



Twin Falls City Council Agenda

Monday, March 16, 2026, 5:00 PM

City Council Chambers
203 Main Ave E, Twin Falls, ID 83301

Members: Mayor Jason Brown, Vice Mayor Craig Hawkins, Council Members Spencer Cutler, Christopher Reid, Grayson Stone, Cherie Vollmer, Ruth Pierce, Nathan Murray

- 1) Call Meeting to Order/Confirmation of Quorum
- 2) Pledge of Allegiance
- 3) Consent Calendar
 - a) **ACTION ITEM:** Request to approve City Council March 09, 2026, Minutes.
By: Rachael Long, Deputy City Clerk
 - b) **ACTION ITEM:** Request to approve Accounts Payable for March 05-11, 2026.
By: Amy Luna, City Clerk
 - c) **ACTION ITEM:** Request to approve March 11, 2026, Travel Requests.
By: Amy Luna, City Clerk
 - d) **ACTION ITEM:** Request City Council approve the Special Event Permit for the organizers of the Canyon Rim Classic
By: Wendy Davis, Parks & Recreation Director
 - e) **ACTION ITEM:** Request City Council approve the Special Event Permit for the organizers of the Snake River Canyon Kennel Club Fast Cat Event.
By: Wendy Davis, Parks & Recreation Director
 - f) **ACTION ITEM:** Request City Council approve the Special Event Permit for the organizers of the Magic Valley Child Abuse Prevention Rally.
By: Wendy Davis, Parks and Recreation Director
- 4) Items of Consideration
 - a) **ACTION ITEM:** Request to Appoint Alexis Gadsby and Reappoint Robyn Weatherford to the Planning and Zoning Commission
By: Jonathan Spendlove, Planning and Zoning Director
 - b) **PRESENTATION:** A presentation of the City of Twin Falls 2025 audit financial statements. The Presentation will be made by Scott Hunsaker of Mahlke Hunsaker & Company, PLLC.
By: Parker Scherer, Assistant Finance Director
 - c) **PRESENTATION:** of the 2025 Annual Report of The Urban Renewal Agency of the City of Twin Falls.
By: Shawn Barigar, URA Executive Director
 - d) **PRESENTATION:** Presentation of Multi-Use Event Center Feasibility Study.
By: Shawn Barigar, Economic Development Director
 - e) **PRESENTATION:** Presentation on the finances of the City of Twin Falls for the 1st quarter of fiscal year 2025-2026. This presentation will be an overview of the tax-supported funds and the three major enterprise funds: Water, Wastewater and Sanitation.
By: Breanna Howard, CFO
- 5) General Public Input
- 6) Advisory Board Report/Announcements
- 7) Executive Session
 - a) **ACTION ITEM:** Request to adjourn to Executive Session pursuant to Idaho Code § 74-206(1)(c) To acquire an interest in real property not owned by a public agency.
- 8) Adjournment

Any person(s) needing special accommodation to participate in the above-noticed meeting could contact Josh Palmer (208) 735-7312 at least two working days before the meeting. Si Desae Esta information in Español, Por favor llama a Josh Palmer al telephone (208) 735-7312.

Public Input Procedures

1. Individuals wishing to provide public input regarding matters relevant to the City of Twin falls shall:
 - a. Wait to be recognized by the Mayor or Chairman.
 - b. Approach the microphone/podium.
 - c. State their name, and whether they are a resident or property owner of the City of Twin Falls and proceed with their input.
2. All public input will be limited to two (2) minutes. Individuals are not permitted to give their time to other speakers.
3. All presenters shall remain respectful.

Public input will not be about any of the items that were on this agenda, personnel, or a personnel-related issue. All issues involving City personnel should be directly communicated with the mayor and/or the City Manager.

Anyone failing to follow these rules will be provided with one (1) warning. Should the speaker continue to disregard these rules after the warning, they will have the microphone muted and they will be asked to return to their seats.

Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor or Chair shall review the public hearing procedures.
2. Individuals wishing to testify or speak before the City Council or Planning & Zoning Commission shall wait to be recognized by the Mayor or Chair, approach the microphone/podium, state their name, and then proceed with their comments. Following their statements, they shall write their name and address on the record sheet(s) provided by the staff. The staff should make an audio recording of the Public Hearing.
3. A City Staff Report shall summarize the application and history of the request.
4. The Applicant, or the spokesperson for the Applicant, will make a presentation on the application/request (request). No changes to the request may be made by the applicant after the publication of the Notice of Public Hearing. The presentation should include the following:
 - **A complete explanation and description of the request.**
 - **Why is the request being made.**
 - **Location of the Property.**
 - **Impacts on the surrounding properties and efforts to mitigate those impacts.**
5. Applicant is limited to 15 minutes, unless a written request for additional time is received, at least 72 hours prior to the hearing, and granted by the Mayor or Chairman.
6. The City Council or Planning & Zoning Commission may ask questions of staff or the applicant pertaining to the request.
7. The public will then be given the opportunity to provide their testimony regarding the request. The Mayor or Chair may limit public testimony to no less than two (2) minutes per person.
 - **Individuals are not permitted to give their time to other speakers.**
 - **However, five (5) or more individuals that received written notice of the public hearing may appoint, by written petition, a spokesperson. The written petition must be received at least 72 hours prior to the hearing and must be granted by the Mayor or Chair. The spokesperson shall be limited to 15 minutes.**
 - **Written comments, including e-mail, shall be received 2 business days prior to the date of the hearing to be accepted for consideration by the hearing body.**
8. Following the Public Testimony, the applicant is permitted five (5) minutes to respond.
9. Following the Public Testimony and Applicant's response, Council or Commission members, as recognized by the Mayor or Chair, shall be allowed to question the Applicant, Staff or anyone who has testified. Responses shall be limited to answering the questions asked. The Mayor or Chair may limit the time permitted for the answer.
10. The Mayor or Chair shall close the Public Hearing. The City Council or Planning & Zoning Commission shall deliberate on the request. Deliberations and decisions shall be based upon the information and testimony provided during the Public Hearing. Once the Public Hearing is closed, additional testimony from the staff, applicants or public is not allowed. Legal or procedural questions may be directed to the City Attorney.

* Any person not conforming to the above rules may be prohibited from speaking. Persons refusing to comply with such prohibitions may be asked to leave the hearing and thereafter removed from the room by order of the Mayor or Chairman.



Twin Falls City Council Minutes

Monday, March 9, 2026, 5:00 PM

City Council Chambers
203 Main Ave E, Twin Falls, ID 83301

1) Call Meeting to Order/Confirmation of Quorum

Present: Mayor Jason Brown, Vice Mayor Craig Hawkins, Council Members Christopher Reid, Nathan Murray, Grayson Stone, and Ruth Pierce.

Absent: Cherie Vollmer

Staff Present: City Manager Travis Rothweiler, Deputy City Managers Mitch Humble & Gretchen Scott, City Attorney Bruce Castleton, City Clerk Amy Luna, Deputy City Clerk Rachael Long, Assistant to City Manager Mandi Thompson, Airport Manager Matt Barnes, Environmental Engineer Nathan Erickson, Desktop Support Analyst Kim Hafer, Fire Chief Mitchell Brooks, Police Chief Matthew Hicks, Public Works Director Josh Baird, Assistant Public Works Director Erin Steel

Mayor Brown called the meeting to order at 5:00 PM. A quorum was present.

2) Pledge of Allegiance

Mayor Brown invited all present, who wished, to recite the Pledge of Allegiance to the Flag.

3) Proclamations

a) Girl Scouts Week

Mayor Brown read and presented the Girl Scouts Week Proclamation.

b) 54th Anniversary Of The National Senior Nutrition Program

Mayor Brown read and presented the 54th Anniversary of the National Senior Nutrition Program Proclamation.

4) Consent Calendar

MOTION: Council Member Reid moved to approve the Consent Calendar as presented. **Council Member Pierce** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

a) Request to approve City Council March 02, 2026, Minutes.

b) Request to approve Accounts Payable for February 27 Thru March 04, 2026.

c) Request to approve an Alcohol License for Noble Spice Kitchen LLC.

d) Request City Council to approve the Special Event Permit for the organizers of the Walk for Wishes.

e) Request City Council to approve the Special Event Permit for the organizers of the Perrona Fest Hispanic Festival.

f) Request City Council to approve the Special Event Permit for the organizers of the NAMI Walk.

g) Request City Council to approve the Special Event Permit for the organizers of the CSI Cheerleading Nationals Sendoff Showcase.

h) Request the City Council approves the Special Event Permit for the organizers of the Fill the Dome.

i) Request City Council approve the Special Event Permit for the organizers of the No Kings Day 3.0.

j) Request to approve Findings of Fact and Conclusions of Law for the following:
PZ26-0019 Final Plat - El Milagro Subdivision No.4

5) Items of Consideration

a) Request for the City Council to adopt the Rock Creek Watershed Master Plan.

Assistant to the City Manager Thompson presented a request for the City Council to adopt the Rock Creek Watershed Master Plan.

Discussion ensued as follows:

Council Member Reid has anyone had the opportunity to review this plan fully.

Council Member Murray complimented the work, and asked what the lifespan of this will be?

MOTION: Council Member Reid moved to approve the request to adopt the Rock Creek Watershed Master Plan. **Council Member Pierce** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

- b) Request to approve a contract with J-U-B Engineers, Inc. in the amount of \$158,765.60 to provide project formulation through project closeout services for the FAA Pavement Rehabilitation project and authorize the Mayor to sign the Agreement.

Airport Manager Barnes presented a request to approve a contract with J-U-B Engineers, Inc. in the amount of \$158,765.60 to provide project formulation through project closeout services for the FAA Pavement Rehabilitation project and authorized the mayor to sign the agreement.

Discussion ensued as follows: none

MOTION: Council Member Hawkins moved to approve the request to a contract with J-U-B Engineers, Inc. in the amount of \$158,765.60 to provide project formulation through project closeout services for the FAA Pavement Rehabilitation project and authorize the mayor to sign the agreement contingent on legal review. **Council Member Pierce** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

- c) Request to approve a contract with J-U-B Engineers, Inc. in the amount of \$250,752.80 to provide project formulation through project closeout services for the FAA Equipment Acquisition project and authorize the Mayor to sign the Agreement.

Airport Manager Barnes presented a request to approve a contract with J-U-B Engineers, Inc. in the amount of \$250,752.80 to provide project formulation through project closeout services for the FAA Equipment Acquisition project and authorize the mayor to sign the agreement.

Discussion ensued as follows:

Council Member Murray asked if this is a replacement for aging equipment or are we upgrading what we have?

MOTION: Council Member Pierce moved to approve the request to a contract with J-U-B Engineers, Inc. in the amount of \$250,752.80 to provide project formulation through project closeout services for the FAA Equipment Acquisition project and authorize the mayor to sign the agreement contingent on legal review. **Council Member Reid** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

- d) Presentation to City Council on the results of the 2025 National Citizen Survey.
Assistant to the City Manager Thompson made a presentation to the City Council on the results of the 2025 National Citizen Survey.

Discussion ensued as follows:

Council Member Reid under the packet demographics, are we able to break it down to see more of an age?

- e) A request to determine the future of MPOG.

Assistant to the City Manager, Thompson presented a request for the City Council to determine the future of MPOG.

Discussion ensued as follows:

Council Member Pierce asked what the dollar amount was currently?

Council Member Reid brought up the previous years and talked about the fact that the applicants come in one night a year, but they never hear what the impact these organizations

make on our community.

Council Member Stone asked if we could put a sunset timeline on MPOG?

Mayor Brown voiced he feels its best to end MPOG now and put the money back into the budget somewhere else.

Council Member Stone asked for clarification on where the money would go back to.

MOTION: Council Member Reid moved to approve the request to discontinue MPOG. **Council Member Pierce** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

- f) A request to use \$215,000 of cash reserves for the purchase of furnishings and equipment and to complete the legal office, City gym, and police department lift remodel project that is currently underway.

Deputy City Manager Humble made a request to use \$215,000 of cash reserves for the purchase of furnishings and equipment and to complete the legal office, city gym, and police department lift remodel project that is currently underway.

Discussion ensued as follows:

Council Member Pierce asked for clarification about the cash reserves and asked if we still had money left?

MOTION: Council Member Pierce moved to approve the request to use \$215,000 of cash reserves for the purchase of furnishings and equipment and to complete the legal office, city gym, and police department lift remodel project that is currently underway. **Council Member Hawkins** seconded the motion. The roll call vote showed all members present voted in favor of the motion, 6 to 0.

6) General Public Input

Maria Hernandez spoke about the CSI basketball team and our community.

7) Advisory Board Report/Announcements

Mayor Brown gave a shout out to Breeze Airway and the Airport for they handled the new airway.

City Manager Rothweiler stated we will not have the City Council on March 23.

8) Adjournment

The meeting adjourned at 06:40 PM

Rachael Long, Deputy City Clerk

****If you wish to have a full accounting of this meeting, please listen to the recording that is located on our website. **** [Tfid.org](https://www.tfid.org)



Council Agenda Information

Review

Approval Process:

Consent of the City Council. This event does meet the requirements for a Special Event Permit as outlined in City Code 3-6-2

- (A) Is expected to draw five hundred (500) or more persons at any session as participants or spectators and is proposed to be held at a park;
- (B) Impacts city streets, sidewalks, parks and common areas, or city resources;
- (C) Unless otherwise permitted to do so, propose to sell or serve alcohol publicly; or
- (D) Intends to broadcast amplified sound or generate unusual noise.

Streets

Streets Recommends *

- ☐ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Streets *

Engineering

Engineering Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Engineering *

Planning and Zoning

Planning and Zoning Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Planning and Zoning *

Electrical



Electrical Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Electrical *

Police



Police Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Police *

Fire



Fire Recommends *

- ☐ Permit this application as is.
- ☒ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Fire *

Any food vendors shall have a current, Purple 2026 fire inspection decal displayed within public view. Any tents or temporary structures over 400 SF shall have a Tent Permit through the TFFD.

Parks



Parks Recommends *

- ☐ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Parks *

Event Coordinator

Charges/Fees

Row	Description	Cost	Quantity
1	Application Fee	\$25.00	1

Total Due*

\$25.00

Special Event Departments*

Which departments should be asked to review this application?

- ☒ Streets
- ☒ Engineering
- ☒ Planning and Zoning
- ☒ Electrical
- ☒ Police
- ☒ Fire
- ☒ Parks

Reviewer Name*

Mable Shurtleff

Initial Questions

Will you be using a Park Facility (City Pool and Ballfields included), City Trail, or Downtown Commons/Main Street? *

- ☒ Yes
- ☐ No

Type of Event*

Please select all that apply

- ☐ Car Show
- ☐ Carnival/Fair
- ☐ Dance
- ☐ Concert/Performance
- ☐ Exhibits/Miscellaneous
- ☐ Festival
- ☐ Parade
- ☐ Picnic/Family Gathering
- ☐ Pool Reservation
- ☐ Run/Walk/Race
- ☐ Special Attraction
- ☐ Street Fair
- ☒ Tournament (Sport Field/Court)
- ☐ Other

Estimated Number of Attendees*

4,000

50+ requires permission
250+ requires waste plan
500+ is a special event

Will there be amplified or unusual sound at your event? *

- ☐ Yes
- ☒ No

Will your event impact or require any street closure? *

- ☐ Yes
- ☒ No

Will alcohol be sold or served publicly at your event? *

- ☐ Yes
- ☒ No

Will there be tents, canopies, or other temporary structures? (includes inflatables) *

- ☒ Yes
- ☐ No

Provide a description of tents or structures.

No water features allowed. Tent stakes must be less than 12". Fire inspection may be required.

Three large tents professionally placed and removed. We have done this in the past in compliance with city requests

Will there be vendors selling goods or services at this event (including lessons or paid activities)? *

☒ Yes ☐ No

Will you be driving vehicles into the park or parking on the grass or in the park? *

☐ Yes ☒ No

Will your event require access to or use of the park after hours? (before 6am or after 11pm) *

☐ Yes ☒ No

Will you be camping overnight in any park facility? *

☐ Yes ☒ No

Will you be operating any type of motorized vehicle on any of the trail system? *

☐ Yes ☒ No

Will you be riding bicycles on any area of the park other than a paved road or trail designated for that purpose? *

☐ Yes ☒ No

Will bicycles or vehicles operate at a rate of speed exceeding fifteen (15) miles per hour? *

☐ Yes ☒ No

Will you have horses or other animals at the event? (other than dogs) *

☐ Yes ☒ No

Will there be hot air balloon(s)? *

☐ Yes ☒ No

Do you plan to scuba dive in designated swim area at Dierkes Lake? *

☐ Yes ☒ No

Will you need to park any vehicles or equipment 1 ½ ton capacity or more in any park parking lots? *

☐ Yes ☒ No

Will you require power? (There may an additional fee for power) *

☒ Yes ☐ No

Contact Information

Event Organizer

First Name *

Last Name *

Janel

Williams

Onsite Contact

First Name *

Janel

Last Name *

Williams

Event Information

Event Name *

Canyon Rim Classic

Event Location (Park or Facility Requested)

Sunway Soccer Complex

Is this event indoors or outdoors? *

☐ Indoors

☒ Outdoors

Event Reoccurrence

☐ One Time Event

☐ Recurring over several weeks/months

Event Description *

Club soccer tournament for ages 9-18. We provide all nets, field painting, provide for all garbage and cleanup. We have been operating this tournament successfully for 20 years

Canyon Rim City Park Downtown Commons Sunway Soccer Park
Shoshone Falls Dierkes Harmon Park Thomsen Park Oregon Trail

Download this provided template and add your layout. Upload your completed layout below.

Event Map *

CRC Spring Map (1).png

1.11MB

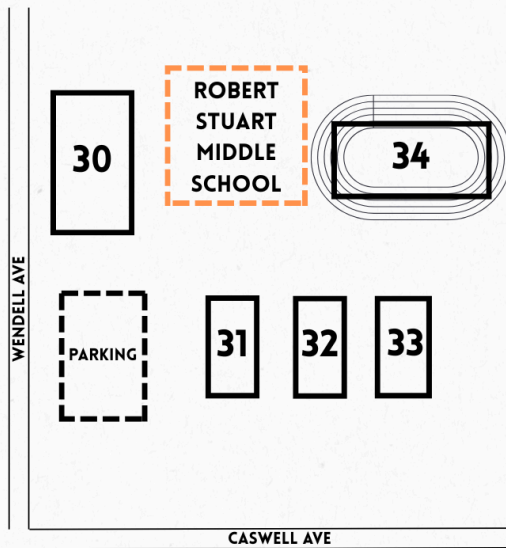
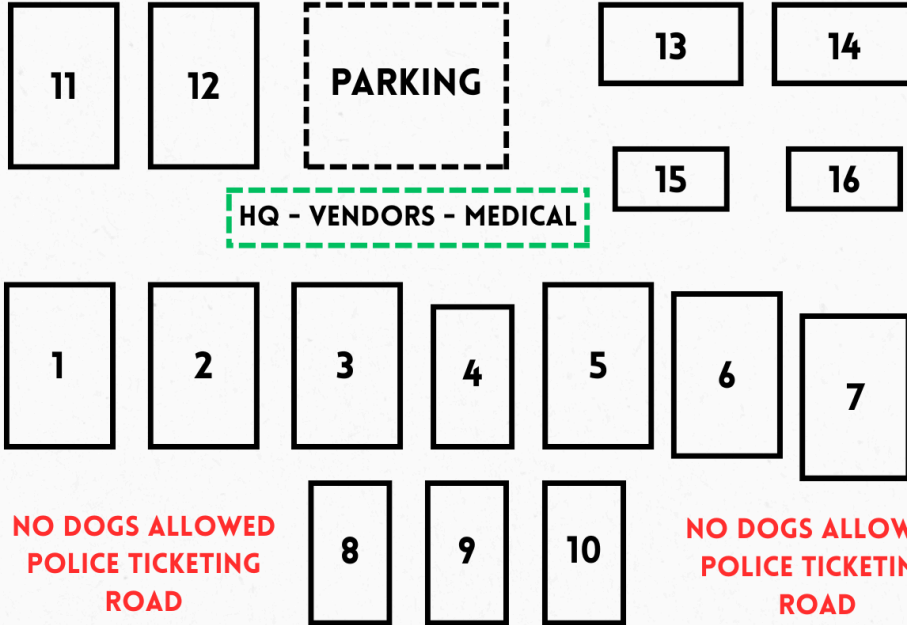


CANYON RIM FALL CLASSIC FIELDS

SUNWAY SOCCER COMPLEX

N COLLEGE ROAD W

SUNWAY / FALLS AVE



Set-up Time Start *

05/01/2026 08:00:00 AM

Event Time Start *

05/01/2026 12:00:00 PM

Take Down Time Start *

05/03/2026 06:00:00 PM

Set-up Time End *

05/01/2026 12:00:00 PM

Event Time End *

05/03/2026 06:00:00 PM

Take Down Time End *

05/03/2026 07:00:00 PM

Important, PLEASE READ: Full payment of all fees, map of event layout and liability insurance (if applicable) must accompany this completed application in order to request a reservation. Complete reservation requests are processed in the order in which they are received with annual events (3 years or more) given first consideration.

Parking Plan

Parking Plan *

We mark all appropriate no parking spots, we arrange for overflow parking at the LDS church and Xavier and an adjacent field. We pay to to have the city patrol the parking lot

Parking Plan Map

Permits, Licenses and Agreements

Will goods, services, food, or beverages be sold? *

☒ Yes ☐ No

- ✓ *Food Concession and Commercial Activity Permit will be required*
- ✓ *Handwashing stations may be required by Health Department*
- ✓ *Agreement and fees may be required*

Will you have keg beer at your event? *

☐ Yes ☒ No

Will your event utilize signs, banners, flags, etc.? *

☐ Yes ☒ No

Definitions



- *A "banner sign" is a temporary sign having characters, letters, or illustrations applied to plastic, cloth, canvas, or other similar material, with the only purpose of such nonrigid material being for background.
- *A "sandwich board sign" is a temporary sign that is generally constructed in such a manner as to form an "A" like shape or is constructed with a base and single upward sign face, forming an upside down "T" but not permanently attached to the ground.
- Sandwich board signs are allowed within multi-tenant developments. Only 1 allowed per business.
 - Sandwich board signs shall be located not more than ten feet (10') from the door of the business.
- *A Community Event Sign announces a campaign, drive activity or celebration of a civic, political, public, philanthropic, religious or educational organization for noncommercial purposes. Community Event signs are allowed off premise but permission from the owner of the property where the sign will be located is required prior to issuance of a permit. Please provide a list of the locations of where any off premise signs will be located.
- *May not be larger than 64 sq. ft. in size with a maximum height not to exceed 10 ft.

*An "inflatable sign" is a temporary ground mounted sign that is manufactured of plastic, cloth, canvas, or other light fabric, inflated with air and held upright, typically by mechanical means.

*The minimum setback from the road right of way shall be one and one-half (1-1/2) times the height of the sign.

Will your event generate any type of waste? *

☒ Yes ☐ No

Is this an ongoing or seasonal request? *

☒ Yes ☐ No

Agreement, insurance, and fees may apply

Will your event include pyrotechnics or fireworks? *

☐ Yes ☒ No

Notification

Event organizers are required to notify any nearby property owners who may be impacted by the holding of their special event. This notification must be made in writing and be given to said property owners no less than fourteen (14) days prior to the planned event. The special event permit will not be issued unless this requirement has been met. The written notice must include the following information:

- Date and time of special event
- Location of the event
- Additional areas affected by the event
- Type of event
- Planned road or parking lot closures
- Noise considerations (loud music, etc.)
- Estimated number of attendees

Notification Acknowledgement *

☒ I have read and understand this requirement

Insurance

It is the responsibility of the special event organizer(s) to secure and provide a **COMMERCIAL GENERAL LIABILITY** insurance policy that covers the planned special event. This policy must provide coverage of no less than \$500,000 combined single limit per occurrence. This insurance policy must include a rider for alcohol if it is to be sold, provided or consumed. Insurance requirements may be increased upon demand of the Twin Falls City Attorney, Twin Falls City Risk Manager and/or other local government entities with jurisdiction.

Each policy shall be written as a primary policy, not contributing to, or in excess of, any coverage which the City may carry. A certificate of Insurance naming the City of Twin Falls as additionally insured and as the certificate holder must be provided with this application. Failure to provide insurance coverage will immediately terminate special event application or approval.

Insurance Documents

Security

As an event organizer, you are required to provide a safe and secure environment for your event. This is accomplished through pre-planning and anticipation of problems or concerns related to event activities.

Most major events require the services of approved security (either paid professional security or a law enforcement agency). The Special Events Coordinator/Sergeant will evaluate each event application and determine the necessity of and type of security. Police Officers may be required depending on the scope of event.

The organizer may also be required to provide additional services (lost child booth, trained medical personnel, etc.) at the discretion of the Special Events Coordinator.

Waste Plan

As an event organizer, you are responsible for the waste generated by your participants, spectators and vendors, as well as the costs associated with proper disposal.

Discarded Materials *

List what materials from your event will be discarded by vendors and attendees (i.e. cardboard, plastic bags, food waste, Styrofoam, plastic bottles, aluminum cans etc.):

Cardboard, general food waste

Have you arranged for portable toilets? *

☒ Yes ☐ No

Have you contracted for additional trash receptacles and/or dumpsters? *

☒ Yes ☐ No

Name of Contracted Company *

Western Waste

Number of Trash Receptacles *

20

Size of Trash Receptacles

50 gallon

Contact person in charge of waste. *

Kelly Spiers

Phone number of contact

208-731-0626

Number of staff assisting in removal.

20

Any cleanup required by City Personnel following an event will be at the expense of the event organizers.

Restrictions and Signature

Please be aware of the following restrictions:

- Fires are allowed in fireplaces or grills only.
- Dogs must be on leash in parks, with the exception of Baxter Dog Park.
- Dogs are prohibited in the grassy park area of Dierkes Lake Park.
- Alcohol is prohibited at Dierkes Lake Park, Sunway Soccer Fields, First Federal Park & St Luke's Shelter, Oregon Trail Youth Complex, and Sawtooth Softball Fields Water slides, inflatable water features and dunk tanks are prohibited.
- Hours for amplified music are Mon—Fri 11am-9pm, Sat 8am-9:30pm, Sunday 12:15pm-8pm.

The following are prohibited in parks and on trails:

- Glass containers
- Soliciting
- Loitering and Boisterousness
- Discharging of fireworks and explosives
- Possessing intoxicating beverages where prohibited or be under the influence in any public space
- Throwing objects other than in designated areas
- Climbing trees
- Damaging, cutting, removing, or attaching anything to any trees or plants
- Digging or disturbing grass or natural landscape
- Walking or standing on monuments, fountains, railings, fences, or other features not designed for such use
- Disfiguring or removing any buildings or park amenities
- Endangering the safety of others
- Preventing any person from using any park or its facilities
- Violating park curfew of 11pm
- Hunting, trapping, or pursuing wildlife
- Polluting waters of any kind in parks
- Dumping or depositing trash other than in proper receptacles

1. The prior named Applicant/Organization, in consideration of its use of Twin Falls Parks and Recreation facilities, agrees to release, indemnify and defend the City of Twin Falls, and its agents, employees and representative, from any and all claims, demands or lawsuits arising out of the Applicant's/Organization's use of said facilities.
2. Groups, individuals and applicants further agree that they have received the City's policies, rules and regulations governing use of said facility and agree to be bound by the same.
3. Effect Of A Permit: A Twin Falls park permittee shall be bound by all park rules and regulations and all applicable ordinances as fully as though the same were inserted in said permit. The person or persons to whom a permit is issued shall be liable for any loss, damage or injuries sustained by any person or property by reason of the negligence of the person or persons to whom such permit shall have been issued. The director, or a duly authorized representative, shall have the authority to revoke a permit upon finding of violation of any rule or ordinance, or upon good cause. (Ord. 2735, 9-16-2002)

****Based on the details of your event, a parks use permit might be issued. By signing below, I agree that this permit may be revoked for reasons outlined above. I further agree that this permit will be revoked if it conflicts with any lawful order issued by a Federal, State, or local government agency, including orders issued in response to the COVID-19 pandemic.**

By signing this application, I certify that the information contained in the foregoing application is true and correct to the best of my knowledge. I understand that this application is made subject to the rules and regulations established by the Twin Falls City Council. I further agree to abide by these rules, and further certify that I, on behalf of the Host Organization, am authorized to commit that organization, and therefore agree to be financially responsible for any costs and fees that may be uncured by, or on behalf of, the Special Event to the City of Twin Falls.

Signature *



Name *

Janel Williams

Date *

11/12/2025



Council Agenda Information

Review

Approval Process:

Consent of the City Council. This event does meet the requirements for a Special Event Permit as outlined in City Code 3-6-2

- (A) Is expected to draw five hundred (500) or more persons at any session as participants or spectators and is proposed to be held at a park;
- (B) Impacts city streets, sidewalks, parks and common areas, or city resources;
- (C) Unless otherwise permitted to do so, propose to sell or serve alcohol publicly; or
- (D) Intends to broadcast amplified sound or generate unusual noise.

Streets

Streets Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Streets *

Engineering

Engineering Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Engineering *

Planning and Zoning

Planning and Zoning Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Planning and Zoning *

Electrical



Electrical Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Electrical *

Police



Police Recommends *

- ☐ Permit this application as is.
- ☒ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Police *

Event asks for Sunway but map shows Ascension? Insurance documents as closer to event.

Fire



Fire Recommends *

- ☐ Permit this application as is.
- ☒ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Fire *

Any tents or temporary structures that exceed 400 SF shall have a Tent Permit through the TFFD. Any food vendor shall have their valid 2026 purple fire inspection decal in plain view of the public.

Parks



Parks Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Parks *

Event Coordinator

Charges/Fees

Row	Description	Cost	Quantity
1	Application Fee	\$25.00	1

Total Due *

\$25.00

Special Event Departments *

Which departments should be asked to review this application?

- | | | |
|--|---|---|
| ☒ Streets | ☒ Engineering | ☒ Planning and Zoning |
| ☒ Electrical | ☒ Police | ☒ Fire |
| ☒ Parks | | |

Reviewer Name *

Mable Shurtleff

Initial Questions

Will you be using a Park Facility (City Pool and Ballfields included), City Trail, or Downtown Commons/Main Street? *

☒ Yes ☐ No

Type of Event *

Please select all that apply

- | | | |
|--|--|---|
| ☐ Car Show | ☐ Carnival/Fair | ☐ Dance |
| ☐ Concert/Performance | ☐ Exhibits/Miscellaneous | ☐ Festival |
| ☐ Parade | ☐ Picnic/Family Gathering | ☐ Pool Reservation |
| ☐ Run/Walk/Race | ☐ Special Attraction | ☐ Street Fair |
| ☐ Tournament (Sport Field/Court)
Dog Event | ☒ Other | |

Estimated Number of Attendees *

50

50+ requires permission
250+ requires waste plan
500+ is a special event

Will there be amplified or unusual sound at your event? *

☒ Yes ☐ No

Will your event impact or require any street closure? *

☐ Yes ☒ No

Will alcohol be sold or served publicly at your event? *

☐ Yes ☒ No

Will there be tents, canopies, or other temporary structures? (includes inflatables) *

☒ Yes ☐ No

Provide a description of tents or structures.

No water features allowed. Tent stakes must be less than 12". Fire inspection may be required.

We would just be using multiple pop-up style canopies for shade or rain protection. The stakes would be less than 12"

Will there be vendors selling goods or services at this event (including lessons or paid activities)? *

☐ Yes ☒ No

Will you be driving vehicles into the park or parking on the grass or in the park? *

☐ Yes ☒ No

Will your event require access to or use of the park after hours? (before 6am or after 11pm) *

☐ Yes ☒ No

Will you be camping overnight in any park facility? *

☐ Yes ☒ No

Will you be operating any type of motorized vehicle on any of the trail system? *

☐ Yes ☒ No

Will you be riding bicycles on any area of the park other than a paved road or trail designated for that purpose? *

☐ Yes ☒ No

Will bicycles or vehicles operate at a rate of speed exceeding fifteen (15) miles per hour? *

☐ Yes ☒ No

Will you have horses or other animals at the event? (other than dogs) *

☐ Yes ☒ No

Will there be hot air balloon(s)? *

☐ Yes ☒ No

Do you plan to scuba dive in designated swim area at Dierkes Lake? *

☐ Yes ☒ No

Will you need to park any vehicles or equipment 1 ½ ton capacity or more in any park parking lots? *

☐ Yes ☒ No

Will you require power? (There may an additional fee for power) *

☒ Yes ☐ No

Contact Information

Event Organizer

First Name *

Kylee

Last Name *

Elmore

Onsite Contact

First Name *

Kylee

Last Name *

Elmore

Event Information

Event Name *

Snake River Canyon Kennel Club FastCat Event

Event Location (Park or Facility Requested)

Sunway: Fields SW 10 & 11

Is this event indoors or outdoors? *

☐ Indoors

☒ Outdoors

Event Reoccurrence

☒ One Time Event

☐ Recurring over several weeks/months

Event Description *

This will be a FastCAT trial held by the Snake River Canyon Kennel club so there will be dogs at this event. We essentially set up 100 yards of snow fencing using snow fence stakes that only go about 6 inches in the ground. Dogs are required by our event rules to be on leash at all times unless they are running in the enclosed snow fencing. Other than that there will just be some pop-up canopies and tables and chairs set up on sight. We will run this event on a weekend, both Saturday and Sunday but will need Friday evening to set up.

Dates of this event are flexible. Hoping for sometime in April, May or early June.

Canyon Rim City Park Downtown Commons Sunway Soccer Park
Shoshone Falls Dierkes Harmon Park Thomsen Park Oregon Trail

Download this provided template and add your layout. Upload your completed layout below.

Event Map *

IMG_7141.jpg

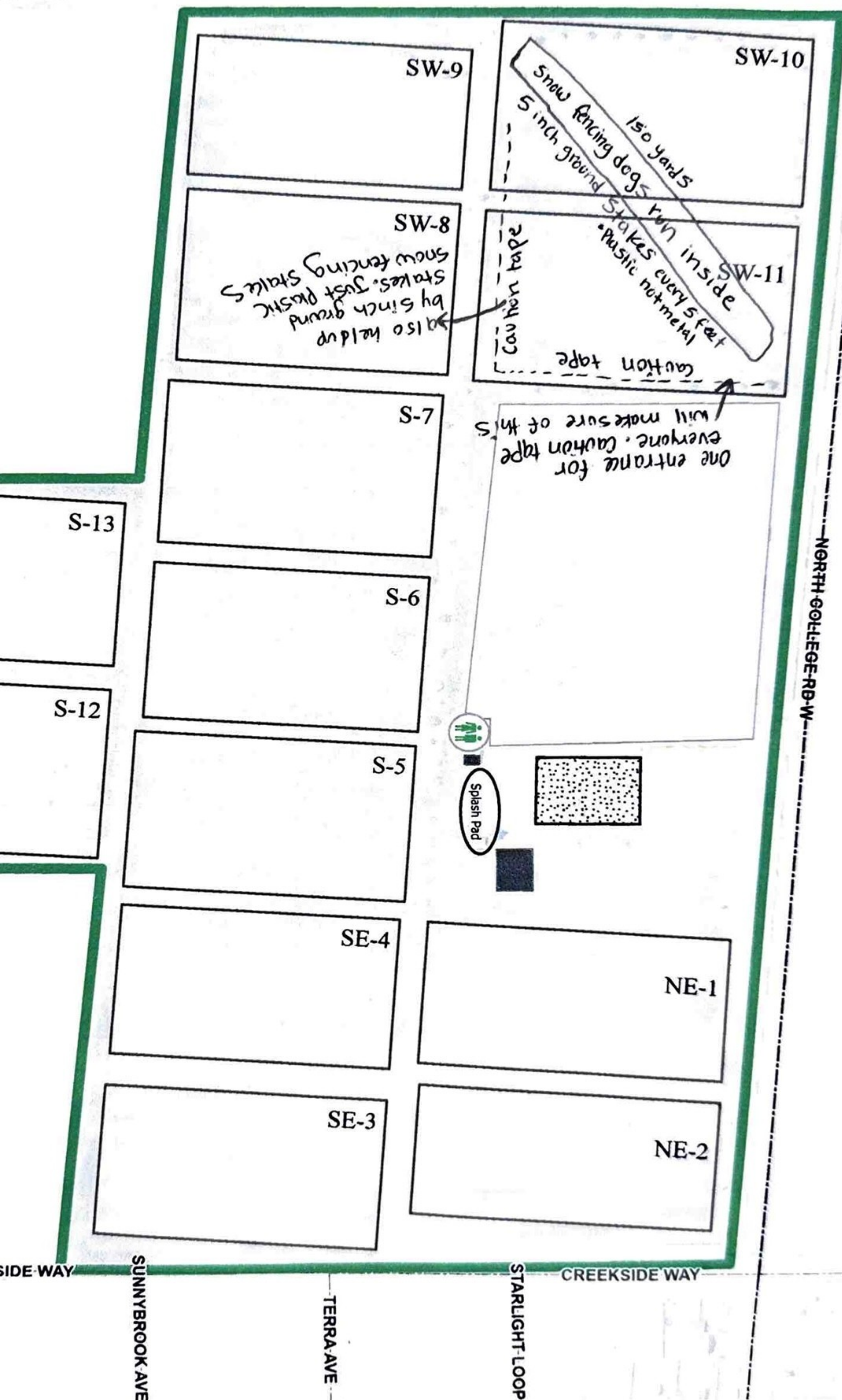
801.88KB

AY DR N

SUNWAY DR N

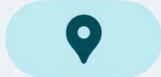
*Just need fields 10 and 11

Sunway Soccer Complex



Local vibe

44°
31 AQI



Explore



You



Contribute

Set-up Time Start *

06/05/2026 02:00:00 PM

Set-up Time End *

06/05/2026 07:00:00 PM

Event Time Start *

06/06/2026 07:00:00 AM

Event Time End *

06/07/2026 05:00:00 PM

Take Down Time Start *

06/07/2026 05:00:00 PM

Take Down Time End *

06/07/2026 08:00:00 PM

Important, PLEASE READ: Full payment of all fees, map of event layout and liability insurance (if applicable) must accompany this completed application in order to request a reservation. Complete reservation requests are processed in the order in which they are received with annual events (3 years or more) given first consideration.

Permits, Licenses and Agreements

Will goods, services, food, or beverages be sold? *

☐ Yes ☒ No

Will you have keg beer at your event? *

☐ Yes ☒ No

Will your event utilize signs, banners, flags, etc.? *

☒ Yes ☐ No

Definitions

*A "banner sign" is a temporary sign having characters, letters, or illustrations applied to plastic, cloth, canvas, or other similar material, with the only purpose of such nonrigid material being for background.

*A "sandwich board sign" is a temporary sign that is generally constructed in such a manner as to form an "A" like shape or is constructed with a base and single upward sign face, forming an upside down "T" but not permanently attached to the ground.

- Sandwich board signs are allowed within multi-tenant developments. Only 1 allowed per business.
- Sandwich board signs shall be located not more than ten feet (10') from the door of the business.

*A Community Event Sign announces a campaign, drive activity or celebration of a civic, political, public, philanthropic, religious or educational organization for noncommercial purposes. Community Event signs are allowed off premise but permission from the owner of the property where the sign will be located is required prior to issuance of a permit. Please provide a list of the locations of where any off premise signs will be located.

*May not be larger than 64 sq. ft. in size with a maximum height not to exceed 10 ft.

*An "inflatable sign" is a temporary ground mounted sign that is manufactured of plastic, cloth, canvas, or other light fabric, inflated with air and held upright, typically by mechanical means.

*The minimum setback from the road right of way shall be one and one-half (1-1/2) times the height of the sign.

A sign permit may be required from the Planning and Zoning Department.

Will your event generate any type of waste? *

☒ Yes ☐ No

Is this an ongoing or seasonal request? *

☐ Yes ☒ No

Will your event include pyrotechnics or fireworks? *

☐ Yes ☒ No

Notification

Event organizers are required to notify any nearby property owners who may be impacted by the holding of their special event. This notification must be made in writing and be given to said property owners no less than fourteen (14) days prior to the planned event. The special event permit will not be issued unless this requirement has been met. The written notice must include the following information:

- Date and time of special event
- Location of the event
- Additional areas affected by the event
- Type of event
- Planned road or parking lot closures
- Noise considerations (loud music, etc.)
- Estimated number of attendees

Notification Acknowledgement *

☒ I have read and understand this requirement

Insurance

It is the responsibility of the special event organizer(s) to secure and provide a **COMMERCIAL GENERAL LIABILITY** insurance policy that covers the planned special event. This policy must provide coverage of no less than \$500,000 combined single limit per occurrence. This insurance policy must include a rider for alcohol if it is to be sold, provided or consumed. Insurance requirements may be increased upon demand of the Twin Falls City Attorney, Twin Falls City Risk Manager and/or other local government entities with jurisdiction.

Each policy shall be written as a primary policy, not contributing to, or in excess of, any coverage which the City may carry. A certificate of Insurance naming the City of Twin Falls as additionally insured and as the certificate holder must be provided with this application. Failure to provide insurance coverage will immediately terminate special event application or approval.

Insurance Documents

Security

As an event organizer, you are required to provide a safe and secure environment for your event. This is accomplished through pre-planning and anticipation of problems or concerns related to event activities.

Most major events require the services of approved security (either paid professional security or a law enforcement agency). The Special Events Coordinator/Sergeant will evaluate each event application and determine the necessity of and type of security. Police Officers may be required depending on the scope of event.

The organizer may also be required to provide additional services (lost child booth, trained medical personnel, etc.) at the discretion of the Special Events Coordinator.

Restrictions and Signature

Please be aware of the following restrictions:

- Fires are allowed in fireplaces or grills only.
- Dogs must be on leash in parks, with the exception of Baxter Dog Park.
- Dogs are prohibited in the grassy park area of Dierkes Lake Park.
- Alcohol is prohibited at Dierkes Lake Park, Sunway Soccer Fields, First Federal Park & St Luke's Shelter, Oregon Trail Youth Complex, and Sawtooth Softball Fields. Water slides, inflatable water features and dunk tanks are prohibited.
- Hours for amplified music are Mon—Fri 11am-9pm, Sat 8am-9:30pm, Sunday 12:15pm-8pm.

The following are prohibited in parks and on trails:

- Glass containers
- Soliciting
- Loitering and Boisterousness
- Discharging of fireworks and explosives
- Possessing intoxicating beverages where prohibited or be under the influence in any public space
- Throwing objects other than in designated areas
- Climbing trees
- Damaging, cutting, removing, or attaching anything to any trees or plants
- Digging or disturbing grass or natural landscape
- Walking or standing on monuments, fountains, railings, fences, or other features not designed for such use
- Disfiguring or removing any buildings or park amenities
- Endangering the safety of others
- Preventing any person from using any park or its facilities
- Violating park curfew of 11pm
- Hunting, trapping, or pursuing wildlife
- Polluting waters of any kind in parks
- Dumping or depositing trash other than in proper receptacles

1. The prior named Applicant/Organization, in consideration of its use of Twin Falls Parks and Recreation facilities, agrees to release, indemnify and defend the City of Twin Falls, and its agents, employees and representative, from any and all claims, demands or lawsuits arising out of the Applicant's/Organization's use of said facilities.
2. Groups, individuals and applicants further agree that they have received the City's policies, rules and regulations governing use of said facility and agree to be bound by the same.
3. Effect Of A Permit: A Twin Falls park permittee shall be bound by all park rules and regulations and all applicable ordinances as fully as though the same were inserted in said permit. The person or persons to whom a permit is issued

shall be liable for any loss, damage or injuries sustained by any person or property by reason of the negligence of the person or persons to whom such permit shall have been issued. The director, or a duly authorized representative, shall have the authority to revoke a permit upon finding of violation of any rule or ordinance, or upon good cause. (Ord. 2735, 9-16-2002)

****Based on the details of your event, a parks use permit might be issued. By signing below, I agree that this permit may be revoked for reasons outlined above. I further agree that this permit will be revoked if it conflicts with any lawful order issued by a Federal, State, or local government agency, including orders issued in response to the COVID-19 pandemic.**

By signing this application, I certify that the information contained in the foregoing application is true and correct to the best of my knowledge. I understand that this application is made subject to the rules and regulations established by the Twin Falls City Council. I further agree to abide by these rules, and further certify that I, on behalf of the Host Organization, am authorized to commit that organization, and therefore agree to be financially responsible for any costs and fees that may be uncured by, or on behalf of, the Special Event to the City of Twin Falls.

Signature *

A handwritten signature in black ink that reads "Kylee Elmore". The signature is written in a cursive, flowing style. It is positioned within a light gray rectangular box.

Name *

Kylee Elmore

Date *

01/06/2026



Council Agenda Information

Review

Approval Process:

Consent of the City Council. This event does meet the requirements for a Special Event Permit as outlined in City Code 3-6-2

- (A) Is expected to draw five hundred (500) or more persons at any session as participants or spectators and is proposed to be held at a park;
- (B) Impacts city streets, sidewalks, parks and common areas, or city resources;
- (C) Unless otherwise permitted to do so, propose to sell or serve alcohol publicly; or
- (D) Intends to broadcast amplified sound or generate unusual noise.

Streets

Streets Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Streets *

Engineering

Engineering Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Engineering *

Planning and Zoning

Planning and Zoning Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Planning and Zoning *

Electrical



Electrical Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Electrical *

Police



Police Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Police *

Fire



Fire Recommends *

- ☐ Permit this application as is.
- ☒ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Fire *

Any tents or temporary structures that exceed 400 SF shall have a Tent Permit through the TFFD. Any food vendor shall have their valid 2026 purple fire inspection decal in plain view of the public.

Parks



Parks Recommends *

- ☒ Permit this application as is.
- ☐ Permit this application with the following conditions/comments.
- ☐ Reject this application for the following reasons.

Comments, requests and requirements from Parks *

Event Coordinator

Charges/Fees

Row	Description	Cost	Quantity
1	Application Fee	\$25.00	1

Total Due *

\$25.00

Special Event Departments *

Which departments should be asked to review this application?

- ☒ Streets
- ☒ Engineering
- ☒ Planning and Zoning
- ☒ Electrical
- ☒ Police
- ☒ Fire
- ☒ Parks

Reviewer Name *

Mable Shurtleff

Initial Questions

Will you be using a Park Facility (City Pool and Ballfields included), City Trail, or Downtown Commons/Main Street? *

- ☒ Yes
- ☐ No

Type of Event *

Please select all that apply

- ☐ Car Show
- ☐ Carnival/Fair
- ☐ Dance
- ☐ Concert/Performance
- ☒ Exhibits/Miscellaneous
- ☐ Festival
- ☐ Parade
- ☐ Picnic/Family Gathering
- ☐ Pool Reservation
- ☐ Run/Walk/Race
- ☐ Special Attraction
- ☐ Street Fair
- ☐ Tournament (Sport Field/Court)
- ☒ Other

Magic Valley Child Abuse Prevention Rally/ Mayoral proclamation

Estimated Number of Attendees *

50

50+ requires permission
250+ requires waste plan
500+ is a special event

Will there be amplified or unusual sound at your event? *

- ☒ Yes
- ☐ No

Will your event impact or require any street closure? *

- ☐ Yes
- ☒ No

Will alcohol be sold or served publicly at your event? *

- ☐ Yes
- ☒ No

Will there be tents, canopies, or other temporary structures? (includes inflatables) *

- ☐ Yes
- ☒ No

Will there be vendors selling goods or services at this event (including lessons or paid activities)? *

☐ Yes ☒ No

Will you be driving vehicles into the park or parking on the grass or in the park? *

☐ Yes ☒ No

Will your event require access to or use of the park after hours? (before 6am or after 11pm) *

☐ Yes ☒ No

Will you be camping overnight in any park facility? *

☐ Yes ☒ No

Will you be operating any type of motorized vehicle on any of the trail system? *

☐ Yes ☒ No

Will you be riding bicycles on any area of the park other than a paved road or trail designated for that purpose? *

☐ Yes ☒ No

Will bicycles or vehicles operate at a rate of speed exceeding fifteen (15) miles per hour? *

☐ Yes ☒ No

Will you have horses or other animals at the event? (other than dogs) *

☐ Yes ☒ No

Will there be hot air balloon(s)? *

☐ Yes ☒ No

Do you plan to scuba dive in designated swim area at Dierkes Lake? *

☐ Yes ☒ No

Will you need to park any vehicles or equipment 1 ½ ton capacity or more in any park parking lots? *

☐ Yes ☒ No

Will you require power? (There may an additional fee for power) *

☒ Yes ☐ No

Contact Information

Event Organizer

First Name *

Silvia

Last Name *

Renova-Gaxiola

Onsite Contact

First Name *

Silvia

Last Name *

Renova-Gaxiola

Event Information

Event Name *

Magic Valley Child Abuse Prevention Rally

Event Location (Park or Facility Requested)

Downtown Commons

Is this event indoors or outdoors? *

- ☐ Indoors
- ☒ Outdoors

Event Reoccurrence

- ☐ One Time Event
- ☐ Recurring over several weeks/months

Event Description *

A group of people will walk from the courthouse to the downtown commons area. In the commons area we will have community resources set up tables and we will have presenters including the mayor present a proclamation.

Canyon Rim City Park Downtown Commons Sunway Soccer Park
Shoshone Falls Dierkes Harmon Park Thomsen Park Oregon Trail

Download this provided template and add your layout. Upload your completed layout below.

Event Map *

Rally flyer with map 2026.docx	698.32KB
DowntownCommons map.pdf	1.12MB

Set-up Time Start *

04/02/2026 08:00:00 AM

Set-up Time End *

04/02/2026 06:00:00 PM

Event Time Start *

04/02/2026 04:00:00 PM

Event Time End *

04/02/2026 06:00:00 PM

Take Down Time Start *

04/02/2026 06:00:00 PM

Take Down Time End *

04/02/2026 06:30:00 PM

Important, PLEASE READ: Full payment of all fees, map of event layout and liability insurance (if applicable) must accompany this completed application in order to request a reservation. Complete reservation requests are processed in the order in which they are received with annual events (3 years or more) given first consideration.

Permits, Licenses and Agreements

Will goods, services, food, or beverages be sold? *

☐ Yes ☒ No

Will you have keg beer at your event? *

☐ Yes ☒ No

Will your event utilize signs, banners, flags, etc.? *

☐ Yes ☒ No

Definitions



*A "banner sign" is a temporary sign having characters, letters, or illustrations applied to plastic, cloth, canvas, or other similar material, with the only purpose of such nonrigid material being for background.

*A "sandwich board sign" is a temporary sign that is generally constructed in such a manner as to form an "A" like shape or is constructed with a base and single upward sign face, forming an upside down "T" but not permanently attached to the ground.

- Sandwich board signs are allowed within multi-tenant developments. Only 1 allowed per business.
- Sandwich board signs shall be located not more than ten feet (10') from the door of the business.

*A Community Event Sign announces a campaign, drive activity or celebration of a civic, political, public, philanthropic, religious or educational organization for noncommercial purposes. Community Event signs are allowed off premise but permission from the owner of the property where the sign will be located is required prior to issuance of a permit. Please provide a list of the locations of where any off premise signs will be located.

*May not be larger than 64 sq. ft. in size with a maximum height not to exceed 10 ft.

*An "inflatable sign" is a temporary ground mounted sign that is manufactured of plastic, cloth, canvas, or other light fabric, inflated with air and held upright, typically by mechanical means.

*The minimum setback from the road right of way shall be one and one-half (1-1/2) times the height of the sign.

Will your event generate any type of waste? *

☐ Yes ☒ No

Is this an ongoing or seasonal request? *

☐ Yes ☒ No

Will your event include pyrotechnics or fireworks? *

☐ Yes ☒ No

Notification

Event organizers are required to notify any nearby property owners who may be impacted by the holding of their special event. This notification must be made in writing and be given to said property owners no less than fourteen (14) days prior to the planned event. The special event permit will not be issued unless this requirement has been met. The written notice must include the following information:

- Date and time of special event
- Location of the event
- Additional areas affected by the event
- Type of event
- Planned road or parking lot closures
- Noise considerations (loud music, etc.)
- Estimated number of attendees

Notification Acknowledgement *

☒ I have read and understand this requirement

Insurance

It is the responsibility of the special event organizer(s) to secure and provide a **COMMERCIAL GENERAL LIABILITY** insurance policy that covers the planned special event. This policy must provide coverage of no less than \$500,000 combined single limit per occurrence. This insurance policy must include a rider for alcohol if it is to be sold, provided or consumed. Insurance requirements may be increased upon demand of the Twin Falls City Attorney, Twin Falls City Risk Manager and/or other local government entities with jurisdiction.

Each policy shall be written as a primary policy, not contributing to, or in excess of, any coverage which the City may carry. A certificate of Insurance naming the City of Twin Falls as additionally insured and as the certificate holder must be provided with this application. Failure to provide insurance coverage will immediately terminate special event application or approval.

Insurance Documents

Security

As an event organizer, you are required to provide a safe and secure environment for your event. This is accomplished through pre-planning and anticipation of problems or concerns related to event activities.

Most major events require the services of approved security (either paid professional security or a law enforcement agency). The Special Events Coordinator/Sergeant will evaluate each event application and determine the necessity of and type of security. Police Officers may be required depending on the scope of event.

The organizer may also be required to provide additional services (lost child booth, trained medical personnel, etc.) at the discretion of the Special Events Coordinator.

Restrictions and Signature

Please be aware of the following restrictions:

- Fires are allowed in fireplaces or grills only.

- Dogs must be on leash in parks, with the exception of Baxter Dog Park.
- Dogs are prohibited in the grassy park area of Dierkes Lake Park.
- Alcohol is prohibited at Dierkes Lake Park, Sunway Soccer Fields, First Federal Park & St Luke's Shelter, Oregon Trail Youth Complex, and Sawtooth Softball Fields. Water slides, inflatable water features and dunk tanks are prohibited.
- Hours for amplified music are Mon—Fri 11am-9pm, Sat 8am-9:30pm, Sunday 12:15pm-8pm.

The following are prohibited in parks and on trails:

- Glass containers
- Soliciting
- Loitering and Boisterousness
- Discharging of fireworks and explosives
- Possessing intoxicating beverages where prohibited or be under the influence in any public space
- Throwing objects other than in designated areas
- Climbing trees
- Damaging, cutting, removing, or attaching anything to any trees or plants
- Digging or disturbing grass or natural landscape
- Walking or standing on monuments, fountains, railings, fences, or other features not designed for such use
- Disfiguring or removing any buildings or park amenities
- Endangering the safety of others
- Preventing any person from using any park or its facilities
- Violating park curfew of 11pm
- Hunting, trapping, or pursuing wildlife
- Polluting waters of any kind in parks
- Dumping or depositing trash other than in proper receptacles

1. The prior named Applicant/Organization, in consideration of its use of Twin Falls Parks and Recreation facilities, agrees to release, indemnify and defend the City of Twin Falls, and its agents, employees and representative, from any and all claims, demands or lawsuits arising out of the Applicant's/Organization's use of said facilities.
2. Groups, individuals and applicants further agree that they have received the City's policies, rules and regulations governing use of said facility and agree to be bound by the same.
3. Effect Of A Permit: A Twin Falls park permittee shall be bound by all park rules and regulations and all applicable ordinances as fully as though the same were inserted in said permit. The person or persons to whom a permit is issued shall be liable for any loss, damage or injuries sustained by any person or property by reason of the negligence of the person or persons to whom such permit shall have been issued. The director, or a duly authorized representative, shall have the authority to revoke a permit upon finding of violation of any rule or ordinance, or upon good cause. (Ord. 2735, 9-16-2002)

****Based on the details of your event, a parks use permit might be issued. By signing below, I agree that this permit may be revoked for reasons outlined above. I further agree that this permit will be revoked if it conflicts with any lawful order issued by a Federal, State, or local government agency, including orders issued in response to the COVID-19 pandemic.**

By signing this application, I certify that the information contained in the foregoing application is true and correct to the best of my knowledge. I understand that this application is made subject to the rules and regulations established by the Twin Falls City Council. I further agree to abide by these rules, and further certify that I, on behalf of the Host Organization, am authorized to commit that organization, and therefore agree to be financially responsible for any costs and fees that may be uncured by, or on behalf of, the Special Event to the City of Twin Falls.

Signature*

Silvia Renova-Gaxiola

Name*

Silvia Renova-Gaxiola

Date*

01/22/2026



Date: Monday, March 16, 2026
To: Honorable Mayor and City Council
From: Jonathan Spendlove, Planning and Zoning Director

ACTION ITEM

Request:

Request to Appoint Alexis Gadsby and Reappoint Robyn Weatherford to the Planning and Zoning Commission

Time Estimate:

Five (5) minutes for Staff presentation; Three (3) minutes for Council questions and comments.

Background:

Approval Process:

Budget Impact:

N/A

Regulatory Impact:

History:

N/A

Analysis:

N/A

Conclusion:

Attachments:

None



Date: Monday, March 16, 2026
To: Honorable Mayor and City Council
From:

PRESENTATION

Request:

A presentation of the City of Twin Falls 2025 audit financial statements. The Presentation will be made by Scott Hunsaker of Mahlke Hunsaker & Company, PLLC.

Time Estimate:

Background:

Approval Process:

Budget Impact:

Regulatory Impact:

History:

Analysis:

Conclusion:

Attachments:

1. 2025 City of Twin Falls Financial Statements

CITY OF TWIN FALLS IDAHO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED: 2
SEPTEMBER 0
30 2
5



City of Twin Falls, Idaho



**Annual Comprehensive Financial Report
For the Fiscal Year
Ended September 30, 2025**

Prepared by the Finance Department

CITY OF TWIN FALLS, IDAHO

Financial Statements

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal	i-iv
Organizational Chart	v
Names of the City's Principal Officials	vi
GFOA's Distinguished Budget Presentation Award	vii
GFOA's Excellence in Financial Reporting Award	viii

FINANCIAL SECTION	1
--------------------------	---

INDEPENDENT AUDITORS' REPORT	2-4
-------------------------------------	-----

MANAGEMENTS DISCUSSION AND ANALYSIS	5-18
--	------

FINANCIAL STATEMENTS	19
-----------------------------	----

Government-Wide Financial Statements	20
---	----

Statement of Net Position	21-22
---------------------------	-------

Statement of Activities	23
-------------------------	----

Fund Financial Statements	24
----------------------------------	----

Government Funds:

Balance Sheet-Government Funds	25
--------------------------------	----

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	26
--	----

Statement of Revenues, Expenditures, and Changes in Fund Balance-Government Funds	27
---	----

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
---	----

Proprietary Funds:

Statement of Net Position-Proprietary Funds	29
---	----

Statement of Revenues, Expenses, and Changes in Fund Net Position-Proprietary Funds	30
---	----

Statement of Cash Flows-Proprietary Funds	31
---	----

Statement of Fiduciary Net Position	32
-------------------------------------	----

Statement of Changes in Fiduciary Net Position	33
--	----

Notes To Financial Statements	34-71
--------------------------------------	-------

REQUIRED SUPPLEMENTARY INFORMATION	72
---	----

Budgetary and Prior Year Comparison Schedule-General Fund	73
---	----

Budgetary and Prior Year Comparison Schedule-Street Fund	74
--	----

Budgetary and Prior Year Comparison Schedule-Airport Fund	75
---	----

Schedule of Employer's Share of Net Pension Liability	76
---	----

Schedule of Employer Contributions	77
------------------------------------	----

Notes to Required Supplementary Information	78
---	----

CITY OF TWIN FALLS, IDAHO

Financial Statements

Table of Contents

SUPPLEMENTARY INFORMATION	79
Combining and Budgetary Statements	
Combining Statements-Other Government Funds	80-81
Combining Statements-Proprietary Funds	82-84
Combining Statements-Internal Service Funds	85-87
Budgetary and Prior Year Comparison Schedule-Capital Improvement Fund	88
Budgetary and Prior Year Comparison Schedule-Airport Construction	89
Budgetary and Prior Year Comparison Schedule-Waterworks Fund	90
Budgetary and Prior Year Comparison Schedule-Wastewater Fund	91
Budgetary and Prior Year Comparison Schedule-Sanitation Fund	92
Budgetary and Prior Year Comparison Schedule-Nonmajor Funds	93-105
STATISTICAL SECTION	106
Statistical Section Overview	107
Schedule of Net Position - Schedule 1	108
Schedule of Changes in Net Position - Schedule 2	109-110
Program Labor Burden - Schedule 3	111
Fund Balances, Governmental Funds (a) - Schedule 4	112
Changes in Fund Balances, Governmental Funds (a) - Schedule 5	113
Assessed Value of Taxable Property - Schedule 6	114
Property Tax Levies - Schedule 7	114
Principal Property Tax Payers - Schedule 8	115
Ratios of Outstanding Debt by Type (a) - Schedule 9	115
Direct and Overlapping Governmental Activities Debt (a) - Schedule 10	116
Legal Debt Margin Information € - Schedule 11	116
Pledged Revenue Coverage - Schedule 12	117
Demographic and Economic Statistics - Schedule 13	118
City's Largest Employers - Schedule 14	119
Selected City Service Information - Schedule 15	120
Other Operating Information - Schedule 16	121
SINGLE AUDIT SECTION	122
Schedule of Expenditures of Federal Awards	123
Notes to Schedule of Expenditures of Federal Awards	124
Schedule of Findings and Questioned Costs	125
Independent Auditors' Report - <i>Government Auditing Standards</i>	126
Independent Auditors' Report - Uniform Guidance	127-128

INTRODUCTORY SECTION



P.O. Box 1907

203 Main Ave. E

Twin Falls, Idaho 83303-1907

Fax: (208) 736-2296

February 26, 2026

Mayor Jason Brown, City Council,
and Citizens of the City of Twin Falls, Idaho

The Finance Department is pleased to submit the Annual Comprehensive Financial Report of the City of Twin Falls, Idaho (the City) for the fiscal year ended September 30, 2025. The report has been subject to an independent audit.

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

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

CITY PROFILE

The City of Twin Falls is located in south-central Idaho along the scenic Snake River canyon. With a population of approximately 56,849 residents, Twin Falls is the eighth largest city in Idaho and encompasses 18.16 square miles. It is in Twin Falls County, which covers approximately 1,928 square miles of mostly irrigated agriculture land and has a total population of 97,864. Twin Falls is located 135 miles east of Boise and 218 miles north of Salt Lake City. Twin Falls is the urban center of the Magic Valley, which consists of Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls, and Elko (Nevada) counties. The City serves as the retail, educational, medical and employment center for this nine-county area that has a total population of nearly 275,000. As a result, the daytime population in Twin Falls swells to over 110,000 people each day.

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

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

The City provides the following services to its citizens:

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

REPORTING ENTITY

This report includes all funds of the City including those organizations required to be included because the City is financially accountable for them.

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

ECONOMIC CONDITIONS AND OUTLOOK

A. Recent economic performance

The City of Twin Falls monitors economic conditions at the international, national, state, and local levels to support budget development and long-term financial planning. Economic conditions entering Fiscal Year 2025–2026 reflect a period of stabilization following several years characterized by elevated inflation, supply chain disruptions, and labor shortages. Although inflationary pressures have moderated, cost increases continue to affect municipal operations and service delivery, requiring ongoing fiscal discipline.

At the national level, the U.S. economy has demonstrated moderate growth with relatively stable employment conditions and continued activity in the housing market. U.S. home prices increased approximately 4.0% between the first quarter of 2024 and the first quarter of 2025. Inflation, as measured by the Consumer Price Index (CPI), moderated to approximately 2.35% year-over-year as of March 2025. While these indicators reflect improving conditions, borrowing costs and broader economic uncertainty continue to influence consumer and business decision-making.

Idaho's economy reflects similar trends, with continued employment strength accompanied by signs of slower growth. Statewide unemployment remained low at approximately 3.4% in May 2025. Employers continue to report challenges related to workforce availability and retention. Housing affordability remains a consideration as home values continue to exceed national averages, and state revenue collections have trended below legislative targets, reinforcing the need for prudent fiscal management.

