Twin Falls City Council
Agenda

Monday, March 5, 2018, 5:00 PM

Council Chambers
203 Main Avenue East
Twin Falls, Idaho

Members: Shawn Barigar, Suzanne Hawkins, Nikki Boyd, Chris Talkington, Gregory Lanting, Christopher Reid, Ruth Pierce

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

2) PLEDGE OF ALLEGIANCE

3) CONSIDERATION OF AMENDMENTS TO AGENDA

4) GENERAL PUBLIC INPUT

5) CONSENT CALENDAR

   a) Request to approve the Accounts Payable for February 27 - March 5, 2018.

      Purpose: Action By: Sharon Bryan, Deputy City Clerk

   b) Request to approve the February 26, 2018, City Council Minutes.

      Purpose: Action By: Sharon Bryan, Deputy City Clerk

   c) Request for approval of the Final Plat for Z County Subdivision, consisting of 114 single-family residential lots and 1 tract on 30.10 acres (+/-) located on the south side of the 200 block of Pheasant Road. c/o David Thibault/EHM Engineers, Inc.

      Purpose: Action By: Renée Carraway-Johnson, Zoning & Development Manager

6) ITEMS OF CONSIDERATION

   a) Request to confirm the appointment of Cindy Bond to fill the seat vacated by Brad Wills on the Urban Renewal Agency Board and the appointments of Andy Hohwieler and Doug Vollmer to the Urban Renewal Agency board beginning in July, 2018.

      Purpose: Action By: Nathan Murray, Economic Development Director

   b) Superintendent Brady Dickinson will present the upcoming renewal of the Twin Falls School District's plant facilities levy.

      Purpose: Presentation By: Brady Dickinson

   c) Presentation of the City of Twin Falls 2017 audited financial statements. The presentation will be made by Scott Hunsaker of Mahlke Hunsaker & Company, PLLC.

      Purpose: Presentation By: Brent Hyatt

d) Request to approve a contract with Pivot North Architecture for the completion of a recreation center feasibility study.

   Purpose: Action By: Mitch Humble, Wendy Davis

e) Consider and act on a resolution declaring the City's intent to dispose of real property and setting a date for a public hearing.

   Purpose: Action By: Mitch Humble, Deputy City Manager

f) Request to continue consideration of options for the recycling program managed by PSI, and consider authorizing cost sharing with PSI for calendar 2018.

   Purpose: Discussion By: Bill Baxter

7) GENERAL INPUT/ADVISORY BOARD REPORT/ANNOUNCEMENTS

8) ADJOURNMENT

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Leila Sanchez (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208) 735-7287.

Public Input Procedures

1. Individuals wishing to provide public input regarding matters relevant to the City of Twin Falls shall
   - wait to be recognized by the Mayor or Chairman
   - approach the microphone/podium
   - state their name, and whether they are a resident or property owner in the City of Twin Falls, and proceed with their input.
2. The Mayor or Chairman may limit input to no less than two (2) minutes. Individuals are not permitted to give their time to other speakers.

Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor or Chairman shall review the public hearing procedures.
2. Individuals wishing to testify or speak before the City Council or Planning and Zoning shall wait to be recognized by the Mayor or Chairman, approach the microphone/podium, state their name, 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 shall make an audio recording of the Public Hearing.
3. 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 the request is being made.
   - Location of the Property.
   - Impacts on the surrounding properties and efforts to mitigate those impacts.
4. 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.
5. A City Staff Report shall summarize the application and history of the request.
6. The City Council or Planning & Zoning Commission may ask questions of staff or the applicant pertaining to the request.
7. The general public will then be given the opportunity to provide their testimony regarding the request. The Mayor or Chairman may limit public testimony to no less than two (2) minutes per person.
   - Five or more individuals, having received personal public notice of the application under consideration, may select 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 Chairman. The spokesperson shall be limited to 15 minutes.
   - Written comments, including e-mail, shall be either read into the record or displayed to the public on the overhead projector.
   - Following the Public Testimony, the applicant is permitted five (5) minutes to respond to Public Testimony.
8. Following the Public Testimony and Applicant's response, the hearing shall continue. The City Councilor Planning & Zoning Commission, as recognized by the Mayor or Chairman, shall be allowed to question the Applicant, Staff or anyone who has testified. The Mayor or Chairman may again establish time limits.
9. The Mayor or Chairman shall close the Public Hearing. The City Council or Planning and 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, applicant 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, February 26, 2018, 5:00 PM

City Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Amended Agenda
Item 7a Amended Staff Report

1) CALL MEETING TO ORDER/CONFIRMATION OF QUORUM

Present:	Mayor Shawn Barigar, Councilmembers Greg Lanting, Chris Talkington, Suzanne Hawkins, Christopher Reid, Ruth Pierce
Absent:	Vice Mayor Nikki Boyd
Staff Present:	City Manager Travis Rothweiler, Deputy City Manager Mitch Humble, Deputy City Manager Brian Pike, City Attorney Fritz Wonderlich, Environmental Engineer Jason Brown, City Engineer Jackie Fields, Utility Services Supervisor Bill Baxter, Deputy City Clerk Sharon Bryan

Mayor Barigar called the meeting to order at 05:00: PM

A quorum was present.

2) PLEDGE OF ALLEGIANCE

Mayor Barigar invited Boy Scout Troop 67 to lead us in the Pledge of Allegiance to the flag. Mayor Barigar asked all present, who wished, to recite the pledge of Allegiance to the Flag.

Mayor Barigar had the Boy Scouts introduce themselves.

3) CONSIDERATION OF AMENDMENTS TO AGENDA

None

4) PROCLAMATIONS: None

5) GENERAL PUBLIC INPUT

None

6) CONSENT CALENDAR

MOTION:
Councilmember Reid moved to approve the Consent Calendar as presented. Councilmember Pierce seconded the motion. Roll call vote showed all members present voted in favor of the motion. 7 to 0.

a) Request to approve the Accounts Payable for February 21-26 2018.

b) Request to approve the February 20, 2018, City Council Minutes.

c) Request by Voices Against Violence to hold the annual "Walk a Mile in Her Shoes" on April 14, 2018.

d) Request to approve the annual Canyon Rim Classic Soccer Tournament to be held on May 5 - 6, 2018.

e) Request to hold the Dusk to Dawn Trail Runs at Dierkes Lake Park on June 29 - 30, 2018.

f) Request to approve the Annual Saint Patrick's Day Parade and Special Event Celebration to be held on March 17, 2018.

g) Request to approve the Kids' Bridge to Success event to be held on July 14, 2018.

7) ITEMS OF CONSIDERATION

a) Request to fill four (4) vacancies on the Twin Falls Planning & Zoning Commission.

Mayor Barigar reviewed the information on the applicants and asked that City Council to approve the following appointments:
1. Craig Kelley and Curtis Hansen to serve a three (3) year term on the Commission, terms ending February 28, 2021.
2. Carolyn Bolton to serve the remainder of Darren Halls' term ending February 28, 2020.
3. David Detweiler, Area of Impact representative, be recommended to the County Commissioners to serve a three (3) year term on the City of Twin Falls Planning and Zoning Commission, term ending February 28, 2021.

MOTION:
Councilmember Lanting moved approval of the Mayor recommendations to make the following appointments:
1. Craig Kelley and Curtis Hansen to serve a three (3) year term on the Commission, terms ending February 28, 2021.
2. Carolyn Bolton to serve the remainder of Darren Halls' term ending February 28, 2020.
3. David Detweiler, Area of Impact representative, be recommended to the County Commissioners to serve a three (3) year term on the City of Twin Falls Planning and Zoning Commission, term ending February 28, 2021. Councilmember Hawkins seconded the motion. Roll call vote showed all members present voted in favor of the motion. 7 to 0.

b) Discussion with CH2M (Jacobs) regarding their annual update.
Shawn Moffitt, CH2M, gave the annual update on the Treatment Plant.

Discussion ensued on the following:
Rebate
Operating under budget.
Repairs for treatment and lift stations.

Shawn Moffitt announced that CH2M has moved Jack Bennion to Plant Manager.

c) Request to reject all bids for the On-Site Sodium Hypochlorite Generator project.

Environmental Engineer Brown reviewed the bids.

MOTION:
Councilmember Talkington moved to reject all bids for the On-Site Hypochlorite Generator project. Councilmember Reid seconded the motion. Roll call vote showed all members present voted in favor of the motion. 7 to 0.

d) Request to amend Title 2, Chapter 5 Traffic Safety Commission.

City Engineer Fields introduced John Kaperleris, Traffic Safety Commission Member.

John Kaperleris, Traffic Safety Commission Member, reviewed some of the concerns with the existing duties of the Traffic Safety Commission.

Discussion ensued on the following:
-Should the Traffic Safety Commission write its own regulations?
-City Attorney Wonderlich clarified intent.
-Narrow in scope.
-Traffic Safety Commission discussed this as a group.

City Council gave the Traffic Safety Commission approval to work on updating Title 2, Chapter 5 of the Twin Falls City Code.

e) Request to purchase a new HP Designjet T1530 with one set of ink cartridges and with warranty.

City Engineer Fields reviewed the request to purchase a new HP designjet T1530.

MOTION:
Councilmember Lanting moved to approve the purchase of a new HP Designjet T1530 with one set of ink cartridges and with warranty not to exceed $9,050. Councilmember Pierce seconded the motion. Roll call vote showed all members present voted in favor of the motion. 7 to 0.

f) Discussion on PSI Recycle Program and Processing Cost Sharing for January through December, 2018.

Utility Services Supervisor Baxter reviewed the PSI Recycle Program and Processing Cost Sharing.

Discussion ensued on the following:
-Who is getting paid for the recycling
-Contamination
-Contaminates being thrown in landfills
-Other opportunities to clean contaminates.
-Fee for those who recycle and a fee for those that do not chose to recycle.
-Keep recycling and increase fees to citizen.

-Justifying cost raise to Citizens.

-Public comments on recycling.
-Price point maximum
-What number is City able to handle without an increase.
-What are other cities in Magic Valley doing with their recycle items.

Staff asked what is palatable
Staff asks for City Council direction.

City Council would like the following:
-More input from PSI and Staff on cost and would like citizen input.
-Council suggested we put it out on social media.
-Citizens to contact City Council by phone or email with their thoughts on our recycling program.

Mayor Barigar invited anyone from the audience to speak on recycling concerns.

Wade Allred - Twin Falls, suggested PSI Environmental look at other potential partners to see if it could get a better deal on recycling.

Rex Belnap, Twin Falls, suggested not recycling plastic, not recycling at all, stop curbside pick up and place large bins around town where those that want to recycle can take recycled item.

City Council tabled until next week.

8) GENERAL INPUT/ADVISORY BOARD REPORT/ANNOUNCEMENTS

Councilmember Hawkins - Reported that she will not be Chairing the City Paint Magic Team and encouraged other Councilmembers to consider Chairing.

9) PUBLIC HEARINGS: None

10) ADJOURNMENT

The meeting adjourned at 06:39: PM

Sharon Bryan, Deputy City Clerk

PUBLIC MEETING: **MONDAY MARCH 5, 2018**

TO: HONORABLE MAYOR AND CITY COUNCIL

STAFF: RENÉE V. CARRAWAY-JOHNSON, Zoning & Development Manager

ITEM

Request: Request for approval of the **Final Plat** for Z Country Subdivision, consisting of 114 single-family residential lots and 1 tract on 30.10acres (+/-) located on the south side of the 200 block of Pheasant Road. c/o David Thibault/EHM Engineers, Inc.

Time Estimate: There is no presentation on this request unless the City Council wishes to remove the item from the Consent Calendar for discussion.

Background:

Applicant:	**Status:** Owner	**Size:** 30.1 +/- acres
Jon Zernickow 808 Norumbega Dr Monrovia, CA 91016 626.945.2700 jzernickow@aol.com	**Current Zoning:** R-4	**Requested Zoning:** Approval of a Final Plat
	Comprehensive Plan: Town Neighborhood	**Lot Count:** 114 s/f Lots, 1 Tract
	Existing Land Use: Agriculture & a single family Residence	**Proposed Land Use:** Single-Family Residential Subdivision
Representative:	**Zoning Designations & Surrounding Land Use(s)**	
David Thibault 621 N College Rd, Ste 100 Twin Falls ID 83301 208.734.7888 dthibault@ehminc.com	**North: Pheasant Rd; R-4,** Residential Medium Density District; Residential	**East: R-4,** Residential Medium Density District; Residential
	South: portion of Southwood Ave: R-4; Residential Medium Density District; Residential	**West: R-4,** Residential Medium Density District; Residential
	Applicable Regulations: 10-1-1 thru 12; 10-4-5; 10-12-1 thru 5; 10-16-1	

Approval Process:

As per Twin Falls City Code 10-12-2.4 Action on Final Plat:

The council, at its next meeting following receipt of the administrator's report, shall consider the commission's findings and comments from concerned persons and agencies to arrive at a decision on the final plat. The council shall approve, approve conditionally, disapprove or table the final plat for additional information. A copy of the approved plat shall be filed with the administrator. Upon granting or denying the final plat, the council shall specify:

1. The regulations and standards used in evaluating the application;
2. The reasons for approval or denial; and
3. The actions, if any, that the applicant could take to obtain approval. (Ord. 2012, 7-6-1981)

The Council may approve, conditionally approve, deny or table for additional information when acting on the final plat. If tabled, approval or denial shall occur at the regular meeting following the meeting at which the plat is first considered by the Council. The action and the reasons for such action shall be stated in writing by the Administrator and forwarded to the applicant.

Budget Impact:

Approval of a final plat will allow property to be developed. Commercial development could have an impact on the City budget.

Regulatory Impact:

Upon approval of a preliminary plat and including any conditions the Commission may have required, a final plat is then presented to the City Council. Only after a final plat has been approved by the City Council and construction plans approved, may the plat be recorded and lots sold for development.

History:

This lot has been an agricultural use since at least 1950. Records indicate the single-family residence was built in 1959. The residential developments to the South and East are part of the Golden Eagle Subdivision, recorded in the mid 2000's. The applicant purchased this property in November 2016 and applied for annexation, which this commission sent a positive recommendation with a zoning designation of R-4 to City Council in April of this year. City Council approved the annexation with the R-4 zoning in May, and Ordinance 2017-018 was adopted in June.

Analysis:

This is a request for approval of the Z Country final plat. The property is zoned R-4 and is located on the south side of the 200 block of Pheasant Road. The preliminary plat consists of 30.1 (+/-) acres with one hundred fourteen (114) lots and one (1) tract. The Parks in Lieu Contribution was approved by city council on October 30, 2017 for 114 single-family units. The R-4 zone allows s/f and duplex dwellings outright and tri-plex and 4-plex dwellings by Special Use Permit. If the property is developed with more than 114 residential units, the city will re-evaluate the parks in-lieu fees. This will be monitored through the building permit process.

This is the first step of the plat approval process. A preliminary plat is presented to the Planning and Zoning Commission. The Commission may approve the preliminary plat, deny it, or approve it with conditions. A final plat, that is in conformance with the approved preliminary plat, including any conditions the Commission may have required, is then presented to the City Council. Only after a final plat has been approved by the City Council and construction plans approved, may the plat be recorded and lots sold for development.

The plat is consistent with other subdivision development criteria and is in conformance with the Comprehensive Plan, which designates this area as "Town Neighborhood."

This is the second step of the plat approval process. A preliminary plat is first presented to the Planning and Zoning Commission. The Commission may approve the preliminary plat, deny it, or approve it with conditions. A final plat, that is in conformance with the approved preliminary plat and including any conditions the Commission may have required, is then presented to the City Council. Only after a final plat has been approved by the City Council and construction plans approved, may the plat be recorded and lots sold for development.

Approval of a preliminary plat does not constitute a commitment by the City to provide water or wastewater services. A guarantee of services comes when the City Engineer signs a will-serve letter after final and construction plans are approved.

On **November 14, 2017** the Z Country Preliminary Plat was unanimously approved by the Planning & Zoning Commission subject to one condition. Staff concurs with the decision of the Commission.

Conclusion:

Staff recommends the City Council approve the **Final Plat** of the Z Country Estates Subdivision, as presented, and subject to the following condition:

1. Subject to final technical review and amendments as required by building, engineering, fire, and zoning officials to ensure compliance with all applicable city code requirements and standards.

Attachments:

1. Final Plat
2. Approved Preliminary Plat
3. Zoning Vicinity Map
4. Aerial Photo Map
5. Site Photos

Z COUNTRY ESTATES SUBDIVISION

Located In
A Portion of
NW ¼ SW ¼, Section 28
Township 10 South, Range 17 East Boise Meridian
Twin Falls County, Idaho
2018

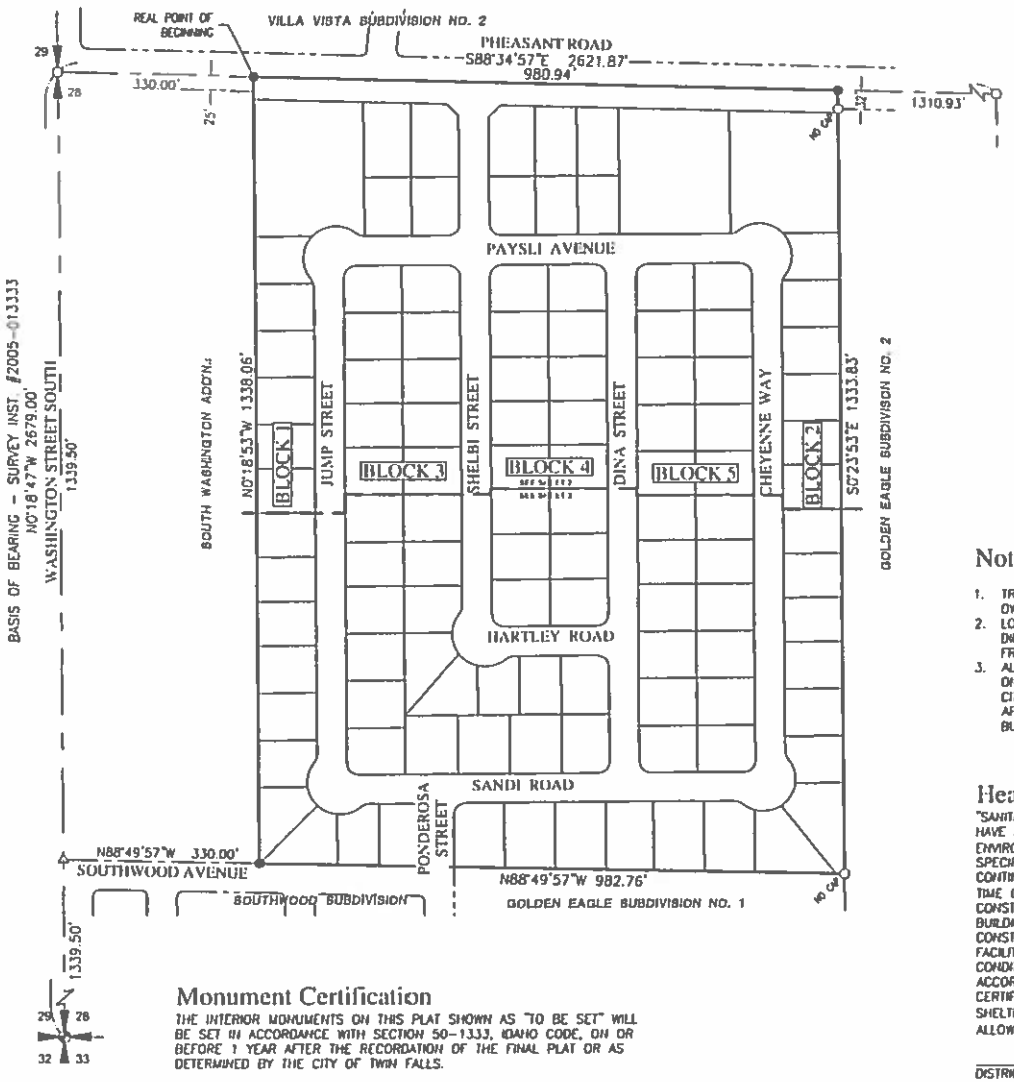
Sheet Index

1 OF 6	FACE PLAT
2 OF 6	FACE PLAT
3 OF 6	FACE PLAT
4 OF 6	LINE & CURVE TABLES
5 OF 6	CERTIFICATE OF OWNER
6 OF 6	ACKNOWLEDGEMENTS

NORTH

0 75 150 300

SCALE IN FEET



Easement Key

- (A) UTILITY EASEMENT
- (B) IRRIGATION EASEMENT
- (C) ACCESS & UTILITY EASEMENT

Survey References

1. GOLDEN EAGLE SUBD. NO. 1 #2006-002855
2. GOLDEN EAGLE SUBD. NO. 2 #2005-013333
3. SOUTHWOOD SUBDIVISION #635981
4. SOUTH WASHINGTON ADD'N. #282267

Deed References

#2016-020020

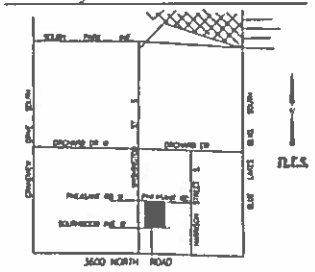
Legend

- SURVEY BOUNDARY LINE
- SECTION LINE
- QUARTER SECTION LINE
- UTILITY EASEMENT LINE
- ADJACENT PROPERTY LINE
- CENTERLINE OF STREET
- PLATTED LOT LINE
- CALCULATED POINT (NOT SET)
- FOUND BRASS CAP
- FOUND 5/8" REBAR (AS NOTED)
- FOUND 1/2" REBAR (AS NOTED)
- SET 5/8" x 24" REBAR & CAP - LS 10110
- 5/8" x 24" REBAR & CAP TO BE SET - LS 10110
- 1/2" x 24" REBAR & CAP TO BE SET - LS 10110

Notes:

1. TRACT A, BLOCK 1 IS DESIGNATED AS DRAINAGE RETENTION AND WILL BE OWNED AND MAINTAINED BY THE PROPERTY OWNERSHIP ASSOCIATION.
2. LOT 1, BLOCK 1; LOT 1, 2, 7 & 8, BLOCK 2 ARE THE ONLY LOTS TO HAVE DIRECT ACCESS TO PHEASANT ROAD. ALL OTHER LOTS SHALL BE ACCESSED FROM RESIDENTIAL STREETS.
3. ALL LOTS ACCESSED FROM PHEASANT ROAD ARE REQUIRED TO HAVE AN ONSITE TURNAROUND AND BE CONSTRUCTED TO THE REQUIREMENTS OF THE CITY OF TWIN FALLS STD. DWG. TFSD-7100 OR AN ALTERNATE LAYOUT TO BE APPROVED BY THE CITY SHOWN ON A SITE PLAN INCLUDED WITH THE BUILDING PERMIT APPLICATION.

Vicinity Sketch



Monument Certification

THE INTERIOR MONUMENTS ON THIS PLAT SHOWN AS "TO BE SET" WILL BE SET IN ACCORDANCE WITH SECTION 50-1333, IDAHO CODE, ON OR BEFORE 1 YEAR AFTER THE RECORDATION OF THE FINAL PLAT OR AS DETERMINED BY THE CITY OF TWIN FALLS.

