agency

1. Reporting Entity

The component unit column in the combined financial statements includes the financial data of the Idaho Falls Redevelopment Agency (Agency), the City's only discretely presented component

unit. It is reported in a separate column to emphasize that it is legally separate from the City in accordance with state urban renewal law. The Agency has authority to construct public improvements including the acquisition of public right-of-way within the blighted area legally designated as the redevelopment district. The Mayor appoints the seven-member governing board and the council has authority over the board's actions. The Agency derives funding from tax increment financing. The Agency is authorized under the provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code).

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

The Agency's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for the state and local governments. The more significant accounting policies established in GAAP and used by the Agency are discussed below.

Separately issued financial reports are available for the Idaho Falls Redevelopment Agency. These reports may be obtained by contacting the City of Idaho Falls City Clerk's office.

2. Summary of Significant Accounting Policies

The Agency uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Cash and Investments

Cash includes amounts in demand deposit accounts as well as short-term investments with a maturity date within three months of the date acquired by the Agency. Under state law, the Agency may deposit funds in demand deposits, interest-bearing demand deposits or time deposits with state banks organized under Idaho law and national banks having their principal offices in Idaho. State statutes authorize the Agency to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, and repurchase agreements.

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency 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 Agency does not have a policy for custodial credit risk outside of the deposit and investment agreements. The Agency is authorized to invest in the LGIP. This pooling is intended to improve administrative efficiency and increase investment yield. Investments are stated at cost which approximates fair value.

Revenues and Property Taxes

Substantially all governmental fund revenues are accrued. Property taxes are billed and collected within the same period in which the taxes are levied. The Agency does not levy property taxes; however it is entitled to the increase in property taxes levied by the taxing districts after January 1, 1989.

Capital Assets

Capital assets such as streets, street improvements, water, wastewater, and other capital improvements that the Agency pays for are ultimately donated to the City of Idaho Falls upon completion.

Deferred Inflows of Resources

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, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency's deferred inflows of resources represent unavailable revenues from property taxes, which arises only under a modified accrual basis of accounting and is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

3. Deposits and Investments

As of September 30, 2023, the carrying amount of the Agency's deposits was \$374,630 and the respective bank balances totaled \$389,971. Of the bank balances, \$250,000 were insured or collateralized with pooled securities held by the pledging financial institutions in the name of the Agency.

The Agency has elected to invest in the State Investment Pool through the Idaho State Treasurer. The value of the Agency's investments was \$1,697,585 with a rating of Aa1/Aa+ with a maturity of less than a year. The Agency's investments were covered by collateral held by the pledging financial institution's trust department or agent in the name of the Agency, and thus had no investments that were exposed to custodial credit risk.

The state investment pool is a short-term investment fund, participants have overnight availability to their funds and the weighted average maturity of investments at September 30, 2023, was 114 days.

4. Long-Term Liabilities

The Agency signed a \$6,906,310 Participant Limited Recourse Promissory Note, Series 2008 on July 17, 2008. A cash payment of \$40,000 was made concurrent with the signing of the note, for a net principal balance of \$6,866,310. The note matures on December 31, 2029, and the interest rate is 6.25%. On January 16, 2009, the Agency approved an amendment and restatement of this note to include an additional \$1,946,292 for a total note balance of \$8,812,602. All other terms remained the same. The current outstanding balance is \$8,145,958.

The Agency signed a \$250,000 Limited Recourse Promissory Note, Series 2015 in December 2014 with BV Lending, LLC. The note matures on December 31, 2029, and the interest rate is 4.5%. The current outstanding balance is \$250,000.

The Agency signed a \$365,000 Limited Recourse Promissory Note, Series 2015 in December 2014 with Brandon River, LLC. The Note Matures on December 31, 2029, and the interest rate is 4.5%. The current outstanding balance is \$324,811.

The Agency signed a \$1,619,082 Limited Recourse Promissory Note in December of 2019. The note matures on December 31, 2035, and does not bear any interest. The current outstanding balance is \$1,432,495.

The Agency signed a \$4,000,000 owner participation agreement with JHJCC, LLC in March of 2018 that calls for reimbursement for the costs paid by the developer upon completion of Agency funded public improvements. The obligation bears no interest and will be paid from incremental tax revenues. The obligation will remain in effect until the sooner of December 31, 2030 or the date on which the Urban Renewal Plan terminates and bears no interest. The current outstanding balance is \$3,562,161.

The above notes are not callable, unless in default, and are not subject to prepayment penalty if redeemed. The Agency has agreed to pay note holders 75% or 85% as applicable of the tax increment monies that the Agency receives are set forth by law, commencing upon receipt of tax

increment monies received from the sites (as defined in the OPA's) for the period outlined in the agreement or until the principal is retired, whichever occurs first. The Agency's obligation to the note holders shall only be to pay above-described percentages or the amount of tax increment monies received by the Agency, notwithstanding said amount may be reduced, curtailed, or limited in any way, and there shall be no compounding of interest or amounts added to the principal in the event the tax increment monies are reduced, curtailed or limited in any way.

Because the tax increment monies to be received subsequent to this contract cannot be reasonably estimated, debt service requirements through the next five years have not been disclosed.

5. Changes in Long-Term Liabilities

Governmental long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Eagle Ridge:				
Promissory note 2019	\$ 1,474,352	\$ -	\$ (41,857)	\$ 1,432,495
River Commons Allocation:				
Promissory note 2008 (amended and restated January 16, 2009)	8,450,075	-	(304,117)	8,145,958
Promissory note 2015	328,752	-	(3,941)	324,811
Promissory note 2015	250,000	-	-	250,000
Jackson Hole Junction Allocation:				
OPA obligation	3,746,596	-	(184,435)	3,562,161
Total notes payable	\$ 14,249,775	\$ -	\$ (534,350)	\$ 13,715,425

6. Budget

The Agency prepared a budget for the special revenue funds.

Q. Commitments

The City has several active construction projects and/or major encumbrances as of September 30, 2023. The projects include airport improvements, Idaho Falls Power and fiber improvements, street engineering and reconstruction, law enforcement building, and replacing old sections of water and wastewater lines.

At year-end the City's commitments with contractors are as follows:

Projects	Spent-to-Date	Remaining Commitment
Airport improvements	\$ 2,320,891	\$ 1,643,554
Library improvements	-	183,000
Park improvements	100,693	263,330
Fiber improvements	768,336	2,331,664
Idaho Falls Power improvements	1,221,255	2,463,029
Law enforcement complex construction	22,781,673	5,250,749
Street and bridge improvements	4,610,729	904,229
Wastewater improvements	6,078,689	12,085,123
Water improvements	4,422,649	9,254,063
Sanitation improvements	148,392	125,288
Frontier Center improvements	104,900	850,155
Community Development improvements	51,229	248,771
Fire improvements	121,008	252,683

The airport improvements are generally financed 93.75% by the Federal Aviation Administration and 6.25% by the airport. All the other projects are being financed by charges for services and fund balances.

Encumbrances. As discussed in note III.A., Budgetary Information, encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 1,135,543
Streets fund	481,664
Airport fund	294,498
Water fund	762,217
Electric fund	494,397
Sanitation fund	125,288
Wastewater fund	542,159
Non Major funds	136,574
Total	<u>\$ 3,972,341</u>

The City has entered into the following agreements for power:

Bonneville Power Administration (BPA) – Effective October 1, 2011, the City entered into a Block and Slice Power Sales Agreement with BPA. The provisions of this agreement establish the terms under which the City is committed to purchase power for a period of 17 years. The cost of the power from this contract is determined through this formal and statutorily required rate setting procedure every two years by BPA. It is impossible for the City's management to know the outcome of these future rate proceedings and therefore the future price of the power from this contract.

In addition, the Slice portion of the agreement includes a true up provision that allows BPA to recover Slice costs not previously recovered during the fiscal year along with provisions to true up accounting errors up to five years in arrears. BPA assesses this true up on an annual basis subsequent to year-end. The true up is generally settled in December for the previous fiscal year. The Slice portion of the agreement commits the City to purchase a fixed percentage of BPA generation which will vary in total quantity from year to year depending on overall snowpack and runoff conditions into the BPA hydro generation system. This can result in surplus power that the City can sell on the open market. These natural variances in hydrological conditions can also result in shortages of power that would result in the City purchasing power from the market during low snowpack/runoff situations.

Gem State Project – The City has a power sales contract and ground lease agreement with PacifiCorp, formerly Utah Power & Light Company, for the Gem State Project. Under the power sales contract, PacifiCorp is entitled to a maximum of 39% of the energy to be produced from the Gem State Project through 2023. PacifiCorp is required to pay annual amounts equal to its entitlement percentage rate times 1) the variable costs of operating and maintaining the Gem State Project 2) the agreed-upon fixed capital cost, plus 3) 5% of the amounts set forth in 1) and 2). For the year ended September 30, 2023, PacifiCorp payments under this agreement were \$2,019,167. The City will continue to deliver energy through June 2024 because of the overlap of operating year vs fiscal year. The City is not going to renew or renegotiate the contract.

Utah Associated Municipal Power Systems (UAMPS) – Effective October 1, 1996, the City entered into a contract with UAMPS whereby the City may purchase additional energy requirements not met by BPA or City owned generation resources, from UAMPS. Planned purchases and sales to and from UAMPS are based on either market price at MONA, cost of the resource, or a mix thereof. Unplanned purchases and sales to and from UAMPS are based upon a market proxy for the appropriate period. UAMPS passes along fees for transmission service based upon PacifiCorp's actual transmission costs incurred by UAMPS for power deliveries. For the year ended September 30, 2023, power purchases plus transmission expenses from UAMPS was \$6,823,278. The contract also allows for the City to sell surplus energy to UAMPS. For the year ended September 30, 2023, power sales to UAMPS was \$2,820,306.

Horse Butte Wind Project – Horse Butte Wind Project is a wind generation facility constructed east of the City of Idaho Falls. This is a joint ownership project within the UAMPS organization with other UAMPS members participating as owners. The project attained commercial operation on August 15, 2012, with a total generating capacity of fifty-six (56) megawatts of which the City is obligated to purchase through a power purchase agreement three (3) megawatts of this capacity. Ownership in this project also obligates the City to this same percentage of operating expenses that are conveyed through the power purchase agreement. Under this power purchase agreement there is no guarantee of firm energy delivery. Project costs are not linked to energy production and can vary greatly depending upon wind conditions, plant outages (planned and unplanned) along with unforeseen environmental/biological risks that might require the facility to limit or cease energy production, changes to this agreement and/or financing through the power purchase agreement to the City.

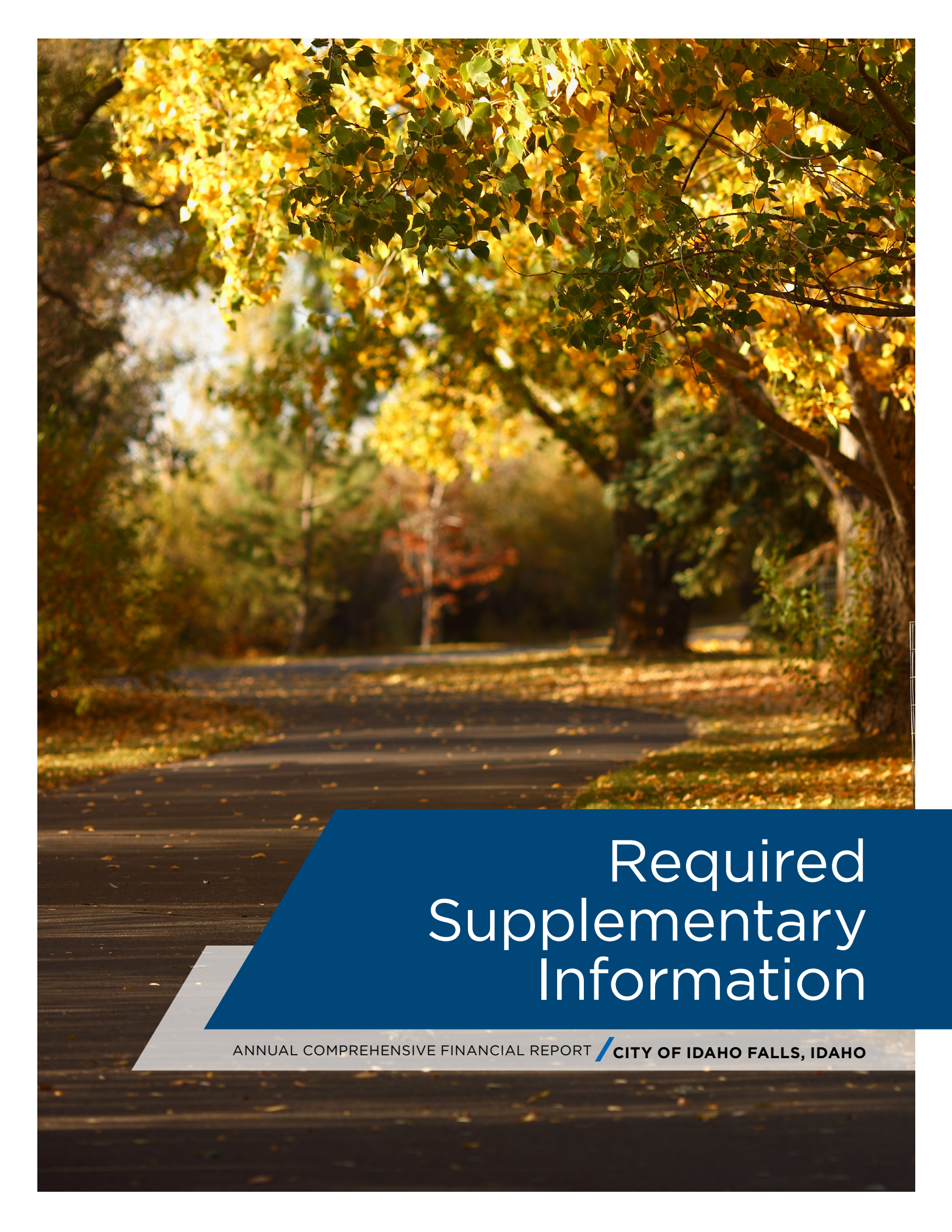
Renewable Energy Credits (REC's) – The City receives an entitlement share of renewable energy credits (REC's) from qualifying facilities in BPA's system from which the City purchases energy through the Block/Slice Power Sales Agreement. The Horse Butte Wind Project also creates REC's which are transferred through the power purchase agreement to the City. The City will enter into sales of REC's periodically with retail customers within the service territory along with wholesale customers not located within the service territory. In the event that retail customer demand is greater than inherent production, the City will purchase supplemental REC's from various counterparties. For the year ended September 30, 2023 the City sold \$189,449 to Battelle Energy Alliance, LLC.