At the local level, Twin Falls continues to demonstrate stable economic performance. The City's unemployment rate remained approximately 3.4%, reflecting a strong labor market. Construction activity remained steady, with single-family permit activity near pre-pandemic levels and commercial permitting activity showing continued recovery. Local economic conditions continue to be influenced by national factors including labor availability, interest rates, and construction costs.

The Municipal Cost Index (MCI), which measures inflationary pressures specific to local governments, continues to indicate ongoing cost increases affecting municipal service delivery. Between March 2024 and March 2025, the MCI increased approximately 1.9%, and has risen more than 20% over the past four years. These trends continue to inform budget assumptions and long-term financial planning.

B. Outlook and Long-Term Planning

Twin Falls continues to serve as the economic and employment center of the Magic Valley and remains positioned for continued growth. Growth trends create sustained demand for infrastructure investment, service expansion, and workforce capacity.

The City's long-term outlook remains stable; however, several factors continue to influence planning and resource allocation. Rising municipal costs, workforce constraints, housing affordability pressures, and increasing service expectations require careful prioritization of resources. The City continues to emphasize fiscal sustainability through conservative revenue forecasting, disciplined expenditure management, and responsible use of reserves, consistent with the City's 2030 Strategic Plan.

Financial decisions are evaluated within the context of multi-year financial planning to help ensure long-term sustainability and maintain service levels over time. The City maintains fund balance levels consistent with adopted financial policies to provide operational stability and flexibility during economic fluctuations.

Labor market conditions remain an important planning consideration. Low unemployment levels contribute to continued competition for qualified employees. The City continues to evaluate compensation structures, professional development opportunities, and organizational practices to support workforce recruitment and retention. Succession planning remains a focus to help ensure continuity of operations and institutional knowledge.

Housing affordability also remains a factor influencing long-term planning. Home values in Twin Falls have increased significantly since 2020, creating affordability challenges for residents and workforce recruitment. The City continues to address these issues through planning initiatives supporting infrastructure investment, permitting efficiencies, and diversified housing options.

The City continues implementation of Priority Based Budgeting as a framework for aligning financial decisions with community priorities and performance outcomes. This approach supports transparency, strengthens accountability, and assists in directing resources toward programs and services that provide measurable community benefit.

City management continues to monitor economic conditions throughout the fiscal year and adjust financial strategies as necessary to maintain long-term fiscal stability and consistent service delivery.

C. Major initiatives

Through the annual budget process, the City continues to prioritize investments supporting infrastructure, workforce stability, and long-term financial sustainability. These initiatives are discussed in further detail within the Management Discussion and Analysis section and the City's adopted budget document available on the City's website (tfd.org).

Infrastructure initiatives include continued investment in wastewater and transportation systems, as well as public safety facilities and related improvements. These investments are intended to support growth, maintain service reliability, and address long-term capital needs.

Workforce initiatives include compensation adjustments, professional development opportunities, and retention strategies intended to maintain competitiveness in a constrained labor market. The City also continues transition efforts related to self-funded health insurance, which is expected to support long-term cost management.

Additional initiatives include continued refinement of Priority Based Budgeting, enhancement of performance measurement practices, and evaluation of operational efficiencies. The City remains focused on balancing service demands with available resources while maintaining adequate reserve levels to support long-term financial stability.

Overall, the City of Twin Falls enters Fiscal Year 2025–2026 with a stable financial position, established fiscal policies, and continued focus on maintaining service levels while adapting to evolving economic conditions.

FINANCIAL INFORMATION

A. Accounting system

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

B. Budgetary Control

The City separates its activities and responsibilities into separate accounting entities called "Funds". Each fund is a self-balancing set of accounts, recording cash and other financial resources, related liabilities, residual equities or fund balances, and annual changes in each. The City Manager recommends a budget for all governmental funds, and the City Council serves as the "Budget Committee" in appropriating the recommended expenditures for each fund. Public notice is given for all budget meetings. Citizens are involved in the budget process through forums and public hearings. The City Council is required, by Idaho State law, to adopt a budget prior to September 30, the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control.

The Council, with the help of City staff, monitors the budget during the fiscal year to address any changing financial needs and conditions. No fund can overspend its budget without the approval of the City Council.

The Government Finance Officers Association of the United States and Canada (GFOA) is a non-profit professional association serving approximately 30,000 government finance professionals. The GFOA has awarded a Distinguished Budget Presentation Award to the City for the way it presented its budget for the fiscal year ending September 30, 2024, and for the ten previous years. To receive the award, the City must publish an easily readable and efficiently organized budget report, whose contents conform to program standards. The Award is valid for a period of one year only. Our current budget report continues to conform to professional requirements and the GFOA's best practices.

C. Financial Reporting and Policies

The GFOA also awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Twin Falls for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the tenth consecutive year that the City government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

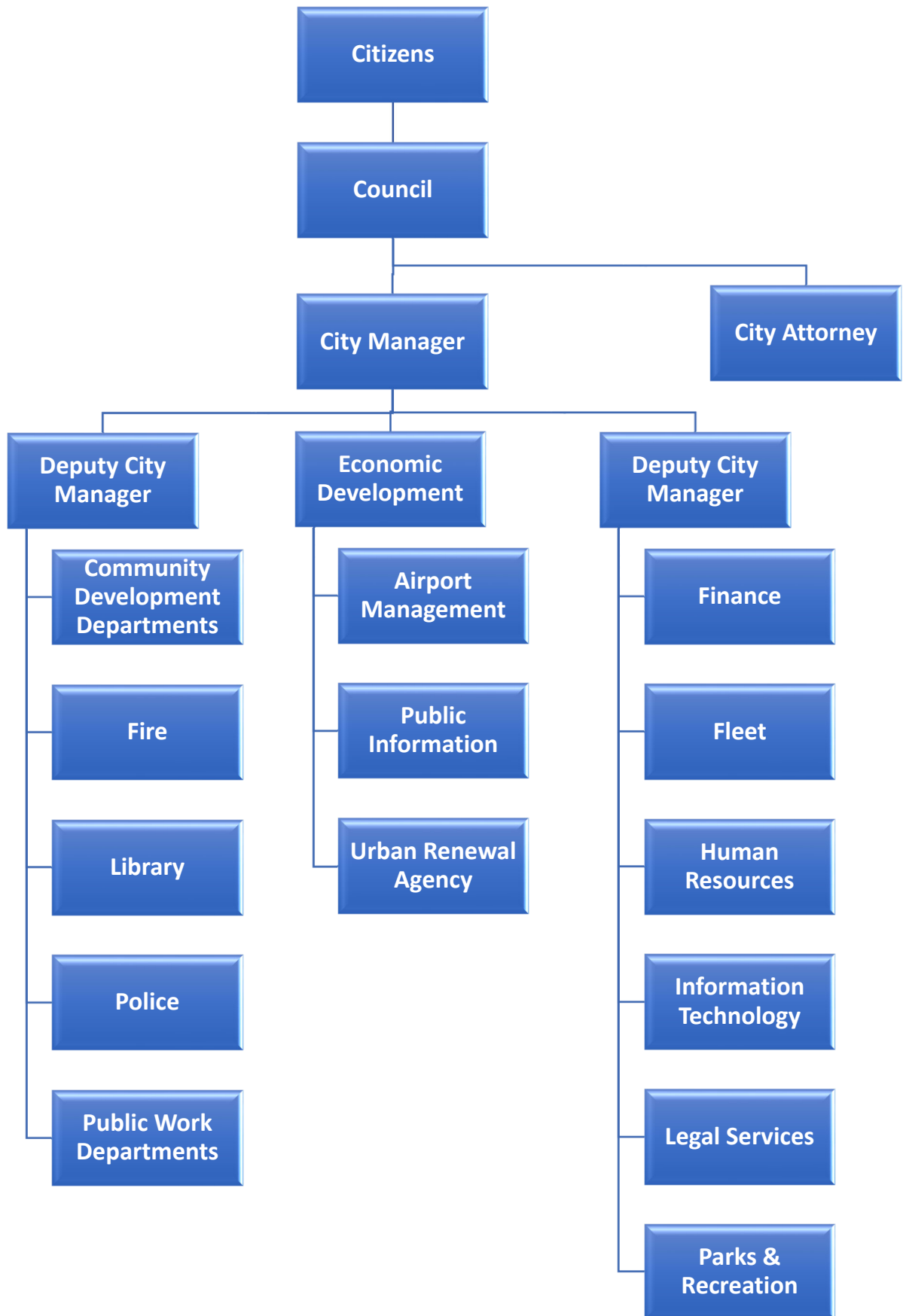
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Breanna Howard", with a stylized flourish at the end.

Breanna Howard
Finance Director



City of Twin Falls, Idaho
Names of the Principal City Officials As of
February 2026

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Twin Falls
Idaho**

For the Fiscal Year Beginning

October 01, 2024

Christopher P. Morrell

Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Twin Falls
Idaho**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION



Mahlke Hunsaker & Company PLLC

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

INDEPENDENT AUDITORS' REPORT

City Council
City of Twin Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Twin Falls, Idaho's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Twin Falls, Idaho and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary and prior year comparison schedules, schedule of employer's share of net pension liability, and schedule of employer contributions listed as required supplementary information in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Twin Falls, Idaho's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2026, on our consideration of the City of Twin Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Twin Falls, Idaho's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & CO., PLLC
Twin Falls, Idaho
February 23, 2026



City of Twin Falls, Idaho

Management's Discussion and Analysis

We, as management of the City of Twin Falls, offer this narrative overview and analysis of the financial activities of the City of Twin Falls for the fiscal year ended September 30, 2025, to accompany the City's financial statements for the same period. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements. Numbers have been rounded.

Financial Highlight

On a government wide basis, the City's net unrestricted position experienced an increase of \$11,100,000. That net total comprises an increase of \$9,000,000 originating from governmental activities and an increase of \$2,100,000 from business-type activities (primarily water, wastewater, and sanitation). Business-type activities result in heavy requirements for capital needs and infrastructure; these needs are met with current revenues, out of reserves, or borrowing. Healthy performing business-type activities are necessary for future growth and development, and to fund current debt obligations.

Overview of the Financial Statements

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

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

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

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

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

The government-wide financial statements can be found on pages 21-23 of this report.

Fund Financial Statements. A fund represents a grouping of related accounts that individuals use to maintain control over resources that they have segregated for specific activities or objectives. The City of Twin Falls, like other state and local governments, uses fund accounting to ensure and illustrate compliance with finance-related legal requirements. The City of Twin Falls divides all its funds into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City of Twin Falls maintains fourteen individual governmental funds. The City of Twin Falls presents information separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, street fund, airport fund, capital improvement fund, and airport construction fund. These funds are major funds. We aggregate data from nine other smaller funds into a single presentation. Individual fund data for each of these nonmajor governmental funds is provided as combining statements in the combining and individual fund statements and schedules section of this report.

You can find the basic governmental fund financial statements on pages 25-27 of this report.

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

The proprietary fund financial statements for the three major funds can be found on pages 29-31 of this report.

The third type of fund used in fund accounting is *fiduciary funds*. Fiduciary fund resources are legally restricted and cannot be accessed or used by the City to support its own operations or programs. Due to the restricted access of this fund type, the government does not report fiduciary funds in the government-wide financial statements. The accounting for fiduciary funds closely resembles that of proprietary funds. The City's Health Plan Trust Fiduciary Fund holds resources that are restricted for providing employee health benefits. Under GASB 84, this fund meets the definition of a fiduciary activity because the City administers the plan under a formal trust arrangement and manages the assets solely for the benefit of plan participants.

The fiduciary fund financial statements can be found on pages 32-33 of this report.

Notes to the Financial Statements. The *Notes to the Financial Statements* provide additional information that is necessary to gain a full understanding of the data provided in the government-wide and fund financial statements. You can find the notes to the financial statements on pages 35-71 of this report.

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

Financial Analysis of the City as a Whole

Analysis of Condensed Statement of Net Position

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

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

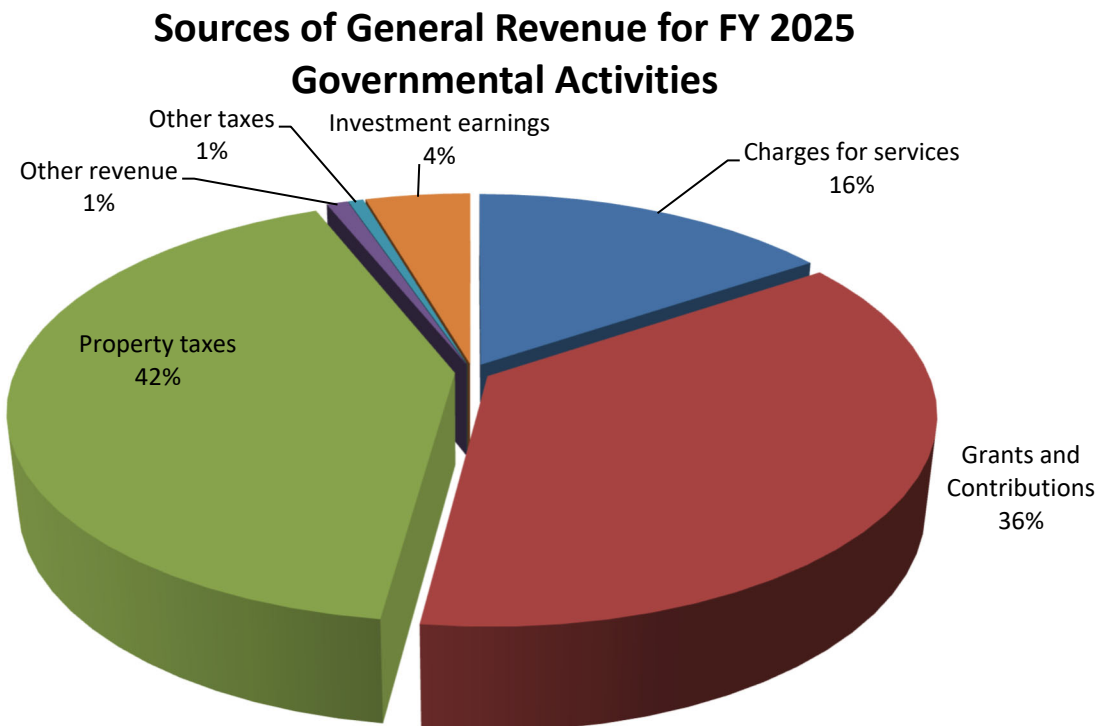
Fortunately, the City has operated incurring no general obligation bonds. The City has, however, entered into three leases, including two for fire apparatus and one for construction of a fire station. The fire station lease takes the form of certificates of participation. Those leases are being presented as financing debt with balances of \$300,000, \$750,000, and \$7,625,000 respectively. Compensated absences are the only other long-term debt currently in the governmental activities. They constitute an obligation of the City in the amount of \$2,200,000. That obligation represents unused vacation pay employees have earned and not used, as well as overtime hours for which the employee has chosen to defer payment to a future period. Upon retirement or resignation, the company compensates employees for any remaining balance. As the City has grown, the number of employees has increased. That and compensation increases have caused a natural increase in the balance of compensated absences being reported as a liability. However, as long-standing employees retire, with the City paying out their disproportionately higher balances mitigates the increase a little. Employees are constantly using and replenishing their compensated absence balances. Most balances will be used in the upcoming year and have been reflected as a current liability, even though those balances will be replenished with new replacement hours.

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

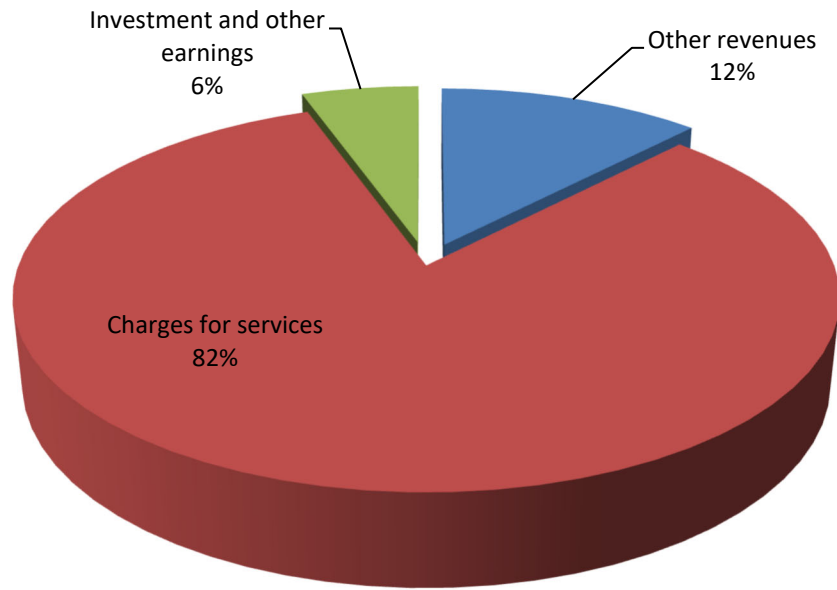
In its mission to provide citizens of the City with the services and protections they require, the City maintains a substantial investment in streets, water systems, waste treatment and disposal structures, offices, a pool of vehicles, and general and heavy equipment. All those capital assets have a definitive useful life and are subject to depreciation, or a decrease in value. One way to quantify the average capital replacement needs of the City is through this depreciation. During the current year, depreciation was estimated to be \$12,000,000 for the government funds and \$6,100,000 for the business-type activities. Using the City's current depreciation amounts, the City would need to average \$18,100,000 in capital acquisitions each year to maintain its present level of services. The City will continue to maintain a balance with its budgeting efforts to assure that this investment in capital assets is appropriately maintained at a level which will allow the City to provide needed services and still assure that those needs are met affordably. More detailed information on capital assets can be found in the notes to the financial statements under the caption "Capital Assets".

The table below presents the City's Condensed Statement of Net Position as of September 30, 2024, and 2025, which is derived from the government-wide Statement of Net Position. The assets of the City exceeded its liabilities (net position) at the close of the year by \$221,500,000 for governmental activities and by \$168,700,000 for business-type activities, for a combined total of \$390,200,000 for the primary government. Governmental Activities net position increased by \$11,800,000 from 2024 to 2025, while the net position for business-type activities increased by \$15,000,000 during the same period. The three components of net position include net investment in capital assets, restricted, and unrestricted. The largest component of net position, totaling \$280,000,000 at the 2025 year-end, is the investment in capital assets, which includes all the sewer and water lines and roads of the City. The City uses these capital assets to provide services to the citizens and businesses in the City; these net assets are not available for future spending. Restricted assets totaling \$14,300,000 represent resources that are subject to external restrictions and other provisions on how they can be used. These restricted assets are in the general fund and represent amounts collected by the City and are custodial and dedicated for specific purposes. The remaining balance of \$95,900,000 is unrestricted and available to meet the ongoing obligations of the City to its citizens and creditors.

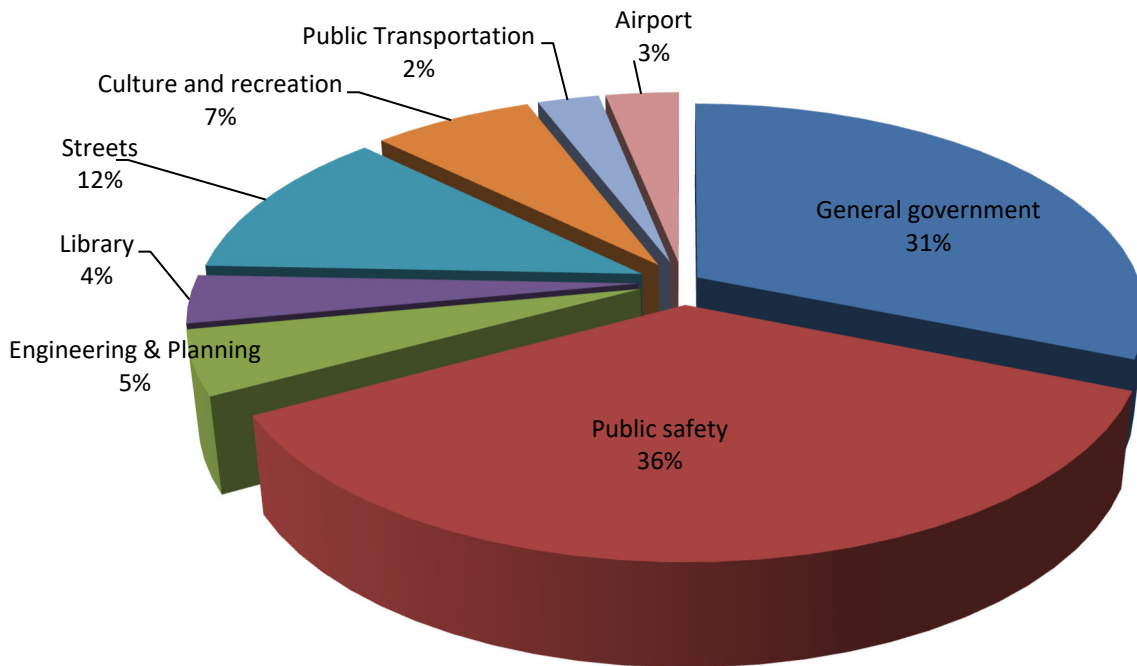
	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2025	2024	2025	2024	2025
Current and other assets	\$ 90,858,070	\$ 91,083,129	\$ 53,218,409	\$ 53,144,544	\$ 144,076,479	\$ 144,227,673
Capital assets	160,234,549	163,283,777	139,177,272	149,394,303	299,411,821	312,678,080
Total assets	251,092,619	254,366,906	192,395,681	202,538,847	443,488,300	456,905,753
Deferred Outflow of Resources	4,913,903	3,341,577	379,963	334,525	5,293,866	3,676,102
Current and other liabilities	(15,827,397)	(8,471,213)	(12,510,034)	(10,317,686)	(28,337,431)	(18,788,899)
Long Term Liabilities	(30,411,860)	(21,902,619)	(26,514,042)	(23,251,717)	(56,925,902)	(45,154,336)
Total liabilities	(46,239,257)	(30,373,832)	(39,024,076)	(33,569,403)	(85,263,333)	(63,943,235)
Deferred Inflow of Resources	(37,916)	(5,802,834)	(3,401)		(41,317)	(5,802,834)
Net position:						
Investment in capital assets	152,296,140	155,168,359	112,051,441	124,928,886	264,347,581	280,097,245
Restricted	14,360,162	14,310,480	-	-	14,360,162	14,310,480
Unrestricted	43,073,048	52,052,979	41,696,726	43,817,978	84,769,774	95,870,957
Total net position	\$ 209,729,350	\$ 221,531,818	\$ 153,748,167	\$ 168,746,864	\$ 363,477,517	\$ 390,278,682



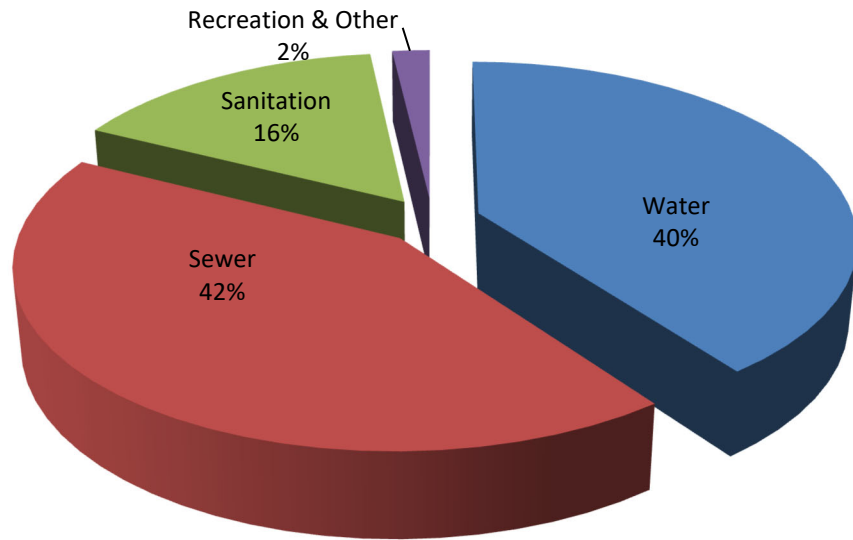
Sources of Revenue for FY 2025 Business-type Activities



Program Expenses for FY 2025 Governmental Activities



Program Expenses for FY 2025 Business-type Activities



Analysis of Condensed Statement of Activities

The following table presents the City's condensed statement of activities for the fiscal year 2023-24 and fiscal year 2024-25. It is derived from the government-wide Statement of Activities. Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating.

Condensed Statement of Activities
For the Fiscal Year Ended September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2024	2025	2024	2025	2023	2025
Program revenues						
Charges for services	\$ 10,305,224	\$ 11,671,013	\$ 28,151,119	\$ 32,346,439	\$ 38,456,343	\$ 44,017,452
Grants and contributions						
Operating	14,348,386	14,604,839	91,220	34,168	14,439,606	14,639,007
Capital	4,340,798	12,691,507	-	-	4,340,798	12,691,507
Total program revenue	28,994,408	38,967,359	28,242,339	32,380,607	57,236,747	71,347,966
General revenues and payments						
Property taxes	29,603,952	31,244,196	-	-	29,603,952	31,244,196
Other taxes	506,717	491,843	-	-	506,717	491,843
Investment earnings (Loss)	5,514,284	3,389,966	3,692,344	2,150,793	9,206,628	5,540,759
Other revenues	1,185,332	687,183	683,046	4,784,897	1,868,378	5,472,080
Total general revenues and payments	36,810,285	35,813,188	4,375,390	6,935,690	41,185,675	42,748,878
Total general revenues and payments	65,804,693	74,780,547	32,617,729	39,316,297	98,422,422	114,096,844
Program expenses						
General government	21,461,532	19,447,400	-	-	21,461,532	19,447,400
Public safety	23,027,124	22,404,436	-	-	23,027,124	22,404,436
Streets, Engineering, P&Z	8,971,745	10,326,670	-	-	8,971,745	10,326,670
Culture and recreation	6,153,610	6,600,358	-	-	6,153,610	6,600,358
Public Transportation	-	1,649,777	-	-	-	1,649,777
Airport	3,575,164	1,961,209	-	-	3,575,164	1,961,209
Water	-	-	9,470,549	9,924,038	9,470,549	9,924,038
Sewer	-	-	11,915,748	10,599,561	11,915,748	10,599,561
Sanitation	-	-	3,756,939	3,919,933	3,756,939	3,919,933
Recreation enterprises	-	-	279,702	387,954	279,702	387,954
Other	-	-	62,959	74,343	62,959	74,343
Total program expenses	63,189,175	62,389,850	25,485,897	24,905,829	88,675,072	87,295,679
Excess (deficiency) before gain (loss) and transfers	2,615,518	12,390,697	7,131,832	14,410,468	9,747,350	26,801,165
Transfers	2,325,991	(588,229)	(2,325,991)	588,229	-	-
Asset Sales & Contributions	-	-	-	-	-	-
Change in net position	4,941,509	11,802,468	4,805,841	14,998,697	9,747,350	26,801,165
Beginning net position	204,787,841	209,729,350	148,942,326	153,748,167	353,730,167	363,477,517
Ending net position	\$ 209,729,350	\$ 221,531,818	\$ 153,748,167	\$ 168,746,864	\$ 363,477,517	\$ 390,278,682

Governmental Revenues

The City is heavily reliant on property taxes to support governmental operations, with that support currently at 42% of funding. Other sources of general revenues are mainly grants and contributions (36%) charges for services (16%) and investment earnings (4%). Other sources of revenue, around 2%, include other taxes and revenues.

Program Expenses and Revenue for Governmental Activities

The following table presents the net costs for governmental activities. Two programs have had significant changes over the past year, one of these being the new transportation program, and the other being the streets department. The transportation program is a new program within the City of Twin Falls due to the City reaching a population size that legally requires a transportation system. The Public Transportation program only generated 15% of revenue compared to its expenditure in 2025.

Major state grants played a major role in swinging net program costs of the streets department. The net streets department costs went from a net surplus of \$2,700,000 in 2024 to a net surplus of \$8,200,000 in the current year. The streets department received a state grant of about \$8,000,000 in the current year for the purpose of remodeling a major roadway within the City of Twin Falls.

Net Cost of Governmental Activities

For the Fiscal Year Ended September 30

Functions/Programs	Program Expenses 2025	Less Program Revenues 2025	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2025	2024	2025	2024
General government	\$ 19,447,400	\$ 14,365,029	\$ 5,082,371	\$ 9,022,941	73.9%	58.0%
Fire	6,544,545	716,810	5,827,735	6,640,779	11.0%	8.9%
Police	15,859,891	1,155,600	14,704,291	14,559,057	7.3%	7.5%
Engineering & planning	3,053,697	2,486,456	567,241	1,270,695	81.4%	59.1%
Library	2,297,223	69,489	2,227,734	2,441,767	3.0%	2.6%
Culture & recreation	4,303,135	1,225,557	3,077,578	2,408,219	28.5%	34.0%
Public Transportation	1,649,777	246,684	1,403,093	-	15.0%	0.0%
Highways & streets	7,272,973	15,521,284	(8,248,311)	(2,746,616)	213.4%	146.8%
Airport	1,961,209	3,180,450	(1,219,241)	597,925	162.2%	83.3%
Totals	\$ 62,389,850	\$ 38,967,359	\$ 23,422,491	\$ 34,194,767	62.5%	56.9%

Program Expenses and Revenue for Business-type Activities

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

Overall, the net program costs for City water and sanitation services remained relatively unchanged. However, the program revenues related to wastewater have significantly increased during the year. This increase in revenues is due to a large expansion by Chobani to their manufacturing plant. They have paid large development fees to cover the cost for increased sewer usage. An overview of the Enterprise funds follows:

Net Income (Costs) of Business-type Activities

For the Fiscal Year Ended September 30

Functions/Programs	Program Revenues 2025	Less Program Expenses 2025	Net Program Income (Costs)		Program Expenses as a Percentage of Program Revenues	
			2025	2024	2025	2024
Water	\$ 13,450,894	\$ 9,924,038	\$ 3,526,856	\$ 3,427,793	73.8%	73.4%
Sewer	14,183,749	10,599,561	3,584,188	(1,252,088)	74.7%	111.7%
Sanitation	4,127,921	3,919,933	207,988	310,409	95.0%	92.4%
Dierkes Lk/Shoshone Falls	547,844	387,954	159,890	257,475	70.8%	52.1%
Common Area Maintenance	70,199	74,343	(4,144)	12,853	105.9%	83.0%
Totals	\$ 32,380,607	\$ 24,905,829	\$ 7,474,778	\$ 5,917,957	76.9%	80.2%

Fund Analysis

Governmental Funds

The focus of the City of Twin Falls' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Twin Falls' financing requirements. Fund balances that are not restricted or committed may serve as a useful measure of a government's net resources available for discretionary use, as they represent the portion of fund balance, which has not yet been limited. On September 30, 2025, the City of Twin Falls' governmental funds reported combined fund balances of \$71,300,000, with \$55,400,000 representing the portion that was not restricted or committed. That is an increase in the balance that is not restricted or committed of \$9,900,000 in comparison with the prior year.

General Fund

The general fund is the chief operating fund of the City. The City's general fund reported an ending fund balance of \$12,200,000 on September 30, 2025, with most of that fund balance being available. That balance compares to an ending fund balance of \$12,500,000 on September 30, 2024. The General fund experienced relatively small variances from its budget. One exception was the increase in licenses and permits revenue. The City experienced an unexpected strong growth in permits. Due to high efforts in recruitment, the City is experiencing more stable levels of employment leading to a closer match between budgeted salaries and actual expenditures.

The City of Twin Falls has a policy of maintaining a reserve balance in the General Fund of 25% of the annual budgeted base revenues to provide reasonable assurance that the City will pay all general obligations and meet unforeseen emergencies. At the end of each fiscal year, after completing the annual audit, the City will transfer the amount above that 25%, reduced by any deficit fund balances in other City Funds, to the City's Capital Improvement Fund. The transferred amount will be available for one-time projects recommended by the City Manager and approved by City Council. That transfer in the current year under the policy contributed to the reduction in the General Fund balance in the amount of \$1,980,000.

The amended budget increased expenditures by \$1,000,000 because the organization had to record the initial funding contribution required to apply/launch the new self-insurance plan, a cost that was not included in the original budget. This was an unforeseen cost necessary to be paid out in the current year—it was the foundational capitalization needed to establish the plan.

Street Fund

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

The Street Fund's fund balance increased from \$15,200,000 to \$17,500,000. Street re-surfacing can be large overlay projects that require millions of dollars and last for several years. The City endeavors to plan the timing of these projects so that the funds are available within the fund balance when needed. The fund balance at the end of any year also includes long-term construction projects that are at various stages of completion.

Over the years, the City has developed a street maintenance program by dividing the City up into eight geographical areas and rotating a maintenance program to each area over an eight-year time frame. That has allowed the City to budget more consistently for maintenance expenditures and has increased efficiency.

Airport and Airport Construction Funds

The City has identified the Airport and Airport Construction Funds as major funds. The Airport Fund saw a consistent fund balance between the prior fiscal year and this fiscal year. However, the Airport Construction Fund experienced an increase in fund balance by \$1,200,000 from last fiscal year to this fiscal year. This change is due to federal grant reimbursements for previous expenditures. The City has a joint operation agreement with Twin Falls County for the Airport operations. Both contribute 50% of the funding that is needed beyond other sources of operational revenue.

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

Major renovations over several years have been done to the airport facility to bring it into compliance with the Transportation Security Administration (TSA) security guidelines and a major restructuring of the runways. AIP grants have brought major grant revenues. In the prior year, grant revenue for the Airport Fund and the Airport Construction fund totaled \$1,500,000. This year's grant revenue for the two funds totaled \$1,700,000, both of which are in line with historical averages.

Capital Improvement Fund

The final major fund of the City's is the Capital Improvement Fund. Its purpose is to account for all capital improvements in the General Fund. This year the Capital Improvement fund once again included the construction activity on two new fire stations and a fire training facility. The new fire stations were completed during 2024 and the fire training facility finished completion in 2025. Overall, \$21,500,000 was used to construct these facilities. These are discussed below.

As stated above, the City has a policy that requires the General Fund balance to be evaluated each year. Any excess over 25% of the annual budgeted revenues are to be transferred to the Capital Improvement Fund, where it will be available for one-time projects. This year, \$1,980,000 was transferred under the policy.

Proprietary Funds

The City's proprietary funds reported combined ending net positions of \$168,800,000 on September 30, 2025, with most of that invested in capital assets, net of debt (\$125,000,000). \$43,800,000 is reported as unrestricted for all Proprietary Funds at year's end.

The Funds met their scheduled debt payments and reduced continuing bonds in the Wastewater Funds by \$2,520,000. The two outstanding bonds will be paid off in two, and eight years. The City's existing water storage tanks have reached the end of their useful life and require timely replacement. To address this critical infrastructure need, the City is evaluating the feasibility of issuing a water revenue bond as a potential funding mechanism.

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

Waterworks Fund

The Water Fund's fund balance (other than the investment in Capital Assets) increased by less than \$50,000. Capital assets increased by \$8,600,000. The water fund has a healthy unrestricted net position, \$16,800,000, but the City has an aging water system that will require use of reserves as projects are determined necessary and feasible. The City has been working with outside partners to determine the priority of projects needed and develop a plan for updating our water system in areas that are deficient. Included in that plan is a need for a new water tank, costing around \$13,000,000.

Wastewater Fund

Treated wastewater gallons remained virtually unchanged from 3,115 (million gallons) for the fiscal year ended September 30, 2024, to 3,189 in the current year. Over the same period, solids treated (in thousands of pounds) stayed stagnant from 5,904 to 5,929. In the previous year, some industrial customers exceeded their discharge permits and incurred penalties. City staff work with these companies to achieve permanent solutions to their excess discharges. One such company made major upgrades to their pre-treatment plant resulting in a decrease in penalties.

The City of Twin Falls has an agreement with a neighboring City, Kimberly, to process the wastewater of Kimberly on much the same terms as it does industrial users. In the current year, Chobani paid \$1,900,000 to expand its authorized sewer capacity. This represents a significant infrastructure contribution that directly supports the City's ability to manage increased wastewater flows associated with the company's major facility expansion. From the City's perspective, this investment is an essential component of maintaining a reliable, compliant, and sustainable wastewater system as one of the community's largest industrial users grows its operational footprint. That amount is included in the Fund financial statements for the Wastewater fund and significantly increases Non-Operating Revenues for the year.

The unrestricted portion of the Wastewater fund balance increased by \$2,400,000.

Sanitation Fund

The last major proprietary fund is the Sanitation Fund. The City contracts for sanitation services with a private third party. The City provides the administrative duties of subscribing and ending services, as well as billing, collections, and related landfill fees with the plan to cover costs with fees. This year the fund decreased by \$280,000. The Fund has an Unrestricted balance of \$560,000. The fund has no debt and no need for an investment in capital assets. In order to decrease that balance, a hold was placed on rate increases for the current year. The City will probably adopt a similar stance until the reserves of the fund are reduced-further yet keeping enough of a fund balance to keep the fund viable.

Included in the Sanitation Fund activities is the City's recycling program. Based on input from the community to support continued recycling and careful consideration of the balance between being good stewards and the economic costs of doing so – the City Council determined to continue the program but limit the definition of acceptable recycling items to aluminum, cardboard and tin (ACT). However, due to a major recycling plant closing, the cost of recycling has significantly increased. At this time, the City is considering the sustainability of the program.

Economic Factors

The City of Twin Falls monitors economic conditions at the international, national, state, and local levels to support budget development and long-term financial planning. Economic conditions entering Fiscal Year 2025–2026 reflect a period of stabilization following several years characterized by elevated inflation, supply chain disruptions, and labor shortages. Although inflationary pressures have moderated, cost increases continue to affect municipal operations and service delivery, requiring ongoing fiscal discipline.

At the national level, the U.S. economy has demonstrated moderate growth with relatively stable employment conditions and continued activity in the housing market. U.S. home prices increased approximately 4.0% between the first quarter of 2024 and the first quarter of 2025. Inflation, as measured by the Consumer Price Index (CPI), moderated to approximately 2.35% year-over-year as of March 2025. While these indicators reflect improving conditions, borrowing costs and broader economic uncertainty continue to influence consumer and business decision-making.

The Municipal Cost Index (MCI), which measures inflationary pressures specific to local governments, continues to indicate ongoing cost increases affecting municipal service delivery. Between March 2024 and March 2025, the MCI increased approximately 1.9% and has risen more than 20% over the past four years. These trends continue to inform budget assumptions and long-term financial planning.

Twin Falls has started to see a leveling out of demand in terms of single-family building permits issued. There were 255 single family permits issued through September 2025; this shows consistency year over year for the first time since 2020. This similar number represents a good benchmark on how the economy is currently affecting the City. This illustrates that the need for additional housing is staying relatively consistent. Single family building permits issued by the City for the past six years are:

Fiscal Year Ending	Permits Issued
2020	573
2021	486
2022	154
2023	106
2024	287
2025	255

Commercial construction activity rebounded sharply in FY 2025, marking a significant turnaround from the prior year’s historic low. The City issued 44 new commercial building permits, more than doubling last year’s total of 19. These permits represent \$111,700,000 in newly permitted value, signaling renewed confidence from developers and sustained investment in the local economy.

The average permit value of approximately \$2,500,000 remains consistent with prior years, indicating that while the volume of projects increased substantially, the scale and type of commercial development occurring in the City has remained stable. This combination of higher activity levels and steady project size suggests a broad-based recovery rather than a spike driven by a few large projects.

Unemployment conditions in both the nation and the region continued to normalize in FY 2025, reflecting a labor market that remains historically tight. National unemployment settled at 4.4% as of September 2025, a level consistent with pre-pandemic trends and indicative of broader economic stabilization. Idaho’s labor market remains even stronger, with statewide unemployment at 3.7%.

Within this context, the City of Twin Falls posted an unemployment rate of 3.2% at fiscal year-end, outperforming both state and national averages. Such persistently low unemployment underscores the ongoing challenge faced by employers across the state: a limited labor pool and continued competition for available workers. For the City, these conditions highlight both the strength of the local economy and the constraints that tight labor markets place on business expansion and workforce recruitment.

Twin Falls’ economic resilience continues to be one of its defining strengths. During the Great Recession of 2008—widely regarded as the most severe economic downturn since the Great Depression—the City and the broader community weathered the crisis more effectively than many regions across the nation. A combination of healthy reserve balances, prudent fiscal management, and innovative local government practices positioned the City to maintain stability while many communities faced deep and prolonged financial strain. Several long-standing structural advantages contributed to the community’s ability to navigate the recession and continue growing in the years that followed. Twin Falls benefits from a strong mix of agricultural,

industrial, and commercial activity, reducing reliance on any single sector. The City serves as the retail, educational, medical, entertainment, and employment center for a vast region of southern Idaho and northern Nevada, drawing from a population of nearly 275,000 residents across more than 12,000 square miles. Investments in public safety, infrastructure, and amenities have supported sustained population and business growth, even during challenging economic cycles.

Assessed net taxable market values within the City increased \$50,000,000 from \$6,160,000,000 to \$6,210,000,000. Most of that increase was attributed to the change in market values. Properties are required to be reassessed by the County Appraiser every five years. The following is a table showing a comparison of the levy rates for the 2025 and 2024 budget years.

<u>Taxing District</u>	2025 Levy Rates (funded 2025-2026 budget)	2024 Levy Rates (funded 2024-25 budget)	Percent Change
City of Twin Falls	0.005060063	0.004931725	-2.60%
Twin Falls County	0.002731623	0.002683757	-1.78%
Twin Falls County Ambulance District	0.000117152	0.000114905	-1.96%
Twin Falls County Abatement District	0.000056692	0.000067860	16.46%
Twin Falls School District 411	0.001298048	0.001490168	12.89%
Twin Falls Highway District	0.000732473	0.000725150	-1.01%
College of Southern Idaho	0.000740088	0.000725026	-2.08%
Combined	0.010736139	0.010738591	0.02%

Future Issues

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

Labor and Talent Shortage

To meet the increased demand for goods, products, and services, more human talent is essential. The City of Twin Falls must position itself as an employer of choice, adapting to the changing labor market beyond just offering competitive pay and benefits. Globally, the workforce is undergoing a radical shift, with a growing divide between the technical and digital skills required for modern positions and the availability of workers possessing those skills. Talent retention is crucial to organizational health, as the loss of talent can erode internal relationships, external partnerships, institutional knowledge, and can lead to burnout among remaining staff.

The City of Twin Falls is looking at several strategies designed to address labor shortages and retain its talented public servants

Using Cash Reserves to Make Strategic Investments in Infrastructure

Through fiscally responsible budgeting, the City has incurred cash reserves to be able to dedicate towards needed projects. The City Council elected to use \$8,183,800 from cash reserves to address debt service requirements, infrastructure improvements and facility deficiencies. A few of the larger projects include:

- \$1,630,000 for the construction of a new roundabout:

The intersection at Filer Avenue, Martin Street, and Wendell Street has become one of Twin Falls' most congested and safety-challenged areas, and the implementation of a modern roundabout is a necessary step to address these growing concerns. As traffic volumes have increased with the city's continued expansion, the existing configuration has struggled to manage peak-hour demand, resulting in frequent delays, unpredictable turning movements, and elevated crash risks. A roundabout at this location will improve traffic flow, reduce conflict points, enhance pedestrian safety, and create a more efficient and reliable corridor for residents and visitors as Twin Falls continues to grow.

- \$4,000,000 to fund the canyon rim drop line:

The continued growth of Twin Falls has increased demands on the City's wastewater conveyance system, underscoring the need for a new canyon rim drop line to ensure long-term service reliability. As development expands along the canyon rim and upstream collection areas experience higher flows, the existing drop line is approaching its functional capacity and lacks the redundancy expected of a modern utility network. This constraint elevates operational risk, particularly during peak flow periods or maintenance activities, when system flexibility is essential to prevent service disruptions and protect environmentally sensitive areas along the Snake River Canyon. A new drop line would provide critical system resilience by distributing flows more effectively, reducing pressure on aging infrastructure, and ensuring compliance with regulatory standards governing wastewater management near natural resources.

Transition to a Modern ERP System to Support Organizational Growth

The City of Twin Falls has reached a scale and operational complexity that can no longer be fully supported by its legacy enterprise resource planning (ERP) systems. As the community has grown, so have the demands on financial management, human resources, utility billing, procurement, asset management, and citizen-facing services. The current systems—many of which were implemented when the City was significantly smaller—struggle to keep pace with increased transaction volumes, expanded regulatory requirements, and the need for timely, data-driven decision-making. These limitations create inefficiencies, increase reliance on manual workarounds, and hinder the City's ability to provide responsive and transparent services to residents.

A modern, fully integrated ERP platform would allow the City to streamline workflows, improve data accuracy, and enhance cross-departmental collaboration. As Twin Falls continues to grow, the City requires tools that support real-time reporting, scalable financial controls, automated processes, and improved cybersecurity protections. Upgrading to a more robust ERP system is not simply a technology enhancement—it is a strategic investment in operational resilience, long-term fiscal stewardship, and the City's capacity to meet the expectations of a larger and more diverse population. This transition will position Twin Falls to manage future growth effectively while maintaining the high standard of service its residents expect.

Future Outlook for Employee Benefits

The City's long-term outlook for employee benefits reflects both the strategic importance of maintaining a competitive compensation structure and the financial pressures associated with rising health-care costs. Employee benefits remain essential to sustaining a skilled and stable workforce, yet the continued escalation of insurance premiums—most notably the doubling of family-coverage costs since 2014—poses a material challenge to the City's financial position. In response, leadership has implemented a series of structural changes designed to balance fiscal responsibility with the need to offer high-quality coverage. The transition between fiscal years 2020 and 2022 to a single high-deductible health plan marked a significant step toward cost containment, aligning the City's benefit structure with industry trends while preserving access to comprehensive care. The initiation of the self-insurance process in fiscal year 2025 represents a further evolution in this strategy, positioning the City to exercise greater control over plan design, manage claims more efficiently, and mitigate exposure to market volatility. Looking ahead, the City anticipates continued evaluation of benefit models, funding strategies, and risk-management practices to ensure that its employee benefit offerings remain sustainable, competitive, and aligned with long-term organizational needs.

Self-funding, or self-insurance is a risk management strategy where the employer assumes the financial risk of providing health care benefits to its employees, rather than purchasing a fully insured plan from a traditional insurance carrier. There are a few reasons why self-funding may be preferred:

- **Cost Control:** Self-insurance allows for more control over healthcare costs, it allows for the design of benefit plans by choosing providers and implementing cost-containment measures to manage expenses more effectively.
- **Customization:** Self-insured plans allow for greater flexibility in designing benefit packages that meet the specific needs of the workforce. Employers can tailor plans to the demographics and health needs of their employees.
- **Cash Flow:** Instead of paying fixed premiums to an insurance carrier, self-insured plans only pay for actual claims incurred.
- **Risk Management:** Self-insured plans can manage and mitigate risks more directly. It provides a clearer understanding of employees' health patterns, which in turn allows for the implementation of wellness programs and other initiatives to prevent or manage health issues.

- **Potential Cost Savings:** In some cases, self-insured plans may realize cost savings by avoiding the profit margins charged by insurance carriers. However, this also means assuming the financial risk for high-cost claims. Recent actuarial studies suggest the City could realize a reduction in health insurance costs by more than \$1.1 million to \$1.3 million in FY 2027.

Urban Renewal Agency

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

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

Revenue Allocation Area 4-3 (Chobani Area)

In March, Chobani announced a \$500 million expansion of its Twin Falls plant. According to a press release from the company, the expansion will increase production by 50% and add over 500,000 square feet of new space. "Over a decade ago, this empty stretch of land in Twin Falls, Idaho, became the heartbeat of a food revolution. Today, that heart is growing even stronger. This expansion is expected to create a minimum of 160 new jobs, strengthen Idaho's dairy industry, and ensure that the food made here reaches even more families across the country," the company stated.

According to Chobani, "The expanded Twin Falls plant will span 1.6 million square feet and feature 24 production lines. Employing more than 1,200 people earning wages almost 12% higher than the regional average, this investment will continue to fuel the local economy and shape the future of food." In conjunction with Chobani and the City of Twin Falls, the Agency approved actions within a development agreement to support the announced expansion. Additionally, related to RAA 4-3, the Agency:

- Processed plan amendment to de-annex an approximate 28-acre parcel from the Revenue Allocation Area.
- Processed tax increment transfers and bond-related payments in coordination with the Agency's trustee bank.
- Monitored assessed valuation growth and compliance with existing development agreements.

Old Towne-2 Revenue Allocation Area

Old Towne-2 employed a range of targeted strategies to support and advance revitalization efforts within the district. The initiative utilized multiple approaches to strengthen economic activity, enhance the area's character, and encourage sustained investment. Several of the key methods used to further these objectives are outlined below.

- Approved funding for a public improvement budget study prepared by HMM Engineering to evaluate potential streetscape and pedestrian improvements along approximately 1.5 blocks of Hansen Street East. The study estimated probable construction costs between \$544,390 and \$653,270. The Agency continued discussions with Hansen Parkway Developers regarding potential future Agency participation in public improvements through an Owner Participation Agreement, contingent on further development details and Board direction.
- Launched the Development Assistance Participation Program to support public-private partnership in the Old Towne-2 RAA. Through a variety of assistance activities, the Agency strives to encourage private investment in the area, increase valuation of properties, and support employment opportunities within the community. The primary goal of the Program is to optimize the use of the Agency's financial resources to drive economic development, create suitable public infrastructure, and enhance placemaking within the core of the community.
- The Agency initiated discussions with downtown business owners and operators to identify opportunities for increased connection, collaboration, and support.

FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2025

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
<u>Assets</u>				
Cash and Investments	\$ 73,468,322	\$ 48,193,851	\$ 121,662,173	\$ 5,446,453
Receivables:				
Taxes	618,761	-	618,761	86,836
Fees and Services, net of allowances for uncollectibles	-	3,758,123	3,758,123	-
Intergovernmental	4,030,237	-	4,030,237	-
Interest	-	-	-	17,963
Accounts	638,314	9,929	648,243	-
Prepaid Expenses	-	95,352	95,352	-
Inventory	-	1,087,289	1,087,289	-
Pension Asset-FFR Plan	12,327,495	-	12,327,495	-
Capital Assets not being Depreciated				
Land	11,968,899	13,026,846	24,995,745	3,942,322
Construction in Progress	11,346,494	10,487,321	21,833,815	-
Capital Assets				
Buildings and Structures	49,572,074	19,037,927	68,610,001	-
Infrastructure	307,229,359	128,325,842	435,555,201	-
Improvements	26,002,385	45,072,211	71,074,596	-
Machinery and Equipment	29,545,420	19,256,267	48,801,687	-
Accumulated Depreciation	(281,875,690)	(85,812,111)	(367,687,801)	-
Right of Use Assets	9,937,296	-	9,937,296	-
Accumulated Amortization	(442,460)	-	(442,460)	-
Total Assets	254,366,906	202,538,847	456,905,753	9,493,574
<u>Deferred Outflows of Resources</u>				
Pension Obligations	3,341,577	334,525	3,676,102	-
Total Deferred Outflows of Resources	3,341,577	334,525	3,676,102	-
Total Assets and Deferred Outflows of Resources	\$ 257,708,483	\$ 202,873,372	\$ 460,581,855	\$ 9,493,574

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2025

	Primary Government			Component
	Governmental	Business		Unit-
	Activities	Type	Total	Urban
		Activities		Renewal
<u>Liabilities</u>				
Pooled Cash	\$ 9,022	\$ -	\$ 9,022	\$ 5,989
Accounts Payable	3,663,098	3,484,810	7,147,907	6,562
Accrued Expenses	400,809	-	400,809	-
Accrued Interest	42,801	20,367	63,168	6,727,582
Unearned Revenue	1,431,126	40,633	1,471,759	-
Customer Deposits	829,126	3,999,498	4,828,624	4,556
Noncurrent Liabilities:				
Compensated Absences-Current Portion	1,412,454	182,378	1,594,832	-
Leases Payable Current Portion	387,777	-	387,777	-
Certificates of Participation- Current Portion	295,000	-	295,000	-
Revenue Bond Payable-Current Portion	-	2,590,000	2,590,000	2,627,000
Compensated Absences	746,928	101,046	847,974	-
Leases Payable	662,163	-	662,163	-
Certificates of Participation	7,755,005	-	7,755,005	-
Revenue Bond Payable	-	21,875,417	21,875,417	20,195,000
Development & Project Reimbursement Agreements	-	-	-	24,468,081
Pension Liability	12,738,523	1,275,254	14,013,777	-
Total Liabilities	30,373,832	33,569,403	63,943,235	54,034,770
<u>Deferred Inflows of Resources</u>				
Pension Obligations	5,802,834	557,105	6,359,939	-
Total Deferred Inflows of Resources	5,802,834	557,105	6,359,939	-
<u>Net Position</u>				
Net Investment in Capital Assets	155,168,359	124,928,886	280,097,245	(43,347,759)
Restricted for:				
Debt Service & Redevelopment	-	-	-	7,574,354
Law Enforcement Activities	237,534	-	237,534	-
Benefit of the TFPD	11,826	-	11,826	-
Capital Construction	678,678	-	678,678	-
Park Development	1,054,947	-	1,054,947	-
Pensions	12,327,495	-	12,327,495	-
Unrestricted	52,052,979	43,817,978	95,870,957	(8,767,791)
Total Net Position	221,531,818	168,746,864	390,278,682	(44,541,196)
Total Liabilities, Deferred Inflows and Net Position	\$ 257,708,483	\$ 202,873,372	\$ 460,581,855	\$ 9,493,574

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit - Urban Renewal
					Governmental Activities	Business- Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 19,447,400	\$ 3,794,855	\$ 7,466,021	\$ 3,104,153	\$ (5,082,371)	\$ -	\$ (5,082,371)	
Fire	6,544,545	716,810	-	-	(5,827,735)	-	(5,827,735)	
Police	15,859,891	1,155,600	-	-	(14,704,291)	-	(14,704,291)	
Engineering/Planning	3,053,697	2,486,456	-	-	(567,241)	-	(567,241)	
Library	2,297,223	68,439	1,050	-	(2,227,734)	-	(2,227,734)	
Culture and Recreation	4,303,135	707,065	518,492	-	(3,077,578)	-	(3,077,578)	
Public Transportation	1,649,777	246,684	-	-	(1,403,093)	-	(1,403,093)	
Highway and Street	7,272,973	1,451,120	6,108,190	7,961,974	8,248,311	-	8,248,311	
Airport	1,961,209	1,043,984	511,086	1,625,380	1,219,241	-	1,219,241	
Total Governmental Activities	62,389,850	11,671,013	14,604,839	12,691,507	(23,422,491)	-	(23,422,491)	
Business-Type Activities:								
Water	9,924,038	13,419,743	31,151	-	-	3,526,856	3,526,856	
Wastewater	10,599,561	14,180,732	3,017	-	-	3,584,188	3,584,188	
Sanitation	3,919,933	4,127,921	-	-	-	207,988	207,988	
Dierkes Lake/Shoshone Falls	387,954	547,844	-	-	-	159,890	159,890	
Common Area Maintenance	74,343	70,199	-	-	-	(4,144)	(4,144)	
Total Business-Type Activities	24,905,829	32,346,439	34,168	-	-	7,474,778	7,474,778	
Total Primary Government	<u>\$ 87,295,679</u>	<u>\$ 44,017,452</u>	<u>\$ 14,639,007</u>	<u>\$ 12,691,507</u>	<u>\$ (23,422,491)</u>	<u>\$ 7,474,778</u>	<u>\$ (15,947,713)</u>	
Component Unit:								
Urban Renewal Agency								\$ (2,033,663)

General Revenues:

Taxes:

Property taxes, Levied for General Purposes	31,244,196	\$ -	\$ 31,244,196	\$ -
Property taxes, Levied for Debt Service	-	-	-	5,094,293
Franchise and Public Service Taxes	491,843	-	491,843	-
Interest, Dividends & Changes in Fair Value	3,389,966	2,150,793	5,540,759	245,444
Gain (Loss) on Sale of Assets or Transfer of Assets	142,975	30,450	173,425	-
Miscellaneous Revenues	544,208	4,754,447	5,298,655	267,062
Transfers	(588,229)	588,229	-	-
	<u>35,224,959</u>	<u>7,523,919</u>	<u>42,748,878</u>	<u>5,606,799</u>
Change in Net Position	11,802,468	14,998,697	26,801,165	3,573,136
Net Position - October 1, 2024	<u>209,729,350</u>	<u>153,748,167</u>	<u>363,477,517</u>	<u>(48,114,332)</u>
Net Position - September 30, 2025	<u>\$ 221,531,818</u>	<u>\$ 168,746,864</u>	<u>\$ 390,278,682</u>	<u>\$ (44,541,196)</u>

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Fund Balance Sheets

Governmental Funds

September 30, 2025

	General	Street	Airport	Capital Improvement	Airport Construction	Other Governmental	Total Governmental
<u>Assets</u>							
Cash and Investments	\$ 12,373,736	\$ 18,308,120	\$ 3,453,131	\$ 22,485,693	\$ 812,649	\$ 15,513,806	\$ 72,947,135
Receivables (net of allowance)							
Taxes	570,829	21,144	-	19,773	-	1,446	613,192
Intergovernmental	1,261,310	772,982	1,012	849,841	740,956	403,436	4,029,537
Accounts	93,468	410,850	99,778	-	24,191	7,264	635,551
Total Assets	<u>\$ 14,299,343</u>	<u>\$ 19,513,096</u>	<u>\$ 3,553,921</u>	<u>\$ 23,355,307</u>	<u>\$ 1,577,796</u>	<u>\$ 15,925,951</u>	<u>\$ 78,225,414</u>
<u>Liabilities</u>							
Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,022	\$ 9,022
Accounts Payable	361,919	1,910,022	14,879	610,983	34,609	699,299	3,631,711
Accrued Expenditures	394,363	-	6,187	-	-	-	400,550
Customer Deposits Payable	829,126	-	-	-	-	-	829,126
Total Liabilities	<u>1,585,408</u>	<u>1,910,022</u>	<u>21,066</u>	<u>610,983</u>	<u>34,609</u>	<u>708,321</u>	<u>4,870,409</u>
Deferred Inflows of Resources							
Unavailable Revenues-Property Taxes	521,279	19,418	-	18,135	-	1,318	560,150
Unavailable Revenues-Other	1,950	32,707	-	412,306	984,162	-	1,431,125
Total Deferred Inflows of Resources	<u>523,229</u>	<u>52,125</u>	<u>-</u>	<u>430,441</u>	<u>984,162</u>	<u>1,318</u>	<u>1,991,275</u>
<u>Fund Balances</u>							
Nonspendable Fund Balance	-	-	-	-	-	-	-
Restricted, Expendable for							
Law Enforcement Activities	237,534	-	-	-	-	-	237,534
Restricted for the Benefit for TFPD	11,826	-	-	-	-	-	11,826
Restricted for Capital Construction	-	-	-	984,527	678,678	-	1,663,205
Park Development	-	-	-	-	-	1,054,947	1,054,947
Committed Fund Balance							
Budgeted Surplus Res.	-	-	208,997	115,810	-	875,903	1,200,710
Impact Fees	-	-	-	-	-	11,460,419	11,460,419
Drug Seizure	-	-	-	-	-	228,513	228,513
Public Art Fund	-	-	-	57,337	-	-	57,337
Assigned Fund Balance							
General Government	11,941,346	-	-	-	-	-	11,941,346
Streets	-	17,550,949	-	-	-	-	17,550,949
Airport	-	-	3,323,858	-	-	-	3,323,858
Street Light	-	-	-	-	-	419,036	419,036
Capital Improvements	-	-	-	21,156,209	-	-	21,156,209
Community Services-Library	-	-	-	-	-	1,173,615	1,173,615
Pool	-	-	-	-	-	23,740	23,740
Unassigned Fund Balance	-	-	-	-	(119,653)	(19,861)	(139,514)
Total Fund Balance	<u>12,190,706</u>	<u>17,550,949</u>	<u>3,532,855</u>	<u>22,313,883</u>	<u>559,025</u>	<u>15,216,312</u>	<u>71,363,730</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 14,299,343</u>	<u>\$ 19,513,096</u>	<u>\$ 3,553,921</u>	<u>\$ 23,355,307</u>	<u>\$ 1,577,796</u>	<u>\$ 15,925,951</u>	<u>\$ 78,225,414</u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
September 30, 2025

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

Total Governmental Fund Balances	\$ 71,363,730
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	162,948,170
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.	565,238
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle repairs and maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	806,487
Net pension assets, liabilities and associated deferred items are not available to pay for current period expenditures and therefore are deferred in the funds:	
Deferred outflows of resources	3,341,577
Deferred inflows of resources	(5,802,834)
Pension liability-base plan	(12,738,523)
Pension asset-FFR plan	12,327,495
Long-term liabilities, including capitalized leases, equipment notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	
Accrued Interest	(42,801)
Certificates of Participation and Equipment Notes	(9,099,945)
Compensated absences	(2,159,382)
Compensated absences included in the internal service funds	<u>22,606</u>
Net Position of Governmental Activities	<u><u>\$ 221,531,818</u></u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2025

	<u>General</u>	<u>Street</u>	<u>Airport</u>	<u>Capital Improvement</u>	<u>Airport Construction</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
Revenues							
Property Taxes, Including Interest	\$ 26,675,627	\$ 844,808	\$ 511,022	\$ 780,278	\$ -	\$ 2,253,453	\$ 31,065,188
Other Taxes	510,320	-	-	-	-	491,843	1,002,163
Special Assessments, Including Interest	-	-	-	-	-	58,787	58,787
Fines and Forfeitures	17,439	-	-	-	-	14,009	31,448
Licenses and Permits	2,391,642	-	-	-	-	-	2,391,642
Fees and Services	1,932,627	-	834,534	-	137,517	3,494,434	6,399,112
Intergovernmental	3,689,972	6,108,190	511,086	2,645,810	-	518,493	13,473,551
Federal Grants	998,368	7,961,974	15,000	2,305,790	1,646,217	799,413	13,726,762
Interest, Dividends & Changes in Fair Value	608,670	1,039,160	136,017	1,000,484	13,204	583,466	3,381,001
Farm Income	-	-	71,934	-	-	-	71,934
Miscellaneous	1,227,941	1,490,530	-	342,732	-	49,906	3,111,109
Total Revenue	<u>38,052,606</u>	<u>17,444,662</u>	<u>2,079,593</u>	<u>7,075,094</u>	<u>1,796,938</u>	<u>8,263,804</u>	<u>74,712,697</u>
Expenditures							
Current							
General Government	7,209,957	-	-	216,246	-	-	7,426,203
Public Safety	24,283,326	-	-	2,978,266	-	112,124	27,373,716
Engineering	1,762,668	-	-	-	-	-	1,762,668
Community Development	1,329,243	-	-	-	-	25,000	1,354,243
Culture and Recreation	2,964,975	-	-	1,351,600	-	3,038,820	7,355,395
Public Transportation	1,650,689	-	-	-	-	-	1,650,689
Highway and Streets	-	3,417,729	-	24,887	-	671,378	4,113,994
Airport	-	-	1,610,315	-	507,267	-	2,117,582
Capital Outlay	-	10,971,772	-	490,838	-	1,581,409	13,044,019
Debt Service	-	-	-	1,078,433	-	-	1,078,433
Total Expenditures	<u>39,200,858</u>	<u>14,389,501</u>	<u>1,610,315</u>	<u>6,140,270</u>	<u>507,267</u>	<u>5,428,731</u>	<u>67,276,942</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,148,252)	3,055,161	469,278	934,824	1,289,671	2,835,073	7,435,755
Other Financing Sources and (Uses)							
Transfers In	2,886,682	153,576	6,651	2,631,600	-	358,210	6,036,719
Transfers Out	(2,001,326)	(838,466)	(480,739)	(3,061,364)	-	(681,261)	(7,063,156)
Total Other Financing Sources and (Uses)	<u>885,356</u>	<u>(684,890)</u>	<u>(474,088)</u>	<u>(429,764)</u>	<u>-</u>	<u>(323,051)</u>	<u>(1,026,437)</u>
Net Change in Fund Balance	(262,896)	2,370,271	(4,810)	505,060	1,289,671	2,512,022	6,409,318
Fund Balance October 1, 2024	<u>12,453,602</u>	<u>15,180,678</u>	<u>3,537,665</u>	<u>21,808,823</u>	<u>(730,646)</u>	<u>12,704,290</u>	<u>64,954,412</u>
Fund Balance September 30, 2025	<u>\$ 12,190,706</u>	<u>\$ 17,550,949</u>	<u>\$ 3,532,855</u>	<u>\$ 22,313,883</u>	<u>\$ 559,025</u>	<u>\$ 15,216,312</u>	<u>\$ 71,363,730</u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