Health Certificate

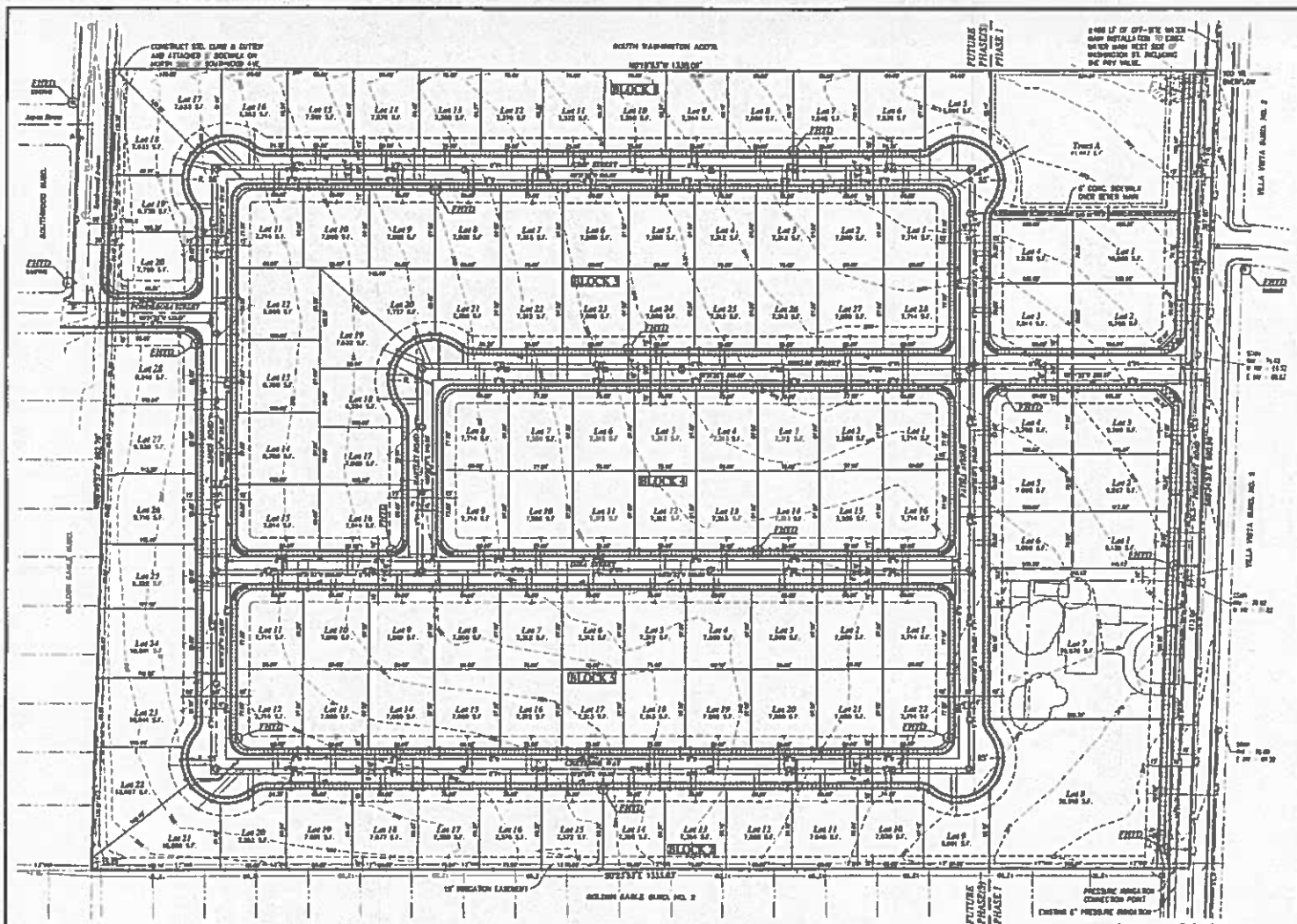
"SANITARY RESTRICTIONS AS REQUIRED BY IDAHO CODE TITLE 50, CHAPTER 13, HAVE BEEN SATISFIED BASED ON THE STATE OF IDAHO, DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ) APPROVAL OF THE DESIGN PLANS AND SPECIFICATIONS AND THE CONDITIONS IMPOSED ON THE DEVELOPER FOR CONTINUED SATISFACTION OF SANITARY RESTRICTIONS. BUYER IS CAUTIONED AT THE TIME OF THIS APPROVAL, NO DRINKING WATER OR SEWER/SEPTIC FACILITIES WERE CONSTRUCTED. BUILDING CONSTRUCTION CAN BE ALLOWED WITH APPROPRIATE BUILDING PERMITS IF DRINKING WATER OR SEWER FACILITIES HAVE SINCE BEEN CONSTRUCTED OR IF THE DEVELOPER IS SIMULTANEOUSLY CONSTRUCTING THOSE FACILITIES. IF THE DEVELOPER FAILS TO CONSTRUCT FACILITIES OR MEET OTHER CONDITIONS OF DEQ, THEN SANITARY RESTRICTIONS MAY BE RE-IMPOSED, IN ACCORDANCE WITH SECTION 50-1326, IDAHO CODE, BY THE ISSUANCE OF A CERTIFICATE OF DISAPPROVAL, AND NO CONSTRUCTION OF ANY BUILDING OR SHELTER REQUIRING DRINKING WATER OR SEWER/SEPTIC FACILITIES SHALL BE ALLOWED."

DISTRICT HEALTH DEPARTMENT, EHS — DATE.

EHM Engineers, Inc.

PROFESSIONAL LAND SURVEYOR REGISTERED STATE OF IDAHO CHRISTOPHER S. HARRISON

V 477-16 FP
SHEET 1 OF 6



Z COUNTRY ESTATES SUBDIVISION

Located In
A Portion of
NW¼ SW¼, Section 28
Township 10 South, Range 17 East
Boise Meridian
Twin Falls County, Idaho
2017

RECEIVED
AUG 8 2017
CITY OF TWIN FALLS

0 30 60 120
SCALE IN FEET

Development Notes:

ALL LOTS ACCESSED FROM COLLECTOR STREETS ARE REQUIRED TO HAVE AN ENERGY DISSIPATING AND RE-CHARGE SYSTEM TO THE SATISFACTION OF THE CITY OF TWIN FALLS STORMWATER DEPARTMENT PRIOR TO THE ISSUANCE OF A BUILDING PERMIT APPLICATION.

1. ONLY A SINGLE RESIDENCE OR A DUPLEX MAY BE CONSTRUCTED ON EACH LOT. ONLY SINGLE FAMILY RESIDENCES ARE ALLOWED IN THE Z COUNTRY ESTATES SUBDIVISION.

Design Data:

PRESENT OWNER	SPECIFICATIONS	ENGINEER	CITY OF TWIN FALLS STANDARDS
DEVELOPER	BRANDON FAMILY ENTERPRISES LLC 1000 WASHINGTON ST. N. TWIN FALLS, ID 83301 PH: (208) 345-2270	SURVEYOR	PRESSURE IRRIGATION SHALL BE CONSTRUCTED TO CITY OF TWIN FALLS STANDARDS
ENGINEER	EHM ENGINEERS, INC. 971 S. COLLEGE RD., SUITE 150 TWIN FALLS, ID. 83301 (208) 733-0930	SURVEYOR	BUILDING SETBACKS AND DIMENSIONAL STANDARDS IN THE SUBDIVISION SHALL BE IN COMPLIANCE WITH THE STANDARDS FOR THE R-1 ZONING DISTRICT IN EFFECT AT THE TIME OF ISSUANCE OF BUILDING PERMITS.
EXISTING ZONE	R-1		
PROPOSED ZONE	R-1		
EXISTING USE	AGRICULTURAL	LANDSCAPE	ALL UTILITY EASEMENTS ALONG PERIMETER AS WELL AS ADJACENT RIGHTS-OF-WAY SHALL BE LANDSCAPED
PROPOSED USE	SINGLE FAMILY RESIDENTIAL		
DEVELOPMENT AREA	20.00 ACRES	GAS	NORTHWEST PIPELINE
WATER	CITY OF TWIN FALLS	TELEPHONE	CENTURY LINK
SEWER	CITY OF TWIN FALLS	ELECTRICITY	ROCKY MOUNTAIN POWER

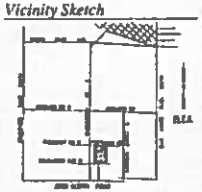
Topographic Legend:

	PROPOSED	EXISTING
CATCH BASIN		
PRESSURE IRRIGATION RISER		
IRRIGATION VALVE		
BLOW-OFF ASSEMBLY		
SEWER MANHOLE		
CLEAN OUT		
WATER METER		
FIRE HYDRANT		
GATE VALVE		
LIGHT POLE		
POWER POLE		
TELEPHONE RISER		
MAIL BOX		
DRAINAGE FLOW ARROW		
BUSH / SHRUB		
SANITARY SEWER LINE		
STORM DRAIN LINE		
WATER LINE		
GRAVITY IRRIGATION LINE		
PRESSURE IRRIGATION LINE		
TELEPHONE LINE		
PERESTLINE		
EDGE OF ASPHALT		
EDGE OF GRAVEL		
VERTICAL CURB AND GUTTER		
ROLLED CURB AND GUTTER		
CONCRETE SIDEWALK		
BUILDING FOOTPRINT		
EXISTING GROUND CONTOUR (SEE FIRE PERMIT DATED) (SEE WEB SHEET)		

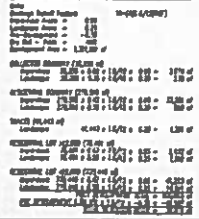
Boundary Legend:

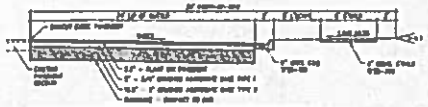
SURVEY BOUNDARY LINE
SECTION LINE
SUBDIVISIONAL SECTION LINE
PROPOSED EASEMENT LINE
ADJACENT PROPERTY LINE
CENTERLINE OF STREET
PLATTED LOT LINE

Vicinity Sketch

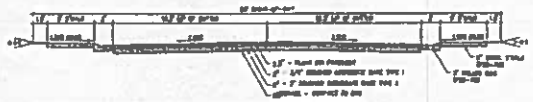


Drainage Calculations:





① COLLECTOR TYPICAL PAVEMENT SECTION



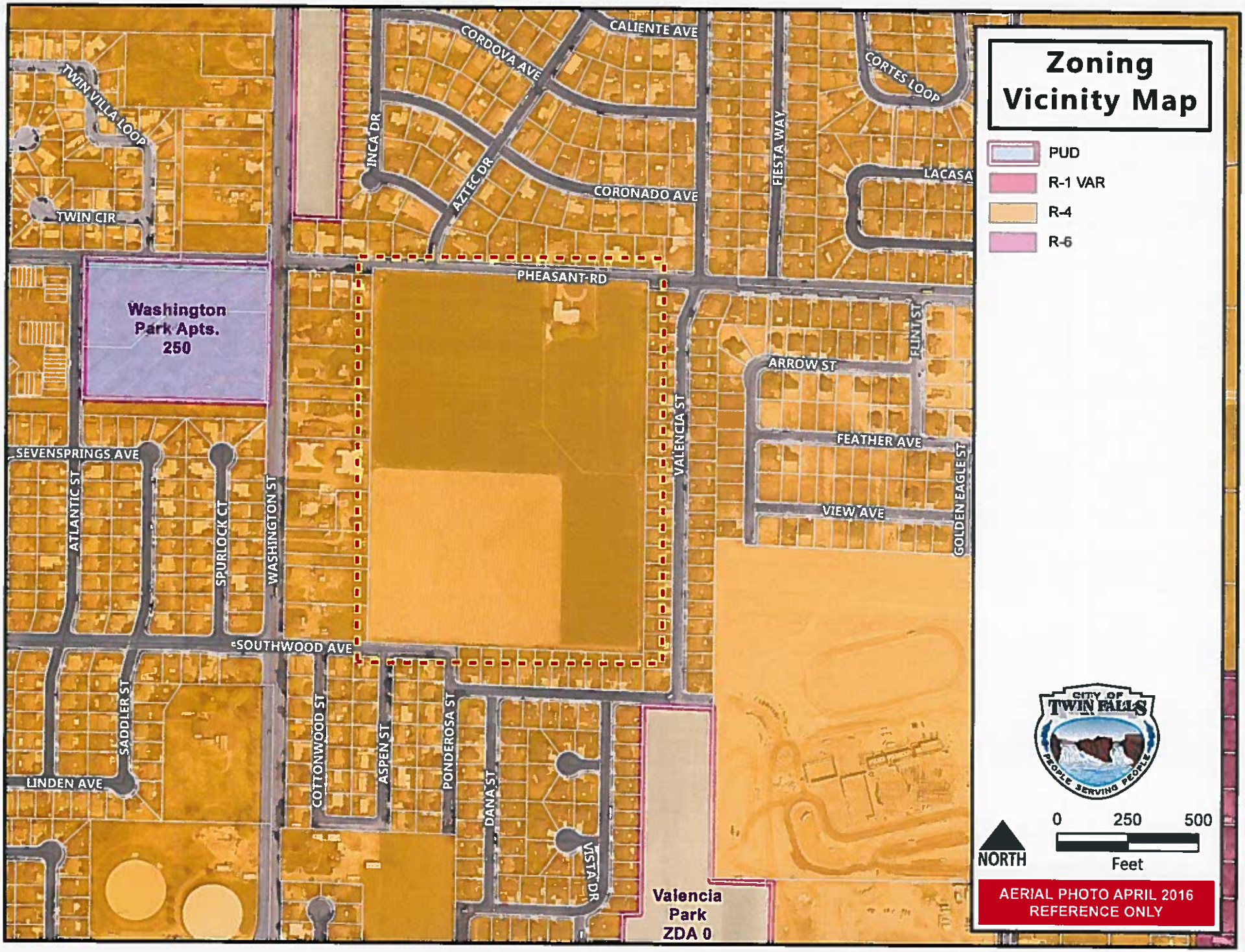
② RESIDENTIAL TYPICAL PAVEMENT SECTION

EHM Engineers, Inc.
Engineers / Surveyors / Planners
971 South College Road, Suite 150 Twin Falls, Idaho 83301
P (208) 733-0930 Fax (208) 733-2699 www.ehmengineers.com

PRELIMINARY PLAT
for
Z COUNTRY ESTATES SUBDIVISION

DO NOT SCALE DRAWINGS
CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND ELEVATIONS AT JOB SITE AND REPORT ANY DISCREPANCIES OR ANY QUESTIONABLE CONDITIONS. CONTRACT DOCUMENTS SHALL BE CONSIDERED AS COMPLETE AND ACCURATE.

APPROVED
REVISED
DRAWN
DATE 12/7/2016
SCALE AS SHOWN
JOB NO. C-172-16 PPLAT
SHEET PP-1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AZTEC DR
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VALENCIA ST
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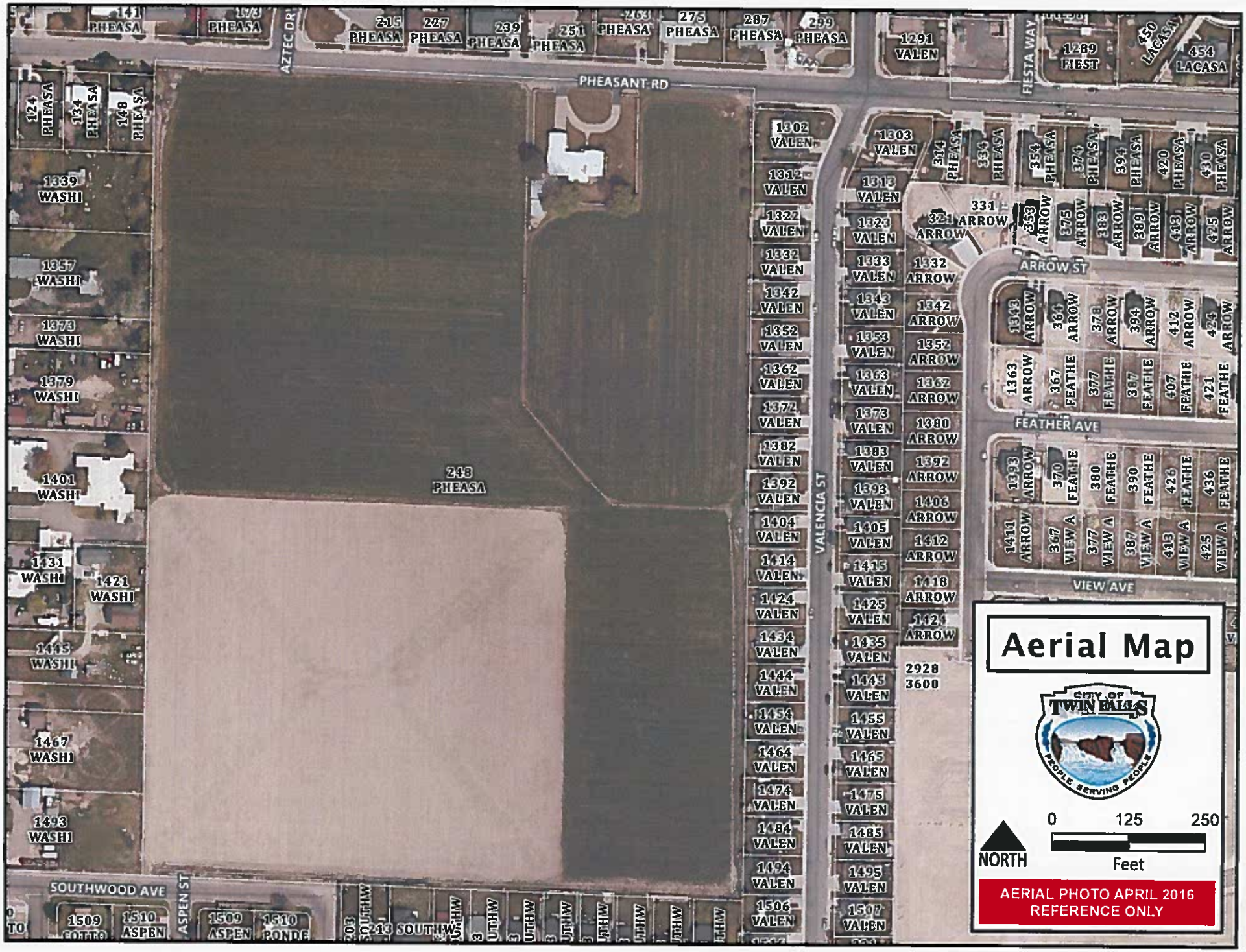
REFERENCE ONLY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CITY OF TWIN FALLS
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NORTH
AERIAL PHOTO APRIL 2016
REFERENCE ONLY

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From: Nathan Murray, Economic Development director

Request:

Request to confirm the appointment of Cindy Bond to fill the seat vacated by Brad Wills on the Urban Renewal Agency Board and the appointments of Andy Hohwieler and Doug Vollmer to the Urban Renewal Agency board beginning in July, 2018.

Time Estimate:

The presentation will take approximately 2 minutes. Following the presentation, additional time may be necessary for questions.

Background:

Brad Wills was appointed to his first 3-year term on the Twin Falls Urban Renewal Agency Board ("the URA") on July 1, 2015. In November, 2017, Brad resigned his position on the URA to take a job with Twin Falls County.

Dan Brizee and Neil Christensen were re-appointed to their second 3-year terms on the URA in July, 2015, and their terms expire June 30, 2018.

City staff posted a notice to fill the position vacated by Mr. Wills. Staff received applications from five qualified individuals with strong resumes and interest in serving on the URA board. An interview panel consisting of Mayor Shawn Barigar, Council Member Ruth Pierce, and URA Chairman Dan Brizee vetted the applicants. The panel recommended that Cindy Bond be appointed to the URA board, taking the place of Mr. Wills. Cindy's appointment will be for the remaining 4-months of Mr. Wills' term, plus a new 3-year term beginning on July 1, 2018 and ending June 30, 2021.

Recognizing that Mr. Brizee and Mr. Christensen will also need to vacate their positions on the URA Board at the end of June, the panel recommended the appointments of Doug Vollmer and Andy Hohwieler to begin 3-year terms beginning July 1, 2018 and ending June 30, 2021.

Approval Process:

City Code 2-1-1 states that the board members be appointed by the Mayor and confirmed by the Council and can serve a maximum of two 3-year terms.

Budget Impact:

N/A

Regulatory Impact:

Approval of this request will maintain full membership on the Twin Falls Urban Renewal Agency Board.

History:

N/A

Analysis:

N/A

Conclusion:

It is requested that the Council confirm the appointments of Cindy Bond, Doug Vollmer and Andy Hohwieler to the Twin Falls Urban Renewal Agency Board.

Attachments:

None

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From:

Request:

Superintendent Brady Dickinson will present the upcoming renewal of the Twin Falls School District's plant facilities levy.

Time Estimate:

Presentation will take approximately 15 minutes.

Background:

The 10 year levy is utilized for facilities and maintenance projects and its renewal would lower tax rates while allowing the district to maintain and modernize school buildings.

Approval Process:

N/A

Budget Impact:

N/A

Regulatory Impact:

N/A

History:

N/A

Analysis:

N/A

Conclusion:

N/A

Attachments:

None

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From: Brent Hyatt

Request:

Presentation of the City of Twin Falls 2017 audited financial statements. The presentation will be made by Scott Hunsaker of Mahlke Hunsaker & Company, PLLC.

Time Estimate:

10 minutes

Background:

The finance team prepared an audit plan for 2017. Susan Klein began field work in December 2017. Their work was completed by late February 2018 and statements are now issued.

Approval Process:

N/A

Budget Impact:

N/A

Regulatory Impact:

Idaho Code 67-450B states "The governing body of a local governmental entity whose annual expenditures (from all sources) exceed two hundred fifty thousand dollars ($250,000) shall cause a full and complete audit of its financial statements to be made each fiscal year."

History:

N/A

Analysis:

N/A

Conclusion:

There is no action required by the City Council.

Attachments:

1. 2017 City of Twin Falls Comprehensive Financial Report

COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2017

CITY OF TWIN FALLS, IDAHO

INTRODUCTORY SECTION

P.O. Box 1907 321 Second Avenue East Twin Falls, Idaho 83303-1907 Fax: (208) 736-2296

February 1, 2017

Mayor Shawn Barigar, City Council,
and Citizens of the City of Twin Falls, Idaho

The Finance Department is pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Twin Falls, Idaho (the City) for the fiscal year ended September 30, 2017.

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.

THE REPORT

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, an organizational chart and names of the City's principal officials, and the Government Finance Officers Association of the United States (GFOA) Certificate of Achievement for Distinguished Budget Presentation Award.

The financial section is prepared in accordance with accounting principles generally accepted in the United States of America. This section of the CAFR includes the independent auditor's report; the Management's Discussion and Analysis (MD&A), which can be found immediately following the report of the independent auditors; the basic financial statements and combining and individual fund statements and schedules; as well as required supplementary information and information on federal awards and expenditures with an accompanying auditor's report on that activity.

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements and should be read in conjunction with this transmittal letter. The basic financial statements include the government-wide financial statements that present an overview of the City's entire operations, while the fund level statements present the financial information of each of the City's major funds, as well as non-major funds.

Lastly, the statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

CITY PROFILE

Twin Falls is the largest community in the "Magic Valley", which is a vibrant collection of small communities spread across the vast high desert between Boise and Pocatello in southern Idaho and is the heart of south-central Idaho. Located halfway between Seattle and Denver on U.S. Interstate 84, Twin Falls is a very convenient location to serve markets throughout the western United States. We currently are home to more than 48,000 residents and we expect to continue to grow. Increasing the population above 50,000 at the time of the 2020 census will trigger a federally mandated designation for the area and creation of a new organization, Metropolitan Planning Organization (MPO). The City is taking steps now to prepare for that eventuality.