Forward contracts – The City enters into physical electric futures contracts with various counterparties from time to time in order to balance demand and resources. The objective of these transactions is to meet the demand of our retail customers and make economic sense of any surpluses that develop from time to time. These transactions follow risk management procedures. Due to the nature of wholesale market price volatility, the value Horse Butte Wind is the market at said transaction time and location. The size and necessity of these transactions can also vary with conditions due to, but not limited to: weather, local economic conditions, hydrologic conditions & plant maintenance. The ability of the City to enter into transactions is constrained by market liquidity due to a number of factors including: willing counterparties, market liquidity, transmission/delivery constraints, credit, size and duration of transactions needed. As of September 30, 2023 the City had 2024 forward energy contracts being 16,480 MWh of energy contract sales. These contracts were entered into for the purpose of balancing forecast customer demand and projected City electricity resources.

The City has not marked any futures contracts to market. This is in accordance with the normal purchases and normal sales contracts scope exception issued under section D40: Derived Instruments.

R. Subsequent Events

The City sought to compulsory purchase property owned by Johnson Legacy LLC for the purpose of protecting the City's airport runway approach zone in a previous fiscal year. This purchase has been in litigation (City of Idaho Falls v. Johnson Legacy, LLC, et al. CV10-21-2420, Eminent domain) and subsequent to the reporting period, the court entered judgment on April 17, 2024. The fees and cost have not been finalized and are estimated to be between \$10.2 and \$10.7 million, of which the City has already deposited \$5.1 million to the Court during the reporting period. As of the date of issuance of these financial statements, the matter remains unsettled and the City is estimating the potential financial impact of the legal proceedings. Therefore, the City has determined that the outcome of this legal dispute constitutes a nonrecognized subsequent event in accordance with GASB Statement No. 56, "Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards".



Required Supplementary Information

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO

Schedule of Employer's Share of Net Pension Liability (Asset) PERSI Base Plan, FRF, and PRF - Last 10 Fiscal Years*

	2023			2022			2021			2020	
	Base Plan	FRF	PRF	Base Plan	FRF	PRF	Base Plan	FRF	PRF	Base Plan	FRF
Employer's portion of net pension liability (asset)	0.99%	(12.73%)	100%	0.99%	(12.73%)	(100%)	0.99%	(12.73%)	(100%)	1.34%	(12.73%)
Employer's proportionate share of the net pension liability (asset)	\$ 39,506,526	\$ (30,084,439)	\$ (3,521,834)	\$ 39,081,912	\$ (26,125,173)	\$ (3,064,967)	\$ (786,547)	\$ (34,388,868)	\$ (4,650,126)	\$ 31,186,242	\$ (18,948,797)
Employer's covered payroll	\$ 54,848,441	\$ -	\$ -	\$ 52,642,921	\$ -	\$ -	\$ 48,370,942	\$ -	\$ -	\$ 37,430,463	\$ 10,627,761
Employer's proportionate share as a percentage of its covered payroll	72.03%	N/A	N/A	74.24%	N/A	N/A	2.11%	N/A	N/A	83.32%	178.30%
Plan fiduciary net position as a percentage of the total pension liability (asset)	83.83%	200.58%	162.47%	83.09%	184.72%	151.17%	100.36%	211.83%	173.64%	88.22%	155.55%

*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. Police Retirement Fund (PRF) reports were not available from the state prior to 2021.

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

See Notes to Required Supplementary Information

Schedule of Employer's Share of Net Pension Liability (Asset) (Continued)
PERSI Base Plan, FRF, and PRF - Last 10 Fiscal Years*

	2019		2018		2017		2016		2015	
	Base Plan	FRF	Base Plan	FRF	Base Plan	FRF	Base Plan	FRF	Base Plan	FRF
Employer's portion of net pension liability (asset)	1.39%	(14.28%)	1.37%	(13.52%)	1.40%	(13.59%)	1.05%	(12.26%)	1.33%	(11.39%)
Employer's proportionate share of the net pension liability (asset)	\$ 15,835,925	\$ (20,537,995)	\$ 20,215,666	\$ (15,307,052)	\$ 22,040,254	\$ (11,667,500)	\$ 27,165,207	\$ (6,587,837)	\$ 17,464,709	\$ (6,156,821)
Employer's covered payroll	\$ 35,360,501	\$ 11,220,716	\$ 34,474,249	\$ 10,104,215	\$ 33,135,549	\$ 9,928,859	\$ 31,013,709	\$ 8,734,260	\$ (37,181,721)	\$ 7,607,246
Employer's proportionate share as a percentage of its covered payroll	44.78%	183.04%	58.64%	151.49%	66.52%	117.51%	87.59%	75.43%	46.97%	80.93%
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.79%	152.74%	91.69%	140.15%	90.68%	129.65%	87.26%	114.42%	91.38%	118.08%

*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. Police Retirement Fund (PRF) reports were not available from the state prior to 2021.

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

See Notes to Required Supplementary Information

Policeman Retirement Fund Changes in Net Pension Liability (Asset)

	<u>Net Pension Liability (Asset)</u>
Balances as of June 30, 2022	\$ (3,064,967)
Changes for the year:	
Service Cost	-
Interest	358,149
Effect of plan changes	-
Effect of economic / demographic gains or losses	-
Effect if assumptions changes or inputs	-
Benefit payments	-
Employer contributions	-
Member contributions	-
Net investment income	(815,016)
Administrative expenses	-
Balances as of June 30, 2023	<u>\$ (3,521,834)</u>

See Notes to Required Supplementary Information

Schedule of Employer Contributions PERSI Base Plan, FRF, and PRF – Last 10 Fiscal Years*

	2023			2022			2021			2020		2019	
	Base Plan	FRF	PRF	Base Plan	FRF	PRF	Base Plan	FRF	PRF	Base Plan	FRF	Base Plan	FRF
Statutorily required contribution	\$ 6,610,016	\$ -	\$ -	\$ 6,353,059	\$ -	\$ -	\$ 5,838,542	\$ -	\$ -	\$ 4,493,240	\$ 1,689,886	\$ 4,090,086	\$ 1,799,036
Contributions in relation to the statutorily required contribution	\$ 6,610,016	\$ -	\$ -	\$ 6,353,059	\$ -	\$ -	\$ 5,838,542	\$ -	\$ -	\$ 4,491,860	\$ 1,709,233	\$ 4,132,772	\$ 1,811,694
Contribution (deficiency) excess				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,380	\$ 19,347	\$ 42,686	\$ 12,658
Employer's covered payroll	\$ 54,848,441	\$ -	\$ -	\$ 52,642,921	\$ -	\$ -	\$ 48,370,942	\$ -	\$ -	\$ 37,430,463	\$ 10,627,761	\$ 35,925,731	\$ 10,798,537
Contributions as a percentage of covered payroll (calculated)	12.05%	0.00%	0.00%	12.07%	0.00%	0.00%	12.07%	0.00%	0.00%	12.00%	16.08%	11.50%	16.78%

*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 as of September 30, 2023

See Notes to Required Supplementary Information

Schedule of Employer Contributions (Continued)

PERSI Base Plan, FRF, and PRF – Last 10 Fiscal Years*

	2018		2017		2016		2015	
	Base Plan	FRF	Base Plan	FRF	Base Plan	FRF	Base Plan	FRF
Statutorily required contribution	\$ 3,954,198	\$ 1,755,314	\$ 3,680,963	\$ 1,630,460	\$ 3,530,924	\$ 1,455,128	\$ 4,388,228	\$ -
Contributions in relation to the statutorily required contribution	\$ 3,842,391	\$ 1,755,131	\$ 3,680,937	\$ 1,630,460	\$ 3,530,925	\$ 1,445,127	\$ 4,256,266	\$ 673,565
Contribution (deficiency) excess	\$ (111,807)	\$ (183)	\$ (26)	\$ -	\$ 1	\$ (1)	\$ (131,962)	\$ 673,565
Employer's covered payroll	\$ 34,740,968	\$ 10,536,096	\$ 32,335,277	\$ (9,786,672)	\$ 31,013,709	\$ 8,734,260	\$ 37,181,721	\$ 7,607,246
Contributions as a percentage of covered payroll (calculated)	11.06%	16.66%	11.38%	16.66%	11.39%	16.66%	11.45%	8.85%

*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 as of September 30,

Notes to the Required Supplementary Information

For the Year Ended September 30, 2023

Changes of Benefit Terms:

For the Year Ended September 30, 2023, the City did not have any changes to benefit terms.



CIVIC
CENTER
the Performing Arts

IDAHO FALLS CIVIC CENTER
PERFORMING ARTS

Other Supplementary Information

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO

Combining Statements Nonmajor Governmental Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted, committed, or assigned to expenditures for specified purposes other than debt service or capital projects. The City's nonmajor special revenue funds are as follows:

Recreation Fund – to account for the operation of City-run recreation programs. Property taxes and user fees provide financing. The City restricts these revenues to finance recreation programs.

Library Fund – to account for the operation of the Public Library. Financing is provided principally through property taxes, which are restricted for library operations.

Airport Passenger Facility Charge Fund – to account for the collection and transfer of passenger facility charges to the airport fund. This fund does not typically adopt a budget.

Electric Light Public Purpose Fund – to account for the accumulation of cash which is set aside for the specific purpose of conserving electrical energy. This fund was created and supported by Bonneville Power Administration contributions.

Business Improvement District Fund – to account for the accumulation of cash from assessments from downtown business which is set aside for specific purposes of the business improvement district.

Golf Fund – to account for the operation of the three public owned golf courses; Pinecrest, Sandcreek, and Sage Lakes. User fees provide financing. The City restricts these revenues to finance golf maintenance and operations.

Wildland Fire Fund – to account for operation of firefighting for the Department of Lands on a cost reimbursement basis.

Impact Fee Funds are used to account for and report the revenues received and expensed from fees associated with new development within the city. The Idaho Code Title 67, Chapter 82 (the "Idaho Development Fee Act") allows for Cities to develop an impact fee program in order to provide public facilities and infrastructure needed to serve the new growth and development.

Police Impact Fee Fund – to account for the collection of impact fee revenues associated with growth related to the Police Department. This fund assists in funding necessary improvements to infrastructure and facilities related to public safety in the capital improvements element of the City Comprehensive Plan.

Fire Impact Fee Fund – to account for the collection of impact fee revenues associated with growth related to the Fire and Emergency Medical Services Departments. This fund assists in funding necessary improvements to infrastructure and facilities related to public safety in the capital improvements element of the City Comprehensive Plan.

Parks & Recreation Impact Fee Fund – to account for the collection of impact fee revenues associated with growth related to the Parks & Recreation Department. This fund assists in funding necessary improvements to parks open space, recreation areas, and related capital improvements in the City Comprehensive Plan.

Streets Impact Fee Fund – to account for the collection of impact fee revenues associated with growth related to the Street Department. This fund assists in funding necessary improvements to City transportation facilities, including arterial streets, arterial intersections, arterial bridges, arterial appurtenances, and related arterial capital improvements in the City Comprehensive Plan.

Combining Statements Nonmajor Governmental Funds

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The City's nonmajor capital improvement funds are as follows:

Municipal Capital Improvement Fund – to account for the acquisition and construction of capital assets (including infrastructure). Revenues are derived from property taxes.

Street Capital Improvement Fund – to account for funds received from the State of Idaho which are held for large future street projects.

Bridge and Arterial Street Fund – to account for the construction of bridges and parts of streets which are the responsibility of the City. Revenues are derived from the payment of bridge and arterial street fees.

Surface Drainage Fund – to account for the design, development and construction of drainage interceptors, treatment and/or disposal facilities. Revenues are derived from developer fees.

Traffic Light Capital Improvement Fund – to account for the design and construction of traffic lights. Revenues are derived from in-lieu-of tax payments from the electric light fund.

Parks Capital Improvement Fund – to account for the acquisition and construction of parks and recreational capital assets. Revenues are derived from surcharges and sale of assets.

Zoo Capital Improvement Fund – to account for the construction of the Zoo education building. Revenues are derived from donations.

Civic Auditorium Capital Improvement Fund – to account for the renovation of the Civic Auditorium. Revenues are derived from donations.

Golf Capital Improvement Fund – to account for the acquisition and construction of golf related assets.