**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, 2025**

Net Change in Fund Balances - Total Government Funds	\$	6,409,318
Amounts reported for governmental activities in the Statement of Activities are different because:		
Government funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period		
Expenditures for capital assets	15,008,142	
Less current year depreciation	<u>(12,027,044)</u>	
		2,981,098
In, the statement of activities, the gain (loss) on the sale of the equipment is reported, whereas in the governmental funds, the proceeds from sales increase financial resources. thus, the change in net position differs from the change in fund balance by the net book value of the equipment sold.		
		(61,748)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in government funds.		
Compensated Absences		279,912
Internal service funds are used by management to charge the costs of certain activities, such as insurance and shop repairs and maintenance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		
		18,340
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Certificates of Participation and Leases Payable issued		(223,037)
Repayment of Debt		659,843
Changes in net pension liability and related pension obligations deferred outflow and employer pension assumption deferred inflow of resources do not provide required current financial resources and therefore are not reflected in the funds.		
		1,686,536
Revenues that will not be collected for several months after the City's fiscal year ends are not considered "available" revenues and are deferred in the governmental funds. Deferred inflows of resources decreased by this amount in the current year.		
		<u>52,206</u>
Change in Net Position of Governmental Activities	\$	<u>11,802,468</u>

CITY OF TWIN FALLS, IDAHO

Statement of Net Position

Proprietary Funds

September 30, 2025

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
Assets						
Current Assets						
Cash and Investments	\$ 22,142,150	\$ 23,066,889	\$ 486,085	\$ 2,498,727	\$ 48,193,851	\$ 521,187
Receivables, net of allowance for uncollectibles						
Taxes	-	-	-	-	-	5,569
Fees and Services	1,493,341	1,847,245	411,989	5,548	3,758,123	-
Intergovernmental	-	-	-	-	-	700
Accounts	8,098	38	-	1,793	9,929	2,763
Inventories	1,087,289	-	-	-	1,087,289	-
Total Current Assets	24,730,878	24,914,172	898,074	2,506,068	53,049,192	530,219
Noncurrent Assets						
Prepaid Asset	-	95,352	-	-	95,352	-
Capital Assets (Net of Accum. Depreciation)	65,492,185	79,674,654	-	4,227,465	149,394,304	335,607
Total Noncurrent Assets	65,492,185	79,770,006	-	4,227,465	149,489,656	335,607
Total Assets	90,223,063	104,684,178	898,074	6,733,533	202,538,848	865,826
Deferred Outflows of Resources						
Pension Obligations	242,990	91,535	-	-	334,525	-
Total Deferred Outflows of Resources	242,990	91,535	-	-	334,525	-
Total Assets and Deferred Outflows of Resources	\$ 90,466,053	\$ 104,775,713	\$ 898,074	\$ 6,733,533	\$ 202,873,373	\$ 865,826
Liabilities and Net Position						
Current Liabilities:						
Accounts Payable	2,632,234	456,042	335,992	60,542	3,484,810	31,387
Accrued Interest	-	20,367	-	-	20,367	259
Unavailable Revenues-Property Taxes	-	-	-	-	-	5,089
Deferred Revenues	-	-	-	40,633	40,633	-
Customer Deposits Payable	3,999,498	-	-	-	3,999,498	-
Revenue Bonds Payable - Current	-	2,590,000	-	-	2,590,000	-
Compensated Absences	136,672	45,706	-	-	182,378	19,554
Total Current Liabilities	6,768,404	3,112,115	335,992	101,175	10,317,686	56,289
NonCurrent Liabilities:						
Revenue Bonds Payable (Net of Discounts)	-	21,875,417	-	-	21,875,417	-
Compensated Absences	79,686	21,360	-	-	101,046	3,050
Pension Liability	926,311	348,943	-	-	1,275,254	-
Total Non-current Liabilities	1,005,997	22,245,720	-	-	23,251,717	3,050
Total Liabilities	7,774,401	25,357,835	335,992	101,175	33,569,403	59,339
Deferred Inflows of Resources						
Pension Obligations	404,666	152,439	-	-	557,105	-
Total Deferred Inflows of Resources	404,666	152,439	-	-	557,105	-
Net Position						
Net Investment In Capital Assets	65,492,185	55,209,237	-	4,227,465	124,928,887	335,607
Restricted	-	-	-	-	-	-
Unrestricted	16,794,801	24,056,202	562,082	2,404,893	43,817,978	470,880
Total Net Position	82,286,986	79,265,439	562,082	6,632,358	168,746,865	806,487
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 90,466,053	\$ 104,775,713	\$ 898,074	\$ 6,733,533	\$ 202,873,373	\$ 865,826

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Statement of Revenues, Expenses, and Changes in Fund Net Position

Proprietary Funds

For the Year Ended September 30, 2025

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type	Total	
Operating Revenues:						
Charges for Services	\$ 13,200,733	\$ 11,996,590	\$ 4,127,921	\$ 618,043	\$ 29,943,287	\$ 693,717
Taps, Connection and Other Fees	219,010	-	-	-	219,010	-
Special Assessments, Including Interest	-	-	-	-	-	259,197
Miscellaneous	4,363,535	255,633	2,546	13,104	4,634,818	-
Total Operating Revenues	17,783,278	12,252,223	4,130,467	631,147	34,797,115	952,914
Operating Expenses:						
Contracted Services	364,160	4,022,059	2,848,951	158,903	7,394,073	8,330
Personnel Expenses	3,359,053	1,219,351	-	129,564	4,707,968	597,683
Depreciation and Amortization	2,195,697	3,683,123	-	75,542	5,954,362	14,382
Utilities	1,377,776	4,463	-	9,895	1,392,134	12,454
Landfill Expenses	-	-	1,039,423	-	1,039,423	-
Supplies	760,714	77,551	-	12,117	850,382	47,591
Insurance	-	-	-	-	-	613,069
Repairs and Maintenance	179,101	46,953	-	9,494	235,548	16,094
Vehicle Expenses	236,499	72,677	-	4,184	313,360	1,405
Small Equipment	781,474	473,594	-	53,355	1,308,423	67,745
Studies and Projects	31,668	-	18,435	-	50,103	-
Rental Expense	172,491	70	-	-	172,561	-
Miscellaneous Expense	347,567	33,308	13,124	9,243	403,242	69
Testing and Monitoring	105,847	-	-	-	105,847	-
Travel and Meetings	11,991	3,847	-	-	15,838	2,924
Total Operating Expenses	9,924,038	9,636,996	3,919,933	462,297	23,943,264	1,381,746
Operating Income (Loss)	7,859,240	2,615,227	210,534	168,850	10,853,851	(428,832)
Non-Operating Revenues (Expenses):						
Development Fees	-	2,184,142	-	-	2,184,142	-
Interest, Dividends & Changes in Market Value	1,053,732	997,871	26,571	72,619	2,150,793	8,964
Rent and Royalties	119,630	-	-	-	119,630	-
Federal Grants	31,151	3,017	-	-	34,168	-
Gain (Loss) on Sale or Transfer of Assets	450	30,000	-	-	30,450	-
Interest Expense	-	(962,565)	-	-	(962,565)	-
Total Non-Operating Revenues (Exp.)	1,204,963	2,252,465	26,571	72,619	3,556,618	8,964
Income (Loss) Before Interfund Transfers	9,064,203	4,867,692	237,105	241,469	14,410,469	(419,868)
Interfund Transfers						
Transfers In	1,018,210	-	-	2,623,884	3,642,094	513,224
Transfers Out	(1,447,575)	(1,066,857)	(522,743)	(16,690)	(3,053,865)	(75,016)
Net Transfers	(429,365)	(1,066,857)	(522,743)	2,607,194	588,229	438,208
Net Income (Loss)	8,634,838	3,800,835	(285,638)	2,848,663	14,998,698	18,340
Total Net Position, October 1, 2024	73,652,148	75,464,604	847,720	3,783,695	153,748,167	788,147
Total Net Position, September 30, 2025	\$ 82,286,986	\$ 79,265,439	\$ 562,082	\$ 6,632,358	\$ 168,746,865	\$ 806,487

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type	Total	
Cash Flows from Operating Activities						
Receipts from Customers	\$ 10,259,102	\$ 11,366,750	\$ 4,130,192	\$ 658,555	\$ 26,414,599	\$ -
Cash Received from Interfund Services Provided	-	-	-	-	-	692,714
Property Taxes, Including Interest	-	-	-	-	-	240,657
Payments to Suppliers	(3,019,376)	(5,251,959)	(3,899,326)	(296,813)	(12,467,474)	(778,425)
Payments to Employees	(3,270,599)	(1,232,058)	-	(129,564)	(4,632,221)	(596,424)
Other Receipts	4,363,535	255,633	2,546	13,104	4,634,818	-
Net Cash Provided (Used) by Operating Activities	8,332,662	5,138,366	233,412	245,282	13,949,722	(441,478)
Cash Flows from Non-Capital Financing Activities						
Interfund Transfers to Other Funds	(1,447,575)	(1,066,857)	(522,743)	(16,690)	(3,053,865)	(75,016)
Receipts from (Advances) to Other Funds	1,018,210	-	-	2,623,884	3,642,094	513,224
Net Cash Provided (Used) by Non-Capital Financing Activities	(429,365)	(1,066,857)	(522,743)	2,607,194	588,229	438,208
Cash Flows from Capital and Related Financing Activities						
Purchase of Capital Assets	(9,684,952)	(1,456,745)	-	(2,815,768)	(13,957,465)	(144,258)
Construction in Progress	(1,111,839)	(1,109,374)	-	(137,630)	(2,358,843)	-
(Gain) Loss on Disposals, Transfers of Capital Assets	4,500	-	-	-	4,500	-
Principal Paid on Capital Debt	-	(2,520,000)	-	-	(2,520,000)	-
Interest Paid on Capital Debt	-	(965,125)	-	-	(965,125)	-
Development Fees	-	2,184,142	-	-	2,184,142	-
Rents and Royalties	119,630	-	-	-	119,630	-
Capital Grants	31,151	3,017	-	-	34,168	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(10,641,510)	(3,864,085)	-	(2,953,398)	(17,458,993)	(144,258)
Cash Flows from Investing Activities						
(Purchase) or Sale of Securities	(369,592)	(534,757)	(22,299)	(47,127)	(973,775)	(6,216)
Interest, Dividends & Changes in Fair Value	1,053,732	997,871	26,571	72,619	2,150,793	8,964
Net Cash Provided (Used) by Investing Activities	684,140	463,114	4,272	25,492	1,177,018	2,748
Net Increase (Decrease) in Cash and Cash Equivalents	(2,054,073)	670,538	(285,059)	(75,430)	(1,744,024)	(144,780)
Balances - Beginning of the Year	6,361,549	(3,408,377)	(304,920)	300,029	2,948,281	366,008
Balances - End of the Year	\$ 4,307,476	\$ (2,737,839)	\$ (589,979)	\$ 224,599	\$ 1,204,257	\$ 221,228
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	\$ 7,859,240	\$ 2,615,227	\$ 210,534	\$ 168,850	\$ 10,853,851	\$ (428,832)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	2,195,697	3,823,537	-	75,542	6,094,776	14,382
Amortization	-	(140,414)	-	-	(140,414)	-
Gain or Loss on Disposal of Assets	450	30,000	-	-	30,450	-
Change in Assets and Liabilities:						
Receivables, Net	(122,885)	(629,840)	2,271	(121)	(750,575)	16,220
Prepaid Expenses	-	11,919	-	-	11,919	-
Inventories	42,272	-	-	-	42,272	-
Due From Other Funds	-	-	-	-	-	-
DOF or Resources-Pension Obligations	5,287	40,151	-	-	45,438	-
Accounts Payable	1,307,190	(559,356)	20,607	(39,622)	728,819	(8,840)
Accrued Expenses	-	-	-	-	-	96
Deferred Revenues	-	-	-	40,633	40,633	(35,763)
Customer Deposits	(3,037,756)	-	-	-	(3,037,756)	-
Compensated Absences	22,622	11,130	-	-	33,752	1,259
Pension Asset or Liability	(341,792)	(215,355)	-	-	(557,147)	-
DIF or Resources-Pension Obligations	402,337	151,367	-	-	553,704	-
Net Cash Provided (Used) by Operating Activities	\$ 8,332,662	\$ 5,138,366	\$ 233,412	\$ 245,282	\$ 13,949,722	\$ (441,478)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds						
Cash and Investments-Statement of Net Position	\$ 22,142,150	\$ 23,066,889	\$ 486,085	\$ 2,498,727	\$ 48,193,851	\$ 521,187
Less: Investments	(17,834,674)	(25,804,728)	(1,076,064)	(2,274,128)	(46,989,594)	(299,959)
Cash and Cash Equivalents	\$ 4,307,476	\$ (2,737,839)	\$ (589,979)	\$ 224,599	\$ 1,204,257	\$ 221,228

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO

Statement of Fiduciary Net Position

September 30, 2025

	<u>Employee Benefit Trust Fund</u>
Assets	
Cash and Cash Equivalents	<u>\$ 1,398,815</u>
Total Assets	<u><u>\$ 1,398,815</u></u>
Liabilities	
Health Claims incurred by not reported	<u>-</u>
Total Liabilities	<u>-</u>
Fiduciary Net Position	<u><u>\$ 1,398,815</u></u>

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Changes in Fiduciary Net Position
For the Year Ended September 30, 2025

	<u>Employee Benefit Trust Fund</u>
Additions	
Contributions	
Employer	\$ 1,394,458
Plan Members	<u>-</u>
Total Contributions	1,394,458
Interest Income	<u>4,472</u>
Total Additions	1,398,930
Deductions	
Administrative Expenses	<u>115</u>
Total Deductions	<u>115</u>
Change in Fiduciary Net Position	1,398,815
Fiduciary Net Position, Beginning of Year	<u>-</u>
Fiduciary Net Position, End of Year	<u><u>\$ 1,398,815</u></u>

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES

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

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

FINANCIAL REPORTING ENTITY

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

Blended Component Unit-Twin Falls Public Library

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

Discretely Presented Component Units-Urban Renewal Agency

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

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

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

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

The City of Twin Falls Health Plan Trust (the Trust) is reported as a Fiduciary Activity of the City of Twin Falls. The Trust reports under GASB standards in the same manner as the City.

BASIS OF PRESENTATION

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

Fund Accounting

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

Governmental Funds

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

The government reports the following major governmental funds:

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

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

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

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

Proprietary Funds

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

The government reports the following major proprietary funds:

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

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

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

The City reports the following other fund types:

Fiduciary Funds

The City of Twin Falls Health Plan Trust (the Trust) is a fiduciary fund established under an Irrevocable Trust Agreement to provide self-funded healthcare benefits, including medical, surgical, hospital, pharmacy, dental, and vision benefits, to eligible employees of the City of Twin Falls (the Plan Sponsor) and their dependents.

The Trust is administered by a Board of Trustees consisting of five individuals appointed by the City Manager. The Trustees act as fiduciaries on behalf of the beneficiaries of the Plan and the Trust Fund.

The assets of the Trust Fund are held in a fiduciary capacity in the name of the Plan for the exclusive purpose of providing health benefits and paying reasonable administrative costs. Trust assets are not assets of the City and shall never inure to the benefit of the Plan Sponsor or any employer and are not available to satisfy the obligations of the City.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Fiduciary Funds

The Trust meets the criteria for reporting as a fiduciary activity under GASB Statement No. 84, Fiduciary Activities (GASB 84), because (1) the City controls the Trust's assets, (2) the assets are held in a trust that is legally protected from the City's creditors, (3) the assets are dedicated to providing benefits to plan participants, and (4) the City is not a beneficiary of the Trust.[41][28] Accordingly, the Trust is reported as an employee benefit fiduciary fund in the fiduciary fund financial statements.

Other Fund Types

The City also reports the following fund types:

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

MEASUREMENT FOCUS

Government-wide Financial Statements

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

Fund Financial Statements

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

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

Health Plan Trust Fund

The Health Plan Trust Fund is reported using the economic resources measurement focus and the accrual basis of accounting, as required for fiduciary funds under GASB 34 and GASB 84. Under this method, contributions are recognized as additions when due pursuant to formal commitments or when received, and investment income is recognized as it is earned. Benefit payments and administrative expenses are recognized as deductions when the related liability is incurred. Investments of the Trust are reported at fair value. Fair value is based on quoted market prices, where available, or other observable inputs. Changes in fair value are reported as investment income (loss) in the statement of changes in fiduciary net position.

The Trust's investment policy is established by the Board of Trustees and authorizes investments in instruments permitted under Idaho law and the City's overall investment guidelines. The policy addresses credit risk, interest rate risk, and concentration of credit risk.

The Trust Fund is not included in the City's government-wide financial statements because fiduciary activities are excluded from those statements under GASB 84 and continue to be reported only in the fiduciary fund financial statements

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

BASIS OF ACCOUNTING

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

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

Revenues-Exchange Transactions

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

Revenues-Non-exchange Transactions

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

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

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

Unearned Revenue

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

Expenses/Expenditures

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

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

Cash, Cash Equivalents, and Investments

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Cash, Cash Equivalents, and Investments-continued

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

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

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

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

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

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

Pooled Cash Deficits

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

Receivables and Payables

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

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

Receivables and Payables-continued

Fees and Services receivable are amounts owed to the City for customer services and are due from area residents and businesses and relate to water, sewer and trash services provided by the City. The receivable is reported net of an allowance for uncollectible accounts. An allowance is reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts was \$4,046 as of September 30, 2025.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Inventories and Prepaid Items

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

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

Capital Assets, Depreciation, and Amortization

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

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

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

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

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

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

As of September 30, 2025, no capital assets were considered to be impaired, and no impairment loss was recognized for the year that ended September 30, 2025.

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Deferred Outflows/Inflows of Resources

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

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

Compensated Absences

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

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

Accrued Liabilities and Long-Term Obligations

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

Debt Premiums, Discounts and Issuance Costs

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Fund Equity

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

Governmental Fund Balances

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

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

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

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

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

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

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

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

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

Net Position

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Operating Revenues and Expenses

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

Interfund Activity

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

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

Pensions

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

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

Health Plan Trust Fund

The Health Plan Trust Fund is reported using the economic resources measurement focus and the accrual basis of accounting, as required for fiduciary funds under GASB 34 and GASB 84. Under this method, contributions are recognized as additions when due pursuant to formal commitments or when received, and investment income is recognized as it is earned. Benefit payments and administrative expenses are recognized as deductions when the related liability is incurred.

Investments of the Trust are reported at fair value. Fair value is based on quoted market prices, where available, or other observable inputs. Changes in fair value are reported as investment income (loss) in the statement of changes in fiduciary net position.

The Trust's investment policy is established by the Board of Trustees and authorizes investments in instruments permitted under Idaho law and the City's overall investment guidelines. The policy addresses credit risk, interest rate risk, and concentration of credit risk.

The Trust Fund is not included in the City's government-wide financial statements because fiduciary activities are excluded from those statements under GASB 84 and continue to be reported only in the fiduciary fund financial statements.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Estimates

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

Comparative Data

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

Implementation of GASB Statement No. 84, Fiduciary Activities

The City implemented GASB Statement No. 84, Fiduciary Activities, for the fiscal year ended September 30, 2025. GASB 84 establishes specific criteria for identifying fiduciary activities and clarifies how those activities are reported in the basic financial statements.

As a result of implementing GASB 84, the Health Plan Trust Fund is reported for the first time as a fiduciary fund in the City's basic financial statements. The adoption of GASB 84 required the City to evaluate its existing arrangements and determine which activities met the fiduciary criteria. The City concluded that the Health Plan Trust assets are held in a qualifying trust for the benefit of employees and their dependents and therefore constitute a fiduciary activity.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

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

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

Budgetary Information

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

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

3. DEPOSITS AND INVESTMENTS**Cash and Cash Equivalents**

A reconciliation of cash and cash equivalents on September 30, 2025 is as follows:

Reconciled Bank Accounts	\$ 4,811,610
State Investment Pool	21,826
Savings & Certificates	-
Money Market Mutual Funds	1,346,695
Library Operating Fund	17,995
Petty Cash	6,372
Total Cash	<u>\$ 6,204,498</u>

Cash and Investment Reconciliation
to the Statement of Net Position

Cash as Stated Above	\$ 6,204,498
Investments	115,457,675
Pooled Cash Deficit	(9,022)
Cash and Investments	<u>\$ 121,653,151</u>

On September 30, 2025, the Urban Renewal Agency's reconciliation of cash and cash equivalents is as follows:

Cash in Bank	\$ 188,616	Reconciliation to the Statement of Net Assets	
State Investment Pool	1,140,985	Cash on Statement of Net Assets	\$ 5,446,453
Money Market Fund	4,110,863	Pooled Cash Deficit	(5,989)
Total	<u>\$ 5,440,464</u>	Total Cash	<u>\$ 5,440,464</u>

The City's and the Agency's reconciled bank balances are covered by \$500,000 and \$250,000 respectively, of federal depository insurance with the remainder covered by collateral held by their agent.

Investments – The City held the following investments on September 30, 2025.

US Government Bonds	\$ 1,058,772
Money Market Funds	86,886
Mortgage/Asset Backed Securities	110,549,471
Municipal Bonds	786,819
Corporate Bonds	2,975,727
Total	<u>\$ 115,457,675</u>

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

3. DEPOSITS AND INVESTMENTS-Continued

Interest Rate Risk

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

Investments	Investment Maturities (in years)				
	Fair Value	Less than 1 year	1-5 Years	6-10 Years	Over 10 Years
U.S. Government Bonds					
Small Business Admin GTD	\$ 565,292	\$ -	\$ 47,398	\$ 107,088	\$ 410,806
Federal Home Loan Banks	493,480	-	493,480	-	-
Money Market Funds	86,886	86,886	-	-	-
Mortgage/Asset Backed Securities					
Federal Home Loan Mortgage Corporation	888,589	6	525,392	-	363,191
FHLMC Multiclass Mtg Partn CTFS	43,377,175	3,029	4,790,100	15,402,383	23,181,663
FNMA GTD MTG Pass thru CTFS Pool	10,381,427	86,740	9,365,318	929,369	-
FNMA GTD REMIC PASS THRU CTF	39,408	-	6,576	32,832	-
FNMA GTD REMIC PASS THRU TR	33,973,331	-	685,401	12,715,737	20,572,193
FNMA STRIPPED MTG BACKED SECURITIES	125,353	-	-	-	125,353
Freddie MAC Seasoned CR Risk	-	-	-	-	-
FRESB MultiFamily Mortgage	217,845	82,620	135,225	-	-
GNMA GTD MTG PASS THRU CTFS POOL	616	-	616	-	-
GNMA GTD Multifamily remic pass thru	4,461,737	-	74,140	-	4,387,597
GNMA GTD REMIC PASS THRU SECS	16,449,135	1,334	44,939	5,295,697	11,107,165
GNMA II GTD MTG PASS THRU CTFS POOL	61,146	-	42,743	18,403	-
Small Business Admin GTD DEV PARTN	158,045	-	158,045	-	-
Small Business Admin GTD PARTN CTFS	415,664	47,600	106,448	-	261,616
Municipal Bonds					
Vermont St Student Assistance Corp	786,819	-	-	786,819	-
Corporate Bonds	2,975,727	1,980,410	995,317		-
	<u>\$ 115,457,675</u>	<u>\$ 2,288,625</u>	<u>\$ 17,471,138</u>	<u>\$ 35,288,328</u>	<u>\$ 60,409,584</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

3. DEPOSITS AND INVESTMENTS-Continued

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City's investment policy requires a rating of A- or its equivalent by two or more public rating agencies at the time of purchase. Short term credit ratings for commercial paper must be top tier A1/PI/FI by two of the three credit rating agencies at the time of purchase. The ratings of investments subject to credit risk are as follows:

Investments subject to credit risk	Fair Value	Moody's Rating
U.S. Government Bonds		
Small Business Admin GTD	\$ 565,292	Unrated
Federal Home Loan Banks	493,480	Aaa
Money Market Funds	86,886	
Mortgage/Asset Backed Securities		
Federal Home Loan Mortgage Corporation	888,589	Unrated
FHLMC Multiclass Mtg Partn CTFS	43,377,175	Unrated
FNMA GTD MTG Pass thru CTFS Pool	10,381,427	Unrated
FNMA GTD REMIC PASS THRU CTF	39,408	Unrated
FNMA GTD REMIC PASS THRU TR	33,973,331	Unrated
FNMA STRIPPED MTG BACKED SECURITIES	125,353	Unrated
FRESB MultiFamily Mortgage	217,845	Unrated
GNMA GTD MTG PASS THRU CTFS POOL	616	Unrated
GNMA GTD Multifamily remic pass thru	4,461,737	Unrated
GNMA GTD REMIC PASS THRU SECS	16,449,135	Unrated
GNMA II GTD MTG PASS THRU CTFS POOL	61,146	Unrated
Small Business Admin GTD DEV PARTN	158,045	Unrated
Small Business Admin GTD PARTN CTFS	415,664	Unrated
Municipal Bonds		
Vermont St Student Assistance Corp	786,819	AAA
Corporate Bonds	2,975,727	A1
	<u>\$ 115,457,675</u>	

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

3. DEPOSITS AND INVESTMENTS-Continued**Custodial Credit Risk**

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

Concentration of Credit Risk

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

	Reported	
	Amount	Percentage
Mortgage/Asset Backed Securities		
FHLMC Multiclass Mtg Partn CTFS	43,377,175	37.57%
FNMA GTD MTG Pass thru CTFS Pool	10,381,427	8.99%
FNMA GTD REMIC PASS THRU TR	33,973,331	29.42%
GNMA GTD REMIC PASS THRU SECS	16,449,135	14.25%

Fair Value

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

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

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

Level 3: Unobservable inputs.

The City's investment fair value measurements are as follows on September 30, 2025:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
US Government Bonds	\$ 1,058,772	\$ -	\$ 1,058,772	\$ -
Money Market Funds	86,886	86,886	-	-
Mortgage/Asset Backed Securities	110,549,471	-	110,549,471	-
Municipal Bonds	786,819		786,819	
Corporate Bonds	2,975,727	-	2,975,727	-
Total	\$ 115,457,675	\$ 86,886	\$ 115,370,789	\$ -

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

3. DEPOSITS AND INVESTMENTS-Continued

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

Investments Measured at the NAV				
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Local Government Investment Pool	\$ 21,826	None	Daily	1-3 days

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

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

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

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

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

Property taxes uncollected by November 30, 2025, are considered to be deferred revenue.

Taxes receivable and deferred revenue on September 30, 2025, consist of the following for the City:

Fund	Taxes Receivable	Unavailable Revenue
General	\$ 570,829	\$ 521,279
Street	21,144	19,418
Street Lighting	1,446	1,318
Capital Improvement	19,773	18,135
Insurance	5,569	5,089
Total	<u>\$ 618,761</u>	<u>\$ 565,239</u>

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

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

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

Property Taxes	\$ 565,239
Unearned Revenues-Other	<u>1,431,125</u>
Total	<u>\$ 1,996,364</u>

Urban Renewal Agency taxes receivable and unavailable revenue on September 30, 2025 consist of 2024 property tax revenue to be collected after November 30, 2025.

Amounts due from other governments on September 30, 2025 are presented as follows for the City:

Fund	Federal	State	County	Local	Total
General	\$ 100,360	\$ 987,126	\$ 93,015	\$ 80,809	\$ 1,261,310
Street	-	765,973	7,009	-	772,982
Street Lighting	-	-	179	-	179
Library	-	-	4,040	-	4,040
Airport	-	-	1,012	-	1,012
Capital Improvement	122,523	724,908	2,410	-	849,841
Airport Construction	740,956	-	-	-	740,956
CSBG	254,159	-	-	-	254,159
Insurance	-	-	700	-	700
Drug Seizuer	-	3,000	-	-	3,000
Pool	-	139,759	-	-	139,759
Fireworks	-	-	2,299	-	2,299
Total Fund and Government- wide Financial Statements	<u>\$ 1,217,998</u>	<u>\$ 2,620,766</u>	<u>\$ 110,664</u>	<u>\$ 80,809</u>	<u>\$ 4,030,237</u>

Urban Renewal Agency receivable from other governments consists of property taxes collected by the County prior to December 1, 2025.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

5. CAPITAL ASSETS

Changes in capital assets for the City for the year ended September 30, 2025, are as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Government-wide Assets:					
Capital Assets, not Being Depreciated					
Land	\$ 11,972,762	\$ 3,572	\$ (7,435)	\$ -	\$ 11,968,899
Construction in Progress	5,987,686	12,285,565	-	(6,926,757)	11,346,494
Total Capital Assets, not Being Depreciated	17,960,448	12,289,137	(7,435)	(6,926,757)	23,315,393
Capital Assets Being Depreciated					
Buildings and Structures	45,542,998	-	(235,000)	4,264,076	49,572,074
Infrastructure	306,977,752	251,607	-	-	307,229,359
Improvements	23,174,267	210,298	(44,861)	2,662,681	26,002,385
Machinery and Equipment	28,539,094	2,401,358	(1,277,205)	(117,827)	29,545,420
Total Capital Assets Being Depreciated	404,234,111	2,863,263	(1,557,066)	6,808,930	412,349,238
Right to Use Assets					
Buildings and Structures	9,208,464	-	-	-	9,208,464
Machinery and Equipment	728,832	-	-	-	728,832
Total Right to Use Assets	9,937,296	-	-	-	9,937,296
Less Accum. Deprec. For Govt. Wide					
Buildings and Structures	15,075,772	1,212,802	(204,450)	-	16,084,124
Infrastructure	221,031,705	7,655,768	-	-	228,687,473
Improvements	16,870,649	845,270	(40,375)	-	17,675,544
Machinery and Equipment	18,733,772	2,070,533	(1,257,929)	(117,827)	19,428,549
Total Accum. Deprec.	271,711,898	11,784,373	(1,502,754)	(117,827)	281,875,690
Less Accum. Amortization For Govt. Wide					
Buildings and Structures	15,347	184,169	-	-	199,516
Machinery and Equipment	170,061	72,883	-	-	242,944
Total Accum. Amortization	185,408	257,052	-	-	442,460
Governmental Activities Capital Assets, net	\$ 160,234,549	\$ 3,625,079	\$ (61,747)	\$ -	\$ 163,283,777

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

5. CAPITAL ASSETS – Continued

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business Type Activity Assets:					
Capital Assets, not Being Depreciated					
Land	\$ 12,825,918	\$ 200,928	\$ -	\$ -	\$ 13,026,846
Construction in Progress	6,004,466	14,079,670	-	(9,596,815)	10,487,321
Total Capital Assets, not Being Depreciated	18,830,384	14,280,598	-	(9,596,815)	23,514,167
Capital Assets Being Depreciated					
Buildings and Structures	19,037,927	-	-	-	19,037,927
Infrastructure	121,252,135	893,712	-	6,179,995	128,325,842
Improvements	41,458,310	197,081	-	3,416,820	45,072,211
Machinery and Equipment	18,580,170	944,917	(386,647)	117,827	19,256,267
Total Capital Assets Being Depreciated	200,328,542	2,035,710	(386,647)	9,714,642	211,692,247
Less Accum. Deprec. For Business Type Activities					
Buildings and Structures	16,462,161	224,691	-	-	16,686,852
Infrastructure	30,294,391	3,835,354	-	-	34,129,745
Improvements	21,607,283	911,752	-	-	22,519,035
Machinery and Equipment	11,617,819	1,122,979	(382,146)	117,827	12,476,479
Total Accum. Deprec.	79,981,654	6,094,776	(382,146)	117,827	85,812,111
Business-type Activities Capital Assets, net	\$ 139,177,272	\$ 10,221,532	\$ (4,501)	\$ -	\$ 149,394,303

Changes in capital assets for the Urban Renewal Agency for the year ended September 30, 2025, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Government-wide Assets:				
Capital Assets, not Being Depreciated				
Land and Buildings	\$ 3,942,322	\$ -	\$ -	\$ 3,942,322
Total Capital Assets, not Being Depreciated	\$ 3,942,322	\$ -	\$ -	\$ 3,942,322

Investments in real estate have not been allocated between land and buildings.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

5. CAPITAL ASSETS – Continued

Depreciation expense was charged to the governmental functions for the City as follows:

General Government	\$	9,135,108
Fire		345,354
Police		365,374
Library		85,187
Culture and Recreation		409,920
Highway and Streets		694,462
Airport		936,950
Pool		54,688
		12,027,043
Depreciation on Capital Assets held by the City's Internal Service Fund		14,382
Total Depreciation Expense-Governmental Activities	\$	12,041,425

6. LONG-TERM LIABILITIES

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

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized in the period the bonds are issued.

In the fund financial statements, government fund types recognize long-term obligations as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources are reported as a liability of a governmental fund. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

The City Council determined that the best interests of the community would be served with the replacement of two fire stations. One of the fire stations is being financed with general fund reserves. The other is being financed through a lease agreement with Zions Bancorporation, National Association (Zions). Under the terms of the agreement, the City is leasing the fire facility to Zions and Zions is leasing the facility back, with no actual payment due. Additionally, Zions is providing the financing for construction of the fire station through certificates of participation in the amount of \$8,405,000. This lease matures on September 1, 2042. Lease payments, under the agreement, are appropriated annually with no early redemption allowed until the year 2030. The City is waiting on economic and investment factors to determine if early redemptions will be made once available. At this time, no early payments have been made. The lease would end if a payment were not funded. However, it is the intent of the City to fulfil all terms of the agreement. The lease agreement is being represented as a financing arrangement for the fire station costs. During construction, costs were being inventoried as Construction in Process. The asset has been moved to a Right of Use Asset during the current year.

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

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

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

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

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

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

	Beginning Balance	Additions	Principal Payments	Amort.	Ending Balance	Due Within One Year
Governmental Activities:						
Annual Appropriation Certificates of Participation, Series 2022	\$ 8,360,241	\$ -	\$ (285,000)	\$ (25,236)	\$ 8,050,005	\$ 295,000
Zions Bancorporation-lease	445,545		(145,714)		299,831	148,497
Zions Bancorporation-lease	979,238	-	(229,129)	-	750,109	239,280
Total	<u>\$ 9,785,024</u>	<u>\$ -</u>	<u>\$ (659,843)</u>	<u>\$ (25,236)</u>	<u>\$ 9,099,945</u>	<u>\$ 682,777</u>

Business-type Activities:

Idaho Bond Bank Authority, Parity Lien Revenue	\$ 1,926,448		\$ (595,000)	\$ (35,483)	\$ 1,295,965	605,000
Idaho Bond Bank Authority, Revenue Bonds	25,199,383		(1,925,000)	(104,931)	23,169,452	1,985,000
Total	<u>\$ 27,125,831</u>	<u>\$ -</u>	<u>\$ (2,520,000)</u>	<u>\$ (140,414)</u>	<u>\$ 24,465,417</u>	<u>\$ 2,590,000</u>

The following are obligations of the City.

Governmental Activities

Annual Appropriation Certificates of Participation, Series 2022

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

\$ 7,625,000

Plus: Unamortized Premium

425,005

Total

\$8,050,005

Zions Bancorporation

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

299,831

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

750,109

Total

\$9,099,945

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

Business-Type Activities - Revenue Obligations

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

Idaho Bond Bank Authority, Parity Lien

Sewer Revenue Refunding Bond, Series 2012B

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5% \$ 1,225,000

Plus: Unamortized Premium	70,966	
Total		1,295,966

*Idaho Bond Bank Authority, Revenue Bonds,
Series 2014*

Payable in semi-annual installments over 15

years with interest rates that varies from 2 to 5% 22,330,000

Plus: Unamortized Premium	839,451	
Total		23,169,451

Total		\$24,465,417
-------	--	--------------

The Debt service requirements to maturity are as follows:

September 30,	Governmental Activities:			Business-type Activities:		
	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 682,777	\$ 391,307	\$ 1,074,084	\$ 2,590,000	\$ 893,987	\$ 3,483,987
2027	711,214	363,120	1,074,334	2,670,000	814,350	3,484,350
2028	590,949	333,660	924,609	2,765,000	716,850	3,481,850
2029	345,000	305,600	650,600	2,875,000	606,250	3,481,250
2030	360,000	288,350	648,350	2,990,000	491,250	3,481,250
2031-2035	2,100,000	1,151,750	3,251,750	9,665,000	783,400	10,448,400
2036-2040	2,660,000	588,250	3,248,250	-	-	-
2041-2042	1,225,000	74,000	1,299,000	-	-	-
Total	<u>\$ 8,674,940</u>	<u>\$ 3,496,037</u>	<u>\$ 12,170,977</u>	<u>\$ 23,555,000</u>	<u>\$ 4,306,087</u>	<u>\$ 27,861,087</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

Urban Renewal Agency

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

Revenue bonds and outstanding debt on September 30, 2025 consists of the following:

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

\$ 8,140,000

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

14,682,000

Total \$ 22,822,000

Expected annual maturities of these obligations are as follows:

September 30,	Principal	Interest	Total
2026	\$ 2,627,000	\$ 1,573,957	\$ 4,200,957
2027	2,718,000	1,386,468	4,104,468
2028	2,819,000	1,191,962	4,010,962
2029	2,915,000	989,642	3,904,642
2030	3,001,000	779,808	3,780,808
2031-2035	7,747,000	1,296,106	9,043,106
2036	<u>995,000</u>	<u>40,975</u>	<u>1,035,975</u>
Total	<u>\$ 22,822,000</u>	<u>\$ 7,258,918</u>	<u>\$ 30,080,918</u>

In addition to the Bond, the Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. On September 30, 2025, the Agency was indebted in the amount of \$14,234,032. The agreement states that any existing debt with Chobani by the Agency at the end of the revenue allocation area's life ends without recourse.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

Payments to Chobani are limited to “Available Revenues” in the Revenue Allocation Fund as defined in the Reimbursement Agreement. Available Revenues consist of amounts remaining in the Revenue Allocation Fund after satisfaction of required reserves, payment of trustee fees, and provision for bond principal and interest due within the ensuing six months. The Reimbursement Agreement does not constitute a general obligation of the City or the Agency; it is payable solely from Revenue Allocation Revenues of RAA 4-3.

The Reimbursement Agreement bears no interest and remains in effect until the earlier of (1) termination of RAA 4-3 or (2) payment in full of the maximum reimbursement amount. Unpaid amounts in any given year may be carried forward and paid from Available Revenues in subsequent years, subject to the revenue and legal limitations described above.

In addition to the Bond, the Agency is also indebted to Clif Bar & Company. The Agency entered into a Line of Credit and Promissory Note agreement with Clif Bar & Company, in addition to the Bond. The Note evidences the Agency’s obligation to Clif Bar for certain project-related costs, payable solely from ‘Available Revenues’ remaining after the payment of all amounts required under the Bond Resolution, including Bond principal, interest, arbitrage rebate, and required reserves.

The maturity date of the Note is the earliest of: (i) redemption of the Bond, (ii) payment of total debt service under the Bond, or (iii) one month prior to the expiration or termination of the TIF district. Any unpaid balance at that time is not payable from any other Agency resources.

At September 30, 2025, the note had an outstanding principal balance of \$10,234,049. Interest on the Note is accrued and paid only to the extent of Available Revenues as defined in the agreement.

Changes in Long-Term Debt

During the year ended September 30, 2025, the following changes occurred in liabilities reported as the general long-term debt.

	Beginning Balance	Additions	Principal Payments	Ending Balance	Due Within One Year
Revenue Allocation Bonds, Series 2013A	\$ 17,253,000	\$ -	\$ (2,571,000)	\$ 14,682,000	\$ 1,922,000
Revenue Allocation Bonds, Series 2016	8,850,000	-	(710,000)	8,140,000	705,000
Total Revenue Bonds	26,103,000	-	(3,281,000)	22,822,000	2,627,000
Chobani Idaho, LLC-Projects Improvements	14,234,032	-		14,234,032	-
Clif Bar Development	10,234,049	-	-	10,234,049	-
Total Agreements	24,468,081	-	-	24,468,081	-
Total	\$ 50,571,081	\$ -	\$ (3,281,000)	\$ 47,290,081	\$ 2,627,000

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

6. LONG-TERM LIABILITIES-Continued

Changes in accrued compensated absences are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amount due Within 1 year
Governmental	\$ 2,406,645	\$ 1,286,194	\$ (1,533,457)	\$ 2,159,382	\$ 1,367,679
Business-type	249,672	240,846	(207,094)	283,424	201,933
Total	\$ 2,656,317	\$ 1,527,040	\$ (1,740,551)	\$ 2,442,806	\$ 1,569,612

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

7. MANAGEMENT AGREEMENT

The Agency and the City of Twin Falls entered into an agreement in March 1993, where the City agreed to provide administrative, legal, engineering, budgeting, and accounting services in exchange for a fee paid by the Agency. The amount is determined annually and was \$208,000 for the year.

8. INTERFUND TRANSACTIONS

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

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

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

9. INTERFUND TRANSACTIONS-Continued

Interfund transfers for the year are as follows:

	Transfers to										
	General	Street	Airport	Capital Imp.	Fire Works	Water Works	Dierkes	Insurance	Shop Revolving	Pool	Total
Transfers From											
General	\$ -	\$ -	\$ 6,651	\$ 1,980,000	\$ 14,675	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,001,326
Street	362,516	-	-	-	-	428,241	-	42,143	5,566	-	838,466
Street Light	29,661	-	-	-	-	-	-	-	-	-	29,661
Airport	438,596	-	-	-	-	-	-	42,143	-	-	480,739
Capital Imp.	-	31,766	-	-	-	-	2,623,884	-	62,179	343,535	3,061,364
Waterworks	1,232,570	121,810	-	-	-	-	-	93,195	-	-	1,447,575
Wastewater	514,432	-	-	-	-	294,984	-	257,441	-	-	1,066,857
Common Area	3,713	-	-	-	-	-	-	-	-	-	3,713
Sanitation	217,201	-	-	-	-	294,985	-	10,557	-	-	522,743
Dierkes Lake	12,977	-	-	-	-	-	-	-	-	-	12,977
Impact Fees	-	-	-	651,600	-	-	-	-	-	-	651,600
Shop	863	-	-	-	-	-	-	-	-	-	863
Insurance	74,153	-	-	-	-	-	-	-	-	-	74,153
Total	\$ 2,886,682	\$ 153,576	\$ 6,651	\$ 2,631,600	\$ 14,675	\$ 1,018,210	\$ 2,623,884	\$ 445,479	\$ 67,745	\$ 343,535	\$ 10,192,037

Interfund transfers for the Urban Renewal Agency are as follows for the year ended September 30, 2025.

	Transfers In	Transfers Out
Redevelopment Funds	\$ -	\$ 4,731,546
Debt Service Funds	<u>4,731,546</u>	<u>-</u>
	<u>\$ 4,731,546</u>	<u>\$ 4,731,546</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

10. RISK MANAGEMENT

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

The Insurance fund is budgeted through property tax assessments and transfers from the enterprise funds. The City is insured for all risk through Travelers. There are various annual deductibles based off of type of risk.

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

11. PENSION PLANS

Plan Descriptions

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

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

Pension Benefits

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

11. PENSION PLANS-Continued

Pension Benefits-continued

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

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

Member and Employer Contributions

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

For the Base Plan, the contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for public safety. As of June 30, 2025, it was 7.18% for general employees and 10.36% for public safety. The employer contribution rate as a percentage of covered payroll is set by the Retirement Board and was 11.96% for general employees and 13.48% for police and firefighters. The City's contributions were \$3,583,566 for the year ended June 30, 2025.

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

For the Base Plan at September 30, 2025, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2025, the City's proportion was .005827545percent.

For the FRF on September 30, 2025, the City reported an asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2025, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City's share of contributions in the FRF pension plan relative to the total contributions of all participating FRF employers. On June 30, 2025, the City's proportion was .042227719 percent.

For the year ended September 30, 2025, the City recognized pension expense (revenue) of (\$525,159) for the Base Plan and (\$1,119,382) for the FRF Plan for an aggregate total of (\$1,644,541). On September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

11. PENSION PLANS-Continued

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
BASE PLAN		
Differences between expected and actual experience	\$ 2,655,541	\$ -
Changes in assumptions or other inputs	-	2,478,031
Net difference between projected and actual earnings on pension plan investments	-	3,622,564
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	72,118	21,436
The City's contributions subsequent to the measurement date	<u>948,443</u>	<u>-</u>
Total	<u><u>\$ 3,676,102</u></u>	<u><u>\$ 6,122,031</u></u>
FRF		
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	237,908
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	-	-
The City's contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	<u><u>\$ -</u></u>	<u><u>\$ 237,908</u></u>

For the Base Plan, \$948,443 and \$0 for the FRF Plan was reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ending September 30, 2026.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined on July 1, 2025, the beginning of the measurement period ended June 30, 2024 is 4.6 and 4.6 years for the measurement period June 30, 2025, for the Base Plan and 1 year for the FRF Plan.

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

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

11. PENSION PLANS-Continued

Year Ended September 30,

	Base Plan	FRF
2025	\$ 2,444,361	\$ 396,222
2026	(2,333,405)	(279,973)
2027	(2,125,816)	(178,270)
2029	(1,379,512)	(175,887)
	<u>\$ (3,394,372)</u>	<u>\$ (237,908)</u>

Actuarial Assumptions

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

For the Base Plan, the total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.15%
Salary inflation	3.15%
Investment rate of return	6.55%, net of investment expenses
Cost-of living adjustments	1.00%

Contributing Members, Service Retirement Members, and Beneficiaries

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

11. PENSION PLANS-Continued

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

Inflation	2.40%
Salary increases	3.15%
Investment rate of return	6.55%, net of investment expenses
Cost-of living adjustments	3.15%

Contributing Members, Service Retirement Members, and Beneficiaries

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, increase 36%

For the Base Plan, an experience study was performed for the period July 1, 2015 through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability for the Base Plan as of June 30, 2025 is based on the results of an actuarial valuation date of July 1, 2025.

For the FRF Plan, an experience study was performed for the period July 1, 2011 through June 30, 2015 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Asset for the FRF Plan as of June 30, 2025 is based on the results of an actuarial valuation date of July 1, 2025.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions for the base plan and FRF plan are as of 2025 and are listed below.

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

11. PENSION PLANS-Continued**BASE Plan****Capital Market Assumptions 2025**

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

	Target Allocation	Long-term Expected Rate of Return
FRF Plan		
Asset Class		
Cash	0.00%	0.00%
Large Cap	22.00%	4.75%
Small/Mid Cap	10.00%	4.95%
International Equity	11.00%	4.75%
Emerging Markets Equity	11.00%	4.95%
Domestic Fixed	20.00%	2.25%
TIPS	10.00%	2.05%
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 6.55% for the Base Plan and 6.55% for the FRF Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

11. PENSION PLANS-Continued

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

The following presents the City's proportionate share of the net pension liability for the Base Plan and the net pension asset for the FRF Plan calculated using the discount rate of 6.55 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.55 percent) or 1-percentage-point higher (7.55 percent) than the current rate:

	1% Decrease 5.55%	Current Discount Rate 6.55%	1% Increase 7.55%
BASE PLAN			
City's proportionate share of the net pension liability	\$ 33,827,132	\$ 14,013,777	\$ (2,172,852)
FRF PLAN			
City's proportionate share of the net pension asset	\$(11,551,776)	\$ (12,327,495)	\$ (13,008,839)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payable to the pension plan

On September 30, 2025, there were no payables to the defined benefit pension plans for legally required employer contributions or for legally required employee contributions that had been withheld from employee wages but not yet remitted to PERSI.

12. CONTRIBUTIONS, BENEFITS, AND NET POSITION - HEALTH PLAN TRUST FUND

The Trust is funded by employer and, when applicable, employee contributions. The City of Twin Falls, as employer, is required to contribute amounts determined in accordance with the Plan provisions and related funding policies. Employee contributions, if any, are made through periodic payroll deductions. All contributions are paid in advance, deposited into the Trust's accounts, and disbursed from those accounts to pay benefits and administrative expenses.

The Trust Fund is legally liable for payment of all benefits under the Plan's schedule of benefits. Benefits include medical, hospital, pharmacy, dental, and vision coverage, as well as related services for the prevention, diagnosis, and treatment of disease, injury, or bodily condition.

For the year ended September 30, 2025, additions to the Health Plan Trust Fund consisted of employer contributions of \$1,394,458, employee contributions of \$0, and net investment income of \$4,472. Deductions consisted of benefit payments of \$ and administrative expenses of \$115. As of September 30, 2025, fiduciary net position held in trust for health benefits totaled \$1,398,815.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

13. TAX ABATEMENTS

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

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

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

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

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

14. BOND COVENANT COMPLIANCE

The City and Urban Renewal agency are subject to various covenants as a result of the various bonds issued by the City and the Agency. For example, the bonds may require an annual audit, timely payments, an adequate cash reserve in case of late payments, sufficient revenue collections, or notifications of "Listed Events". During the year ended September 30, 2025, the City was in compliance with these covenants. During the year ended September 30, 2025, the Agency was not in compliance with these covenants.

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

15. FUND BALANCE AND NET ASSET DEFICITS

The City did not have any fund deficits as of September 30, 2025, which are significant.

CITY OF TWIN FALLS, IDAHO*Notes to Financial Statements*

September 30, 2025

16. URBAN RENEWAL SUMMARIZED INFORMATION

	Year Ended September 30, 2025
Assets	\$ 9,493,574
Total Assets	<u>\$ 9,493,574</u>
Liabilities & Net Position	
Liabilities	\$ 54,034,770
Net Assets:	
Net Investment in Capital Assets	(43,347,759)
Restricted	7,574,354
Unrestricted	<u>(8,767,791)</u>
Total Liabilities & Net Position	<u>\$ 9,493,574</u>
Revenues	\$ 5,606,799
Expenditures	<u>(2,033,663)</u>
Excess (Deficiency) Revenues over Expenditures	\$ 3,573,136
Net Position - Beginning of Year	<u>(48,114,332)</u>
Net Position - End of Year	<u>\$ (44,541,196)</u>

17. REVENUE ALLOCATION REIMBURSEMENT COMMITMENT

The Urban Renewal Agency has entered into an Owner Participation Agreement (OPA) with Twins Industrial, LP (the Participant) and a related Confirmation of Agency Reimbursement for Block 1, under which the Participant has constructed certain public improvements within the Agency's urban renewal project area. The Agency has agreed to reimburse the Participant for eligible public improvement costs, subject to specific limitations.

Under the Confirmation, the maximum reimbursement obligation of the Agency related to Block 1 is \$2,414,302, payable without interest. Reimbursements are payable solely from revenue allocation (tax increment) proceeds generated as a direct result of the Participant's private development, as defined in the OPA. The Agency has no obligation to use any other funds or to levy additional taxes to make these payments, and the obligation does not constitute a general obligation of the City or the Agency.

The reimbursement commitment expires on the earlier of (1) December 31, 2042, or (2) the termination of the applicable urban renewal plan and project area. Any portion of the \$2,414,302 that has not been reimbursed from eligible revenue allocation proceeds by that date is extinguished, and the Agency has no further obligation to the Participant.

Consistent with governmental accounting standards for limited, pay-as-you-go tax increment reimbursement arrangements, the Agency recognizes a liability only for amounts of revenue allocation proceeds that have been collected and are currently due and payable to the Participant under the terms of the agreement. Future potential reimbursements, which are contingent upon the generation of sufficient revenue allocation proceeds and which lapse upon plan termination, are not recorded as liabilities in the financial statements but are disclosed as a commitment.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2025

17. REVENUE ALLOCATION REIMBURSEMENT COMMITMENT-Continued

At September 30, 2025, the status of this reimbursement commitment was as follows:

- Maximum reimbursement amount: \$2,414,302
- Cumulative revenue allocation proceeds collected related to the project: \$15,028
- Cumulative reimbursements paid to Participant: \$(12,774)
- Remaining potential reimbursement (not recorded as a liability): \$2,401,528.

The OPA remains in full force and effect except as expressly modified by the Confirmation; in the event of any conflict between the OPA and the Confirmation, the OPA controls.

18. SUBSEQUENT EVENTS

The City and Agency have evaluated subsequent events through February 23, 2026, the date which the financial statements were available to be issued and determined the following disclosures were needed.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TWIN FALLS, IDAHO

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Budget and Actual - General Fund

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes, Including Penalty and Interest	\$26,541,314	\$26,541,313	\$26,675,627	\$ 134,314	\$24,583,031
Non-property Taxes	532,000	532,000	510,320	(21,680)	640,382
Fines and Forfeitures	7,000	7,000	17,439	10,439	22,244
Licenses and Permits	1,307,000	1,307,000	2,391,642	1,084,642	1,740,189
Fees and Services	1,608,778	1,608,778	1,932,627	323,849	1,664,745
Intergovernmental	3,607,065	3,607,065	3,689,972	82,907	3,874,094
Federal Grants	1,923,346	1,923,346	998,368	(924,978)	498,742
Interest, Dividends & Changes in Market Value	157,908	157,908	608,670	450,762	959,408
Miscellaneous	935,185	938,185	1,227,941	289,756	1,386,464
Total Revenues	36,619,596	36,622,595	38,052,606	1,430,011	35,369,299
Expenditures:					
Current					
Data Processing	3,313,923	3,361,193	3,183,401	177,792	2,763,465
Council	154,496	154,496	158,313	(3,817)	154,059
Manager	1,380,613	1,404,248	1,394,202	10,046	1,405,735
Finance	888,571	908,166	875,836	32,330	764,733
Attorney	671,008	690,704	617,565	73,139	567,183
Personnel	909,509	933,144	824,648	108,496	661,252
Janitorial	151,730	157,638	155,993	1,645	140,110
Total General Government	7,469,850	7,609,589	7,209,958	399,631	6,456,537
Police	15,142,271	15,599,217	15,074,414	524,803	13,961,883
Fire	7,474,735	7,677,603	7,560,092	117,511	6,931,993
Inspection	1,009,603	1,043,086	1,011,089	31,997	947,439
Animal Control	640,844	652,661	637,731	14,930	557,432
Total Public Safety	24,267,453	24,972,567	24,283,326	689,241	22,398,747
Engineering	1,876,519	1,931,668	1,762,668	169,000	1,688,859
Planning and Zoning	964,207	995,720	990,805	4,915	924,040
Economic Development	352,179	360,057	338,438	21,619	316,884
Total Community Development	1,316,386	1,355,777	1,329,243	26,534	1,240,924
Parks	2,053,853	2,104,734	2,005,337	99,397	1,924,888
Recreation	918,996	936,053	959,638	(23,585)	872,045
Total Culture and Recreation	2,972,849	3,040,787	2,964,975	75,812	2,796,933
Public Transportation	1,629,896	1,633,836	1,650,689	(16,853)	-
Total Expenditures	39,532,953	40,544,224	39,200,858	1,343,365	34,582,000
Excess (Deficiency) of Revenue Over Expenditures	(2,913,357)	(3,921,629)	(1,148,252)	2,773,376	787,299
Other Financing Sources (Uses)					
Transfers In	2,931,683	2,931,683	2,886,682	(45,001)	2,828,186
Transfers Out	(18,326)	(21,326)	(2,001,326)	(1,980,000)	(893,364)
Total Other Financing Sources (Uses)	2,913,357	2,910,357	885,356	(2,025,001)	1,934,822
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ (1,011,272)	(262,896)	\$ 748,375	\$ 2,722,121
Fund Balance, October 1st,			12,453,602		9,731,481
Fund Balance, September 30th			\$ 12,190,706		\$ 12,453,602

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO

Special Revenue - Street Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes	\$ 832,670	\$ 832,670	\$ 844,808	\$ 12,138	\$ 1,194,036
Intergovernmental	4,419,400	4,419,400	6,108,190	1,688,790	6,685,358
Grants	8,341,960	8,478,250	7,961,974	(516,276)	534,521
Interest, Dividends & Changes in Market Value	205,628	205,628	1,039,160	833,532	1,670,532
Miscellaneous	1,382,360	1,382,360	1,490,530	108,170	1,541,507
Total Revenues	<u>15,182,018</u>	<u>15,318,308</u>	<u>17,444,662</u>	<u>2,126,354</u>	<u>11,625,957</u>
Expenditures:					
Current					
Highways and Streets	3,554,183	4,080,935	3,417,729	663,206	2,763,575
Capital Outlay	11,454,036	13,558,768	10,971,772	2,586,996	3,586,000
Total Expenditures	<u>15,008,219</u>	<u>17,639,703</u>	<u>14,389,501</u>	<u>3,250,202</u>	<u>6,349,575</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	173,799	(2,321,395)	3,055,161	5,376,556	5,276,382
Other Financing Sources (Uses)					
Transfers In	230,861	230,861	153,576	77,285	514,647
Transfers Out	(404,660)	(404,660)	(838,466)	433,806	(393,199)
Total Other Sources (Uses)	<u>(173,799)</u>	<u>(173,799)</u>	<u>(684,890)</u>	<u>511,091</u>	<u>121,448</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ (2,495,194)</u>	2,370,271	<u>\$ 4,865,465</u>	5,397,830
Fund Balances, October 1st			<u>15,180,678</u>		<u>9,782,848</u>
Fund Balances, September 30th			<u>\$ 17,550,949</u>		<u>\$ 15,180,678</u>

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Airport Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes	\$ 511,085	\$ 511,085	\$ 511,022	\$ (63)	\$ 457,213
Fees and Services	751,721	751,721	834,534	82,813	821,847
Intergovernmental	511,086	511,086	511,086	-	456,831
Grants	-	-	15,000	15,000	44,039
Interest, Dividends & Changes in Market Value	61,359	61,359	136,017	74,658	170,724
Farm Income	65,877	65,877	71,934	6,057	71,088
Miscellaneous	-	-	-	-	3,874
Total Revenues	<u>1,901,128</u>	<u>1,901,128</u>	<u>2,079,593</u>	<u>178,465</u>	<u>2,025,616</u>
Expenditures:					
Current					
Airport	<u>1,678,040</u>	<u>1,715,462</u>	<u>1,610,315</u>	<u>105,147</u>	<u>2,125,222</u>
Total Expenditures	<u>1,678,040</u>	<u>1,715,462</u>	<u>1,610,315</u>	<u>105,147</u>	<u>2,125,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	223,088	185,666	469,278	283,612	(99,606)
Other Financing Sources (Uses)					
Transfers In	6,651	6,651	6,651	-	6,389
Transfers Out	<u>(480,739)</u>	<u>(480,739)</u>	<u>(480,739)</u>	<u>-</u>	<u>(467,166)</u>
Total Other Sources (Uses)	<u>(474,088)</u>	<u>(474,088)</u>	<u>(474,088)</u>	<u>-</u>	<u>(460,777)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (251,000)</u>	<u>\$ (288,422)</u>	(4,810)	<u>\$ 283,612</u>	(560,383)
Fund Balances, October 1st			<u>3,537,665</u>		<u>4,098,048</u>
Fund Balances, September 30th			<u>\$ 3,532,855</u>		<u>\$ 3,537,665</u>

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO

Schedule of Employer's Share of Net Pension Asset/Liability

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's portion of the net pension (asset) liability	.005827545	.005731512	.005701241	.005831701	.005857242	.006008378	.006125586	.005940511	.005813347	.005422236
City's proportionate share of the net pension (asset) liability	\$14,013,777	\$21,895,761	\$23,473,505	\$22,867,124	\$ (406,916)	\$13,468,446	\$ 6,116,243	\$ 7,955,648	\$ 8,356,557	\$11,008,731
City's covered payroll	\$28,593,893	\$25,886,542	\$23,900,808	\$22,761,735	\$21,589,895	\$21,171,721	\$20,550,187	\$18,865,104	\$17,837,788	\$15,786,995
City's proportional share of the net pension liability as a percentage of its covered-employee payroll	49.01%	84.58%	98.21%	100.46%	-1.88%	63.62%	29.76%	42.17%	46.85%	69.73%
Plan fiduciary net position as a percentage of the total pension liability	90.89%	85.54%	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's portion of the net pension asset	.042227719	.042227719	.042227719	.042227719	.042227719	.042227719	.042011350	.038550585	.036537638	.040605333
City's proportionate share of the net pension asset	\$12,327,495	\$10,628,552	\$ 9,982,749	\$ 8,668,968	\$11,411,063	\$ 6,256,568	\$ 5,647,629	\$ 4,190,076	\$ 3,353,402	\$ 2,086,650
City's covered payroll	\$ 4,605,453	\$ 4,233,362	\$ 3,876,509	\$ 3,772,373	\$ 3,505,708	\$ 3,252,302	\$ 3,299,502	\$ 2,899,425	\$ 2,646,204	\$ 2,524,390
City's proportional share of the net pension asset as a percentage of its covered-employee payroll	267.67%	251.07%	257.52%	229.80%	325.50%	192.37%	171.17%	144.51%	126.72%	82.66%
Plan fiduciary net position as a percentage of the total pension asset	227.13%	207.66%	200.58%	184.72%	211.83%	155.55%	152.74%	140.15%	129.65%	118.42%

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

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

Schedule of Employer Contributions

Base Plan

Last 10 - Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 3,603,716	\$ 3,244,668	\$ 2,963,452	\$ 2,773,662	\$ 2,695,296	\$ 2,532,527	\$ 2,420,702	\$ 2,197,901	\$ 2,040,589	\$ 1,813,839
Contribution in relation to the statutorily required contribution	3,603,716	3,244,668	2,963,452	2,773,662	2,695,296	2,532,527	2,420,702	2,197,901	2,040,589	1,813,839
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 27,632,727	\$ 26,301,782	\$ 24,473,754	\$ 22,948,042	\$ 22,302,258	\$ 21,291,447	\$ 20,875,898	\$ 19,123,237	\$ 17,772,209	\$ 15,594,399
Contributions as a percentage of covered-employee payroll	13.04%	12.34%	12.11%	12.09%	12.09%	11.89%	11.60%	11.49%	11.48%	11.63%

Schedule of Employer Contributions

FRF

Last 10 - Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,979	\$ 170,631	\$ 150,607	\$ 137,351	\$ 137,818
Contribution in relation to the statutorily required contribution	-	-	-	-	-	158,979	170,631	150,607	137,351	137,818
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 4,488,313	\$ 4,311,534	\$ 4,011,738	\$ 3,814,149	\$ 3,505,708	\$ 3,324,570	\$ 3,352,786	\$ 3,000,975	\$ 2,710,218	\$ 2,508,735
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	4.78%	5.09%	5.02%	5.07%	5.49%

Data reported is measured as of September 30.