Our citizens are as diverse as our geography, with more than 70 percent of residents having moved to the area from outside of Idaho. Since it was founded in 1905, Twin Falls has grown from its base of agriculture and food processing to become the regional hub of both south-central Idaho and northeastern Nevada (serving 250,000) which includes business services, health care facilities, retail, and a community college with an enrollment of approximately 7,000 students.

Twin Falls became the center of national attention in September 1974 when daredevil Evel Knievel attempted to jump the Snake River Canyon in a specially modified rocket cycle. Watched by millions on closed-circuit television on a Sunday afternoon, the attempt ultimately failed due to high winds and a premature deployment of Knievel's parachute. The dirt ramp for the jump still exits and has become more assessable with the expansion of the City's trail/walking path extensions this past year.

The City boasts an active base jumping community and was ranked No. 1 on the Livability.com's list of "Top Ten Cities to Defy Death". From students to the most experienced BASE jumpers, this bridge, which spans 1500 feet, offers something for everyone.

Twin Falls is one of only three Idaho cities which has a council-manager form of government.

Twin Falls enjoys a reputation for being business friendly—this is shown, not just by our low cost of doing business, but also by ensuring that companies, developers, and builders are able to quickly complete their development. Twin Falls is attracting some of the largest and most successful companies, including Chobani Greek Yogurt, Con Agra Foods/Lamb Weston, Glanbia Cheese Innovation Center, and Jayco RV Incorporated. Clif Bar recently finished constructing a new manufacturing plant within the City which is now in production. The Companies mentioned above, and others, have multiple business sites to select for when expanding. Most have chosen Twin Falls as the location to execute their expansion plans with Jayco recently broke ground on an expansion which it hopes will double its Twin Falls workforce. Chobani announced a few months ago that it is building a 70,000-square-foot expansion in Twin Falls, Idaho, where the company has invested $850 million over the past five years. The Company founder, Hamdi Ulukaya, stated: "Twin Falls is one of those special places where there's a strong entrepreneurial mindset, the people are incredible and a handshake truly means something".

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. Seven City Council members are elected, at-large, to four-year terms. They serve on a part-time basis. The council members act as legislators and administrators; are responsible for enacting and enforcing City laws, and approving the annual budget. The City Council has secured the services of a City Manager who works full time implementing the direction of the Council.

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

REPORTING ENTITY

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

Another organization which the City has a special relationship to is the Urban Renewal Agency of Twin Falls, Idaho (URA). This organization is required to have separate financial audits conducted by external certified public accountants. However, the City can exert a certain degree of control over the organization's governance by appointing individuals to the URA's board of directors.

That control feature requires that the URA's activities be included in this report as well. The information of the URA that is presented, has been condensed from the separate financial report of the Agency.

ECONOMIC CONDITIONS AND OUTLOOK

A. Recent economic performance

The local economy continues to show signs of moderate growth and economic stability. Twin Falls is fortunate to have a strong, diversified tax base that helps to mitigate some of the negative effects of economic fluctuations experienced nationally. That diversification benefits the City from the local ups and downs of farm commodity prices would normally make a rural community more vulnerable to traditional agricultural cycles. The City continues to experience an improving unemployment rate which has seen constant decreases from a high in 2010 of 8.7% to 2.5% in 2017.

Construction activity continues to strengthen with the value of single family building permits being valued at $44,000,000 in the last fiscal year and commercial construction permits being issued for $28,000,000.

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

B. Outlook and Long-Term Planning

Just as last year, we remain optimistic about the long-term health of our local economy. The community has not yet felt the full benefit of the City's new manufacturing facilities. New construction activity will continue to see modest growth with moderate development of new subdivisions. However, no annexations are anticipated. We are projecting growth from new construction activities will be under $40 million for each of the upcoming fiscal years.

Local government budgets in Idaho are driven by growth in their taxable property valuations. Property taxes are often used as one of the leading indicators to determine the heath of a community. These property values within the City are increasing. In addition, revenues from other sources such as sales tax, income taxes, and highway user taxes continue to outpace the prior year's performance. The City will benefit directly and indirectly from this revenue advancement.

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

C. Major initiatives

The City has committed, through the budgeting process, to improvements in its infrastructure and to the City's compensation levels. These topics are discussed more fully in sections of the Management Discussion and Analysis as well as the City's approved budget report at the City's website (http://www.tfid.org/DocumentCenter/View/2036)

The City recently finished an expansion of the City's wastewater treatment capacity and the project is now fully operational. It became the largest project undertaken by the City when the citizens gave their approval for the City to secure a $38,000,000 bond for the improvements.

The City also completed construction of a new City Hall and a Public Safety Complex. The projects were makeovers from existing building with the new City Hall being renovated from an old furniture store and the Public Safety Complex being created from the old City Hall. The facilities are now occupied and City staff is enjoying the new efficiencies. The renovations were funded out of the City's surplus reserves.

FINANCIAL INFORMATION

A. Accounting system

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

B. Budgetary Control

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

The Government Finance Officers Association (GFOA) is a non-profit professional association serving approximately 17,500 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, 2017 and for the three previous years. In order to receive the award, the City must publish an easily readable and efficiently organized budget report, whose contents conform to program standards. The Award is valid for a period of one year only. Our current budget report continues to conform to professional requirements and the GFOA's best practices.

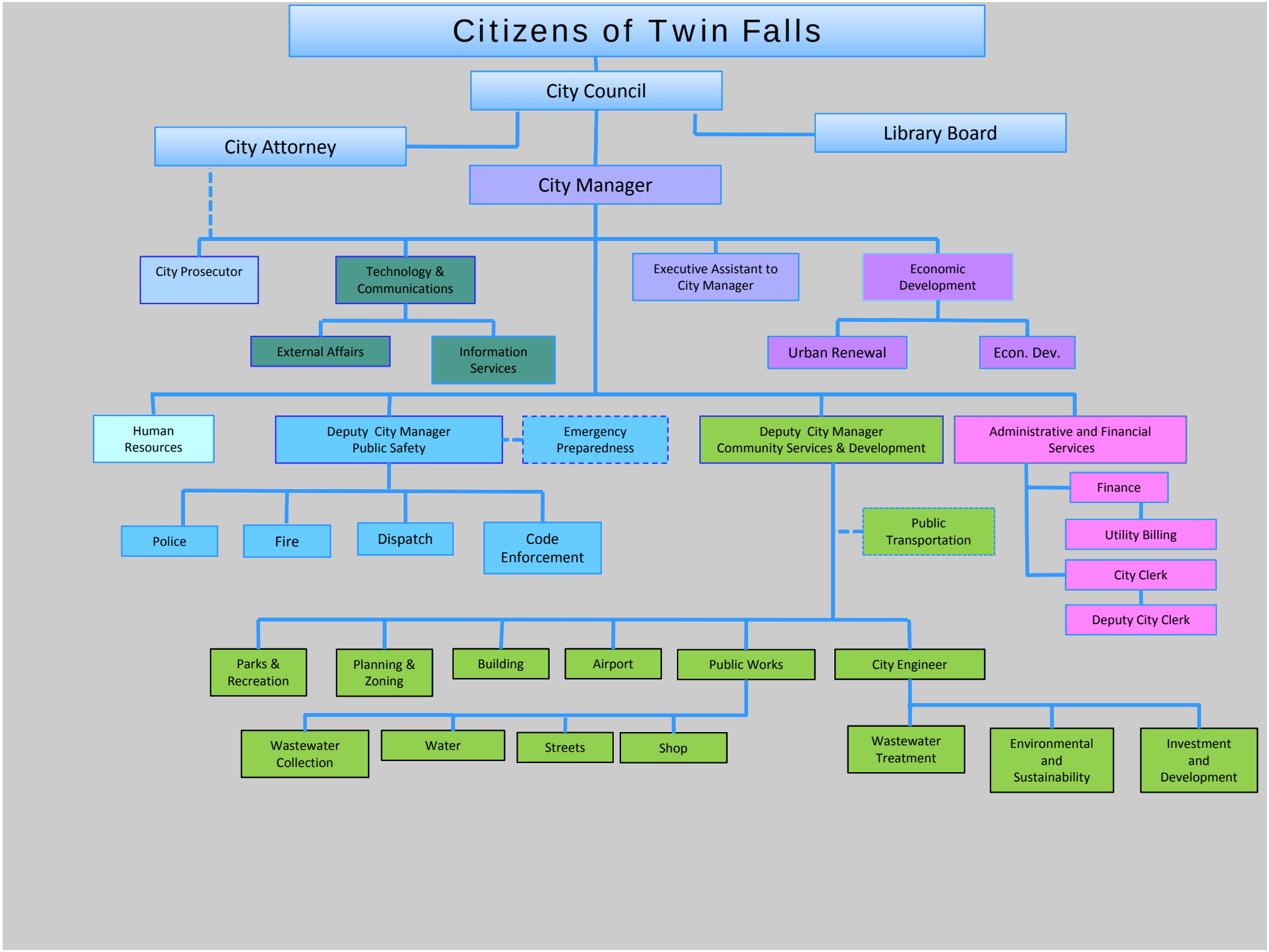
This year the City of Twin Falls has also been awarded, for the first time, the Certificate for Excellence in Financial Reporting by the GFOA for its comprehensive financial report (CAFR) covering the fiscal year 2015-2016. The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. The award represents a significant accomplishment by a government and its management staff. The CAFR is judged by an impartial panel to determine if it meets the high standards of financial reporting, including demonstrating a constructive "spirit of full disclosure" to clearly communicate the City's financial story.

C. Financial Policies

The City of Twin Falls 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,

Lorie Race
Finance Director


Citizens of Twin Falls
City Council
City Attorney
Library Board
City Manager
City Prosecutor
Technology & Communications
Executive Assistant to City Manager
Economic Development
External Affairs
Information Services
Urban Renewal
Econ. Dev.
Human Resources
Deputy City Manager Public Safety
Emergency Preparedness
Deputy City Manager Community Services & Development
Administrative and Financial Services
Finance
Police
Fire
Dispatch
Code Enforcement
Public Transportation
Utility Billing
City Clerk
Deputy City Clerk
Parks & Recreation
Planning & Zoning
Building
Airport
Public Works
City Engineer
Wastewater Collection
Water
Streets
Shop
Wastewater Treatment
Environmental and Sustainability
Investment and Development

City of Twin Falls, Idaho
Names of the Principal City Officials As of
February 24, 2018

Name	Position – Title	Email
Shawn Barigar	Mayor	sbarigar@tfid.org
Chris Reid	City Councilman	creid@tfid.org
Suzanne Hawkins	City Councilwoman	shawkins@tfid.org
Ruth Pierce	City Councilwoman	rpierce@tfid.org
Greg Lanting	City Councilman	glanting@tfid.org
Nikki Boyd	Vice-mayor	nboyd@tfid.org
Chris Talkington	City Councilman	ctalkington@tfid.org
Travis Rothweiler	City Manager	trothweiler@tfid.org
Mitch Humble	Deputy City Manager, Public Safety	mhumble@tfid.org
Brian Pike	Deputy City Manager Community Services and Develop.	bpike@tfid.org

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Twin Falls

Idaho

For the Fiscal Year Beginning

October 1, 2016

Executive Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Twin Falls

Idaho

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2016

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

City Council
City of Twin Falls, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of September 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 1, 2018, 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 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 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 1, 2018

City of Twin Falls, Idaho

Management's Discussion and Analysis

As of and for the Year Ended September 30, 2017

This section of the City of Twin Falls' annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year ended September 30, 2017. Please read it in conjunction with the City's financial statements, which begin on page 14. Many numbers in this report are approximations or are rounded.

Financial Highlights

- On a government wide basis, the City's net position from governmental activities experienced a healthy increase, coming with a net increase of $3,820,000. Additionally, business type activities (mainly water, wastewater, and sanitation) experienced a net increase of $5,487,000. Business type activities have heavy requirements for capital needs and infrastructure. These needs are met with current revenues; out of reserves; or borrowing. Healthy performing business type activities are necessary for future growth and development, and to fund current debt obligations.

- Previously, voters had approved a substantial expansion of the wastewater treatment plant with bonding of thirty-eight million ($38,000,000). That project has been completed, and capacity has been increased at the City's wastewater treatment facility.

- The City has constructed a new Public Safety Headquarters through the renovation of the former City Hall. This has allowed the police and fire departments to consolidate functions into a new Public Safety Complex taking up the entire city block.

  The City purchased and renovated an abandoned structure in the middle of downtown, and constructed a new City Hall. This new facility cost approximately $6,400,000 and the remodel of the Public Safety Complex was about $3,600,000. It has allowed the City to consolidate several departments, which were previously geographically disbursed, into one facility, helping the City become more efficient.

- The City and County share joint responsibility for a municipal airport. With the aid of federal grants, the Magic Valley Regional Airport has invested in its terminal facilities and planning continues for additional capital investment. Service remains limited with just three daily flights to a single destination, Salt Lake City. Additional flights to the south and west are desired, but potential loadings remain insufficient to attract additional service from existing or alternate carriers.

Overview of the Financial Statements

This report consists of three parts – management's discussion and analysis (this section), the basic financial statements and required supplementary information. The basic financial statements include:

- Government-wide financial statements that provide both long-term and short-term information about the City's general financial status.
- Fund financial statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the government-wide statements.

- Fiduciary fund statements that provide reporting on the financial relationships where the City acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. The City of Twin Falls has no fiduciary statements this year.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed information or dates. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

The table below summarizes the major features of the basic financial statements.

Major Features of the Basic Financial Statements			
	Government-wide Financial Statements	**Fund Financial Statements**	
		Governmental Funds	***Proprietary Funds***
Scope	Entire City government and the City's component unit	Activities of the City that are not proprietary	Activities of the City that are operated similar to private business
Required financial statements	- Statement of net position - Statement of activities	- Balance sheet - Statement of revenues, expenditures, and changes in fund balances	- Statement of net position - Statement of revenues, expenses, and changes in net position - Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow / outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	- Revenues for which cash is received during or soon after the end of the year - Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

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. This year, and last, significant amounts are being reported as "Deferred Inflows and Outflow of Resources". Those amounts relate to the new reporting requirement for unfunded pension costs. They represent activity happening currently within PERSI that will have an impact in the future on the City and its responsibility to fund the retirement plans.

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

The table below presents the City's Condensed Statement of Net Position as of September 30, 2017 and 2016, 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 $180,000,000 for governmental activities and by $108,000,000 for business-type activities, for a combined total of $288,100,000 for the primary government. Governmental activities increased by $3,820,000 from 2016 to 2017, while the net position for business type activities increased by $5,487,000 during the same period.

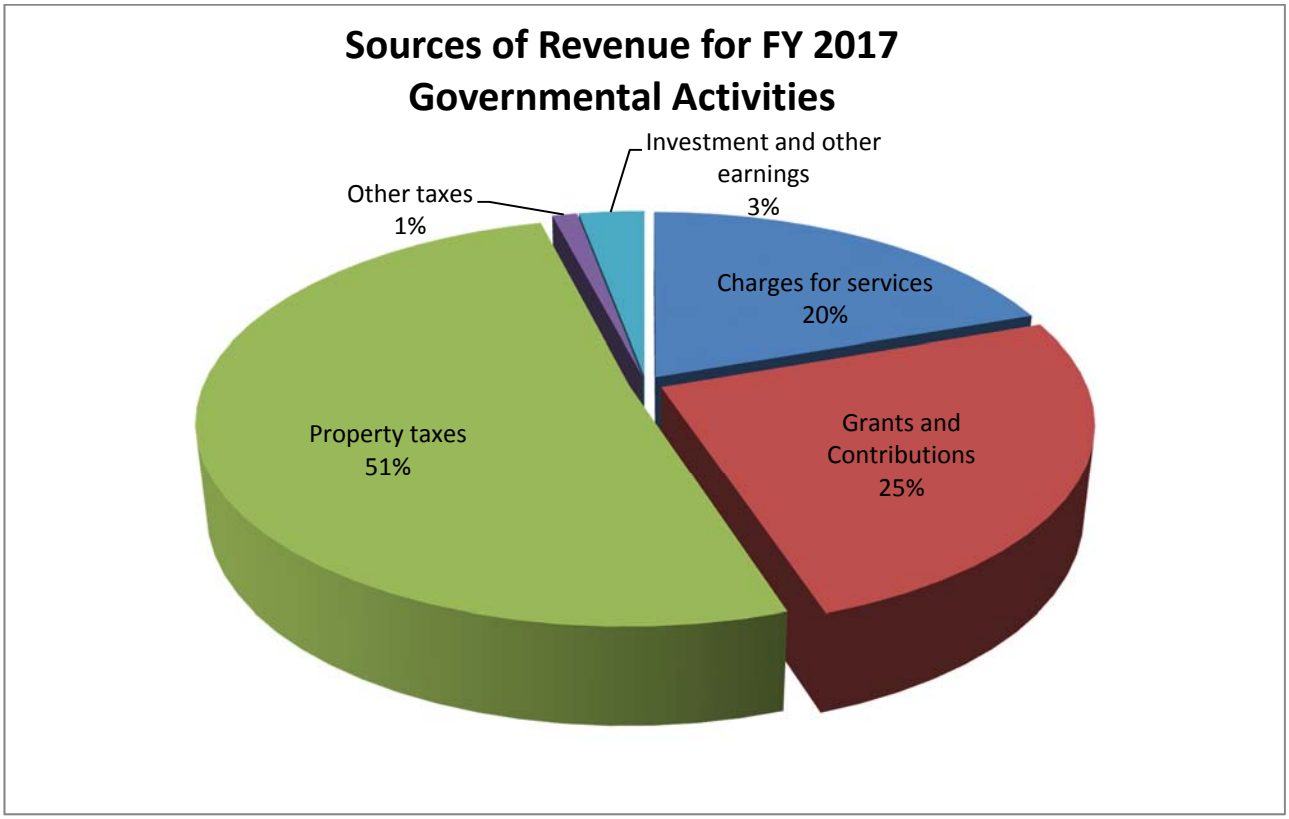
The three components of net position include net investment in capital assets; restricted; and unrestricted. The largest component of net position, totaling $228,100,000 at year end, is the investment in capital assets, which includes all of the

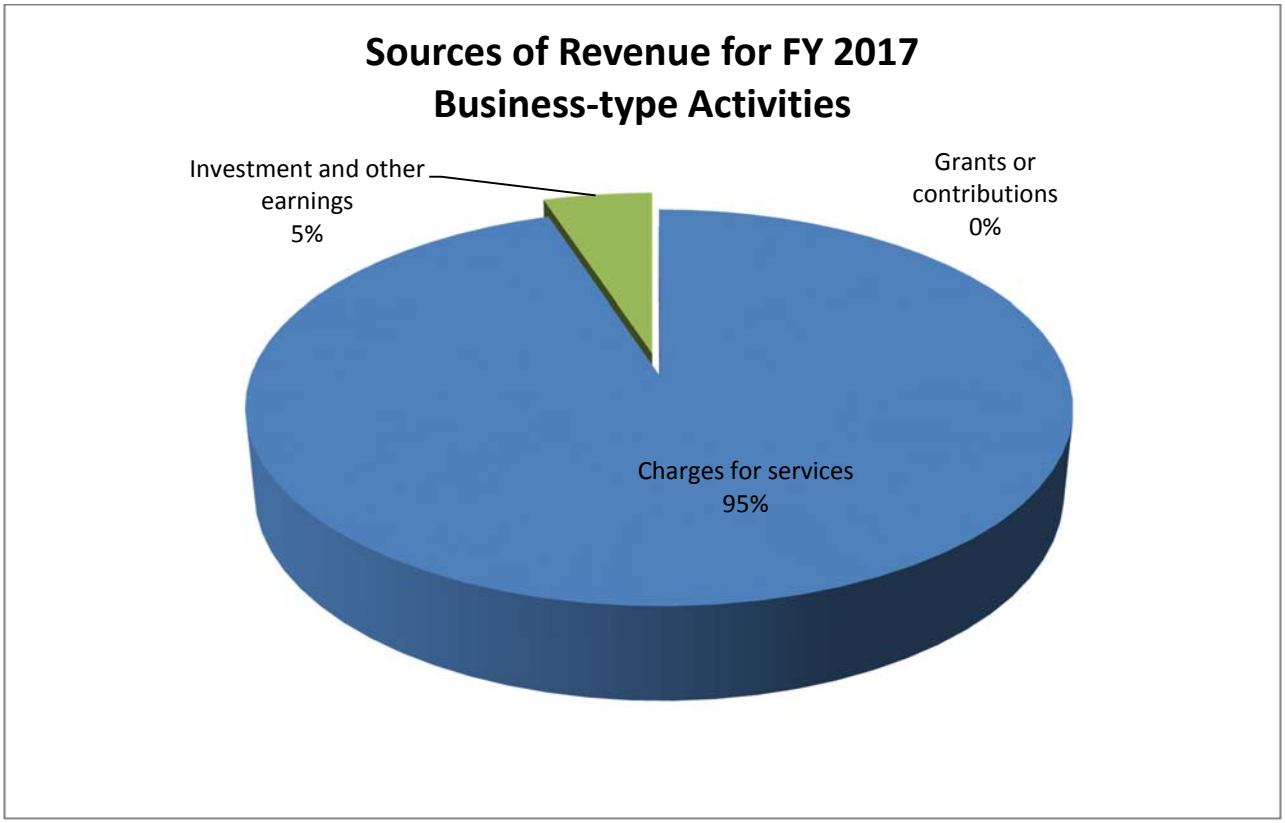
sewer and water lines and roads of the City. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net assets are not available for future spending. Restricted assets totaling $9,940,000 represent resources that are subject to external restrictions and other provisions on how they can be used. The remaining balance of $49,930,000 is unrestricted and available to meet the ongoing obligations of the City to its citizens and creditors.