Combining Balance Sheet

Nonmajor Governmental Funds

September 30, 2023

	Special Revenue				
	Recreation	Library	Airport Passenger Facility Charge	Electric Light Public Purpose	Business Improvement District
Assets					
Cash and cash equivalents	\$ 4,998	\$ 176,341	\$ 104,463	\$ -	\$ 2,738
Investments	109,735	3,871,614	2,293,526	-	60,108
Taxes receivable	22,903	68,940	-	-	-
Accounts receivable	21,015	-	-	-	-
Interest receivable	-	22,009	-	-	345
Loans receivable	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	\$ 158,651	\$ 4,138,904	\$ 2,397,989	\$ -	\$ 63,191
Liabilities					
Accounts payable	\$ 27,933	\$ 44,846	\$ -	\$ -	\$ 38,500
Accrued wages payable	28,704	36,028	-	-	-
Security Deposits	-	-	-	-	-
Total liabilities	56,637	80,874	-	-	38,500
Deferred inflows of resources					
Unavailable revenue-property taxes	19,044	57,306	-	-	-
Total deferred inflows of resources	19,044	57,306	-	-	-
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	2,397,989	-	-
Committed	-	183,000	-	-	-
Assigned	82,970	3,817,724	-	-	24,691
Unassigned	-	-	-	-	-
Total fund balances (deficits)	82,970	4,000,724	2,397,989	-	24,691
Total liabilities, deferred inflows of resources, and fund balances	\$ 158,651	\$ 4,138,904	\$ 2,397,989	\$ -	\$ 63,191

Combining Balance Sheet

Nonmajor Governmental Funds (Continued)

September 30, 2023

Golf	Wildland Fire	Impact Fee- Police	Impact Fee-Fire	Impact Fee-Parks & Recreation	Impact Fee- Streets	Total
\$ 12,236	\$ 7,311	\$ 11,844	\$ 6,110	\$ 11,373	\$ 47,240	\$ 384,654
268,641	160,522	260,048	134,139	249,695	1,037,166	8,445,194
-	-	-	-	-	-	91,843
-	818,771	-	-	-	-	839,786
-	922	1,493	771	1,419	5,972	32,931
-	-	-	-	-	-	-
308,998	-	-	-	-	-	308,998
\$ 589,875	\$ 987,526	\$ 273,385	\$ 141,020	\$ 262,487	\$ 1,090,378	\$ 10,103,406
\$ 50,459	\$ 25,139	\$ -	\$ -	\$ -	\$ -	\$ 186,877
33,250	-	-	-	-	-	97,982
82,557	-	-	-	-	-	82,557
166,266	25,139	-	-	-	-	367,416
-	-	-	-	-	-	76,350
-	-	-	-	-	-	76,350
308,998	-	-	-	-	-	308,998
-	-	273,385	141,020	262,487	1,090,378	4,165,259
-	-	-	-	-	-	183,000
467,303	962,387	-	-	-	-	5,355,075
(352,692)	-	-	-	-	-	(352,692)
423,609	962,387	273,385	141,020	262,487	1,090,378	9,659,640
\$ 589,875	\$ 987,526	\$ 273,385	\$ 141,020	\$ 262,487	\$ 1,090,378	\$ 10,103,406

Combining Balance Sheet Nonmajor Governmental Funds (Continued) September 30, 2023

	Capital Projects				
	Municipal Capital Improvement	Street Capital Improvement	Bridge and Arterial Street	Surface Drainage	Traffic Light Capital Improvement
Assets					
Cash and cash equivalents	\$ 133,927	\$ 31,320	\$ 38,641	\$ 5,324	\$ 57,906
Investments	2,940,417	687,651	848,379	116,884	1,271,337
Taxes receivable	21,000	-	-	-	-
Accounts receivable	-	-	328,143	-	-
Interest receivable	16,891	3,997	4,873	671	7,302
Loans receivable	-	-	-	-	-
Inventories	-	-	-	-	-
Total assets	\$ 3,112,235	\$ 722,968	\$ 1,220,036	\$ 122,879	\$ 1,336,545
Liabilities					
Accounts payable	\$ 401,022	\$ 6,630	\$ 64,497	\$ -	\$ 93,687
Accrued wages payable	-	-	-	-	-
Security deposits	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	401,022	6,630	64,497	-	93,687
Deferred Inflows of Resources					
Unavailable revenue-property taxes	17,464	-	-	-	-
Total deferred inflows of resources	17,464	-	-	-	-
Fund Balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	122,710	8,288	-	-	-
Assigned	2,571,039	708,050	1,155,539	122,880	1,242,858
Unassigned	-	-	-	(1)	-
Total fund balances (deficits)	2,693,749	716,338	1,155,539	122,879	1,242,858
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,112,235	\$ 722,968	\$ 1,220,036	\$ 122,879	\$ 1,336,545

Combining Balance Sheet Nonmajor Governmental Funds (Continued) September 30, 2023

Capital Projects							Total Nonmajor Governmental Funds
Parks Capital Improvement	Zoo Capital Improvement	Civic Auditorium Capital Improvement	Golf Capital Improvement	Total			
\$ -	\$ 30,804	\$ 9,083	\$ 7,728	\$ 314,733	\$ 699,387		
-	676,309	199,429	169,671	6,910,077	15,355,271		
-	-	-	-	21,000	112,843		
-	-	-	-	328,143	1,167,929		
-	3,885	1,146	975	39,740	72,671		
-	-	-	-	-	-		
-	-	-	-	-	308,998		
\$ -	\$ 710,998	\$ 209,658	\$ 178,374	\$ 7,613,693	\$ 17,717,099		
\$ -	\$ 25,000	\$ -	\$ 67,997	\$ 658,833	\$ 845,710		
-	-	-	-	-	97,982		
-	-	-	-	-	82,557		
151,074	-	-	-	151,074	151,074		
151,074	25,000	-	67,997	809,907	1,177,323		
-	-	-	-	17,464	93,814		
-	-	-	-	17,464	93,814		
-	-	-	-	-	308,998		
-	-	-	-	-	4,165,259		
-	-	-	-	130,998	313,998		
-	685,997	209,657	110,377	6,806,397	12,161,472		
(151,074)	1	1	-	(151,073)	(503,765)		
(151,074)	685,998	209,658	110,377	6,786,322	16,445,962		
\$ -	\$ 710,998	\$ 209,658	\$ 178,374	\$ 7,613,693	\$ 17,717,099		

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds For the Year Ended September 30, 2023

	Special Revenue				
	Recreation	Library	Airport Passenger Facility Charge	Electric Light Public Purpose	Business Improvement District
Revenues					
Taxes	\$ 876,746	\$ 2,627,444	\$ -	\$ -	\$ -
Intergovernmental	-	89,219	-	-	-
Charges for services	1,461,074	9,486	1,039,561	-	-
Licenses & permits	-	-	-	-	-
Fines	-	8,169	-	-	-
Investment earnings (loss)	4,777	132,486	49,379	-	1,946
Miscellaneous	75,823	56,589	-	-	88,763
Total revenues	2,418,420	2,923,393	1,088,940	-	90,709
Expenditures					
Current:					
General government	-	-	-	-	179,000
Public safety	-	-	-	-	-
Culture & recreation	2,357,207	2,784,526	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	2,357,207	2,784,526	-	-	179,000
Excess (deficiency) of revenues over (under) expenditures	61,213	138,867	1,088,940	-	(88,291)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(562,092)	(3,901,628)	-
Leases and SBITAs issued	-	15,495	-	-	-
Total other financing sources and (uses)	-	15,495	(562,092)	(3,901,628)	-
Net change in fund balances	61,213	154,362	526,848	(3,901,628)	(88,291)
Fund balances, beginning	21,757	3,846,362	1,871,141	3,901,628	112,982
Fund balances, ending	\$ 82,970	\$ 4,000,724	\$ 2,397,989	\$ -	\$ 24,691

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Year Ended September 30, 2023**

Special Revenue						
Golf	Wildland Fire	Impact Fee-Police	Impact Fee-Fire	Impact Fee-Parks & Recreation	Impact Fee-Streets	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,504,190
-	878,343	-	-	-	-	967,562
3,467,150	-	-	-	-	-	5,977,271
-	-	237,273	126,253	282,447	942,248	1,588,221
-	-	-	-	-	-	8,169
(3,759)	23,196	4,777	1,844	4,268	18,998	237,912
48,703	-	-	-	-	-	269,878
3,512,094	901,539	242,050	128,097	286,715	961,246	12,553,203
-	-	-	-	-	-	179,000
-	863,006	-	-	-	-	863,006
3,363,163	-	-	-	-	-	8,504,896
-	-	-	-	57,064	-	57,064
3,363,163	863,006	-	-	57,064	-	9,603,966
148,931	38,533	242,050	128,097	229,651	961,246	2,949,237
-	-	-	-	-	-	-
-	-	-	-	-	-	(4,463,720)
-	-	-	-	-	-	15,495
-	-	-	-	-	-	(4,448,225)
148,931	38,533	242,050	128,097	229,651	961,246	(1,498,988)
274,678	923,854	31,335	12,923	32,836	129,132	11,158,628
\$ 423,609	\$ 962,387	\$ 273,385	\$ 141,020	\$ 262,487	\$ 1,090,378	\$ 9,659,640

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds (Continued) For the Year Ended September 30, 2023

	Capital Projects				
	Municipal Capital Improvement	Street Capital Improvement	Bridge and Arterial Street	Surface Drainage	Traffic Light Capital Improvement
Revenues					
Taxes	\$ 780,459	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	859,760	-	-	25,659
Charges for services	-	-	266,598	6,408	-
Licenses & Permits	-	-	-	-	-
Fines	-	-	-	-	-
Investment earnings (loss)	91,176	32,573	32,452	5,297	42,942
Miscellaneous	19,799	-	-	-	-
Total revenues	891,434	892,333	299,050	11,705	68,601
Expenditures					
Current:					
General government	-	-	-	-	-
Public Safety	-	-	-	-	-
Culture & recreation	-	-	-	-	-
Capital outlay	476,742	955,985	108,371	50,070	525,576
Total expenditures	476,742	955,985	108,371	50,070	525,576
Excess (deficiency) of revenues over (under) expenditures	414,692	(63,652)	190,679	(38,365)	(456,975)
Other Financing Sources (uses)					
Transfers in	-	-	-	-	446,460
Transfers out	-	-	-	-	-
Leases and SBITAs issued	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	446,460
Net change in fund balances	414,692	(63,652)	190,679	(38,365)	(10,515)
Fund balances, beginning	2,279,057	779,990	964,860	161,244	1,253,373
Fund balances, ending	\$ 2,693,749	\$ 716,338	\$ 1,155,539	\$ 122,879	\$ 1,242,858

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Year Ended September 30, 2023**

Capital Projects						Total Nonmajor Governmental Funds
Parks Capital Improvement	Zoo Capital Improvement	Civic Capital Auditorium Improvement	Golf Capital Improvement	Total		
\$ -	\$ -	\$ -	\$ -	\$ 780,459	\$	4,284,649
182,747	-	-	-	1,068,166		2,035,728
14,629	106,284	-	351,597	745,516		6,722,787
-	-	-	-	-		1,588,221
-	-	-	-	-		8,169
(4,218)	19,108	6,947	7,845	234,122		472,034
100,836	260,666	3,001	-	384,302		654,180
293,994	386,058	9,948	359,442	3,212,565		15,765,768
-	-	-	-	-		179,000
-	-	-	-	-		863,006
-	-	-	-	-		8,504,896
107,062	139,076	-	108,185	2,471,067		2,528,131
107,062	139,076	-	108,185	2,471,067		12,075,033
186,932	246,982	9,948	251,257	741,498	\$	3,690,735
-	-	-	-	446,460		446,460
-	-	-	(275,000)	(275,000)		(4,738,720)
-	-	-	-	-		15,495
-	-	-	(275,000)	171,460		(4,276,765)
186,932	246,982	9,948	(23,743)	912,958	\$	(586,030)
(338,006)	439,016	199,710	134,120	5,873,364		17,031,992
\$ (151,074)	\$ 685,998	\$ 209,658	\$ 110,377	\$ 6,786,322	\$	16,445,962

Recreation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 889,612	\$ 889,612	\$ 876,746	\$ (12,866)
Intergovernmental	-	-	-	-
Charges for services	1,509,648	1,509,648	1,461,074	(48,574)
Investment earnings (loss)	-	-	4,777	4,777
Miscellaneous	122,928	122,928	75,823	(47,105)
Total revenues	2,522,188	2,522,188	2,418,420	(103,768)
Expenditures				
Culture & recreation	2,516,188	2,516,348	2,357,207	159,141
Excess (deficiency) of revenues over (under) expenditures	6,000	5,840	61,213	55,373
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	6,000	5,840	61,213	55,373
Fund balances, beginning	(414,607)	(563,107)	21,757	584,864
Fund balances, ending	\$ (408,607)	\$ (557,267)	\$ 82,970	\$ 640,237

Library Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 2,665,145	\$ 2,665,145	\$ 2,627,444	\$ (37,701)
Intergovernmental	138,320	138,320	89,219	(49,101)
Charges for services	9,000	9,000	9,486	486
Fines	10,000	10,000	8,169	(1,831)
Investment earnings (loss)	100,000	100,000	132,486	32,486
Miscellaneous	24,000	24,000	56,589	32,589
Total revenues	2,946,465	2,946,465	2,923,393	(23,072)
Expenditures				
Culture & recreation	2,981,403	2,944,665	2,784,526	160,139
Excess (deficiency) of revenues over (under) expenditures	(34,938)	1,800	138,867	137,067
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Leases and SBITAs issued	-	-	15,495	15,495
Total other financing sources (uses)	-	-	15,495	15,495
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(34,938)	1,800	154,362	152,562
Fund balances, beginning	(394,872)	(666,111)	3,846,362	4,512,473
Fund balances, ending	\$ (429,810)	\$ (664,311)	\$ 4,000,724	\$ 4,665,035

Airport Passenger Facility Charge Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	1,005,668	1,005,668	1,039,561	33,893
Fines	-	-	-	-
Investment earnings (loss)	-	-	49,379	49,379
Miscellaneous	-	-	-	-
Total revenues	1,005,668	1,005,668	1,088,940	83,272
Expenditures				
Culture & recreation	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,005,668	1,005,668	1,088,940	83,272
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,005,668)	(1,005,668)	(562,092)	443,576
Total other financing sources (uses)	(1,005,668)	(1,005,668)	(562,092)	443,576
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	526,848	526,848
Fund balances, beginning	544,501	544,501	1,871,141	1,326,640
Fund balances, ending	\$ 544,501	\$ 544,501	\$ 2,397,989	\$ 1,853,488

Electric Light Public Purpose Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Investment earnings (loss)	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
General government	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(3,901,628)	(3,901,628)
Total other financing sources (uses)	-	-	(3,901,628)	(3,901,628)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	(3,901,628)	(3,901,628)
Fund balances, beginning	3,679,239	3,679,239	3,901,628	222,389
Fund balances, ending	\$ 3,679,239	\$ 3,679,239	\$ -	\$ (3,679,239)

Business Improvement District Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Investment earnings (loss)	\$ -	\$ -	\$ 1,946	\$ 1,946
Miscellaneous	115,000	115,000	88,763	(26,237)
Total revenues	115,000	115,000	90,709	(24,291)
Expenditures				
General government	115,000	115,000	179,000	(64,000)
Excess (deficiency) of revenues over (under) expenditures	-	-	(88,291)	(88,291)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	(88,291)	(88,291)
Fund balances, beginning	109,804	109,304	112,982	3,678
Fund balances, ending	\$ 109,804	\$ 109,304	\$ 24,691	\$ (84,613)