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO
Notes to Required Supplementary Information
September 30, 2025

NOTE 1- BUDGETARY INFORMATION

Budgetary-GAAP Reporting Reconciliation

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

Budgetary Policies

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

SUPPLEMENTARY INFORMATION

CITY OF TWIN FALLS, IDAHO
Combining Statement - Other Governmental Funds
Fund Balance Sheets
September 30, 2025

	Special Revenue Funds						Capital Projects Fund					Total Other Government Funds
	Street Light	Library	Pool	Drug Seizure	Fireworks	Total	Historic Preservation	Park Develop.	Impact Fee	CDBG	Total	
Assets												
Cash and Investments	\$ 485,117	\$ 1,415,640	\$ 42,167	\$ 303,816	\$ -	\$ 2,246,740	\$ -	\$ 1,054,947	\$ 12,199,371	\$ 12,748	\$ 13,267,066	\$ 15,513,806
Receivables (net of allowance)												
Taxes	1,446	-	-	-	-	1,446	-	-	-	-	-	1,446
Intergovernmental	179	4,040	139,759	3,000	2,299	149,277	-	-	-	254,159	254,159	403,436
Accounts	5,058	-	2,206	-	-	7,264	-	-	-	-	-	7,264
Total Assets	<u>\$ 491,800</u>	<u>\$ 1,419,680</u>	<u>\$ 184,132</u>	<u>\$ 306,816</u>	<u>\$ 2,299</u>	<u>\$ 2,404,727</u>	<u>\$ -</u>	<u>\$ 1,054,947</u>	<u>\$ 12,199,371</u>	<u>\$ 266,906</u>	<u>\$ 13,521,224</u>	<u>\$ 15,925,951</u>
Liabilities												
Pooled Cash	\$ -	\$ -	\$ -	\$ -	\$ 5,277	\$ 5,277	\$ 3,745	\$ -	\$ -	\$ -	\$ 3,745	\$ 9,022
Accounts Payable	71,446	100,065	160,392	-	-	331,903	-	-	87,352	280,044	367,396	699,299
Total Liabilities	<u>71,446</u>	<u>100,065</u>	<u>160,392</u>	<u>-</u>	<u>5,277</u>	<u>337,180</u>	<u>3,745</u>	<u>-</u>	<u>87,352</u>	<u>280,044</u>	<u>371,141</u>	<u>708,321</u>
Deferred Inflows of Resources												
Unavailable Revenue - Property Taxes	1,318	-	-	-	-	1,318	-	-	-	-	-	1,318
Total Deferred Inflows of Resources	<u>1,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,318</u>
Fund Balance												
Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-	-	-	-	-	-
Park Development	-	-	-	-	-	-	-	1,054,947	-	-	1,054,947	1,054,947
Committed Fund Balance												
Budgeted Surpluses	-	146,000	-	78,303	-	224,303	-	-	651,600	-	651,600	875,903
Park Development	-	-	-	-	-	-	-	-	-	-	-	-
Trail Fund	-	-	-	-	-	-	-	-	-	-	-	-
Impact Fees	-	-	-	-	-	-	-	-	11,460,419	-	11,460,419	11,460,419
Drug Seizure	-	-	-	228,513	-	228,513	-	-	-	-	-	228,513
Assigned Fund Balance												
Street Light	419,036	-	-	-	-	419,036	-	-	-	-	-	419,036
Community Services-Library	-	1,173,615	-	-	-	1,173,615	-	-	-	-	-	1,173,615
Pool	-	-	23,740	-	-	23,740	-	-	-	-	-	23,740
Unassigned Fund Balance	-	-	-	-	(2,978)	(2,978)	(3,745)	-	-	(13,138)	(16,883)	(19,861)
Total Fund Balance	<u>419,036</u>	<u>1,319,615</u>	<u>23,740</u>	<u>306,816</u>	<u>(2,978)</u>	<u>2,066,229</u>	<u>(3,745)</u>	<u>1,054,947</u>	<u>12,112,019</u>	<u>(13,138)</u>	<u>13,150,083</u>	<u>15,216,312</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 491,800</u>	<u>\$ 1,419,680</u>	<u>\$ 184,132</u>	<u>\$ 306,816</u>	<u>\$ 2,299</u>	<u>\$ 2,404,727</u>	<u>\$ -</u>	<u>\$ 1,054,947</u>	<u>\$ 12,199,371</u>	<u>\$ 266,906</u>	<u>\$ 13,521,224</u>	<u>\$ 15,925,951</u>

CITY OF TWIN FALLS, IDAHO
Combining Statement - Other Governmental Funds
Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended September 30, 2025

	Special Revenue Funds						Capital Projects Fund					Total Other Government Funds
	Street Light	Library	Pool	Drug Seizure	Fireworks	Total	Historic Preservation	Park Develop.	Impact Fee	CDBG	Total	
Revenues												
Property Taxes, Including Interest	\$ 65,355	\$ 2,188,098	\$ -	\$ -	\$ -	\$ 2,253,453	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,253,453
Other Taxes	491,843	-	-	-	-	491,843	-	-	-	-	-	491,843
Special Assessments, Including Interest	-	-	-	58,787	-	58,787	-	-	-	-	-	58,787
Fines and Forfeitures	-	14,009	-	-	-	14,009	-	-	-	-	-	14,009
Fees and Services	-	32,698	450,280	-	1,930	484,908	-	-	3,009,526	-	3,009,526	3,494,434
Intergovernmental	-	-	510,101	-	8,392	518,493	-	-	-	-	-	518,493
Federal Grants	-	1,050	-	-	-	1,050	-	-	-	798,363	798,363	799,413
Interest, Dividends & Changes in Fair Value	-	66,007	-	-	-	66,007	-	45,107	472,352	-	517,459	583,466
Miscellaneous	25,808	23,279	66	-	753	49,906	-	-	-	-	-	49,906
Total Revenue	583,006	2,325,141	960,447	58,787	11,075	3,938,456	-	45,107	3,481,878	798,363	4,325,348	8,263,804
Expenditures												
Current												
Public Safety	-	-	-	64,824	-	64,824	-	-	-	47,300	47,300	112,124
Community Development	-	-	-	-	25,000	25,000	-	-	-	-	-	25,000
Culture and Recreation	-	2,232,636	806,184	-	-	3,038,820	-	-	-	-	-	3,038,820
Highway and Streets	671,378	-	-	-	-	671,378	-	-	-	-	-	671,378
Capital Outlay	-	114,099	487,461	-	-	601,560	-	-	215,441	764,408	979,849	1,581,409
Total Expenditures	671,378	2,346,735	1,293,645	64,824	25,000	4,401,582	-	-	215,441	811,708	1,027,149	5,428,731
Excess of Revenues Over (Under) Expenditures	(88,372)	(21,594)	(333,198)	(6,037)	(13,925)	(463,126)	-	45,107	3,266,437	(13,345)	3,298,199	2,835,073
Other Financing Sources (Uses)												
Transfers In	-	-	343,535	-	14,675	358,210	-	-	-	-	-	358,210
Transfers Out	(29,661)	-	-	-	-	(29,661)	-	-	(651,600)	-	(651,600)	(681,261)
Net Transfers	(29,661)	-	343,535	-	14,675	328,549	-	-	(651,600)	-	(651,600)	(323,051)
Net Change in Fund Balance	(118,033)	(21,594)	10,337	(6,037)	750	(134,577)	-	45,107	2,614,837	(13,345)	2,646,599	2,512,022
Fund Balance October 1, 2024	537,069	1,341,209	13,403	312,853	(3,728)	2,200,806	(3,745)	1,009,840	9,497,182	207	10,503,484	12,704,290
Fund Balance September 30, 2025	<u>\$ 419,036</u>	<u>\$ 1,319,615</u>	<u>\$ 23,740</u>	<u>\$ 306,816</u>	<u>\$ (2,978)</u>	<u>\$ 2,066,229</u>	<u>\$ (3,745)</u>	<u>\$ 1,054,947</u>	<u>\$ 12,112,019</u>	<u>\$ (13,138)</u>	<u>\$ 13,150,083</u>	<u>\$ 15,216,312</u>

CITY OF TWIN FALLS, IDAHO
Combining Statement - Proprietary Funds
Fund Balance Sheets
September 30, 2025

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
<u>Assets</u>			
Current Assets			
Cash and Investments	\$ 2,438,990	\$ 59,737	\$ 2,498,727
Receivables, net of allowance for uncollectibles			
Fees and Services	-	5,548	5,548
Accounts	1,793	-	1,793
Total Current Assets	2,440,783	65,285	2,506,068
Noncurrent Assets			
Capital Assets (Net of Accum. Depreciation)	4,227,465	-	4,227,465
Total Noncurrent Assets	4,227,465	-	4,227,465
Total Assets	6,668,248	65,285	6,733,533
<u>Deferred Outflows of Resources</u>			
Pension Obligations	-	-	-
Total Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 6,668,248	\$ 65,285	\$ 6,733,533
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable	\$ 39,971	\$ 20,571	\$ 60,542
Deferred Revenues	40,633	-	40,633
Total Current Liabilities	80,604	20,571	101,175
Total Liabilities	80,604	20,571	101,175
<u>Deferred Inflows of Resources</u>			
Pension Obligations	-	-	-
Total Deferred Inflows of Resources	-	-	-
<u>Net Position</u>			
Invested In Capital Assets, net of related debt	4,227,465	-	4,227,465
Restricted	-	-	-
Unrestricted	2,360,179	44,714	2,404,893
Total Equity	6,587,644	44,714	6,632,358
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 6,668,248	\$ 65,285	\$ 6,733,533

CITY OF TWIN FALLS, IDAHO
Combining Statement - Proprietary Funds
Statements of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended September 30, 2024

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Totals
Operating Revenues:			
Charges for Services	\$ 547,844	\$ 70,199	\$ 618,043
Miscellaneous	13,104	-	13,104
Total Operating Revenues	560,948	70,199	631,147
Operating Expenses:			
Contracted Services	91,237	67,666	158,903
Personnel Expenses	129,564	-	129,564
Depreciation and Amortization	75,542	-	75,542
Utilities	5,080	4,815	9,895
Supplies	12,117	-	12,117
Repairs and Maintenance	7,671	1,823	9,494
Vehicle Expenses	4,184	-	4,184
Small Equipment	53,355	-	53,355
Miscellaneous Expense	9,204	39	9,243
Total Operating Expenses	387,954	74,343	462,297
Operating Income (Loss)	172,994	(4,144)	168,850
Non-Operating Revenues (Expenses):			
Interest, Dividends & Changes in Fair Value	72,619	-	72,619
Total Non-Operating Revenues (Exp.)	72,619	-	72,619
Income (Loss) Before Contributions and Transfers	245,613	(4,144)	241,469
Contributions and Interfund Transfers:			
Transfers In	2,623,884	-	2,623,884
Transfers Out	(12,977)	(3,713)	(16,690)
Net Transfers	2,610,907	(3,713)	2,607,194
Net Income (Loss)	2,856,520	(7,857)	2,848,663
Total Net Position, October 1, 2024	3,731,124	52,571	3,783,695
Total Net Position, September 30, 2025	\$ 6,587,644	\$ 44,714	\$ 6,632,358

City of Twin Falls, Idaho
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities		
	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
Cash Flows from Operating Activities			
Receipts from Customers	\$ 588,366	\$ 70,189	\$ 658,555
Payments to Suppliers	(226,345)	(70,468)	(296,813)
Payments to Employees	(129,564)	-	(129,564)
Other Receipts (Payments)	13,104	-	13,104
Net Cash Provided (Used) by Operating Activities	245,561	(279)	245,282
Cash Flows from Non-Capital Financing Activities			
Interfund Transfers to Other Funds	(12,977)	(3,713)	(16,690)
Transfers from Other Funds	2,623,884	-	2,623,884
Net Cash Provided (Used) by Non-Capital Financing Activities	2,610,907	(3,713)	2,607,194
Cash Flows from Capital and Related Financing Activities			
Construction in Progress	(137,630)	-	(137,630)
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,953,398)	-	(2,953,398)
Cash Flows from Investing Activities			
Interest, Dividends & Changes in Fair Value	72,619	-	72,619
Net Cash Provided (Used) by Investing Activities	25,492	-	25,492
Net Increase (Decrease) in Cash and Cash Equivalents	(71,438)	(3,992)	(75,430)
Balances - Beginning of the Year	236,300	63,729	300,029
Balances - End of the Year	\$ 164,862	\$ 59,737	\$ 224,599
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ 172,994	\$ (4,144)	\$ 168,850
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	75,542	-	75,542
Change in Assets and Liabilities:			
Receivables, Net	(111)	(10)	(121)
Accounts Payable	(43,497)	3,875	(39,622)
Deferred Revenues	40,633	-	40,633
Net Cash Provided (Used) by Operating Activities	\$ 245,561	\$ (279)	\$ 245,282
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds			
Cash and Investments-Statement of Net Position	\$ 2,438,990	\$ 59,737	\$ 2,498,727
Less: Investments	(2,274,128)	-	(2,274,128)
Cash and Cash Equivalents	\$ 164,862	\$ 59,737	\$ 224,599

CITY OF TWIN FALLS, IDAHO
Combining Statement - Internal Service Funds
Statement of Net Position
September 30, 2025

	Governmental Activities - Internal Service Funds		
	Shop		
	Insurance	Revolving	Total
<u>Assets</u>			
Current Assets:			
Cash and Investments	\$ 281,070	\$ 240,117	\$ 521,187
Receivables, net of allowance for uncollectibles			
Taxes	5,569	-	5,569
Intergovernmental	700	-	700
Accounts	1,072	1,691	2,763
Total Current Assets	288,411	241,808	530,219
Noncurrent Assets:			
Capital Assets (Net of Accum. Depreciation)	-	335,607	335,607
Total Noncurrent Assets	-	335,607	335,607
Total Assets	\$ 288,411	\$ 577,415	\$ 865,826
<u>Liabilities and Net Position</u>			
Current Liabilities:			
Accounts Payable	\$ 29,462	\$ 1,925	\$ 31,387
Accrued Expenses	-	259	259
Unavailable Revenues-Property Taxes	5,089	-	5,089
Compensated Absences	-	19,554	19,554
Total Current Liabilities	34,551	21,738	56,289
NonCurrent Liabilities:			
Compensated Absences	-	3,050	3,050
Total Non-Current Liabilities	-	3,050	3,050
Total Liabilities	34,551	24,788	59,339
<u>Net Position</u>			
Net Investment in Capital Assets	-	335,607	335,607
Restricted	-	-	-
Unrestricted	253,860	217,020	470,880
Total Net Position	253,860	552,627	806,487
Total Liabilities and Net Position	\$ 288,411	\$ 577,415	\$ 865,826

CITY OF TWIN FALLS, IDAHO
Combining Statement - Internal Service Funds
Statements of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended September 30, 2025

	Governmental Activities - Internal Service Funds		
	Shop		
	Insurance	Revolving	Total
Operating Revenues:			
Charges for Services	\$ -	\$ 693,717	\$ 693,717
Special Assessments, Including Interest	259,197	-	259,197
Total Operating Revenues	<u>259,197</u>	<u>693,717</u>	<u>952,914</u>
Operating Expenses:			
Contracted Services	-	8,330	8,330
Personnel Expenses	-	597,683	597,683
Depreciation and Amortization	-	14,382	14,382
Utilities	-	12,454	12,454
Supplies	-	47,591	47,591
Insurance	613,069	-	613,069
Repairs and Maintenance	-	16,094	16,094
Vehicle Expenses	-	1,405	1,405
Small Equipment	-	67,745	67,745
Miscellaneous Expense	-	69	69
Travel and Meetings	-	2,924	2,924
Total Operating Expenses	<u>613,069</u>	<u>768,677</u>	<u>1,381,746</u>
Operating Income (Loss)	(353,872)	(74,960)	(428,832)
Non-Operating Revenues (Expenses):			
Interest, Dividends & Changes in Fair Value	8,964	-	8,964
Total Non-Operating Revenues (Exp.)	<u>8,964</u>	<u>-</u>	<u>8,964</u>
Income (Loss) Before Operating Transfers	(344,908)	(74,960)	(419,868)
Operating Transfers:			
Operating Transfers In	445,479	67,745	513,224
Operating Transfers Out	(74,153)	(863)	(75,016)
Net Transfers	<u>371,326</u>	<u>66,882</u>	<u>438,208</u>
Net Income (Loss)	26,418	(8,078)	18,340
Total Net Position, October 1, 2024	<u>227,442</u>	<u>560,705</u>	<u>788,147</u>
Total Net Position, September 30, 2025	<u>\$ 253,860</u>	<u>\$ 552,627</u>	<u>\$ 806,487</u>

CITY OF TWIN FALLS, IDAHO
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2025

	Governmental Activities		
	Insurance	Shop Revolving	Total
Cash Flows from Operating Activities			
Cash Received from Interfund Services Provided	\$ -	\$ 692,714	\$ 692,714
Property Taxes, Including Interest	240,657	-	240,657
Payments to Suppliers	(623,834)	(154,591)	(778,425)
Payments to Employees	-	(596,424)	(596,424)
Net Cash Provided (Used) by Operating Activities	(383,177)	(58,301)	(441,478)
Cash Flows from Non-Capital Financing Activities			
Interfund Transfers to Other Funds	(74,153)	(863)	(75,016)
Transfers from Other Funds	445,479	67,745	513,224
Net Cash Provided (Used) by Non-Capital Financing Activities	371,326	66,882	438,208
Cash Flows from Capital and Related Financing Activities			
Disposals, Transfers of Capital Assets	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(144,258)	(144,258)
Cash Flows from Investing Activities			
Interest, Dividends & Changes in Fair Value	8,964	-	8,964
Net Cash Provided (Used) by Investing Activities	2,748	-	2,748
Net Increase (Decrease) in Cash and Cash Equivalents	(9,103)	(135,677)	(144,780)
Balances - Beginning of the Year	(9,786)	375,794	366,008
Balances - End of the Year	\$ (18,889)	\$ 240,117	\$ 221,228
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (353,872)	\$ (74,960)	\$ (428,832)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	-	14,382	14,382
Change in Assets and Liabilities:			
Receivables, Net	17,223	(1,003)	16,220
Accounts Payable	(10,765)	1,925	(8,840)
Deferred Revenues	(35,763)	-	(35,763)
Compensated Absences	-	1,259	1,259
Net Cash Provided (Used) by Operating Activities	\$ (383,177)	\$ (58,301)	\$ (441,478)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds			
Cash and Investments-Statement of Net Position	\$ 281,070	\$ 240,117	\$ 521,187
Less: Investments	(299,959)	-	(299,959)
Cash and Cash Equivalents	\$ (18,889)	\$ 240,117	\$ 221,228

CITY OF TWIN FALLS, IDAHO
 Capital Projects - Capital Improvement Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2025
 With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes	\$ 770,000	\$ 770,000	\$ 780,278	\$ 10,278	\$ 1,110,286
Intergovernmental	2,494,138	2,494,138	2,645,810	151,672	2,167,592
Federal Grants	-	1,869,086	2,305,790	436,704	2,300,237
Interest, Dividends & Changes in Fair Value	423,400	423,400	1,000,484	577,084	1,804,657
Miscellaneous or Reserves	-	430,000	342,732	(87,268)	250,395
Total Revenues	<u>3,687,538</u>	<u>5,986,624</u>	<u>7,075,094</u>	<u>1,088,470</u>	<u>7,633,167</u>
Expenditures:					
Current					
General Government	786,000	786,000	216,246	569,754	403,573
Public Safety	1,745,456	2,932,769	2,978,266	(45,497)	5,709,222
Culture and Recreation	1,010,075	1,440,075	1,351,600	88,475	816,037
Highways and Streets	75,000	75,000	24,887	50,113	30,512
Capital Outlay	490,000	490,000	490,838	(838)	4,780,970
Debt Service	4,010,957	4,697,976	1,078,433	3,619,543	4,780,970
Total Expenditures	<u>8,117,488</u>	<u>10,421,820</u>	<u>6,140,270</u>	<u>4,281,550</u>	<u>16,521,284</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,429,950)	(4,435,196)	934,824	5,370,020	(8,888,117)
Other Financing Sources (Uses)					
Transfers In	651,600	651,600	2,631,600	1,980,000	1,525,100
Transfers Out	(1,598,550)	(3,995,113)	(3,061,364)	933,749	(1,537,721)
Issuance of Debt	-	-	-	-	695,140
Total Other Sources (Uses)	<u>(946,950)</u>	<u>(3,343,513)</u>	<u>(429,764)</u>	<u>2,913,749</u>	<u>682,519</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (5,376,900)</u>	<u>\$ (7,778,709)</u>	505,060	<u>\$ 8,283,769</u>	(8,205,598)
Fund Balances, October 1st			<u>21,808,823</u>		<u>25,233,452</u>
Fund Balances, September 30th			<u>\$ 22,313,883</u>		<u>\$ 17,027,853</u>

CITY OF TWIN FALLS, IDAHO
Capital Projects - Airport Construction Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Fees and Services	\$ 100,625	\$ 100,625	\$ 137,517	\$ 36,892	\$ 122,219
Federal Grants	2,234,375	2,234,375	1,646,217	(588,158)	1,457,437
Interest, Dividends & Changes in Market Value	15,000	15,000	13,204	(1,796)	19,383
Total Revenues	<u>2,350,000</u>	<u>2,350,000</u>	<u>1,796,938</u>	<u>(553,062)</u>	<u>1,599,039</u>
Expenditures:					
Current					
Airport	<u>2,350,000</u>	<u>2,350,000</u>	<u>507,267</u>	<u>1,842,733</u>	<u>2,433,449</u>
Total Expenditures	<u>2,350,000</u>	<u>2,350,000</u>	<u>507,267</u>	<u>1,842,733</u>	<u>2,433,449</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	1,289,671	1,289,671	(834,410)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	1,289,671	<u>\$ 1,289,671</u>	(834,410)
Fund Balances, October 1st			<u>(730,646)</u>		<u>103,764</u>
Fund Balances, September 30th			<u>\$ 559,025</u>		<u>\$ (730,646)</u>

CITY OF TWIN FALLS, IDAHO
Enterprise - Waterworks Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025			Variance	2024
	Proposed Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Operating Revenues:					
Charges for Services	\$ 12,312,273	\$ 12,312,273	\$ 13,200,734	\$ 888,461	\$ 12,656,691
Taps, Connection and Other Fees	165,000	165,000	219,010	54,010	241,651
Miscellaneous	60,000	3,460,000	4,273,674	813,674	53,159
Total Operating Revenues	<u>12,537,273</u>	<u>15,937,273</u>	<u>17,693,418</u>	<u>1,756,145</u>	<u>12,951,501</u>
Operating Expenses:					
Contracted Expenses	403,891	403,891	364,160	39,731	313,335
Personnel Expenses	3,223,667	3,350,377	3,359,053	(8,676)	3,277,938
Depreciation and Amortization	-	-	2,195,697	(2,195,697)	2,062,396
Utilities	1,366,800	1,366,800	1,377,776	(10,976)	1,266,725
Supplies	744,450	744,450	760,714	(16,264)	748,876
Repairs and Maintenance	214,000	214,000	179,101	34,899	218,700
Vehicle Expense	246,624	246,624	236,499	10,125	207,523
Capital & Equipment	5,935,350	14,655,505	781,474	13,874,031	787,511
Studies and Projects	34,000	34,000	31,668	2,332	32,088
Rental Expense	185,500	185,500	172,491	13,009	177,667
Miscellaneous Expenses	300,739	300,739	347,567	(46,828)	238,310
Testing and Monitoring	100,250	100,250	105,847	(5,597)	91,366
Travel and Meetings	18,900	18,900	11,991	6,909	9,518
Total Operating Expenses	<u>12,774,171</u>	<u>21,621,036</u>	<u>9,924,038</u>	<u>11,696,998</u>	<u>9,431,953</u>
Operating Income (Loss)	(236,898)	(5,683,763)	7,769,380	13,453,143	3,519,548
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	335,180	335,180	1,049,232	714,052	1,777,402
Rent and Royalties	100,000	100,000	119,630	19,630	119,630
Federal Grants	-	-	31,151	31,151	-
Debt Principal Payments	-	-	-	-	-
Gain (Loss) on Sale of Assets	-	-	94,811	94,811	167,603
Interest Expense	-	-	-	-	(38,596)
Total Non-operating Revenues (Exp.)	<u>435,180</u>	<u>435,180</u>	<u>1,294,824</u>	<u>859,644</u>	<u>2,026,039</u>
Income (Loss) Before Operating Transfers	198,282	(5,248,583)	9,064,204	14,312,787	5,545,587
Interfund Transfers and Donations:					
Transfers In	589,970	589,970	1,018,209	428,239	528,421
Transfers Out	(1,447,575)	(1,447,575)	(1,447,575)	-	(1,407,491)
Net Transfers and Donations	<u>(857,605)</u>	<u>(857,605)</u>	<u>(429,366)</u>	<u>428,239</u>	<u>(879,070)</u>
Net Income (Loss)	<u>\$ (659,323)</u>	<u>\$ (6,106,188)</u>	8,634,838	<u>\$ 14,741,026</u>	4,666,517
Net Position, October 1st,			<u>73,652,148</u>		<u>68,985,631</u>
Net Position, September 30th			<u>\$ 82,286,986</u>		<u>\$ 73,652,148</u>

CITY OF TWIN FALLS, IDAHO

Enterprise - Wastewater Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Charges for Services	\$ 10,434,480	\$ 10,434,480	\$ 11,996,590	\$ 1,562,110	\$ 10,267,500
Miscellaneous	3,000	3,000	255,633	252,633	119,375
Total Operating Revenues	<u>10,437,480</u>	<u>10,437,480</u>	<u>12,252,223</u>	<u>1,814,743</u>	<u>10,386,875</u>
Operating Expenses:					
Contracted Expenses	4,126,266	4,126,266	4,022,059	104,207	4,200,262
Personnel Expenses	1,148,631	1,192,619	1,219,351	(26,732)	1,203,686
Depreciation and Amortization	-	-	3,683,123	(3,683,123)	3,651,566
Utilities	6,000	6,000	4,463	1,537	4,412
Supplies	83,800	83,800	77,551	6,249	77,600
Repairs and Maintenance	25,000	25,000	46,953	(21,953)	26,809
Vehicle Expense	78,391	78,391	72,677	5,714	61,616
Capital & Equipment	2,585,250	4,317,640	473,594	3,844,046	1,615,562
Rental Expense	1,000	1,000	70	930	-
Miscellaneous Expenses	43,000	43,000	33,308	9,692	38,684
Travel and Meetings	6,000	6,000	3,847	2,153	3,766
Total Operating Expenses	<u>8,103,338</u>	<u>9,879,716</u>	<u>9,636,996</u>	<u>242,720</u>	<u>10,883,963</u>
Operating Income (Loss)	2,334,142	557,764	2,615,227	2,057,463	(497,088)
Non-operating Revenues (Expenses):					
Development Fees	5,000	5,000	2,184,142	2,179,142	304,940
Interest, Dividends & Changes in Fair Value	489,938	489,938	997,871	507,933	1,681,390
Federal Grants	-	-	3,017	3,017	91,220
Debt Principal Payments	(2,520,000)	(2,520,000)	-	2,520,000	-
Gain on Sale of Assets	-	-	30,000	30,000	201,732
Interest Expense	(965,125)	(965,125)	(962,565)	2,560	(1,031,785)
Total Non-operating Revenues (Exp.)	<u>(2,990,187)</u>	<u>(2,990,187)</u>	<u>2,252,465</u>	<u>5,242,652</u>	<u>1,247,497</u>
Income (Loss) Before Operating Transfers	(656,045)	(2,432,423)	4,867,692	7,300,115	750,409
Interfund Transfers and Donations:					
Transfers In	-	-	-	-	-
Transfers Out	(1,066,857)	(1,066,857)	(1,066,857)	-	(1,077,890)
Net Transfers and Donations	<u>(1,066,857)</u>	<u>(1,066,857)</u>	<u>(1,066,857)</u>	<u>-</u>	<u>(1,077,890)</u>
Net Income (Loss)	<u>\$ (1,722,902)</u>	<u>\$ (3,499,280)</u>	<u>3,800,835</u>	<u>\$ 7,300,115</u>	<u>(327,481)</u>
Net Position, October 1st,			<u>75,464,604</u>		<u>75,792,085</u>
Net Position, September 30th			<u>\$ 79,265,439</u>		<u>\$ 75,464,604</u>

CITY OF TWIN FALLS, IDAHO

Enterprise - Sanitation Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Charges for Services	\$ 3,950,000	\$ 4,025,000	\$ 4,127,921	\$ 102,921	\$ 4,067,348
Miscellaneous	-	-	2,546	2,546	2,454
Total Operating Revenues	<u>3,950,000</u>	<u>4,025,000</u>	<u>4,130,467</u>	<u>105,467</u>	<u>4,069,802</u>
Operating Expenses:					
Contracted Expenses	2,815,594	2,836,897	2,848,951	(12,054)	2,726,049
Landfill Expenses	976,000	1,029,697	1,039,423	(9,726)	929,306
Studies and Projects	76,073	76,073	18,435	57,638	85,840
Miscellaneous Expenses	15,000	15,000	13,124	1,876	15,744
Total Operating Expenses	<u>3,882,667</u>	<u>3,957,667</u>	<u>3,919,933</u>	<u>37,734</u>	<u>3,756,939</u>
Operating Income (Loss)	67,333	67,333	210,534	143,201	312,863
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	14,278	14,278	26,571	12,293	62,440
Total Non-operating Revenues (Exp.)	<u>14,278</u>	<u>14,278</u>	<u>26,571</u>	<u>12,293</u>	<u>62,440</u>
Income (Loss) Before Operating Transfers	81,611	81,611	237,105	155,494	375,303
Interfund Transfers and Donations:					
Transfers In	-	-	-	-	-
Transfers Out	(522,743)	(522,743)	(522,743)	-	(486,197)
Net Transfers and Donations	<u>(522,743)</u>	<u>(522,743)</u>	<u>(522,743)</u>	<u>-</u>	<u>(486,197)</u>
Net Income (Loss)	<u>\$ (441,132)</u>	<u>\$ (441,132)</u>	(285,638)	<u>\$ 155,494</u>	(110,894)
Net Position, October 1st,			<u>847,720</u>		<u>958,614</u>
Net Position, September 30th			<u>\$ 562,082</u>		<u>\$ 847,720</u>

CITY OF TWIN FALLS, IDAHO

Special Revenue - Street Light Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes	\$ 65,021	\$ 65,021	\$ 65,355	\$ 334	\$ 62,313
Non-Property Taxes	449,640	449,640	491,843	42,203	506,717
Grants	-	115,000	-	(115,000)	-
Investment Income	-	-	-	-	-
Miscellaneous & Intergovernmental	-	-	25,808	25,808	21,821
Total Revenues	514,661	629,661	583,006	(46,655)	590,851
Expenditures:					
Current					
Highways and Streets	485,000	700,000	671,378	28,622	463,538
Total Expenditures	485,000	700,000	671,378	28,622	463,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,661	(70,339)	(88,372)	(18,033)	127,313
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(29,661)	(29,661)	(29,661)	-	(29,005)
Total Other Sources (Uses)	(29,661)	(29,661)	(29,661)	-	(29,005)
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ (100,000)</u>	(118,033)	<u>\$ (18,033)</u>	98,308
Fund Balances, October 1st			<u>537,069</u>		<u>438,761</u>
Fund Balances, September 30th			<u>\$ 419,036</u>		<u>\$ 537,069</u>

CITY OF TWIN FALLS, IDAHO
Special Revenue - Library Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Property Taxes	\$ 2,188,668	\$ 2,188,668	\$ 2,188,098	\$ (570)	\$ 2,072,048
Fines and Forfeits	23,000	23,000	14,009	(8,991)	16,971
Fees and Services	22,000	22,000	32,698	10,698	31,348
Federal Grants	-	-	1,050	1,050	-
Interest, Dividends & Changes in Fair Value	21,126	21,126	66,007	44,881	111,554
Miscellaneous & Intergovernmental	19,500	19,500	23,279	3,779	82,802
Total Revenues	<u>2,274,294</u>	<u>2,274,294</u>	<u>2,325,141</u>	<u>50,847</u>	<u>2,314,723</u>
Expenditures:					
Current					
Culture and Recreation	2,274,294	2,349,139	2,232,636	116,503	2,112,736
Capital Outlay	146,000	146,000	114,099	31,901	220,294
Total Expenditures	<u>2,420,294</u>	<u>2,495,139</u>	<u>2,346,735</u>	<u>148,404</u>	<u>2,333,030</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(146,000)	(220,845)	(21,594)	199,251	(18,307)
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (146,000)</u>	<u>\$ (220,845)</u>	(21,594)	<u>\$ 199,251</u>	(18,307)
Fund Balances, October 1st			<u>1,341,209</u>		<u>1,359,516</u>
Fund Balances, September 30th			<u>\$ 1,319,615</u>		<u>\$ 1,341,209</u>

CITY OF TWIN FALLS, IDAHO

Special Revenue - Pool Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Charges for Services	\$ 400,500	\$ 400,500	\$ 450,280	\$ 49,780	\$ 399,453
Intergovernmental	480,973	480,973	510,101	29,128	567,226
Miscellaneous	-	-	66	66	184
Total Revenues	<u>881,473</u>	<u>881,473</u>	<u>960,447</u>	<u>78,974</u>	<u>966,863</u>
Expenditures:					
Contracted Expenses	10,600	10,600	12,562	(1,962)	9,513
Personnel Expenses	578,773	586,651	624,683	(38,032)	530,549
Utilities	96,000	96,000	67,873	28,127	80,670
Supplies	43,600	43,600	55,132	(11,532)	61,127
Repairs and Maintenance	15,000	15,000	21,816	(6,816)	23,270
Capital & Equipment	1,310,000	1,310,000	487,461	822,539	263,827
Miscellaneous Expenses	22,500	22,500	20,988	1,512	16,807
Travel and Meetings	5,000	5,000	3,130	1,870	1,979
Total Expenditures	<u>2,081,473</u>	<u>2,089,351</u>	<u>1,293,645</u>	<u>795,706</u>	<u>987,742</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,200,000)	(1,207,878)	(333,198)	(716,732)	(20,879)
Other Financing Sources (Uses):					
Transfers In	1,200,000	1,200,000	343,535	(856,465)	36,174
Transfers Out	-	-	-	-	-
Net Transfers	<u>1,200,000</u>	<u>1,200,000</u>	<u>343,535</u>	<u>(856,465)</u>	<u>36,174</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ (7,878)</u>	10,337	<u>\$ (1,573,197)</u>	15,295
Fund Balances, October 1st			<u>13,403</u>		<u>(1,892)</u>
Fund Balances, September 30th			<u>\$ 23,740</u>		<u>\$ 13,403</u>

CITY OF TWIN FALLS, IDAHO
Special Revenue - Drug Seizure Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025			Variance	2024
	Proposed Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Special Assessments, Including Interest	\$ -	\$ -	\$ 58,787	\$ 58,787	\$ 61,067
Total Revenues	-	-	58,787	58,787	61,067
Expenditures:					
Public Safety	78,303	78,303	64,824	13,479	52,389
Total Expenditures	78,303	78,303	64,824	13,479	52,389
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,303)	(78,303)	(6,037)	72,266	8,678
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (78,303)</u>	<u>\$ (78,303)</u>	(6,037)	<u>\$ 72,266</u>	8,678
Fund Balances, October 1st			<u>312,853</u>		<u>304,175</u>
Fund Balances, September 30th			<u>\$ 306,816</u>		<u>\$ 312,853</u>

CITY OF TWIN FALLS, IDAHO

Special Revenue - Fireworks Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025			Variance	2024
	Proposed Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Revenues:					
Intergovernmental	\$ 7,825	\$ 7,825	\$ 8,392	\$ 567	\$ 8,013
Miscellaneous and Permits	2,500	2,500	2,683	183	2,337
Total Revenues	<u>10,325</u>	<u>10,325</u>	<u>11,075</u>	<u>750</u>	<u>10,350</u>
Expenditures:					
Community Development	22,000	25,000	25,000	-	22,000
Total Expenditures	<u>22,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>22,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,675)	(14,675)	(13,925)	750	(11,650)
Other Financing Sources (Uses)					
Transfers In	11,675	14,675	14,675	-	11,975
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>11,675</u>	<u>14,675</u>	<u>14,675</u>	<u>-</u>	<u>11,975</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	750	<u>\$ 750</u>	325
Fund Balances, October 1st			<u>(3,728)</u>		<u>(4,053)</u>
Fund Balances, September 30th			<u>\$ (2,978)</u>		<u>\$ (3,728)</u>

CITY OF TWIN FALLS, IDAHO
Capital Projects - Historic Preservation Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Federal Grants	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-	-
Expenditures:					
Current					
Community Development	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances, October 1st			<u>(3,745)</u>		<u>(3,745)</u>
Fund Balances, September 30th			<u>\$ (3,745)</u>		<u>\$ (3,745)</u>

CITY OF TWIN FALLS, IDAHO

Capital Projects - Park Development

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Interest, Dividends & Changes in Fair Value	\$ -	\$ -	\$ 45,107	\$ 45,107	\$ 76,878
Total Revenues	-	-	45,107	45,107	76,878
Expenditures:					
Current					
Park Development	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	45,107	45,107	76,878
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	45,107	<u>\$ 45,107</u>	76,878
Fund Balances, October 1st			<u>1,009,840</u>		<u>932,962</u>
Fund Balances, September 30th			<u>\$ 1,054,947</u>		<u>\$ 1,009,840</u>

CITY OF TWIN FALLS, IDAHO

Other Funds - Impact Fees

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Fees and Services	\$ -	\$ -	\$ 3,009,526	\$ 3,009,526	\$ 2,599,538
Interest, Dividends & Changes in Fair Value	-	-	472,352	472,352	685,707
Total Revenues	-	-	3,481,878	3,481,878	3,285,245
Expenditures:					
Current					
Capital Outlay	-	292,760	215,441	77,319	58,473
Total Expenditures	-	292,760	215,441	77,319	58,473
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(292,760)	3,266,437	3,559,197	3,226,772
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(651,600)	(651,600)	(651,600)	-	(650,100)
Total Other Sources (Uses)	(651,600)	(651,600)	(651,600)	-	(650,100)
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ (651,600)</u>	<u>\$ (944,360)</u>	2,614,837	<u>\$ 3,559,197</u>	2,576,672
Fund Balances, October 1st			<u>9,497,182</u>		<u>6,920,510</u>
Fund Balances, September 30th			<u>\$ 12,112,019</u>		<u>\$ 9,497,182</u>

CITY OF TWIN FALLS, IDAHO

Capital Projects - CDBG

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Revenues:					
Federal Grants	\$ 995,000	\$ 1,042,300	\$ 798,363	\$ (243,937)	\$ 4,564
Total Revenues	<u>995,000</u>	<u>1,042,300</u>	<u>798,363</u>	<u>(243,937)</u>	<u>4,564</u>
Expenditures:					
Current					
Community Development	-	47,300	47,300	-	-
Capital Outlay	950,000	950,000	764,408	185,592	-
Total Expenditures	<u>950,000</u>	<u>997,300</u>	<u>811,708</u>	<u>185,592</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,000	45,000	(13,345)	(58,345)	4,564
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(45,000)	(45,000)	-	(45,000)	(4,564)
Total Other Sources (Uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>	<u>(45,000)</u>	<u>(4,564)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(13,345)	<u>\$ (103,345)</u>	-
Fund Balances, October 1st			<u>207</u>		<u>207</u>
Fund Balances, September 30th			<u>\$ (13,138)</u>		<u>\$ 207</u>

CITY OF TWIN FALLS, IDAHO
Enterprise - Dierkes Lake/Shoshone Falls Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Charges for Services	\$ 519,852	\$ 519,852	\$ 547,844	\$ 27,992	\$ 537,177
Miscellaneous	-	-	13,104	13,104	9,130
Total Operating Revenues	<u>519,852</u>	<u>519,852</u>	<u>560,948</u>	<u>41,096</u>	<u>546,307</u>
Operating Expenses:					
Contracted Expenses	80,600	80,600	91,237	(10,637)	81,588
Personnel Expenses	166,029	168,983	129,564	39,419	81,762
Depreciation and Amortization	-	-	75,542	(75,542)	58,519
Utilities	5,800	5,800	5,080	720	4,800
Supplies	11,800	11,800	12,117	(317)	9,241
Repairs and Maintenance	13,500	13,500	7,671	5,829	2,143
Vehicle Expense	2,000	2,000	4,184	(2,184)	2,069
Capital & Equipment	529,500	3,118,430	53,355	3,065,075	29,937
Miscellaneous Expenses	20,500	20,500	9,204	11,296	9,643
Total Operating Expenses	<u>829,729</u>	<u>3,421,613</u>	<u>387,954</u>	<u>3,033,659</u>	<u>279,702</u>
Operating Income (Loss)	(309,877)	(2,901,761)	172,994	3,074,755	266,605
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	33,354	33,354	72,619	39,265	171,112
Gain on Sale of Assets	-	-	-	-	9,964
Total Non-operating Revenues (Exp.)	<u>33,354</u>	<u>33,354</u>	<u>72,619</u>	<u>39,265</u>	<u>181,076</u>
Income (Loss) Before Operating Transfers	(276,523)	(2,868,407)	245,613	3,114,020	447,681
Interfund Transfers:					
Transfers In	289,500	2,623,884	2,623,884	-	133,486
Transfers Out	(12,977)	(12,977)	(12,977)	-	(12,690)
Net Transfers	<u>276,523</u>	<u>2,610,907</u>	<u>2,610,907</u>	<u>-</u>	<u>120,796</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (257,500)</u>	2,856,520	<u>\$ 3,114,020</u>	568,477
Net Position, October 1st,			<u>3,731,124</u>		<u>3,162,647</u>
Net Position, September 30th			<u>\$ 6,587,644</u>		<u>\$ 3,731,124</u>

CITY OF TWIN FALLS, IDAHO
Enterprise - Common Area Maintenance
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Charges for Services	\$ 75,438	\$ 75,438	\$ 70,199	\$ (5,239)	\$ 75,812
Total Operating Revenues	<u>75,438</u>	<u>75,438</u>	<u>70,199</u>	<u>(5,239)</u>	<u>75,812</u>
Operating Expenses:					
Contracted Expenses	58,543	63,543	67,666	(4,123)	57,352
Utilities	4,800	4,800	4,815	(15)	3,953
Repairs and Maintenance	8,382	8,382	1,823	6,559	1,439
Miscellaneous Expenses	-	-	39	(39)	215
Total Operating Expenses	<u>71,725</u>	<u>76,725</u>	<u>74,343</u>	<u>2,382</u>	<u>62,959</u>
Operating Income (Loss)	<u>3,713</u>	<u>(1,287)</u>	<u>(4,144)</u>	<u>(2,857)</u>	<u>12,853</u>
Income (Loss) Before Operating Transfers	3,713	(1,287)	(4,144)	(2,857)	12,853
Interfund Transfers:					
Capital Contributions				-	
Transfers In	-	-	-	-	-
Transfers Out	(3,713)	(3,713)	(3,713)	-	(3,631)
Net Transfers	<u>(3,713)</u>	<u>(3,713)</u>	<u>(3,713)</u>	<u>-</u>	<u>(3,631)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ (5,000)</u>	<u>(7,857)</u>	<u>\$ (2,857)</u>	<u>9,222</u>
Net Position, October 1st,			<u>52,571</u>		<u>43,349</u>
Net Position, September 30th			<u>\$ 44,714</u>		<u>\$ 52,571</u>

CITY OF TWIN FALLS, IDAHO

Internal Service - Insurance Fund

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

For the Fiscal Year Ended September 30, 2025

With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Special Assessments, Including Interest	\$ 257,919	\$ 257,919	\$ 259,197	\$ 1,278	\$ 244,616
Total Operating Revenues	<u>257,919</u>	<u>257,919</u>	<u>259,197</u>	<u>1,278</u>	<u>244,616</u>
Operating Expenses:					
Insurance Expense	626,611	626,611	613,069	13,542	611,052
Miscellaneous Expenses	2,630	2,630	-	2,630	895
Travel and Meetings	2,390	2,390	-	2,390	2,411
Total Operating Expenses	<u>631,631</u>	<u>631,631</u>	<u>613,069</u>	<u>18,562</u>	<u>614,358</u>
Operating Income (Loss)	(373,712)	(373,712)	(353,872)	19,840	(369,742)
Non-operating Revenues (Expenses):					
Interest, Dividends & Changes in Fair Value	2,386	2,386	8,964	6,578	15,440
Total Non-operating Revenues (Exp.)	<u>2,386</u>	<u>2,386</u>	<u>8,964</u>	<u>6,578</u>	<u>15,440</u>
Income (Loss) Before Operating Transfers	(371,326)	(371,326)	(344,908)	26,418	(354,302)
Operating Transfers:					
Transfers In	445,479	445,479	445,479	-	404,465
Transfers Out	(74,153)	(74,153)	(74,153)	-	(72,514)
Net Transfers	<u>371,326</u>	<u>371,326</u>	<u>371,326</u>	<u>-</u>	<u>331,951</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	26,418	<u>\$ 26,418</u>	(22,351)
Net Position, October 1st			<u>227,442</u>		<u>249,793</u>
Net Position, September 30th			<u>\$ 253,860</u>		<u>\$ 227,442</u>

CITY OF TWIN FALLS, IDAHO
Internal Service - Shop Revolving Fund
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual
For the Fiscal Year Ended September 30, 2025
With Comparative Actual Amounts from the Previous Year

	2025				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2024 Actual
Operating Revenues:					
Charges for Services	\$ 686,436	\$ 686,436	\$ 693,717	\$ 7,281	\$ 594,556
Total Operating Revenues	<u>686,436</u>	<u>686,436</u>	<u>693,717</u>	<u>7,281</u>	<u>594,556</u>
Operating Expenses:					
Contracted Expenses	9,000	9,000	8,330	670	7,138
Personnel Expenses	591,173	614,808	597,683	17,125	493,998
Depreciation and Amortization	-	-	14,382	(14,382)	10,818
Utilities	11,500	11,500	12,454	(954)	12,310
Supplies	42,250	42,250	47,591	(5,341)	41,904
Repairs and Maintenance	17,250	17,250	16,094	1,156	11,896
Vehicle Expense	2,500	2,500	1,405	1,095	1,809
Capital & Equipment	147,750	209,929	67,745	142,184	1,049,403
Miscellaneous Expenses	5,750	5,750	69	5,681	-
Travel and Meetings	6,150	6,150	2,924	3,226	4,053
Total Operating Expenses	<u>833,323</u>	<u>919,137</u>	<u>768,677</u>	<u>150,460</u>	<u>1,633,329</u>
Operating Income (Loss)	<u>(146,887)</u>	<u>(232,701)</u>	<u>(74,960)</u>	<u>157,741</u>	<u>(1,038,773)</u>
Income (Loss) before Operating Transfers	(146,887)	(232,701)	(74,960)	157,741	(1,038,773)
Interfund Transfers:					
Transfers In	-	62,179	67,745	5,566	1,047,533
Transfers Out	(863)	(863)	(863)	-	(844)
Net Transfers	<u>(863)</u>	<u>61,316</u>	<u>66,882</u>	<u>5,566</u>	<u>1,046,689</u>
Net Income (Loss)	<u>\$ (147,750)</u>	<u>\$ (171,385)</u>	<u>(8,078)</u>	<u>\$ 163,307</u>	<u>7,916</u>
Net Position, October 1st,			<u>560,705</u>		<u>552,789</u>
Net Position, September 30th			<u>\$ 552,627</u>		<u>\$ 560,705</u>

STATISTICAL SECTION

CITY OF TWIN FALLS, IDAHO

Statistical Section

September 30, 2025

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Sources:

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

City of Twin Falls, Idaho												
September 30,												
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Schedule of Net Position - Schedule 1												
(accrual basis of accounting)												
Governmental Activities												
Net Investment in Capital Assets	\$ 155,168,359	\$ 152,296,140	\$ 149,081,271	\$ 153,295,664	\$ 152,208,211	\$ 148,052,251	\$ 148,693,057	\$ 154,044,906	\$ 144,133,814	\$ 139,207,450	\$ 140,796,310	
Restricted	14,310,480	14,360,162	13,151,527	1,046,875	1,217,245	1,683,155	941,273	472,926	5,689,098	5,333,887	4,228,544	
Unrestricted	52,052,979	43,073,048	42,555,043	43,045,250	47,724,835	38,802,159	40,293,887	37,601,624	30,207,292	31,667,251	28,789,849	
Total Governmental Activities Net Position	<u>\$ 221,531,818</u>	<u>\$ 209,729,350</u>	<u>\$ 204,787,841</u>	<u>\$ 197,387,789</u>	<u>\$ 201,150,291</u>	<u>\$ 188,537,565</u>	<u>\$ 189,928,217</u>	<u>\$ 192,119,456</u>	<u>\$ 180,030,204</u>	<u>\$ 176,208,588</u>	<u>\$ 173,814,703</u>	
Business-Type Activities												
Net Investment in Capital Assets	\$ 124,928,886	\$ 112,051,441	\$ 106,913,776	\$ 106,544,599	\$ 105,800,840	\$ 99,430,017	\$ 99,872,951	\$ 99,291,611	\$ 84,024,365	\$ 82,464,944	\$ 67,210,548	
Restricted	-	-	-	-	-	-	6,378,604	6,392,986	4,250,768	8,935,206	15,815,072	
Unrestricted	43,817,978	41,696,726	42,028,550	37,862,972	35,875,999	35,201,955	23,427,888	18,713,692	19,722,784	11,110,781	14,887,526	
Total Governmental Activities Net Position	<u>\$ 168,746,864</u>	<u>\$ 153,748,167</u>	<u>\$ 148,942,326</u>	<u>\$ 144,407,571</u>	<u>\$ 141,676,839</u>	<u>\$ 134,631,972</u>	<u>\$ 129,679,443</u>	<u>\$ 124,398,289</u>	<u>\$ 107,997,917</u>	<u>\$ 102,510,931</u>	<u>\$ 97,913,146</u>	
Primary Government												
Net Investment in Capital Assets	\$ 280,097,245	\$ 264,347,581	\$ 255,995,047	\$ 259,840,263	\$ 258,009,051	\$ 247,482,268	\$ 248,566,008	\$ 253,336,517	\$ 228,158,179	\$ 221,672,394	\$ 208,006,858	
Restricted	14,310,480	14,360,162	13,151,527	1,046,875	1,217,245	1,683,155	7,319,877	6,865,912	9,939,866	14,269,093	20,043,616	
Unrestricted	95,870,957	84,769,774	84,583,593	80,908,222	83,600,834	74,004,114	63,721,775	56,315,316	49,930,076	42,778,032	43,677,375	
Total Primary Government Net Position	<u>\$ 390,278,682</u>	<u>\$ 363,477,517</u>	<u>\$ 353,730,167</u>	<u>\$ 341,795,360</u>	<u>\$ 342,827,130</u>	<u>\$ 323,169,537</u>	<u>\$ 319,607,660</u>	<u>\$ 316,517,745</u>	<u>\$ 288,028,121</u>	<u>\$ 278,719,519</u>	<u>\$ 271,727,849</u>	

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

City of Twin Falls, Idaho

September 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Schedule of Changes in Net Position - Schedule 2											
(accrual basis of accounting)											
<u>Expenses:</u>											
Governmental Activities:											
General Government	\$ 19,447,400	\$ 21,461,532	\$ 17,585,202	\$ 16,129,395	\$ 14,737,970	\$ 15,661,483	\$ 16,117,728	\$ 14,086,895	\$ 12,728,775	\$ 13,451,319	\$ 13,055,440
Fire	6,544,545	7,292,982	6,608,175	6,656,031	2,882,058	5,207,029	4,407,629	4,170,533	3,724,075	3,365,672	2,690,217
Police	15,859,891	15,734,142	14,908,568	13,962,627	11,807,078	12,872,981	11,620,966	10,830,232	9,894,491	8,972,945	8,603,022
Engineering/Planning	3,053,697	3,106,535	2,728,814	2,463,218	2,457,786	2,861,883	2,738,386	2,447,395	2,289,208	2,148,670	2,169,122
Library	2,297,223	2,507,472	2,220,523	2,179,449	1,967,760	1,932,768	1,895,668	1,899,062	1,764,149	1,699,739	1,743,574
Culture and Recreation (a & b)	4,303,135	3,646,138	3,975,647	3,723,170	3,145,391	3,081,632	2,401,718	2,278,971	2,199,115	2,042,063	1,920,259
Public Transportation (c)	1,649,777	-	-	-	-	-	-	-	-	-	-
Streets	7,272,973	5,865,210	5,425,655	5,441,136	4,402,017	5,493,103	6,438,417	8,140,135	5,802,644	3,811,188	3,663,385
Airport	1,961,209	3,575,164	2,649,057	2,639,863	3,138,840	2,013,652	2,202,086	1,856,344	1,817,366	1,747,681	1,734,504
Total	62,389,850	63,189,175	56,101,641	53,194,889	44,538,900	49,124,531	47,822,598	45,709,567	40,219,823	37,239,277	35,579,523
Business-Type Activities:											
Water	9,924,038	9,470,549	9,280,724	8,018,753	7,801,764	7,926,989	7,982,299	7,589,565	7,221,602	7,279,970	6,783,620
Wastewater	10,599,561	11,915,748	10,680,918	9,727,160	9,042,533	9,294,699	9,321,354	8,739,629	8,064,545	7,724,769	7,234,304
Sanitation	3,919,933	3,756,939	3,571,360	3,247,214	3,033,789	2,978,268	2,900,054	2,683,396	2,514,297	2,413,932	2,336,654
Golf (a)	-	-	-	-	-	63,308	51,549	57,992	43,062	47,036	46,853
Pool (b)	-	-	-	-	-	-	700,672	534,172	361,136	155,910	181,301
Dierkes Lake/Shoshone Falls	387,954	279,702	334,029	220,062	214,538	231,839	224,319	211,501	311,985	193,223	223,664
Common Area Maintenance	74,343	62,959	59,409	56,381	42,900	49,723	46,909	41,641	49,998	31,411	23,099
Total	24,905,829	25,485,897	23,926,440	21,269,570	20,135,524	20,544,826	21,227,156	19,857,896	18,566,625	17,846,251	16,829,495
Total Primary Government	\$ 87,295,679	\$ 88,675,072	\$ 80,028,081	\$ 74,464,459	\$ 64,674,424	\$ 69,669,357	\$ 69,049,754	\$ 65,567,463	\$ 58,786,448	\$ 55,085,528	\$ 52,409,018
<u>Program Revenues:</u>											
Governmental Activities:											
Charges for Services	\$ 11,671,013	\$ 10,305,224	\$ 7,522,657	\$ 8,401,811	\$ 9,371,119	\$ 8,027,791	\$ 7,342,801	\$ 8,056,954	\$ 6,329,286	\$ 6,354,779	\$ 6,801,330
Operating Grants and Contributions	14,604,839	14,348,386	21,296,809	12,190,859	17,286,215	9,975,484	9,232,149	8,720,614	8,347,517	8,074,642	7,781,738
Capital Grants and Contributions	12,691,507	4,340,798	3,091,748	4,341,949	8,837,954	2,154,900	3,225,200	6,487,476	1,867,265	4,311,907	985,169
Total	38,967,359	28,994,408	31,911,214	24,934,619	35,495,288	20,158,175	19,800,150	23,265,044	16,544,068	18,741,328	15,568,237
Business-Type Activities:											
Charges for Services	\$ 32,346,439	\$ 28,151,119	\$ 29,685,642	\$ 28,324,137	\$ 28,748,863	\$ 25,763,546	\$ 25,637,594	\$ 26,031,064	\$ 24,399,151	\$ 23,017,706	\$ 23,046,518
Operating Grants and Contributions	34,168	91,220	158,755	43,017	-	-	175,959	142,266	126,233	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-	-
Total	32,380,607	28,242,339	29,844,397	28,367,154	28,748,863	25,763,546	25,813,553	26,173,330	24,525,384	23,017,706	23,046,518
Total Primary Government	\$ 71,347,966	\$ 57,236,747	\$ 61,755,611	\$ 53,301,773	\$ 64,244,151	\$ 45,921,721	\$ 45,613,703	\$ 49,438,374	\$ 41,069,452	\$ 41,759,034	\$ 38,614,755

Schedule of Changes in Net Position - Schedule 2 Continued

(accrual basis of accounting)

General Revenues and Other Changes in Net Position:

Governmental Activities:

Property Taxes - General Purposes	\$	31,244,196	\$	29,603,952	\$	27,302,364	\$	25,555,842	\$	18,671,370	\$	23,386,148	\$	22,160,886	\$	20,596,854	\$	19,334,072	\$	18,219,696	\$	17,673,416
Franchise Taxes		491,843		506,717		480,255		432,623		398,503		356,555		369,688		400,950		394,089		393,394		385,292
Interest and Investment Earnings		3,389,966		5,514,284		862,606		(4,444,340)		(56,423)		1,326,248		1,664,320		152,747		365,364		604,822		577,025
Miscellaneous Rev. (Including Asset Sales)		687,183		1,185,332		792,835		893,674		922,967		821,233		1,001,583		1,903,083		6,195,101		322,311		423,292
Contributions of Assets		-		-		-		-		-		-		-		9,816,959		-		-		-
Transfers		(588,229)		2,325,991		2,152,419		2,059,969		1,822,858		992,122		634,732		1,663,182		987,999		1,507,521		1,578,589
Total		35,224,959		39,136,276		31,590,479		24,497,768		21,759,275		26,882,306		25,831,209		34,533,775		27,276,625		21,047,744		20,637,614

Business-Type Activities:

Interest and Investment Earnings	\$	2,150,793	\$	3,692,344	\$	485,641	\$	(2,478,291)	\$	(64,202)	\$	1,005,583	\$	1,041,825	\$	205,674	\$	307,138	\$	611,827	\$	1,100,433
Miscellaneous Rev. (Including Asset Sales)		4,784,897		683,046		283,576		171,408		215,651		413,746		287,664		199,952		429,834		166,115		123,606
Contributions of Assets		-		-		-		-		-		-		-		11,342,494		-		-		-
Transfers		588,229		(2,325,991)		(2,152,419)		(2,059,969)		(1,822,858)		(992,122)		(634,732)		(1,663,182)		(987,999)		(1,507,521)		(1,578,589)
Total		7,523,919		2,049,399		(1,383,202)		(4,366,852)		(1,671,409)		427,207		694,757		10,084,938		(251,027)		(729,579)		(354,550)
Total Primary Government	\$	42,748,878	\$	41,185,675	\$	30,207,277	\$	20,130,916	\$	20,087,866	\$	27,309,513	\$	26,525,966	\$	44,618,713	\$	27,025,598	\$	20,318,165	\$	20,283,064

Change in Net Position:

Governmental Activities	\$	11,802,468	\$	4,941,509	\$	7,400,052	\$	(3,762,502)	\$	12,715,663	\$	(2,084,050)	\$	(2,191,239)	\$	12,089,252	\$	3,600,870	\$	2,549,795	\$	626,328
Business-Type Activities		14,998,697		4,805,841		4,534,755		2,730,732		6,941,930		5,645,927		5,281,154		16,400,372		5,707,732		4,441,876		5,862,473
Total Primary Government	\$	26,801,165	\$	9,747,350	\$	11,934,807	\$	(1,031,770)	\$	19,657,593	\$	3,561,877	\$	3,089,915	\$	28,489,624	\$	9,308,602	\$	6,991,671	\$	6,488,801

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

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

(c) Public Transportation is a new department within the governmental fund due to the City meeting a threshold in which public transportation is required.