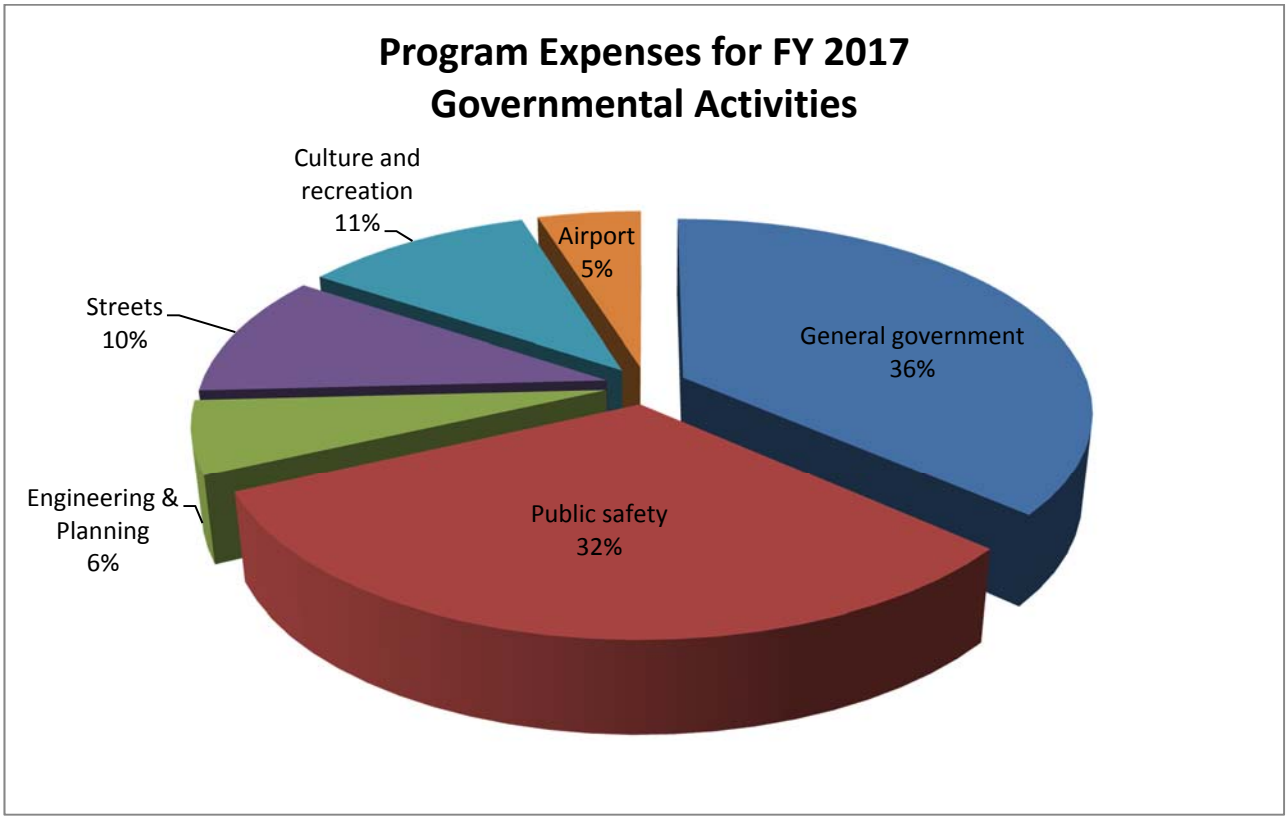
Condensed Statement of Net Position

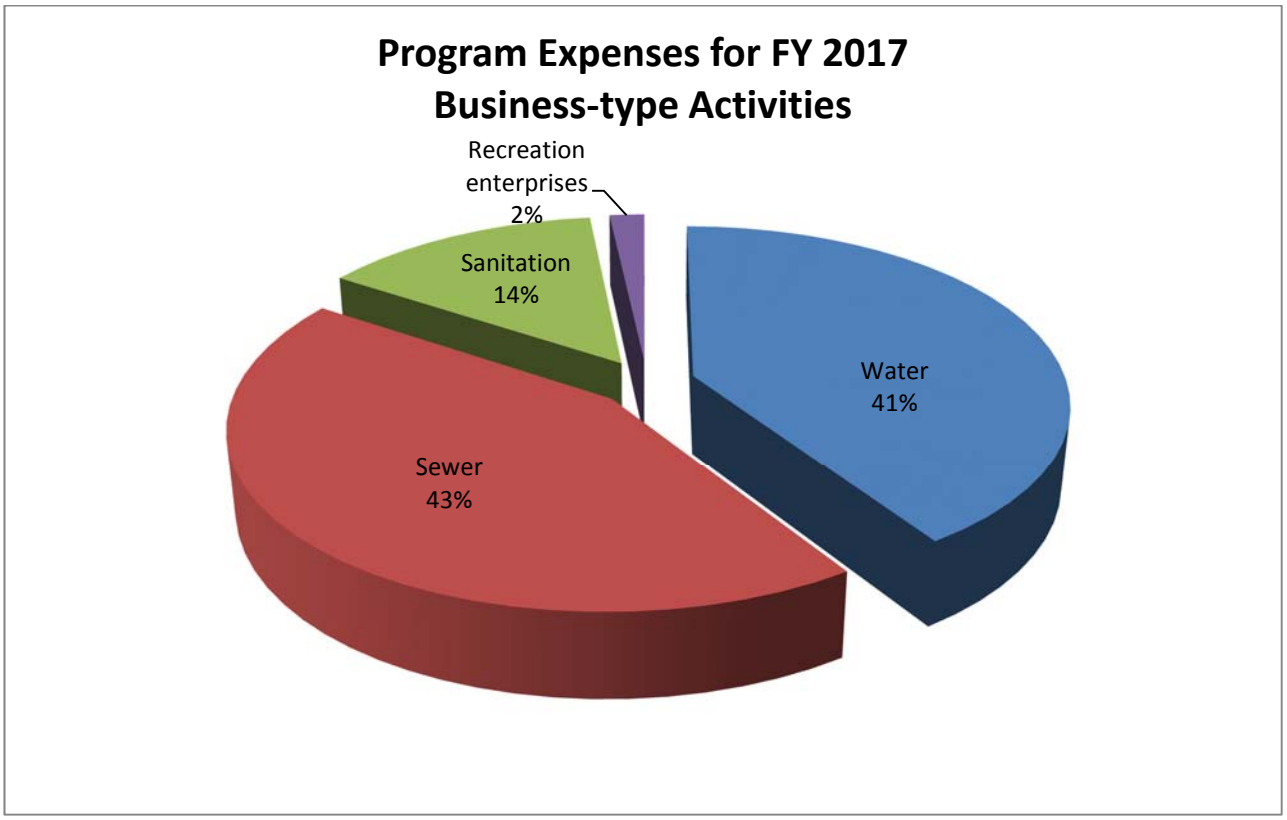
As of September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Current and other assets	$ 48,154,739	$ 46,801,764	$ 40,675,931	$ 45,955,320	$ 88,830,670	$ 92,757,084
Capital assets	144,436,814	139,207,450	146,002,924	139,702,776	290,439,738	278,910,226
Total assets	192,591,553	186,009,214	186,678,855	185,658,096	379,270,408	371,667,310
Deferred Outflow of Resources	1,515,074	6,494,863	203,091	683,369	1,718,165	7,178,232
Current and other liabilities	(12,823,748)	(12,763,323)	(17,263,944)	(17,263,944)	(30,087,692)	(30,027,267)
Bonds	-	-	(61,978,559)	(66,173,038)	(61,978,559)	(66,173,038)
Total liabilities	(12,823,748)	(12,763,323)	(79,242,503)	(83,436,982)	(92,066,251)	(96,200,305)
Deferred Inflow of Resources	(949,675)	(3,532,166)	(129,366)	(393,552)	(1,079,041)	(3,925,718)
Net position:						
Investment in capital assets	144,133,814	139,207,450	84,024,365	82,464,944	228,158,179	221,672,394
Restricted	5,689,098	5,333,887	4,250,768	8,935,206	9,939,866	14,269,093
Unrestricted	30,207,292	31,667,251	19,722,784	11,110,781	49,930,076	42,778,032
Total net position	$ 180,030,204	$ 176,208,588	$ 107,997,917	$ 102,510,931	$ 288,028,121	$ 278,719,519


Sources of Revenue for FY 2017
Governmental Activities
Investment and other earnings 3%
Other taxes 1%
Charges for services 20%
Grants and Contributions 25%
Property taxes 51%


Sources of Revenue for FY 2017
Business-type Activities
Investment and other earnings 5%
Grants or contributions 0%
Charges for services 95%


Program Expenses for FY 2017
Governmental Activities
Culture and recreation 11%
Airport 5%
Streets 10%
General government 36%
Engineering & Planning 6%
Public safety 32%


Program Expenses for FY 2017
Business-type Activities
Recreation enterprises 2%
Sanitation 14%
Water 41%
Sewer 43%

Analysis of Condensed Statement of Activities

The following table presents the City's condensed statement of activities for the fiscal year 2016-17 and fiscal year 2015-16, as derived from the government-wide Statement of Activities. Over time, increase and decreases in net position measure whether the City's financial position is improving or deteriorating.

Condensed Statement of Activities
For the Fiscal Year Ended September 30

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Program revenues						
Charges for services	$ 6,329,286	$ 6,354,779	$ 24,399,151	$ 23,017,706	$ 30,728,437	$ 29,372,485
Grants and contributions						
Operating	8,347,517	8,074,642	126,233		8,473,750	8,074,642
Capital	1,867,265	4,311,907			1,867,265	4,311,907
Total program revenue	16,544,068	18,741,328	24,525,384	23,017,706	41,069,452	41,759,034
General revenues and payments						
Property taxes	19,334,072	18,219,696			19,334,072	18,219,696
Other taxes	394,089	393,394			394,089	393,394
Investment earnings	365,364	604,822	307,138	611,827	672,502	1,216,649
Other revenues	186,076	322,311	429,834	166,115	615,910	488,426
Total general revenues and payments	20,279,601	19,540,223	736,972	777,942	21,016,573	20,318,165
Total general revenues and payments	36,823,669	38,281,551	25,262,356	23,795,648	62,086,025	62,077,199
Program expenses						
General government	12,728,775	13,451,319	-	-	12,728,775	13,451,319
Public safety	13,618,566	12,338,617	-	-	13,618,566	12,338,617
Streets, Engineering, P&Z	8,091,852	5,959,858	-	-	8,091,852	5,959,858
Culture and recreation	3,963,264	3,897,712	-	-	3,963,264	3,897,712
Airport	1,817,366	1,747,681	-	-	1,817,366	1,747,681
Water	-	-	7,221,602	7,279,970	7,221,602	7,279,970
Sewer	-	-	8,064,545	7,724,769	8,064,545	7,724,769
Sanitation	-	-	2,514,297	2,413,932	2,514,297	2,413,932
Recreation enterprises	-	-	716,183	240,259	716,183	240,259
Other	-	-	49,998	31,411	49,998	31,411
Total program expenses	40,219,823	37,395,187	18,566,625	17,690,341	58,786,448	55,085,528
Excess (deficiency) before gain (loss) and transfers	(3,396,154)	886,364	6,695,731	6,105,307	3,299,577	6,991,671
Transfers	1,208,745	1,507,521	(1,208,745)	(1,507,521)	-	-
Asset Sales	6,009,025	-			6,009,025	-
Change in net position	3,821,616	2,393,885	5,486,986	4,597,786	9,308,602	6,991,671
Beginning net position	176,208,588	173,814,703	102,510,931	97,913,145	278,719,519	271,727,848
					-	-
Ending net position	$ 180,030,204	$ 176,208,588	$ 107,997,917	$ 102,510,931	$ 288,028,121	$ 278,719,519

Governmental Revenues

The City is heavily reliant on property taxes and shared state revenues to support governmental operations. Total revenues for 2017, in the governmental funds, are comprised of property taxes (52.5%), shared state revenues are (23%), charges for services (17%), and contributions and federal grants (5%), with all other sources of revenue account for the remaining (2.5%) governmental revenues.

Program Expenses and Revenue for Governmental Activities

The following table presents the net costs for governmental activities. Net program costs increased 26.9% compared to the prior year. In total, program revenues decreased 11.7% this year. Most of that decrease is attributable to the decrease in general government charges for services, which went from $8,459,000 to $6,329,000.

Program revenues for 2017 were less than in 2016 by $2,197,000 and program expenses for 2017 were more than last year totaling $40,200,000.

Net Cost of Governmental Activities

For the Fiscal Year Ended September 30

Functions/Programs	Program Expenses 2017	Less Program Revenues 2017	Net Program Costs 2017	Net Program Costs 2016	Program Revenues as a Percentage of Program Expenses 2017	Program Revenues as a Percentage of Program Expenses 2016
General government	$ 12,728,775	$ 6,345,009	$ 6,383,766	$ 4,991,998	49.8%	62.9%
Fire	3,724,075	497,195	3,226,880	2,902,845	13.4%	13.8%
Police	9,894,491	869,323	9,025,168	8,096,176	8.8%	9.8%
Engineering & planning	2,289,208	1,243,246	1,045,962	892,117	54.3%	58.5%
Library	1,764,149	46,949	1,717,200	1,643,279	2.7%	3.3%
Culture & recreation	2,199,115	237,616	1,961,499	1,796,822	10.8%	12.0%
Highways & streets	5,802,644	4,390,992	1,411,652	(297,737)	75.7%	107.8%
Pool			N/A	32,779	N/A	79.0%
Airport	1,817,366	2,913,738	(1,096,372)	(1,404,420)	160.3%	180.4%
Totals	$ 40,219,823	$ 16,544,068	$ 23,675,755	$ 18,653,859	41.1%	50.1%

Program Expenses and Revenue for Business-type Activities

The following table presents net income and costs for business-type activities. Program revenues generated from business-type activities were generally sufficient to cover most program operational expenses; debt funding, and capital investment. In a previous year the City entered into a contract which leased the golf course. The contract reduced the City's exposure to losses and still allows the City to retain enough input to assure that this asset of the City retains its value and continues to provide recreation services to the community. Leasing out the golf course has allowed a significant financial improvement over historical averages. The lease allows the City to participate in profits of its lessee/partner at a certain level which the City has done in the past. Program expenses in the Golf Fund are primarily attributed to depreciation of the related assets.

The City experienced an increase in the charges it made for wastewater services, while charges for water and sanitation services remaining relatively unchanged. Revenue for wastewater services was projected to substantially decrease when the UASB was acquired by a major industrial customer. A 5% increase was needed to cover the estimated deficit. The City has observed a significant increase in flow charges to industrial users as new facilities have come online and local industries have expanded their production. The City must maintain significant funds in both the water and sewer area to be able to repay bond liabilities and fund capital improvements.

Net Income (Costs) of Business-type Activities
For the Fiscal Year Ended September 30

Functions/Programs	Program Revenues 2017	Less Program Expenses 2017	Net Program Income (Costs) 2017	Net Program Income (Costs) 2016	Program Expenses as a Percentage of Program Revenues 2017	Program Expenses as a Percentage of Program Revenues 2016
Water	$ 10,443,581	$ 7,221,602	$ 3,221,979	$ 3,093,460	69.1%	70.2%
Sewer	10,279,739	8,064,545	2,215,194	1,712,679	78.5%	81.9%
Sanitation	2,978,416	2,514,297	464,119	491,223	84.4%	83.1%
Golf	-	43,062	(43,062)	(37,115)	0.0%	474.1%
Pool	345,652	361,136	(15,484)	N/A		N/A
Dierkes Lk/Shoshone Fls	427,168	311,985	115,183	67,159	73.0%	74.2%
Common Area Maintenance	50,828	49,998	830	(41)	98.4%	100.1%
Totals	$ 24,525,384	$ 18,566,625	$ 5,958,759	$ 5,327,365	75.7%	76.9%

Fund Analysis

Governmental Funds
The City's governmental funds reported a combined ending fund balance of $34,358,000 at September 30, 2017, with most of that fund balance committed or assigned. That balance compares to a combined ending fund balance of $42,500,000 at September 30, 2016. Four funds had significant decreases in their fund balances. The General Fund, due to a transfer to the Capital Improvement Fund of excess funds; the Street Fund, due to emergency repairs to our roadways caused by an extraordinarily harsh winter; the Capital Improvement Fund, due to completion on the City Hall and PD Complex projects, and the Airport Construction Fund, due to timing differences in expending and receiving funds.

Proprietary Funds
The City's proprietary funds reported combined ending net positions of $108,000,000 at September 30, 2017, with $88,300,000 invested in capital assets (net of debt) and $9,058,000 reported as unrestricted. The City had $4,251,000 of bond proceeds remaining that will be used for the wastewater treatment plant construction in the future. That amount is restricted and can only be used for the project.

Capital Asset Activity

At September 30, 2017 the City reported, on a government wide basis, net investment in capital assets of $228,000,000. Additions to capital assets for the government activities fell into two groups. Assets between $20,000 and $100,000 which related to scheduled asset replacements due to equipment wear and obsolescence or insignificant improvements in infrastructure. The other group of asset additions relates to infrastructure projects in the Street, Water, and Wastewater Funds or significant purchases of equipment. During the year some of the City's more significant capital expenditures included:

- Work on Eastland Dr. South - $1,006,000
- Preparation and construction of the new airport terminal modification - $2,365,000
- Purchase of a new City Hall site and design work on that facility and a new public safety complex - $8,211,000
- Enhancements to the Park System and Area Trails - $490,000
- New booster station - $2,087,000
- Expansion and upgrade of the wastewater treatment plant - $3,416,000
- Odor Control at the Canyon Springs Grade - $556,000

These costs represent the activity of the City during the current year only. Most of the City's large construction projects take several years from conception to completion. During the course of construction those costs are inventoried annually in a category called Construction in Progress. As projects are completed they are transferred out of this temporary holding

account into an asset classification. Some of these projects received joint funding from the City and the URA. When these projects were completed the costs incurred by the URA were contributed to the City and combined.

In its mission to provide citizens of the City the services and protections they require, the City maintains a substantial investment in streets, water systems, waste treatment and disposal structures, offices, a pool of vehicles, and general and heavy equipment. All of those capital assets have a definitive useful life and are subject to depreciation, or a decrease in value, over time. During the current year that depreciation was estimated to be $8,500,000 for the government funds and $3,493,000 for the business type activities. One way to quantify the average capital replacement needs is through depreciation. Using the City's current depreciation amounts the City would need to average $12,000,000 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 provided needed services and still assure that those needs are met in an affordable way. More detailed information on capital assets can be found in the notes to the financial statements under the caption Capital Assets.

Long-Term Debt Activity

The City is fortunate enough to have operated without incurring any outstanding general obligation bonds. The only long-term debt currently in the governmental activities is compensated absences. Compensated absences have been included as an obligation of the City in the amount of $1,800,000. That obligation represents unused vacation pay that employees have earned and not used as well as hours worked that an employee has elected to defer payment of until a future period. Should an employee retire or quit, they are paid any existing balance. As the City has grown, the number of employees has also increased. That has caused a natural increase in the balance of compensated absences being reported as a liability. However that increase is mitigated as older employees retire that have disproportionately high balances and are paid out. Employees are constantly using and replenishing their compensated absence balances. Most of the balances will be used in the upcoming year and have been reflected as a currently liability, even though those balances will be replenished with new replacement hours.

There were no new borrowings in the business type activities this year. The only activity on traditional debt was the scheduled payments of interest and principal on bonds. The City reduced its bonds in the Water and Wastewater Funds by $3,950,000. It should be noted that the City is in full compliance with any promises it made to bond holders as a condition of their original lending.

One issue that is recently impacting the City's financial statement relates to the reporting of unfunded liabilities, primarily retirement benefits. Several national studies had attempted to quantify the amount of unfunded liabilities that exist and were not reported on the financial statements of state and local municipalities. That total was estimated to exceed a trillion dollars. The City made the decision years ago to participate in the State sponsored PERSI retirement plan and the State has been very judicious in the benefits it has awarded to retiring employees and its management of the plan. The administrators of PERSI have been fairly conservative in forecasting the performance of investments within portfolios as well as designing a system that is fair to retirees and not too burdensome to the taxpaying citizens. The new reporting requirements were implemented last year by the City and have impacted reported Long-Term Debt. The City is now reflecting its proportionate share of any unfunded liability PERSI has. One reason the issue was so contentious is that as a practical matter, the liability will never be due all at once, but will be perpetually rolling forward. It only became an issue when some plan administrators became unrealistic in the assumptions they were using which resulted in shifting payment of current retirement benefits to future generations in an unsustainable way. More detailed information on long-term debt activity can be found in the notes to the financial statements under the caption Long-Term Liabilities.

Economic Factors

Twin Falls continues to grow at a healthy pace. Activity levels continue to exceed budgeted forecasts. Single family building permits issued by the City for the past five years are as follows:

Fiscal Year Ending	Permits Issued
2013	182
2014	189
2015	230
2016	236
2017	224

As measured by the number of permits issued, commercial construction is also expanding similarly to last year; changing from 28 permits issued during the last fiscal year to 32 permits this year. The total estimated value of building permits for residential construction decreased from $47.7 million last year to $44.4 million this year and commercial construction values permitted decreased from $57.0 million last year to $28.3 million this year.

Paralleling national trends, there has been some moderation of the high unemployment rates seen several years ago. Unemployment levels decreased within the City for the eighth year in a row. A year ago the City's unemployment level was reported at 3.1%. At the end of the current year, unemployment stood at 2.4%. That 2.4% was lower than the State and National rates. It occurred at a time when the Idaho State unemployment was 2.8% and the National unemployment was 4.2%.

The increased building growth impacts the city utilities as well. This can be illustrated with residential sanitation service accounts, which saw customer counts increase from 14,618 to 14,912 between September 30, 2016 and 2017.

Assessed net taxable market values within the City increased from $2,274,715,387 to $2,360,192,058. Every five years properties are required to be reassessed by the County Appraiser.

Most of the levy rates charged by the local municipal taxing districts decreased this year. The following is a table showing a comparison of the levy rates for the 2017 and 2016 budget years.

Taxing District	2016 Levy Rates (funded 2016-17 budget)	2015 Levy Rates (funded 2015-16 budget)	Percent Change
City of Twin Falls	0.007429860	0.007868287	-5.6%
Twin Falls County	0.004311054	0.004552904	-5.3%
Twin Falls County Ambulance District	0.000191659	0.000208866	-8.2%
Twin Falls County Abatement District	0.000112259	0.000125414	-10.5%
Twin Falls School District 411	0.004618324	0.004765449	-3.1%
Twin Falls Highway District	0.001151472	0.001223108	-5.9%
College of Southern Idaho	0.000931594	0.000963895	-3.4%
Combined	0.018746222	0.019707923	-4.9%

Future Issues

Previously the City engaged in a process of strategic planning whereby it analyzed the needs of the community and the role the City may have in meeting those needs. A plan was established and goals were identified along with specific timelines. Those goals have been, and will continue to be, integrated within the budgeting process and regularly reviewed and reevaluated to determine the best way to move forward. The following are specific issues the City faces as defined through those planning activities.

Compensation

One issue that the City has dealt with, and that will continue into the future, is City-wide compensation. Five years ago the City determined through surveys and professional review that employees, in general, were being compensated at a level that was below the surrounding market, at the time about 12%. An attempt was made to compute the indirect costs to the City of the excessive turnover this caused. A strategy was planned and implemented to bring compensation up to a level that was competitive with the local market, and maintained, moving forward. This strategy has been implemented over several years. Each year, during the budgeting process, a determination is made as to the level of progress that has been made and what level of increase can be made and sustained. In keeping with the concerns that the City has had about the compensation issue, the City Council took an unprecedented action outside the traditional budgeting process. It was recognized that even though the City has made great strides in implementing a market based compensation package across the board, the City's police and fire employee's compensation was still not competitive. The City Council amended the City's budget and increased eligible police and fire personnel by an average of 7% effective during the month of February, 2017.

Health insurance costs are on the rise, as most employers can attest to. The City of Twin Falls did a thorough review of options, looking for a sustainable path forward. Before the end of the fiscal year, the City opted to offer a traditional insurance plan and a high-deductible insurance plan. Those employees choosing the high-deductible plan had funding set aside in a HSA, or health savings account, to use on eligible expenses. A wellness committee has been established to look at options for promoting wellness among employees.

Wastewater Capacity

For a number of years the City had been advised by its engineers that the wastewater system was reaching capacity limitations on the amount of waste water that could be collected in the community and processed. City Engineers evaluated the community's future needs and the best way to meet any increased demand on the wastewater system. They developed a basic idea of what the needs were and the City went to its voters with a request to fund those treatment needs. The citizens approved a bond issuance of $38,000,000 to rehabilitate and expand the existing sewer treatment plant and replace several miles of sewer lines. The construction process for the expansion has taken several years, but during the past year, the new processing facility is online.