Golf Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ 3,382,314	\$ 3,382,314	\$ 3,467,150	\$ 84,836
Investment earnings (loss)	-	-	(3,759)	(3,759)
Miscellaneous	20,000	20,000	48,703	28,703
Total revenues	3,402,314	3,402,314	3,512,094	109,780
Expenditures				
Culture & recreation	3,169,427	3,187,320	3,363,163	(175,843)
Excess (deficiency) of revenues over (under) expenditures	232,887	214,994	148,931	(66,063)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	232,887	214,994	148,931	(66,063)
Fund balances, beginning	834,866	777,080	274,678	(502,402)
Fund balances, ending	\$ 1,067,753	\$ 992,074	\$ 423,609	\$ (568,465)

Wildland Fire Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ 1,500,000	\$ 1,500,000	\$ 878,343	\$ (621,657)
Investment earnings (loss)	-	-	23,196	23,196
Total revenues	1,500,000	1,500,000	901,539	(598,461)
Expenditures				
Public safety	1,489,189	1,493,964	863,006	630,958
Excess (deficiency) of revenues over (under) expenditures	10,811	6,036	38,533	32,497
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	10,811	6,036	38,533	32,497
Fund balances, beginning	847,013	841,581	923,854	82,273
Fund balances, ending	\$ 857,824	\$ 847,617	\$ 962,387	\$ 114,770

Impact Fee-Police Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Licenses & permits	\$ 843,077	\$ 843,077	\$ 237,273	\$ (605,804)
Investment earnings (loss)	-	-	4,777	4,777
Miscellaneous	-	-	-	-
Total revenues	843,077	843,077	242,050	(601,027)
Expenditures				
Capital outlay	843,077	843,077	-	843,077
Excess (deficiency) of revenues over (under) expenditures	-	-	242,050	242,050
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	242,050	242,050
Fund balances, beginning			31,335	31,335
Fund balances, ending	\$ -	\$ -	\$ 273,385	\$ 273,385

Impact Fee-Fire Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Licenses & permits	\$ 452,282	\$ 452,282	\$ 126,253	\$ (326,029)
Investment earnings (loss)	-	-	1,844	1,844
Miscellaneous	-	-	-	-
Total revenues	452,282	452,282	128,097	(324,185)
Expenditures				
Capital outlay	452,282	452,282	-	452,282
Excess (deficiency) of revenues over (under) expenditures	-	-	128,097	128,097
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	128,097	128,097
Fund balances, beginning			12,923	12,923
Fund balances, ending	\$ -	\$ -	\$ 141,020	\$ 141,020

Impact Fee-Parks and Recreation Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Licenses & permits	\$ 900,706	\$ 900,706	\$ 282,447	\$ (618,259)
Investment earnings (loss)	-	-	4,268	4,268
Miscellaneous	-	-	-	-
Total revenues	900,706	900,706	286,715	(613,991)
Expenditures				
Capital outlay	900,706	900,706	57,064	843,642
Excess (deficiency) of revenues over (under) expenditures	-	-	229,651	229,651
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	229,651	229,651
Fund balances, beginning			32,836	
Fund balances, ending	\$ -	\$ -	\$ 262,487	\$ 262,487

Impact Fee-Streets Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Licenses & permits	\$ 2,500,000	\$ 2,500,000	\$ 942,248	\$ (1,557,752)
Investment earnings (loss)	-	-	18,998	18,998
Miscellaneous	-	-	-	-
Total revenues	2,500,000	2,500,000	961,246	(1,538,754)
Expenditures				
Capital outlay	2,500,000	2,500,000	-	2,500,000
Excess (deficiency) of revenues over (under) expenditures	-	-	961,246	961,246
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	-	961,246	961,246
Fund balances, beginning			129,132	
Fund balances, ending	\$ -	\$ -	\$ 1,090,378	\$ 1,090,378

Municipal Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Property taxes	\$ 790,618	\$ 790,618	\$ 780,459	\$ (10,159)
Intergovernmental	500,000	500,000	-	(500,000)
Investment earnings (loss)	-	-	91,176	91,176
Miscellaneous	-	-	19,799	19,799
Total revenues	1,290,618	1,290,618	891,434	(399,184)
Expenditures				
Capital outlay	2,000,000	2,000,000	476,742	1,523,258
Excess (deficiency) of revenues over (under) expenditures	(709,382)	(709,382)	414,692	1,124,074
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(709,382)	(709,382)	414,692	1,124,074
Fund balances, beginning	1,583,539	1,502,708	2,279,057	776,349
Fund balances, ending	\$ 874,157	\$ 793,326	\$ 2,693,749	\$ 1,900,423

Street Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ 4,491,000	\$ 4,491,000	\$ 859,760	\$ (3,631,240)
Charges for services	-	-	-	-
Investment earnings (loss)	-	-	32,573	32,573
Miscellaneous	-	-	-	-
Total revenues	4,491,000	4,491,000	892,333	(3,598,667)
Expenditures				
Capital outlay	4,550,000	4,657,998	955,985	3,702,013
Excess (deficiency) of revenues over (under) expenditures	(59,000)	(166,998)	(63,652)	103,346
Other Financing Sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(59,000)	(166,998)	(63,652)	103,346
Fund balances, beginning	(633,557)	(4,283,557)	779,990	5,063,547
Fund balances, ending	\$ (692,557)	\$ (4,450,555)	\$ 716,338	\$ 5,166,893

Bridge and Arterial Street Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ -	\$ -	\$ 266,598	\$ 266,598
Investment earnings (loss)	-	-	32,452	32,452
Total revenues	-	-	299,050	299,050
Expenditures				
Capital outlay	400,000	585,282	108,371	476,911
Excess of revenues over (under) expenditures	(400,000)	(585,282)	190,679	775,961
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(400,000)	(585,282)	190,679	775,961
Fund balances, beginning	561,288	561,288	964,860	403,572
Fund balances, ending	\$ 161,288	\$ (23,994)	\$ 1,155,539	\$ 1,179,533

Surface Drainage Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ -	\$ -	\$ 6,408	\$ 6,408
Investment earnings (loss)	-	-	5,297	5,297
Miscellaneous	-	-	-	-
Total revenues	-	-	11,705	11,705
Expenditures				
Capital outlay	250,000	250,000	50,070	199,930
Excess (deficiency) of revenues over (under) expenditures	(250,000)	(250,000)	(38,365)	211,635
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(250,000)	(250,000)	(38,365)	211,635
Fund balances, beginning	230,991	130,991	161,244	30,253
Fund balances, ending	\$ (19,009)	\$ (119,009)	\$ 122,879	\$ 241,888

Traffic Light Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ -	\$ -	\$ 25,659	\$ 25,659
Investment earnings (loss)	-	-	42,942	42,942
Total revenues	-	-	68,601	68,601
Expenditures				
Capital outlay	990,000	990,000	525,576	464,424
Excess (deficiency) of revenues over (under) expenditures	(990,000)	(990,000)	(456,975)	533,025
Other financing sources (uses)				
Transfers in	436,600	436,600	446,460	9,860
Transfers out	-	-	-	-
Total other financing sources (uses)	436,600	436,600	446,460	9,860
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(553,400)	(553,400)	(10,515)	542,885
Fund balances, beginning	779,094	663,890	1,253,373	589,483
Fund balances, ending	\$ 225,694	\$ 110,490	\$ 1,242,858	\$ 1,132,368

Parks Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Intergovernmental	\$ -	\$ -	\$ 182,747	\$ 182,747
Charges for services	40,000	40,000	14,629	(25,371)
Investment earnings (loss)	-	-	(4,218)	(4,218)
Miscellaneous	50,000	50,000	100,836	50,836
Total revenues	90,000	90,000	293,994	203,994
Expenditures				
Capital outlay	-	16,897	107,062	(90,165)
Excess (deficiency) of revenues over (under) expenditures	90,000	73,103	186,932	113,829
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	90,000	73,103	186,932	113,829
Fund balances, beginning	(133,927)	(426,846)	(338,006)	88,840
Fund balances, ending	\$ (43,927)	\$ (353,743)	\$ (151,074)	\$ 202,669

Zoo Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ 150,000	\$ 150,000	\$ 106,284	\$ (43,716)
Investment earnings (loss)	5,000	5,000	19,108	14,108
Miscellaneous	1,695,000	1,695,000	260,666	(1,434,334)
Total revenues	1,850,000	1,850,000	386,058	(1,463,942)
Expenditures				
Capital outlay	1,850,000	1,863,320	139,076	1,724,244
Total expenditures	1,850,000	1,863,320	139,076	1,724,244
Excess (deficiency) of revenues over (under) expenditures	-	(13,320)	246,982	(260,302)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	-	(13,320)	246,982	260,302
Fund balances, beginning	334,623	462,100	439,016	(23,084)
Fund balances, ending	\$ 334,623	\$ 448,780	\$ 685,998	\$ 237,218

Civic Auditorium Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Investment earnings (loss)	\$ -	\$ -	\$ 6,947	\$ 6,947
Miscellaneous	200,000	200,000	3,001	(196,999)
Total revenues	200,000	200,000	9,948	(190,052)
Expenditures				
Capital outlay	600,000	600,000	-	600,000
Excess (deficiency) of revenues over (under) expenditures	(400,000)	(400,000)	9,948	409,948
Other financing sources (uses)				
Transfers in	200,000	200,000	-	(200,000)
Transfers out	-	-	-	-
Total other financing sources (uses)	200,000	200,000	-	(200,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	(200,000)	(200,000)	9,948	209,948
Fund balances, beginning	204,758	4,758	199,710	194,952
Fund balances, ending	\$ 4,758	\$ (195,242)	\$ 209,658	\$ 404,900

Golf Capital Improvement Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For The Year Ended September 30, 2023

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues				
Charges for services	\$ 290,000	\$ 290,000	\$ 351,597	\$ 61,597
Investment earnings (loss)	1,600	1,600	7,845	6,245
Total revenues	291,600	291,600	359,442	67,842
Expenditures				
Capital outlay	290,000	316,698	108,185	208,513
Excess (deficiency) of revenues over (under) expenditures	1,600	(25,098)	251,257	276,355
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(275,000)	(275,000)
Total other financing sources (uses)	-	-	(275,000)	(275,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and uses	1,600	(25,098)	(23,743)	1,355
Fund balances, beginning	353,288	353,288	134,120	(219,168)
Fund balances, ending	\$ 354,888	\$ 328,190	\$ 110,377	\$ (217,813)





Statistical Section

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO

TABLE OF CONTENTS STATISTICAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF IDAHO FALLS, IDAHO

This part of the City's Annual Comprehensive Financial Report presents detailed information to enhance the understanding of the information in the financial statements, note disclosures, and required supplementary information and what the data indicates about the City's overall financial health.

Financial Trend Information

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time. 118

Revenue Capacity Information

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. 125

Debt Capacity Information

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. 130

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 takes place. 134

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs. 136

Source: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Exhibit A-1

Net Position by Component Last Ten Fiscal Years Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021**	2020	2019	2018	2017	2016	2015	2014
Government activities										
Net investment in capital assets	\$ 155,551,079	\$ 129,426,745	\$ 147,729,000	\$ 136,631,433	\$ 130,917,670	\$ 125,933,353	\$ 117,778,312	\$ 112,785,041	\$ 107,249,562	\$ 99,115,190
Restricted	41,477,171	37,706,879	4,490,755	4,522,867	509,488	319,393	334,062	577,490	1,086,961	599,392
Unrestricted	39,104,963	48,541,547	52,403,968	27,719,201	26,484,116	18,263,580	21,520,697	14,048,776	16,257,643	25,474,089
Total government activities net position	236,133,213	214,229,018	204,623,723	168,873,502	157,911,274	144,516,326	139,633,071	127,411,307	124,594,166	125,188,671
Business-type activities										
Net investment in capital assets	311,748,677	310,315,672	307,833,244	262,435,057	248,032,376	235,673,140	218,938,144	213,151,399	207,922,474	200,831,606
Restricted	3,817,674	1,079,623	1,079,623	1,079,623	1,079,623	1,079,623	-	-	-	1,062,286
Unrestricted	108,681,565	97,727,372	88,345,887	99,220,749	94,680,031	91,310,005	91,884,727	88,206,268	91,994,080	95,603,120
Total business-type activities net position	424,247,916	409,122,667	397,258,754	362,735,429	343,792,030	328,062,768	310,822,871	301,357,667	299,916,554	297,497,012
Primary government										
Net investment in capital assets	467,299,756	439,742,417	455,562,244	399,066,491	378,950,046	361,606,493	336,716,456	325,936,440	315,172,036	299,946,796
Restricted	45,294,845	38,786,502	5,570,378	5,602,490	1,589,111	1,399,016	334,062	577,490	1,086,961	1,661,678
Unrestricted	147,786,528	144,822,766	140,749,855	126,939,950	121,164,147	109,573,585	113,405,424	102,255,044	108,251,723	121,077,209
Total primary government net position	\$ 660,381,129	\$ 623,351,685	\$ 601,882,477	\$ 531,608,931	\$ 501,703,304	\$ 472,579,094	\$ 450,455,942	\$ 428,768,974	\$ 424,510,720	\$ 422,685,683

*2022 balances were restated due to implementation of new GASB standards; GASB 96 SBITAs and a prior period adjustment related to opioid settlements See Note III.L.