City of Twin Falls, Idaho

December 31,												
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Program Labor Burden - Schedule 3												
(cash basis of accounting)												
<u>Labor Cost:</u>												
General Government	\$ 4,856,733	\$ 4,492,225	\$ 4,533,567	\$ 4,116,928	\$ 3,823,527	\$ 3,580,518	\$ 3,514,294	\$ 3,265,129	\$ 2,846,567	\$ 2,600,066	\$ 2,628,021	
Fire	4,571,545	4,395,248	4,176,172	3,828,422	3,662,943	3,478,216	3,446,415	3,140,516	2,872,326	2,589,862	2,573,121	
Police	8,746,986	8,223,779	8,122,703	7,412,373	7,263,972	6,955,216	6,904,756	6,633,364	6,058,440	5,752,076	5,578,775	
Dispatch *	1,004,011	1,020,877	773,104	874,245	818,167	795,979	573,079	535,200	608,941	-	-	
Engineering/Planning	1,554,082	1,619,657	1,401,205	1,237,993	1,479,692	1,530,546	1,513,612	1,433,523	1,516,200	1,363,856	1,318,899	
Streets	1,001,879	974,742	925,168	895,266	886,006	842,707	843,576	853,955	766,244	702,086	679,117	
Library	1,226,716	1,419,881	1,095,129	1,060,754	994,374	965,026	953,313	867,556	834,132	762,985	774,970	
Culture and Recreation *	2,139,653	1,946,332	1,865,534	1,722,909	1,681,958	1,472,540	1,568,655	1,487,072	1,020,463	933,486	908,640	
Airport	663,101	628,573	631,196	568,397	575,812	526,722	478,006	464,952	412,893	387,441	375,470	
Water	2,276,936	2,028,918	1,960,581	1,850,260	1,624,009	1,586,221	1,543,034	1,593,718	1,426,265	1,325,484	1,294,640	
Wastewater	700,180	660,882	610,604	566,498	442,399	423,705	441,489	365,370	393,295	340,666	346,945	
Sanitation	-	-	-	-	-	-	-	-	-	-	-	
	\$ 28,741,822	\$ 27,411,114	\$ 26,094,963	\$ 24,134,045	\$ 23,252,859	\$ 22,157,396	\$ 21,780,229	\$ 20,640,355	\$ 18,755,766	\$ 16,758,008	\$ 16,478,598	
<u>Program Labor Hours:</u>												
General Government	125,059	120,831	119,257	117,526	107,841	115,280	115,424	93,515	93,728	88,381	90,186	
Fire	154,453	154,151	150,182	146,799	146,756	148,041	151,204	139,267	140,474	143,128	143,904	
Police	237,870	233,745	235,832	222,416	232,225	225,152	260,740	279,184	269,115	288,151	293,747	
Dispatch *	28,478	28,335	24,107	24,804	27,195	30,863	27,598	31,414	35,351	-	-	
Engineering/Planning	40,556	42,646	37,617	33,269	39,463	41,578	43,185	40,671	48,151	47,022	47,639	
Streets	33,906	33,895	32,702	32,005	32,480	31,937	31,614	30,698	30,383	29,655	29,065	
Library	51,820	63,386	52,931	52,756	52,214	45,974	64,134	61,570	52,660	43,785	39,476	
Culture and Recreation *	100,356	90,838	91,172	88,788	88,967	80,607	98,098	93,143	56,097	51,483	51,008	
Airport	20,194	19,928	20,972	19,407	20,941	20,037	21,292	23,071	21,356	20,652	18,995	
Water	72,421	68,163	67,388	63,879	61,662	63,341	62,277	65,015	63,047	60,970	62,207	
Wastewater	22,139	21,988	20,619	20,688	17,229	17,450	18,757	14,384	17,078	17,109	17,456	
Sanitation	-	-	-	-	-	-	-	-	-	-	-	
	887,252	877,906	852,779	822,337	826,973	820,260	894,323	871,932	827,440	790,336	793,683	

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

City of Twin Falls, Idaho												
September 30,												
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Fund Balances, Governmental Funds - Schedule 4												
(modified accrual basis of accounting)												
General Fund												
Restricted	\$ 249,360	\$ 199,666	\$ 113,981	\$ 125,417	\$ 753,573	\$ 423,362	\$ 941,273	\$ 472,443	\$ 78,417	\$ 78,151	\$ 77,852	
Reserved (for Dedicated Purpose)/Committed	-	-	-	-	-	-	-	14,545	578,141	2,537,477	70,820	
Unreserved/Undesignated/Assigned	11,941,346	12,253,936	9,617,500	10,835,712	11,173,073	10,382,728	10,811,603	9,177,112	8,135,374	7,014,566	10,007,787	
Total	<u>\$ 12,190,706</u>	<u>\$ 12,453,602</u>	<u>\$ 9,731,481</u>	<u>\$ 10,961,129</u>	<u>\$ 11,926,646</u>	<u>\$ 10,806,090</u>	<u>\$ 11,752,876</u>	<u>\$ 9,664,100</u>	<u>\$ 8,791,932</u>	<u>\$ 9,630,194</u>	<u>\$ 10,156,459</u>	
All Other Governmental Funds												
Restricted and Nonspendable	\$ 2,718,152	\$ 3,531,944	\$ 1,912,200	\$ 921,458	\$ 980,485	\$ 980,600	\$ 912,153	\$ 364,769	\$ 236,441	\$ 356,084	\$ 321,410	
Reserved (for Dedicated Purpose)/Committed	12,946,979	15,659,616	7,771,442	8,748,182	8,349,127	9,901,226	6,395,683	4,714,621	5,694,194	7,011,321	3,934,208	
Unreserved/Undesignated/Assigned	43,507,893	33,309,250	39,480,911	28,208,383	24,112,664	21,104,004	20,906,743	21,867,547	19,635,325	25,471,609	22,507,705	
Total (a)	<u>\$ 59,173,024</u>	<u>\$ 52,500,810</u>	<u>\$ 49,164,553</u>	<u>\$ 37,878,023</u>	<u>\$ 33,442,276</u>	<u>\$ 31,985,830</u>	<u>\$ 28,214,579</u>	<u>\$ 26,946,937</u>	<u>\$ 25,565,960</u>	<u>\$ 32,839,014</u>	<u>\$ 26,763,323</u>	

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

City of Twin Falls, Idaho

September 30,

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Changes in Fund Balances, Governmental Funds (a) - Schedule 5											
(modified accrual basis of accounting)											
<u>Revenues:</u>											
Property Taxes	\$ 31,065,188	\$ 29,478,927	\$ 27,047,298	\$ 25,500,427	\$ 18,606,019	\$ 23,213,478	\$ 22,047,524	\$ 20,296,182	\$ 19,244,951	\$ 18,227,029	\$ 17,674,504
Other Taxes	1,002,163	1,147,099	1,030,545	884,539	844,815	1,791,976	833,479	916,669	890,516	880,171	911,857
Special Assessments	58,787	61,067	108,861	148,034	54,243	54,172	41,697	52,890	48,712	161,679	86,100
Fines and Forfeitures	31,448	39,215	53,008	54,181	46,903	32,327	43,518	41,416	35,378	41,145	49,417
Licenses and Permits	2,391,642	1,740,189	1,165,799	1,580,313	2,277,696	1,882,560	1,563,063	1,478,997	1,206,907	1,264,310	1,192,848
Fees and Services	6,399,112	5,640,472	3,609,059	4,332,625	4,745,584	3,981,232	3,566,493	4,044,752	2,864,280	2,907,286	3,418,932
Intergovernmental	13,473,551	13,759,114	12,075,750	12,065,072	10,273,570	9,324,739	8,882,379	8,514,511	8,027,528	7,850,437	6,987,622
Federal Grants	13,726,762	4,839,540	11,651,076	4,460,505	15,848,906	2,794,573	3,573,250	6,676,611	2,174,987	3,785,398	1,740,331
Miscellaneous & Investment Income	6,341,007	8,857,996	3,657,673	(1,800,917)	2,590,280	3,700,849	5,354,114	5,028,789	2,500,653	3,974,965	2,561,569
Total	74,489,660	65,563,619	60,399,069	47,224,779	55,288,016	46,775,906	45,905,517	47,050,817	36,993,912	39,092,420	34,623,180
<u>Expenditures:</u>											
General Government	7,426,203	6,860,110	6,613,680	6,189,417	6,522,913	6,578,986	5,717,526	5,124,801	4,845,447	4,453,961	4,113,905
Public Safety	27,373,716	28,160,358	32,155,598	24,618,708	20,660,157	18,286,968	17,552,034	16,190,076	15,540,831	14,834,689	13,737,173
Engineering	1,762,668	1,688,859	1,412,545	1,450,042	1,651,535	1,683,416	1,692,915	1,553,187	1,499,651	1,426,545	1,320,956
Community Development	1,354,243	1,262,924	1,117,534	867,739	1,083,792	997,728	1,049,807	940,192	867,205	716,364	908,135
Cultural and Recreation	7,355,395	6,449,621	5,936,021	5,621,033	5,276,359	4,691,137	4,512,993	3,901,366	3,705,360	3,959,919	3,933,293
Public Transportation	1,650,689	-	-	-	-	-	-	-	-	-	-
Highways and Streets	4,113,994	3,257,625	4,277,094	3,646,040	4,569,560	4,169,589	4,874,857	7,058,335	4,852,226	2,809,548	2,166,676
Airport	2,117,582	4,558,671	2,888,348	3,371,090	9,120,557	3,097,547	2,179,219	4,943,941	3,493,986	2,632,330	1,230,160
Debt Issuance Costs	-	-	-	184,321	-	-	-	-	-	-	-
Capital Outlay	13,044,119	8,061,860	2,757,811	2,659,413	4,682,551	5,053,453	5,255,964	6,412,563	11,517,565	3,978,723	3,552,872
Debt Service											
Principal	659,843	412,983	365,303	-	-	-	-	-	-	-	-
Interest	418,490	434,721	436,796	-	-	-	-	-	-	-	-
Total	67,276,942	61,147,732	57,960,730	48,607,803	53,567,424	44,558,824	42,835,315	46,124,461	46,322,271	34,812,079	30,963,170
<u>Other Financing Sources (Uses):</u>											
Transfers In	6,036,719	4,922,471	17,321,434	6,035,996	5,271,225	6,059,458	3,052,337	4,183,880	4,224,338	4,737,890	4,180,526
Transfers Out	(7,063,156)	(3,975,120)	(15,498,938)	(4,357,478)	(3,841,069)	(5,420,548)	(2,766,120)	(2,857,091)	(3,228,041)	(3,468,805)	(2,860,508)
Issuance of Debt	223,037	695,140	5,796,048	3,174,736	-	-	-	-	-	-	-
Total	(803,400)	1,642,491	7,618,544	4,853,254	1,430,156	638,910	286,217	1,326,789	996,297	1,269,085	1,320,018
Net Change in Fund Balances	\$ 6,409,318	\$ 6,058,378	\$ 10,056,883	\$ 3,470,230	\$ 3,150,748	\$ 2,855,992	\$ 3,356,419	\$ 2,253,145	\$ (8,332,062)	\$ 5,549,426	\$ 4,980,028
Debt Service as a percentage of non-capital expenditures	1.99%	1.60%	1.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City of Twin Falls, Idaho										
Assessed Value of Taxable Property - Schedule 6			Calculated	Actual				Collected in		Outstanding
Fiscal Year	Assessed Valuation	City Levy Rate	Property Taxes for Budget	Assessment All Property Taxes	Cancellations	Adjustments (Circuit Breaker)	Net Assessed Property Taxes	Year of Assessment	Collected in Subsequent Yr.	Balance 9/30/2025
2024	\$ 6,210,885,149	0.004931725	30,630,378	\$ 30,952,594	\$ 64,642	\$ 2,067,336	28,820,616	\$ 28,464,057	\$ -	\$ 356,559
2023	6,160,218,640	0.004714041	29,039,523	29,276,760	77,423	3,640,694	25,558,643	25,197,773	168,271	192,599
2022	5,583,114,592	0.004783910	26,709,118	26,982,837	95,914	339,655	26,547,268	26,148,888	334,827	63,553
2021	4,035,957,147	0.006245573	25,206,865	25,345,088	108,864	323,568	24,912,656	24,590,929	315,678	6,049
2020	3,452,293,576	0.005300426	18,298,627	18,367,681	10,776	227,298	18,129,607	17,857,778	271,829	-
2019	3,226,338,398	0.007134065	23,016,908	23,074,463	1,889	265,377	22,807,197	22,471,912	335,285	-
2018	2,900,999,246	0.007503874	21,768,733	21,860,986	14,230	238,524	21,608,232	21,301,310	306,922	-
2017	2,683,754,266	0.007429860	19,939,918	20,029,737	10,188	232,073	19,787,476	19,504,807	282,669	-
2016	2,361,514,635	0.008039014	18,984,249	19,066,563	7,496	231,976	18,827,091	18,567,107	259,984	-
2015	2,274,715,387	0.007868287	17,898,114	18,040,788	26,521	238,801	17,775,466	17,367,958	407,508	-
2014	2,264,943,286	0.007664692	17,360,093	17,454,148	56,669	238,801	17,158,678	16,805,418	353,260	-

Property Tax Levies - Schedule 7

Fiscal Year	Twin Falls City	Twin Falls County	Twin Falls School District	Twin Falls Highway Dist.	College of Southern Idaho	County Ambulance	County Abatement	Total
2024	0.004931725	0.002683757	0.001490168	0.000725150	0.000725026	0.000114905	0.000067860	0.010738591
2023	0.004714041	0.002671258	0.001604588	0.000703461	0.000705854	0.000111169	0.000063292	0.010573663
2022	0.004783910	0.002782758	0.002262071	0.000716758	0.000728329	0.000112486	0.000064329	0.011450641
2021	0.006245573	0.003604221	0.003106028	0.000942152	0.000924499	0.000148295	0.000085067	0.015055835
2020	0.005300426	0.003974578	0.003629366	0.001069504	0.001014337	0.000169938	0.000097697	0.015255846
2019	0.007134065	0.004192917	0.004275126	0.001091370	0.000889340	0.000179316	0.000103273	0.017865407
2018	0.007503874	0.004282926	0.004750628	0.001131447	0.000914913	0.000198801	0.000108620	0.018891209
2017	0.007429860	0.004311054	0.004618324	0.001151472	0.000931594	0.000191659	0.000112259	0.018746222
2016	0.008039014	0.004620777	0.004821117	0.001245724	0.000982086	0.000211166	0.000124953	0.020044837
2015	0.007868287	0.004552904	0.004765449	0.001223108	0.000963895	0.000208866	0.000125414	0.019707923
2014	0.007664692	0.004499616	0.004786364	0.001194773	0.000955478	0.000202299	0.000124412	0.019427634

Source - Twin Falls County, Idaho

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

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

The Property Tax Reduction (Circuit Breaker) program reduces property taxes for qualified applicants. The amount of reduction is based on income for the previous calendar year. It is available to personal residences and if someone qualifies, the property taxes on their home and up to one acre of land may be reduced by as much as \$1,500.

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

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

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

City of Twin Falls, Idaho

Principal Property Tax Payers - Schedule 8

Taxpayer	2025 Taxable Assessed Value	2024 Taxable Assessed Value	2023 Taxable Assessed Value	2022 Taxable Assessed Value	2021 Taxable Assessed Value	2020 Taxable Assessed Value	2019 Taxable Assessed Value	2018 Taxable Assessed Value	2017 Taxable Assessed Value	2016 Taxable Assessed Value
Chobani, Inc (Agro-Farma)	\$ 474,554,112	\$ 419,502,405	\$ 436,418,386	\$ 397,493,952	\$ 313,752,654	\$ 305,587,296	\$ 267,321,986	\$ 274,928,865	\$ 425,078,135	\$ 447,967,459
Idaho Power	203,200,013	152,535,363	138,297,751	175,121,784	162,509,565	143,702,217	144,446,139	136,632,843	127,282,949	123,110,502
Idaho Frozen Foods (Lamb Weston)	150,239,635	142,287,290	139,639,621	129,929,956	122,129,924	96,214,362	84,485,629	83,612,919	92,120,925	85,206,199
Clif Bar Baking Company	114,505,258	108,904,148	127,487,731	113,922,212	107,013,848	102,279,229	105,294,875	103,242,722	96,844,384	37,007,452
Westrock (Longview), LLC	62,134,359	61,229,234	63,835,517	56,268,349	56,504,145	37,839,972	52,477,906	21,835,126	18,330,840	19,852,116
Glanbia Foods, Inc	43,064,028	46,241,155	45,552,707	48,851,524	45,812,601	49,209,189	42,128,211	46,932,648	50,296,001	34,069,915
Jayco	37,484,625	37,058,645	37,514,746	32,605,389	28,792,333	26,959,163	28,055,877			
Bridgeview Estates	29,060,204			28,055,426						
Wal-Mart Stores, Inc.	26,324,810	27,816,896	26,148,929	26,220,928	24,684,063	22,639,862	19,732,121	18,101,850	18,617,037	18,202,778
Canyon Park West, LLC	26,273,190	26,650,899	23,567,180	22,450,733	21,022,372	20,750,097				
Twin Falls Rivercrest Apartments		46,935,945								
Twin Falls Golden Eagle, LLC			20,685,551							
Magic Valley Mall II , LLC					25,468,345	30,973,975	32,076,216	33,466,990	36,153,343	34,260,684
Henningsen Cold Storage Co							24,313,037	17,491,746	19,684,168	17,692,399
Twin Falls Canyon Park (Geronimo LLC)								17,854,445	15,935,346	14,043,318

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

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

Fiscal Year	Government Activities		Business-type Activities		Total	Percentage	Per Capita (b)	City Personal	City
	Certificates of Participation	Lease	Revenue Bonds (c)	Term Loans	Primary Government	of Personal Income (b)		Income	Population
2025	\$ 8,050,005	\$ 1,049,940	\$ 24,465,417	\$ -	\$ 33,565,362	0.69%	\$ 604	\$ 4,864,802,000	55,589
2024	\$ 8,360,241	\$ 1,424,783	\$ 27,125,831	\$ -	\$ 36,910,855	0.74%	\$ 672	\$ 4,956,379,000	54,943
2023	8,655,477	1,567,767	30,598,345	-	40,821,589	0.89%	\$ 752	4,592,839,000	54,300
2022	8,905,713	728,832	33,930,860	-	43,565,405	1.04%	819	4,208,749,000	53,213
2021	-	-	37,563,989	-	37,563,989	0.96%	725	3,899,972,000	51,807
2020	-	-	48,736,084	-	48,736,084	1.32%	971	3,681,817,000	50,197
2019	-	-	53,297,705	-	53,297,705	1.64%	1,083	3,259,461,000	49,202
2018	-	-	57,684,327	-	57,684,327	1.92%	1,195	3,000,974,000	48,260
2017	-	-	61,978,558	-	61,978,558	2.14%	1,306	2,889,612,000	47,468
2016	-	-	66,173,038	-	66,173,038	2.38%	1,439	2,779,540,000	45,981
2015	-	-	70,287,516	-	70,287,516	2.68%	1,556	2,620,007,000	45,158

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

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

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

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

City of Twin Falls, Idaho

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct & Overlapping Debt</u>	<u>Combined Debt</u>
Debt Repaid with Property Taxes (b):				
Twin Falls School District - Series 2020 General Obligation Debt	49,770,000	84.19%	41,901,363	
Urban Renewal Agency of Twin Falls, Idaho:				
Revenue Allocation Bonds, Series 2013A	14,682,000	100.00%	14,682,000	
Revenue Allocation Bonds, Series 2016A	8,140,000	100.00%	8,140,000	
Other Debt:				
Twin Falls School District - Leases (Energy Savings and Building)	532,686	84.19%	448,468	
Subtotal, overlapping debt			<u>65,171,831</u>	65,171,831
City Direct Debt (d):				<u>9,099,945</u>
Total Direct and Overlapping Debt				<u>\$ 74,271,776</u>

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

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

(a) The School District's debt information is as of their year end of June 30, 2024. The URA is as of September 30, 2024

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

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

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

Legal Debt Margin Information - Schedule 11

Under Idaho law, the city's outstanding general obligation debt should not exceed 10 percent of total assessed property value. The City has leases totaling \$9,099,945 (net of amortized premium or discount) which are classified as general obligation debt. The 10 percent limitation under State statutes would be around \$620,000,000

City of Twin Falls, Idaho

Pledged Revenue Coverage - Schedule 12
(cash basis of accounting)

Water Revenue Bonds (a)

Fiscal Year	Utility Service	Less: Operating	Net Available	Required Debt Service		Coverage
	Charges	Expense	Revenue	Principal	Interest	
2025	\$ 13,200,733	\$ 7,728,341	\$ 5,472,392	\$ -	\$ -	-
2024	12,656,691	7,369,557	5,287,134	805,000	38,596	6.27
2023	12,035,516	7,277,755	4,757,761	765,000	76,928	5.65
2022	11,809,706	5,978,749	5,830,957	1,085,000	132,750	4.79
2021	11,955,356	5,561,107	6,394,249	2,305,000	430,245	2.34
2020	11,463,822	5,530,372	5,933,450	2,215,000	572,100	2.13
2019	10,800,370	5,529,462	5,270,908	2,140,000	607,990	1.92
2018	10,751,213	5,406,882	5,344,331	2,085,000	678,166	1.93
2017	10,263,184	4,907,137	5,356,047	2,105,000	709,811	1.90
2016	10,236,640	5,065,364	5,171,276	2,055,000	721,589	1.86

Wastewater Revenue Bonds

Fiscal Year	Utility Service	Less: Operating	Net Available	Required Debt Service		Coverage
	Charges	Expense	Revenue	Principal	Interest	
2025	\$ 11,996,590	\$ 5,953,873	\$ 6,042,717	\$ 595,000	\$ 962,565	3.88
2024	10,267,500	7,232,397	3,035,103	2,450,000	1,031,785	0.87
2023	10,412,263	6,049,078	4,363,185	2,350,000	1,133,135	1.25
2022	11,695,412	5,035,951	6,659,461	2,235,000	1,247,280	1.91
2021	10,261,051	4,307,539	5,953,512	2,130,000	1,351,237	1.71
2020	9,343,523	4,478,552	4,864,971	2,030,000	1,455,281	1.40
2019	9,956,050	4,583,458	5,372,592	1,930,000	1,551,781	1.54
2018	10,213,945	4,239,570	5,974,375	1,905,000	1,578,084	1.72
2017	9,826,394	4,598,570	5,227,824	1,845,000	1,638,516	1.50
2016	9,218,900	4,282,031	4,936,869	1,815,000	1,665,856	1.42

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization
(a) As of 2024 all water revenue bonds have been paid in full.

City of Twin Falls, Idaho

Demographic and Economic Statistics - Schedule 13

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>City Population</u>	Unavailable	55,589	54,943	54,300	53,213	51,807	50,197	49,764	49,202	48,260	47,468
<u>Total Personal Income for Twin Falls County (Thousand Dollars)</u>	Unavailable	4,864,802	4,956,379	4,592,839	4,208,749	3,899,972	3,681,817	3,410,765	3,259,461	3,000,974	\$ 2,889,612
<u>Personal Income per capita for Twin Falls County</u>	Unavailable	50,992	52,087	49,019	45,627	44,112	42,379	40,756	38,935	35,934	\$ 35,079
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>City Unemployment Rate</u>	3.4	3.6	3.1	2.7	2.8	6.3	2.8	2.7	2.8	3.3	3.6
<u>City Labor Force</u>	28,370	26,756	26,329	26,103	24,014	25,513	24,342	23,761	24,206	23,522	23,221
<u>School Enrollment</u>	8,723	9,053	9,282	9,531	9,556	9,294	9,775	9,693	9,602	9,322	9,090

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

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

City's Largest Employers - Schedule 14

<u>2025</u>			
Business	Rank	Employment Range	Industry
St Lukes Magic Valley Regional Medical	1	2000-2999	Healthcare
Chobani LLC	2	1000-1499	Food Manufacturing
Twin Falls School Dist #411	3	1000-1499	Local Government - Education
College of Southern Idaho	4	499-999	Local Government - Education
Lamb Weston Inc	5	499-999	Food Manufacturing
Wal-Mart Associates Inc	6	250-499	Retail Trade
City of Twin Falls	7	250-499	Local Government - Administration
Amalgamated Sugar Company LLC	8	250-499	Food Manufacturing
Twin Falls County	9	250-499	Local Government - Administration
Clif Bar Baking Company	10	250-499	Food Manufacturing

<u>2016</u>			
Business	Rank	Employment Range	Industry
St Lukes Magic Valley Regional Medical	1	2,000-2,500	Health Care
Twin Falls School District #411	2	1,000-1,499	Local Government Education
College of Southern Idaho	3	500-999	Local Government Education
Personnel Plus Inc	4	500-999	Administrative & Support Services
Chobani LLC	5	500-999	Manufacturing
C3 CustomerContactChannels	6	500 -999	Administrative & Support Services
Conagra Foods Lamb Weston	7	500-999	Manufacturing
Elwood Staffing Company	8	250-499	Administrative & Support Services
Amalgamated Sugar Company LLC	9	250-499	Manufacturing
Twin Falls County	10	250-499	Local Government Administration

Source: Quarterly Report of Employment & Wages reports as reported to the Idaho Department of Labor
Note: Only employers that have given the Department permission to release employment range data are listed. The listing includes both private and public employer

City of Twin Falls, Idaho																					

Source: Information is compiled from records maintained within City departments

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

	City of Twin Falls, Idaho									
	<u>FYE 2026</u>	<u>FYE 2025</u>	<u>FYE 2024</u>	<u>FYE 2023</u>	<u>FYE 2022</u>	<u>FYE 2021</u>	<u>FYE 2020</u>	<u>FYE 2019</u>	<u>FYE 2018</u>	<u>FYE 2017</u>
Other Operating Information - Schedule 16										
<u>Budgeted Fulltime Equivalent Employees:</u>										
General Government	53.75	52.75	51.50	50.00	49.00	46.00	46.25	45.00	43.00	40.00
Fire	51.50	51.50	48.50	48.50	47.50	47.50	47.50	42.50	42.00	42.00
Police	108.00	107.00	107.00	107.00	103.00	102.75	102.75	103.75	102.75	113.75
Dispatch *	14.00	14.00	14.00	13.00	13.00	13.00	13.00	13.00	11.00	-
Engineering/Planning	19.00	19.00	19.00	19.00	19.00	19.25	19.25	19.25	19.25	19.25
Streets	16.67	16.67	16.33	16.33	16.33	16.00	16.00	16.00	14.00	14.00
Library	19.00	19.00	37.00	38.00	38.00	36.00	45.00	48.00	49.00	55.00
Culture and Recreation *	19.25	19.25	19.00	19.00	19.00	20.00	19.00	19.25	18.00	17.00
Airport	9.50	9.50	9.50	9.50	9.50	9.50	9.50	8.50	8.50	8.13
Water	32.16	32.16	32.33	32.33	31.33	29.50	29.00	28.75	27.75	27.75
Wastewater	11.17	10.67	10.84	10.84	9.84	9.75	9.75	9.75	8.75	8.75
Sanitation	-	-	-	-	-	-	-	-	-	-
	354.00	351.50	365.00	363.50	355.50	349.25	357.00	353.75	344.00	345.63

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

	Machinery &					
<u>Net Book Value of Capital Assets</u>	<u>Land</u>	<u>Building</u>	<u>Improvements</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Total</u>
General Government	\$ 11,941,049	\$ 38,374,320	\$ 5,487,910	\$ 71,294,110	\$ 794,660	\$ 127,892,049
Fire	-	18,433	243,169	-	1,874,776	2,136,378
Police & Dispatch	-	37,994	99,980	-	1,204,195	1,342,169
Engineering/Planning	-	-	-	-	68,404	68,404
Streets	-	54,428	906	2,802,248	2,394,231	5,251,813
Library	-	1,028,438	74,129	-	2,166,344	3,268,911
Culture and Recreation	158,532	1,280,189	5,185,134	535,957	998,045	8,157,857
Airport	-	1,822,064	1,138,933	3,909,570	1,176,598	8,047,165
Water	12,569,052	648,094	7,480,667	33,951,206	1,787,182	56,436,201
Wastewater	327,113	1,381,973	11,169,186	60,255,604	5,109,442	78,243,318
Sanitation	-	-	-	-	-	-
	\$ 24,995,746	\$ 44,645,933	\$ 30,880,014	\$ 172,748,695	\$ 17,573,877	\$ 290,844,265

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

SINGLE AUDIT INFORMATION

CITY OF TWIN FALLS
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

<i>Award Information</i>	<i>AL/other #</i>	<i>Pass-Through Entity Name</i>	<i>Federal Expenditures (\$)</i>
<i>CDBG - Entitlement Grants-Cluster</i>			
Department of Housing and Urban Development			
Community Development Block Grants/Entitlement Grants	14.218		\$ 798,363
Total Community Development Block Grants/Entitlement Grants			798,363
<i>Total Department of Housing and Urban Development</i>			798,363
<i>Total CDBG - Entitlement Grants-Cluster</i>			798,363
<i>Federal Transit Cluster-Cluster</i>			
Department of Transportation			
Federal Transit Formula Grants	20.507		100,360
Total Federal Transit Formula Grants			100,360
<i>Total Department of Transportation</i>			100,360
<i>Total Federal Transit Cluster-Cluster</i>			100,360
<i>Highway Safety Cluster-Cluster</i>			
Department of Transportation			
State and Community Highway Safety	20.600	Idaho Transportation Department	4,399
Total State and Community Highway Safety			4,399
National Priority Safety Programs	20.616	Idaho Transportation Department	419
Total National Priority Safety Programs			419
<i>Total Department of Transportation</i>			4,818
<i>Total Highway Safety Cluster-Cluster</i>			4,818
<i>Other Programs (Treated individually for major program determination)</i>			
United States Department of Agriculture			
Soil and Water Conservation	10.902		764,518
Total Soil and Water Conservation			764,518
<i>Total United States Department of Agriculture</i>			764,518
United States Department of Justice			
Public Safety Partnership and Community Policing Grants	16.710	State of Idaho	100,000
Total Public Safety Partnership and Community Policing Grants			100,000
Edward Byrne Memorial Justice Assistance Grant Program	16.738		17,287
Total Edward Byrne Memorial Justice Assistance Grant Program			17,287
<i>Total United States Department of Justice</i>			117,287
Department of Transportation			
Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs	20.106		1,660,997
Total Airport Improvement Program, Infrastructure Investment and Jobs Act Programs, and COVID-19 Airports Programs			1,660,997
Highway Planning and Construction	20.205	Idaho Transportation Department	175,012
Total Highway Planning and Construction			175,012
Formula Grants for Rural Areas and Tribal Transit Program	20.509	Idaho Transportation Department	1,093,894
Total Formula Grants for Rural Areas and Tribal Transit Program			1,093,894
<i>Total Department of Transportation</i>			2,929,903
United States Environmental Protection Agency			
Sewer Overflow and Stormwater Reuse Municipal Grant Program	66.447	Idaho Department of Environmental Quality	5,104
Total Sewer Overflow and Stormwater Reuse Municipal Grant Program			5,104
Drinking Water State Revolving Fund	66.468	Idaho Department of Environmental Quality	29,064
Total Drinking Water State Revolving Fund			29,064
<i>Total United States Environmental Protection Agency</i>			34,168
Department of Health and Human Services			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	State of Idaho	13,518
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance			13,518
<i>Total Department of Health and Human Services</i>			13,518
<i>Total Other Programs (Treated individually for major program determination)</i>			3,859,394
<i>Total Expenditures of Federal Awards</i>			\$ 4,762,935

The accompanying notes are an integral part of this schedule

CITY OF TWIN FALLS, IDAHO
Notes to Schedule of Expenditures of Federal Awards
September 30, 2025

Note A-Basis of Presentation

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

Note B-Significant Accounting Policies

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

Note C-Indirect Cost Rate

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

CITY OF TWIN FALLS, IDAHO
Schedule of Findings and Questioned Costs
For the Year ended September 30, 2025

Financial Statements

Unmodified

Type of auditor's report issued:

Internal Control over financial reporting:

Material Weakness(es) identified?

Yes ☐

No ☒

Significant deficiency(ies) identified that are not
considered to be a Material Weakness?

Yes ☐

No ☒

Non-Compliance material to financial statements noted?

Yes ☐

No ☒

Federal Awards

Internal Control over major programs:

Material Weakness(es) identified?

Yes ☐

No ☒

Significant deficiency(ies) identified that are not
considered to be a Material Weakness?

Yes ☐

No ☒

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

Unmodified

Any audit findings disclosed that are required to be
reported in accordance with the Uniform Guidance
2 CFR 200.516

Yes ☐

No ☒

Identification of major programs

Name of Federal Program or Cluster

CFDA Number

Airport Improvement Program, Infrastructure Investment
and Jobs Act Programs, and COVID-19 Airports Programs
Soil and Water Conservation

20.106

10.902

Dollar threshold used to distinguish between type A
and Type B programs

\$1,000,000

Auditee Qualified as low-risk auditee?

Yes ☒

No ☐



Mahlke Hunsaker & Company PLLC
C e r t i f i e d P u b l i c A c c o u n t a n t s

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

To the City Council
City of Twin Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated February 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Twin Falls, Idaho's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of This Report

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & Co., PLLC
Twin Falls, Idaho
February 23, 2026



Mahlke Hunsaker & Company PLLC

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

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

To the City Council
City of Twin Falls, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Twin Falls, Idaho's compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the City of Twin Falls, Idaho's major federal programs for the year ended September 30, 2025. The City of Twin Falls, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Twin Falls, Idaho complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Twin Falls, Idaho's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City of Twin Falls, Idaho's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & Co., PLLC
February 23, 2026



Date: Monday, March 16, 2026
To: Honorable Mayor and City Council
From: Shawn Barigar, URA Executive Director

PRESENTATION

Request:

Presentation of the 2025 Annual Report of The Urban Renewal Agency of the City of Twin Falls.

Time Estimate:

10 minutes

Background:

Idaho Code Section 50-2006(5)(c) requires urban renewal agencies operating in Idaho to present an annual report regarding their activities for the preceding calendar year and certain financial information. The 2025 Annual Report was approved by the Agency at today's meeting. Following this presentation, a notice will be published in the Times-News informing the public that the report has been filed with the City and is available for inspection in the office of the City Clerk, the Agency, and on the website.

Approval Process:

N/A

Budget Impact:

N/A

Regulatory Impact:

N/A

History:

N/A

Analysis:

N/A

Conclusion:

The report will be filed with the City Clerk. Completion of this process will have the Agency in compliance with the statutory requirements for reporting.

Attachments:

1. 2025 URA Annual Report - 20260316



2025 Annual Report

Shawn Barigar
Executive Director

March 16, 2026

Board of Commissioners

January – June 2025

Rudy Ashenbrener – Chair
Dave McAlindin – Vice Chair
Eric Smallwood - Secretary
Dan Brizee
Jan Rogers
JJ McBride
Jennifer Colvin

July – December 2025

Dave McAlindin – Chair
Eric Smallwood – Vice Chair
JJ McBride – Secretary
Dan Brizee
Jan Rogers
Jennifer Colvin
Andy Hohwieler

Staff

Shawn Barigar – Executive Director
Lorrie Wilson – Administrative Assistant
Parker Scherer – Finance

This Annual Report is prepared pursuant to Idaho Code Section 50- 2006(5)(c):

An agency authorized to transact business and exercise powers under this chapter shall file, with the local governing body, on or before March 31 of each year a report of its activities for the preceding calendar year, which report shall include the financial data and audit reports required under sections 67-1075 and 67-1076, Idaho Code. The agency shall be required to hold a public meeting to report these findings and take comments from the public. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and the state controller and that the report is available for inspection during business hours in the office of the city clerk or county recorder, in the office of the agency, and at all times on the website of the state controller.

**The Urban Renewal Agency
of the City of Twin Falls, Idaho**

Agency Activities for Calendar Year 2025

In 2025, the Urban Renewal Agency of the City of Twin Falls continued its focus on strategic redevelopment, downtown revitalization, and industrial expansion while maintaining sound fiscal stewardship and compliance with Idaho law. The Agency's actions supported job creation, infrastructure investment, and long-term economic growth across multiple revenue allocation areas.

Administrative and Organizational Activities

- Conducted regular public meetings in compliance with Idaho Open Meeting Law.
- Maintained financial oversight through monthly financial reporting and accounts payable review.
- Advanced updates to the Urban Renewal Agency and Economic Development website to improve transparency and access to redevelopment information.
- Coordinated with legal counsel on development agreements, lease amendments, and statutory compliance.
- Managed Agency-owned real property, including lease amendments and ongoing property maintenance.
- Processed a request from the Twin Falls Ambulance District for withdrawal from being subject to the revenue allocation financing provisions in all Revenue Allocation Areas, pursuant to new legislation that was passed in the 2025 session. Following the process outlined in State Code, the Agency Board of Commissioners considered the requests and voted to deny the withdrawal for RAA 4-3, RAA 4-4, and Orchard Drive East RAA – as the Agency's obligations funded by revenue allocation proceeds in these areas exceed the amount of revenue allocation attributable to the Ambulance District. The Agency Board did accept the withdrawal request for Olde Towne-2 RAA and Southwest RAA and adopted a resolution accepting the withdrawal.

Revenue Allocation Area 4-3 (Chobani Area)

In March, Chobani announced a \$500 million expansion of its Twin Falls plant. According to a press release from the company, the expansion will increase production by 50% and add over 500,000 square feet of new space. "Over a decade ago, this empty stretch of land in Twin Falls, Idaho, became the heartbeat of a food revolution. Today, that heart is



growing even stronger. This expansion is expected to create a minimum of 160 new jobs, strengthen Idaho's dairy industry, and ensure that the food made here reaches even more families across the country," the company stated.

According to Chobani, "The expanded Twin Falls plant will span 1.6 million square feet and feature 24 production lines. Employing more than 1,200 people earning wages almost 12% higher than the regional average, this investment will continue to fuel the local economy and shape the future of food."

In conjunction with Chobani and the City of Twin Falls, the Agency approved actions within a development agreement to support the announced expansion.

Additionally, related to RAA 4-3, the Agency:

- Processed plan amendment to de-annex an approximate 28-acre parcel from the Revenue Allocation Area.
- Processed tax increment transfers and bond-related payments in coordination with the Agency's trustee bank.
- Monitored assessed valuation growth and compliance with existing development agreements.

Revenue Allocation Area 4-4 (Clif Bar Area)

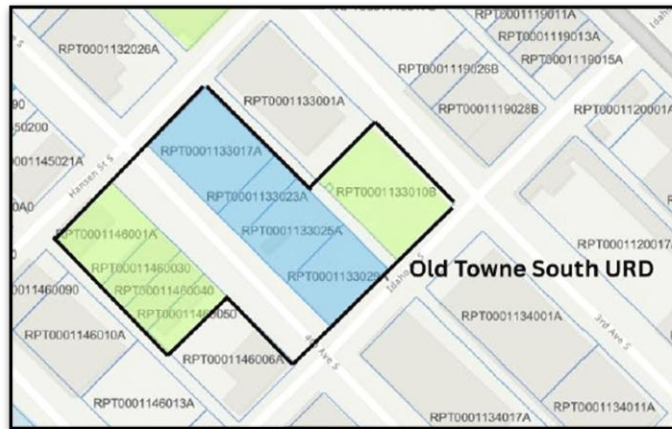
- Continued routine administration of long-term debt obligations and compliance with financing covenants.



Old Towne-2 Revenue Allocation Area

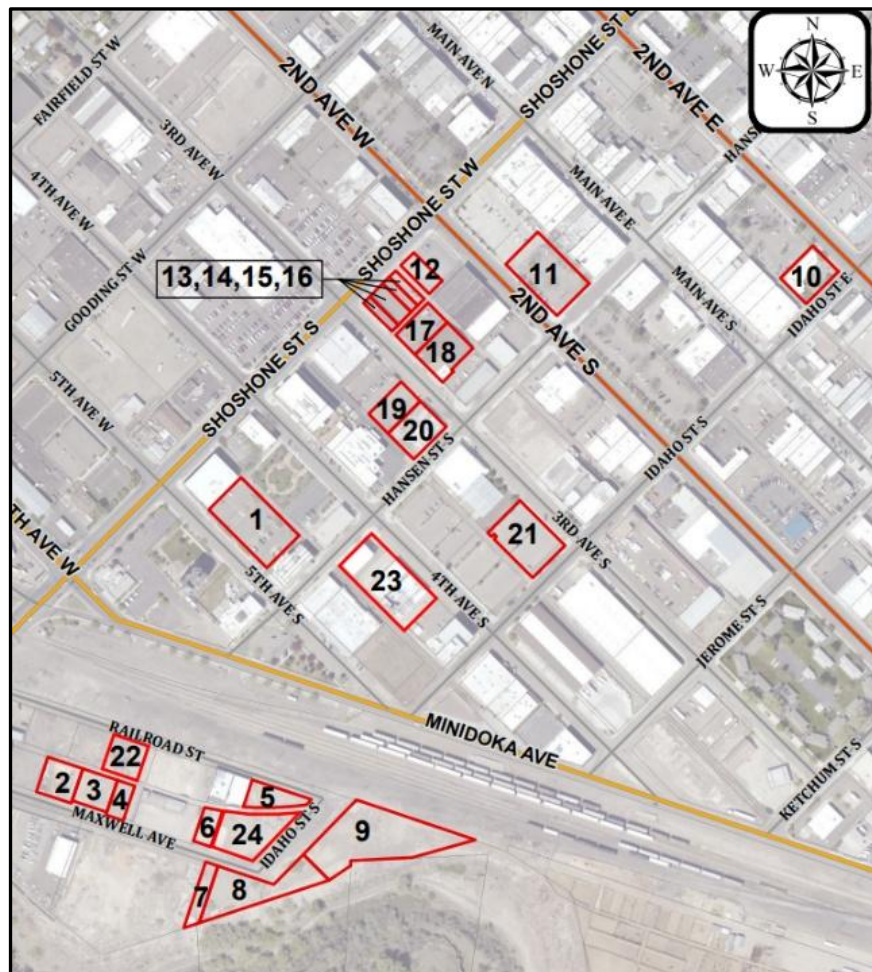
Utilizing the Downtown Master Plan, the Agency reviewed redevelopment opportunities of Agency-owned properties in four specific areas: "2nd and Hansen", "3rd and Shoshone", "164 3rd Avenue South (former Step-Ken property)", and "4th and Hansen (former Globe Seed and Feed)".

The Agency initiated preparation of Requests for Proposals for priority properties at 2nd and Hansen and the 4th and Hansen area (Old Towne South).



The Agency maintained its own properties in the area to include tenant-occupied buildings, public parking, and vacant facilities for future development opportunities.

Agency-owned properties are designated on this map outlined in red and numbered.



Project Support in Old Towne-2 Revenue Allocation Area

- Approved funding for a public improvement budget study prepared by HMM Engineering to evaluate potential streetscape and pedestrian improvements along approximately 1.5 blocks of Hansen Street East. The study estimated probable construction costs between \$544,390 and \$653,270. The Agency continued discussions with Hansen Parkway Developers regarding potential future Agency participation in public improvements through an Owner Participation Agreement, contingent on further development details and Board direction.
- Launched the Development Assistance Participation Program to support public-private partnership in the Old Towne-2 RAA. Through a variety of assistance activities, the Agency strives to encourage private investment in the area, increase valuation of properties, and support employment opportunities within the community. The primary goal of the Program is to optimize the use of the Agency's financial resources to drive economic development, create suitable public infrastructure, and enhance placemaking within the core of the community.
- The Agency initiated discussions with downtown business owners and operators to identify opportunities for increased connection, collaboration, and support.

Orchard Drive East Revenue Allocation Area

- Continued development of Gemini Business Park by Summit Creek Development, reinforcing the Orchard Drive East area as a primary industrial growth corridor.
- Phase I fully leased, achieving 100% occupancy of 118,000 square feet.
- Delivery of an additional 92,000 square feet of Class-A industrial space in 11 months for CRC Logistics, a third-party logistics (3PL) company new to Southern Idaho.
- Construction initiated on a 56,000 square foot industrial building, with completion anticipated in August 2026.



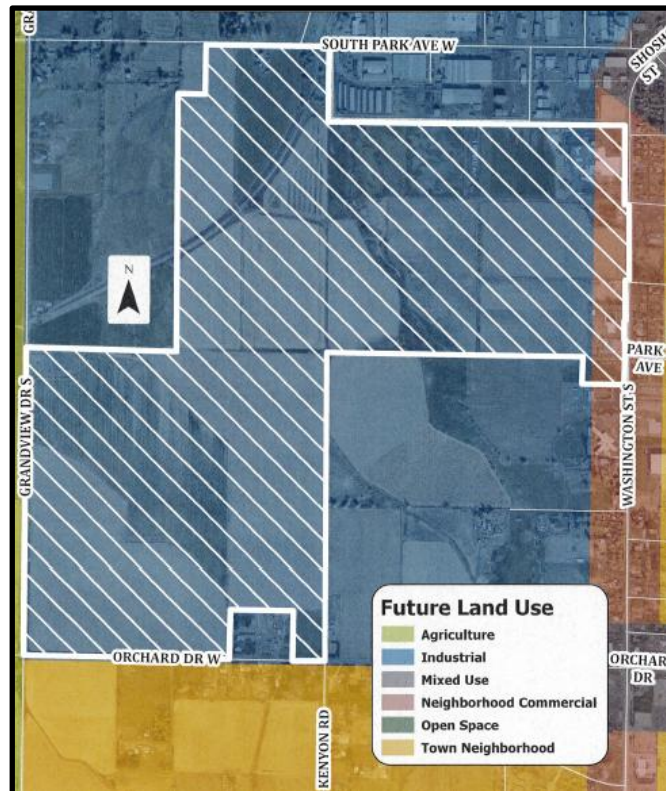
- Tenant attraction linked to regional supply-chain growth, including firms supporting the recent Chobani expansion.

- Mix of build-to-suit and speculative industrial inventory has enhanced the area's competitiveness for industrial users.
- Key site advantages include access to City utilities, efficient transportation connections, and modern Class-A industrial facilities.
- Initiation of reimbursements under an approved Owner Participation Agreement, consistent with the goals and objectives of the Orchard Drive East Urban Renewal Plan.

Southwest Revenue Allocation Area

With the establishment of the Southwest Revenue Allocation Area, the Agency began outreach for potential industrial development opportunities.

Ongoing discussions and collaboration with private property owners continue to receive industrial expansion interest.



Financial Information

We provide the following financial information as part of this Annual Report, in compliance with Idaho Code 67-1076(2)(b) and (c).

- The date of the last audit was for the fiscal year ending 9/30/2025.
- The average length of term of all bond obligations is 9 years.
- The average interest rate of all bond obligations is 6.6%.

The following attachments include additional Financial Information.

Attachment A: Adopted 2024-2025 Budget

Attachment B: Adopted 2025-2026 Budget

Attachment C: FY2024 Audited Financial Statements

Attachment D: FY2025 Audited Financial Statements

[illegible]

Attachment C

FY2024 Audited Financial Statements

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**AUDITED FINANCIAL STATEMENTS
September 30, 2024**

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-3
FINANCIAL STATEMENTS	
Government-Wide Financial Statements	4
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements	7
Fund Balance Sheet – Governmental Funds	8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	9
Reconciliation of Governmental Funds Statements to Government-Wide Statements	10
NOTES TO FINANCIAL STATEMENTS	11-24
REQUIRED SUPPLEMENTARY INFORMATION	25
Budget and Actual Comparison – General Fund	26
Budget and Actual Comparison – Redevelopment Fund	27
Budget and Actual Comparison – Debt Service Fund	28
SUPPLEMENTARY INFORMATION	29
Combined Balance Sheets- Redevelopment Fund	30
Combining Statement of Revenues, Expenditures and Changes in Fund Balances By Project for the Redevelopment Fund	31
Combined Balance Sheets- Debt Service Fund	32
Combining Statement of Revenues, Expenditures and Changes in Fund Balances By Project for the Debt Service Fund	33
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	34-35



Mahlke Hunsaker & Company PLLC
C e r t i f i e d P u b l i c A c c o u n t a n t s

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Urban Renewal Agency of the City of Twin Falls, Idaho and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 25-27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2025, on our consideration of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, pllc
Twin Falls, Idaho
February 21, 2025

FINANCIAL STATEMENTS

Government-Wide Financial Statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2024

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 5,332,226
Receivables:	
Property taxes	17,277
Interest income	21,855
Real estate	3,942,322
Total Assets	\$ 9,313,680
Liabilities	
Pooled Cash Deficit	\$ 5,264
Accounts payable	18,240
Accrued interest	6,828,871
Deposits payable	4,556
Development Agreement	10,234,049
Project Improvement Reimbursement Agreement	14,234,032
Noncurrent liabilities	
Due within one year	2,540,000
Due in more than one year	23,563,000
Total Liabilities	57,428,012
Net Position	
Net investment in capital assets	(46,628,759)
Restricted for:	
Debt service	5,015,354
Redevelopment	644,943
Unrestricted	(7,145,870)
Total Net Position	(48,114,332)
Total Liabilities and Net Position	\$ 9,313,680

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Total
Primary Government:						
Governmental Activities:						
General government	\$ 325,363	\$ -	\$ -	\$ -	\$ (325,363)	\$ (325,363)
Community development	45,953	-	-	-	(45,953)	(45,953)
Interest on long-term debt	2,997,019	-	-	-	(2,997,019)	(2,997,019)
Total Governmental Activities	<u>3,368,335</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,368,335)</u>	<u>(3,368,335)</u>
General Revenues and Transfers:						
Taxes:						
Property taxes, levied for general tax increment purposes					5,066,006	5,066,006
Other income					8,149	8,149
Investment income					302,932	302,932
Rental Income					48,400	48,400
Gain on sale of assets					-	-
Contributions					119,154	119,154
Transfers					<u>-</u>	<u>-</u>
Total General Revenues and Transfers					<u>5,544,641</u>	<u>5,544,641</u>
Changes in Net Position					2,176,306	2,176,306
Net Position, October 1, 2023					<u>(50,290,638)</u>	<u>(50,290,638)</u>
Net Position, September 30, 2024					<u>\$ (48,114,332)</u>	<u>\$ (48,114,332)</u>

FINANCIAL STATEMENTS

Fund Financial Statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Fund Balance Sheet
GOVERNMENTAL FUNDS
September 30, 2024

	General	Redevelopment	Debt Service	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,400,691	\$ 630,112	\$ 3,301,423	\$ 5,332,226
Property tax receivable	-	17,277	-	17,277
Interest income receivable	5,462	2,818	13,575	21,855
Total Assets	<u>\$ 1,406,153</u>	<u>\$ 650,207</u>	<u>\$ 3,314,998</u>	<u>\$ 5,371,358</u>
Liabilities				
Pooled Cash Deficit	\$ -	\$ 5,264	\$ -	\$ 5,264
Accounts payable	18,240	-	-	18,240
Deposits payable	4,556	-	-	4,556
Total Liabilities	<u>22,796</u>	<u>5,264</u>	<u>-</u>	<u>28,060</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	<u>-</u>	<u>16,372</u>	<u>-</u>	<u>16,372</u>
Fund Balances				
Restricted fund balance:	-	633,653	3,314,998	3,948,651
Unrestricted fund balance:				
Committed fund balance	-	-	-	-
Assigned fund balance	-	-	-	-
Unassigned fund balance	1,383,357	(5,082)	-	1,378,275
Total Fund Balances	<u>1,383,357</u>	<u>628,571</u>	<u>3,314,998</u>	<u>5,326,926</u>
Total Liabilities and Fund Balances	<u>\$ 1,406,153</u>	<u>\$ 650,207</u>	<u>\$ 3,314,998</u>	<u>\$ 5,371,358</u>

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	General	Redevelopment	Debt Service	Total Governmental Funds
Revenues				
Property taxes	\$ 1,160	\$ 5,048,474	\$ -	\$ 5,049,634
Rental income	48,400	-	-	48,400
Investment income	76,493	51,721	174,719	302,933
Other income	8,149	-	-	8,149
Contributions	-	-	119,154	119,154
Total Revenues	<u>134,202</u>	<u>5,100,195</u>	<u>293,873</u>	<u>5,528,270</u>
Expenditures				
Current				
General government and administration	291,517	31,278	-	322,795
Area development and improvements	-	48,522	-	48,522
Debt service				
Principal	-	-	2,694,000	2,694,000
Interest and other charges	-	-	2,006,890	2,006,890
Total Expenditures	<u>291,517</u>	<u>79,800</u>	<u>4,700,890</u>	<u>5,072,207</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(157,315)</u>	<u>5,020,395</u>	<u>(4,407,017)</u>	<u>456,063</u>
Other Financing Sources (Uses)				
Transfers in (out)	-	(4,410,532)	4,410,532	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,410,532)</u>	<u>4,410,532</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(157,315)</u>	<u>609,863</u>	<u>3,515</u>	<u>456,063</u>
Fund Balances - Beginning of Year	1,540,672	18,708	3,311,483	4,870,863
Fund Balances - End of Year	<u>\$ 1,383,357</u>	<u>\$ 628,571</u>	<u>\$ 3,314,998</u>	<u>\$ 5,326,926</u>

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Reconciliation of Governmental Funds Balance Sheet to the Government-wide Statement of Net Position
September 30, 2024

Governmental Fund Balances	\$ 5,326,926
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	3,942,322
Prepaid expenses are not a financial resource and therefore not reported in the governmental funds	-
Certain property tax collections are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds	16,372
Long-term liabilities, including bonds, real estate notes, and revenue notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the governmental funds	<u>(57,399,952)</u>
Total Net Position of Governmental Activities	<u><u>\$ (48,114,332)</u></u>

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Government-wide Statement of Activities for the year ended September 30, 2024**

Net Change in Fund Balances - Total Governmental Funds	\$ 456,063
Amounts reported for governmental activities in the Statement of Activities are different because:	
Property tax revenues in the government-wide statement of activities include economic resources that are not reported as revenues in the governmental fund operating statement	16,372
Governmental funds report principal payments in the period they are paid while the payment reduces long-term liabilities in the Statement of Net Assets	2,694,000
Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore is not reported as an expenditure in governmental funds	<u>(990,129)</u>
Changes in Net Position of Governmental Activities	<u><u>\$ 2,176,306</u></u>

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

1. *SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES*

Organization

The Urban Renewal Agency of the City of Twin Falls, Idaho was organized under Idaho law on July 19, 1965 to rehabilitate, conserve, and redevelop deteriorated or deteriorating areas in the City of Twin Falls to increase the tax base, promote economic development and promote employment.

In April 1998, the Urban Renewal Agency adopted an Urban Renewal Plan for Urban Renewal Area No. 4 and created Revenue Allocation Area No. 4. The original area included the old town area and much of the industrial area of Twin Falls, stretching from 2800 East to 3300 East between the South Park Avenue/ Kimberly Road line on the north and Orchard Avenue on the south. This original area terminated at the end of the fiscal year. Later other revenue allocation areas were added. The following revenue allocation areas now exist:

Revenue Allocation Area No. 4-3 was created in November 2011. Revenue Allocation Area No. 4-3 consists of approximately two hundred and twenty acres and is generally located south of Kimberly Road (3800 North of Highway 30, west of 3300 East and north of the railroad).

Revenue Allocation Area No. 4-4 was created in May, 2015 and consists of approximately ninety acres. It is generally located south of Kimberly Road (3800 North or Hwy 30), west of 3300 East, and south of the railroad right-of-way.

Washington Street South was created in January 2020 and contains approximately 90 acres. It is located primarily in the south-central part of the City and comprises parcels adjacent or near a major north/south arterial, Washington Street South, also designated as Idaho State Highway 74. The area currently has no planned development. This revenue allocation area was terminated on August 26, 2024.

In November 2022, a new revenue allocation area was created, the Orchard Drive East Project Area. It consists of approximately 80 acres and is generally located on the west side of N 3300 Road E/Champlin Road and north of E 3700 N/Orchard Drive East.

The Idaho State Tax Commission is charged with maintaining a registry of urban renewal agency plans within the state. Copies of the plans for the above areas can be found at <https://tax.idaho.gov/urban-renewal-registry/>

Under Chapter 20, Title 50 of the Idaho Code, the Agency is an independent public body, corporate and politic. For financial reporting purposes only, the Agency is a discretely presented component unit of the reporting entity of the City of Twin Falls, Idaho.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Financial Reporting Entity

The Agency's financial statements include the accounts of all Agency operations. Governmental accounting and financial reporting standards require the inclusion of any organizations considered a component unit of the reporting entity.

Urban Renewal Agency of the City of Twin Falls, Idaho has no component units, but is considered a component unit of the City of Twin Falls, Idaho.

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

Basis of Presentation, Measurement Focus and Basis of Accounting

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

Government-Wide Financial Statements

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

The statement of net position presents the financial position of the governmental activities of the Agency at year-end.

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

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

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Government-Wide Financial Statements-continued

These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

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

Fund Financial Statements

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

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

Fund Accounting

The Agency uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Agency has only one category of funds: governmental.

Governmental Funds

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

Major Governmental Funds

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

The *redevelopment fund* accounts for revenue sources that are legally restricted to expenditures for specific purposes.

The *debt service fund* accounts for the servicing of general long-term debt not being financed by proprietary or non-expendable trust funds.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Measurement Focus, Basis of Accounting and Basis of Presentation

Government-wide Financial Statements

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

Fund Financial Statements

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

Basis of Accounting

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

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

Revenues-Exchange Transactions

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

Revenues-Non-exchange Transactions

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

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Revenues-Non-exchange Transactions-continued

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: Property taxes and interest. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

Unearned Revenue

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

Expenses/Expenditures

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

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY

Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Agency. Short-term investments are all in U. S. Treasury money market funds regulated by the Securities and Exchange Commission.

State statutes authorize the Agency to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair market value at year end.

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

Custodial Credit Risk

For deposits and investments, custodial credit 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.

Credit Risk

Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's Standard & Poor's and Fitch's. The investments of the Agency are not rated, and the Agency's policy does not restrict them to rated.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Receivables and Payables

All trade and property tax receivables are shown net of any allowances for collectability.

Prepaid Items

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

Restricted Assets

Tax increment property tax revenues are restricted first to the ongoing payment of revenue bonds outstanding. When received, these revenues are deposited in a separate account controlled by a bank trustee. All use of these funds must be requisitioned, and approval of the trustee is required before payment is made.

The amount shown as restricted cash in the financial statements is the maximum annual debt service requirements for both principal and interest on the bonds.

Capital Assets

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

Donated assets are stated at fair value on the date donated.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Interfund Transactions

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

Transfers between funds reported in the governmental activity's column are eliminated. Interfund transactions are reported as operating transfers in conformity with generally accepted accounting principles.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Accrued Liabilities and Long-Term Obligations

All payables accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payables are reported net of applicable bond premiums or discounts. Bond issuance costs are reported as an expense of the current period. Refunding of debt may result in deferred gains or losses and are reported as deferred inflows and outflows of resources.

The difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense using the straight-line method.

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

Fund Equity

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

Governmental Fund Balances

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

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

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

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the Agency’s highest level of decision-making authority, the Board of Directors.

Assigned Fund Balance – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This intent can be expressed by the Board of Directors through the budgetary process.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Governmental Fund Balances-continued

Unassigned Fund Balance – This classification includes amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Net Position

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

The Agency applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Annually by September 1, the Agency is required to adopt and publish a budget for the next fiscal year. This budget is prepared by fund and includes historical information for the prior two years.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, redevelopment, and debt service funds. All annual appropriations lapse at fiscal year-end.

Excess of Expenditures over Appropriations

For the fund year ended September 30, 2024, no funds exceeded appropriations.

Other

The Agency's Funds require more accountability as additional revenue allocation areas are added. No allocation was made of property tax revenues to the general funds revenues, as has been the practice in past years, in an effort to first use the general funds reserves before requiring revenue allocation areas to contribute to the General Funds annual overhead.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

3. CASH AND INVESTMENTS

Cash and Cash Equivalents – A reconciliation of cash and cash equivalents on September 30, 2024 is as follows.

Cash in bank	\$ 79,900
State Investment Pool	1,287,916
Money-market bond funds	<u>3,959,146</u>
Total Cash & Cash Equivalents	<u><u>\$ 5,326,962</u></u>

Cash and Cash Equivalents is reported on the financial statements:

Cash and Cash Equivalents	\$ 5,332,226
Pooled Cash Deficit	<u>(5,264)</u>
Total Cash & Cash Equivalents	<u><u>\$ 5,326,962</u></u>

The reconciled bank balance is covered by \$250,000 federal depository insurance with the remainder covered by collateral held by the Agency's agent in the Agency's name.

The Agency has no investments in foreign currency and no expenses to foreign currency risk.

4. TAXES RECEIVABLE AND UNAVAILABLE REVENUE

The Urban Renewal Agency operates within Twin Falls County, Idaho. Idaho counties are responsible for collecting property taxes and remitting them to the various taxing entities within the County. Annually, taxes on property are due on the 20th of December; however, they may be paid in two installments with the second installment due June 20 in the following year. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date.

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

In the governmental fund statements, taxes receivable and unavailable revenue consist of property tax revenue yet to be collected. The amount due from other governments is the property tax revenue estimated to be collected by Twin Falls County after year end and remitted to the Agency through November 2024.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

5. INTERFUND TRANSFERS

A summary of interfund transfers follows:

	Transfers In	Transfers Out
Redevelopment	\$ -	\$ 4,410,532
Debt Service	<u>4,410,532</u>	<u>-</u>
	<u>\$ 4,410,532</u>	<u>\$ 4,410,532</u>

6. CAPITAL ASSETS

A summary of activity of capital assets for the Agency for the year ended September 30, 2024, was as follows:

	Balance, September 30, 2023	Additions	Deletions or Transfers	Balance, September 30, 2024
Governmental Activities:				
Land and Buildings	\$ 3,942,322	\$ -	\$ -	\$ 3,942,322
	<u>\$ 3,942,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,942,322</u>

7. LONG-TERM DEBT

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

Revenue bonds and notes

Outstanding debt on September 30, 2024 consists of the following:

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

\$ 8,850,000

Revenue Allocation Bonds, Series 2013A, dated February 21, 2013 and maturing April 1, 2032. The proceeds of the bonds provided funding to certain urban renewal projects. The bonds are term bonds that require annual sinking fund deposits on April 1 each year. The bonds bear interest at 7.738%. Repayment of the bonds is guaranteed by Chobani Global Holding, Inc.

17,253,000

Total

\$ 26,103,000

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2024

7. LONG-TERM DEBT – continued

Expected annual maturities of these obligations are as follows:

<u>September 30,</u>	<u>Total</u>	<u>Interest</u>	<u>Principal</u>
2025	\$ 4,351,938	\$ 1,811,938	\$ 2,540,000
2026	4,258,292	1,631,292	2,627,000
2027	4,161,802	1,443,802	2,718,000
2028	4,068,297	1,249,297	2,819,000
2029	3,961,977	1,046,977	2,915,000
2030-2034	12,807,544	2,158,544	10,649,000
2035-2036	1,965,350	130,350	1,835,000
Total	<u>\$ 35,575,200</u>	<u>\$ 9,472,200</u>	<u>\$ 26,103,000</u>

The Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. On September 30, 2024, the Agency was indebted in the amount of \$14,234,032. The agreement states that any existing debt with Chobani by the Agency at the end of the revenue allocation area's life ends without recourse.

The Agency is also indebted to Clif Bar & Company. The Agency entered into a Development Agreement on October 17, 2013, to reimburse cost incurred by Clif Bar & Company to construct certain Project Improvements authorized by the Development Agreement. On September 30, 2024, the Agency was indebted in the amount of \$10,234,049. That amount accrues interest at a variable rate, 7.5% on September 30, 2024. Accrued interest at year end totaled \$6,140,230. For several years the Agency has not been able to make any payments on the indebtedness. The agreement states that any existing debt with Clif Bar by the Agency at the end of the revenue allocation area's life ends without recourse.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

7. LONG-TERM DEBT – continued

During the year ended September 30, 2024, the following changes occurred in liabilities reported as the general long-term debt.

Obligation	Balances, September 30, 2023	Additions	Repayments	Balances, September 30, 2024
Revenue Allocation Bonds, Series 2013A	\$ 19,222,000	\$ -	\$ 1,969,000	\$ 17,253,000
Revenue Allocation Bonds, Series 2016	9,575,000	-	725,000	8,850,000
Total Revenue Bonds	28,797,000	-	2,694,000	26,103,000
Chobani Idaho, LLC-Projects Improvements				
Reimbursement Agreement	14,234,032	-	-	14,234,032
Clif Bar-Development Agreement	10,234,049	-	-	10,234,049
Total Agreements	24,468,081	-	-	24,468,081
Total	\$ 53,265,081	\$ -	\$ 2,694,000	\$ 50,571,081

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

8. MANAGEMENT AGREEMENT

The Agency and the City of Twin Falls entered into an agreement in March 1993, where the City agreed to provide administrative, legal, engineering, budgeting, and accounting services in exchange for a fee paid by the Agency. The amount is determined annually and was \$208,000 for the year.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2024**

9. *BOND COVENANT COMPLIANCE*

The Agency is subject to various covenants as a result of bonds issued by the Agency. For example, the bonds may require an annual audit, timely payments, an adequate cash reserve in case of an overdue payment, sufficient revenue collections, or notifications of “Listed Events.” During the year ended September 30, 2024, the Agency was not in compliance with these covenants.

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

10. *COMMITMENTS AND SUBSEQUENT EVENTS*

On December 16, 2024, a new revenue allocation area was created, the Southwest Revenue Allocation Area. The Project Area contains approximately 370 acres, inclusive of rights-of-way, and is generally located in the south-central part of the City. The Project Area is generally bounded on the east by a major north/south arterial, State Highway 74/Washington Street South, on the south by North Road, on the west by Grandview Drive, and on the north by portions of South Park A Venue West and Diamond Ave.