Building Capacity

Other than constructing some outlying fire stations to trim response times and the remodeling of a warehouse to accommodate public works, the City has not constructed a major building in over 40 years. Overcrowding has been particularly troublesome in the police department. When the police station was constructed, it was built when the City had 45 employees using the facility. Now the City has over 115 active law enforcement employees. Locker use is especially congested. The original design did not adequately plan for the number of women which the City would eventually employ.

After several attempts to design a remodel of the building that would accommodate the increased growth in the department the issue became a driving force for the construction of a new public safety complex and a new City Hall. Current and future needs of the City were identified and detailed. A citizen's committee was formed and tasked with reviewing all options for the most cost effective and efficient way to meet those needs. A consensus was reached by the committee to make a major remodel of the current City Hall and dedicate that building 100% to law enforcement. At the same time the committee identified a vacant building on Main Street that was currently for sale, the "Banner" building, which could be economically converted into a City Administrative building. The new facility will not only accommodate displaced City employees – but employees located in buildings at various locations as well as future growth. The building passed a structural assessment and was purchased by the City.

Construction activity was completed on the old Banner building, and the City administrative offices, along with Engineering, Planning and Zoning, and Building Inspections, moved into the new City Hall in October and November of 2017.

Now that the Police Department and City Hall facilities have been upgraded, the City is turning its attention to its fire stations. The City's growth requires that an updated evaluation take place. As the City has expanded over the years, it has not always been in ways that were projected forty or fifty years ago. Response times and public safety may dictate fresh thinking about facility locations. New fire stations require more than just a new physical structure. An entire new fire crew and set of response equipment and engines must also be funded and sustained.

Downtown Development/Urban Renewal Agency

The earliest revenue allocation area in the URA will terminate in 5 years. In the downtown portion of the URA area, the agency has embarked on an undertaking for significant work, largely improving Main Street. As part of the project the URA purchased a building which neighbors the new City Hall. That building has been demolished and a downtown plaza is being constructed in conjunction with a renovation of a five block area on both sides of Main. The City has taken responsibility for upgrading water and wastewater lines in the adjacent alleys. The URA and the City have been working closely together to make this project successful and efficient.

Airport Remodel

The configuration of the boarding area of the Airport has been troublesome for some time. Especially with the security measures that have been implemented since 9/11. The City received grant approval to remodel the airport to resolve these issues. Construction has been completed on the remodel, with an 8,000 square foot addition. Passengers are no longer isolated from services after they have been screened for boarding. Passengers now have restroom facilities available, vending options, baggage is handled in another area outside of the waiting area; and seating has been increased. The project cost in excess of $4,000,000. Funding for the project was from FAA grants, passenger facility charges, cost-share with the TSA, and some local costs from the city.

Urban Renewal Agency

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

Three years ago, the URA and the City entered into a development agreement to provide all of the infrastructure needs of Clif Bar & Company (CLIF Bar). CLIF Bar is a leading maker of nutritious and organic food and drink for people on the go. In partnership with the City and the Agency, CLIF Bar has built the world's largest bakery under one roof. This manufacturing facility is open and fully operational.

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO
Statement of Net Position
September 30, 2017

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
Assets				
Cash and Investments	$ 35,376,375	$ 36,894,176	$ 72,270,551	$ 10,762,860
Receivables:				
Taxes	226,350	-	226,350	106,733
Fees and Services	-	3,396,238	3,396,238	-
Intergovernmental	8,329,189	34,390	8,363,579	12,922
Interest	757	-	757	8,623
Accounts	190,153	58,093	248,246	1,452
Internal Balances	678,513	(678,513)	-	-
Inventory	-	780,845	780,845	-
Prepaid Items	-	190,702	190,702	18,000
Capital Assets not being Depreciated				
Land	6,733,480	11,950,126	18,683,606	2,621,783
Construction in Progress	18,307,684	41,542,774	59,850,458	18,541,554
Buildings and Structures	19,297,428	19,720,535	39,017,963	5,206,902
Infrastructure	267,524,524	60,449,450	327,973,974	-
Improvements	18,215,686	40,678,500	58,894,186	-
Machinery and Equipment	18,820,381	15,724,332	34,544,713	475,000
Accumulated Depreciation	(204,765,369)	(44,062,793)	(248,828,162)	(1,046,286)
Net Pension Asset-FRF	3,353,402	-	3,353,402	-
Total Assets	192,288,553	186,678,855	378,967,408	36,709,543
Deferred Outflows of Resources				
Pension Obligations-Base Plan	1,376,377	203,091	1,579,468	-
Pension Obligations-FRF	138,697	-	138,697	-
Total Deferred Outflows of Resources	1,515,074	203,091	1,718,165	-
Total Assets and Deferred Outflows of Resources	$ 193,803,627	$ 186,881,946	$ 380,685,573	$ 36,709,543

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Net Position
September 30, 2017

	Primary Government			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
Liabilities				
Pooled Cash	$ 770,907	$ 13,782,030	$ 14,552,937	$ 79,557
Accounts Payable	1,986,308	1,716,623	3,702,931	2,030,276
Accrued Expenses	62,984	-	62,984	-
Accrued Interest	-	64,032	64,032	1,393,575
Deferred Revenue	312,459	-	312,459	-
Customer Deposits	482,395	102,675	585,070	-
Development & Project Reimbursement Agreements	-	-	-	19,268,458
Compensated Absences-Current Portion	1,214,828	100,043	1,314,871	
Revenue Bond Payable-Current	-	4,060,000	4,060,000	2,770,000
Revenue Bond Payable	-	57,918,559	57,918,559	45,704,000
Compensated Absences	584,082	63,929	648,011	-
Net Pension Liability-Base Plan	7,409,785	946,772	8,356,557	-
Total Liabilities	12,823,748	78,754,663	91,578,411	71,245,866
Deferred Inflows of Resources				
Employer Pension Assumption-Base Plan	832,080	129,366	961,446	-
Employer Pension Assumption-FRF	117,595	-	117,595	-
Total Deferred Inflows of Resources	949,675	129,366	1,079,041	-
Net Position				
Net Investment in Capital Assets	144,133,814	84,024,365	228,158,179	15,512,646
Restricted for:				
Capital Projects	5,052,955	4,250,768	9,303,723	-
Debt Service	-	-	-	2,693,747
Law Enforcement Activities	636,143	-	636,143	-
Unrestricted	30,207,292	19,722,784	49,930,076	(52,742,716)
Total Net Position	180,030,204	107,997,917	288,028,121	(34,536,323)
Total Liabilities, Deferred Inflows and Net Position	$ 193,803,627	$ 186,881,946	$ 380,685,573	$ 36,709,543

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Activities
For the Year Ended September 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit - Urban Renewal
Primary Government:								
Governmental Activities:								
General Government	$ 12,728,775	$ 1,421,832	$ 4,803,312	$ 119,865	$ (6,383,766)	$ -	$ (6,383,766)	
Fire	3,724,075	497,195	-	-	(3,226,880)	-	(3,226,880)	
Police	9,894,491	869,323	-	-	(9,025,168)	-	(9,025,168)	
Engineering/Planning	2,289,208	1,243,246	-	-	(1,045,962)	-	(1,045,962)	
Library	1,764,149	46,949	-	-	(1,717,200)	-	(1,717,200)	
Culture and Recreation	2,199,115	228,945	8,671	-	(1,961,499)	-	(1,961,499)	
Highway and Street	5,802,644	1,054,770	3,160,839	175,383	(1,411,652)	-	(1,411,652)	
Airport	1,817,366	967,026	374,695	1,572,017	1,096,372	-	1,096,372	
Total Governmental Activities	40,219,823	6,329,286	8,347,517	1,867,265	(23,675,755)	-	(23,675,755)	
Business-Type Activities:								
Water	7,221,602	10,443,581	-	-	-	3,221,979	3,221,979	
Wastewater	8,064,545	10,279,739	-	-	-	2,215,194	2,215,194	
Sanitation	2,514,297	2,978,416	-	-	-	464,119	464,119	
Golf	43,062	-	-	-	-	(43,062)	(43,062)	
Pool	361,136	219,419	126,233	-		(15,484)		
Dierkes Lake/Shoshone Falls	311,985	427,168	-	-	-	115,183	115,183	
Common Area Maintenance	49,998	50,828	-	-	-	830	830	
Total Business-Type Activities	18,566,625	24,399,151	126,233	-	-	5,958,759	5,974,243	
Total Primary Government	$ 58,786,448	$ 30,728,437	$ 8,473,750	$ 1,867,265	$ (23,675,755)	$ 5,958,759	$ (17,701,512)	
Component Unit:								
Urban Renewal Agency								$ (3,340,837)
		General Revenues:						
		Taxes:						
		Property taxes, Levied for General Purposes			$ 19,334,072	$ -	$ 19,334,072	$ -
		Property taxes, Levied for Debt Service			-	-	-	9,795,235
		Franchise and Public Service Taxes			394,089	-	394,089	-
		Interest and Investment Earnings			365,364	307,138	672,502	66,818
		Interest and Investment Earnings						
		Gain (Loss) on sale of assets or transfer of Assets			6,009,025			(6,000,000)
		Miscellaneous Revenues			186,076	429,834	615,910	151,757
		Transfers			987,999	(987,999)	-	-
					27,276,625	(251,027)	21,016,573	4,013,810
		Changes in Net Position			3,600,870	5,707,732	9,308,602	672,973
		Net Position - October 1, 2016			176,208,588	102,510,931	278,719,519	(35,209,296)
		Transfer of Fund to Proprietary Fund-See Note 12			220,746	(220,746)	-	
		Net Position - September 30, 2017			$ 180,030,204	$ 107,997,917	$ 288,028,121	$ (34,536,323)

See accompanying notes to the financial statements.

FUND FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO
Fund Balance Sheets
Governmental Funds
September 30, 2017

	General	Street	Airport	Capital Improvement	Airport Construction	Other Governmental	Total Governmental
Assets							
Cash and Investments	$ 7,676,057	$ 6,360,527	$ 2,157,457	$ 11,468,586	$ 525,165	$ 6,466,531	$ 34,654,323
Receivables (net of allowance)							
Taxes	203,184	16,765	-	2,997	-	910	223,856
Fees and Services	-	-	-	-	-	-	-
Intergovernmental	1,029,974	576,472	1,602	443,600	269,430	7,412	2,328,490
Interest	757	-	-	-	-	-	757
Accounts	93,895	-	49,475	5,595	40,753	-	189,718
Due from Other Funds	683,166	-	-	-	-	-	683,166
Total Assets	$ 9,687,033	$ 6,953,764	$ 2,208,534	$ 11,920,778	$ 835,348	$ 6,474,853	$ 38,080,310
Liabilities							
Pooled Cash	$ -	$ -	$ -	$ -	$ 756,095	$ 14,812	$ 770,907
Accounts Payable	219,390	976,272	45,932	605,153	16,236	63,552	1,926,535
Accrued Expenses	45,601	-	1,994	-	-	15,130	62,725
Customer Deposits Payable	482,395	-	-	-	-	-	482,395
Due to Other Funds	-	-	-	-	-	4,653	4,653
Total Liabilities	747,386	976,272	47,926	605,153	772,331	98,147	3,247,215
Deferred Inflows of Resources							
Unavailable Revenue - Property Taxes	147,715	12,188	312,459	2,179	-	662	475,203
Total Deferred Inflows of Resources	147,715	12,188	312,459	2,179	-	662	475,203
Fund Balances							
Nonspendable Fund Balance	-	-	-	-	-	-	-
Restricted, Expendable for							
Law Enforcement	72,504	-	-	-	-	-	72,504
Restricted for the Benefit for TFPD	5,913	-	-	-	-		5,913
Committed Fund Balance							
Budgeted Surplus Res.	578,141	700,000	-	-	-	174,000	1,452,141
Park Development	-	-	-	-	-	236,441	236,441
Trail Fund	-	-	-	-	-	541	541
Impact Fees	-	-	-	-	-	4,625,430	4,625,430
Drug Seizure						76,297	76,297
Public Art Fund				54,908			54,908
Airport Construction	-	-	-	-	63,018	-	63,018
Assigned Fund Balance							
General Government	8,135,374	-	-	-	-	-	8,135,374
Streets	-	5,265,304	-	-	-	-	5,265,304
Airport	-	-	1,848,149	-	-	-	1,848,149
Street Light	-	-	-	-	-	200,385	200,385
Capital Improvements				11,258,538			11,258,538
Community Services	-	-	-	-	-	1,079,265	1,079,265
New City Hall	-	-	-	-	-	-	-
Unassigned Fund Balance	-	-	-	-	(1)	(16,315)	(16,316)
Total Fund Balance	8,791,932	5,965,304	1,848,149	11,313,446	63,017	6,376,044	34,357,892
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 9,687,033	$ 6,953,764	$ 2,208,534	$ 11,920,778	$ 835,348	$ 6,474,853	$ 38,080,310

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, 2017

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

Total Governmental Fund Balances	$	34,357,892
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		143,841,432
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.		6,164,557
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.		935,198
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		1,515,074
Deferred inflows of resources		(949,675)
Net pension asset, FRF		3,353,402
Net pension liability		(7,409,785)
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.		
Compensated absences		(1,798,908)
Compensated absences included in the internal service funds		21,017
Net Position of Governmental Activities	$	180,030,204

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, 2017

	General	Street	Airport	Capital Improvement	Airport Construction	Other Governmental	Total Governmental
Revenues							
Property Taxes, Including Interest	$ 15,595,151	$ 1,215,849	$ 375,973	$ 370,274	$ -	$ 1,687,704	$ 19,244,951
Other Taxes	496,427	-	-	-	-	394,089	890,516
Special Assessments, Including Interest	-	-	-	-	-	48,712	48,712
Fines and Forfeitures	12,490	-	-	-	-	22,888	35,378
Licenses and Permits	1,206,907	-	-	-	-	-	1,206,907
Fees and Services	1,225,890	1	749,148	-	162,171	727,070	2,864,280
Intergovernmental	2,818,744	3,160,839	374,695	1,673,250	-	-	8,027,528
Federal Grants	306,522	175,383	-	121,065	1,572,017	-	2,174,987
Miscellaneous	835,757	1,138,928	131,731	216,925	113,282	64,030	2,500,653
Total Revenue	22,497,888	5,691,000	1,631,547	2,381,514	1,847,470	2,944,493	36,993,912
Expenditures							
Current							
General Government	4,421,798	-	-	423,649	-	-	4,845,447
Public Safety	14,687,482	-	-	789,153	-	64,196	15,540,831
Engineering	1,499,651	-	-	-	-	-	1,499,651
Community Development	851,205	-	-	-	-	16,000	867,205
Culture and Recreation	1,946,534	-	-	138,363	-	1,620,463	3,705,360
Highway and Streets	-	4,444,730	-	16,088	-	391,408	4,852,226
Airport	-	-	1,005,544	-	2,488,442	-	3,493,986
Capital Outlay	-	2,347,876	-	8,358,676	-	811,013	11,517,565
Total Expenditures	23,406,670	6,792,606	1,005,544	9,725,929	2,488,442	2,903,080	46,322,271
Excess (Deficiency) of Revenues Over (Under) Expenditures	(908,782)	(1,101,606)	626,003	(7,344,415)	(640,972)	41,413	(9,328,359)
Other Financing Sources and (Uses)							
Transfers In	1,959,250	89,858	-	1,888,730	-	286,500	4,224,338
Transfers Out	(1,888,730)	(277,369)	(348,562)	(691,500)	-	(21,880)	(3,228,041)
Total Other Financing Sources and (Uses)	70,520	(187,511)	(348,562)	1,197,230	-	264,620	996,297
Net Change in Fund Balance	(838,262)	(1,289,117)	277,441	(6,147,185)	(640,972)	306,033	(8,332,062)
Fund Balance October 1, 2016	9,630,194	7,254,421	1,570,708	17,460,631	703,989	6,070,011	42,689,954
Fund Balance September 30, 2017	$ 8,791,932	$ 5,965,304	$ 1,848,149	$ 11,313,446	$ 63,017	$ 6,376,044	$ 34,357,892

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, 2017

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, 2017

Net Change in Fund Balances - Total Government Funds	$	(8,332,062)
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		4,932,589
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.		(179,893)
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.		(52,239)
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.		1,243,415
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.		5,989,060
Change in Net Position of Governmental Activities	$	3,600,870

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Net Position
Proprietary Funds
September 30, 2017

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
Assets						
Current Assets						
Cash and Investments	$ 8,290,566	$ 27,504,121	$ 385,528	$ 713,961	$ 36,894,176	$ 722,052
Receivables (net of allowance for uncollect.)						
Taxes	-	-	-	-	-	2,494
Fees and Services	1,352,214	1,650,906	387,075	6,043	3,396,238	-
Intergovernmental	-	-	-	34,390	34,390	699
Accounts	25,635	9,938	-	22,520	58,093	435
Inventories	780,845	-	-	-	780,845	-
Total Current Assets	10,449,260	29,164,965	772,603	776,914	41,163,742	725,680
Noncurrent Assets						
Prepaid Asset	-	190,703	-		190,703	
Due from Other Funds	-	20,794	-	-	20,794	-
Capital Assets (Net of Accum. Depreciation)	54,904,340	88,822,022	-	2,276,563	146,002,925	292,380
Total Noncurrent Assets	54,904,340	89,033,519	-	2,276,563	146,214,422	292,380
Total Assets	65,353,600	118,198,484	772,603	3,053,477	187,378,164	1,018,060
Deferred Outflows of Resources						
Pension Obligations	145,481	51,835	-	5,775	203,091	-
Total Deferred Outflows of Resources	145,481	51,835	-	5,775	203,091	-
Total Assets and Deferred Outflows of Resources	$ 65,499,081	$ 118,250,319	$ 772,603	$ 3,059,252	$ 187,581,255	$ 1,018,060
Liabilities and Net Position						
Current Liabilities:						
Pooled Cash	$ -	$ 13,500,191	$ -	$ 281,839	$ 13,782,030	$ -
Accounts Payable	489,247	964,935	214,674	47,767	1,716,623	59,773
Accrued Expenses	24,000	40,032	-	-	64,032	259
Due to Other Funds	-	-	-	699,307	699,307	-
Unavailable Revenue	-	-	-	-	-	1,813
Customer Deposits Payable	101,825	850	-	-	102,675	-
Revenue Bonds Payable - Current	2,155,000	1,905,000	-	-	4,060,000	-
Compensated Absences	67,268	28,824	-	3,951	100,043	12,495
Total Current Liabilities	2,837,340	16,439,832	214,674	1,032,864	20,524,710	74,340
NonCurrent Liabilities:						
Revenue Bonds Payable (Net of Discounts)	16,412,367	41,506,192	-	-	57,918,559	-
Compensated Absences	50,406	4,605	-	8,918	63,929	8,522
Net Pension Liability	700,209	218,206	-	28,356	946,771	
Total Non-current Liabilities	17,162,982	41,729,003	-	37,274	58,929,259	8,522
Total Liabilities	20,000,322	58,168,835	214,674	1,070,138	79,453,969	82,862
Deferred Inflows of Resources						
Employer Pension Assumption	82,131	44,253	-	2,982	129,366	
Total Deferred Inflows of Resources	82,131	44,253	-	2,982	129,366	-
Net Position						
Net Investment In Capital Assets	36,336,973	49,661,598	-	2,276,563	88,275,134	292,380
Restricted for Capital Expansion	-	4,250,768		-	4,250,768	
Restricted for Debt Retirement	2,928,162	3,485,356			6,413,518	
Unrestricted	6,151,493	2,639,509	557,929	(290,431)	9,058,500	642,818
Total Net Position	45,416,628	60,037,231	557,929	1,986,132	107,997,920	935,198
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 65,499,081	$ 118,250,319	$ 772,603	$ 3,059,252	$ 187,581,255	$ 1,018,060

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, 2017

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
Operating Revenues:						
Charges for Services	$ 10,263,184	$ 9,826,394	$2,994,674	$ 681,156	$ 23,765,408	$ 370,292
Property Taxes, Including Interest	-	-	-	-	-	182,134
Taps, Connection and Other Fees	168,999	-	-	-	168,999	-
Miscellaneous	59,280	349,872	247	6,798	416,197	1,462
Total Operating Revenues	10,491,463	10,176,266	2,994,921	687,954	24,350,604	553,888
Operating Expenses:						
Contracted Services	233,961	3,163,456	1,833,402	155,815	5,386,634	4,782
Personnel Expenses	1,980,733	653,576	-	235,291	2,869,600	363,330
Depreciation and Amortization	1,531,116	1,827,458	-	134,810	3,493,384	17,487
Utilities	1,043,382	1,035	-	46,534	1,090,951	9,262
Landfill Expenses	-	-	679,503	-	679,503	-
Supplies	561,695	30,419	-	36,583	628,697	22,921
Insurance	-	-	-	-	-	474,508
Repairs and Maintenance	161,352	74,041	-	73,192	308,585	12,075
Vehicle Expenses	130,391	42,613	-	138	173,142	1,121
Small Equipment	420,719	730,124	-	65,380	1,216,223	25,998
Studies and Projects	15,149	(139,328)	-	-	(124,179)	-
Rental Expense	136,302	-	-	581	136,883	-
Miscellaneous Expense	130,227	40,683	13,514	8,304	192,728	(2,230)
Testing and Monitoring	90,087	-	-	-	90,087	-
Telephone	-	-	-	132	132	-
Travel and Meetings	3,139	1,951	-	-	5,090	440
Total Operating Expenses	6,438,253	6,426,028	2,526,419	756,760	16,147,460	929,694
Operating Income (Loss)	4,053,210	3,750,238	468,502	(68,806)	8,203,144	(375,806)
Non-Operating Revenues (Expenses):						
Development Fees	-	453,344	-	-	453,344	-
Interest Income	104,468	198,469	3,407	795	307,139	-
Rent and Royalties	67,510	-	-	-	67,510	-
Federal Grants	-	-	-	-	-	-
Intergovernmental	-	-	-	126,234	126,234	-
Loss on Sale or Transfer of Assets	(72,712)	(342,856)	-	-	(415,568)	
Interest Expense	(709,811)	(1,638,516)	-	-	(2,348,327)	-
Total Non-Operating Revenues (Exp.)	(610,545)	(1,329,559)	3,407	127,029	(1,809,668)	-
Income (Loss) Before Interfund Transfers and Contributions	3,442,665	2,420,679	471,909	58,223	6,393,476	(375,806)
Interfund Transfers						
Capital Contributions	-	-	-	634,122	634,122	-
Transfers In	555,340	-	-	405,000	960,340	378,269
Transfers Out	(1,032,998)	(789,775)	(445,119)	(12,312)	(2,280,204)	(54,702)
Net Transfers	(477,658)	(789,775)	(445,119)	1,026,810	(685,742)	323,567
Net Income	2,965,007	1,630,904	26,790	1,085,033	5,707,734	(52,239)
Total Net Position, October 1, 2016	42,451,621	58,406,327	531,139	901,099	102,290,186	987,437
Total Net Position, September 30, 2017	$ 45,416,628	$ 60,037,231	$ 557,929	$ 1,986,132	$ 107,997,920	$ 935,198