**2021 balances were restated due to implementation of new GASB standards; GASB 87 Leases and GASB 68 Pensions

Changes in Net Position Last Ten Fiscal Years Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental activities:										
General government	\$ 12,550,998	\$ 11,241,998	\$ 8,854,200	\$ 11,689,863	\$ 12,017,974	\$ 13,905,521	\$ 10,221,221	\$ 9,978,303	\$ 4,851,858	\$ 5,563,345
Public safety	40,833,424	41,441,487	23,366,525	38,140,250	25,882,087	27,147,237	12,334,598	25,051,729	22,194,920	23,030,495
Streets	14,596,669	13,995,776	9,683,499	10,805,936	12,651,449	7,822,992	11,220,494	7,883,337	6,494,349	9,437,193
Culture and recreation	21,421,970	19,797,143	14,850,944	16,481,046	17,232,675	17,557,071	-	15,012,825	12,970,540	13,241,313
Public works	2,788,783	1,940,631	1,189,519	1,509,780	1,217,908	1,463,972	2,311,463	3,638,955	1,529,668	1,480,742
Interest on long-term obligations	961,239	-	-	-	-	-	-	-	-	-
Total governmental activities expense	93,153,083	88,417,035	57,944,687	78,626,875	69,002,093	67,896,793	36,087,776	61,565,149	48,041,335	52,753,088
Business-type activities:										
Airport	9,972,966	7,726,355	5,960,725	5,900,235	5,675,417	5,520,528	5,757,732	5,213,785	5,271,293	5,477,454
Water	11,409,807	12,015,046	9,340,259	9,399,986	9,988,903	5,748,830	19,957,010	17,063,652	14,409,159	14,776,051
Sanitation	5,390,799	4,194,284	3,470,405	4,218,654	4,029,853	3,649,110	3,234,622	3,388,183	3,576,646	3,751,991
Ambulance	73,004,639	62,537,857	47,878,686	45,907,252	7,588,551	7,424,411	4,734,103	3,873,427	3,065,869	3,757,512
Electric	5,762,235	6,476,949	1,178,476	859,592	49,094,519	48,818,997	49,165,570	49,948,217	49,645,830	50,884,455
Wastewater	14,147,469	12,329,333	9,528,400	10,281,212	9,825,454	11,701,305	N/A	N/A	N/A	N/A
Total business-type activities expenses	119,687,915	105,279,824	77,356,951	76,566,931	86,202,697	82,863,181	82,849,037	79,487,264	75,968,797	78,647,463
Total primary government expenses	\$ 212,840,998	\$ 193,696,859	\$ 135,301,638	\$ 155,193,806	\$ 155,204,790	\$ 150,759,974	\$ 118,936,813	\$ 141,052,413	\$ 124,010,132	\$ 131,400,551

*2022 balances were restated due to the implementation of GASB 96 SBITAs and a prior period adjustment related to opioid settlements. See Note III.L.

Exhibit A-2

Changes in Net Position (Continued)

Last Ten Fiscal Years

Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 5,356,346	\$ 5,370,197	\$ 4,087,226	\$ 2,846,425	\$ 3,828,917	\$ 2,965,923	\$ 1,107,721	\$ 2,490,151	\$ 1,694,637	\$ 1,582,300
Public Safety	6,260,802	6,501,294	6,324,066	5,153,924	909,450	616,588	638,769	429,423	482,009	2,579,890
Culture and recreation	7,221,145	6,502,886	6,290,921	4,124,053	5,115,849	4,846,890	200,836	4,492,130	4,272,222	5,049,384
Other activities	1,147,678	738,768	663,627	856,467	615,632	409,921	4,940,063	815,808	266,088	103,418
Operating grants and contributions	13,489,138	12,504,060	19,109,103	7,588,642	4,519,323	3,816,270	3,495,848	4,300,998	3,534,293	864,397
Capital grants and contributions	18,047,067	8,685,786	7,826,084	9,344,131	9,867,548	10,564,494	4,613,213	5,213,790	4,618,811	2,179,390
Total governmental activities program revenues	51,522,176	40,302,991	44,301,027	29,913,642	24,856,719	23,220,086	14,996,450	17,742,300	14,868,060	12,358,779
Business-type activities:										
Charges for service:										
Water	13,814,570	14,460,487	12,499,290	11,879,833	11,183,260	9,599,541	20,682,804	19,393,902	17,666,063	18,595,875
Electric	74,406,763	71,018,877	57,711,993	57,411,155	56,679,992	55,717,694	51,296,056	48,357,308	56,589,861	60,269,001
Wastewater	13,892,010	13,901,120	13,011,048	11,523,985	11,353,721	11,313,865	N/A	N/A	N/A	N/A
Other activities	14,365,548	12,814,060	9,020,060	9,342,186	12,314,347	10,991,740	10,536,165	10,885,198	8,407,553	8,010,022
Operating grants and contributions	146,475	1,133,680	-	5,000	4,264,984	4,365,833	8,070,008	4,520,975	1,908,750	1,948,498
Capital grants and contributions	14,963,312	10,658,176	23,091,638	12,758,349	9,012,578	8,603,289	3,451,555	2,830,848	3,566,590	3,826,311
Total business-type activities program revenue	131,588,678	123,986,400	115,334,029	102,920,508	104,808,882	100,591,962	94,036,588	85,988,231	88,138,817	92,649,707
Total primary government program revenue	\$ 183,110,854	\$ 164,289,391	\$ 159,635,056	\$ 132,834,150	\$ 129,665,601	\$ 123,812,048	\$ 109,033,038	\$ 103,730,531	\$ 103,006,877	\$ 105,008,486
Net (expense) revenue										
Government activities	(41,630,907)	(48,114,044)	(18,293,786)	(48,713,233)	(44,145,374)	(44,676,707)	(21,091,326)	(43,822,849)	(33,173,275)	(40,394,309)
Business-type activities	11,900,763	18,706,576	37,977,078	26,353,577	18,606,185	17,728,781	11,187,551	4,859,039	12,170,020	14,002,244
Total primary government net expenses	\$ (29,730,144)	\$ (29,407,468)	\$ 19,683,292	\$ (22,359,656)	\$ 25,539,189	\$ 26,947,926	\$ 9,903,775	\$ 38,963,810	\$ 21,003,255	\$ 26,392,065

Changes in Net Position (Continued)

Last Ten Fiscal Years

Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 42,351,492	\$ 39,989,329	\$ 32,305,312	\$ 37,032,481	\$ 35,006,391	\$ 31,344,802	\$ 30,315,652	\$ 29,025,873	\$ 28,176,877	\$ 27,018,814
Sales tax and revenue sharing	11,326,628	11,032,429	9,652,076	9,433,216	9,633,348	8,638,240	8,248,072	8,028,934	7,154,832	6,362,486
Impact Fees	1,588,221	206,289	-	-	-	-	-	-	-	-
Franchise taxes	817,180	642,856	648,336	528,938	570,782	593,903	692,702	932,521	690,472	865,118
Alcoholic beverages taxes	1,101,529	1,070,595	1,054,822	922,094	834,793	620,520	708,200	706,856	662,618	633,798
Unrestricted investment earnings	1,905,113	(1,653,638)	148,956	809,911	3,863,332	471,443	381,915	322,791	10,749	101,528
Miscellaneous revenues	1,275,441	1,862,274	1,503,227	1,607,462	1,614,811	2,781,737	1,232,487	2,563,161	2,626,779	867,034
Transfers	1,723,344	4,569,205	4,081,152	5,123,369	6,016,865	5,109,317	4,592,097	5,059,854	3,716,144	3,830,488
Total governmental activities	62,088,948	57,719,339	49,393,881	55,457,471	57,540,322	49,559,962	46,171,125	46,639,990	43,038,471	39,679,266
Business-type activities:										
Unrestricted investment income	3,868,974	(2,273,458)	405,521	1,931,181	3,139,942	1,420,059	1,100,794	166,007	515,642	409,311
Miscellaneous revenues	1,078,855	-	221,882	-	-	2,140,379	1,768,956	1,475,921	-	-
Transfers	(1,723,344)	(4,569,205)	(4,081,152)	(5,123,369)	(6,016,865)	(5,109,317)	(4,592,097)	(5,059,854)	(3,716,144)	(3,830,488)
Total business-type activities	3,224,485	(6,842,663)	(3,453,749)	(3,192,188)	(2,876,923)	(1,548,879)	(1,722,347)	(3,417,926)	(3,200,502)	(3,421,177)
Total primary government	\$ 65,313,433	\$ 50,876,676	\$ 45,940,132	\$ 52,265,283	\$ 54,663,399	\$ 48,011,083	\$ 44,448,778	\$ 43,222,064	\$ 39,837,969	\$ 36,258,089
Change in net position										
Governmental activities	\$ 20,458,041	\$ 11,051,448	\$ 31,100,095	\$ 6,744,238	\$ 13,394,948	\$ 4,883,255	\$ 25,079,799	\$ 2,817,141	\$ 9,865,196	\$ (715,043)
Business-type activities	15,125,248	11,863,913	34,523,329	23,161,389	15,729,262	16,179,902	9,465,204	1,441,113	8,969,518	10,581,067
Total primary government	\$ 35,583,289	\$ 21,469,208	\$ 65,623,424	\$ 29,905,627	\$ 29,124,210	\$ 21,063,157	\$ 34,545,003	\$ 4,258,254	\$ 18,834,714	\$ 9,866,024

*2022 balances were restated due to the implementation of GASB 96 SBITAs and a prior period adjustment related to opioid settlements. See Note III.L.

Exhibit A-3

Fund Balances of Governmental Funds Last Ten Fiscal Years Modified Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	\$ 1,409,705	\$ 1,332,388	\$ 454,008	\$ 935,537	\$ 1,156,965	\$ 1,054,020	\$ 743,935	\$ 730,390	\$ 628,914	\$ 791,271
Restricted	490,126	4,318,510	34,383,820	4,296,365	-	-	-	-	-	-
Committed	5,782,824	19,479,277	2,159	609,351	319,917	715,594	1,762,042	1,301,589	1,293,941	6,199,706
Assigned	13,256,002	4,977,641	5,242,510	5,737,993	8,487,797	6,670,673	10,719,212	-	8,338,948	3,153,582
Unassigned	9,088,188	11,014,394	8,652,921	4,947,565	6,795,144	3,602,908	2,769,162	-	12,715,168	13,688,332
Total general fund	\$ 30,026,845	\$ 41,122,210	\$ 48,735,418	\$ 16,526,811	\$ 16,759,823	\$ 12,043,195	\$ 15,994,351	\$ 2,031,979	\$ 22,976,971	\$ 23,832,891
All Other Governmental Funds										
Nonspendable	\$ 416,426	\$ 344,726	\$ 253,412	\$ 267,219	\$ 297,009	\$ 258,297	\$ 180,404	\$ 175,889	\$ 157,802	\$ 167,542
Restricted	4,165,259	2,041,839	735,792	226,502	509,488	319,393	334,062	577,490	1,086,961	599,392
Committed	843,553	2,681,950	4,206,989	934,865	1,174,634	2,328,107	2,513,307	945,938	1,439,127	1,231,683
Assigned	26,609,693	23,504,867	19,706,046	16,149,113	12,609,709	12,259,037	6,712,076	7,354,492	7,132,227	3,822,734
Unassigned	(503,765)	(842,219)	(4,506,045)	(693,303)	(3,130,982)	(3,597,143)	-	-	-	-
Total all other funds	\$ 31,531,166	\$ 27,731,163	\$ 20,396,194	\$ 16,884,396	\$ 11,459,858	\$ 11,567,691	\$ 9,739,849	\$ 9,053,809	\$ 9,816,117	\$ 5,821,351

*2022 balances were restated due to a prior period adjustment related to opioid settlements. See Note III.L.

Changes in Fund Balances of Governmental Funds Last Ten Fiscal Years Modified Accrual Basis of Accounting

	Fiscal Year									
	2023	2022*	2021	2020	2019	2018	2017	2016	2015	2014
Revenues										
Taxes	\$ 42,923,860	\$ 40,699,958	\$ 32,975,266	\$ 37,402,493	\$ 35,643,253	\$ 32,103,079	\$ 31,003,853	\$ 29,950,485	\$ 28,789,716	\$ 27,976,389
Licenses and permits	2,939,561	2,001,589	1,641,550	1,364,916	1,347,791	1,514,486	832,334	895,756	803,450	673,516
Intergovernmental	27,454,833	25,691,245	30,890,606	19,451,516	16,214,682	13,293,022	13,214,052	13,009,134	12,966,215	11,628,053
Charges for services	14,984,080	14,051,605	12,902,944	9,027,994	7,343,455	6,559,997	5,530,738	6,188,889	5,543,667	5,163,830
Fines	222,003	221,328	450,796	390,995	374,309	341,853	420,669	389,574	367,757	456,676
Miscellaneous/Interest	3,604,060	1,442,704	1,913,642	3,010,303	6,056,980	4,531,966	2,953,202	3,288,233	2,381,075	1,141,973
Total revenues	92,128,397	84,108,429	80,774,804	70,648,217	66,980,470	58,344,403	53,954,848	53,722,071	50,851,880	47,040,437
Expenditures										
General government	9,789,679	8,282,181	8,664,177	8,706,374	10,086,444	10,270,940	9,105,168	10,116,860	9,650,494	6,206,595
Public safety	47,767,749	39,371,194	37,958,167	35,575,266	27,638,532	27,149,120	24,670,054	24,544,025	21,974,440	22,948,181
Streets	7,590,050	7,795,824	7,438,411	6,929,234	7,915,617	7,198,647	6,348,545	4,963,909	4,377,804	4,942,294
Culture and recreation	19,416,960	18,950,845	16,815,195	15,859,831	17,158,258	17,402,863	15,453,039	15,051,721	13,175,429	13,717,673
Public works	2,668,656	1,732,858	1,058,988	1,393,171	1,289,175	981,037	2,359,159	1,556,626	1,622,157	1,819,304
Capital outlay	17,491,373	11,033,385	9,080,391	3,434,184	4,300,514	2,574,426	6,324,279	1,034,150	3,489,082	4,194,999
Debt service	1,138,415	1,789,585	800,258	375,992	-	-	-	-	-	-
Total expenditures	105,862,882	88,955,872	81,815,587	72,274,052	68,388,540	65,577,033	64,260,244	57,267,291	54,289,406	53,829,046
Excess (deficiency) of revenues over (under) expenditures	(13,734,485)	(4,847,443)	(1,040,783)	(1,625,835)	(1,408,070)	(7,232,630)	(10,305,396)	(3,545,220)	(3,437,526)	(6,788,609)
Other Financing Sources (Uses)										
Lease-purchase	4,596,238	-	2,323,768	1,689,266	-	-	-	-	-	-
Transfer in	6,581,602	7,514,482	8,069,722	5,790,429	6,766,865	5,109,317	9,812,893	6,623,460	6,944,847	7,066,752
Transfers out	(4,738,720)	(2,945,277)	(3,988,570)	(667,060)	(750,000)	-	(5,220,796)	(1,563,606)	(3,228,703)	(3,236,264)
Bond issuance	-	-	25,190,000	-	-	-	-	-	-	-
Bond Premium	-	-	5,166,265	-	-	-	-	-	-	-
Total other financing sources (uses)	6,439,120	4,569,205	36,761,185	6,812,635	6,016,865	5,109,317	4,592,097	5,059,854	3,716,144	3,830,488
Net change in fund balances	\$ (7,295,365)	\$ (278,238)	\$ 35,720,402	\$ 5,186,800	\$ 4,608,795	\$ 2,123,313	\$ 5,713,299	\$ 1,514,634	\$ 278,618	\$ 2,958,121

*2022 balances were restated due to a prior period adjustment related to opioid settlements. See Note III.L.