The Agency has evaluated subsequent events through February 21, 2025, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ -	\$ -	\$ 1,160	\$ 1,160
Rental income	53,800	53,800	48,400	(5,400)
Investment Income	25,000	25,000	76,493	51,493
Other income	150,000	150,000	8,149	(141,851)
Total Revenues	<u>228,800</u>	<u>228,800</u>	<u>134,202</u>	<u>(94,598)</u>
Expenditures				
Current				
General government	255,772	255,772	291,517	(35,745)
Area development and improvements	<u>502,000</u>	<u>502,000</u>	<u>-</u>	<u>502,000</u>
Total Expenditures	<u>757,772</u>	<u>757,772</u>	<u>291,517</u>	<u>466,255</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(528,972)</u>	<u>(528,972)</u>	<u>(157,315)</u>	<u>371,657</u>
Other Financing Sources (Uses)				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (528,972)</u>	<u>\$ (528,972)</u>	<u>(157,315)</u>	<u>\$ 371,657</u>
Fund Balance - Beginning of Year			<u>1,540,672</u>	
Fund Balance - End of Year			<u>\$ 1,383,357</u>	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ 4,682,402	\$ 4,682,402	\$ 5,048,474	\$ 366,072
Investment income	1,400	1,400	51,721	50,321
Total Revenues	<u>4,683,802</u>	<u>4,683,802</u>	<u>5,100,195</u>	<u>416,393</u>
Expenditures				
Current				
General government and administration	-	-	31,278	(31,278)
Area development and improvements	-	-	48,522	(48,522)
Debt service				
Principal	450,000	224,000	-	224,000
Interest and other charges	-	-	-	-
Total Expenditures	<u>450,000</u>	<u>224,000</u>	<u>79,800</u>	<u>144,200</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,233,802</u>	<u>4,459,802</u>	<u>5,020,395</u>	<u>560,593</u>
Other Financing Sources (Uses)				
Contributions	221,588	221,588	-	(221,588)
Transfers in (out)	<u>(4,455,390)</u>	<u>(4,455,390)</u>	<u>(4,410,532)</u>	<u>44,858</u>
Total Other Financing Sources (Uses)	<u>(4,233,802)</u>	<u>(4,233,802)</u>	<u>(4,410,532)</u>	<u>(176,730)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ 226,000</u>	609,863	<u>\$ 383,863</u>
Fund Balance - Beginning of Year			<u>18,708</u>	
Fund Balance - End of Year			<u>\$ 628,571</u>	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ -	\$ -	\$ -	\$ -
Investment income	\$ 19,500	\$ 19,500	\$ 174,719	155,219
Contributions	-	-	119,154	119,154
Total Revenues	<u>19,500</u>	<u>19,500</u>	<u>293,873</u>	<u>274,373</u>
Expenditures				
Debt service				
Principal	2,468,000	2,694,000	2,694,000	(226,000)
Interest and other charges	<u>2,006,890</u>	<u>2,006,890</u>	<u>2,006,890</u>	<u>-</u>
Total Expenditures	<u>4,474,890</u>	<u>4,700,890</u>	<u>4,700,890</u>	<u>(226,000)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(4,455,390)</u>	<u>(4,681,390)</u>	<u>(4,407,017)</u>	<u>48,373</u>
Other Financing Sources (Uses)				
Transfers in (out)	<u>4,455,390</u>	<u>4,455,390</u>	<u>4,410,532</u>	<u>(44,858)</u>
Total Other Financing Sources (Uses)	<u>4,455,390</u>	<u>4,455,390</u>	<u>4,410,532</u>	<u>(44,858)</u>
Excess (Deficiency) of Revenues and Other Financing Sources				
Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ (226,000)</u>	3,515	<u>\$ 3,515</u>
Fund Balance - Beginning of Year			<u>3,311,483</u>	
Fund Balance - End of Year			<u>\$ 3,314,998</u>	

The accompanying notes are an integral part of the financial statements

SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Combined Fund Balance Sheet
REDEVELOPMENT FUNDS
September 30, 2024

	Area 4-3	Area 4-4	Washington Street South	Orchard Drive East	Total Redevelopment Funds
Assets					
Cash and cash equivalents	\$ 630,011	\$ -	\$ -	\$ 101	\$ 630,112
Property tax receivable	17,277	-	-	-	17,277
Interest income receivable	2,636	182	-	-	2,818
Total Assets	<u>\$ 649,924</u>	<u>\$ 182</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ 650,207</u>
Liabilities					
Pooled cash deficit	\$ -	\$ 5,264	\$ -	\$ -	\$ 5,264
Total Liabilities	<u>-</u>	<u>5,264</u>	<u>-</u>	<u>-</u>	<u>5,264</u>
Deferred Inflows of Resources					
Unavailable revenue-property taxes	<u>16,372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,372</u>
Fund Balances					
Restricted fund balance:	633,552	-	-	101	633,653
Unrestricted fund balance:					-
Committed fund balance	-	-	-	-	-
Assigned fund balance	-	-	-	-	-
Unassigned fund balance	-	(5,082)	-	-	(5,082)
Total Fund Balances	<u>633,552</u>	<u>(5,082)</u>	<u>-</u>	<u>101</u>	<u>628,571</u>
Total Liabilities and Fund Balances	<u>\$ 649,924</u>	<u>\$ 182</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ 650,207</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances
By Project for the Redevelopment Fund
For the Year Ended September 30, 2024

	Area 4-3	Area 4-4	Washington Street South	Orchard Drive East	Total Redevelopment Fund
Revenues					
Property taxes	\$ 3,908,176	\$ 1,105,818	\$ 34,379	\$ 101	\$ 5,048,474
Investment income	34,735	16,986	-	-	51,721
Total Revenues	<u>3,942,911</u>	<u>1,122,804</u>	<u>34,379</u>	<u>101</u>	<u>5,100,195</u>
Expenditures					
Current					
General government and administration	-	-	31,278	-	31,278
Area development and improvements	<u>-</u>	<u>-</u>	<u>48,522</u>	<u>-</u>	<u>48,522</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>79,800</u>	<u>-</u>	<u>79,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,942,911</u>	<u>1,122,804</u>	<u>(45,421)</u>	<u>101</u>	<u>5,020,395</u>
Other Financing Sources (Uses)					
Transfers in (out)	<u>(3,288,285)</u>	<u>(1,122,247)</u>	<u>-</u>	<u>-</u>	<u>(4,410,532)</u>
Total Other Financing Sources (Uses)	<u>(3,288,285)</u>	<u>(1,122,247)</u>	<u>-</u>	<u>-</u>	<u>(4,410,532)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	654,626	557	(45,421)	101	609,863
Fund Balance - Beginning of Year	<u>(21,074)</u>	<u>(5,639)</u>	<u>45,421</u>	<u>-</u>	<u>18,708</u>
Fund Balance - End of Year	<u>\$ 633,552</u>	<u>\$ (5,082)</u>	<u>\$ -</u>	<u>\$ 101</u>	<u>\$ 628,571</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Combined Fund Balance Sheet
DEBT SERVICE FUNDS
September 30, 2024

	Area 4-3	Area 4-4	Total Debt Service Funds
Assets			
Cash and cash equivalents	\$ 3,301,162	\$ 261	\$ 3,301,423
Interest income receivable	13,575	-	13,575
Total Assets	<u>\$ 3,314,737</u>	<u>\$ 261</u>	<u>\$ 3,314,998</u>
Liabilities			
Pooled cash deficit	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue-property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted fund balance:	3,314,737	261	3,314,998
Unrestricted fund balance:			-
Committed fund balance	-	-	-
Assigned fund balance	-	-	-
Unassigned fund balance	-	-	-
Total Fund Balances	<u>3,314,737</u>	<u>261</u>	<u>3,314,998</u>
Total Liabilities and Fund Balances	<u>\$ 3,314,737</u>	<u>\$ 261</u>	<u>\$ 3,314,998</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Debt Service Fund
Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances
By Project for the Redevelopment Fund
For the Year Ended September 30, 2024

	Area 4-3	Area 4-4	Total Debt Service Fund
Revenues			
Investment income	\$ 174,271	\$ 448	\$ 174,719
Contributions	-	119,154	119,154
Total Revenues	<u>174,271</u>	<u>119,602</u>	<u>293,873</u>
Expenditures			
Debt service			
Principal	1,969,000	725,000	2,694,000
Interest and other charges	1,490,302	516,588	2,006,890
Total Expenditures	<u>3,459,302</u>	<u>1,241,588</u>	<u>4,700,890</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(3,285,031)</u>	<u>(1,121,986)</u>	<u>(4,407,017)</u>
Other Financing Sources (Uses)			
Transfers in (out)	3,288,285	1,122,247	4,410,532
Total Other Financing Sources (Uses)	<u>3,288,285</u>	<u>1,122,247</u>	<u>4,410,532</u>
Excess (Deficiency) of Revenues and Other Financing Sources			
Over (Under) Expenditures and Other Financing Uses	3,254	261	3,515
Fund Balance - Beginning of Year	3,311,483	-	3,311,483
Fund Balance - End of Year	<u><u>\$ 3,314,737</u></u>	<u><u>\$ 261</u></u>	<u><u>\$ 3,314,998</u></u>



Mahlke Hunsaker & Company PLLC

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

**INDEPENDENT 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 Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho's, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated February 21, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Urban Renewal Agency of the City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, PLLC

TWIN FALLS, IDAHO

February 21, 2025

Attachment D

FY2025 Audited Financial Statements

(Including budget to actual comparisons)

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**AUDITED FINANCIAL STATEMENTS
September 30, 2025**

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT	1-3
FINANCIAL STATEMENTS	
Government-Wide Financial Statements	4
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements	7
Fund Balance Sheet – Governmental Funds	8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds	9
Reconciliation of Governmental Funds Statements to Government-Wide Statements	10
NOTES TO FINANCIAL STATEMENTS	11-25
REQUIRED SUPPLEMENTARY INFORMATION	26
Budget and Actual Comparison – General Fund	27
Budget and Actual Comparison – Redevelopment Fund	28
Budget and Actual Comparison – Debt Service Fund	29
SUPPLEMENTARY INFORMATION	30
Combined Balance Sheets- Redevelopment Fund	31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances By Project for the Redevelopment Fund	32
Combined Balance Sheets- Debt Service Fund	33
Combining Statement of Revenues, Expenditures and Changes in Fund Balances By Project for the Debt Service Fund	34
INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTOL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	35-36



Mahlke Hunsaker & Company PLLC

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

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Urban Renewal Agency of the City of Twin Falls, Idaho and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 25-27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 23, 2026, on our consideration of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, pllc
Twin Falls, Idaho
February 23, 2026

FINANCIAL STATEMENTS

Government-Wide Financial Statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2025

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 5,446,453
Receivables:	
Property taxes	86,836
Interest income receivable	17,963
Real estate	<u>3,942,322</u>
 Total Assets	 <u><u>\$ 9,493,574</u></u>
Liabilities	
Pooled Cash Deficit	\$ 5,989
Accounts payable	6,562
Accrued interest	6,727,582
Deposits payable	4,556
Development Agreement	10,234,049
Project Improvement Reimbursement Agreement	14,234,032
Noncurrent liabilities	
Due within one year	2,627,000
Due in more than one year	<u>20,195,000</u>
 Total Liabilities	 <u>54,034,770</u>
Net Position	
Net investment in capital assets	(43,347,759)
Restricted for:	
Debt service	6,697,287
Redevelopment	877,067
Unrestricted	<u>(8,767,791)</u>
Total Net Position	<u>(44,541,196)</u>
 Total Liabilities and Net Position	 <u><u>\$ 9,493,574</u></u>

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
					Governmental Activities	Total
Primary Government:						
Governmental Activities:						
General government	\$ 283,160	\$ -	\$ -	\$ -	\$ (283,160)	\$ (283,160)
Community development	34,854	-	-	-	(34,854)	(34,854)
Interest on long-term debt	1,715,649	-	-	-	(1,715,649)	(1,715,649)
Total Governmental Activities	<u>2,033,663</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,033,663)</u>	<u>(2,033,663)</u>
General Revenues and Transfers:						
Taxes:						
Property taxes, levied for general tax increment purposes					5,094,293	5,094,293
Other income					952	952
Investment income					245,444	245,444
Rental Income					50,500	50,500
Contributions					215,610	215,610
Transfers					-	-
Total General Revenues and Transfers					<u>5,606,799</u>	<u>5,606,799</u>
Changes in Net Position					3,573,136	3,573,136
Net Position, October 1, 2024					<u>(48,114,332)</u>	<u>(48,114,332)</u>
Net Position, September 30, 2025					<u><u>\$ (44,541,196)</u></u>	<u><u>\$ (44,541,196)</u></u>

The accompanying notes are an integral part of the financial statements

FINANCIAL STATEMENTS

Fund Financial Statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Fund Balance Sheet
GOVERNMENTAL FUNDS
September 30, 2025

	General	Redevelopment	Debt Service	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 1,334,399	\$ 810,631	\$ 3,301,423	\$ 5,446,453
Property tax receivable	-	86,836	-	86,836
Interest income receivable	4,045	3,067	10,851	17,963
Total Assets	<u>\$ 1,338,444</u>	<u>\$ 900,534</u>	<u>\$ 3,312,274</u>	<u>\$ 5,551,252</u>
Liabilities				
Pooled Cash Deficit	\$ -	\$ 5,989	\$ -	\$ 5,989
Accounts payable	5,456	1,106	-	6,562
Deposits payable	4,556	-	-	4,556
Total Liabilities	<u>10,012</u>	<u>7,095</u>	<u>-</u>	<u>17,107</u>
Deferred Inflows of Resources				
Unavailable revenue-property taxes	<u>-</u>	<u>83,026</u>	<u>-</u>	<u>83,026</u>
Fund Balances				
Restricted fund balance:	-	816,328	3,312,274	4,128,602
Unrestricted fund balance:				
Committed fund balance	-	-	-	-
Assigned fund balance	-	-	-	-
Unassigned fund balance	1,328,432	(5,915)	-	1,322,517
Total Fund Balances	<u>1,328,432</u>	<u>810,413</u>	<u>3,312,274</u>	<u>5,451,119</u>
Total Liabilities and Fund Balances	<u>\$ 1,338,444</u>	<u>\$ 900,534</u>	<u>\$ 3,312,274</u>	<u>\$ 5,551,252</u>

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Statement of Revenues, Expenditures, and Changes in Fund Balances
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	General	Redevelopment	Debt Service	Total Governmental Funds
Revenues				
Property taxes	\$ -	\$ 5,027,639	\$ -	\$ 5,027,639
Rental income	50,501	-	-	50,501
Investment income	51,651	50,734	143,059	245,444
Other income	952	-	-	952
Contributions	-	-	215,610	215,610
Total Revenues	<u>103,104</u>	<u>5,078,373</u>	<u>358,669</u>	<u>5,540,146</u>
Expenditures				
Current				
General government and administration	140,948	142,212	-	283,160
Area development and improvements	15,081	19,773	-	34,854
Debt service				
Principal	-	-	3,281,000	3,281,000
Interest and other charges	2,000	3,000	1,811,939	1,816,939
Total Expenditures	<u>158,029</u>	<u>164,985</u>	<u>5,092,939</u>	<u>5,415,953</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(54,925)</u>	<u>4,913,388</u>	<u>(4,734,270)</u>	<u>124,193</u>
Other Financing Sources (Uses)				
Transfers in (out)	-	(4,731,546)	4,731,546	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(4,731,546)</u>	<u>4,731,546</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(54,925)</u>	<u>181,842</u>	<u>(2,724)</u>	<u>124,193</u>
Fund Balances - Beginning of Year	1,383,357	628,571	3,314,998	5,326,926
Fund Balances - End of Year	<u>\$ 1,328,432</u>	<u>\$ 810,413</u>	<u>\$ 3,312,274</u>	<u>\$ 5,451,119</u>

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Reconciliation of Governmental Funds Balance Sheet to the Government-wide Statement of Net Position
September 30, 2025

Governmental Fund Balances	\$ 5,451,119
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds	3,942,322
Prepaid expenses are not a financial resource and therefore not reported in the governmental funds	-
Certain property tax collections are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds	83,026
Long-term liabilities, including bonds, real estate notes, and revenue notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the governmental funds	<u>(54,017,663)</u>
Total Net Position of Governmental Activities	<u><u>\$ (44,541,196)</u></u>

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
Governmental Funds to the Government-wide Statement of Activities for the year ended September 30, 2025**

Net Change in Fund Balances - Total Governmental Funds	\$ 124,193
Amounts reported for governmental activities in the Statement of Activities are different because:	
Property tax revenues in the government-wide statement of activities include economic resources that are not reported as revenues in the governmental fund operating statement	66,654
Governmental funds report principal payments in the period they are paid while the payment reduces long-term liabilities in the Statement of Net Assets	3,281,000
Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore is not reported as an expenditure in governmental funds	<u>101,289</u>
Changes in Net Position of Governmental Activities	<u><u>\$ 3,573,136</u></u>

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. *SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES*

Organization

The Urban Renewal Agency of the City of Twin Falls, Idaho, was organized under Idaho law on July 19, 1965, to rehabilitate, conserve, and redevelop deteriorated or deteriorating areas in the City of Twin Falls to increase the tax base, promote economic development and promote employment.

In April 1998, the Urban Renewal Agency adopted an Urban Renewal Plan for Urban Renewal Area No. 4 and created Revenue Allocation Area No. 4. The original area included the old town area and much of the industrial area of Twin Falls, stretching from 2800 East to 3300 East between the South Park Avenue/ Kimberly Road line on the north and Orchard Avenue on the south. This original area terminated at the end of the fiscal year. Later other revenue allocation areas were added. The following revenue allocation areas now exist:

Revenue Allocation Area No. 4-3 was created in November 2011. Revenue Allocation Area No. 4-3 consists of approximately two hundred and twenty acres and is generally located south of Kimberly Road (3800 North of Highway 30, west of 3300 East and north of the railroad).

Revenue Allocation Area No. 4-4 was created in May 2015 and consists of approximately ninety acres. It is generally located south of Kimberly Road (3800 North or Hwy 30), west of 3300 East, and south of the railroad right-of-way.

In November 2022, a new revenue allocation area was created, the Orchard Drive East Project Area. It consists of approximately 80 acres and is generally located on the west side of N 3300 Road E/Champlin Road and north of E 3700 N/Orchard Drive East.

On November 27, 2023, a new revenue allocation area was created, the Old Towne-2 Revenue Allocation Area. It comprises of approximately 370 acres and is generally bordered by 2nd Ave. North., Washington Street West, Blue Lakes Boulevard East and Rock Creek South.

On December 16, 2024, a new revenue allocation area was created, the Southwest Revenue Allocation Area. The Project Area contains approximately 370 acres, inclusive of rights-of-way, and is generally located in the south-central part of the City. The Project Area is generally bounded on the east by a major north/south arterial, State Highway 74/Washington Street South, on the south by North Road, on the west by Grandview Drive, and on the north by portions of South Park A Venue West and Diamond Ave.

The Idaho State Tax Commission is charged with maintaining a registry of urban renewal agency plans within the state. Copies of the plans for the above areas can be found at <https://tax.idaho.gov/urban-renewal-registry/>

Under Chapter 20, Title 50 of the Idaho Code, the Agency is an independent public body, corporate and politic. For financial reporting purposes only, the Agency is a discretely presented component unit of the reporting entity of the City of Twin Falls, Idaho.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Financial Reporting Entity

The Agency's financial statements include the accounts of all Agency operations. Governmental accounting and financial reporting standards require the inclusion of any organizations considered a component unit of the reporting entity.

Urban Renewal Agency of the City of Twin Falls, Idaho has no component units but is considered a component unit of the City of Twin Falls, Idaho.

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

Basis of Presentation, Measurement Focus and Basis of Accounting

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

Government-Wide Financial Statements

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

The statement of net position presents the financial position of the governmental activities of the Agency at year-end.

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

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

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Government-Wide Financial Statements-continued

These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

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

Fund Financial Statements

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

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

Fund Accounting

The Agency uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Agency has only one category of funds: governmental.

Governmental Funds

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

Major Governmental Funds

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

The *redevelopment fund* accounts for revenue sources that are legally restricted to expenditures for specific purposes.

The *debt service fund* accounts for the servicing of general long-term debt not being financed by proprietary or non-expendable trust funds.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Measurement Focus, Basis of Accounting and Basis of Presentation

Government-wide Financial Statements

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

Fund Financial Statements

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

Basis of Accounting

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

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

Revenues-Exchange Transactions

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

Revenues-Non-exchange Transactions

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

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Revenues-Non-exchange Transactions-continued

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: Property taxes and interest. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

Unearned Revenue

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

Expenses/Expenditures

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

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY

Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Agency. Short-term investments are all in U. S. Treasury money market funds regulated by the Securities and Exchange Commission.

State statutes authorize the Agency to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair market value at year end.

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

Custodial Credit Risk

For deposits and investments, custodial credit 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.

Credit Risk

Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's Standard & Poor's and Fitch's. The investments of the Agency are not rated, and the Agency's policy does not restrict them to rated.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Receivables and Payables

All trade and property tax receivables are shown net of any allowances for collectability.

Prepaid Items

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

Restricted Assets

Tax increment property tax revenues are restricted first to the ongoing payment of revenue bonds outstanding. When received, these revenues are deposited in a separate account controlled by a bank trustee. All use of these funds must be requisitioned, and approval of the trustee is required before payment is made.

The amount shown as restricted cash in the financial statements is the maximum annual debt service requirements for both principal and interest on the bonds.

Capital Assets

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

Donated assets are stated at fair value on the date donated.

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 position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Interfund Transactions

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

Transfers between funds reported in the governmental activity's column are eliminated. Interfund transactions are reported as operating transfers in conformity with generally accepted accounting principles.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Accrued Liabilities and Long-Term Obligations

All payables accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payables are reported net of applicable bond premiums or discounts. Bond issuance costs are reported as an expense of the current period. Refunding of debt may result in deferred gains or losses and are reported as deferred inflows and outflows of resources.

The difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense using the straight-line method.

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

Fund Equity

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

Governmental Fund Balances

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

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

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

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the Agency’s highest level of decision-making authority, the Board of Directors.

Assigned Fund Balance – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This intent can be expressed by the Board of Directors through the budgetary process.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Governmental Fund Balances-continued

Unassigned Fund Balance – This classification includes amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Net Position

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

The Agency applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Annually by September 1, the Agency is required to adopt and publish a budget for the next fiscal year. This budget is prepared by fund and includes historical information for the prior two years.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, redevelopment, and debt service funds. All annual appropriations lapse at fiscal year-end.

Excess of Expenditures over Appropriations

For the fund year ended September 30, 2025, no funds exceeded appropriations.

Other

The Agency's Funds require more accountability as additional revenue allocation areas are added. No allocation was made of property tax revenues to the general funds revenues, as has been the practice in past years, in an effort to first use the general funds reserves before requiring revenue allocation areas to contribute to the General Funds annual overhead.

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2025

3. CASH AND INVESTMENTS

Cash and Cash Equivalents – A reconciliation of cash and cash equivalents on September 30, 2025, is as follows.

Cash in bank	\$ 188,616
State Investment Pool	1,140,985
Money-market bond funds	<u>4,110,863</u>
Total Cash & Cash Equivalents	<u><u>\$ 5,440,464</u></u>

Cash and Cash Equivalents is reported on the financial statements:

Cash and Cash Equivalents	\$ 5,446,453
Pooled Cash Deficit	<u>(5,989)</u>
Total Cash & Cash Equivalents	<u><u>\$ 5,440,464</u></u>

The reconciled bank balance is covered by \$250,000 federal depository insurance with the remainder covered by collateral held by the Agency's agent in the Agency's name.

The Agency has no investments in foreign currency and no expenses to foreign currency risk.

4. TAXES RECEIVABLE AND UNAVAILABLE REVENUE

The Urban Renewal Agency operates within Twin Falls County, Idaho. Idaho counties are responsible for collecting property taxes and remitting them to the various taxing entities within the County. Annually, taxes on property are due on the 20th of December; however, they may be paid in two installments with the second installment due June 20 in the following year. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date.

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

In the governmental fund statements, taxes receivable and unavailable revenue consist of property tax revenue yet to be collected. The amount due from other governments is the property tax revenue estimated to be collected by Twin Falls County after year end and remitted to the Agency through November 2025.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

5. INTERFUND TRANSFERS

A summary of interfund transfers follows:

	Transfers In	Transfers Out
Redevelopment	\$ -	\$ 4,731,546
Debt Service	<u>4,731,546</u>	<u>-</u>
	<u>\$ 4,731,546</u>	<u>\$ 4,731,546</u>

6. CAPITAL ASSETS

A summary of activity of capital assets for the Agency for the year ended September 30, 2025, was as follows:

	Balance, September 30, 2024	Additions	Deletions or Transfers	Balance, September 30, 2025
Governmental Activities:				
Land and Buildings	\$ 3,942,322	\$ -	\$ -	\$ 3,942,322
	<u>\$ 3,942,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,942,322</u>

7. LONG-TERM DEBT

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

Outstanding debt on September 30, 2025, consists of the following:

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

\$ 8,140,000

Revenue Allocation Bonds, Series 2013A, dated February 21, 2013, and maturing April 1, 2032. The proceeds of the bonds provided funding to certain urban renewal projects. The bonds are term bonds that require annual sinking fund deposits on April 1 each year. The bonds bear interest at 7.738%. Repayment of the bonds is guaranteed by Chobani Global Holding, Inc.

14,682,000

Total

\$ 22,822,000

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

7. LONG-TERM DEBT - CONTINUED

Expected annual maturities of these obligations are as follows:

September 30,	Total	Interest	Principal
2026	\$ 4,200,957	\$ 1,573,957	\$ 2,627,000
2027	4,104,468	1,386,468	2,718,000
2028	4,010,962	1,191,962	2,819,000
2029	3,904,642	989,642	2,915,000
2030	3,780,808	779,808	3,001,000
2031-2035	9,043,106	1,296,106	7,747,000
2036	1,035,975	40,975	995,000
Total	<u>\$ 30,080,918</u>	<u>\$ 7,258,918</u>	<u>\$ 22,822,000</u>

In addition to the Bond, the Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. On September 30, 2025, the Agency was indebted in the amount of \$14,234,032. The agreement states that any existing debt with Chobani by the Agency at the end of the revenue allocation area's life ends without recourse.

Payments to Chobani are limited to "Available Revenues" in the Revenue Allocation Fund as defined in the Reimbursement Agreement. Available Revenues consist of amounts remaining in the Revenue Allocation Fund after satisfaction of required reserves, payment of trustee fees, and provision for bond principal and interest due within the ensuing six months. The Reimbursement Agreement does not constitute a general obligation of the City or the Agency; it is payable solely from Revenue Allocation Revenues of RAA 4-3.

The Reimbursement Agreement bears no interest and remains in effect until the earlier of (1) termination of RAA 4-3 or (2) payment in full of the maximum reimbursement amount. Unpaid amounts in any given year may be carried forward and paid from Available Revenues in subsequent years, subject to the revenue and legal limitations described above.

In addition to the Bond, the Agency is also indebted to Clif Bar & Company. The Agency entered into a Line of Credit and Promissory Note agreement with Clif Bar & Company, in addition to the Bond. The Note evidences the Agency's obligation to Clif Bar for certain project-related costs, payable solely from 'Available Revenues' remaining after the payment of all amounts required under the Bond Resolution, including Bond principal, interest, arbitrage rebate, and required reserves.

The maturity date of the Note is the earliest of: (i) redemption of the Bond, (ii) payment of total debt service under the Bond, or (iii) one month prior to the expiration or termination of the TIF district. Any unpaid balance at that time is not payable from any other Agency resources.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

7. LONG-TERM DEBT - CONTINUED

At September 30, 2025, the note had an outstanding principal balance of \$10,234,049. Interest on the Note is accrued and paid only to the extent of Available Revenues as defined in the agreement.

During the year ended September 30, 2025, the following changes occurred in liabilities reported as the general long-term debt.

Obligation	Balances, September 30, 2024	Additions	Repayments	Balances, September 30, 2025	Amounts due within one year
Revenue Allocation Bonds, Series 2013A	\$ 17,253,000	\$ -	\$ 2,571,000	\$ 14,682,000	\$ 1,922,000
Revenue Allocation Bonds, Series 2016	8,850,000	-	710,000	8,140,000	705,000
Total Revenue Bonds	26,103,000	-	3,281,000	22,822,000	2,627,000
Chobani Idaho, LLC-Projects Improvements Reimbursement Agreement	14,234,032	-	-	14,234,032	-
Clif Bar-Development Agreement	10,234,049	-	-	10,234,049	-
Total Agreements	24,468,081	-	-	24,468,081	-
Total	\$ 50,571,081	\$ -	\$ 3,281,000	\$ 47,290,081	\$ 2,627,000

8. MANAGEMENT AGREEMENT

The Agency and the City of Twin Falls entered into an agreement in March 1993, where the City agreed to provide administrative, legal, engineering, budgeting, and accounting services in exchange for a fee paid by the Agency. The amount is determined annually and was \$208,000 for the year.

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

9. REVENUE ALLOCATION REIMBURSEMENT COMMITMENT

The Agency has entered into an Owner Participation Agreement (OPA) with Twins Industrial, LP (the Participant) and a related Confirmation of Agency Reimbursement for Block 1, under which the Participant has constructed certain public improvements within the Agency's urban renewal project area. The Agency has agreed to reimburse the Participant for eligible public improvement costs, subject to specific limitations.

Under the Confirmation, the maximum reimbursement obligation of the Agency related to Block 1 is \$2,414,302, payable without interest. Reimbursements are payable solely from revenue allocation (tax increment) proceeds generated as a direct result of the Participant's private development, as defined in the OPA. The Agency has no obligation to use any other funds or to levy additional taxes to make these payments, and the obligation does not constitute a general obligation of the City or the Agency.

The reimbursement commitment expires on the earlier of (1) December 31, 2042, or (2) the termination of the applicable urban renewal plan and project area. Any portion of the \$2,414,302 that has not been reimbursed from eligible revenue allocation proceeds by that date is extinguished, and the Agency has no further obligation to the Participant.

Consistent with governmental accounting standards for limited, pay-as-you-go tax increment reimbursement arrangements, the Agency recognizes a liability only for amounts of revenue allocation proceeds that have been collected and are currently due and payable to the Participant under the terms of the agreement. Future potential reimbursements, which are contingent upon the generation of sufficient revenue allocation proceeds and which lapse upon plan termination, are not recorded as liabilities in the financial statements but are disclosed as a commitment.

At September 30, 2025, the status of this reimbursement commitment was as follows:

- Maximum reimbursement amount: \$2,414,302
- Cumulative revenue allocation proceeds collected related to the project: \$15,028
- Cumulative reimbursements paid to Participant: \$(12,774)
- Remaining potential reimbursement (not recorded as a liability): \$2,401,528.

The OPA remains in full force and effect except as expressly modified by the Confirmation; in the event of any conflict between the OPA and the Confirmation, the OPA controls.

10. BOND COVENANT COMPLIANCE

The Agency is subject to various covenants as a result of bonds issued by the Agency. For example, the bonds may require an annual audit, timely payments, an adequate cash reserve in case of an overdue payment, sufficient revenue collections, or notifications of "Listed Events." During the year ended September 30, 2025, the Agency was not in compliance with these covenants.

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

**URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO**

**NOTES TO FINANCIAL STATEMENTS
September 30, 2025**

11. *SUBSEQUENT EVENTS*

The Agency has evaluated subsequent events through February 23, 2026, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Rental income	\$ 46,600	\$ 46,600	\$ 50,501	\$ 3,901
Investment Income	47,600	47,600	51,651	4,051
Other income	150,000	150,000	952	(149,048)
Total Revenues	<u>244,200</u>	<u>244,200</u>	<u>103,104</u>	<u>(141,096)</u>
Expenditures				
Current				
General government	168,921	168,921	140,948	27,973
Area development and improvements	500,000	500,000	15,081	484,919
Debt service				-
Principal	-	-	-	-
Interest	2,000	2,000	2,000	-
Total Expenditures	<u>670,921</u>	<u>670,921</u>	<u>158,029</u>	<u>512,892</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(426,721)</u>	<u>(426,721)</u>	<u>(54,925)</u>	<u>371,796</u>
Other Financing Sources (Uses)				
Transfers in (out)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (426,721)</u>	<u>\$ (426,721)</u>	<u>(54,925)</u>	<u>\$ 371,796</u>
Fund Balance - Beginning of Year			1,383,357	
Fund Balance - End of Year			<u>\$ 1,328,432</u>	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	\$ 4,627,041	\$ 4,627,041	\$ 5,027,639	\$ 400,598
Investment income	35,100	35,100	50,734	15,634
Total Revenues	<u>4,662,141</u>	<u>4,662,141</u>	<u>5,078,373</u>	<u>416,232</u>
Expenditures				
Current				
General government and administration	137,418	137,418	142,212	(4,794)
Real estate lease				-
Area development and improvements	150,000	150,000	19,773	130,227
Debt service				
Principal	487,297	487,297	-	487,297
Interest and other charges	-	-	3,000	(3,000)
Total Expenditures	<u>774,715</u>	<u>774,715</u>	<u>164,985</u>	<u>609,730</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,887,426</u>	<u>3,887,426</u>	<u>4,913,388</u>	<u>1,025,962</u>
Other Financing Sources (Uses)				
Contributions	343,903	343,903	-	(343,903)
Transfers in (out)	<u>(4,254,726)</u>	<u>(4,254,726)</u>	<u>(4,731,546)</u>	<u>(476,820)</u>
Total Other Financing Sources (Uses)	<u>(3,910,823)</u>	<u>(3,910,823)</u>	<u>(4,731,546)</u>	<u>(820,723)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>\$ (23,397)</u>	<u>\$ (23,397)</u>	181,842	<u>\$ 205,239</u>
Fund Balance - Beginning of Year			628,571	
Fund Balance - End of Year			<u>\$ 810,413</u>	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Investment income	\$ 117,700	\$ 117,700	\$ 143,059	25,359
Contributions	-	-	215,610	215,610
Total Revenues	<u>117,700</u>	<u>117,700</u>	<u>358,669</u>	<u>240,969</u>
Expenditures				
Debt service				
Principal	2,540,000	2,540,000	3,281,000	(741,000)
Interest and other charges	<u>1,832,426</u>	<u>1,832,426</u>	<u>1,811,939</u>	<u>20,487</u>
Total Expenditures	<u>4,372,426</u>	<u>4,372,426</u>	<u>5,092,939</u>	<u>(720,513)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(4,254,726)</u>	<u>(4,254,726)</u>	<u>(4,734,270)</u>	<u>(479,544)</u>
Other Financing Sources (Uses)				
Transfers in (out)	<u>4,254,726</u>	<u>4,254,726</u>	<u>4,731,546</u>	<u>476,820</u>
Total Other Financing Sources (Uses)	<u>4,254,726</u>	<u>4,254,726</u>	<u>4,731,546</u>	<u>476,820</u>
Excess (Deficiency) of Revenues and Other Financing Sources				
Over (Under) Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ -</u>	<u>(2,724)</u>	<u>\$ (2,724)</u>
Fund Balance - Beginning of Year			<u>3,314,998</u>	
Fund Balance - End of Year			<u>\$ 3,312,274</u>	

The accompanying notes are an integral part of the financial statements

SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Combined Fund Balance Sheet
REDEVELOPMENT FUNDS
September 30, 2025

	Area 4-3	Area 4-4	Old-Towne 2	Orchard Drive East	Total Redevelopment Funds
Assets					
Cash and cash equivalents	\$ 768,837	\$ -	\$ 40,588	\$ 1,206	\$ 810,631
Property tax receivable	3,288	-	83,304	244	86,836
Interest income receivable	2,993	74	-	-	3,067
Total Assets	<u>\$ 775,118</u>	<u>\$ 74</u>	<u>\$ 123,892</u>	<u>\$ 1,450</u>	<u>\$ 900,534</u>
Liabilities					
Pooled cash deficit	\$ -	\$ 5,989	\$ -	\$ -	\$ 5,989
Accounts payable	100	-	1,006	-	1,106
Total Liabilities	<u>100</u>	<u>5,989</u>	<u>1,006</u>	<u>-</u>	<u>7,095</u>
Deferred Inflows of Resources					
Unavailable revenue-property taxes	<u>-</u>	<u>-</u>	<u>82,782</u>	<u>244</u>	<u>83,026</u>
Fund Balances					
Restricted fund balance:	775,018	-	40,104	1,206	816,328
Unrestricted fund balance:					-
Committed fund balance	-	-	-	-	-
Assigned fund balance	-	-	-	-	-
Unassigned fund balance	-	(5,915)	-	-	(5,915)
Total Fund Balances	<u>775,018</u>	<u>(5,915)</u>	<u>40,104</u>	<u>1,206</u>	<u>810,413</u>
Total Liabilities and Fund Balances	<u>\$ 775,118</u>	<u>\$ 74</u>	<u>\$ 123,892</u>	<u>\$ 1,450</u>	<u>\$ 900,534</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances
By Project for the Redevelopment Fund
For the Year Ended September 30, 2025

	Area 4-3	Area 4-4	Old-Towne 2	Orchard Drive East	Total Redevelopment Fund
Revenues					
Property taxes	\$ 3,870,974	\$ 967,187	\$ 174,552	\$ 14,926	\$ 5,027,639
Investment income	47,962	2,772	-	-	50,734
Total Revenues	<u>3,918,936</u>	<u>969,959</u>	<u>174,552</u>	<u>14,926</u>	<u>5,078,373</u>
Expenditures					
Current					
General government and administration	13,716	-	127,448	1,048	142,212
Area development and improvements	-	-	7,000	12,773	19,773
Interest and other charges	3,000	-	-	-	3,000
Total Expenditures	<u>16,716</u>	<u>-</u>	<u>134,448</u>	<u>13,821</u>	<u>164,985</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,902,220</u>	<u>969,959</u>	<u>40,104</u>	<u>1,105</u>	<u>4,913,388</u>
Other Financing Sources (Uses)					
Transfers in (out)	<u>(3,760,754)</u>	<u>(970,792)</u>	<u>-</u>	<u>-</u>	<u>(4,731,546)</u>
Total Other Financing Sources (Uses)	<u>(3,760,754)</u>	<u>(970,792)</u>	<u>-</u>	<u>-</u>	<u>(4,731,546)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	141,466	(833)	40,104	1,105	181,842
Fund Balance - Beginning of Year	633,552	(5,082)	-	101	628,571
Fund Balance - End of Year	<u>\$ 775,018</u>	<u>\$ (5,915)</u>	<u>\$ 40,104</u>	<u>\$ 1,206</u>	<u>\$ 810,413</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Combined Fund Balance Sheet
DEBT SERVICE FUNDS
September 30, 2025

	Area 4-3	Area 4-4	Total Debt Service Funds
Assets			
Cash and cash equivalents	\$ 3,301,162	\$ 261	\$ 3,301,423
Interest income receivable	10,851	-	10,851
Total Assets	<u>\$ 3,312,013</u>	<u>\$ 261</u>	<u>\$ 3,312,274</u>
Liabilities			
Pooled cash deficit	\$ -	\$ -	\$ -
Accounts Payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue-property taxes	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances			
Restricted fund balance:	3,312,013	261	3,312,274
Unrestricted fund balance:			-
Committed fund balance	-	-	-
Assigned fund balance	-	-	-
Unassigned fund balance	-	-	-
Total Fund Balances	<u>3,312,013</u>	<u>261</u>	<u>3,312,274</u>
Total Liabilities and Fund Balances	<u>\$ 3,312,013</u>	<u>\$ 261</u>	<u>\$ 3,312,274</u>

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Debt Service Fund
Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances
By Project for the Redevelopment Fund
For the Year Ended September 30, 2025

	Area 4-3	Area 4-4	Total Debt Service Fund
Revenues			
Investment income	\$ 142,473	\$ 586	\$ 143,059
Contributions	-	215,610	215,610
Total Revenues	<u>142,473</u>	<u>216,196</u>	<u>358,669</u>
Expenditures			
Debt service			
Principal	2,571,000	710,000	3,281,000
Interest and other charges	1,334,951	476,988	1,811,939
Total Expenditures	<u>3,905,951</u>	<u>1,186,988</u>	<u>5,092,939</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,763,478)</u>	<u>(970,792)</u>	<u>(4,734,270)</u>
Other Financing Sources (Uses)			
Transfers in (out)	3,760,754	970,792	4,731,546
Total Other Financing Sources (Uses)	<u>3,760,754</u>	<u>970,792</u>	<u>4,731,546</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,724)	-	(2,724)
Fund Balance - Beginning of Year	3,314,737	261	3,314,998
Fund Balance - End of Year	<u>\$ 3,312,013</u>	<u>\$ 261</u>	<u>\$ 3,312,274</u>



Mahlke Hunsaker & Company PLLC

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

**INDEPENDENT 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 Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho's, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated February 23, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Urban Renewal Agency of the City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, PLLC
TWIN FALLS, IDAHO
February 23, 2026



Date: Monday, March 16, 2026
To: Honorable Mayor and City Council
From: Shawn Barigar, Economic Development Director

PRESENTATION

Request:

Presentation of Multi-Use Event Center Feasibility Study.

Time Estimate:

30 minutes

Background:

In 2022, the City of Twin Falls solicited proposals for use of State and Local Fiscal Recovery Funds (SLFRF) for qualifying projects. The City's Economic Development Department submitted a proposal to request funding to support a comprehensive feasibility and economic impact study of a convention / conference / meeting center. The SLFRF Committee and the City Council approved the request, allocating \$125,000 toward this project.

Since that time, the Council established an Event Center Study Committee to advance the project. The Committee developed a charter for its work, released a request for qualifications for a firm to assist with the study, selected Johnson Consulting after reviewing proposals, and has worked closely with Johnson Consulting over the past several months to provide input on the study.

Johnson Consulting presented a draft final report to the Committee in December. Tonight, they're presenting the findings to the City Council for your information and any additional input.

Staff will also be seeking direction on the Council's interest in moving forward with any recommendations from the report.

Approval Process:

N/A

Budget Impact:

Funding for the completion of the study was encumbered into the current FY2026 budget and has been expended.

Regulatory Impact:

N/A

History:

N/A

Analysis:

N/A

Conclusion:

Staff recommends the Council hear the presentation from Johnson Consulting and provide any input regarding the final feasibility study. Staff will also ask for direction on next steps related to the study's recommendations and conclusions.

Attachments:

1. 1. TwinFalls_FullReport_Draft



Multi-Use Event Center Feasibility Study

SUBMITTED TO
City of Twin Falls, ID

SUBMITTED BY
C.H. Johnson Consulting, Inc.

January 23, 2026



**JOHNSON
CONSULTING**

Experts in Convention, Hospitality,
Sport and Real Estate Consulting.

TABLE OF CONTENTS

Table of Contents..... 1

1. Introduction and Executive Summary..... 2

2. Market Assessment and Stakeholder Engagement..... 6

3. Benchmarking and Case Studies38

4. Recommendations, Projections and Economic & Fiscal Impacts.....61

5. Funding Strategies.....75

DRAFT

1. INTRODUCTION AND EXECUTIVE SUMMARY

TRANSMITTAL LETTER

January 23, 2026

Mr. Shawn Barigar

City of Twin Falls | 203 Main Avenue East Twin Falls, ID 83301

Re: Multi-Use Event Center Feasibility Study for the City of Twin Falls

Dear Mr. Barigar:

C.H. Johnson Consulting, Inc. (Johnson Consulting) is pleased to submit this DRAFT report regarding the multi-use event center feasibility study for the City of Twin Falls. Pursuant to our engagement, this report fulfills the scope of work outlined in the project proposal submitted by Johnson Consulting to the City of Twin Falls (the Client) on September 24th, 2025.

Johnson Consulting has no responsibility to update this report for events, plan modifications, and circumstances occurring after the date of this report. The findings presented herein reflect analyses of primary and secondary sources of information. Johnson Consulting used sources deemed to be reliable but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely,

DRAFT

C.H. Johnson Consulting, Inc.

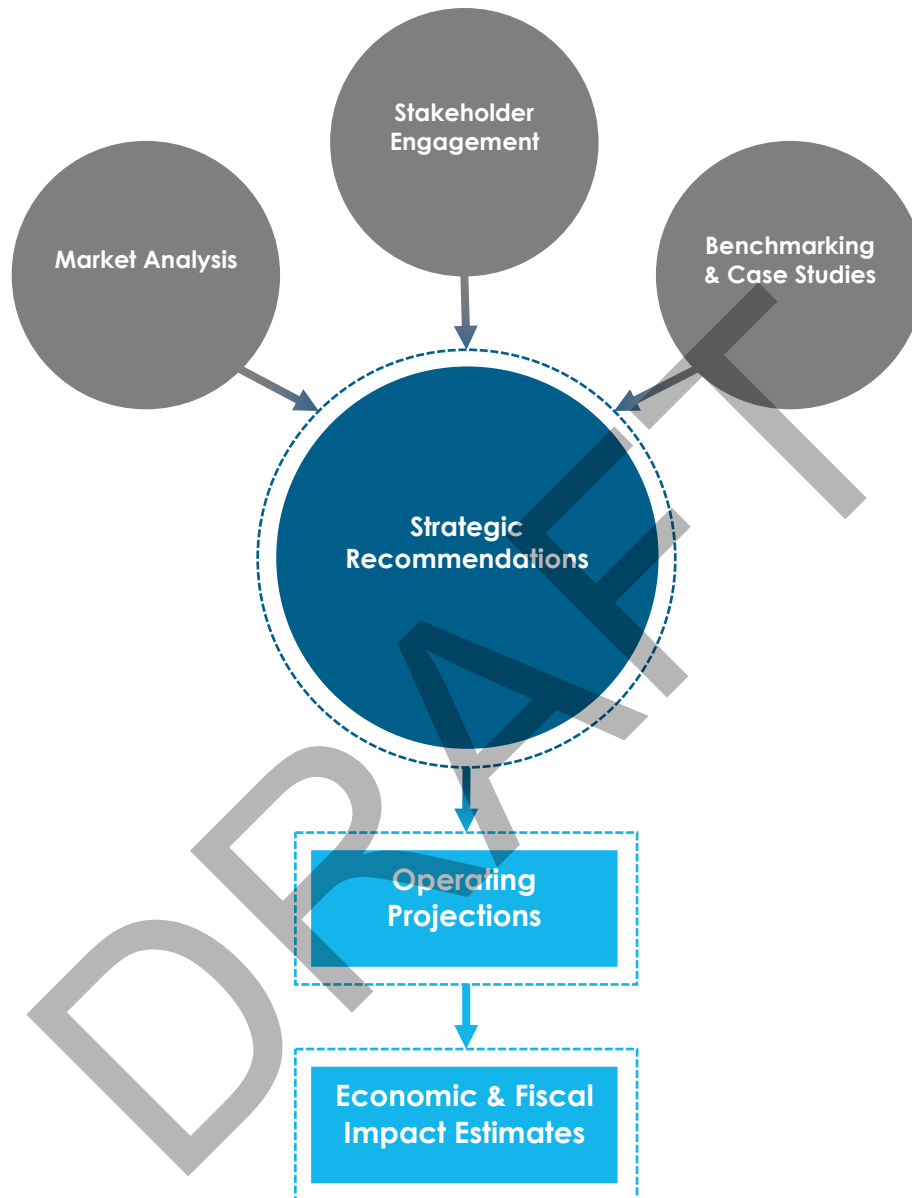
STUDY INTRODUCTION & METHODOLOGY

Johnson Consulting was retained by the City of Twin Falls to determine the feasibility of a new multi-use event center to potentially serve as a venue for conferences, conventions, sporting events, cultural activities, and community gatherings. This report informs the Client as it considers these opportunities. The proposal document submitted to the Client by Johnson Consulting outlines a detailed list of services for the study. Broadly, the objective of this study is to answer the following questions:

- What is the market opportunity for this product?
- How do market trends and case studies inform the optimal programming and operating strategy of the contemplated facility?
- What are achievable levels of demand and financial performance for any recommended facility?
- What is the recommended facility's projected economic and fiscal impacts?

In order to answer the questions above, Johnson Consulting developed and executed a comprehensive methodology for the study, which is illustrated by Figure 1-1. The observations, analysis, and conclusions of the study will be presented throughout the remaining sections of this report.

Figure 1-1



PROJECT OVERVIEW

The City of Twin Falls in Idaho is a hub of economic and cultural activity within the Magic Valley region. The City and region, in keeping with broader trends in the State of Idaho and Intermountain West as a whole, have seen strong population and wealth growth in recent years and project to continue growing in excess of the national average going forward.

As Twin Falls continues to grow, its need for public assembly facilities to meet both local event demand and potential out-of-town event demand is increasing. In order to ensure that demand is being adequately met, the City of Twin Falls has engaged Johnson Consulting to study the market for event space and the potential feasibility of a new multi-use event center within the community.

EXECUTIVE SUMMARY

TO BE DEVELOPED FOLLOWING INITIAL CLIENT REVIEW

2. MARKET ASSESSMENT AND STAKEHOLDER ENGAGEMENT

DRAFT

MARKET ASSESSMENT OVERVIEW

This section addresses key demographic, economic, and competitive market conditions relative to regional and national trends. This approach aims to highlight strategic insights, competitive benchmarks, market gaps, and demand drivers. The assessment will serve as a foundational resource for guiding Twin Fall's next steps.

Figure 2-1 shows the three concentric drive-time catchments from downtown Twin Falls used in the analysis of this report:

30-minute: Primary city core (Twin Falls, Kimberly, Buhl, Filer)

90-minute: Regional metro area (wider Magic Valley)

180-minute (3-hour): Extended catchment encompassing neighboring cities to evaluate feeder and destination markets.

Figure 2-1



ACCESSIBILITY

Twin Falls is located in Southern Central Idaho, a two-hour drive east of Boise and a 105-minute-drive west of Pocatello. Twin Falls is the fourth largest metro area in Idaho, but its central location between Boise in the west and other major markets like Pocatello and Idaho Falls in the east provide a convenient location for hosting state-wide and regional events. Additionally, several large Utah metro areas like Ogden and Salt Lake City are within a four-hour drive of Twin Falls, expanding possible usage to these large out of state markets.

AIR

While Twin Falls does have its own airport, the Magic Valley Regional Airport had a relatively low number of enplanements in 2024 at 31,734 and currently only has one airline (Delta) and one destination (Salt Lake City). Despite the limited use of the Magic Valley Regional Airport, it is scheduled to add Breeze Airways service to Las Vegas in March 2026. Its limited air service indicates Twin Falls is harder to access for visitors outside of a reasonable drive time. Unless visitors are coming directly from the Salt Lake City or Las Vegas metro areas, visitors will have to make a connecting flight or drive in from other airports in the region include Boise Airport (BOI), the Sun Valley Airport (SUN), and Salt Lake City International Airport (SLT). These airports are roughly a 90-minute, 2-hour, and 3-hour drive from Twin Falls respectively and provide far more domestic and even international service than the Magic Valley Regional Airport.

TRANSIT

Twin Falls does not have dedicated bus routes or any other form of mass transit. The city does have a micro transit program called Ride TFT, which provides on-demand ride-share service at a standard rate of \$3/ride or \$1/ride for riders 60+ years of age. While this program is convenient for individual users, there is no system in place to provide a large number of people simultaneously throughout the city without individual automobile use.

ROAD

Given that the proposed event center would likely be a drive-to destination in its early phase of operations, it is valuable that Twin Fall's regional highway connectivity makes is easily accessible by car. U.S. Route 93 connects Twin Falls to I-84 which runs to Boise in the west and connects to other interstates like I-86 and I-15, allowing easy drive-time access to other cities like Pocatello and Salt Lake City. Twin Falls is an easily drivable city with ample surface and street parking for most locations.

POPULATION

A growing population base is critical to the success of events facilities. A larger regional population increases both local demand and the pool of potential "drive-to" visitors. As of 2025, the City of Twin Falls had an estimated population of 56,515. That number rises to 97,291 for Twin Falls

County. Twin Falls plays a critical role for the surrounding region, providing the area's primary shopping, healthcare, employment and entertainment hub to the region. Twin Falls' daytime population is 16.6% higher than its resident population.

Between 2010 and 2025, Twin Falls and Twin Falls County's population grew at a rate of 1.6 percent per year, outpacing national trends and demonstrating strong, sustained growth. Idaho grew even faster during this period, with a 1.7 percent annual growth rate, reflecting the area's increasing role as a destination for new residents and businesses alike.

Twin Falls' population is forecast to grow at 1.0 percent per year through 2030 as is shown in Figure 2-2, while Twin Falls County is expected to continue expanding at 1.1 percent annually. These projections are well above national averages, reinforcing the region's long-term appeal and strengthening the case for future investment in event infrastructure.

Figure 2-2

Historic, Current, and Forecasted Population					
	2010	2025	2030	CAGR* 2010-2025	CAGR* 2025-2030
U.S.	308,745,538	339,887,819	347,149,422	0.6%	0.4%
Idaho	1,567,583	2,025,102	2,178,119	1.7%	1.5%
Twin Falls County	77,230	97,291	102,520	1.6%	1.1%
Twin Falls	44,366	56,515	59,389	1.6%	1.0%
Twin Falls Center (30 Minute Drive Time)	96,866	119,735	125,600	1.4%	1.0%
Twin Falls Center (90 Minute Drive Time)	204,996	239,667	249,837	1.0%	0.8%
Twin Falls Center (180 Minute Drive Time)	1,957,712	2,499,629	2,657,166	1.6%	1.2%

*Compounded Annual Growth Rate
Sources: Esri BAO, Johnson Consulting

AGE

Age is a key demographic factor when assessing a market's potential for event programming. Younger populations may signal demand for interactive or contemporary entertainment, while older populations may support more traditional programming or weekday events. A diverse age base requires programming that appeals to a broad spectrum—from family-friendly attractions and professional conventions to immersive arts and community gatherings.

At the same time, both the State and Twin Falls maintain a relatively young base, with 30 percent of residents less than 20 years old as is shown by Figure 2-3. This indicates additional

programming opportunities for programming focused on family and kid friendly entertainment such as educational events and youth leadership events.

Figure 2-3

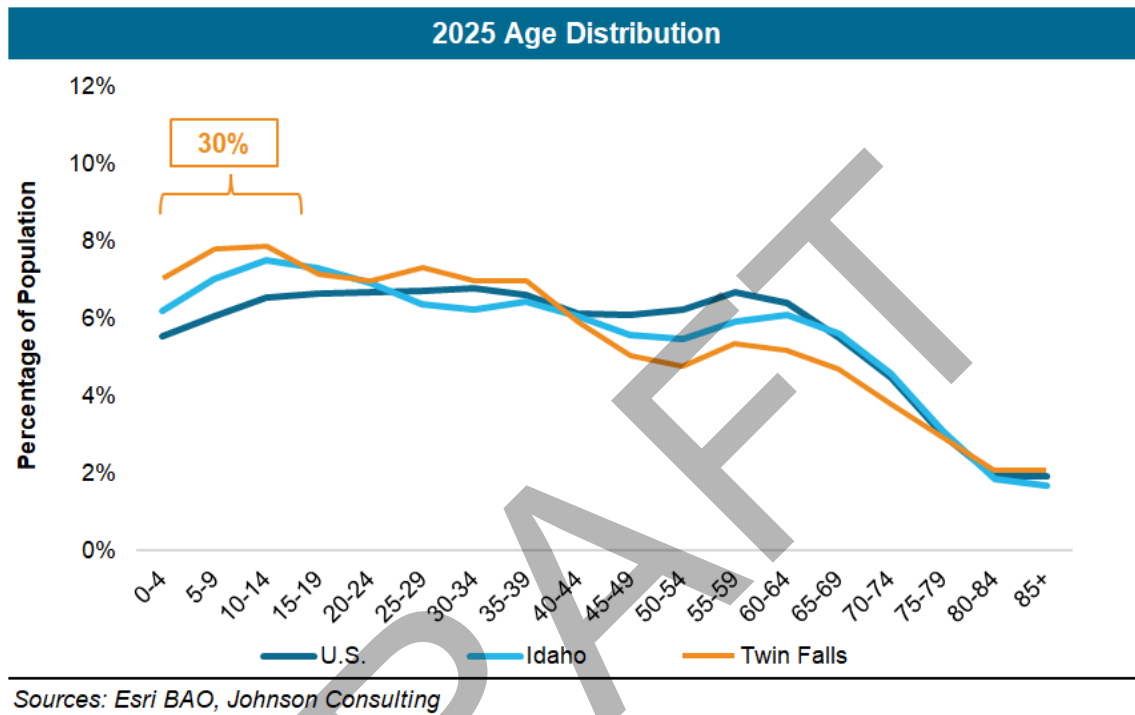


Figure 2-4 shows Twin Falls' median age in 2025 was 35.2 years, far younger than the national average of 39.6 and Idaho's overall median age of 37.7. Looking ahead, the median age in Twin Falls is projected to rise to 36.5 years by 2030, growing at an annual rate of 0.7 percent—faster than both the state and national projections.

Figure 2-4

Historic, Current, and Forecasted Median Age					
	2010	2025	2030	CAGR* 2010-2025	CAGR* 2025-2030
U.S.	37.1	39.6	40.5	0.4%	0.5%
Idaho	34.6	37.7	38.7	0.6%	0.5%
Twin Falls County	34.4	36.5	37.5	0.4%	0.5%
Twin Falls	32.1	35.2	36.5	0.6%	0.7%
Twin Falls Center (30 Minute Drive Time)	33.7	35.8	36.7	0.4%	0.5%
Twin Falls Center (90 Minute Drive Time)	33.8	36.2	37.1	0.5%	0.5%
Twin Falls Center (180 Minute Drive Time)	31.5	34.6	35.7	0.6%	0.6%

*Compounded Annual Growth Rate

Sources: Esri BAO, Johnson Consulting

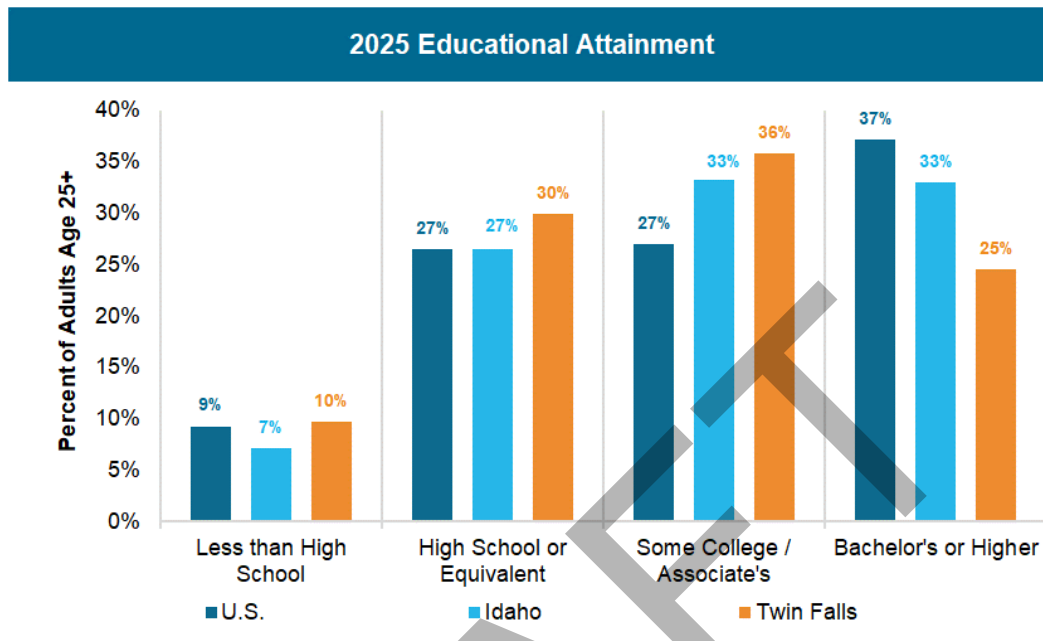
Twin Falls is home to a growing population of young working-class people looking to find more affordable options than other larger markets like Boise. The city's prevalence in certain industries like food production and transportation as well as the area's outdoor attractions, attractive quality of life, and relatively affordable cost of living compared to larger metropolitan areas contribute to its draw and growing population.

EDUCATION AND INCOME

Education and income levels are key indicators of market potential, reflecting the strength of the economic base, local spending power, and community capacity for spending on events. Higher levels of educational attainment often correlate with demand for diverse programming and serve as a foundation for institutional partnerships.

Figure 2-5 shows 25 percent of Twin Fall's residents in 2025 aged 25 and older hold a bachelor's degree or higher—well below the national average of 37 percent and the state average of 33 percent. Twin Falls is home to College of Southern Idaho which is a two-year community college. Twin Falls may suffer from "brain drain," a trend that sees young members of a community leave for college and then leave to a larger market after graduation. Twin Falls could utilize a new event center to host events intended to attract recent college graduates or additional educational services as these economic institutions also represent potential partners for workforce development, educational programming, and event hosting.

Figure 2-5



Sources: Esri BAO, Johnson Consulting

As can be seen in Figure 2-6, median household income in Twin Falls was \$65,056 in 2025 and is expected to reach \$71,595 by 2030, representing a compound annual growth rate of 1.9 percent. This falls well below projected income growth rates in both Idaho and the U.S. overall, suggesting a Twin Falls event center may benefit from a tiered rental rate structure if it is to be accessible for community members.

Figure 2-6

Current & Forecasted Median Household Income			
	2025	2030	CAGR*
U.S.	\$81,624	\$92,476	2.5%
Idaho	\$78,857	\$89,440	2.6%
Twin Falls County	\$68,750	\$76,626	2.2%
Twin Falls	\$65,056	\$71,595	1.9%
Twin Falls Center (30 Minute Drive Time)	\$68,756	\$76,470	2.1%
Twin Falls Center (90 Minute Drive Time)	\$68,381	\$75,889	2.1%
Twin Falls Center (180 Minute Drive Time)	\$85,717	\$98,973	2.9%

*Compounded Annual Growth Rate

Sources: Esri BAO, Johnson Consulting

MAJOR EMPLOYERS

A strong base of employers contributes significantly to the success of regional venues by creating disposable income, corporate partnerships, and sustained demand for events. Twin Falls' economy is supported by major anchors in food production, health care, education, and retail, sectors known for stable employment and institutional investment in community activities.

Figure 2-7 shows the leading employers in the region, including the Twin Falls School District, Chobani, St. Luke's Health Systems, College of Southern Idaho, Amalgamated Sugar Company and Clif Bar. These organizations are potential sources of demand for conferences and continuing education. Notably, St. Luke's Magic Valley Regional Medical Center employs a large number of doctors, nurses and various medical professionals who often require continuing education courses which may require large spaces. Additionally, hospitals often plan large events like fundraisers and galas, which may be hosted at a new multi-use event center.

Figure 2-7

Largest Employers in Twin Falls County, ID		
Employer	Industry	Employees
Twin Falls School District	Education	1,000 - 2,499
Chobani	Food Production	1,000 - 2,499
St. Lukes Magic Valley Regional Medical Center	Health Care	1,000 - 2,499
College Of Southern Idaho	Education	500 - 999
Amalgamated Sugar Company	Food Production	250 - 499
Clif Bar	Food Production	250 - 499
Wal-mart	Retail	250 - 499
Twin Falls County	Government	250 - 499

Source: Idaho Department of Labor, Johnson Consulting

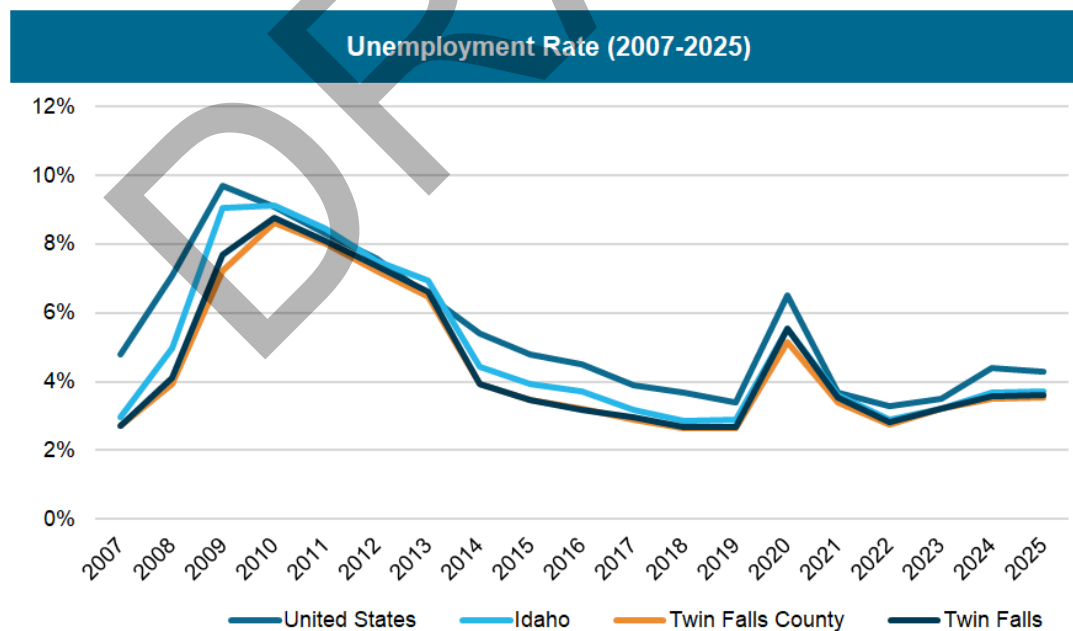
Twin Falls' large presence in food production also indicates it may be an ideal location for industry-specific conferences and events, providing an additional source of demand for a new event center. The food production industry is continuing to grow in the area as well. Most notably in 2025, Chobani announced a \$500 million investment to expand its plant in Twin Falls. The new site is expected to be operational by early 2026 and projected to bring 160 new full-time jobs.

UNEMPLOYMENT

Twin Falls has consistently maintained a low unemployment rate, reflecting its strong local economy. In 2025, the City of Twin Falls' unemployment rate was 3.6 percent, compared to 4.3 percent nationally and 3.7 percent statewide. This continues a long-term trend of economic stability, with Twin Falls and Twin Falls County typically outperforming the U.S. average. From 2014-2019, the city, county and state unemployment rates were significantly below that of the nation's.