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2017

	Business-Type Activities					Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business-Type	Total	
Cash Flows from Operating Activities						
Receipts from Customers	$ 10,330,372	$ 9,858,386	$ 2,975,255	$ 665,338	$ 23,829,351	$ 370,731
Property Taxes, Including Interest	-	-	-	-	-	184,720
Payments to Suppliers	(3,052,269)	(4,070,270)	(2,516,574)	(373,135)	(10,012,248)	(498,494)
Payments to Employees	(2,014,334)	(664,444)	-	(236,250)	(2,915,028)	(362,894)
Other Receipts	59,280	349,872	247	6,798	416,197	1,462
Net Cash Provided (Used) by Operating Activities	5,323,049	5,473,544	458,928	62,751	11,318,272	(304,475)
Cash Flows from Non-Capital Financing Activities						
Interfund Transfers to Other Funds	(1,032,998)	(789,775)	(445,119)	(12,312)	(2,280,204)	(54,702)
Receipts from (Advances) to Other Funds	555,340	-	-	405,000	960,340	378,269
Net Cash Provided (Used) by Non-Capital Financing Activities	(477,658)	(789,775)	(445,119)	392,688	(1,319,864)	323,567
Cash Flows from Capital and Related Financing Activities						
Purchase of Capital Assets	(173,243)	(531,888)	-	(43,018)	(748,149)	(8,373)
Construction in Progress	(2,703,664)	(6,157,236)	-	(210,410)	(9,071,310)	-
Loss on Disposals, Transfers of Capital Assets	72,712	342,856	-	-	415,568	(2,887)
Principal Paid on Capital Debt	(2,105,000)	(1,845,000)	-	-	(3,950,000)	-
Interest Paid on Capital Debt	(712,528)	(1,640,731)	-	-	(2,353,259)	-
Intergovernmental	-	-	-	126,234	126,234	
Development Fees	-	453,344	-	-	453,344	-
Rents and Royalties	67,510	-	-	-	67,510	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(5,626,925)	(9,721,511)	-	(127,194)	(15,475,630)	(11,260)
Cash Flows from Investing Activities						
(Purchase) or Sale of Securities	1,157,908	4,839,073	15,836	24,912	6,037,729	19,908
Interest Income	104,468	198,469	3,407	795	307,139	-
Net Cash Provided (Used) by Investing Activities	1,262,376	5,037,542	19,243	25,707	6,344,868	19,908
Net Increase (Decrease) in Cash and Cash Equivalents	480,842	(200)	33,052	353,952	867,646	27,740
Balances - Beginning of the Year	1,228,593	750	262,471	218,420	1,710,234	581,164
Balances - End of the Year	$ 1,709,435	$ 550	$ 295,523	$ 572,372	$ 2,577,880	$ 608,904
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	$ 4,053,210	$ 3,750,238	$ 468,502	$ (68,806)	$ 8,203,144	$ (375,806)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	1,580,689	2,022,364	-	134,810	3,737,863	17,487
Amortization	(49,573)	(194,906)	-	-	(244,479)	-
Change in Assets and Liabilities:						
Receivables, Net	(58,513)	31,842	(19,419)	(22,320)	(68,410)	3,266
Prepaid Expenses	-	11,919	-	-	11,919	-
Inventories	(54,951)	-	-	-	(54,951)	-
Unavailable Revenue	-	-	-	-	-	(241)
DOF or Resources-Pension Obligations	366,274	98,894	-	15,110	480,278	-
Accounts Payable	(70,914)	797,816	9,845	27,246	763,993	50,383
Due to Other Funds-Pooled Cash	-	(935,011)		(7,220)	(942,231)	
Customer Deposits	(43,298)	150	-	-	(43,148)	-
Compensated Absences	13,776	1,923	-	994	16,693	436
Net Pension Liability	(212,175)	(57,286)	-	(8,752)	(278,213)	-
DIF or Resources-Employer Pension Assumption	(201,476)	(54,399)	-	(8,311)	(264,186)	-
Net Cash Provided (Used) by Operating Activities	$ 5,323,049	$ 5,473,544	$ 458,928	$ 62,751	$ 11,318,272	$ (304,475)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds						
Cash and Investments-Statement of Net Position	$ 8,290,566	$ 27,504,121	$ 385,528	$ 713,961	$ 36,894,176	$ 722,052
Less: Investments	(6,581,131)	(27,503,571)	(90,005)	(141,589)	(34,316,296)	(113,148)
Cash and Cash Equivalents	$ 1,709,435	$ 550	$ 295,523	$ 572,372	$ 2,577,880	$ 608,904
Supplemental Disclosure of Noncash Capital and Related Financing Activities						
Capital Assets Contributed from Other Funds	$ -	$ -	$ -	$ 634,122	$ 634,122	$ -

See accompanying notes to the financial statements.

CITY OF TWIN FALLS, IDAHO
Statement of Fiduciary Net Position - Fiduciary Fund
September 30, 2017

	Agency Fund
Assets	
Cash and Cash Equivalents	$ -
Receivables (net of allowance for uncollect.)	
Intergovernmental	-
Total Assets	$ -
Liabilities	
Pooled Cash	-
Accounts Payable	-
Total Liabilities	$ -

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

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 library is prohibited from levying property taxes by State statute and works with the City during the budgeting process to determine the appropriate level of property tax funding. The City receives and remits property tax receipts for the benefit of the Library during the year, but final responsibility relative to budget, taxing, and debt remains with the City. Additionally, even though operationally the Library is governed by its own board of directors, that board is appointed by the City Council. These circumstances are the basis for blending the component unit, and its financial activity is reported as a special revenue fund within the City's financial statements.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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.

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 it's 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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.

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

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

The government reports the following major proprietary funds:

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

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

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

Fiduciary funds
Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others. Trust funds account for assets held by the City under the terms of a formal trust agreement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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.

MEASUREMENT FOCUS

Government-wide Financial Statements

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

Fund Financial Statements

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

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

BASIS OF ACCOUNTING

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

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

Revenues-Exchange Transactions

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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 INFLOWS OF RESOURCES, AND FUND EQUITY

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

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

State statutes authorize the City and Agency to invest any available funds in obligations issued or guaranteed by the U.S. Treasury, the State of Idaho, local Idaho municipalities and taxing districts, the Farm Credit System, or Idaho public corporations, as well as time deposit accounts 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 market 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Deposits and Investments-Continued
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 LGIP is not rated by a nationally recognized statistical rating organization.

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

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

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

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

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 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Capital Assets, Depreciation, and Amortization-continued
Estimated useful lives, in years, for depreciable assets are as follows:

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

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

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

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

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

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

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category: the pension obligation reported on the statement of net position. The pension obligation results from changes in assumptions or other inputs in the actuarial calculation of the City's net pension liability.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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

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

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

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

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

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

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

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Governmental Fund Balances-continued

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the City's highest level of decision-making authority, the City Council.

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 fun.

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.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Net Position

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

Operating Revenues and Expenses

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

Interfund Activity

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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

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

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

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY-continued

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

Excess of Expenditures over Appropriations
For the fund year ended September 30, 2017, expenditures exceeded appropriations in the Capital Improvements Fund by $192,786, Airport Construction Fund by $350,547, the Common Area Maintenance Fund by $6,046, and the Insurance Fund by $41,240.

3. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents –
A reconciliation of cash and cash equivalents at September 30, 2017 is as follows:

Reconciled Bank Accounts	$ 1,346,056
State Investment Pool	1,881,253
Savings & Certificates of Deposit	735,000
Money Market Mutual Funds	1,423,619
Library Operating Fund	41,949
Petty Cash	2,515
Total Cash	$ 5,430,392

Cash and Investments	
Reconciliation to the Statement of Net Position	
Cash as State Above	5,430,392
Investments	52,287,222
Pooled Cash Deficit	14,552,937
Cash and Investments	$ 72,270,551

At September 30, 2017, the Urban Renewal Agency's reconciliation of cash and cash equivalents is as follows:

Cash in Bank	$ 112,291
State Investment Pool	6,828,434
Money Market Fund	3,742,578
Pooled Cash Deficits	79,557
Total	$ 10,762,860

3. DEPOSITS AND INVESTMENTS-Continued

The City's and the Agency's reconciled bank balances are covered by $541,949 and $250,000 respectively, of federal depository insurance with the remainder covered by collateral held by their agent.

Investments – The City held the following investments at September 30, 2017.

Investments carried at fair value	
US Government and Agency Obligations	
Federal Farm Credit Bank	$ 2,628,413
Federal Home Loan Bank	977,775
Federal Home Loan Mortgage Corporation	1,132,193
Federal Home Loan Mortgage Corporation Pool	828,795
Federal National Mortgage Association	2,025,384
Federal National Mortgage Association Pool	13,580
Government National Mortgage Association Pool	1,445,830
Overseas Private Investment Corporation	99,712
Resolution Funding Corporation	671,373
Mortgage/Asset Backed Securities	
Federal National Mortgage Association	6,861,341
Federal Home Loan Mortgage Corporation	8,169,962
Government National Mortgage Association	6,806,448
Corporate Obligations	20,626,416
Total	$ 52,287,222

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.

Disclosures Relating to 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. Information about the exposure of the City's debt type investments to this risk, using the segmented time distribution model is as follows:

3. ***DEPOSITS AND INVESTMENTS-Continued***

Investment	Fair Value	Investment Maturities (in years) Less than 1 year	1-5 Years	6-10 Years	Over 10 Years
US Government and Agency Obligations					
Federal Farm Credit Bank	$ 2,628,413	$ -	$ 2,628,413	$ -	
Federal Home Loan Bank	977,775	-	499,760	-	478,015
Federal Home Loan Mortgage Corporation	1,132,193	-	159,693	972,500	
Federal Home Loan Mortgage Corporation Pool	828,795	-	5,847	822,948	
Federal National Mortgage Association	2,025,384	748,740	481,980	198,456	596,208
Federal National Mortgage Association Pool	13,580	652	7,469	1,479	3,980
Government National Mortgage Association Pool	1,445,830	-	4,439	1,343,661	97,730
Overseas Private Investment Corporation	99,712	-	99,712	-	-
Resolution Funding Corporation	671,373	-	671,373	-	-
Mortgage/Asset Backed Securities					
Federal National Mortgage Association	6,861,341	12,028	89,690	2,682,012	4,077,611
Federal Home Loan Mortgage Corporation	8,169,962	-	47,557	452,553	7,669,852
Government National Mortgage Association	6,806,448	-	-	499,647	6,306,801
Corporate Obligations	20,626,416	2,495,825	16,714,226	1,416,365	-
Total	$ 52,287,222	$ 3,257,245	$ 21,410,159	$ 8,389,621	$ 19,230,197

Concentration of Credit Risk

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

US Government and Agency Obligations	Reported Amount	Percentage
Federal Farm Credit Bank	$ 2,628,413	5.03%
Mortgage/Asset Backed Securities		
Federal National Mortgage Association	6,861,341	13.12%
Federal Home Loan Mortgage Corporation	8,169,962	15.63%
Government National Mortgage Association	6,806,448	13.02%
Corporate Obligations	20,626,416	39.45%

3. ***DEPOSITS AND INVESTMENTS-Continued***

Disclosures Relating to Credit Risk

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

Investments subject to credit risk	Fair Value	S & P Rating
US Government and Agency Obligations		
Federal Farm Credit Bank	$ 2,628,413	AA+
Federal Home Loan Bank	977,775	AA+
Federal Home Loan Mortgage Corporation	1,132,193	AA+
Federal Home Loan Mortgage Corporation Pool	828,795	N/A
Federal National Mortgage Association	1,543,404	AA+
Federal National Mortgage Association	481,980	AA-
Federal National Mortgage Association Pool	13,580	N/A
Government National Mortgage Association Pool	1,445,830	N/A
Overseas Private Investment Corporation	99,712	N/A
Resolution Funding Corporation	671,373	N/A
Mortgage/Asset Backed Securities		
Federal National Mortgage Association	6,861,341	N/A
Federal Home Loan Mortgage Corporation	8,169,962	N/A
Government National Mortgage Association	6,806,448	N/A
Corporate Obligations	1,023,260	A+
Corporate Obligations	7,946,060	A
Corporate Obligations	3,001,935	A-
Corporate Obligations	5,433,401	AA-
Corporate Obligations	1,544,076	BBB+
Corporate Obligations	1,466,780	N/A
Corporate Obligations	210,904	Not Rated
Total	$ 52,287,222	

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.

Fair Value

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

Level 1: Quoted price for identical investments in active markets;
Level 2: Observable inputs other than quoted market prices; and
Level 3: Unobservable inputs.

The City's investment fair value measurements are as follows at September 30, 2017:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt Securities				
US Government and Agency Obligations	$ 9,823,055	$ -	$ 9,823,055	$ -
Mortgage/Asset Backed Securities	21,837,751	-	$ 21,837,751	-
Corporate Bonds	20,626,416	-	20,626,416	-
Total	$ 52,287,222	$ -	$ 52,287,222	$ -

Debt securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.

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, 2017, are considered to be deferred revenue.

Taxes receivable and deferred revenue as of September 30, 2017, consist of the following for the City:

Fund	Taxes Receivable	Unavailable Revenue
General	$ 203,184	$ 147,715
Street	16,765	12,188
Street Lighting	910	662
Airport		312,459
Capital Improvement	2,997	2,179
Insurance	2,494	1,813
Total	$ 226,350	$ 477,016

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

Property Taxes	$ 164,557
Prepaid Rent	312,459
Total	$ 477,016

Urban Renewal Agency taxes receivable and unavailable revenue at September 30, 2017 consist of 2016 property tax revenue to be collected after November 30, 2017.

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

Amounts due from other governments at September 30, 2017 are presented as follows for the City:

Fund	Federal	State	County	Local	Total
General	$ -	$ 464,735	$ 489,135	$ 76,104	$ 1,029,974
Street	-	568,357	8,115	-	576,472
Street Lighting	-	-	153	-	153
Library	-	-	7,259	-	7,259
Airport	-	-	1,602	-	1,602
Capital Improvement	-	393,722	49,878	-	443,600
Insurance	-	-	699	-	699
Pool	-	34,390	-	-	34,390
Airport Construction	269,430	-	-	-	269,430
Total Fund Financial Statements	269,430	1,461,204	556,841	76,104	2,363,579
Government Wide Adjustments-Capital Improvements Fund				6,000,000	6,000,000
Total Government-wide Financial Statements	$ 269,430	$ 1,461,204	$ 556,841	$ 6,076,104	$ 8,363,579

Urban Renewal Agency receivable from other governments consists of property taxes collected by the County prior to December 1, 2017.

5. CAPITAL ASSETS

Changes in capital assets for the City for the year ended September 30, 2017, are as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Government-wide Assets:					
Capital Assets, not Being Depreciated					
Land	$ 6,733,480	$ -	$ -	$ -	$ 6,733,480
Construction in Progress	6,640,521	12,214,140	-	(546,977)	18,307,684
Total Capital Assets, not Being Depreciated	13,374,001	12,214,140	-	(546,977)	25,041,164
Capital Assets Being Depreciated					
Buildings and Structures	19,500,670	23,200	(54,138)	(172,304)	19,297,428
Infrastructure	267,117,860	99,175	(336,380)	643,869	267,524,524
Improvements	18,555,097	734,207	-	(1,073,618)	18,215,686
Machinery and Equipment	18,183,054	995,527	(460,982)	102,782	18,820,381
Total Capital Assets Being Depreciated	323,356,681	1,852,109	(851,500)	(499,271)	323,858,019
Less Accum. Deprec. For Govt. Wide					
Buildings and Structures	7,150,375	439,546	(39,114)	(88,305)	7,462,502
Infrastructure	169,859,303	6,179,793	(41,610)	33,299	176,030,785
Improvements	10,451,528	640,608	-	(668,496)	10,423,640
Machinery and Equipment	10,062,026	1,290,706	(439,872)	(64,418)	10,848,442
Total Accum. Deprec.	197,523,232	8,550,653	(520,596)	(787,920)	204,765,369
Governmental Activities Capital Assets, net	$ 139,207,450	$ 5,515,596	$ (330,904)	$ (258,328)	$ 144,133,814
Business Type Activity Assets:					
Capital Assets, not Being Depreciated					
Land	$ 11,718,757	$ 231,369	$ -	$ -	$ 11,950,126
Construction in Progress	35,409,005	9,071,310	-	(2,937,541)	41,542,774
Total Capital Assets, not Being Depreciated	47,127,762	9,302,679	-	(2,937,541)	53,492,900
Capital Assets Being Depreciated					
Buildings and Structures	19,548,231	-	-	172,304	19,720,535
Infrastructure	57,921,001	-	-	2,528,449	60,449,450
Improvements	39,462,600	-	-	1,215,900	40,678,500
Machinery and Equipment	15,254,743	516,780	(114,327)	67,136	15,724,332
Total Capital Assets Being Depreciated	132,186,575	516,780	(114,327)	3,983,789	136,572,817
Less Accum. Deprec. For Business Type Activities					
Buildings and Structures	13,545,118	446,191	-	88,305	14,079,614
Infrastructure	4,545,690	1,602,801	-	(33,299)	6,115,192
Improvements	15,762,855	879,236	-	668,496	17,310,587
Machinery and Equipment	5,757,898	809,635	(74,551)	64,418	6,557,400
Total Accum. Deprec.	39,611,561	3,737,863	(74,551)	787,920	44,062,793
Business-type Activities Capital Assets, net	$ 139,702,776	$ 6,081,596	$ (39,776)	$ 258,328	$ 146,002,924

5. CAPITAL ASSETS - Continued

Changes in capital assets for the Urban Renewal Agency for the year ended September 30, 2017, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Government-wide Assets:				
Capital Assets, not Being Depreciated				
Land	$ 2,621,783	$ 6,000,000	$ (6,000,000)	$ 2,621,783
Construction in Progress	13,596,138	4,945,416	-	18,541,554
Total Capital Assets, not Being Depreciated	$ 16,217,921	$ 10,945,416	$ (6,000,000)	$ 21,163,337
Business Type Activity Assets:				
Capital Assets, not Being Depreciated				
Land	$ 1,350,000	$ -	$ -	$ 1,350,000
Total Capital Assets, not Being Depreciated	1,350,000	-	-	1,350,000
Capital Assets Being Depreciated				
Buildings and Improvements	3,856,902	-	-	3,856,902
Equipment	475,000	-	-	475,000
Total Capital Assets Being Depreciated	4,331,902	-	-	4,331,902
Less Accum. Deprec. For Business Type Activities				
Buildings and Improvements	516,177	84,276	-	600,453
Equipment	433,333	12,500	-	445,833
Total Accum. Deprec.	949,510	96,776	-	1,046,286
Business-type Activities Capital Assets, net	$ 4,732,392	$ (96,776)	$ -	$ 4,635,616

5. CAPITAL ASSETS – Continued

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

General Government	$	6,220,556
Fire		214,486
Police		376,372
Library		109,390
Culture and Recreation		267,601
Highway and Street		512,798
Airport		831,964
		8,533,167
Depreciation on Capital Assets held by the City's Internal Service Fund.		17,486
Total Depreciation Expense - Governmental Activities	$	8,550,653

6. LONG-TERM LIABILITIES

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

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

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

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

6. LONG-TERM LIABILITIES – Continued

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

	Beginning Balance	Additions	Principal Payments	Amortization	Ending Balance	Due Within One year
Business-type Activities:						
Idaho Bond Bank Authority Water Bonds	$ 18,540,198	$ -	$ (1,805,000)	$ (8,450)	$ 16,726,748	$ 1,850,000
Idaho Bond Bank Authority, Parity Lien Revenue Refunding Bond, Series	2,181,742	-	(300,000)	(41,123)	1,840,619	305,000
Idaho Bond Bank Authority, Parity Lien Sewer Revenue Refunding Bond, Series	2,886,952	-	(395,000)	(54,492)	2,437,460	400,000
Idaho Bond Bank Authority, Parity Lien Sewer Revenue Bond, Series 2012B	6,280,312	-	(455,000)	(35,483)	5,789,829	460,000
Idaho Bond Bank Authority Revenue Bonds	36,283,834	-	(995,000)	(104,931)	35,183,903	1,045,000
Total	$ 66,173,038	$ -	$ (3,950,000)	$ (244,479)	$ 61,978,559	$ 4,060,000

Changes in accrued compensated absences are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amount due Within One Year
Governmental	$ 1,618,581	$ 1,452,129	$ (1,271,800)	$ 1,798,910	$ 1,214,828
Business-type	147,279	120,596	(103,903)	163,972	100,043
Total	$ 1,765,860	$ 1,572,725	$ (1,375,703)	$ 1,962,882	$ 1,314,871

6. LONG-TERM LIABILITIES-Continued

Business-Type Activities - Revenue Obligations
Following are obligations that the City has pledged income derived from the acquired or constructed assets to pay debt service.

Idaho Bond Bank Authority Loan Payable, Payable in semi-annual installments over 15 years with interest rates that varies from 2 to 5.1%.	$ 5,395,000	
Less: Unamortized discount	37,309	
Total		$ 5,432,309
Idaho Bond Bank Authority Loan Payable, Payable in semi-annual installments over 15 years with interest rates that varies from 3 to 5.06%.	11,270,000	
Less: Unamortized discount	24,439	
Total		11,294,439
Idaho Bond Bank Authority, Parity Lien Water Revenue Refunding Bond, Series 2012C, Payable in semi-annual installments over 15 years with interest rates that varies from 2 to 5. %.	1,635,000	
Plus: Premium	205,619	
Total		1,840,619
Idaho Bond Bank Authority, Parity Lien Water Revenue Refunding Bond, Series 2012C, Payable in semi-annual installments over 15 years with interest rates that varies from 2 to 5. %.	2,165,000	
Plus: Premium	272,460	
Total		2,437,460
Idaho Bond Bank Authority, Parity Lien Sewer Revenue Bond Series 2012B, Payable in semi-annual installments over 15 years with interest rates that varies from 2 to 5%.	5,435,000	
Plus: Premium	354,829	
Total		5,789,829
Idaho Bond Bank Authority, Revenue Bond Series 2014, Payable in semi-annual installments over 15 years with interest rates that varies from 2 to 4%.	33,505,000	
Plus: Premium	1,678,903	
Total		35,183,903
Total		$ 61,978,559

6. LONG-TERM LIABILITIES-Continued

Debt service requirements to maturity are as follows:

September	Total	Interest	Principal
2018	6,715,646	2,411,167	4,304,479
2019	6,694,593	2,305,113	4,389,480
2020	6,680,762	2,116,282	4,564,480
2021	6,660,295	1,905,815	4,754,480
2022	6,633,658	1,689,178	4,944,480
2023-2027	25,608,454	5,511,886	20,096,568
2027-2031	17,933,410	2,463,750	15,469,660
2032-2034	3,588,932	134,000	3,454,932
Total	$ 80,515,750	$ 18,537,191	$ 61,978,559

Urban Renewal Agency

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

Revenue bonds and outstanding debt at September 30, 2017 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%.	$ 13,670,000
Revenue Allocation Refunding Bonds, Series 2015A (Tax Exempt), dated February 5, 2015 and maturing August 1, 2022. The proceeds of the bonds provided funds to refund prior obligations issued, establish a reserve fund, and to pay costs of issuance of the Bonds and other expenses. The bonds are term bonds that require annual sinking fund deposits on August 1 each year. Bonds maturing August 1, 2016 and later are subject to prior redemption on August 1, 2015. The bonds bear interest at 2.1%	1,235,000

6. LONG-TERM LIABILITIES-Continued

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. Bonds maturing August 1, 2016 and later are subject to prior redemption on August 1, 2015. The bonds bear interest at 4.502%. Repayment of the bonds is guaranteed by Chobani Global Holding, Inc.	28,069,000
Revenue Allocation Bonds, Series 2015C, dated July 23, 2015 and maturing August 1, 2022. The proceeds of the bonds were used and will be used to fund renewal projects along or near the Main Ave. of Twin Falls, downtown. The bonds are term bonds that require semi-annual interest payments on February 1 and August 1. Annual principal payments are due on August 1 each year beginning on August 1, 2018. The bonds interest rates vary; currently the rate is 1.534%.	$ 5,500,000
Total	$ 48,474,000

Expected annual maturities of these obligations are as follows:

Year	Total	Interest	Principal
September 30, 2018	$ 4,947,301	$ 2,177,301	$ 2,770,000
September 30, 2019	5,286,541	2,065,541	3,221,000
September 30, 2020	5,264,496	1,935,496	3,329,000
September 30, 2021	5,232,536	1,801,536	3,431,000
September 30, 2022	6,189,753	1,663,753	4,526,000
2023-2027	19,055,719	6,302,719	12,753,000
2028-2032	18,155,593	3,061,593	15,094,000
2033-2036	3,787,525	437,525	3,350,000
Total	$ 67,919,464	$ 19,445,464	$ 48,474,000

The Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. At September 30, 2017, the Agency was indebted in the amount of $2,982,151. The Agency is also indebted to Clif Bar & Company. The Agency entered into a Development Agreement on October 17, 2013, to reimburse cost incurred by Clif Bar & Company to construct certain Project Improvements authorized by the Development Agreement. At September 30, 2017, the Agency was indebted in the amount of $10,286,307.