Exhibit A-5

**Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
Modified Accrual Basis of Accounting**

Fiscal Year	Property Tax	Property Tax Penalties	Franchise Taxes	Other Taxes	Total Taxes
2023	\$ 42,106,679	\$ -	\$ 817,180	\$ -	\$ 42,923,859
2022	39,318,230	72,120	642,856	-	40,033,206
2021	32,326,930	180,992	648,336	-	33,156,258
2020	36,970,601	197,627	528,750	-	37,696,978
2019	34,872,155	200,315	565,968	4,814	35,643,252
2018	31,305,700	203,476	589,233	4,670	32,103,079
2017	30,128,731	182,421	688,201	4,501	31,003,854
2016	28,794,171	223,793	928,547	3,974	29,950,485
2015	27,845,761	258,397	685,558	-	28,789,716
2014	26,865,219	246,052	861,440	3,678	27,976,389
2014-2023 Change	\$ 15,241,460	\$ (246,052)	\$ (44,260)	\$ (3,678)	\$ 14,947,470

Exhibit B-1

Assessed Value and Actual Value of Taxable Property Last Ten Fiscal Years

Fiscal Year Ended September 30	Real Property		Total Taxable Assessed Value	Total Direct Tax Levy	Property Taxes Certified to County
	Total Assessed Value	Less Property Tax Exemptions			
2023	\$ 9,187,201,782	\$ 2,001,461,085	\$ 7,185,740,697	0.005941952	\$ 42,697,326
2022	8,709,708,015	1,889,045,588	6,820,662,427	0.005764576	39,318,230
2021	6,671,627,931	1,671,611,270	5,000,016,661	0.006465364	32,326,930
2020	5,503,356,826	1,300,114,119	4,203,242,707	0.008795733	36,970,601
2019	4,608,558,909	1,067,587,173	3,540,971,736	0.009583647	33,935,422
2018	4,551,288,275	1,276,579,693	3,274,708,582	0.009613519	31,481,473
2017	4,281,942,273	1,191,988,998	3,089,953,275	0.009732396	30,072,649
2016	4,087,290,715	1,081,631,024	3,005,659,691	0.009570773	28,766,486
2015	4,061,215,468	1,082,489,160	2,978,726,308	0.009257535	27,575,663
2014	3,927,961,667	1,045,849,873	2,882,111,794	0.009021032	26,768,236

Source: Bonneville County Assessor's Office and the City of Idaho Falls, Idaho.

Note: Property in the City is reassessed each year. Property is assessed at actual value; therefore, the assessed values are also actual values. Tax levies are per \$1 of assessed value. Currently, Bonneville County is only able to determine Total Assessed Value and can not distinguish between residential, commercial, and industrial properties. Approximately 77 percent of the property tax exemptions come from the residential home owner's exemption. The exemption is equal to 50 percent of the assessed value of residential property, to a maximum of \$100,000. Approximately 18 percent of the property tax exemptions apply to the Idaho Falls Redevelopment Agency which is within the City limits.

Exhibit B-2

Direct and Overlapping Property Tax Levies Last Ten Fiscal Years

City of Idaho Falls, Idaho Direct Levy								
Fiscal Year	General Fund	Fireman's Retirement	Tort	Recreation Fund	Library Fund	Streets Fund	Municipal Capital Improvement Fund	Total Direct
2023	0.004351827	N/A	N/A	0.000130004	0.000345224	0.000482132	0.000095293	0.005404480
2022	0.004856997	N/A	N/A	0.00012578	0.000376823	0.000565557	0.000111785	0.006036944
2021	0.006101484	N/A	N/A	0.000149744	0.000451635	0.000798211	0.000148693	0.007649767
2020	0.006679993	N/A	0.000172283	0.000172060	0.000558925	0.000928850	0.000283624	0.008795735
2019	0.007504966	N/A	0.000179885	0.000187470	0.000595344	0.000906999	0.000208982	0.009583646
2018	0.007103600	N/A	0.000192481	0.000200599	0.000558042	0.001113514	0.000344950	0.009513186
2017	0.006944628	0.000128277	0.000203867	0.000212465	0.000591052	0.001179383	0.000365355	0.009625027
2016	0.008203192	0.000120078	0.000207574	0.000171200	0.000613834	0.000000000	0.000245981	0.009561859
2015	0.007641522	0.000417867	0.000206050	0.000164738	0.000590663	0.000000000	0.000236695	0.009257535
2014	0.007422643	0.000417477	0.000200518	0.000162794	0.000583696	0.000000000	0.000233904	0.009021032

Source: Bonneville County Assessor's Office.

Note: Bonneville County sets the City's levy. The Mayor and City Council determine the dollar amount to be levied as determined by State law. Overlapping levies are those taxing districts that apply to property within the City. Not all overlapping levies apply to all the City's property owners. For example, although the County property tax levy applies to all City property owners, School District 93's levy, applies to approximately 14 percent of the City's property owners.

Exhibit B-2

Direct and Overlapping Property Tax Levies (Continued) Last Ten Fiscal Years

City of Idaho Falls, Idaho Overlapping Levies

School District 91	School District 93	Bonneville County	Ambulance District	Flood Control District	New Sweden Cemetery District	Ammon Cemetery District
0.000632063	0.001676777	0.002388937	0.000200786	0.000003995	0.000015189	0.000037782
0.002046539	0.002022818	0.002678290	0.000228589	0.000004475	0.000019442	0.000042914
0.003089291	0.004134860	0.003444253	0.000298296	0.000006017	0.000026299	0.000056118
0.004190114	0.005798000	0.004046114	0.003519190	0.000006846	0.000295510	0.000061646
0.004243194	0.005798000	0.004086985	0.000394946	0.000007463	0.000032891	0.000064486
0.004243195	0.005798000	0.004093435	0.000400000	0.000007704	0.000034140	0.000065029
0.004243193	0.005798000	0.004093435	0.000399999	0.000007803	0.000033654	0.000063146
0.004243194	0.005447999	0.004093435	0.000399999	0.000007793	0.000035921	0.000066819
0.004250356	0.005448000	0.004093435	0.000364472	0.000007592	0.000039085	0.000061414
0.004250601	0.005448000	0.004089167	0.000356658	0.000007453	0.000040311	0.000061721

Exhibit B-3

Principal Property Tax Payers September 30, 2023

Taxpayers	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MPT HOSPITAL LLC	\$ 95,355,397	1	1.33%	\$ -	-	-
BUSCH AG RESOURCES INC	88,853,927	2	1.24%	69,470,660	2	2.30%
EASTERN IDAHO HEALTH SERV INC	70,780,820	3	0.99%	79,572,870	1	2.70%
INTERMOUNTAIN PACKING LLC	69,075,248	4	0.96%	-	-	-
EASTERN IDAHO REGIONAL MED CENTER	38,403,599	5	0.53%	-	-	-
REL FACILITIES LLC	30,978,970	6	0.43%	-	-	-
INTEGROW MALT	29,105,132	7	0.41%	64,915,098	3	2.20%
GRAND TETON MALL LLC	28,118,946	8	0.39%	56,481,308	4	2.00%
BATELLE FACILITY OWNER LLC	25,877,868	9	0.36%	40,486,422	5	1.40%
CHP IF ID LLC	24,610,205	10	0.34%	-	-	-
MOUNTAIN VIEW HOSPITAL	-	-	-	36,498,163	6	1.20%
MELALEUCA INC	-	-	-	23,364,622	7	0.80%
SHILO INN	-	-	-	16,369,910	8	0.50%
BONAVENTURE SENIOR LIVING COMM	-	-	-	14,880,921	9	0.50%
WALMART	-	-	-	14,139,844	10	0.50%
	\$ 501,160,112		6.97%	\$ 416,179,818		10.60%

Source: Bonneville County Auditor's Office

Exhibit B-4

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended September 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2023	\$ 42,697,326	\$ 41,652,869	97.6%	\$ -	\$ 41,652,869	97.6%
2022	39,369,943	39,318,230	99.9%	288,212	39,369,943	99.9%
2021	32,326,930	31,052,201	96.1%	593,843	32,326,930	96.1%
2020	36,970,601	35,915,350	97.1%	416,486	36,970,601	98.3%
2019	33,935,422	32,912,842	97.0%	969,792	33,935,422	99.8%
2018	31,481,473	30,449,226	96.7%	1,014,089	31,481,473	99.8%
2017	30,072,649	29,560,384	98.3%	511,525	30,072,649	100.0%
2016	28,766,486	28,080,451	97.6%	685,939	28,766,486	100.0%
2015	27,575,663	26,822,297	97.3%	753,313	27,575,663	100.0%
2014	26,768,236	25,963,049	97.0%	805,187	26,768,236	100.0%

Exhibit C-1

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Buisness-Type Activities			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita					
	General Fund Certificate of Participation Bonds	Wastewater State of Idaho Note	Electric Revenue Bonds	Electric General Obligation Bonds									
2023	\$	23,170,000	\$	8,811,324	\$	15,120,000	\$	-	\$	47,101,324	1.05%	\$	695
2022		24,200,000		8,811,324		15,935,000		-		48,946,324	1.27%		732
2021		25,190,000		10,826,977		16,705,000		-		52,721,977	1.54%		788
2020		-		12,800,196		-		-		12,800,196	0.45%		204
2019		-		13,672,723		-		-		13,672,723	0.49%		222
2018		-		14,482,924		-		-		14,482,924	0.55%		237
2017		-		15,592,704		-		-		15,592,704	0.64%		259
2016		-		17,160,879		-		-		17,160,879	0.77%		290
2015		-		17,242,500		-		-		17,242,500	0.80%		294
2014		-		17,242,500		-		728,860		17,971,360	0.83%		308

Note: Details regarding the City's outstanding debt can be found in the notes to financials statements.

⁽¹⁾See Exhibit E-1 for personal income and population data. (Total Primary Government Debt / Total Personal Income)

Exhibit C-2

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Actual Taxable Value of Property	Percentage of Actual Taxable Value of Property	Per Capita
	General Fund Certificate of Participation Bonds	Business-Type Electric Revenue Bonds	Business-Type Electric General Obligation Bonds	Total			
2023	\$ 23,165,000	\$ 15,120,000	\$ -	\$ 38,285,000	\$ 7,185,740,697	0.53%	\$ 565
2022	24,200,000	15,935,000	-	40,135,000	6,820,662,427	0.59%	600
2021	25,190,000	16,705,000	-	41,895,000	4,763,566,254	0.88%	640
2020	-	-	-	-	4,203,242,707	0.00%	-
2019	-	-	-	-	3,540,971,736	0.00%	-
2018	-	-	-	-	3,274,708,582	0.00%	-
2017	-	-	-	-	3,089,953,275	0.00%	-
2016	-	-	-	-	3,005,659,691	0.00%	-
2015	-	-	-	-	2,978,726,308	0.00%	-
2014	-	-	728,860	728,860	2,967,314,020	0.02%	13

Exhibit C-3

Direct and Overlapping Governmental Activities Debt As of September 30, 2023

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Outstanding Debt
Debt repaid from property taxes:			
Overlapping:			
Bonneville County	\$ -	0%	\$ -
Idaho Falls Redevelopment Agency	-(b)	0%	-
School District No. 91	8,418,591	99%	8,334,405
School District No. 93	114,261,350	40%	45,217,942
Total overlapping	\$ 122,679,941		\$ 53,552,347
Direct:			
City of Idaho Falls	23,165,000(a)	100%	23,165,000
Total direct and overlapping debt	\$ 145,844,941		\$ 76,717,347

Source: Assessed value data used to estimate applicable percentages provided by Bonneville County. Debt outstanding data provided by each governmental unit.

Note: 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 of Idaho Falls. 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) Excludes note payable reported in enterprise funds and backed by a revenue.

(b) The bonds and notes to the Idaho Falls Redevelopment Agency, which is entirely within the City, are payable solely from incremental tax revenues from ad valorem taxes levied by all overlapping taxing authorities, which result from increases in assessed valuation of property within the revenue allocation area; no ad valorem levy to pay such bonds and notes is permitted.

Legal Debt Margin Information Last Ten Fiscal Years

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Debt limit	\$ 183,744,036	\$ 174,194,160	\$ 133,432,559	\$ 94,346,214	\$ 92,171,178	\$ 91,025,766	\$ 85,638,845	\$ 81,745,814	\$ 81,224,309	\$ 78,559,233
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 183,744,036	\$ 174,194,160	\$ 133,432,559	\$ 94,346,214	\$ 92,171,178	\$ 91,025,766	\$ 85,638,845	\$ 81,745,814	\$ 81,224,309	\$ 78,559,233
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-	-	-	-	-	-	-

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed value	\$ 9,187,201,782
Debt limit (2% of market value)	\$ 183,744,036
Debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u>\$ 183,744,036</u>

Note: General obligation bonds may be issued by the City for a variety of purposes in an amount which does not at any time exceed in aggregate 2% of the market value for assessment purposes of the real and personal property in the City, according to the preceding year's assessment per Idaho Code § 50-1019. However, general obligation bonds issued to acquire, construct, or improve facilities for water, light and power, storm and sanitary wastewater systems are exempt from and do not count against the general obligation debt limit. In addition, bonds secured only by a pledge of revenue-producing facility, are not subject to and do not count against the debt limit.