Figure 2-8 shows Twin Falls unemployment from 2007-2025 compared to the county, state and nation's numbers. This low unemployment environment signals a healthy labor market and strong local demand. However, it can also create challenges such as labor shortages—particularly for industries that rely on part-time, seasonal, or event-based staffing. A new event center will need to plan ahead for staffing and vendor capacity as event demand continues to grow in the region. Additionally, a new event center in Twin Falls could be used to host events aimed at attracting talent to the area, alleviating any underemployment issues the local labor market may have.

Figure 2-8



Sources: Bureau of Labor Statistics, Johnson Consulting

LOCATION QUOTIENTS BY INDUSTRY SECTOR

Figure 2-9 shows Twin Falls industry concentration relative to the nation's. Twin Falls' employment base is characterized by a higher-than-average concentration in one particular industry sector: transportation, which has a Location Quotients (LQs) well above 1.0—indicating above-average local employment compared to national norms.

Figure 2-9

Number of Employees and Location Quotient by Industry Sector					
Sector	Twin Falls County, ID		United States		Location Quotient
	# of Employees	% of Workforce	# of Employees	% of Workforce	
Health Care	7,241	15%	24,278,285	14%	1.1
Retail Trade	6,274	13%	17,402,082	10%	1.3
Educational Services	5,501	12%	16,045,557	10%	1.2
Manufacturing	4,012	9%	15,710,947	9%	0.9
Public Administration	3,483	7%	11,070,283	7%	1.1
Accommodation/Food Svcs	2,963	6%	11,691,394	7%	0.9
Transportation	2,695	6%	1,809,303	1%	5.3
Other Services	2,240	5%	8,347,906	5%	1.0
Admin/Waste Mgmt	2,166	5%	14,048,795	8%	0.6
Professional/Tech Svcs	1,908	4%	7,614,480	5%	0.9
Construction	1,884	4%	7,889,471	5%	0.9
Finance/Insurance	1,794	4%	8,451,509	5%	0.8
Real Estate	1,599	3%	8,142,627	5%	0.7
Information	866	2%	3,261,622	2%	1.0
Agriculture	757	2%	3,695,292	2%	0.7
Wholesale Trade	530	1%	3,056,154	2%	0.6
Arts/Entertainment/Rec	415	1%	2,796,722	2%	0.5
Utilities	392	0.8%	1,506,012	1%	0.9
Mining	86	0.2%	551,845	0.3%	0.6
Management	23	0.0%	260,253	0.2%	0.3
Total Employees	46,829		167,630,539		

Sources: Esri BAO, Johnson Consulting

With a location quotient of 5.3, the Transportation industry was the only sector to have a location quotient above 2 indicating a significant local concentration of employment in this sector relative to national norms. This likely reflects the importance of the agriculture and food processing industries in Twin Falls County. Large anchor companies like Chobani, Clif Bar, and Glanbia provide consistent sources of shipped goods in the form of unfinished agricultural products into

the county and finished food products out of the county. Its convenient location along I-84 and major rail hub for major railroads including Union Pacific provide various ways of importing and exporting goods and products.

Health Care is the County's largest sector in terms of total employees and has a LQ of 1.1 and is supported by St. Luke's Magic Valley Medical Center, one of the largest employers in the county. Retail Trade and Educational Services have the second and third most total employees by sector in Twin Falls County and are supported by major employers like Walmart and the Twin Falls School District and the College of Southern Idaho.

While Manufacturing employment falls slightly below the national average (LQ: 0.9), Twin Falls has a significant presence of food production facilities. Food production touches multiple businesses such as agriculture, health care, education, logistics and food science research. Partnerships with these industries could provide a natural source of events and partnerships for a new multi-use event center as these types of industries have a higher level of event activity compared to other sectors.

CONVENTION/ EVENT CENTER INVENTORY

Building off the above economic and demographic data, this subsection will provide inventory analysis of event space in Twin Falls, the State and the region. The event space inventory analysis will help identify any areas of opportunity for new facilities. The region within a 30-minute drive of Twin Falls contains only five facilities with a largest space of 1,000 SF or more. Figure 2-10 shows these five facilities, their location, facility type, largest event space in square feet and total event space in square feet.

Figure 2-10

Notable Indoor Event Facility Inventory 30-Minute Drive from Twin Falls 1,000+ SF Largest Space					
Key	Facility	Location	Type	Largest Event Space (SF)	Total Event Space (SF)
1	CSI Eldon Evans Expo Center	Twin Falls, ID	Expo Center	60,000	60,000
2	Pastoor Event Center	Twin Falls, ID	Fairgrounds Event Center	11,400	11,400
3	360 Main Event Center	Twin Falls, ID	Event Center	7,000	7,000
4	Canyon Crest Event Center	Twin Falls, ID	Event Center	5,320	21,000
5	Apple Barn	Filer, ID	Wedding Venue	5,000	5,000

**Estimated from listed capacity*
Sources: Cvent, Pollstar, Relevant Facilities, Johnson Consulting

The largest facility is the CSI Eldon Evans Expo Center which has a total and largest space square footage of 60,000 square feet. While significantly larger than the next largest facility in Twin Falls, the Eldon Evans Expo Center's dirt floor makes it ideal for its primary use as a collegiate rodeo facility and cannot host events like professional events, galas and banquets.

The next largest facility in Twin Falls is the Pastoor Event Center at the County Fairgrounds which has one large room of 11,400 square feet. While this facility might be large enough to host some banquets and other social events, it lacks the additional breakout space that many large professional conferences require, thus limiting potential demand. The other three facilities are event centers and wedding venues that specialize in social events like banquets and specifically weddings.

Figure 2-11 shows all event facilities within a 30-minute drive of downtown Twin Falls with a largest event space of 1,000 or more square feet. There is a high concentration of facilities in the hotel cluster west of the Magic Valley Mall and south of the canyon. This further underscores the importance of the relationship between meeting space and proximity to lodging options.

Figure 2-11

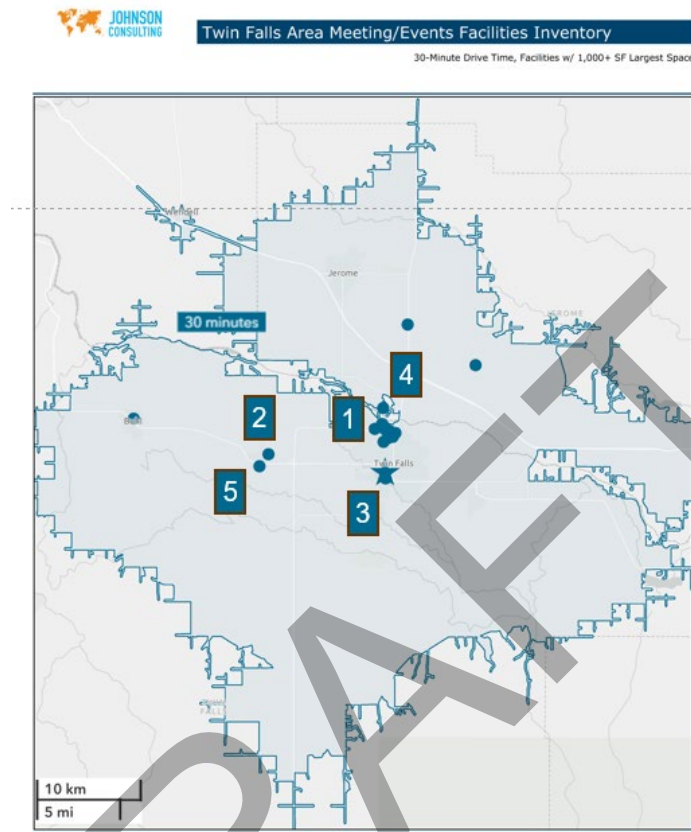


Figure 2-12 shows the facilities within a 90-minute drive of Twin Falls with a largest space of 5,000+ square feet. Due to the low population of the surrounding area, most of these facilities are within Twin Falls itself. Similar to the 30-minute drive-time inventory, most facilities are wedding focused venues with a largest space of less than 10,000 square feet and are not equipped to host mid-sized to large professional conferences and conventions.

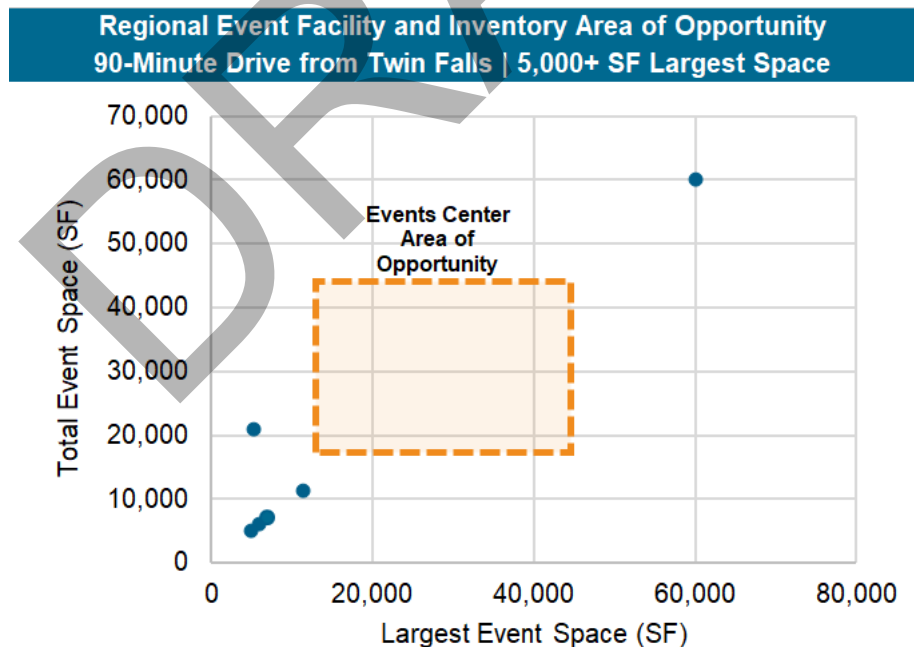
Figure 2-12

Indoor Event Facility Inventory 90-Minute Drive from Twin Falls 5,000+ SF Largest Space				
Facility	Location	Type	Largest Event Space (SF)	Total Event Space (SF)
CSI Eldon Evans Expo Center	Twin Falls, ID	Expo Center	60,000	60,000
Pastoor Event Center	Twin Falls, ID	Fairgrounds Event Center	11,400	11,400
360 Main Event Center	Twin Falls, ID	Event Center	7,000	7,000
Gala Event Center	Mountain Home, ID	Event Center	6,000	6,000
Canyon Crest Event Center	Twin Falls, ID	Event Center	5,320	21,000
Apple Barn	Filer, ID	Wedding Venue	5,000	5,000

Sources: Cvent, Pollstar, Relevant Facilities, Johnson Consulting

Figure 2-13 similarly shows these facilities mapped on an axes of largest event space and total event space. The CSI Eldon Evans Expo Center is the largest facility in the analyzed set by a large margin. The other facilities are small with most having less than 12,000 total square feet and no additional breakout rooms. The chart also shows the area of opportunity a new events center could fill in the Twin Fall region.

Figure 2-13



Sources: Cvent, Pollstar, Relevant Facilities, Johnson Consulting

Figure 2-14 shows these regional facilities in relation to Twin Falls. Only one of these regionally competitive facilities, the Gala Event Center in Mountain Home, ID, falls outside of Twin Falls. This facility has one large room of 7,000 square feet; a facility that lacks additional meeting space would not be able to host larger conferences despite its large space.

Figure 2-14

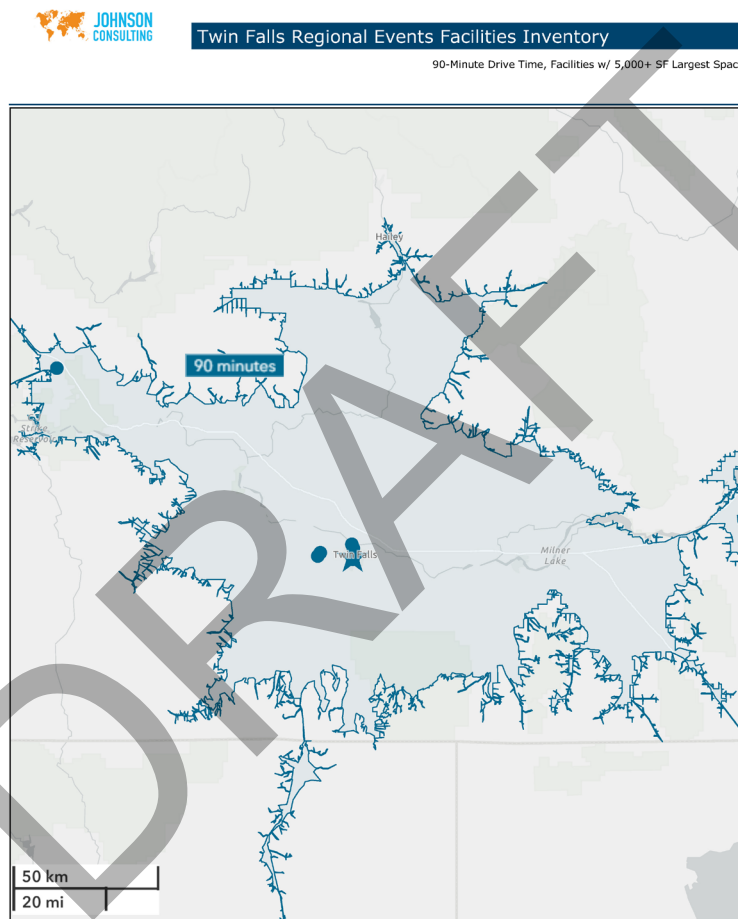


Figure 2-15 shows the event and meeting facilities in Idaho with a largest event space with 20,000+ square feet. Three of the state's seven largest facilities are in the Boise area, the state's most populated metro area.

Figure 2-15

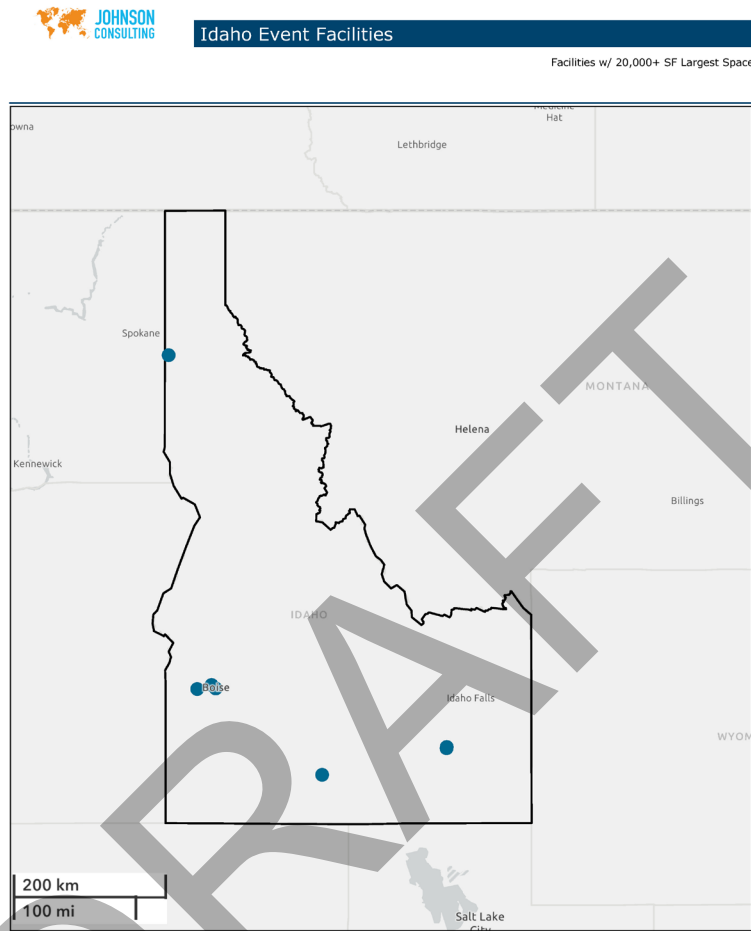
Indoor Event Facility Inventory Idaho 20,000+ SF Largest Space					
Facility	City	Type	Largest Event Space (SF)	Total Event Space (SF)	90-Minute Population
Expo Idaho	Garden City	Expo Center	75,000	138,350	543,579
CSI Eldon Evans Expo Center*	Twin Falls	Expo Center	60,000	60,000	122,298
Ford Idaho Center Arena	Nampa	Arena	31,200	120,000	770,898
Mountain View Event Center	Pocatello	Event Center	28,000	41,000	115,804
Boise Centre	Boise	Convention Center	24,426	86,000	681,382
Coeur D Alene Casino Resort Hotel	Worley	Hotel	20,000	33,500	21,147

*Dirt Floor

Source: Johnson Consulting, Relevant Facilities, Cvent

Figure 2-16 shows where these state-wide competitive facilities are relative to Twin Falls. While three facilities are located in the state are in the Boise metro area, the rest are in Pocatello, Twin Falls and the Coeur d'Alene area. Despite the concentration of large facilities in the Boise area, other facilities like the Mountain View Event Center have been successful at attracting various state-wide events. The location of the Mountain View Event Center in Pocatello, a metro with a similar population to Twin Falls, indicates that a similarly large event center that is capable of hosting a wide variety of events including upscale professional and social events is feasible in Twin Falls. Although not large enough exceed the 20,000+ square foot threshold, the Mountain America Center in Idaho Falls is another successful facility in a similarly sized market as Twin Falls. Notably, Twin Falls' primary large event space, the Eldon Evans Expo Center, is not well-suited to conferences, causing the market to effectively not compete with the other major Idaho markets for rotating state and regional association events as well as corporate business.

Figure 2-16



INDOOR TOURNAMENT SPORTS FACILITY INVENTORY

Indoor youth sports facilities typically have four or more basketball courts under one roof with the ability to convert to accommodate other sports like volleyball, wrestling, dance and gymnastics. These facilities primarily serve to host youth and amateur sports tourism events as well as provide additional court and sports space for community recreation needs. However, an indoor sports facility can host banquets, exhibits, conferences and other events typical to an event center. Event centers can be modified to host large amateur and youth sporting events if certain configurations are included in a facility's design.

While the Twin Falls area currently faces a significant gap in its large indoor sports infrastructure, the Jae Foundation is redeveloping the Fleur De Lis Ranch property south of Twin Falls into an

indoor sports complex with the intent of attracting youth sports tournaments. This would fill the current gap of no dedicated facilities with four or more basketball courts in the 90-minute drive-time around Twin Falls. The 180-minute drive around Twin Falls includes four indoor-sport facilities with four or more courts. The largest such facility is the Caven-Williams sports complex on Boise State’s campus, which features a 78,000 square foot indoor turf field and can accommodate up to 6 basketball or 12 volleyball courts for tournaments. However, note that because this facility is primarily used for BSU athletics, its availability for sports tourism activity is limited. Figure 2-17 shows the region’s inventory of indoor sports complexes.

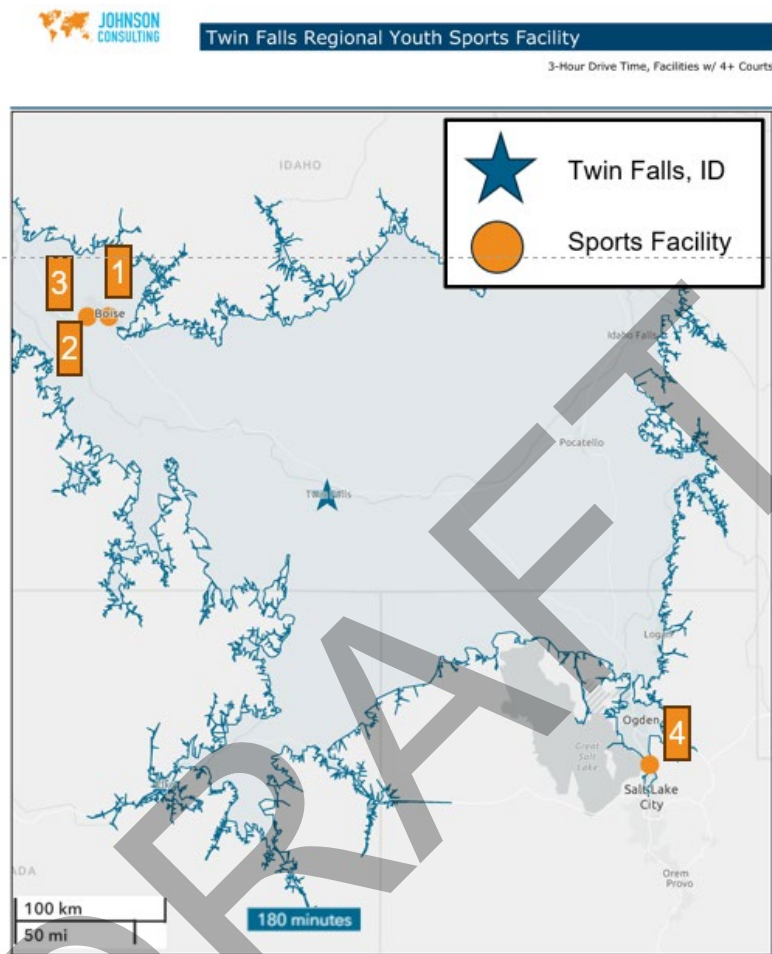
Figure 2-17

Indoor Sports Facility Inventory 180-Minute Drive from Twin Falls 4+ Indoor Basketball Courts				
Key	Facility	Location	# of Courts	Distance from Twin Falls (miles)
1	Treasure Valley Athletic Center	Meridian, ID	4	135
2	Caven-Williams Sports Complex*	Boise, ID	6	135
3	Meridian Home Court	Meridian, ID	4	135
4	KONGO Athletic Club	Farmington, UT	4	204

**Collegiate Complex that is not primarily programmed for youth sports tourism*
 Sources: Cvent, Pollstar, Relevant Facilities, Johnson Consulting

Other notable facilities include Meridian Homecourt, Treasure Valley Athletic Center, and KONGO Athletic Club in Farmington, Utah. As Figure 2-18 shows, these facilities are all in the two- to three-hour drive time range, further indicating the gap in the Twin Falls market that the Jae Foundation seeks to fill. Having met with the Jae Foundation and analyzed their contemplated project, it is the Consulting Team’s opinion that the new “Sports Ranch” will meet the identified market need for additional sports space. Thus, we public investment in a facility targeting similar events would be an inefficient deployment of taxpayer resources.

Figure 2-18



SPORTS CONSUMER BEHAVIOR

As shown in Figure 2-19, residents of Twin Falls and the surrounding Magic Valley demonstrate team sports participation rates that are either in-line with or slightly below national averages.

Figure 2-19

Twin Falls Area Sports Participation								
Location	Attend Sports Events		Participated in Soccer		Participated in Basketball		Participated in Volleyball	
	(%)	(Index)	(%)	(Index)	(%)	(Index)	(%)	(Index)
USA	19.9%	100	3.7%	100	5.7%	100	2.7%	100
Idaho	21.2%	106	3.5%	94	5.5%	96	2.7%	100
Twin Falls County, ID	20.3%	102	3.6%	96	5.4%	95	2.5%	94
Twin Falls City, ID	19.6%	99	3.8%	102	5.6%	98	2.4%	90
Twin Falls Center (30 minutes)	19.9%	100	3.8%	102	5.5%	96	2.6%	98
Twin Falls Center (90 minutes)	19.9%	100	3.5%	95	5.3%	93	2.7%	101
Twin Falls Center (180 minutes)	21.7%	109	3.9%	103	5.9%	103	2.8%	105
Sources: Esri BAO, Johnson Consulting								

Figure 2-20 shows the corresponding spend on fees for participant sports and admission to sporting events. Twin Falls spending on both categories were far lower than the national averages. Such a large gap between participation and spend, may further underscore the lack of sports facilities where residents would be able to spend their money.

Figure 2-20

Twin Falls Area Sports Spend				
Location	2025 Fees-Participant Sports (Avg) (Index)		2025 Admission to Sports Events (Avg) (Index)	
USA	\$214	100	\$130	100
Idaho	\$200	94	\$125	96
Twin Falls County, ID	\$164	77	\$105	79
Twin Falls City, ID	\$154	72	\$98	74
Twin Falls Center (30 minutes)	\$164	76	\$104	79
Twin Falls Center (90 minutes)	\$161	76	\$105	80
Twin Falls Center (180 minutes)	\$217	100	\$135	102

Sources: Esri BAO, Johnson Consulting

HOTEL MARKET

INVENTORY

Figure 2-21 shows the non-economy class hotels with 70 or more rooms in them. The largest hotel is the Holiday Inn Twin Falls which has 128 rooms and a little over 1,800 square feet of meeting space. Twin Falls has 1,365 non-economy class hotel rooms within a 15-minute drive of downtown.

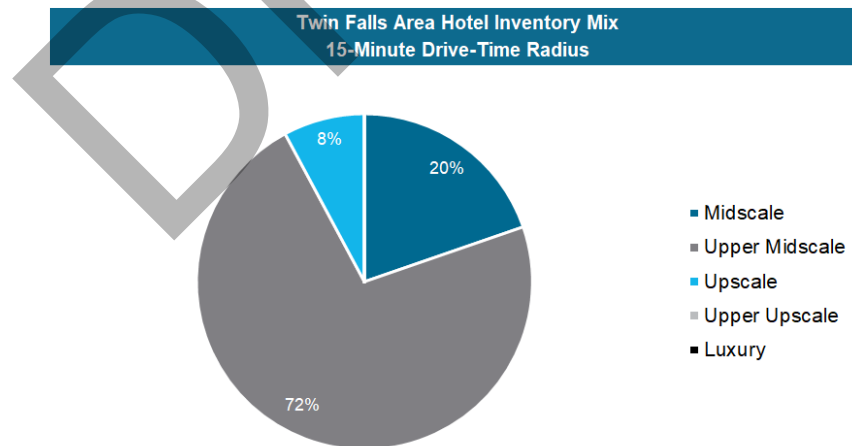
Figure 2-21

Twin Falls Area Hotel Inventory Local Hotel Facilities (15-Minute Drive-Time Radius)					
Hotel	Class	Year Built (Renovated)	Rooms	Largest Meeting Space (SF)	Total Meeting Space (SF)
Holiday Inn Twin Falls	Upper Midscale	1996 (2019)	128	925	1,816
Best Western Plus Twin Falls Hotel	Upper Midscale	1992	120	600	600
Canyon Springs Extended Stay	Upper Midscale	1973 (2003)	112	2,520	5,085
Quality Inn & Suites Twin Falls	Midscale	1999 (2013)	111	0	0
TownePlace Suites by Marriott Twin Falls	Upper Midscale	2019	108	1,600	1,600
Hilton Garden Inn Twin Falls	Upscale	2009	107	1,683	2,748
Comfort Inn & Suites Jerome Twin Falls	Upper Midscale	2008	103	600	852
La Quinta Inn & Suites by Wyndham Twin Falls	Upper Midscale	2008	101	1,600	2,600
Holiday Inn Express & Suites Twin Falls	Upper Midscale	2009	92	770	770
Fairfield by Marriott Inn & Suites Twin Falls	Upper Midscale	2014	92	950	950
Hampton Inn Twin Falls	Upper Midscale	2004	75	1,110	1,110
Sleep Inn Jerome Twin Falls	Midscale	1995	72	80	80
Hotels <100 Rooms			144	0	0
Total			1,365	12,438	18,211

**Excludes Economy class hotels*
Sources: CoStar, Johnson Consulting

The mix of a market's hotel class can provide information on what strengths or gaps a market may have. Figure 2-22 shows the Twin Falls area hotel market broken down by class. The majority of the market's hotels (72 percent) are classified by CoStar as upper midscale, with midscale properties representing the second-largest concentration (20 percent). There is little variety in the Twin Valley hotel market; in the analyzed 15-minute drive time radius there was no upper upscale or luxury hotels.

Figure 2-22



**Excludes all economy class hotels*

Source: CoStar, Johnson Consulting

A hotel pipeline inventory can provide specific insight into the future health of a hotel market; hoteliers will not invest in struggling tourism markets and growing tourism markets will often see a healthy hotel pipeline. Figure 2-23 shows that there is one hotel with 124 rooms that is set to enter the Twin Falls area in 2027, which would represent a 9.1% increase in the number of total hotel rooms in the market. Economy class hotels were excluded from this analysis as meeting, conference and event attendees typically do not stay at these facilities.

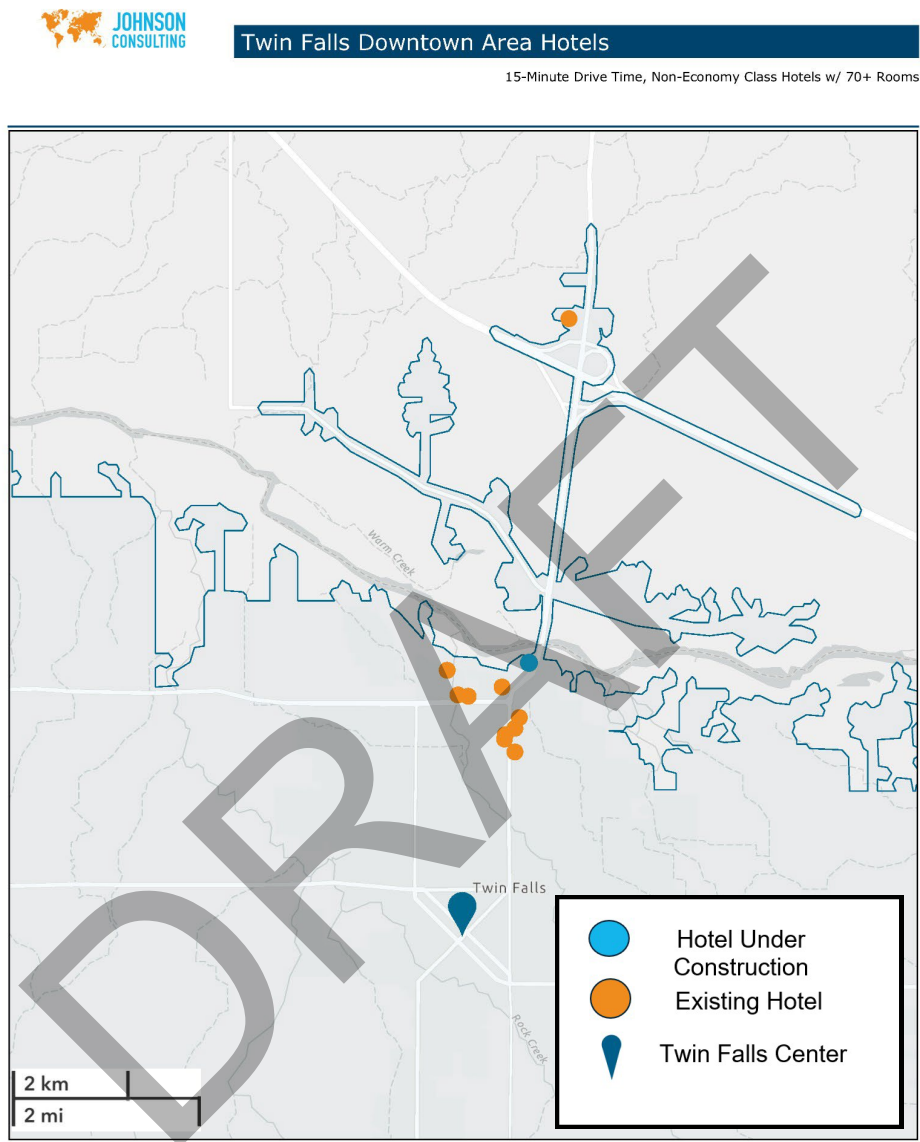
Figure 2-23

Twin Falls Area Hotel Pipeline Local Hotel Facilities (15-Minute Drive-Time Radius)					
Hotel	Class	Phase	Year Opening	Rooms	
Home2 Suites by Hilton Twin Falls	Upper Midscale	Final Planning	2027	124	
Total				124	

Sources: CoStar, Johnson Consulting

Figure 2-24 shows were the non-economy hotels with 70+ rooms are located in Twin Falls. All of these 70+ room hotels except one are situated in the same cluster just south of the Snake River and Canyon west of the Magic Valley Mall. This area also has a variety of retail and restaurant offerings. Close proximity to hotels is a key factor event planners look for when choosing conference and event location. Placing a multi-use event center near this large concentration of hotels would provide this new facility with a strategic advantage.

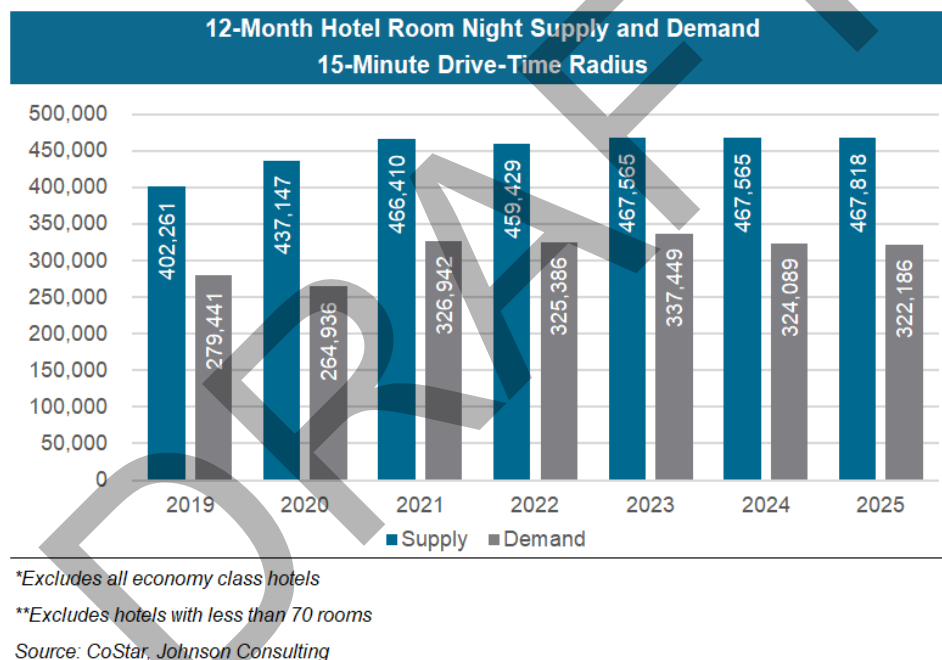
Figure 2-24



SUPPLY AND DEMAND

Figure 2-25 shows the supply of non-economy class hotels with 70 or more rooms in Twin Falls from 2019 to 2025. From 2019 through 2021, hotel room night supply in the analyzed drive-time among non-economy class 70+ room hotels grew at a rate of 7.7 percent per annum, while demand grew at a rate of 8.2 percent per annum. However, supply levels have decreased at 0.4% and demand levels have declined 0.1% since 2021, indicating a broader hospitality market which saw strong growth during the pandemic but has been stagnant or even in a moderate decline for nearly five years.

Figure 2-25

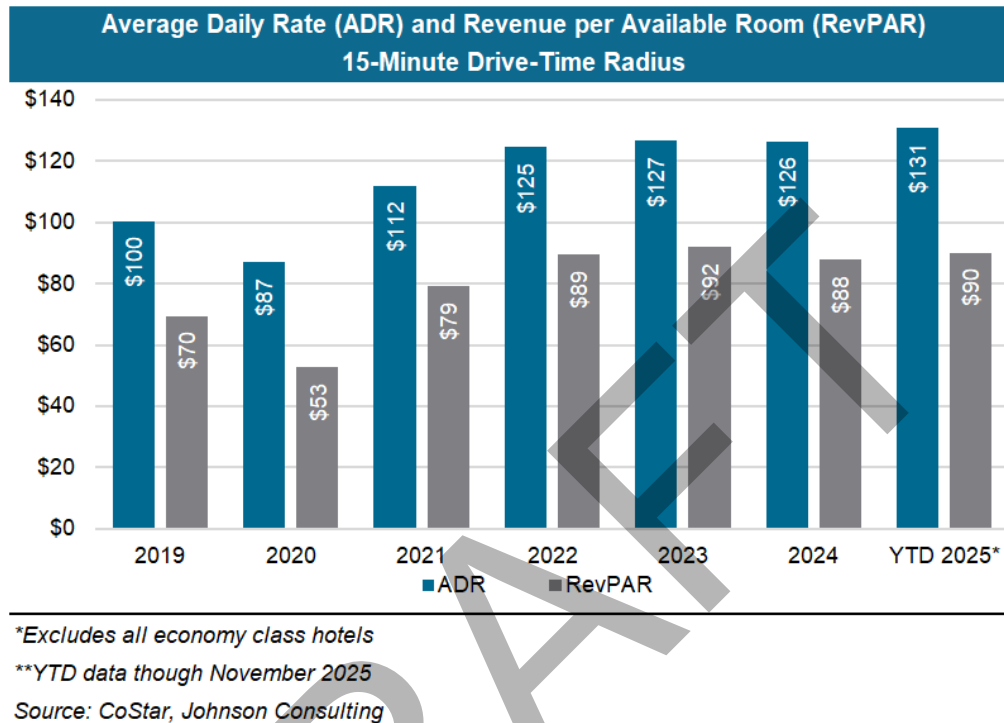


AVERAGE DAILY RATE (ADR) AND REVENUE PER AVAILABLE ROOM (REVPAR)

As has occurred in many markets in the United States following the COVID-19 pandemic, ADR grew from 2019 to 2022 increasing from \$100 to \$125, a growth rate of 7.7 percent per annum. Since 2022, the ADR has increased modestly from \$125 in 2022 to \$131 in 2025, a growth rate of only 1.6 percent per annum. The Magic Valley area saw a sharp increase in eco-tourism during the COVID-19 pandemic due to the prevalence of outdoor attractions and activities there. Since this sharp increase the volume of activity has leveled off, but has not dramatically declined.

Figure 2-26 summarizes ADR and RevPAR for the analyzed drive-time catchment in Twin Falls.

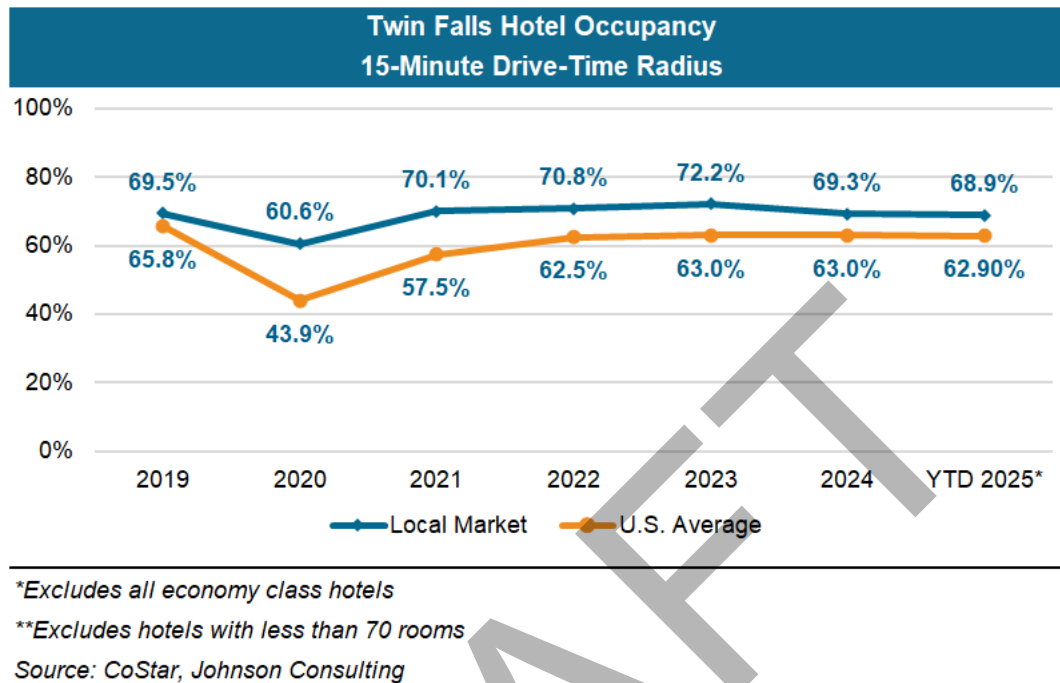
Figure 2-26



OCCUPANCY

As with ADR, occupancy is stronger than the national average. Figure 2-27 shows that the Twin Falls hotel market had a far less dramatic decrease occupancy than the nation and saw a stronger quicker recovery in its wake. This boost, partially attributed to the influx of eco-tourism, helped Twin Falls' hotel occupancy to increase above the 70 percent benchmark which typically indicates market health. However, Twin Falls' occupancy rate dipped below that 70 percent threshold in 2024 and fell again in 2025, indicating the Twin Falls hotel market may reverting back to pre-pandemic levels.

Figure 2-27



IMPLICATIONS

Twin Falls and the Magic Valley Region has several positive economic and demographic trends that justify the feasibility of a multi-use event center. Twin Falls' young population, low unemployment rate, importance in the food processing industry and affordable cost of living signals a market with strong regional importance. Twin Falls' below average median household income and spend on various factors like fees for participation sports indicate residents of Twin Falls will be price sensitive when selecting event facilities. Large employers like St. Luke's Health Systems, Twin Falls School District and various food processing companies like Clif Bar and Amalgamated Sugar Company could provide a new multi-purpose event center with potential corporate sponsors as well as a source of potential meetings and events.

Twin Falls' current inventory of events venue inventory reveals clear opportunities to fill a sizeable gap in supply. Twin Falls lacks a modern indoor venue that is capable of hosting mid-sized to large conventions, banquets and professional events. A similar lack of inventory in the 90-minute drive time surrounding Twin Falls indicates that there is not just a local supply gap but a regional supply gap as well. Twin Falls demand for meetings and events is currently outgrowing the areas

current supply as its current inventory is not capable of hosting larger conference and social events.

Hotel market data presents a mixed picture. The Twin Falls hotel market saw a big increase in eco-tourism during and immediately after the COVID-19 pandemic; however, the last couple of years has seen a gradual decline in occupancy, RevPAR and room demand. It is unclear whether or not these key hotel market factors will continue to decline gradually or change course and decline rapidly, stagnate or increase. If a multi-purpose event center is strategically placed next to the large hotel cluster near the canyon, this could create an additional source of demand for the market while simultaneously providing a much-needed asset for the event center. If the multi-purpose event center is placed far from the cluster of hotels it will likely need a connected hotel in order to provide proximate hotel rooms for meeting and event attendees. Overall, a multipurpose event center has the potential to strengthen Twin Falls' regional competitiveness, retain local spending and serve as a catalyst for long-term economic development.

STAKEHOLDER ENGAGEMENT OVERVIEW

Throughout the study process, the Consulting Team engaged extensively with key community stakeholders in order to better understand market demand and community needs from a qualitative standpoint. Pairing this qualitative data with the quantitative data developed through market analysis and benchmarking is critical to developing a holistic understanding of the feasibility for a new multi-use event center. Each outreach event was conducted with the following goals in mind:

- Identify opportunities and challenges of the market as a whole
- Consider how a new facility could help support those opportunities and/ or ameliorate those challenges
- Determine key community needs and priorities for a new facility across a variety of potential users and stakeholders
- Identify the events, programs, and/or audiences that the community would like to see accommodated at a potential new facility

ENGAGEMENT ACTIVITIES SUMMARY

The following summarizes each of the activities used to reach and engage with key project stakeholders.

PROJECT KICKOFF AND MARKET TOUR

The project kickoff and market tour gave the Consulting Team and City the opportunity to identify project goals, the components of an actionable feasibility study, and the challenges and opportunities present within the market. It also provided invaluable context as to the physicality and layout of the Twin Falls community, particularly as it pertains to the community's suitability as a destination market for events and associated tourism.

STAKEHOLDER INTERVIEWS & FOCUS GROUPS

The Consulting Team conducted numerous one-on-one interviews and focus groups with key stakeholders to gain a broader understanding of potential opportunities, challenges, and vision for the project. These interviews occurred both during the initial kick-off site visit as well as during follow-up video calls. In total, eight one-on-one meetings and nine focus groups were conducted throughout the study process, with a total of 38 individual stakeholders were engaged throughout the process, providing a wide range of perspectives and insights on the feasibility of the contemplated facility.

MULTI-USE EVENT CENTER COMMITTEE

The City of Twin Falls' Multi-Use Event Center Committee provided key oversight and leadership throughout the study process. The eight-person committee led the evaluation and selection of the Consulting Team and provided feedback and input as findings and recommendations were developed. The Consulting Team's engagement with the Committee included various one-on-one meetings and focus groups, a formal mid-point presentation of initial findings and preliminary recommendations, and a final presentation of the study's findings and recommended next steps.

KEY ENGAGEMENT THEMES AND FINDINGS

The following key themes and findings emerged from the Consulting Team's stakeholder engagement process. Note that these themes do not necessarily represent the opinions of the

Consulting Team, but rather capture the sentiment of the engaged stakeholders regarding the opportunity for the contemplated multi-use event center.

SIGNIFICANT UNMET DEMAND AND CAPACITY GAPS

Stakeholders consistently emphasized the capacity challenges associated with Twin Falls' existing inventory of event spaces. Though CSI generally serves as the community's de facto convention center, stakeholders noted the limitations associated with this dynamic. The Eldon Evans Expo Center at CSI, though able to accommodate larger events, is primarily an agricultural and rodeo facility and thus not appropriate for more formal events. Beyond the expo center, the College lacks significant contiguous flat-floor space, making it limited for the general assembly and meal functions which are often part of conventions, though note that CSI's many classrooms function fairly well as breakout spaces. Moreover, some stakeholders noted that CSI's role is and should be focused on serving its students, rather than bringing in large, out-of-town events.

The Consulting Team also heard about challenges associated with other event spaces in the market. Though the Pastoor Event Center in Filer is well-maintained and valuable for local gatherings with fewer venue requirements, it lacks the catering capacity and proximity to other amenities needed to be competitive for out-of-town events or even local catered events. Meanwhile, higher-finish facilities in the City of Twin Falls itself (e.g., Canyon Crest Event Center and 360 Main Event Center) are limited in terms of size, effectively constraining the maximum attendance of a banquet or conference to 300-400 attendees. While this is adequate for many local events, stakeholders emphasized that some were beginning to outgrow these venues, and that the venues were not meaningfully competitive for out-of-town business.

Stakeholders noted that the community's capacity to host larger, out-of-town events had not grown in proportion with its population in recent years. As the market analysis section of this report notes, the other major markets in Idaho (the Boise, Pocatello, Idaho Falls, and Coeur D'Alene areas) offer event facilities geared towards non-local business. However, Twin Falls, despite belonging in this cohort of markets in terms of population, is not competitive with them for rotating state and regional association events. This is due largely to the aforementioned facility gaps, though stakeholders also noted that the regional convention and visitor's bureau, Visit Southern Idaho, is primarily focused on marketing the region's outdoor entertainment assets rather than meeting venues. Expanding the market's capacity to host out-of-town events – both in terms of

venues and the marketing of those venues – was a consistent desire among stakeholders throughout the engagement process.

MULTI-USE AND FLEXIBLE VISION

There was strong consensus among stakeholders about the importance of flexibility, both in terms of space and demand strategy. Stakeholders believed that a new facility should accommodate a mix of local and non-local events, and be able to host more formal events such as conferences and banquets as well as less formal consumer shows and expos. Additionally, there was desire among stakeholders for spaces to host touring concerts, sports tourism events, and recreation programming, all of which were noted as gaps in the community. Sports tourism was noted on a particularly frequent basis by stakeholders. However, note that based on the Consulting Team's conversation with the Jae Foundation, which is in the process of redeveloping the Fleur De Lis Ranch into an indoor sports complex, our assessment is that identified the sports tourism market gap will be filled in the relatively near future via that private investment.

CRITICAL IMPORTANCE OF LOCATION AND INFRASTRUCTURE

In the view of the stakeholders engaged by the Consulting Team, the success of the contemplated facility would be closely tied to its location and surrounding amenities. Stakeholders consistently emphasized the importance of proximity to hotel inventory, and noted that this is a challenge for some existing event venues in the community. There was also strong support of locating near either the Snake River Canyon or Rock Creek Canyon to take advantage of the natural beauty those assets provide. However, there was less consensus in terms of location overall, with some stakeholders favoring sites on the north or northwest side of Twin Falls due to proximity to existing hotel inventory and to I-84, while others favored a more downtown location in order to stimulate businesses in the City's core and take advantage of downtown's walkability.

FUNDING CONSIDERATIONS

Despite the recognized need, stakeholders noted that a thoughtful funding strategy would be key to the project's success. Models such as public-private partnerships and the possibility of an auditorium district were discussed as ways to minimize the financial burden placed on local residents. Meanwhile, emphasis was placed on the importance of ongoing financial sustainability in the contemplated facility's operating model.

CONCLUSIONS

On the whole, stakeholder support for the contemplated multi-use event center was strong, and many saw an opportunity for such a facility to fill a multitude of needs within the Twin Falls market. However, the engagement process reinforced the critical importance of thoughtful programming that allows a new facility to complement, rather than compete with, existing venues; location that takes advantage of existing amenities and drives new economic development; and funding strategies that promote long-term financial sustainability and minimize the local tax burden.

DRAFT

3. BENCHMARKING AND CASE STUDIES

DRAFT

OVERVIEW

Johnson Consulting selected five facilities and their corresponding markets against which to benchmark Twin Falls. The goal is to understand how similar communities to Twin Falls leverage their existing assets to maintain successful meeting and events facilities. Most of the comparative markets analyzed are regionally important cities with a surrounding area that has a low population density with importance in the agricultural industry.

The markets and facilities are as follows:

- Kennewick, WA – Three Rivers Convention Center
- Eugene, OR – Lane Events Center
- Manhattan, KS – Manhattan Conference Center
- St. George, UT – Dixie Convention Center
- Sioux City, IA – Sioux City Convention Center

Figure 3-1 on the next page summarizes the benchmark markets.

Figure 3-1

Twin Falls Multi-Use Event Center Case Studies					
	Three Rivers Convention Center	Lane Events Center	Manhattan Conference Center	Dixie Convention Center	Sioux City Convention Center
Location	Kennewick, WA	Eugene, OR	Manhattan, KS	St. George, UT	Sioux City, IA
Market Overview (30-Minute Drive Time)					
Population (2025)	300,016	345,072	199,161	123,366	142,981
Population (2030)	317,021	350,838	224,601	124,585	143,826
Projected Population CAGR* (2025-2030)	1.11%	0.33%	2.43%	0.20%	0.12%
Median Household Income	\$86,624	\$74,748	\$81,100	\$63,762	\$74,478
Median Age	35.5	40.0	37.9	37.8	36.5
Hotel Market Within 10-Minute Drive^^					
Hotel Inventory (Rooms)	770	1,514	1,208	2,578	1,025
12-Month Occupancy	65.9%	65.2%	57.1%	71.1%	57.2%
12-Month Average Daily Rate	\$128	\$194	\$126	\$118	\$122
12-Month Revenue per Available Room	\$84	\$127	\$72	\$84	\$70
Facility Attributes					
Year Opened (Renovated)	2004 (2018)	1980	2011	1998 (2006)	1988 (2015)
Exhibit Space (SF)	-	37,000	24,406	46,550	-
Ballroom Space (SF)	21,600	22,000	24,406	20,283	24,412
Meeting Space (SF)	11,532	9,958	8,700	11,510	9,533
Total Function Space (SF)	33,132	68,958	41,000	78,343	33,945
Largest Space (SF)	21,600	37,000	24,406	46,550	24,412
Breakout Meeting Rooms	9	8	3	14	8
Connected Hotel Inventory (Rooms)	116	0	135	150	150
Ownership & Management					
Owner	Kennewick Public Facilities District	Lane County	HCW Hospitality & Development	Washington County - St. George Interlocal Agency	City of Sioux City
Operator	VenuWorks	Lane County Public Works	HCW Hospitality & Development	Washington County - St. George Interlocal Agency	Oak View Group
Revenue & Expenses (Most Recent Year Available)					
	2024	2024		2023	
Total Operating Revenue	\$3,834,000	\$3,080,967	-	\$1,745,719	-
Total Operating Expenses	\$3,766,000	\$4,813,602	-	\$2,051,080	-
Net Operating Income	\$68,000	(\$1,732,635)	-	(\$305,361)	-
Revenue per Total Function Space SF	\$116	\$45	-	\$22	-
*Compound annual growth rate					
^^Excluding Economy class hotels					
Source: Relevant Facilities, Placer.ai, Federal Aviation Administration, CoStar, Esri, Johnson Consulting					

MARKET BENCHMARKING

POPULATION & POPULATION GROWTH

Figure 3-2 shows the population of the 30-minute drive time catchment around Downtown Twin Falls relative to the populations of similar drive time catchments around the comparable facilities. As can be seen, the Twin Falls catchment is currently the smallest among its benchmark set with 119,735 residents in 2025, trailing only slightly behind the Dixie Convention Center in St. George, Utah by less than 4,000 residents.

Figure 3-2

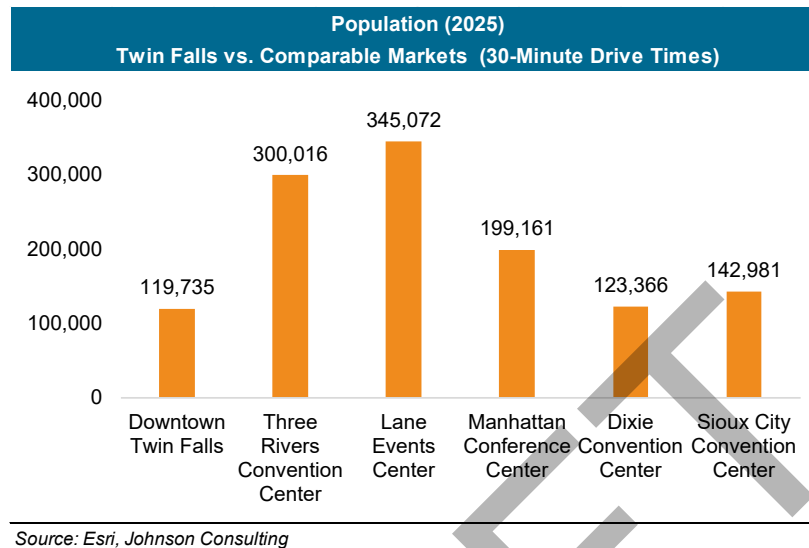
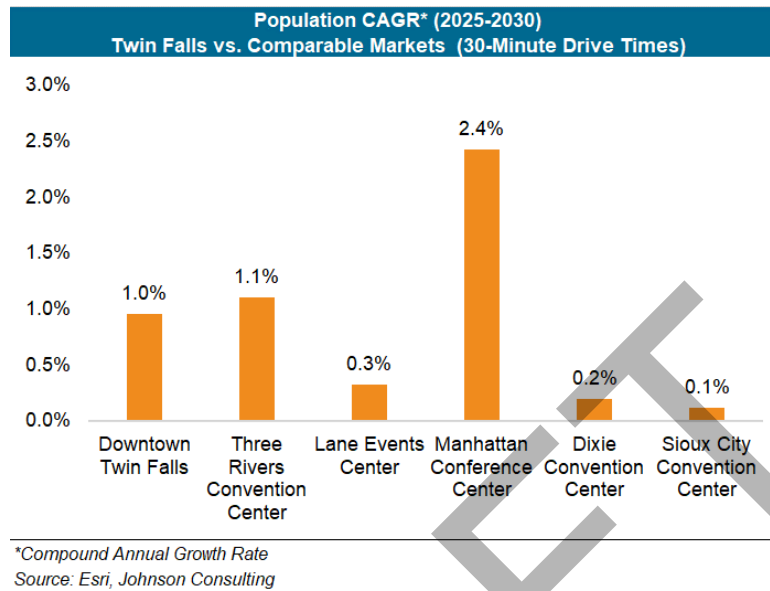


Figure 3-3 shows the projected compound annual growth rate of populations of those same catchments through 2030. However, Twin Falls' annual rate of growth (1.0 percent per annum) would rank the facility third overall, behind the Manhattan Conference Center (2.4 percent per annum) and the Three Rivers Center (1.1 percent per annum). However, the annual growth rate of the area surrounding Twin Falls is projected to be three times higher than that of the bottom three markets with the next fastest market being the Lane Events Center (0.3 percent per annum). This strong projected growth suggests a market need for a public assembly facility.

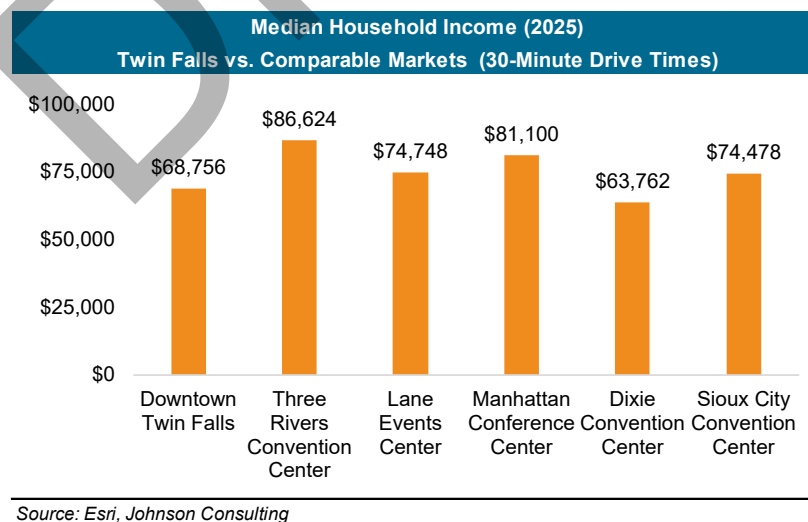
Figure 3-3



INCOME & AGE

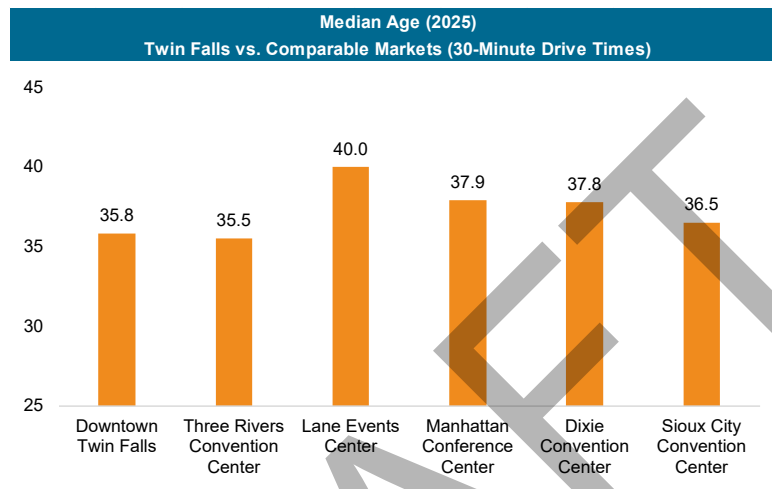
Figure 3-4 shows the median household income relative to the 30-minute drive time catchment around Twin Falls compared to similar catchments around the comparable facilities. At \$68,756 in 2025, Twin Falls has the second-lowest median household income of the benchmark set.

Figure 3-4



The Twin Falls area has the second youngest population by median age and is similar to the Three Rivers Convention Center in Kennewick, WA, as shown in Figure 3-5, indicating a preponderance of young residents with families live in the community.

Figure 3-5

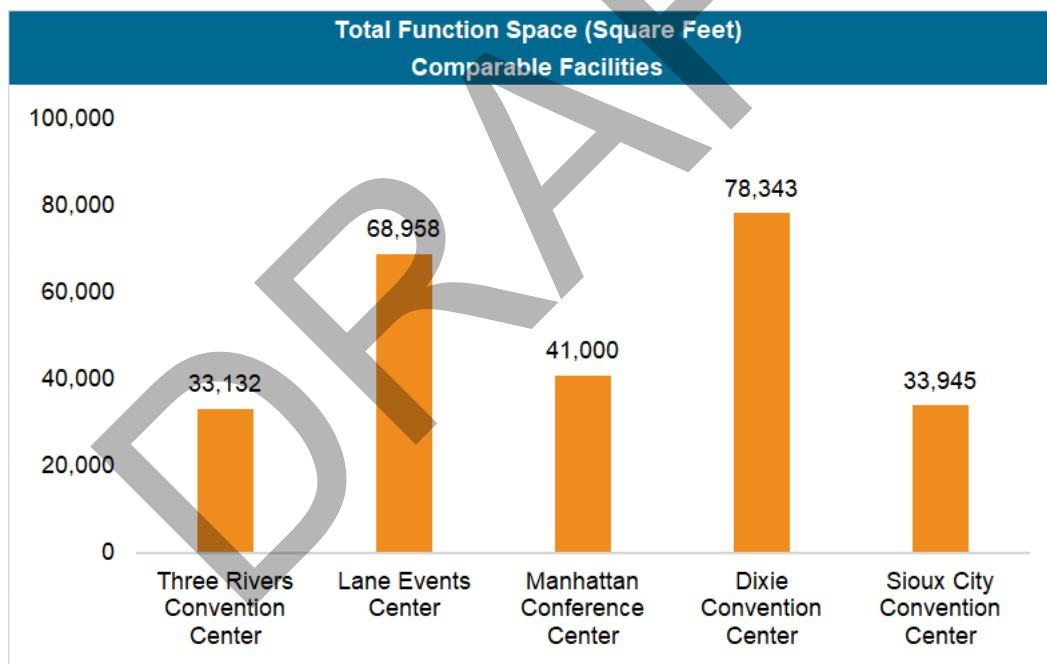


Source: Esri, Johnson Consulting

CONVENTION CENTER FUNCTION SPACE

As Figure 3-6 shows, the Three Rivers Convention Center in Kennewick, WA features the smallest convention center of the set with only 33,132 total square feet of meeting and event space. This facility is in the process of a renovation and expansion that will significantly increase its total usable meeting space. Both the Manhattan Conference Center and the Sioux City Convention Center feature similarly limited total function spaces of 41,000 and 33,945 square feet, respectively. The Lane Event Center and Dixie Convention Center were the largest facilities in the analyzed set with 68,958 square feet and 78,343 square feet, respectively. Despite a comparatively small population and low median household income, St. George's Dixie Convention Center has the largest facility in the analyzed set.

Figure 3-6



Source: Relevant Facilities, Johnson Consulting

HOTEL ENVIRONMENT

As is shown by Figure 3-7, all except one of the comparable facilities have a connected hotel room. As most of these markets are not particularly dense, having a connected hotel provides easy lodging for conference and event attendees. Proximity to lodging is one of the key factors event planners look at when looking for potential event spaces. The largest connected hotel in

the comparable set had 150 rooms, which would not be enough to host all the attendees to a large event. Thus, additional nearby hotel space is important.