The Agency is also indebted to the City of Twin Falls. The Agency entered into an agreement on April 10, 2017 to purchase a parcel of real property, including a wastewater treatment facility. The property was then transferred to Con Agra. At September 30, 2017, the Agency was indebted in the amount of $6,000,000. The obligation bears no interest and requires repayment as incremental tax revenue from Revenue Allocation Area 4-1 becomes available and full repayment prior to the area's closure.

6. LONG-TERM LIABILITIES-Continued

Changes in Long-Term Debt

During the year ended September 30, 2017, the following changes occurred in liabilities reported as the general long-term debt.

Obligation	Balances, September 30, 2016	Additions	Repayments	Balances, September 30, 2017
Revenue Allocation Bonds, Series 2013A	29,308,000	-	1,239,000	28,069,000
Revenue Allocation Bonds, Series 2015A-Tax Exempt	2,275,000	-	1,040,000	1,235,000
Revenue Allocation Bonds, Series 2015C-Taxable	400,139	5,099,861	-	5,500,000
Revenue Allocation Bonds, Series 2016	13,670,000	-	-	13,670,000
Total	$ 45,653,139	$ 5,099,861	$ 2,279,000	$ 48,474,000

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.

7. INTERFUND TRANSACTIONS

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

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

Individual fund interfund receivable/payable balances at September 30, 2017:

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

7. INTERFUND TRANSACTIONS-Continued

Interfund transfers for the year are as follows:

	Transfers to										
	General	Street	Capital Imp.	Impact Fee	Water Works	Golf	Pool	Insurance	Shop Revolving	Fire Works	Total
Transfers From											
General	$ -	$ -	$ 1,888,730	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,888,730
Street	248,541	-	-	-	-	-	-	28,828	-	-	277,369
Street Light	21,880	-	-	-	-	-	-	-	-	-	21,880
Airport	319,734	-	-	-	-	-	-	28,828	-	-	348,562
Capital Imp.	-	-	-	280,000	-	55,000	350,000	-	-	6,500	691,500
Waterworks	805,853	89,858	-	-	-	-	-	63,750	73,537	-	1,032,998
Wastewater	336,001	-	-	-	277,670	-	-	176,104	-	-	789,775
Common Area	2,739	-	-	-	-	-	-	-	-	-	2,739
Sanitation	160,227	-	-	-	277,670	-	-	7,222	-	-	445,119
Dierkes Lake	9,573	-	-	-	-	-	-	-	-	-	9,573
Insurance	54,702	-	-	-	-	-	-	-	-	-	54,702
Total	$ 1,959,250	$ 89,858	$ 1,888,730	$ 280,000	$555,340	$ 55,000	$ 350,000	$ 304,732	$ 73,537	$ 6,500	$ 5,562,947

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

The City has concluded that it should maintain 25% of the annual budgeted base revenues of the ensuing fiscal year in the General Fund, to provide reasonable assurance to purchasers of City debt instruments that the City will pay all general obligations and meet unforeseen emergencies. A policy has been adopted where funds in excess of that 25% are transferred annually to the Capital Improvement Fund, where it will be available for one-time projects recommended by the City Manager and approved by City Council. The $1,888,730 above is the transfer that occurred in the current year and relates to operations of the prior year.

8. RISK MANAGEMENT

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

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

8. RISK MANAGEMEN-Continued

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

9. PENSION PLANS

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

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 highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

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

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

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

9. PENSION PLANS-Continued

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 stature at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2017 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% general employees and 11.66% for police and firefighters. The City's contributions were $2,043,923 for the year ended June 30, 2017.

For the FRF Plan, as of June 30, 2017, the total employer rate was 25.31% which includes the employer excess rate of 13.65% plus the PERSI class 2 firefighters rate of 11.66%. The FRF member rate for the year for class B is 11.45% which is 3.09% above the class 2 rate of 8.36%. The City's contributions were $133,382 for the year ended June 30, 2017.

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, 2017, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, 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, 2017, the City's proportion was .005813347 percent.

For the FRF at September 30, 2017, the City reported a liability for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City's share of contributions in the FRF pension plan relative to the total contributions of all participating FRF employers. At June 30, 2017, the City's proportion was .036537638 percent.

For the year ended September 30, 2017, the City recognized pension expense (revenue) of $1,476,300 for the Base Plan and ($489,653) for the FRF Plan. At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

9. PENSION PLANS-Continued

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
BASE PLAN		
Differences between expected and actual experience	$ 1,265,844	$ 823,219
Changes in assumptions or other inputs	168,979	
Net difference between projected and actual earnings on pension plan investments	-	547,470
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	(353,018)	(409,243)
The City's contributions subsequent to the measurement date	497,663	
Total	$ 1,579,468	$ 961,446
FRF		
Differences between expected and actual experience	$ -	$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	69,800
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	101,020	47,795
The City's contributions subsequent to the measurement date	37,677	-
Total	$ 138,697	$ 117,595

9. PENSION PLANS-Continued

For the Base Plan, $497,663 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, 2018.

For the FRF Plan, $37,677 was reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date, and will be recognized as a reduction of the net pension asset in the year ending September 30, 2018.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2016 the beginning of the measurement period ended June 30, 2017 is 4.9 and 5.5 years for the measurement period June 30, 2016 for the Base Plan and 1 year for the FRF.

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

Year Ended September 30,

	Base Plan	FRF
2018	$ (496,751)	$ (86,688)
2019	858,479	127,960
2020	243,588	15,845
2021	(541,184)	(126,917)

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.

9. PENSION PLANS-Continued

For the Base Plan, the total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25%
Salary increases	4.25% - 10.00%
Salary inflation	3.75%
Investment rate of return	7.10%, net of investment expenses
Cost-of living adjustments	1%

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

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

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

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

Inflation	3.25%
Salary increases	3.75%
Salary inflation	3.75%
Investment rate of return	7.10%, net of investment expenses
Cost-of living adjustments	3.75%

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

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

9. PENSION PLANS-Continued

For the Base Plan, an experience study was performed for the period July 1, 2007 through June 30, 2013 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 Liability for the Base Plan as of June 30, 2017 is based on the results of an actuarial valuation date of July 1, 2017.

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, 2017 is based on the results of an actuarial valuation date of July 1, 2017.

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

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

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are as of January 1, 2017.

Capital Market Assumptions

Asset Class	Expected Return	Expected Risk	Strategic Normal	Strategic Ranges
Equities			70%	66%-77%
Broad Domestic Equity	9.15%	19.00%	55%	50%-65%
International	9.25%	20.20%	15%	10%-20%
Fixed Income	3.05%	3.75%	30%	23%-33%
Cash	2.25%	0.90%	0%	0%-5%

	Expected Return	Expected Inflation	Expected Real Return	Expected Risk
Total Fund				
Actuary	7.00%	3.25%	3.75%	N/A
Portfolio	6.58%	2.25%	4.33%	12.67%

*Expected arithmetic return net of fees and expenses

9. PENSION PLANS-Continued

Actuarial Assumptions

Assumed Inflation-Mean	3.25%
Assumed Inflation-Standard Deviation	2.00%
Portfolio Arithmetic Mean Return	8.42%
Portfolio Long-Term Expected Geometric Rate of Return	7.50%
Assumed Investment Expenses	0.40%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	**7.10%**

Discount Rate

The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

9. PENSION PLANS-Continued

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
BASE PLAN			
Employer's proportionate share of the net pension liability	$ 21,237,623	$ 9,137,583	$ (917,871)
FRF			
Employer's proportionate share of the net pension asset	$ 2,017,389	$ 3,134,770	$ 4,082,948

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.

Payables to the pension plan

At September 30, 2017, the City had no unpaid contributions to the pension plan required for the fiscal year.

10. TAX ABATEMENTS

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

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

10. TAX ABATEMENTS-Continued

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

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

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

11. FUND BALANCE AND NET ASSET DEFICITS

Fund deficits as of September 30, 2017, which are significant, are as follows:

Golf Fund- The deficit of $312,922 is due to accumulated costs exceeding revenues over a number of years. The City has entered into a new lease agreement in 2012 where the lessor will be responsible for golf course costs in the future.

12. CHANGE IN PRESENTATION

The Pool Fund is presented in the current financial statements as a proprietary fund. That represents a reclassification from prior years when the fund was categorized as a governmental fund. The funds source of support has shifted from governmental support through a budgeted allocation of State Share Revenues to swimming user fees. The beginning balances of the financial statements have been restated with the effects of the change.

13. URBAN RENEWAL SUMMARIZED INFORMATION

	Year Ended September 30, 2017
Assets	$ 36,709,543
Total Assets	$ 36,709,543
Liabilities & Net Position	
Liabilities	$ 71,245,866
Net Assets:	
Net Investment in Capital Assets	15,512,646
Restricted	3,181,097
Unrestricted	(53,230,066)
Total Liabilities & Net Position	$ 36,709,543
Revenues	4,585,958
Expenditures	(3,912,985)
Excess (Deficiency) Revenues over Expenditures	672,973
Net Position - Beginning of Year	(35,209,296)
Net Position - End of Year	$ (34,536,323)

14. COMMITMENTS AND SUBSEQUENT EVENTS

On December 1, 2017, the Agency sold the C3 building for $2,050,000 which effectively will eliminate the Rental Fund (proprietary fund). The balance of the rental fund will be transferred to the general fund next fiscal year

The City and Agency have evaluated subsequent events through February 1, 2018, the date which the financial statements were available to be issued and determined the disclosures are adequate.

15. BOND COVENANT COMPLIANCE

The City is subject to various covenants as a result of the various bonds issued by the City. During the year ended September 30, 2017, the City is in compliance with these covenants.

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes, Including Penalty and Interest	$ 15,468,329	$ 15,468,329	$ 15,595,151	$ 126,822	$ 14,844,476
Non-property Taxes	500,000	500,000	496,427	(3,573)	486,777
Fines and Forfeitures	6,000	6,000	12,490	6,490	9,466
Licenses and Permits	1,214,000	1,214,000	1,206,907	(7,093)	1,264,310
Fees and Services	1,132,374	1,132,374	1,225,890	93,516	1,227,107
Intergovernmental	2,639,549	2,639,549	2,818,744	179,195	2,523,838
Federal Grants	-	-	306,522	306,522	143,936
Miscellaneous	814,218	814,218	835,757	21,539	753,769
Total Revenues	21,774,470	21,774,470	22,497,888	723,418	21,253,679
Expenditures:					
Current					
Data Processing	$ 1,783,205	$ 1,783,205	$ 1,771,910	$ 11,295	$ 1,583,049
Council	158,698	158,698	142,710	15,988	155,708
Manager	954,751	954,751	969,695	(14,944)	929,649
Finance	769,392	769,392	729,792	39,600	723,373
Attorney	395,582	395,582	408,771	(13,189)	388,418
Personnel	448,896	448,896	398,920	49,976	386,941
Total General Government	4,510,524	4,510,524	4,421,798	88,726	4,167,138
Police	9,378,980	9,378,980	9,396,076	(17,096)	8,200,350
Fire	4,368,099	4,368,099	4,240,002	128,097	3,929,063
Inspection	681,869	681,869	646,539	35,330	601,680
Animal Control	442,555	442,555	404,865	37,690	391,539
Total Public Safety	14,871,503	14,871,503	14,687,482	184,021	13,122,632
Engineering	1,629,791	1,629,791	1,499,651	130,140	1,426,545
Planning and Zoning	644,670	644,670	653,631	(8,961)	586,764
Total Engineering and Planning	2,274,461	2,274,461	2,153,282	121,179	2,013,309
Economic Development	213,447	213,447	197,574	15,873	121,600
Parks	1,263,997	1,263,997	1,241,234	22,763	1,184,938
Recreation	640,587	640,587	705,300	(64,713)	587,113
Total Culture and Recreation	1,904,584	1,904,584	1,946,534	(41,950)	1,772,051
Total Expenditures	23,774,519	23,774,519	23,406,670	367,849	21,196,730
Excess (Deficiency) of Revenue Over Expenditures	(2,000,049)	(2,000,049)	(908,782)	1,091,267	56,949
Other Financing Sources (Uses)					
Transfers In	1,959,249	1,959,249	1,959,250	1	1,887,606
Transfers Out	(38,730)	(1,888,730)	(1,888,730)	-	(2,470,820)
Total Other Financing Sources (Uses)	1,920,519	70,519	70,520	1	(583,214)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	$ (79,530)	$ (1,929,530)	$ (838,262)	$ 1,091,268	$ (526,265)
Fund Balance, October 1st			9,630,194		10,156,459
Fund Balance, September 30th			$ 8,791,932		$ 9,630,194

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ 1,198,457	$ 1,198,457	$ 1,215,849	$ 17,392	$ 1,326,778
Fees and Services	-	-	3,913	3,913	-
Intergovernmental	2,926,000	2,926,000	3,160,839	234,839	3,078,040
Grants	-	-	175,383	175,383	57,004
Miscellaneous	1,082,000	1,082,000	1,135,016	53,016	2,644,356
Total Revenues	5,206,457	5,206,457	5,691,000	484,543	7,106,178
Expenditures:					
Current					
Highways and Streets	2,184,971	6,584,971	4,444,730	2,140,241	2,385,145
Capital Outlay	2,833,975	2,833,975	2,347,876	486,099	2,325,044
Total Expenditures	5,018,946	9,418,946	6,792,606	2,626,340	4,710,189
Excess (Deficiency) of Revenues Over (Under) Expenditures	187,511	(4,212,489)	(1,101,606)	3,110,883	2,395,989
Other Financing Sources (Uses)					
Transfers In	89,858	89,858	89,858	-	89,464
Transfers Out	(277,369)	(277,369)	(277,369)	-	(275,160)
Total Other Sources (Uses)	(187,511)	(187,511)	(187,511)	-	(185,696)
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ -	$ (4,400,000)	(1,289,117)	$ 3,110,883	$ 2,210,293
Fund Balances, October 1st			7,254,421		5,044,128
Fund Balances, September 30th			$ 5,965,304		$ 7,254,421

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ 374,805	$ 374,805	$ 375,973	$ 1,168	$ 373,145
Fees and Services	599,413	599,413	749,148	149,735	688,684
Intergovernmental	374,695	374,695	374,695	-	372,712
Federal Grants	-	-	-	-	-
Farm Income	46,340	46,340	55,707	9,367	48,977
Miscellaneous	30,000	30,000	76,024	46,024	119,836
Total Revenues	1,425,253	1,425,253	1,631,547	206,294	1,603,354
Expenditures:					
Current					
Airport	1,081,868	1,081,868	1,005,544	76,324	895,381
Total Expenditures	1,081,868	1,081,868	1,005,544	76,324	895,381
Excess (Deficiency) of Revenues Over (Under) Expenditures	343,385	343,385	626,003	282,618	707,973
Other Financing Sources (Uses)					
Transfers In	5,177	5,177	-	(5,177)	-
Transfers Out	(348,562)	(348,562)	(348,562)	-	(346,041)
Total Other Sources (Uses)	(343,385)	(343,385)	(348,562)	(5,177)	(346,041)
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ -	$ -	277,441	$ 277,441	361,932
Fund Balances, October 1st			1,570,708		1,208,776
Fund Balances, September 30th			$ 1,848,149		$ 1,570,708

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO
Schedule of Employer's Share of Net Pension Asset/Liability
September 30, 2017

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

	2017	2016	2015
City's portion of the net pension liability	.005813347	.005422236	.005566001
City's proportionate share of the net pension liability	$ 9,137,583	$ 10,991,705	$ 7,329,518
City's covered-employee payroll	$ 17,773,505	$ 15,936,781	$ 15,453,598
City's proportional share of the net pension liability as a percentage of its covered-employee payroll	51.41%	68.97%	47.43%
Plan fiduciary net position as a percentage of the total pension liability	90.68%	87.26%	94.95%

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

	2017	2016	2015
City's portion of the net pension asset	.036537638	.040605333	.038831200
City's proportionate share of the net pension asset	$ 3,134,770	$ 2,182,472	$ 2,097,300
City's covered-employee payroll	$ 2,435,601	$ 2,305,458	$ 2,231,974
City's proportional share of the net pension asset as a percentage of its covered-employee payroll	128.71%	94.67%	93.97%
Plan fiduciary net position as a percentage of the total pension asset	129.65%	118.42%	112.01%

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

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

See accompanying notes to required supplementary information.

CITY OF TWIN FALLS, IDAHO
Schedule of Employer's Contributions
PERSI - Base Plan
September 30, 2017

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

	2017	2016	2015
Statutorily required contribution	$ 2,040,147	$ 1,953,667	$ 1,779,796
Contribution in relation to the statutorily required contribution	2,040,147	1,953,667	1,779,796
Contribution deficiency (excess)	$ -	$ -	$ -
City's covered -employee payroll	$ 17,773,505	$ 15,936,781	$ 15,453,598
Contributions as a percentage of covered-employee payroll	11.48%	12.26%	11.52%

Schedule of Employer Contributions
FRF
Last 10 - Fiscal Years*

	2017	2016	2015
Statutorily required contribution	$ 151,007	$ 141,934	$ 138,382
Contribution in relation to the statutorily required contribution	151,007	141,934	138,382
Contribution deficiency (excess)	$ -	$ -	$ -
City's covered -employee payroll	$ 2,435,601	$ 2,305,458	$ 2,231,974
Contributions as a percentage of covered-employee payroll	6.20%	6.16%	6.20%

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

Data reported is measured as of September 30.

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, 2017

	Special Revenue Funds			Capital Projects Fund					Other Permanent Funds			Total Other Government Funds
	Street Light	Library	Total	Historic Preservation	Park Develop.	Trail Fund	Impact Fee	Total	Drug Seizure	Fireworks	Total	
Assets												
Cash and Investments	$ 225,276	$ 1,157,081	$ 1,382,357	$ -	$ 239,591	$ 541	$ 4,652,411	$ 4,892,543	$ 191,631	$ -	$ 191,631	$ 6,466,531
Receivables (net of allowance)			-									
Taxes	910	-	910	-	-	-	-	-	-	-	-	910
Intergovernmental	153	7,259	7,412	-	-	-	-	-	-	-	-	7,412
Accounts	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	$ 226,339	$ 1,164,340	$ 1,390,679	$ -	$ 239,591	$ 541	$ 4,652,411	$ 4,892,543	$ 191,631	$ -	$ 191,631	$ 6,474,853
Liabilities												
Pooled Cash	$ -	$ -	$ -	$ 420	$ 3,150	$ -	$ -	$ 3,570	$ -	$ 11,242	$ 11,242	$ 14,812
Accounts Payable	25,292	6,945	32,237	-	-	-	26,981	26,981	4,334	-	4,334	63,552
Accrued Expenses	-	15,130	15,130	-	-	-	-	-	-	-	-	15,130
Due to Other Funds	-	-	-	3,987	-	-	-	3,987	-	666	666	4,653
Total Liabilities	25,292	22,075	47,367	4,407	3,150	-	26,981	34,538	4,334	11,908	16,242	98,147
Deferred Inflows of Resources												
Unavailable Revenue - Property Taxes	662	-	662	-	-	-	-	-	-	-	-	662
Fund Balance												
Nonspendable Fund Balance	-	-	-	-	-	-	-	-	-	-	-	-
Restricted Fund Balance												
Law Enforcement	-	-	-	-	-	-	-	-	-	-	-	-
Committed Fund Balance												
Budgeted Surpluses	-	63,000	63,000	-	-	-	-	-	111,000	-	111,000	174,000
Park Development	-	-	-	-	236,441	-	-	236,441	-	-	-	236,441
Trail Fund	-	-	-	-	-	541	-	541	-	-	-	541
Impact Fees	-	-	-	-	-	-	4,625,430	4,625,430	-	-	-	4,625,430
Drug Seizure									76,297		76,297	76,297
Assigned Fund Balance												
Street Light	200,385	-	200,385	-	-	-	-	-	-	-	-	200,385
Community Services	-	1,079,265	1,079,265	-	-	-	-	-	-	-	-	1,079,265
Unassigned Fund Balance	-	-	-	(4,407)	-	-	-	(4,407)	-	(11,908)	(11,908)	(16,315)
Total Fund Balance	200,385	1,142,265	1,342,650	(4,407)	236,441	541	4,625,430	4,858,005	187,297	(11,908)	175,389	6,376,044
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 226,339	$ 1,164,340	$ 1,390,679	$ -	$ 239,591	$ 541	$ 4,652,411	$ 4,892,543	$ 191,631	$ -	$ 191,631	$ 6,474,853

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, 2017

	Special Revenue Funds			Capital Projects Fund					Other Permanent Funds			
	Street Light	Library	Total	Historic Preservation	Park Develop.	Trail Fund	Impact Fee	Total	Drug Seizure	Fireworks	Total	Total Other Government Funds
Revenues												
Property Taxes, Including Interest	$ 64,051	$ 1,623,653	$ 1,687,704	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,687,704
Other Taxes	394,089	-	394,089	-	-	-	-	-	-	-	-	394,089
Special Assessments, Including Interest	-	-	-	-	-	-	-	-	48,712	-	48,712	48,712
Fines and Forfeitures	-	22,888	22,888	-	-	-	-	-	-	-	-	22,888
Fees and Services	-	37,717	37,717	-	-	-	688,452	688,452	-	901	901	727,070
Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	8,921	8,921	200	2,241	-	43,997	46,438	-	8,671	8,671	64,030
Total Revenue	458,140	1,693,179	2,151,319	200	2,241	-	732,449	734,890	48,712	9,572	58,284	2,944,493
Expenditures												
Current												
General Government	-	-	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	64,196	-	64,196	64,196
Community Development	-	-	-	-	-	-	-	-	-	16,000	16,000	16,000
Culture and Recreation	-	1,620,463	1,620,463	-	-	-	-	-	-	-	-	1,620,463
Highway and Streets	391,408	-	391,408	-	-	-	-	-	-	-	-	391,408
Capital Outlay	-	60,000	60,000	-	-	-	751,013	751,013	-	-	-	811,013
Total Expenditures	391,408	1,680,463	2,071,871	-	-	-	751,013	751,013	64,196	16,000	80,196	2,903,080
Excess of Revenues Over (Under) Expenditures	66,732	12,716	79,448	200	2,241	-	(18,564)	(16,123)	(15,484)	(6,428)	(21,912)	41,413
Other Financing Sources (Uses)												
Transfers In	-	-	-	-	-	-	280,000	280,000	-	6,500	6,500	286,500
Transfers Out	21,880	-	21,880	-	-	-	-	-	-	-	-	21,880
Net Transfers	(21,880)	-	(21,880)	-	-	-	280,000	280,000	-	6,500	6,500	264,620
Net Change in Fund Balance	44,852	12,716	57,568	200	2,241	-	261,436	263,877	(15,484)	72	(15,412)	306,033
Fund Balance October 1, 2016	155,533	1,129,549	1,285,082	(4,607)	234,200	541	4,363,994	4,594,128	202,781	(11,980)	190,801	6,070,011
Fund Balance September 30, 2017	$ 200,385	$ 1,142,265	$ 1,342,650	$ (4,407)	$ 236,441	$ 541	$ 4,625,430	$ 4,858,005	$ 187,297	$ (11,908)	$ 175,389	$ 6,376,044