Exhibit D-1

Demographic and Economic Statistics Last Ten Fiscal Years

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (1)	Education Attainment 25 Years and Older ⁽¹⁾		School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾
				High School Graduates or Higher	4 or More Years of College		
2023	67,723	\$ 4,501,073,749	\$ 66,463	-	-	10,250	2.4%
2022	66,898	\$ 3,840,747,976	\$ 57,412	90.4%	29.8%	13,829	2.1%
2021	65,413	\$ 3,427,719,724	\$ 51,238	-	-	9,813	2.3%
2020	62,888	\$ 2,872,723,840	\$ 45,680	-	-	10,180	3.4%
2019	61,535	\$ 2,798,427,195	\$ 45,477	-	-	12,723	2.1%
2018	61,076	\$ 2,626,634,456	\$ 43,006	-	-	12,917	2.0%
2017	60,211	\$ 2,430,417,015	\$ 40,365	-	-	12,574	2.5%
2016	59,184	\$ 2,241,475,632	\$ 37,873	-	-	12,336	2.9%
2015	58,691	\$ 2,159,711,418	\$ 36,798	-	-	11,874	2.9%
2014	58,292	\$ 2,165,664,384	\$ 37,152	-	-	10,423	3.1%

⁽¹⁾ Provided by U.S Census Bureau QuickFacts Idaho Falls city, Idaho

Exhibit D-2

Principal Employers Current Year and Ten Years Ago

Employer (a)	2023			2014		
	Number of Employees (b)	Rank	Percent of Idaho Falls MSA Employment	Number of Employees	Rank	Percent of Idaho Falls MSA Employment
Battelle Energy Alliance	5,786	1	8.54%	3,550	1	12.73%
Melaleuca Inc	1,699	2	2.51%	1,300	5	4.66%
Brigham Young University-Idaho	1,689	3	2.49%			
Wal-Mart Associates Inc	1,497	4	2.21%	1,000	8	3.59%
Eastern Idaho Health Services Inc	1,470	5	2.17%	1,350	3	4.84%
Fluor Marine Propulsion LLC	1,372	6	2.03%			
Idaho Falls School District #91	1,303	7	1.92%	1,350	4	4.84%
Bonneville Joint School District #93	1,210	8	1.79%	1,450	2	5.20%
City of Idaho falls	1,005	9	1.48%	600	9	2.15%
Broulim's Foodtown	771	10	1.14%			
Bechtel Marine Propulsion				1,250	6	4.48%
CH2M Hill WG, LLC				1,100	7	3.95%
Mountain View Hospital				600	10	2.15%
Total	7,131		10.53%	4,750		17.03%

Source: Idaho Department of Labor

(a) All information is regional. The Department of Labor only releases information authorized by employers.

Exhibit E-1

Full-time Equivalent City of Idaho Falls Government Employees by Function/Program Last Ten Fiscal Years

Function/Program	Actual Full-time Employees as of September 30				
	2023	2022	2021	2020	2019
General government:					
Mayor and council	11	13	10	10	10
Legal	6	5	5	7	7
Municipal services	67	64	61	69	67
Human resources	5	4	4	4	4
Community Development	20	21	20	20	20
Public safety:					
Police	143	131	135	133	133
Fire	135	127	125	130	130
Streets	20	19	22	22	22
Culture and recreation:					
Parks and recreation	71	71	68	71	71
Golf	12	11	13	11	11
Library	19	19	22	24	24
Public works	21	22	20	20	20
Airport	25	21	14	18	18
Water	18	16	15	19	19
Sanitation	23	24	26	22	22
Electric	80	82	78	73	76
Wastewater	34	33	33	34	34
Total	710	683	671	687	688

Source: "Monthly Employment Report" compiled by the City of Idaho Falls Human Resources Division.

Exhibit E-1

**Full-time Equivalent City of Idaho Falls
Government Employees by Function/Program (Continued)
Last Ten Fiscal Years**

Actual Full-time Employees as of September 30					
Function/Program	2018	2017	2016	2015	2014
General government:					
Mayor and council	10	10	10	9	9
Legal	7	7	7	6	6
Municipal services	68	67	64	68	68
Human resources	5	3	3	3	3
Community Development	18	18	17	16	16
Public safety:					
Police	124	128	126	123	123
Fire	126	115	104	103	103
Streets	21	20	21	21	21
Culture and recreation:					
Parks and recreation	74	71	70	67	67
Golf	11	11	11	11	11
Library	22	22	22	23	23
Public works	20	20	19	20	20
Airport	15	16	12	12	12
Water	16	16	16	16	16
Sanitation	22	22	26	28	28
Electric	71	71	68	68	68
Wastewater	34	34	35	35	35
Total	664	651	631	629	629

Source: "Monthly Employment Report" compiled by the City of Idaho Falls Human Resources Division.

Exhibit E-2

Operating Indicators by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2023	2022	2021	2020	2019
Planning and building					
Building permits issued	2,050	2,792	2,602	1,391	1,877
Value of building permits	\$ 196,087,737	\$ 279,097,817	\$ 279,677,344	\$ 155,046,653	\$ 157,034,661
Inspections	12,478	18,329	14,077	15,227	14,203
Police					
Physical arrest	1,224	1,683	1,581	1,153	2,533
Parking violations	1,895	1,048	589	2,060	2,099
Traffic violations	2,928	4,349	4,547	3,904	3,444
Fire					
Ambulance dispatches	14,209	14,248	14,451	12,310	10,996
Fire dispatches	2,756	2,822	2,779	2,827	3,694
Fires extinguished	232	252	290	252	220
Inspections	2,968	1,371	1,304	872	1,181
Parks and recreation					
Total golf rounds played	127,200	118,000	110,000	97,000	96,728
Zoo Admissions	156,123	140,312	146,511	134,884	137,553
Aquatic center usage	114,347	58,717	110,747	7,244	136,178
Total program participants	48,865	33,874	24,234	11,129	32,127
Library					
Total items held for circulation	434,757	464,624	451,710	386,767	386,767
Annual circulation	979,799	1,317,648	1,397,278	1,606,454	1,606,454
Airport					
Enplanements	274,004	315,773	183,361	104,004	175,636
Average flights per day	10	15	11	6	10
Water					
Average daily consumption in gallons	22,762,740	23,672,603	24,952,904	30,500,000	30,500,000
Monthly residential water rate	\$ 43.50	\$ 38.85	\$ 36.15	\$ 35.00	\$ 33.25
Wastewater					
Average daily sewage treatment in gallons	9,929,000	9,395,000	9,564,000	9,752,000	9,580,000
Monthly residential wastewater rates	\$ 24.50	\$ 24.50	\$ 23.70	\$ 23.70	\$ 23.10
Sanitation					
Total cubic yards of Refuse collected	422,815	410,571	362,652	362,652	315,188
Monthly residential rate	\$ 9.45	\$ 9.45	\$ 9.45	\$ 9.45	\$ 9.45
Idaho Falls Power					
Average daily usage in kwh	2,251,205	2,016,775	1,941,729	1,941,657	1,896,820
Residential rate per kwh	\$ 0.068	\$ 0.063	\$ 0.063	\$ 0.078	\$ 0.061
Average Mwh generated per hour ⁽¹⁾	22.65	23.43	27.77	31.97	26.58

Source: Various City Departments

Exhibit E-2

Operating Indicators by Function/Program (Continued)

Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2018	2017	2016	2015	2014
Planning and building					
Building permits issued	4,624	1,928	2,208	1,898	1,830
Value of building permits	\$ 213,941,074	\$ 93,773,513	\$ 97,045,736	\$ 85,498,306	\$ 62,469,764
Inspections	12,958	11,089	10,536	6,543	7,082
Police					
Physical arrest	2,136	3,245	4,277	3,022	2,673
Parking violations	1,262	1,227	2,525	1,759	1,969
Traffic violations	3,531	5,708	8,900	6,150	7,821
Fire					
Ambulance dispatches	13,526	-	10,432	8,666	8,544
Fire dispatches	3,067	3,532	5,226	4,306	4,023
Fires extinguished	230	248	216	275	143
Inspections	1,604	2,005	1,182	1,067	1,137
Parks and recreation					
Total golf rounds played	101,000	108,000	108,131	125,000	111,098
Zoo Admissions	144,123	158,534	132,615	126,175	117,460
Aquatic center usage	117,113	122,209	117,854	117,564	105,910
Total program participants	30,546	31,086	36,131	26,951	26,951
Library					
Total items held for circulation	361,766	366,310	358,146	368,210	353,440
Annual circulation	1,589,974	1,513,752	1,501,096	1,364,033	1,206,359
Airport					
Enplanements	155,277	145,523	144,965	146,214	162,000
Average flights per day	8	7	8	10	11
Water					
Average daily consumption in gallons	23,021,918	23,323,288	24,509,589	24,704,110	24,126,027
Monthly residential water rate	\$ 30.10	\$ 30.10	\$ 28.65	\$ 25.20	\$ 21.00
Wastewater					
Average daily sewage treatment in gallons	9,567,389	9,696,984	9,610,493	9,559,716	9,129,814
Monthly residential wastewater rates	\$ 22.80	\$ 22.80	\$ 21.70	\$ 21.66	\$ 21.66
Sanitation					
Total cubic yards of Refuse collected	324,201	287,413	301,106	273,452	293,190
Monthly residential rate	\$ 9.45	\$ 9.45	\$ 9.45	\$ 9.45	\$ 9.00
Idaho Falls Power					
Average daily usage in kwh	1,940,534	1,963,520	1,873,121	1,828,161	1,898,630
Residential rate per kwh	\$ 0.061	\$ 0.058	\$ 0.054	\$ 0.063	\$ 0.063
Average Mwh generated per hour ⁽¹⁾	28.80	31.30	28.30	24.30	29.20

Source: Various City Departments

Exhibit E-3

Capital Asset Statistics by Function/Program Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Stations	-	-	-	1	1	1	1	1	1	1
Satellite offices	7	7	7	3	3	1	1	1	1	1
Cars	122	122	122	118	108	113	108	102	106	106
Fire										
Stations	5	5	5	5	5	5	5	5	5	5
Fire Trucks	20	18	17	17	17	17	17	17	17	17
Street (Miles)	322	313	309	306	301	297	294	286	286	285
Parks and recreation										
Parks	46	46	45	42	43	43	43	43	42	42
Acreage maintained	2,181	2,168	2,165	1,646	1,058	1,058	1,058	1,058	1,016	1,016
Baseball/softball diamonds	25	25	25	25	27	27	27	27	26	26
Soccer/football fields	27	27	27	27	28	28	28	28	23	23
Golf courses	3	3	3	3	3	3	3	3	3	3
Swimming pools	1	1	1	1	1	1	1	1	1	1
Library buildings	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	361	355	346	339	339	330	324	318	314	314
Fire hydrants	2,741	2,644	3,559	2,798	2,441	2,339	2,257	2,178	2,103	2,103
Wells	21	21	21	21	21	20	19	19	19	19
Wastewater										
Sanitary sewer (miles)	300	297	293	282	278	278	273	271	268	268
Treatment capacity (gallons)	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
Sanitation Trucks	28	28	22	22	19	19	19	19	20	20
Idaho Falls Power										
Transmission lines (miles)	52	27	27	37	37	37	37	37	37	37
Distribution lines (miles)	526	417	393	447	442	430	424	410	410	410
Hydro generating plants	5	5	5	4	5	5	4	4	4	4
Street lights	6,000	6,057	6,007	5,928	5,130	4,936	4,875	4,766	4,590	4,590
Traffic signals	85	72	72	44	77	50	50	50	51	51

Source: Various City Departments



Single Audit Section

ANNUAL COMPREHENSIVE FINANCIAL REPORT / **CITY OF IDAHO FALLS, IDAHO**

Schedule of Expenditures of Federal Awards Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Expenditures
U.S. Department of Justice			
Pass-through State of Idaho:			
Missing and Exploited Children (MEC) Program	16.543	Not Provided	\$ 4,547
Total U.S. Department of Justice			4,547
U.S. Department of Housing and Urban Development			
Direct Programs:			
CDBG - Entitlement Grants Cluster			
Community Development Block Grant	14.218	B17MC160004	12,127
Community Development Block Grant	14.218	B19MC160004	5,200
Community Development Block Grant	14.218	B21MC160004	88,904
Community Development Block Grant	14.218	B22MC160004	384,369
COVID-19 - Community Development Block Grant	14.218	B20MW160004	73,999
Total U.S. Department of Housing and Urban Development			564,599
U.S. Department of Treasury			
Pass-through State of Idaho:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	WWG-485-2023-45	143,264
Direct Program:			
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,641,791
Total U.S. Department of Treasury			1,785,055
U.S. Department of Transportation			
Direct Program:			
Airport Improvement Program	20.106	3-16-0018-046-2019	70,525
Airport Improvement Program	20.106	3-16-0018-047-2020	649,663
COVID-19 - Airport Coronavirus Relief Grant Program-CRRSA	20.106	3-16-0018-049-2021	253
Airport Improvement Program	20.106	3-16-0018-050-2021	231,924
Airport Improvement Program	20.106	3-16-0018-051-2021	9,032
Airport Improvement Program	20.106	3-16-0018-052-2021	601,563
Airport Improvement Program	20.106	3-16-0018-057-2022	3,724,681
Infrastructure Investment and Jobs Act (IIJA)/Bipartisan Infrastructure			
Law (BIL) Federal Contract Tower	20.106	3-16-0018-058-2023	248,493
Airport Improvement Program	20.106	3-16-0018-060-2023	316,020
Infrastructure Investment and Jobs Act (IIJA)/Bipartisan Infrastructure			
Law (BIL) Airport Terminal Program (ATP)	20.106	3-16-0018-061-2023	1,530,514
			7,382,668

*See accompanying notes to the Schedule of Expenditures of Federal Awards.

Schedule of Expenditures of Federal Awards (Continued)

Year Ended September 30, 2023

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Grantor's Number	Expenditures
Federal Transit Cluster			
Pass-through State of Idaho:			
COVID-19 - Federal Transit Administration 5307 (Urbanized Area Formula Program)	20.507	CA-17	1,438,992
Total U.S. Department of Transportation			8,821,660
U.S. Department of Health and Human Services			
Pass-through State of Idaho:			
Injury Prevention/Control Research	93.136	NU17CE925017-03	6,291
Center for Disease Control and Prevention	93.391	NH75OT000105-01	1,951
Total U.S. Department of Health and Human Services			8,242
U.S. Department of Homeland Security			
Pass-through Idaho State Military Division:			
Homeland Security Grant	97.067	EMW-2021-SS-000070	14,342
Homeland Security Grant	97.067	EMW-2020-SS-000070	7,000
Homeland Security Grant	97.067	EMW-2019-SS-000047	960
			22,302
Direct Programs:			
Federal Emergency Management Agency			
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2021-FF-01820	641,746
Total U.S. Department of Homeland Security:			664,048
Total Federal Assistance			\$ 11,848,151

*See accompanying notes to the Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures of Federal Awards Year Ended September 30, 2023

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity for the City of Idaho Falls, Idaho as of September 30, 2023. The information in this schedule is prepared in accordance with the 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). Because this schedule presents only a select portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, fund balance, or cash flows of the City and is presented as a supplemental information within the City's annual comprehensive financial report for the year ended September 30, 2023.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on this schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient. The City has not chosen to use the 10% de-minimis indirect cost rate as allowed under Uniform Guidance.