Figure 3-7

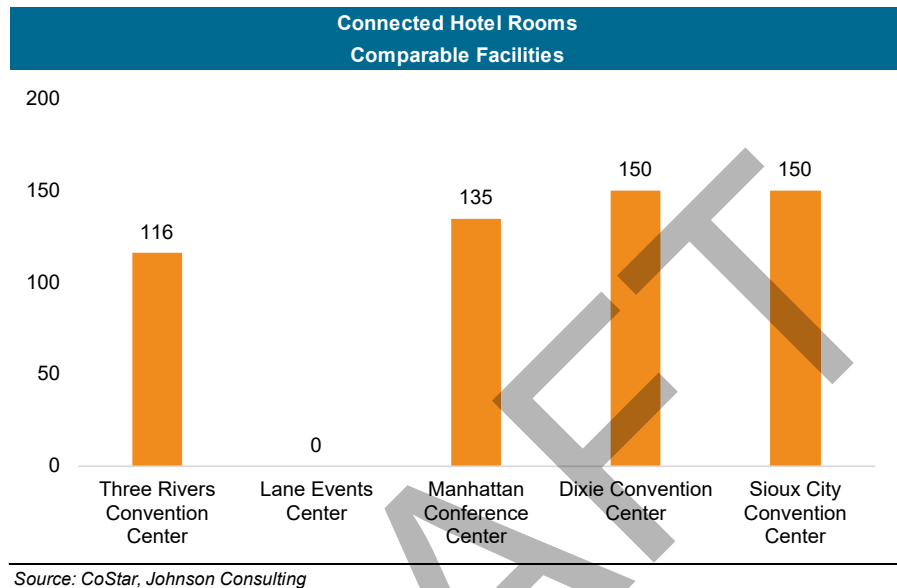
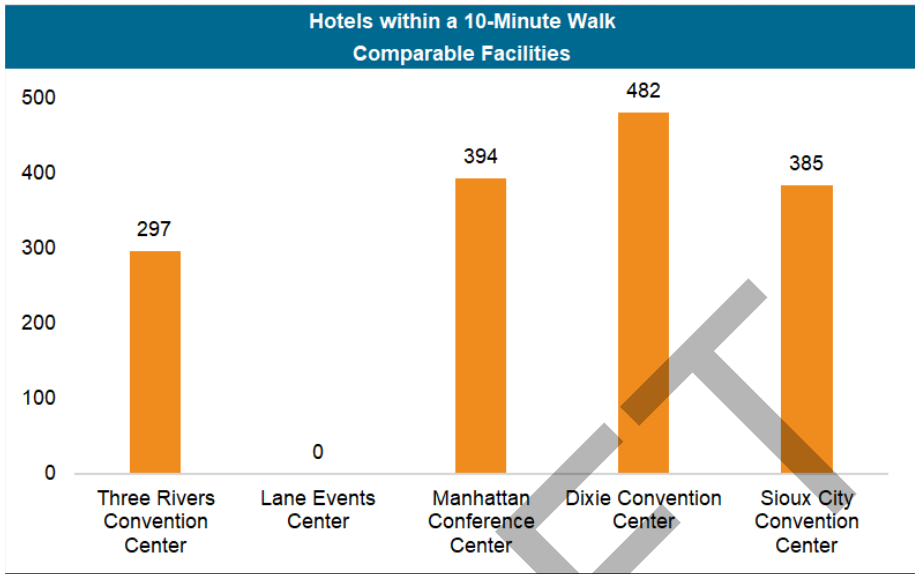


Figure 3-8 shows the number of hotel rooms within a 10-minute walk of each analyzed facility. Every facility except the Lane Events Center has nearly 300 rooms within easy walking distance of the facility. The Dixie Convention Center has the largest number of nearby hotel inventory: 482 within a 10-minute walk.

Figure 3-8

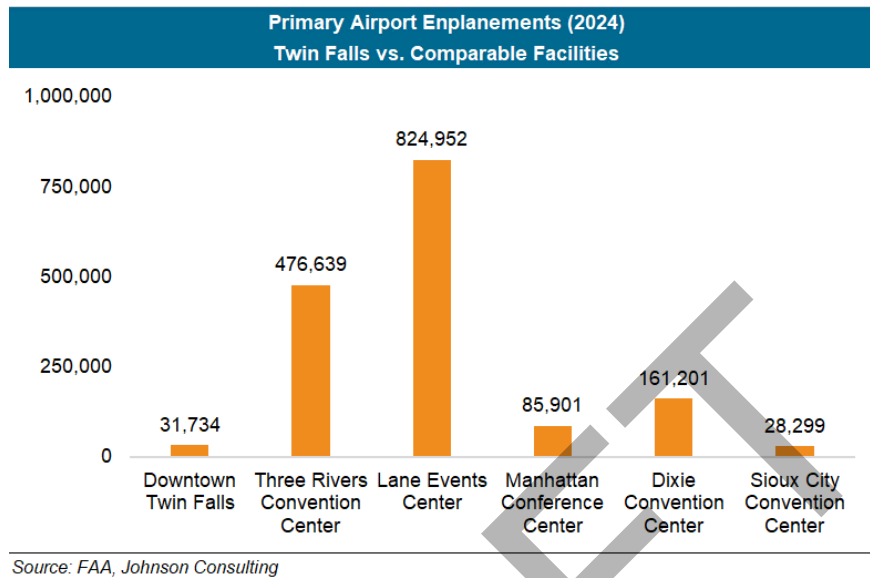


Source: CoStar, Johnson Consulting

AIRPORT INFRASTRUCTURE

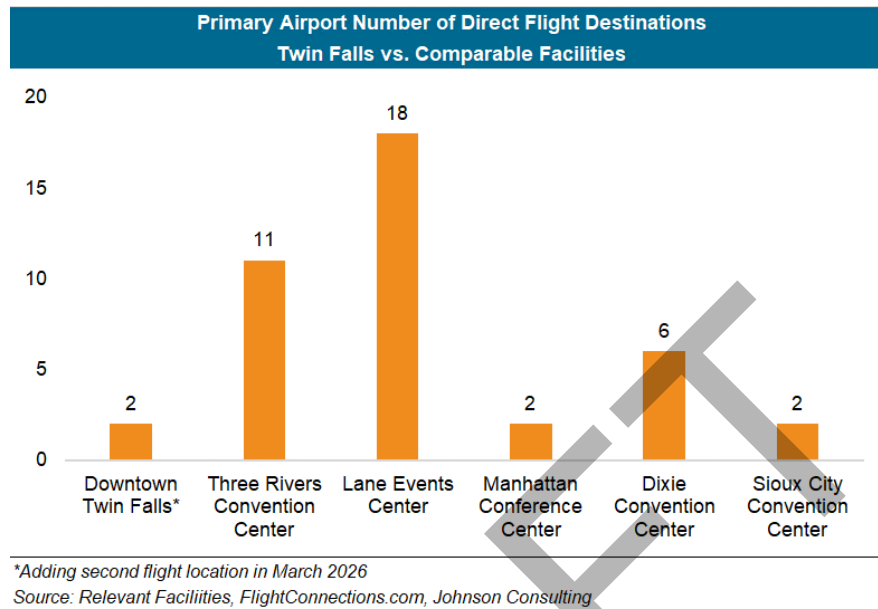
In terms of overall air traffic, Twin Falls performs poorly compared to its benchmarked markets, with the fewer enplanements in 2024 (the most recent year with available data) than all but Sioux City, IA. This information is shown in Figure 3-9. The next largest airport in terms of enplanements was the Manhattan Regional Airport, which had more than double the number of enplanements than the Twin Falls airport. This indicates flight access to and from Twin Falls is very limited.

Figure 3-9



Similarly, it ranks last in the number of direct flight locations with only two, the same number as Sioux City, IA and Manhattan, KS. The Twin Falls airport is mainly a regional airport with a flight route to Salt Lake City, which is a large regional hub. While the airport will be adding service to Las Vegas in March 2026, the airport's selection is currently very limited. The Boise airport is roughly a two-hour drive away and has a much larger selection of direct flight destinations. While the Boise airport increases the potential reach of a Twin Falls event center, it increases travel time as visitors would have to drive to Twin Falls from Boise. These airline constraints limit a potential new Twin Falls event center's reach largely to easily drivable markets. This data is shown in Figure 3-10 on the next page.

Figure 3-10



CONVENTION AND EVENT CENTER CASE STUDIES

OVERVIEW

Figure 3-11 below summarizes key attributes of the primary convention centers in the benchmark markets. The following pages will include facility profiles of those convention centers.

Figure 3-11

Twin Falls Multi-Use Event Center Case Studies					
	Three Rivers Convention Center	Lane Events Center	Manhattan Conference Center	Dixie Convention Center	Sioux City Convention Center
Location	Kennewick, WA	Eugene, OR	Manhattan, KS	St. George, UT	Sioux City, IA
Market Overview (30-Minute Drive Time)					
Population (2025)	300,016	345,072	199,161	123,366	142,981
Population (2030)	317,021	350,838	224,601	124,585	143,826
Projected Population CAGR* (2025-2030)	1.11%	0.33%	2.43%	0.20%	0.12%
Median Household Income	\$86,624	\$74,748	\$81,100	\$63,762	\$74,478
Median Age	35.5	40.0	37.9	37.8	36.5
Facility Attributes					
Year Opened (Renovated)	2004 (2018)	1980	2011	1998 (2006)	1988 (2015)
Exhibit Space (SF)	-	37,000	24,406	46,550	-
Ballroom Space (SF)	21,600	22,000	24,406	20,283	24,412
Meeting Space (SF)	11,532	9,958	8,700	11,510	9,533
Total Function Space (SF)	33,132	68,958	41,000	78,343	33,945
Largest Space (SF)	21,600	37,000	24,406	46,550	24,412
Breakout Meeting Rooms	9	8	3	14	8
Connected Hotel Inventory (Rooms)	116	0	135	150	150
Ownership & Management					
Owner	Kennewick Public Facilities District	Lane County	HCW Hospitality & Development	Washington County - St. George Interlocal Agency	City of Sioux City
Operator	VenuWorks	Lane County Public Works	HCW Hospitality & Development	Washington County - St. George Interlocal Agency	Oak View Group
Revenue & Expenses (Most Recent Year Available)					
	2024	2024		2023	
Total Operating Revenue	\$3,834,000	\$3,080,967	-	\$1,745,719	-
Total Operating Expenses	\$3,766,000	\$4,813,602	-	\$2,051,080	-
Net Operating Income	\$68,000	(\$1,732,635)	-	(\$305,361)	-
Revenue per Total Function Space SF	\$116	\$45	-	\$22	-
*Compound annual growth rate					
^^Excluding Economy class hotels					
Source: Relevant Facilities, Placer.ai, Federal Aviation Administration, CoStar, Esri, Johnson Consulting					

THREE RIVERS CONVENTION CENTER

Located in Kennewick, WA, the Three Rivers Convention Center (TRCC) is a facility in a similar market to Twin Falls. Kennewick is part of the Tri Cities Metro area which, similar to Twin Falls, ID, is a mid-sized secondary market in the Inland Northwest Region. Additionally, both areas surrounding their respective metro areas have significance in the agricultural industries and are very rural with



low population density. This facility was also chosen due to its attached hotel. For Convention and Events Centers in less dense areas, a connected hotel provides another on-site amenity and decreases visitor travel times.

The TRCC is a prime example of a market co-locating its large public assembly facilities. The Toyota Center, a 6,000-seat arena, and Toyota Arena Rink B, an indoor ice rink, share a parking lot with the TRCC. While these facilities create additional parking requirements, they provide additional proximate forms of entertainment for conference and event attendees. The Toyota Center regularly hosts the Tri Cities Americans, a junior ice hockey team, as well as touring concerts, and other touring sports acts like the Harlem Globetrotters and the WWE. The close proximity to these facilities provides a synergistic relationship. If events at the TRCC are scheduled at the same time as events at the Toyota Center, conference and event attendees have a nearby source of entertainment, which can increase ticket, concession and merchandise revenues for the Toyota Center.

Since its construction in 2004, the TRCC has spurred development and renovations in the surrounding areas. After a decade of success, the TRCC added its connected hotel in 2014. The TRCC is currently undergoing a \$71.3 million renovation. This major expansion project will add 115,000 total square feet including a new 60,000 square foot exhibit hall space, more than doubling the facility's capabilities. Other components of this major renovation include expanded lobbies, additional meeting room spaces, and back-of-house space designed to facilitate larger events and sports tournaments. This new expansion will provide a significant amount of additional space for the facility, as it currently has just over 33,000 square feet of total meeting space. The

expansion project will also include another attached hotel with 162 rooms. The renovation is estimated to bring an additional 200,000 annual attendees, 70,600 room nights per year, and a \$6.9 million increase in annual sales tax. The massive renovation indicates demand for the TRCC is rapidly outgrowing their supply of available meeting space.

The TRCC is owned by the Kennewick Public Facilities District (KPFDD). The KPFDD is a public authority created to build, own, and operate public facilities in the region. PFDs in Washington State are able to levy their own lodging, admissions, and parking taxes, and are also eligible to receive a portion of the State's sales tax collections, allowing them to fund capital projects and their ongoing operations. The facility is operated by VenuWorks which is a venue management company.

In 2024, the TRCC hosted 235 total events, 403 total event days, and 118,412 attendees. It brought in \$3.83 million in operating revenues which, relative to \$3.77M of operating expenses, contributed to a net operating income of roughly \$68,000.

The Three Rivers Convention Center provides a useful blueprint for a similar market to Twin Falls. Its connection to a hotel provides easy access to lodging options and its proximity to other large entertainment options increases visitor spend and satisfaction. The TRCC is an example of a venue that has helped to grow its market, spurring the development of two hotels and the facility's significant expansion.

LANE EVENTS CENTER

The Lane Events Center (LEC), is located in Eugene, OR on the Lane County Fairgrounds. Similar to Twin Falls and the Tri Cities, Eugene is a mid-sized second-tier market located in the Inland Northwest region of the United States. Similar to the Twin Falls area, the area surrounding the LEC has a particularly young population, partially due to its proximity to the University of Oregon.



Eugene is surrounded by an agriculturally significant region, making Eugene an important agriculture hub. The Lane Events Center has an additional connection to agriculture as it is located on the 55-acre Lane County Fairgrounds. Due to its location on the fairgrounds, the Lane Events Center is close to a large number of other event facilities. While many are predominantly used for fair-specific events like the Agriculture Pavilion and Exhibit Hall, other facilities like the Lane County History Museum and the indoor ice-skating rink provide Event Center attendees with sources of on-site entertainment. These on-site amenities partially offset the lack of nearby off-site entertainment options and help extend attendee dwell time during events.

Despite its large facilities and advantageous location on the fairgrounds, the area surrounding the LEC is a low-density residential neighborhood with no hotels within a 10-minute walk of the facility. Opened in 1980, the Lane County Fairgrounds is set to have its first major renovation as part of a multi-phase long term fairgrounds master plan. Specific designs have not yet been decided upon, but one proposed change would seek to mediate the site's lack of lodging by constructing an on-site hotel. Another proposal seeks to mediate the areas walkability issue by placing a transit node at the site, connecting denser urban areas to the fairgrounds. These proposed investments demonstrate how transportation access and on-site lodging are increasingly critical factors in expanding a facility's regional and overnight event potential.

The LEC is an integral part of the Lane County Fairgrounds, facilitating large-scale indoor events during the County Fair as well as the remaining portion of the year for a variety of events. Its year-round programming role helps maximize utilization of the fairgrounds beyond peak periods. Lane

County Fairgrounds rental rates are broken down into three different event categories: Event Day, Move In/Move Out Day, and Decorator Day. Rates for the Lane Events Center are \$8,050 per Event Day, \$2,680 per Move In/Move Out Day and \$805 per Decorator Day.

Currently, the LEC offers over 68,000 square feet of total meeting space, including a 37,000-square-foot exhibit hall, more than 9,000 square feet of meeting rooms as well as a pre-function concourse. The facility's multiple flooring surfaces and high ceilings allow for various uses such as trade shows, conferences, banquets, auctions, sporting events, concerts, receptions and meetings. Programming flexibility is a strength of the LEC and supports various demand opportunities. The LEC has other amenities such as Wi-Fi, free parking for roughly 2,500 cars and wayfinding screens.

In 2024, the LEC reported \$3.1 million in operating revenues and \$4.8 million in operating expenses, for a total net operating loss of \$1.7 million. This operating deficit is not uncommon for large meeting facilities. For Twin Falls, the LEC illustrates the various strengths and challenges associated with facilities integrated with county fairgrounds.

MANHATTAN CONFERENCE CENTER

The Manhattan Conference Center is a hotel/conference center owned and operated by HCW Hospitality and Development and located in downtown Manhattan, KS. It serves as a key source of meeting and event space for the community. The Manhattan Conference Center was chosen as a peer facility because



it demonstrates how conference centers with attached hotels can support downtown revitalization efforts in mid-sized markets. The facility features 41,000 total square feet of meeting space and is connected to the 150-room Hilton Garden Inn Manhattan. In addition to the attached hotels, the conference center has a total of 394 hotel rooms within a 10-minute walk, further opening up lodging options for event attendees.

In addition to hotels, the Manhattan Conference Center is located within walking distance of downtown Manhattan which has a wide variety of cultural, entertainment, retail and dining options easily available to event attendees. The Manhattan Conference Center was initially opened in 2011 as part of the South District redevelopment, which was designed to revitalize the area south of the Manhattan Town Center and to increase the appeal of downtown.

The South District redevelopment in Manhattan not only brought the construction of the conference center and its attached hotel, but other facilities like the Flint Hills Discovery Center, Blue Earth Plaza, and Lot 9, a multi-use development that includes restaurants, retail, housing and hotels. As part of the redevelopment, the City of Manhattan invested \$9.5 million to fund the conference center's construction – \$5 million in the form of an interest-free loan, and \$4.5 million as a grant. Note that the City's funding of the South District redevelopment has come from a combination of TIF revenues, sales tax overlay districts, and State grants. These investments provide an example of how coordinated planning can leverage an event facility to establish a more vibrant, activity-driven downtown.

If an Events Center is placed in downtown Twin Falls, a similar redevelopment strategy could be used to revitalize other parts of downtown, bringing additional development. Manhattan exemplifies how aligning an event facility with broader redevelopment goals can multiply its

economic impact beyond the facility itself. An additional hotel would increase spend on lodging and the potential number of visitors to a facility, while more retail and restaurants would increase visitor spend and enhance their experience.

In 2021, the facility underwent a renovation and added 11,550 square feet of total area, including 3,375 square feet of meeting rooms, reflecting growing demand and the importance of planning facilities with the flexibility to grow with their host markets. The renovation included updated configuration to the main ballroom, now 23,421 contiguous square feet which can accommodate up to 2,341 people. Another key feature of the expansion included the addition of pre-function space adjacent to existing facility space. Again, this initiative was partially financed by the City, which invested \$5 million in the project (comprised of a \$1.8 million repayable loan and a \$3.2 million grant).

Because the facility is owned and operated by a private hospitality group, the Manhattan Conference Center's financial and performance data is not publicly available. The Manhattan Conference Center's downtown location, connected hotel, large ballroom, and easy access to entertainment and outside restaurant options have made it a popular venue for various events such as conferences or tradeshow but weddings are especially popular there.

The Manhattan Conference Center showcases the importance of not only having a connected hotel, but the importance of integrating a conference/events facility with other assets such as restaurants and retail. Event planners look for facilities that are within easy walking distance of not just hotels, but retail and restaurants. Similarly, the Manhattan Conference Center part of a larger redevelopment underscores how events centers can act as anchor developments for larger city-wide initiatives.

DIXIE CONVENTION CENTER

The Dixie Convention Center (DCC) is located south of downtown St. George, UT right off of I-15. Despite being located so close to an interstate, the Dixie Convention Center is within walking distance of several hotels, restaurants and retail. The Dixie Convention Center was chosen as a peer example because it serves a similarly sized regional market and demonstrates how a well-located site, phased expansion, and public investment can elevate a convention facility into a regional economic driver.



The DCC is also in close walking proximity to Crosby Family Confluence Park which has scenic walking trails. The Dixie Convention Center's location near both urban and natural entertainment options makes it an attractive destination to event planners and attendees. Outdoor access enhances delegate satisfaction and length of stay. Event planners increasingly favor experiential destinations. Twin Falls similarly has an opportunity to take advantage of its scenic natural environment; placement near the Rock Creek or Snake River Canyon or other natural assets could give a Twin Falls Event Center a strategic advantage.

The original Dixie Convention Center was opened in 1987 as a part of Dixie College's (now Utah Tech) campus. The original facility had a mix of multipurpose areas, an auditorium and an arena for community and convention use; the facility also included recreation assets like a swimming pool. Increased demand warranted the construction of a standalone convention center which was opened in 1997. Since then, the DCC has gone through multiple expansions and renovations including the addition of a 178-seat auditorium and the Rosenbruch World Wildlife Museum in 2001 and a major renovation in 2006. This constant renovation and addition of assets indicates an intentional scaling to match St. George's growing tourism and business markets.

Though the DCC currently does not have an official partnership with Utah Tech, the two work closely together to provide useful events for Utah Tech students like Business Summits and networking events. These events seek to connect regional employers with Utah Tech students. Additionally, Utah Tech has used the DCC to host college specific events. A new Twin Falls facility

could coordinate with College of Southern Idaho to program events and special workforce development and training opportunities to enhance talent retention in the area.

The DCC is the largest event venue in the analyzed set by total useable square footage, offering over 78,000 square feet of total function space. Its largest space is a 46,550 square foot exhibit space. Other facility spaces include a 13,200 square foot ballroom, 14 meeting rooms, the previously mentioned 178-seat auditorium with mezzanine suites, a 7,000 square foot garden room and various pre-function and common spaces.

Its origins as a campus facility shows how a convention center can tailor its offerings to community needs and market opportunities. Additionally, the Dixie Convention Center's multiple expansions and renovations illustrate how vital continuously modernizing and planning for future demand is. These continuous facility upgrades were funded by Washington County, reflecting a long-term commitment to maintaining and enhancing a vital piece of economic infrastructure.

DRAFT

SIOUX CITY CONVENTION CENTER

The Sioux City Convention Center (SCCC) is located in downtown Sioux City, IA. Opened in 1998, the Sioux City Convention Center was originally built to provide the region with a quality location for weddings, corporate meetings, conferences, trade shows and conventions. The SCCC was selected as a peer facility because it represents a mid-sized, publicly owned



convention center serving a regional market similar in scale to Twin Falls with an emphasis on downtown activation. The facility is easily accessible by car due to its proximity to I-29 and its connected parking garage. However, once event attendees arrive, the SCCC's downtown location provides access to a wide variety of nearby entertainment, dining and lodging options, including a connected hotel, well within walking distance. This downtown placement allows the convention center to function as an economic development tool by encouraging visitor spending within the city core.

The facility is owned by the City of Sioux City and as of 2024 operated by OVG, which also operates Sioux City's Tyson Events Center and Orpheum Theater. Grouping multiple event venues under a single operator allows for shared staffing and coordinated booking strategies, leading to operational efficiencies across all three facilities. As a part of their agreement, the City advanced \$100,000 to maintain base level balances in the operating account. The Sioux City Convention center is grouped with the Tyson Events Center into the Events Facilities fund on the City's annual comprehensive financial report. In 2025, this Events Facilities fund had \$416,553 from revenues and \$2,341,190 in total expenditures, which required a transfer in of \$1,642,152 to make the year-end balance more manageable. According to the City of Sioux City, the Convention Center hosts over 200 events per year. This level of annual utilization demonstrates how even modestly sized facilities can achieve consistent activity.

The SCCC boasts over 33,000 total square feet of venue space. The largest space can be used for a variety of uses from banquets to exhibits and is 24,412 square feet. The facility also has eight meeting rooms ranging in size from 561 to 2,050 square feet. These meeting rooms can be grouped together in various configurations. The facility also has a catering kitchen, storage and a

spacious lobby. The SCCC underwent a renovation in 2015 to update the largest space to modernize features such as lighting, airwalls, carpet, painting and the audio system. This reinvestment underscores the importance of periodic modernization to remain competitive with other newly built and updated facilities.

The Sioux City Convention Center illustrates the value of a modern versatile convention center. Its downtown location makes it an attractive destination for outside visitors due to its proximity to hotels, dining and entertainment options. For Twin Falls, the SCCC provides an example of how right-sized downtown-oriented convention facility can support steady event activity and downtown growth.

IMPLICATIONS

Relative to its benchmark markets, Twin Falls has some limitations. The Twin Falls area ranked last in total population, second to last in median household income and ranked last and second to last in air access. These factors need to be considered in both the development and operations of a multi-use event center. However, it should be noted that facilities that are in similar markets are able to succeed in providing both a community and tourism asset. For example, despite ranking last in median household income and second to last in area population, the Dixie Convention Center in St. George, UT had the largest facility in the analyzed set in terms of total usable meeting space and has pursued multiple expansions over its lifespan.

Another key component is adjacent lodging options; all but one of the analyzed facilities had attached hotels. Beyond on-site hotels, all except the Lane Events Center were placed within walking distance of additional off-site hotels. Proximate lodging options provide an attractive selling point for event planners when deciding on facility locations. Conference and event facilities being placed far away from lodging creates a negative effect on attendee satisfaction, making it difficult to retain repeat events.

Similarly, the location of event facilities near proximate dining, entertainment and cultural options is another important factor. The Manhattan Conference Center was strategically placed near downtown as a part of a coordinated revitalization effort. Its development not only sought to decrease blight in the area and add a new asset to the community, but also brought a consistent stream of potential customers for downtown restaurants, shops and various other entertainment

options. In addition to optimizing economic impact, locating a facility in a restaurant- and retail-dense area has a positive effect on attendee satisfaction.

Additionally, it's important to play to the local strengths and unique aspects of a market. The Dixie Convention Center leverages St. George's scenic landscape and provides easy access to nearby walking trails. Twin Falls has a unique opportunity to create an asset that both serves the community and tourism industry. By leveraging the Snake River Canyon and providing a gateway to other Twin Falls assets, a new multi-use event center in Twin Falls could increase visitation to the area.

DRAFT

4. RECOMMENDATIONS, PROJECTIONS AND ECONOMIC & FISCAL IMPACTS

RECOMMENDED PROGRAM OF SPACES

Based on the research and analysis presented in the previous sections of this report, the Consulting Team recommends the program of function spaces for the contemplated multi-use events center presented in Figure 4-1. This program is feasible and supported by the market, and is intended to serve the growing Twin Falls and Magic Valley community both today and in the future.

Figure 4-1

Twin Falls Event Center Program Recommendation		
Space	Size (SF)	Notes
<i>Function Spaces</i>		
Convention Hall	30,000	Subdivisible into smaller spaces
Breakout Rooms	10,000	Spread across 8 individual rooms, combinable into 4 larger spaces
<i>Support Spaces</i>		
Lobby		
Catering Kitchen		
Back-of-house		
Circulation		

Source: Johnson Consulting

The proposed facility would be anchored by a 30,000 square foot multipurpose convention hall. The hall would be a clear-span space with 25+ foot ceilings and feature a medium to high level of finishes (between a typical expo hall and a typical ballroom) in order to accommodate both exhibit-type events as well as more formal gatherings. Ideally, the hall would be subdivisible into four smaller spaces by air walls – two of 10,000 square feet and two of 5,000 square feet – in order to maximize its utility for various event sizes. This would be a highly flexible space, able to accommodate up to 1,500 patrons in a banquet setting. Supporting the primary convention hall would be 10,000 square feet of breakout rooms, divided into eight individual spaces of 1,250 square feet each. Ideally, these individual spaces could be combined to form four spaces of 2,500 square feet each.

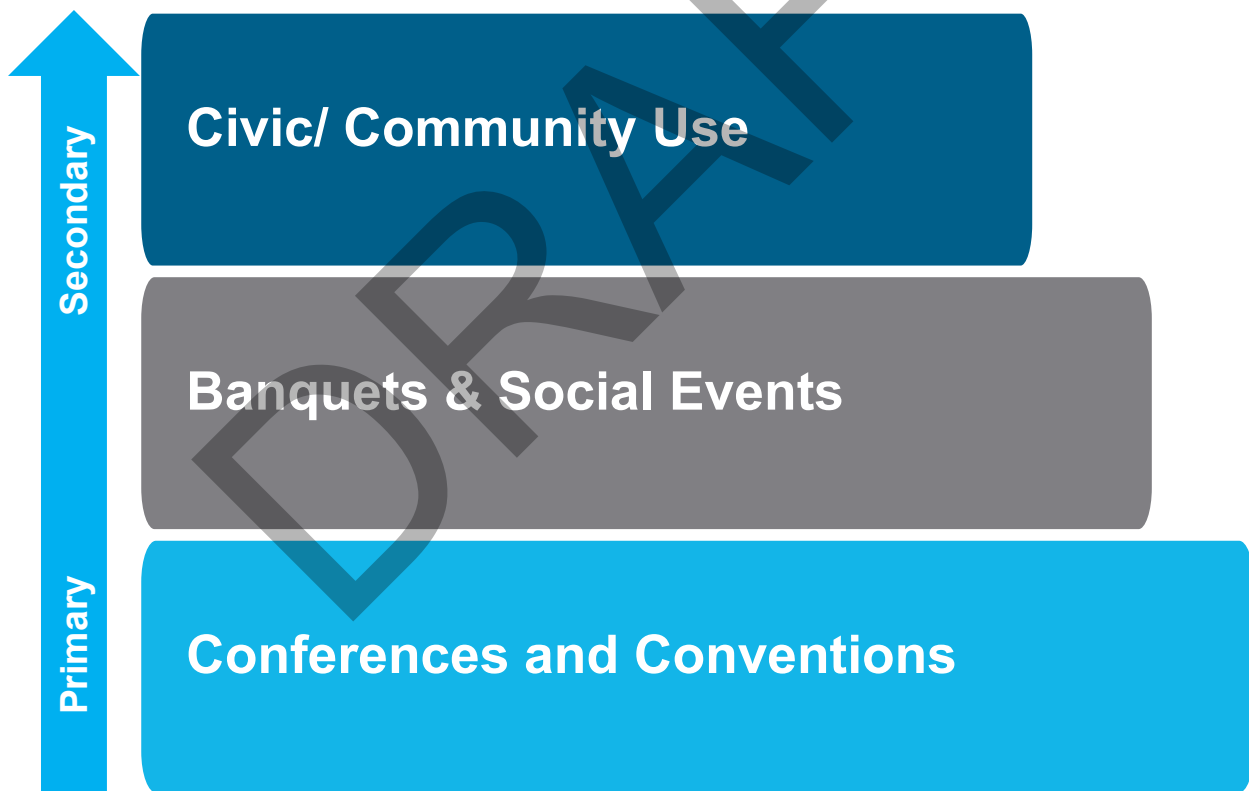
In addition to the primary function spaces, we recommend that the facility offer ample support and ancillary spaces, including a large lobby, circulation spaces, a full-service kitchen, offices, storage, restrooms, and loading docks. Parking needs will depend somewhat on location – if developed

on a greenfield site without other walkable parking available, we would recommend roughly 1,100 on-site parking stalls in order to accommodate most events. However, a shared parking solution or utilization of street parking may be viable, depending on location. Additionally, we would advocate that the facility be built with a plan identified for potential future expansion; as Twin Falls continues to grow and develop, expansion may become necessary in 20 to 30 years to accommodate increased market demand and community needs.

RECOMMENDED DEMAND LAYERS

The demand layers for the contemplated multi-use event center recommended by the Consulting Team are presented in Figure 4-2 and summarized below.

Figure 4-2



As can be seen, conferences and conventions would represent the primary demand layer for the new facility. These events tend to have the highest value from an economic impact standpoint, as they primarily draw out-of-town attendees who, particularly in the spread-out Idaho market, would largely stay overnight in local hotels and eat at local restaurants. Rotating state and regional

association events, which currently lack strong facility options in the Magic Valley, would be a large component of this demand layer, as would corporate or industry events associated with the large agribusiness and logistics clusters in the Twin Falls market.

Banquets & social events would represent a secondary, though still important, demand layer for the event center. As has been discussed throughout this report, many of these events are beginning to outgrow existing event center inventory within the market and are in need of a larger space. Though they tend to have more local visitors and thus generate less economic impact, these events represent valuable revenue opportunities for the new facility and would be a critical part of its demand strategy.

Lastly, civic and community events – such as holiday events, large community meetings, etc. – would likely consume some component of the facility's demand calendar. Though these events are not typically significant drivers of economic development or revenue, they represent important community amenities which contribute to resident attraction and retention as well as overall community function.

Note that sports tourism, concerts/ entertainment, and recreation use are not featured among these recommended demand layers. In the case of sports tourism, it is anticipated that the Sports Ranch currently being developed by the Jae Foundation will consume much of the identified local market opportunity for indoor tournament events; thus, we would not advocate that the contemplated event center attempt to compete with that new facility in the sports tourism market. However, there may be some opportunity for the two facilities to co-host tournaments in some cases. Concerts/ entertainment may represent some small part of the event center's demand strategy, but given that the CSI Fine Arts Center already serves this market need, we don't view this as a major opportunity. Lastly, recreation uses – such as drop-in sports, exercise equipment, etc. – are not compatible with the operating model of an event center, which typically requires that spaces be rented several months in advance and preserved between events for maintenance and cleaning.

SITE CONSIDERATIONS

The site of the contemplated multi-use event center will be critical, not just to its feasibility and level of demand and financial performance, but to determining its physical and operational

parameters. Broadly speaking, there are two primary nodes of activity within Twin Falls that would be complementary to the contemplated facility: Downtown and the north side/ Pole Line Road. The relative merits of locating a new multi-use event center in these areas of the market are discussed below.

DOWNTOWN

Twin Falls' downtown offers much of what meeting planners typically look for in a successful conference environment. It has numerous unique and local restaurant and retail offerings, as well as some entertainment, particularly clustered along Main Avenue. It also offers strong walkability with ubiquitous sidewalks, short block lengths, and numerous amenities clustered together, as well as proximity to the trail developments along. These elements, combined with the placemaking initiatives that the City has implemented in recent years, would make for a unique and attractive environment for supporting events.

However, the downtown area has some considerable drawbacks. The primary challenge is the lack of hotel infrastructure, particularly the national chain hotels typically needed to support out-of-town guests for conferences, conventions, and other events. Additionally, the relatively dense downtown environment means that finding a site able to accommodate the initial buildout of the event center, a new on-site hotel, loading, parking, & transportation infrastructure, and any future expansion may be challenging.

Thus, a downtown location for the contemplated event center is viable, and would present considerable synergies with existing assets. However, locating the event center downtown would require a new hotel to be developed with it and might lead to some compromises in design given the potential lack of large, available sites.

NORTH SIDE/ POLE LINE ROAD

This sector of Twin Falls has seen much of the community's new development in recent years, with Pole Line Road serving as the primary commercial corridor for the market. From the perspective of supporting a new event center, this means it has the key advantage of already offering several chain hotels as well as numerous restaurant and retail opportunities. Furthermore, it is closer to the Interstate, thereby promoting easier access for out-of-town visitors, and also

proximate to the Snake River Canyon and its associated trail infrastructure, which represents Twin Falls' greatest destination asset.

Locating the event center here would come with some challenges, however. Most notable is the lack of walkability in the area. Note that, per the case studies presented in this report, this challenge can be ameliorated by co-locating with hospitality, entertainment, and recreation assets, but generally would be seen as a drawback by many meeting planners and attendees. Additionally, outside of the parcels located directly adjacent to the Snake River Canyon, this sector of the community lacks a sense of place, particularly relative to downtown, thereby potentially making it challenging for the event center to differentiate itself within the regional market.

With all of this in mind, locating the facility on the north side of town, near Pole Line Road, is a feasible path forward. Doing so would provide transportation advantages as well as an opportunity to pair with existing hotels and/ or the Snake River Canyon. However, if the selected site does not place the facility in immediate proximity to these assets, the benefits of locating in this area would be significantly muted.

DEMAND AND FINANCIAL PROJECTIONS

PROJECTED EVENT DEMAND

Figure 4-3 summarizes projected event demand for the proposed Twin Falls Event Center. As shown, the facility is projected to accommodate 169 events in Year 1, growing to 193 events in Year 5 (assumed to be the venue's point of stabilization within the market) and 203 events in Year 10. The majority of this event demand is projected to come in the meetings/conferences category, with banquets/social also seeing significant event demand. This reflects the strong local demand for larger banquet and social spaces observed by the Consulting Team throughout the study process.

Figure 4-3

Twin Falls Event Center Projected Event Demand						
Event Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions/Trade Shows	14	15	16	17	18	20
Consumer Shows/Public Events	20	21	22	23	24	26
Meetings/Conferences	87	89	91	93	95	97
Banquets/Social	46	47	48	49	50	52
Entertainment/Other Events	2	3	4	5	6	8
Total	169	175	181	187	193	203

Source: Johnson Consulting

PROJECTED AVERAGE AND TOTAL ATTENDANCE

Figure 4-4 shows the projected average attendance at the proposed Twin Falls Event Center by various event types. Figure 4-5 summarizes the resulting projected total attendance. As shown, the proposed facility is projected to see attendance growth across event types. In total, the proposed facility is expected to generate approximately 52,100 attendees in Year 1; 67,100 attendees in Year 5; and 74,500 attendees in Year 10. Note that, in a banquet orientation, the proposed facility's convention hall would be able to accommodate roughly 1,500 attendees at maximum. For non-banquet events, such as consumer shows, that maximum capacity number is closer to 3,000, depending on orientation. Additionally, these numbers reflect unique attendees to each event – many events will occur over multiple days, resulting in more attendee-days than attendees. Projected attendee-days are shown in Figure 4-10 and discussed further later in this section.

Figure 4-4

Twin Falls Event Center Estimated Average Attendance per Event						
Event Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions/Trade Shows	800	812	820	824	826	836
Consumer Shows/Public Events	1,000	1,015	1,025	1,030	1,033	1,048
Meetings/Conferences	85	86	87	87	87	87
Banquets/Social	250	254	257	258	259	264
Entertainment/Other Events	1,000	1,015	1,025	1,030	1,033	1,048
% Annual Growth		1.5%	1.0%	0.5%	0.25%	0.25%

Source: Johnson Consulting

Figure 4-5

Twin Falls Event Center Projected Attendance							
Event Type	Average per Event	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions/Trade Shows	800	11,200	12,180	13,120	14,008	14,868	16,720
Consumer Shows/Public Events	1,000	20,000	21,315	22,550	23,690	24,792	27,248
Meetings/Conferences	85	7,395	7,654	7,917	8,091	8,265	8,439
Banquets/Social	250	11,500	11,938	12,336	12,642	12,950	13,728
Entertainment/Other Events	1,000	2,000	3,045	4,100	5,150	6,198	8,384
Total		52,095	56,132	60,023	63,581	67,073	74,519

Source: Johnson Consulting

PROJECTED FINANCIALS

Figure 4-6 summarizes the projected statement of revenue and expenses at the proposed Twin Falls Event Center. The projections are based on observations at the comparable facilities, adjusted to reflect the specific attributes of the proposed facility.

Total operating revenues at the proposed facility are projected to be \$3.1 million in Year 1, increasing to \$4.1 million in Year 5, and \$5.0 million in Year 10. These figures are conservative and consistent with those recorded for comparable venues. Total expenses at the proposed facility, based on the stated assumptions, are projected to be \$3.4 million in Year 1, increasing to \$4.4 million in Year 5, and \$5.1 million in Year 10. The ratio of revenues to expenses at the proposed facility is consistent with similar facilities.

After consideration of all operating revenues and expenses, the proposed facility is projected to operate at a net operating deficit of (\$294,000) in Year 1, improving to a deficit of (\$225,000) in Year 5, and a deficit of (\$178,000) in Year 10, before debt service.

The preceding projections are in line with comparable facilities, from both a demand and operating statement perspective, and are considered to be fair and reasonable. There are a myriad of policy, management and operating decisions to be made from this point forward. Many of these are material and could affect demand and financial performance of the proposed venue.

Note in particular the projected level of marketing expenses associated with the proposed facility. These expenses are somewhat higher than might be typical for a facility of this size, due to Twin Falls not historically being known as an events and conventions destination. Additionally, the destination's Convention and Visitors Bureau, Visit Southern Idaho, is relatively small and currently focused on marketing the region's outdoor recreation assets (given the lack of meeting assets). Thus, we project the proposed facility to shoulder much of its marketing costs, though note that this could shift as the destination market and policies evolve.

Figure 4-6

Twin Falls Event Center Projected Operating Revenue (\$'000, Inflated)						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Revenues						
Room Rental	\$1,260	\$1,352	\$1,446	\$1,544	\$1,645	\$1,966
Food & Beverage (Gross)	1,042	1,145	1,249	1,349	1,452	1,781
Equipment Rental & Event Services	728	772	818	866	915	1,073
Other	94	101	109	116	124	149
Total	\$3,123	\$3,370	\$3,622	\$3,876	\$4,136	\$4,969
Expenses						
Direct Labor	\$1,259	\$1,336	\$1,416	\$1,499	\$1,584	\$1,856
F&B COGS	625	687	749	810	871	1,069
Other Direct Costs	302	321	340	359	380	445
Indirect Labor Expenses	419	442	467	492	518	601
Marketing	304	321	339	357	376	437
General and Administrative	237	251	264	279	293	341
Utilities	91	96	102	108	114	134
Building Expenses	141	149	158	167	177	207
Professional Fees	39	41	44	46	49	56
Total	\$3,417	\$3,645	\$3,879	\$4,117	\$4,362	\$5,146
Net Operating Profit	(\$294)	(\$275)	(\$257)	(\$241)	(\$225)	(\$178)

Source: Johnson Consulting

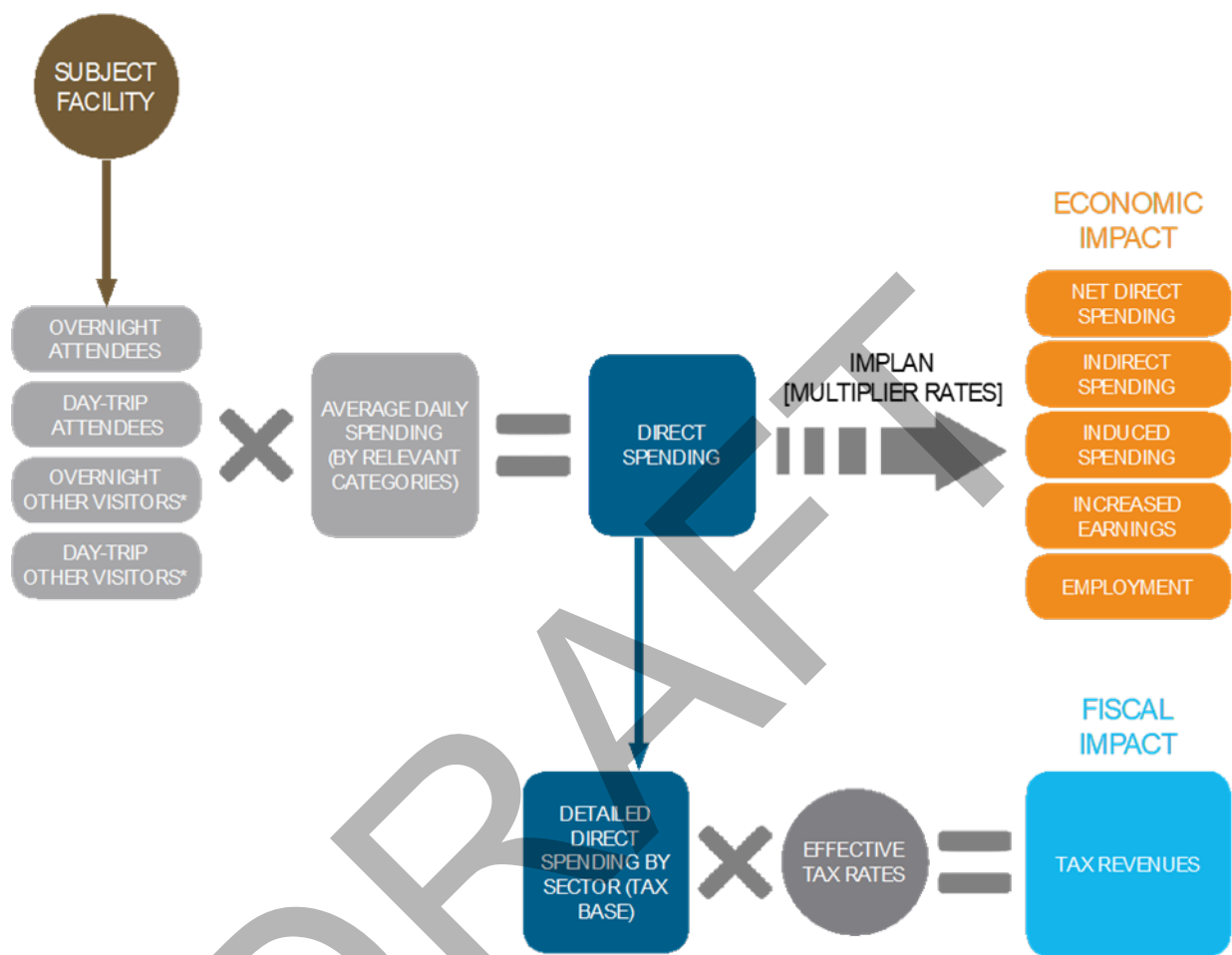
ECONOMIC AND FISCAL IMPACT ANALYSIS

OVERVIEW

Economic Impact is defined as incremental new spending in an economy that is the direct result of certain activities, facilities, or events. For the purpose of this analysis, impact totals are discussed in terms of the Twin Falls County economy. The levels of impacts are described as follows:

- Direct Spending – spending that occurs as a direct result of the facility’s operation (example: attendee purchases meal at restaurant nearby).
- Indirect Spending – re-spending of the initial direct expenditures on goods and services (example: restaurant purchases more food from supplier)
- Induced Spending – changes in local consumption due to the personal spending by employees whose incomes are supported by direct and indirect spending (example: waiter at the restaurant has more personal income to spend)
- Increased Earnings – increased employee and worker compensation related to the facility’s operation
- Employment – the number of full-time equivalent (FTE) jobs supported in the local economy as a result of the facility’s operation
- Fiscal Impact – tax revenues to local and state governments that result from the facility’s operation

Figure 4-7



MULTIPLIER RATES FOR ECONOMIC IMPACT ANALYSIS

Figure 4-8 summarizes the multiplier rates utilized in the economic impact estimates to calculate indirect spending, induced spending, increased earnings, and employment for the proposed Twin Falls Event Center. These multiplier rates are derived from a Bureau of Economic Analysis input-output model, which is a nationally recognized analytical tool commonly used to estimate economic impacts. An input-output model analyzes the commodities and income that normally flow through various sectors of the economy.

Figure 4-8

Twin Falls Event Center Economic Impact Multipliers		
Impact	Multiplier	Base
Indirect Spending	0.209	per \$1.00 of direct spending
Induced Spending	0.191	per \$1.00 of direct spending
Increased Earnings	0.324	per \$1.00 of direct spending
Increased Employment (FTE)	8.699	per \$1 million of direct spending

Source: Implan Group, Inc.

APPLICABLE TAX RATES FOR FISCAL IMPACT ANALYSIS

Shown Figure 4-9 are the applicable tax rates utilized in the fiscal impact estimates, focused on major categories of tax revenues that are directly affected by a visitor's activity: sales and use tax and room occupancy tax.

Figure 4-9

Twin Falls Event Center Tax Rates	
	Rate
State Sales Tax	6.00%
State Travel and Convention Tax*	2.00%

*Applied to lodging in addition to Sales Tax.
Source: Johnson Consulting

ESTIMATED ATTENDEE DAYS

Figure 4-10 shows the total attendee-days estimated by Johnson Consulting to be generated by proposed Twin Falls Event Center. Attendee-days is an estimate of the number of days attendees spend in the market as a result of activity at proposed Event Center – for instance, an attendee to a multi-day convention will account for multiple attendee days, and therefore more in-market spending. Thus, attendee-days are the basis for this economic and fiscal impact analysis. As shown, event activities at the proposed Twin Falls Event Center are expected to generate

approximately 91,200 attendee-days in Year 1; 116,550 attendee-days in Year 5; and 129,300 attendee-days in Year 10.

Figure 4-10

Twin Falls Event Center Projected Attendee-Days						
Event Type	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions/Trade Shows	26,880	29,232	31,488	33,619	35,683	40,128
Consumer Shows/Public Events	44,000	46,893	49,610	52,118	54,542	59,946
Meetings/Conferences	8,135	8,419	8,709	8,900	9,092	9,283
Banquets/Social	10,350	10,744	11,102	11,378	11,655	12,355
Entertainment/Other Events	1,800	2,741	3,690	4,635	5,578	7,546
Total	91,165	98,029	104,599	110,650	116,550	129,257

Source: Johnson Consulting

ESTIMATED ROOM NIGHTS

Figure 4-11 shows the room nights projected to be generated by the proposed Twin Falls Event Center. These estimates were developed based on a series of assumptions on out-of-town attendees and lodger percentages for each of the event categories. As shown, event activities at the proposed Twin Falls Event Center are expected to generate approximately 16,900 room nights in Year 1, 21,900 room nights in Year 5, and 24,500 room nights in Year 10.

Figure 4-11

Twin Falls Event Center Projected Room Nights						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
Conventions/Trade Shows	12,230	13,301	14,327	15,297	16,236	18,258
Consumer Shows/Public Events	3,300	3,517	3,721	3,909	4,091	4,496
Meetings/Conferences	569	589	610	623	636	650
Banquets/Social	725	752	777	796	816	865
Entertainment/Other Events	45	69	92	116	139	189
Total	16,869	18,228	19,527	20,741	21,918	24,458

Source: Johnson Consulting

ESTIMATED ECONOMIC AND FISCAL IMPACT

Figure 4-12 shows the estimated annual economic and fiscal impacts generated by the proposed Twin Falls Event Center. As shown, in Year 5, the facility would be estimated to generate \$23.5 million of total economic impact, supporting over 130 FTE jobs throughout Twin Falls County and creating \$1.07 million of tax revenues for the State of Idaho, including over \$1 million in State Sales Tax and \$62,000 in State Travel and Convention Tax.

Figure 4-12

Twin Falls Event Center Estimated Annual Economic and Fiscal Impact from Conference Center Operations							
Economic Impact	Rate/ Assumption	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10
1 Attendee-Days		91,165	98,029	104,599	110,650	116,550	129,257
2 Room Nights	50% of Total	16,869	18,228	19,527	20,741	21,918	24,458
3 On Site Spending (\$000)		\$3,123	\$3,370	\$3,622	\$3,876	\$4,136	\$4,969
4 Operational Spending		\$3,417	\$3,645	\$3,879	\$4,117	\$4,362	\$5,146
Off Site Spending (\$000)							
5 On Lodging	\$131.00 (a)	\$2,210	\$2,436	\$2,661	\$2,883	\$3,108	\$3,829
6 On Food and Incidentals	\$40.00 (b)	3,647	4,000	4,353	4,697	5,046	6,179
7 On Car Rental/Rideshare/Taxi	\$5.00 (c)	84	93	102	110	119	146
8 Subtotal Off Site Spending (\$000)		\$5,941	\$6,528	\$7,116	\$7,690	\$8,273	\$10,154
9 Total Direct Spending (\$000)		\$12,481	\$13,544	\$14,617	\$15,683	\$16,771	\$20,269
10 Indirect Spending (\$000)	0.208 of Line 9	2,600	2,821	3,045	3,267	3,494	4,223
11 Induced Spending (\$000)	0.190 of Line 9	2,374	2,576	2,780	2,982	3,189	3,855
12 Total Spending (\$000)		\$17,455	\$18,940	\$20,442	\$21,933	\$23,454	\$28,346
13 Increased Earnings (\$000)	0.323 of Line 9	\$4,032	\$4,375	\$4,722	\$5,067	\$5,418	\$6,548
14 Increased Employment (FTE)	8.68 of Line 9	108	115	122	128	134	147
Fiscal Impact							
15 State Sales Tax	6.00% of Line 9	\$749	\$813	\$877	\$941	\$1,006	\$1,216
16 State Travel and Convention Tax*	2.00% of Line 5	44	49	53	58	62	\$77
17 Total Tax Revenues		\$793	\$861	\$930	\$999	\$1,068	\$1,293

Notes:

a) Per Room Night (Line 2), based on US GSA Per Diem, Business Travel News Corporate Travel Index, adjusted.

b) Per Attendee-Day (Line 1), based on US GSA Per Diem minus on site food spending

c) Per Room Night (Line 2), based on US GSA Per Diem, Business Travel News Corporate Travel Index, adjusted.

*Applied to lodging in addition to Sales Tax.

Source: IMPLAN, Johnson Consulting

5. FUNDING STRATEGIES

DRAFT

OVERVIEW

It is atypical for publicly owned event facilities such as the contemplated multi-use event center to cover debt service from their revenue alone. Due to the market factors discussed throughout this report, we are confident that the event center would be highly successful. However, due in part to its goals of economic impact and community value, the facility is not projected to generate positive operating income for the first several years of operations, much less generate enough revenue to cover its debt service. It will be important for the facility's ownership entity to consider and solve for the capital and ongoing funding needs for the contemplated facility. As such, the following chapter presents an overview of financing mechanisms that can be used to bring this project to fruition.

Note that the funding strategies discussed in this section assume a publicly owned stand-alone event center. If, as the project develops, it materializes as a privately owned facility (typically in the form of a hotel-conference center), the funding and profit parameters would be somewhat different, as private facilities have different operating requirements. However, many of the funding strategies would remain applicable as potential components of a public subsidy or public-private partnership for such a facility.

STRATEGIES

There are numerous financing tools used to fund public assembly facilities that could be applied to the proposed multi-use event center. These include the following:

PAY-AS-YOU-GO FINANCING

Projects that are relatively small or that are financed by public entities with rapidly growing tax bases are sometimes paid for directly out of appropriated funds each year. However, the majority of facilities are financed with long-term debt so that payment of capital costs corresponds to the period over which the facility is used and its economic benefits are realized. Some portion of the contemplated events center may be paid for out of the ownership entity's general fund, but that portion is likely to make up a small amount of the overall capital stack.

GENERAL/ LIMITED OBLIGATION BOND FINANCING

This strategy typically involves long-term bonding using the general obligation (GO) of the public ownership entity, either directly as part of a capital outlay program or as guaranteed debt of an authority that would provide strong credit and relatively low borrowing costs. Limited obligation (LO) bonds, which are similar but put a cap on the tax rate which can be levied to pay them off, are a subcategory of this financing strategy. GO and LO bonding is typically reserved for projects perceived to benefit the population as a whole, such as educational, economic development, or transportation, and the contemplated facility certainly falls within this category of projects. This is certainly a financing option for this project, depending on the ultimate ownership entity, and may make up a portion of the capital stack (though ideal supplemented by other sources of equity and debt).

SPECIAL OBLIGATION (SO) BOND FINANCING

SO bond financing is similar to GO bond financing, but rather than being backed by a government's overall taxing power they are tied to specific tax revenue sources. This could be a viable component of the contemplated event center's capital stack, particularly if tied to revenue sources (such as hotel tax) which are directly impacted by the facility.

REVENUE BOND FINANCING

Revenue bonds are another source of finance that can be used to build, own, and operate public purpose facilities. They derive their revenues from user fees and other sources and must finance general and capital expenditures out of these receipts and whatever amount they are permitted to borrow, which can be tailored to fit the specific requirements of the involved local and state governments. Given that this project is not projected to generate significant net revenue, this source is unlikely to comprise a significant component of the capital stack.

CAPITAL DEVELOPMENT FUNDS

Certain public or non-profit organizations have funds devoted specifically to capital development projects. Often these funds are used for smaller, pay-as-you-go type projects, but they can also make up part of the capital stack on a larger project or improvement plan. This could be a viable

funding source if the right funding partners are identified, though likely a small part of the overall capital stack.

NAMING RIGHTS & SPONSORSHIPS

Sponsorships and particularly naming rights can be a substantial, long-term revenue stream for facilities. Given the proposed facility's likely prominence within the growing Twin Falls and Magic Valley community, and projected foot traffic, this funding source could be significant. Twin Falls' corporate base in agribusiness represents a strong opportunity for finding a sponsorship or naming rights partner.

FUNDRAISING & GRANTS

Assuming the contemplated facility's status as a public entity, as well as its high potential for economic development within the community, it is a strong candidate for a capital campaign to raise funds from various community patrons. It is also a strong candidate for various grants provided to economic development projects by various public entities (e.g., federal, State, and local governments) as well as foundations and other philanthropic entities.

AUDITORIUM DISTRICT

An Auditorium District is a funding tool unique to Idaho that has a strong potential for making the contemplated project possible. Essentially, areas within the state can vote to create an Auditorium District, which is a governmental entity able to levy tax on lodging facilities within its boundaries and use those revenues to build, operate, maintain, market, and manage public auditoriums, exhibit halls, convention centers, sports arenas, and similar facilities. Auditorium Districts have been created in Boise, Idaho Falls, and Pocatello-Chubbuck in order to support public facilities in those communities.

Creating an Auditorium District in Twin Falls to facilitate the contemplated multi-use event center would create a significant funding source (in the form of a tax on lodging facilities of up to five percent of gross receipts) as well as a potential ownership and operating entity for the new facility. However, doing so would require the signatures of 10 percent of voters within the proposed district boundaries to get the issue onto a ballot, and then a majority of voters within the district approving the measure. Further, it would take some time for a newly created auditorium district to enact and

begin collecting a lodging tax, such that it could utilize that revenue to fund the contemplated project. Thus, this is a very viable structure, but one that might lead to a longer development horizon relative to other ownership/ operating structures (i.e., private or municipal/ county).

URBAN RENEWAL AGENCY

Urban Renewal Agencies (URAs) are local government entities in Idaho that use Tax Increment Financing (TIF) to invest in new infrastructure, the goal being to stimulate economy development. These agencies are formed by municipalities and are assigned designated areas in which they can deploy funds. Twin Falls has a URA already and, if the contemplated project were to be located within its district boundaries, the URA could deploy funding to help support the project in terms of infrastructure. The degree of that funding would be somewhat dependent on the degree of incremental property tax revenue projected to be generated over the remaining life of the URA (approximately 18 years). Thus, the applicability of this funding tool will be dependent both on location and project ownership structure.

IMPLICATIONS

Many of these tools may have merit in serving as a component of the contemplated project's capital funding strategy. The optimal combination of funding sources will ultimately evolve as the project progresses and will largely depend on ownership structure.

A private or public-private partnership would involve some level of private investment, likely supplemented by some level of public investment, which could come in the form of GO, LO, or SO bond financing, grants, or infrastructure support from the URA. This could lead to a faster project delivery timeline (relative to an auditorium district) but would lack the funding advantage of a local hotel tax. If an auditorium district were to be formed to own and operate the facility, that auditorium district would likely provide a large portion of the funding, potentially supplemented by other public funds, though, as discussed, this might come with a longer development timeline.

Naming rights, sponsorships, fundraising, and grants could be a part of the project in various scenarios. As the project evolves, the availability and viability of various funding structures will become clearer.



Date: Monday, March 16, 2026
To: Honorable Mayor and City Council
From:

PRESENTATION

Request:

Presentation on the finances of the City of Twin Falls for the 1st quarter of fiscal year 2025-2026. This presentation will be an overview of the tax-supported funds and the three major enterprise funds: Water, Wastewater and Sanitation.

Time Estimate:

The estimated amount of time for this presentation is 20-30 minutes, with additional time for Council questions.

Background:

The information presented includes a comparison of budget to actual information for revenues and expenditures in the tax supported funds and the three major enterprise funds. There will be an analysis on historical information and current events.

Approval Process:

Budget Impact:

Regulatory Impact:

History:

Analysis:

Conclusion:

Attachments:

1. 1st Qtr 2026 Tax Supported Funds
2. 1st Qtr 2026 Water Fund
3. 1st Qtr 2026 Wastewater Fund
4. 1st Qtr 2026 Sanitation Fund

City of Twin Falls
Summary of Tax-Supported Funds
December 31, 2025

3 of 12 Months 25.0%

	Budgeted Rev	Actual Rev	% Received to Date
Property Taxes	\$ 33,016,123	\$ 588,876	1.8%
Franchise Taxes	2,423,000	568,291	23.5%
Permits	1,427,000	511,225	35.8%
Revenue Sharing-County, State, Liquor	5,750,000	1,642,294	28.6%
State Liquor Apportionmen	900,000	173,510	19.3%
Street Fund-Highway Monies	4,921,897	729,201	14.8%
Court Revenues	250,000	57,297	22.9%
Contributions	1,000	3,910	391.0%
Grants	1,107,435	589,841	53.3%
Misc	1,172,698	836,150	71.3%
E-911	513,000	129,389	25.2%
Recreation Fees	660,000	118,267	17.9%
Airport Revenues	1,403,760	500,786	35.7%
Investment Income	1,204,509	476,846	39.6%
Fire District	640,183	-	0.0%
Transfers	4,336,172	1,066,972	24.6%
Surplus Reserves	724,209	-	0.0%
Revenue Totals	\$ 60,450,985	\$ 7,992,853	13.2%

	Budgeted Exp	Actual Exp	
Personnel	\$ 37,859,970	\$ 9,433,313	24.9%
M&O	10,672,784	2,579,646	24.2%
Capital	10,401,564	1,796,446	17.3%
Transfers - EXP	1,516,668	379,167	25.0%
Expenditure Totals	\$ 60,450,985	\$ 14,188,571	23.5%

Excess/<Deficit>	\$ -	\$ (6,195,718)	
------------------	------	----------------	--

City of Twin Falls
Water Fund
December 31, 2025

3 of 12 Months	25.0%
----------------	-------

	Budgeted Rev	Actual Rev	% Received to Date
User Revenue	\$ 11,381,740	\$2,488,697	21.9%
Trn On, Tap, & Permit Fee	245,000.00	74,922.00	30.6%
Penalties & Violations	350,000.00	128,888.00	36.8%
Irrigation Revenues	1,224,000.00	304,136.00	24.8%
Collected Bad Debts	20,000.00	1,551.00	7.8%
Investment Income	456,591.00	182,636.00	40.0%
Water Share Lease	100,000.00	-	0.0%
Misc	60,400.00	337,287.00	558.4%
Transfers	550,525.00	137,631.00	25.0%
Revenue Totals	\$ 14,388,256	\$ 3,655,748	25.4%

	Budgeted Exp	Actual Exp	
Personnel	\$ 3,416,596	\$ 808,388	23.7%
M&O	3,653,018	559,817	15.3%
Capital	5,650,640	1,975,350	35.0%
Transfers - Exp	1,668,001	417,000	25.0%
Expenditure Totals	\$ 14,388,256	\$ 3,760,556	26.1%

Excess/<Deficit>	\$ -	\$ (104,808)
------------------	------	--------------

**City of Twin Falls
Wastewater Fund
December 31, 2025**

3 of 12 Months	25.0%
----------------	-------

	Budgeted Rev	Actual Rev	% Received to Date
User Revenue	\$ -	\$ -	
Residential Users	8,887,830	2,172,060	24.4%
Industrial Users	2,000,000	680,853	34.0%
Municipal User	170,000	48,955	28.8%
Trn On, Tap, & Permit Fee	4,000	525	13.1%
Sewer Capacity Fees	-	42,035	0.0%
Penalties & Violations	75,000	602,720	803.6%
Investment Income	413,144	198,730	48.1%
Misc	3,000	7,412	247.1%
Surplus Reserves	4,834,765	-	0.0%
Revenue Totals	\$ 16,387,739	\$ 3,753,290	22.9%

	Budgeted Exp	Actual Exp	
Personnel	\$ 1,261,298	\$ 313,811	24.9%
M&O	4,567,001	938,105	20.5%
Capital	5,922,741	213,749	3.6%
Debt Services	3,483,988	-	0.0%
Transfers - EXP	1,152,712	288,178	25.0%
Expenditure Totals	\$ 16,387,739	\$ 1,753,843	10.7%

Excess/<Deficit>	\$ -	\$ 1,999,448
------------------	------	--------------

**City of Twin Falls
Sanitation Fund
December 31, 2025**

3 of 12 Months	25.0%
----------------	-------

	Budgeted Rev	Actual Rev	% Received to Date
Admin Fee	\$ -	\$ 40	0.0%
User Fee	4,241,450	1,063,461	25.1%
Investment Income	22,000	3,737	17.0%
Misc	-	623	0.0%
Surplus Reserves	290,781	-	0.0%
Revenue Totals	\$ 4,554,231	\$ 1,067,861	23.4%

	Budgeted Exp	Actual Exp	
M&O	4,045,055	456,515	11.3%
Transfers - EXP	509,176	127,294	25.0%
Expenditure Totals	\$ 4,554,231	\$ 583,809	12.8%

Excess/<Deficit>	\$ -	\$ 484,052
------------------	------	------------