Note 3. Matching Requirements

Certain Federal programs require the City to contribute non-Federal funds (matching funds) to support the federally – funded programs. The City has met its matching requirements. The schedule does not include the expenditure on non - Federal matching funds.





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 Honorable Mayor and Members of the City Council
City of Idaho Falls, Idaho

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Idaho Falls, Idaho (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 2, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified certain deficiencies in internal control, described

in the accompanying Schedule of Findings and Questioned Costs as items 2023-001, 2023-002, and 2023-003 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City'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*.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



Boise, Idaho
May 2, 2024



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance Required by the Uniform Guidance

To the Honorable Mayor and Members of the City Council
City of Idaho Falls, Idaho

Report on Compliance for the Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Idaho Falls, Idaho's (the City) 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's major federal programs for the year ended September 30, 2023. The City'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 complied, in all material respects, with the 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 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'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'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'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 GAAS, *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's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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'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'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'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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-005 and 2023-006 to be material weaknesses.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a significant deficiency.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



Boise, Idaho
May 2, 2024

Schedule of Findings and Questioned Costs For the Year Ended September 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued

Unmodified

Internal control over financial reporting:

Material weaknesses identified

☒

Yes

☐

No

Significant deficiencies not considered to be material weaknesses

☐

Yes

☒

None Reported

Noncompliance material to financial statements noted?

☐

Yes

☒

No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified

☒

Yes

☐

No

Significant deficiencies not considered to be material weaknesses

☒

Yes

☐

None Reported

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 Uniform Guidance 2 CFR 200.516 (a):

☒

Yes

☐

No

Identification of major programs:

Name of Federal Program	Federal Financial Assistance Listing
Airport Improvement Program	20.106
Federal Transit Cluster	
Federal Transit Formula Grant	20.507
COVID-19 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?	No

Schedule of Findings and Questioned Costs For the Year Ended September 30, 2023

Section II - Financial Statement Findings

2023-001 Material Audit Adjustments Caused by Lack of Timeliness of Account Reconciliations and Closing Year End Journal Entries. Material Weakness in Internal Control

Criteria:

A strong set of internal controls over the closing and reconciling of account balances for fiscal year end close is essential to ensure the City is able to provide complete, timely, and accurate financial information to its constituents, lenders, and other interested parties.

Condition:

Management was unable to provide a complete and accurate trial balance during audit fieldwork and continued to reconcile accounts and make year-end closing entries for several weeks after fieldwork. There were errors noted during the audit that were not detected and prevented by management during the year-end close process.

Cause:

Management of the City does not have policies and procedures in place that allow for a complete, timely, and accurate financial statement close. This is further exacerbated by the disaggregated financial information and manual processes that are required to gather, reconcile, and report financial information for each significant opinion unit of the City.

Effect:

During the course of our audit procedures, we noted a handful of material audit adjustment were required to be recorded in order to prevent material misstatements in the City's financial statements. The entries that were discovered by us, and recorded by management include the following:

- Entry for depreciation expense for the Sanitation Fund for \$199,929.
- Entry for the Water Fund and Sewer Fund contributed capital amounts for \$4,463,036 and \$2,741,629, respectively.
- Entry in the General Fund to accrue retainage payable relating to the construction of the Law Enforcement Complex for \$1,030,997.
- Three of the City's new lease agreements were calculated incorrectly resulting in a misstatement of the right-to-use assets and liability of \$2,826,039.

Additionally, adjusting journal entries were discovered and made by management subsequent to the receipt of the original trial balance during year-end fieldwork. This impacted audit work already performed and caused a situation where testing procedures had to be reperformed or updated and our documentation updated for all audit areas that had changed.

Recommendation:

Management should review their current fiscal year-end closing procedures and modify those procedures in order to allow for a more timely, accurate, and complete close of the fiscal year. In addition, management should review the supporting documentation provided to the external auditors to ensure the information they are providing is complete and accurate and reconciles with financial information provided to support the financial statements under audit.

Views of Responsible Officials:

The City concurs with the auditor's findings.

2023-002 Reporting and Recordkeeping of Inventory Balances
Material Weakness in Internal Control*Criteria:*

Strong internal controls over inventory, including its complete and accurate counting, tracking, recording, and reconciling is required to ensure complete and accurate financial reporting and ensure inventory amounts are free from material misstatement.

Condition:

Management was unable to provide a listing of the golf inventory as of year-end that included the inventory items, the count and value of those items, and a total that agreed to the trial balance. During our inventory observations of the golf, water, fiber and power inventories, management was unable to reconcile differences noted between our count and the count included on the inventory listing. The discrepancies within the water inventory were so significant, a second observation had to be scheduled, but errors were also encountered during the second visit.

Cause:

Management of the City does not have policies and procedures in place that allow for complete and accurate recordkeeping and tracking of the City's inventory.

Effect:

During the course of our audit procedures, we noted the City was not able to generate a complete and accurate report of inventory for the City's three golf courses. Additionally, during our count of inventory items for the Water Fund, we were not able to complete a clean count of a sample of inventory items, even after the City had recounted the inventory prior to the auditor's arrival for the new count. This could lead to material misstatements of inventory for each of the respective opinion units.

Recommendation:

Management should review their current inventory management processes to ensure timely and accurate counts are able to be completed, and that the City is able to run reports in order to assist in the reconciliation and financial reporting of inventory amounts.

Views of Responsible Officials:

The City concurs with the auditor's findings.

2023-003 Material Audit Adjustment Relating to the Accounting of the National Opioid Settlement, Resulting in a Prior Period Adjustment (Correction of an Error)
Material Weakness in Internal Control*Criteria:*

The internal control structure of the City should include procedures to ensure the trial balance provided for the audit is free from misstatement. A good system of internal control requires management to have policies and procedures in place to identify new and emerging accounting issues and conduct appropriate research to ensure the appropriate accounting treatment is followed and recorded in the trial balance.

Condition:

During the testing of advanced revenue, it was noted the City had not recorded the Opioid Settlement monies in accordance with U.S. GAAP, resulting in the understatement of beginning fund balance, long term receivable and deferred inflow of resources for the General Fund and the understatement of beginning net position and long term receivable of the Governmental Activities.

Cause:

The controls currently in place were not sufficient to detect and correctly report the settlement of the Opioid Litigation in fiscal year 2022.

Effect:

The beginning fund balance of the General Fund was understated by \$235,272 and the beginning net position of the Governmental Activities was understated by \$1,446,153. Because these amounts are material to the respective opinion unit, a prior period adjustment was required to correct the error.

Recommendation:

The City should ensure proper controls are established to allow settlements from litigation or other unusual transactions to be properly recognized in accordance with GAAP.

Views of Responsible Officials:

The City concurs with the auditor's findings.

Schedule of Findings and Questioned Costs For the Year Ended September 30, 2023

Section III – Federal Award Findings and Questioned Costs

**2023-004 U.S. Department of Transportation
Federal Financial Assistance Listing 20.106
Airport Improvement Grant
3-16-0018-048-2020, 3-16-0018-049-2021, 3-16-0018-054-2021, 3-16-0018-055-2021,
3-16-0018-056-2022**

**Compliance Requirement - Reporting
Significant Deficiency in Internal Control over Compliance**

Criteria:

2 CFR §200.328, Financial Reporting, mandates that information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances.

Condition:

During our testing of the required annual reports, SF-425 report, it was noted some of the annual reports required to be submitted by December 31, 2022, were submitted late on January 3, 2023.

Cause:

During the period under audit, there was a changeover in personnel at the airport, including the individual who was responsible for reviewing and submitting the reports.

Effect:

The reports were submitted to and accepted by the FAA; however, they were late.

Questioned Costs:

None reported.

Context/Sampling:

Sampling was not used. 100% of the required reports were tested. Of the 11 reports required to be submitted by December 31, 2022, 5 of them were late.

Repeat Finding from Prior Year(s):

Yes, 2022-001

Recommendation:

The City should review its current policies and processes to ensure that the controls operate effectively, even in the event of a change in personnel.

Views of Responsible Officials:

The City concurs with the auditor's findings.

**2023-005 U.S. Department of Transportation; U.S. Treasury Department
Federal Financial Assistance Listings 20.507
Federal Transit Cluster
FTA 5307 CARES Act 2020 – Agreement #CA-17, ID-2021-027
Federal Financial Assistance Listings 21.027
COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Compliance Requirement – Procurement, Suspension, and Debarment**

Material Weakness in Internal Control over Compliance*Criteria:*

Non-federal entities other than states, including those operating federal programs as subrecipients of states, must follow the procurement standards set out at 2 CFR sections 200.318 through 200.326. They must use their own documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal statutes and the procurement requirements identified in 2 CFR Part 200.

Condition:

We noted that while the City does have a purchasing policy, elements required by Uniform Guidance are absent from the policy. This created a situation where the City did not verify vendors were not suspended or debarred before entering into contract with that vendor. In addition, elements that are required to be included in contracts with vendors who are paid using federal monies were missing from the contracts.

Cause:

The City had not reviewed its procurement policy to ensure that the policy and contracts included the provisions that were required by the Uniform Guidance.

Effect:

While our testing noted no instances of noncompliance, the absence of internal controls over compliance as it relates to having a Uniform Guidance compliant policy, could lead the City to enter into covered transactions that are not compliant with federal regulations.

Questioned Costs:

None reported.

Context/Sampling:

Sampling was not used to test compliance of the Policy.

Repeat Finding from Prior Year(s):

No

Recommendation:

The City should review the applicable provisions of the CFR to ensure their written procurement policy is compliant with Uniform Guidance requirements.

Views of Responsible Officials:

The City concurs with the auditor's findings.

2023-006 U.S. Treasury Department
Federal Financial Assistance Listing 21.027
COVID-19 Coronavirus State and Local Fiscal Recovery Funds
Compliance Requirement – Reporting
Material Weakness in Internal Control over Compliance

Criteria:

Non-federal entities may be required to submit performance reports at least annually but not more frequently than quarterly, except in unusual circumstances, using a form or format authorized by OMB (2 CFR section 200.329). They also may be required to submit special reports as required by the terms and conditions of the federal award. For the Coronavirus State and Local Fiscal Recovery Funds, the City is required to submit the Project and Expenditure Report quarterly.

Condition:

We noted that while the City submitted the reports as required, the reports contained errors including incorrect amounts and reporting information on the incorrect line items.

Cause:

The City did not have processes in place to ensure that amounts and information being reported to the Treasury contained accurate and complete information, and that the information being reported was on the correct line.

Effect:

The City submitted inaccurate reports to Treasury. While the City ultimately corrected the reports with their final annual report submission, the timing of the corrected report was outside the Treasury allowed timeframe of 60 days after the report.

Questioned Costs:

None reported.

Context/Sampling:

Sampling was not used as 100% of the reports that were required to be submitted were tested.

Repeat Finding from Prior Year(s):

No

Recommendation:

The City should review their current practices and procedures for federal compliance reporting to ensure that the information being reported is complete and accurate.

Views of Responsible Officials:

The City concurs with the auditor's findings.

Schedule of Passenger Facility Charges Collected and Expended Year Ended September 30, 2023

PFC Quarterly Report - Summary

City of Idaho Falls Idaho Falls Regional Airport

Reporting through Quarter Ending 2023 Q3

Authority and Cumulative Expenditures

Authorizing Document	Authority		Cumulative	
	Impose	Use	Collections + Int	Expenditures
92-01-C-01-IDA	\$ 1,473,899	\$ 1,473,899	\$ 1,473,899	\$ 1,473,899
98-02-C-01-IDA	836,239	836,239	836,239	836,239
00-03-C-03-IDA	7,615,473	7,615,473	7,615,473	7,615,473
09-04-C-00-IDA	1,658,299	1,658,299	1,658,299	1,658,299
20-05-C-00-IDA	1,804,222	1,804,222	1,804,222	1,804,222
22-06-C-00-IDA	2,403,001	2,403,001	2,403,001	551,853
Pending	-	-	546,842	-
Total	\$ 15,791,133	\$ 15,791,133	\$ 16,337,975	\$ 13,939,985

Collections and Interest

	Previously Reported	2022 Q4	2023 Q1	2023 Q2	2023 Q3	Cumulative
PFC Revenue	\$ 15,275,644	\$ 218,652	\$ 237,245	\$ 284,586	\$ 299,078	\$ 16,315,205
Investment earnings (loss)	12,137	(24,064)	15,019	8,837	10,840	22,769
Total	\$ 15,287,781	\$ 194,588	\$ 252,264	\$ 293,423	\$ 309,918	\$ 16,337,974

Remaining (Excess) Authorized Imposed Collections **\$ (546,841)**

Remaining Unspent PFC Collections plus Interest **\$ 2,397,990**





Independent Auditor's Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control Over Compliance

To the Honorable Mayor and
Members of the City Council,
Boise, Idaho

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited the Airport Fund's (the Airport) of the City of Idaho Falls (the City) compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide) that could have a direct and material effect on its passenger facility charge program for the quarters ended December 31, 2022, March 31, 2023, June 30, 2023, and for the year ended September 30, 2023.

In our opinion, the Airport complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its passenger facility charge program for the quarters ended December 31, 2022, March 31, 2023, June 30, 2023, and for the year ended September 30, 2023.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the Guide. Our responsibilities under those standards and the Guide 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 Airport 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 the passenger facility charge program. Our audit does not provide a legal determination of the Airport'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 Airport's passenger facility charge program.

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 Airport'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 GAAS, *Government Auditing Standards*, and the Guide 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 Airport's compliance with the requirements of the passenger facility charge program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, 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 Airport'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 Airport'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 Guide, but not for the purpose of expressing an opinion on the effectiveness of the Airport'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 the passenger facility charge 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 the passenger facility charge 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 the passenger facility charge 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 Guide. Accordingly, this report is not suitable for any other purpose.



Boise, Idaho
June 20, 2023





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