CITY OF TWIN FALLS, IDAHO
Combining Statement - Proprietary Funds
Fund Balance Sheets
September 30, 2017

	Business-Type Activities				
	Golf	Pool	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
Assets					
Current Assets					
Cash and Investments	$ -	$ 235,280	$ 461,394	$ 17,287	$ 713,961
Receivables (net of allowance for uncollected.)					
Fees and Services	-	-	-	6,043	6,043
Intergovernmental	-	34,390	-	-	34,390
Accounts	6,502	15,268	750	-	22,520
Total Current Assets	6,502	284,938	462,144	23,330	776,914
Noncurrent Assets					
Capital Assets (Net of Accum. Depreciation)	362,868	821,231	1,092,464	-	2,276,563
Total Noncurrent Assets	362,868	821,231	1,092,464	-	2,276,563
Total Assets	369,370	1,106,169	1,554,608	23,330	3,053,477
Deferred Outflows of Resources					
Pension Obligations	5,775	-	-	-	5,775
Total Deferred Outflows of Resources	5,775	-	-	-	5,775
Total Assets and Deferred Outflows of Resources	$ 375,145	$ 1,106,169	$ 1,554,608	$ 23,330	$ 3,059,252
Liabilities					
Current Liabilities:					
Pooled Cash	$ 281,839	$ -	$ -	$ -	$ 281,839
Accounts Payable	-	20,991	24,968	1,808	47,767
Due to Other Funds	362,021	337,286	-	-	699,307
Compensated Absences	3,951	-	-	-	3,951
Total Current Liabilities	647,811	358,277	24,968	1,808	1,032,864
NonCurrent Liabilities:					
Compensated Absences	8,918	-	-	-	8,918
Net Pension Liability	28,356	-	-	-	28,356
Total Non-Current Liabilities	37,274	-	-	-	37,274
Total Liabilities	685,085	358,277	24,968	1,808	1,070,138
Deferred Inflows of Resources					
Employer Pension Assumption	2,982	-	-	-	2,982
Total Deferred Inflows of Resources	2,982	-	-	-	2,982
Net Position					
Invested In Capital Assets, net of related debt	362,868	821,231	1,092,464	-	2,276,563
Restricted	-	-	-	-	-
Unrestricted	(675,790)	(73,339)	437,176	21,522	(290,431)
Total Equity	(312,922)	747,892	1,529,640	21,522	1,986,132
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 375,145	$ 1,106,169	$ 1,554,608	$ 23,330	$ 3,059,252

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, 2017

	Business-Type Activities				
	Golf	Pool	Dierkes Lake Shoshone Falls	Common Area Maintenance	Totals
Operating Revenues:					
Charges for Services	$ -	$ 219,420	$ 427,167	$ 34,569	$ 681,156
Miscellaneous	2,699	-	4,099	-	6,798
Total Operating Revenues	2,699	219,420	431,266	34,569	687,954
Operating Expenses:					
Contracted Services	-	64,742	66,572	24,501	155,815
Personnel Expenses	-	163,737	71,554	-	235,291
Depreciation and Amortization	45,761	33,592	55,457	-	134,810
Utilities	-	34,692	10,976	866	46,534
Landfill Expenses	-	-	-	-	-
Supplies	-	33,139	3,444	-	36,583
Insurance	-	-	-	-	-
Repairs and Maintenance	-	7,243	53,515	12,434	73,192
Vehicle Expenses	-	-	138	-	138
Small Equipment	-	18,137	47,243	-	65,380
Studies and Projects	-	-	-	-	
Rental Expense	-	581	-	-	581
Miscellaneous Expense	-	5,143	3,086	75	8,304
Testing and Monitoring	-	-	-	-	-
Telephone	-	132	-	-	132
Travel and Meetings	-	-	-	-	-
Total Operating Expenses	45,761	361,138	311,985	37,876	756,760
Operating Income (Loss)	(43,062)	(141,718)	119,281	(3,307)	(68,806)
Non-Operating Revenues (Expenses):					
Interest Income	-	-	795	-	795
Rent and Royalties	-	-	-	-	-
Federal Grants	-	-	-	-	-
Intergovernmental	-	126,234	-	-	126,234
Total Non-Operating Revenues (Exp.)	-	126,234	795	-	127,029
Income (Loss) Before Contributions and Transfers	(43,062)	(15,484)	120,076	(3,307)	58,223
Contributions and Interfund Transfers:					
Capital Contributions	-	634,122	-	-	634,122
Transfers In	55,000	350,000	-	-	405,000
Transfers Out	-	-	(9,573)	(2,739)	(12,312)
Net Transfers	55,000	984,122	(9,573)	(2,739)	1,026,810
Net Income (Loss)	11,938	968,638	110,503	(6,046)	1,085,033
Total Net Position, October 1, 2016	(324,860)	(220,746)	1,419,137	27,568	901,099
Total Net Position, September 30, 2017	$ (312,922)	$ 747,892	$ 1,529,640	$ 21,522	$ 1,986,132

City of Twin Falls, Idaho
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2017

	Business-Type Activities				
	Golf	Pool	Dierkes Lake Shoshone Falls	Common Area Maintenance	Total
Cash Flows from Operating Activities					
Receipts from Customers	$ -	$ 202,636	$ 427,064	$ 35,638	$ 665,338
Payments to Suppliers	(13,722)	(142,818)	(176,027)	(40,568)	(373,135)
Payments to Employees	(959)	(163,737)	(71,554)	-	(236,250)
Other Receipts	2,699	-	4,099	-	6,798
Net Cash Provided (Used) by Operating Activities	(11,982)	(103,919)	183,582	(4,930)	62,751
Cash Flows from Non-Capital Financing Activities					
Interfund Transfers to Other Funds	-	-	(9,573)	(2,739)	(12,312)
Receipts from to Other Funds	55,000	350,000	-	-	405,000
Net Cash Provided (Used) by Non-Capital Financing Activities	55,000	350,000	(9,573)	(2,739)	392,688
Cash Flows from Capital and Related Financing Activities					
Purchase of Capital Assets	(43,018)	-	-	-	(43,018)
Construction in Progress		(220,701)	10,291		(210,410)
Intergovernmental	-	126,234	-	-	126,234
Net Cash Provided (Used) by Capital and Related Financing Activities	(43,018)	(94,467)	10,291	-	(127,194)
Cash Flows from Investing Activities					
(Purchase) or Sale of Securities	-	-	24,912	-	24,912
Interest, Dividends and Changes in Market Value	-	-	795	-	795
Net Cash Provided (Used) by Investing Activities	-	-	25,707	-	25,707
Net Increase (Decrease) in Cash and Cash Equivalents	-	151,614	210,007	(7,669)	353,952
Balances - Beginning of the Year	-	83,666	109,798	24,956	218,420
Balances - End of the Year	$ -	$ 235,280	$ 319,805	$ 17,287	$ 572,372
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	$ (43,062)	$ (141,718)	$ 119,281	$ (3,307)	$ (68,806)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	45,761	33,592	55,457	-	134,810
Change in Assets and Liabilities:					
Receivables, Net	(6,502)	(16,784)	(103)	1,070	(22,319)
DOF or Resources-Pension Obligations	15,110	-	-	-	15,110
Accounts Payable	-	20,991	8,947	(2,693)	27,245
Due to Other Funds-Pooled Cash	(7,220)	-	-	-	(7,220)
Compensated Absences	994	-	-	-	994
Net Pension Liability	(8,752)	-	-	-	(8,752)
DIF or Resources-Employer Pension Assumption	(8,311)	-	-	-	(8,311)
Net Cash Provided (Used) by Operating Activities	$ (11,982)	$ (103,919)	$ 183,582	$ (4,930)	$ 62,751
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds					
Cash and Investments-Statement of Net Position	$ -	$ 235,280	$ 461,394	$ 17,287	$ 713,961
Less: Investments	-	-	(141,589)	-	(141,589)
Cash and Cash Equivalents	$ -	$ 235,280	$ 319,805	$ 17,287	$ 572,372
Supplemental Disclosure of Noncash Capital and Related Financing Activities					
Capital Assets Contributed from Other Funds	$ -	$ 634,122	$ -	$ -	$ 634,122

CITY OF TWIN FALLS, IDAHO
Combining Statement - Internal Service Funds
Statement of Net Position
September 30, 2017

	Governmental Activities - Internal Service Funds		
	Insurance	Shop Revolving	Total
Assets			
Current Assets:			
Cash and Investments	$ 287,253	$ 434,799	$ 722,052
Receivables (net of allowance for uncollect.)			-
Taxes	2,494	-	2,494
Intergovernmental	699	-	699
Accounts	-	435	435
Total Current Assets	290,446	435,234	725,680
Noncurrent Assets:			
Capital Assets (Net of Accum. Depreciation)	-	292,380	292,380
Total Noncurrent Assets	-	292,380	292,380
Total Assets	$ 290,446	$ 727,614	$ 1,018,060
Liabilities and Net Position			
Current Liabilities:			
Pooled Cash	$ -	$ -	$ -
Accounts Payable	51,006	8,767	59,773
Accrued Expenses	-	259	259
Deferred Revenue	1,813	-	1,813
Compensated Absences	-	12,495	12,495
Total Current Liabilities	52,819	21,521	74,340
NonCurrent Liabilities:			
Compensated Absences	-	8,522	8,522
Total Non-Current Liabilities	-	8,522	8,522
Total Liabilities	52,819	30,043	82,862
Net Position			
Net Investment in Capital Assets	-	292,380	292,380
Restricted	-	-	-
Unrestricted	237,627	405,191	642,818
Total Net Position	237,627	697,571	935,198
Total Liabilities and Net Position	$ 290,446	$ 727,614	$ 1,018,060

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, 2017

	Governmental Activities - Internal Service Funds		
	Insurance	Shop Revolving	Total
Operating Revenues:			
Charges for Services	$ -	$ 370,292	$ 370,292
Property Taxes, Including Interest	182,134	-	182,134
Miscellaneous	1,462	-	1,462
Total Operating Revenues	183,596	370,292	553,888
Operating Expenses:			
Contracted Services	-	4,782	4,782
Personnel Expenses	-	363,330	363,330
Depreciation and Amortization	-	17,487	17,487
Utilities	-	9,262	9,262
Supplies	-	22,921	22,921
Insurance	474,508	-	474,508
Repairs and Maintenance	-	12,075	12,075
Vehicle Expenses	-	1,121	1,121
Small Equipment	-	25,998	25,998
Miscellaneous Expense	358	(2,588)	(2,230)
Travel and Meetings	-	440	440
Total Operating Expenses	474,866	454,828	929,694
Operating Income (Loss)	(291,270)	(84,536)	(375,806)
Non-Operating Revenues (Expenses):			
Interest Income	-	-	-
Total Non-Operating Revenues (Exp.)	-	-	-
Income (Loss) Before Operating Transfers	(291,270)	(84,536)	(375,806)
Operating Transfers:			
Operating Transfers In	304,732	73,537	378,269
Operating Transfers Out	(54,702)	-	(54,702)
Net Transfers	250,030	73,537	323,567
Net Income (Loss)	(41,240)	(10,999)	(52,239)
Total Net Position, October 1, 2016	278,867	708,570	987,437
Total Net Position, September 30, 2017	$ 237,627	$ 697,571	$ 935,198

CITY OF TWIN FALLS, IDAHO
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended September 30, 2017

	Governmental Activities		
	Insurance	Shop Revolving	Total
Cash Flows from Operating Activities			
Receipts from Customers	$ -	$ 370,731	$ 370,731
Property Taxes, Including Interest	184,720	-	184,720
Payments to Suppliers	(429,436)	(69,058)	(498,494)
Payments to Employees	-	(362,894)	(362,894)
Other Receipts	1,462	-	1,462
Net Cash Provided (Used) by Operating Activities	(243,254)	(61,221)	(304,475)
Cash Flows from Non-Capital Financing Activities			
Interfund Transfers to Other Funds	(54,702)	-	(54,702)
Receipts from Advances to Other Funds	304,732	73,537	378,269
Net Cash Provided (Used) by Non-Capital Financing Activities	250,030	73,537	323,567
Cash Flows from Capital and Related Financing Activities			
Interest Paid on Capital Debt	-		-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(11,260)	(11,260)
Cash Flows from Investing Activities			
(Purchase) or Sale of Securities	19,908	-	19,908
Net Cash Provided (Used) by Investing Activities	19,908	-	19,908
Net Increase (Decrease) in Cash and Cash Equivalents	26,684	1,056	27,740
Balances - Beginning of the Year	147,421	433,743	581,164
Balances - End of the Year	$ 174,105	$ 434,799	$ 608,904
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	$ (291,270)	$ (84,536)	$ (375,806)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:			
Depreciation and Amortization	-	17,487	17,487
Change in Assets and Liabilities:			
Receivables, Net	2,827	439	3,266
Accounts Payable	45,430	4,953	50,383
Accrued Expenses		-	-
Unavailable Revenue	(241)	-	(241)
Compensated Absences	-	436	436
Net Cash Provided (Used) by Operating Activities	$ (243,254)	$ (61,221)	$ (304,475)
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position-Proprietary Funds			
Cash and Investments-Statement of Net Position	$ 287,253	$ 434,799	$ 722,052
Less: Investments	(113,148)	-	(113,148)
Cash and Cash Equivalents	$ 174,105	$ 434,799	$ 608,904

CITY OF TWIN FALLS, IDAHO

Special Revenue - Capital Improvement Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ 372,855	$ 372,855	$ 370,274	$ (2,581)	$ 30,262
Intergovernmental	1,667,626	1,667,626	1,673,250	5,624	1,752,715
Federal Grants	60,000	71,312	121,065	49,753	1,656,002
Miscellaneous or Reserves	200,000	200,000	216,925	16,925	296,077
Total Revenues	2,300,481	2,311,793	2,381,514	69,721	3,735,056
Expenditures:					
Current					
General Government	866,025	866,025	423,649	442,376	188,968
Public Safety	603,453	603,453	789,153	(185,700)	1,645,984
Culture and Recreation	192,000	192,000	138,363	53,637	599,226
Highways and Streets	-	-	16,088	(16,088)	58,704
Capital Outlay	397,503	7,583,214	8,358,676	(775,462)	1,511,741
Total Expenditures	2,058,981	9,244,692	9,725,929	(481,237)	4,004,623
Excess (Deficiency) of Revenues Over (Under) Expenditures	241,500	(6,932,899)	(7,344,415)	(411,516)	(269,567)
Other Financing Sources (Uses)					
Transfers In	-	1,850,000	1,888,730	38,730	2,470,820
Transfers Out	(871,500)	(871,500)	(691,500)	180,000	(355,000)
Total Other Sources (Uses)	(871,500)	978,500	1,197,230	218,730	2,115,820
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ (630,000)	$ (5,954,399)	(6,147,185)	$ (192,786)	1,846,253
Fund Balances, October 1st			17,460,631		15,614,378
Fund Balances, September 30th			$ 11,313,446		$ 17,460,631

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Fees and Services	$ 120,000	$ 120,000	$ 162,171	$ 42,171	$ 112,676
Intergovernmental	-	-	-	-	-
Federal Grants	3,759,375	3,777,253	1,572,017	(2,205,236)	1,928,456
Miscellaneous	200	200	113,282	113,082	374
Total Revenues	3,879,575	3,897,453	1,847,470	(2,049,983)	2,041,506
Expenditures:					
Current					
Airport	4,170,000	4,187,878	2,488,442	1,699,436	1,736,949
Total Expenditures	4,170,000	4,187,878	2,488,442	1,699,436	1,736,949
Excess (Deficiency) of Revenues Over (Under) Expenditures	(290,425)	(290,425)	(640,972)	(350,547)	304,557
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ (290,425)	$ (290,425)	(640,972)	$ (350,547)	304,557
Fund Balances, October 1st			703,989		399,432
Fund Balances, September 30th			$ 63,017		$ 703,989

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 9,320,774	$ 9,320,774	$ 10,263,184	$ 942,410	$ 10,236,640
Taps, Connection and Other Fees	76,875	76,875	168,999	92,124	125,386
Miscellaneous	38,490	38,490	59,280	20,790	105,804
Total Operating Revenues	9,436,139	9,436,139	10,491,463	1,055,324	10,467,830
Operating Expenses:					
Contracted Expenses	371,319	371,319	233,961	137,358	273,498
Personnel Expenses	2,138,461	2,138,461	1,980,733	157,728	1,891,723
Depreciation and Amortization	-	-	1,531,116	(1,531,116)	1,402,096
Utilities	1,099,117	1,099,117	1,043,382	55,735	971,290
Supplies	768,612	768,612	561,695	206,917	593,325
Repairs and Maintenance	173,365	173,365	161,352	12,013	163,472
Vehicle Expense	129,192	129,192	130,391	(1,199)	122,010
Capital & Equipment	1,099,500	1,732,012	420,719	1,311,293	717,143
Studies and Projects	20,592	20,592	15,149	5,443	18,949
Rental Expense	133,640	133,640	136,302	(2,662)	130,143
Miscellaneous Expenses	121,394	121,394	130,227	(8,833)	95,592
Testing and Monitoring	292,172	292,172	90,087	202,085	80,039
Telephone	-	-	-	-	3,300
Travel and Meetings	6,508	6,508	3,139	3,369	4,880
Total Operating Expenses	6,353,872	6,986,384	6,438,253	548,131	6,467,460
Operating Income (Loss)	3,082,267	2,449,755	4,053,210	1,603,455	4,000,370
Non-operating Revenues (Expenses):					
Interest Income	125,000	125,000	104,468	(20,532)	187,662
Rent and Royalties	67,510	67,510	67,510	-	68,761
Debt Principal Payments	(2,105,000)	(2,105,000)	-	2,105,000	-
Loss on Sale of Assets			(72,712)	(72,712)	-
Interest Expense	(692,119)	(692,119)	(709,811)	(17,692)	(751,589)
Total Non-operating Revenues (Exp.)	(2,604,609)	(2,604,609)	(610,545)	1,994,064	(495,166)
Income (Loss) before operating transfers	477,658	(154,854)	3,442,665	3,597,519	3,505,204
Interfund Transfers and Donations:					
Transfers In	555,340	555,340	555,340	-	542,810
Transfers Out	(1,032,998)	(1,032,998)	(1,032,998)	-	(979,964)
Net Transfers and Donations	(477,658)	(477,658)	(477,658)	-	(437,154)
Net Income (Loss)	$ -	$ (632,512)	2,965,007	$ 3,597,519	3,068,050
Net Position, October 1st,			42,451,621		39,383,571
Net Position, September 30th			$ 45,416,628		$ 42,451,621

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 8,994,431	$ 8,994,431	$ 9,826,394	$ 831,963	$ 9,217,516
Taps, Connection and Other Fees	-	-	-	-	-
Miscellaneous	3,000	3,000	349,872	346,872	-
Total Operating Revenues	8,997,431	8,997,431	10,176,266	1,178,835	9,217,516
Operating Expenses:					
Contracted Expenses	3,387,550	3,387,550	3,163,456	224,094	3,224,729
Personnel Expenses	789,508	789,508	653,576	135,932	576,363
Depreciation and Amortization	-	-	1,827,458	(1,827,458)	1,779,064
Utilities	-	-	1,035	(1,035)	660
Supplies	56,050	56,050	30,419	25,631	54,897
Repairs & Maintenance	39,500	39,500	74,041	(34,541)	17,620
Vehicle Expense	37,017	37,017	42,613	(5,596)	39,126
Capital & Equipment	685,600	4,082,364	730,124	3,352,240	339,417
Rental Expense	2,000	2,000	-	2,000	-
Miscellaneous Expenses	23,900	23,900	40,683	(16,783)	26,074
Telephone	1,000	1,000	-	1,000	2,850
Travel and Meetings	1,800	1,800	1,951	(151)	295
Total Operating Expenses	5,023,925	8,420,689	6,426,028	1,994,661	6,061,095
Operating Income (Loss)	3,973,506	576,742	3,750,238	3,173,496	3,156,421
Non-operating Revenues (Expenses):					
Development Fees	2,000	2,000	453,344	451,344	218,550
Interest Income	300,000	300,000	198,469	(101,531)	412,801
Debt Principal Payments	(1,845,000)	(1,845,000)	-	1,845,000	
Loss on Sale of Assets			(342,856)	(342,856)	
Interest Expense	(1,640,731)	(1,640,731)	(1,638,516)	2,215	(1,663,674)
Total Non-operating Revenues (Exp.)	(3,183,731)	(3,183,731)	(1,329,559)	1,854,172	(1,032,323)
Income (Loss) before operating transfers	789,775	(2,606,989)	2,420,679	5,027,668	2,124,098
Interfund Transfers and Donations:					
Transfers In	-	-	-	-	-
Transfers Out	(789,775)	(789,775)	(789,775)	-	(746,159)
Net Transfers and Donations	(789,775)	(789,775)	(789,775)	-	(746,159)
Net Income (Loss)	$ -	$ (3,396,764)	1,630,904	$ 5,027,668	1,377,939
Net Position, October 1st,			58,406,327		57,028,388
Net Position, September 30th			$ 60,037,231		$ 58,406,327

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 2,954,119	$ 2,954,119	$ 2,994,674	$ 40,555	2,905,157
Miscellaneous	-	-	247	247	6
Total Operating Revenues	2,954,119	2,954,119	2,994,921	40,802	2,905,163
Operating Expenses:					
Contracted Expenses	1,810,000	1,810,000	1,833,402	(23,402)	1,763,033
Personnel Expenses	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-
Landfill Expenses	694,000	694,000	679,503	14,497	643,051
Small Equipment	-	-	-	-	-
Studies and Projects	-	-	-	-	-
Miscellaneous Expenses	11,000	11,000	13,514	(2,514)	7,848
Total Operating Expenses	2,515,000	2,515,000	2,526,419	(11,419)	2,413,932
Operating Income (Loss)	439,119	439,119	468,502	29,383	491,231
Non-operating Revenues (Expenses):					
Interest Income	6,000	6,000	3,407	(2,593)	6,958
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	6,000	6,000	3,407	(2,593)	6,958
Income (Loss) before operating transfers	445,119	445,119	471,909	26,790	498,189
Operating Transfers:					
Transfers In	-	-	-	-	-
Transfers Out	(445,119)	(445,119)	(445,119)	-	(437,872)
Net Transfers	(445,119)	(445,119)	(445,119)	-	(437,872)
Net Income (Loss)	$ -	$ -	26,790	$ 26,790	60,317
Net Position, October 1st			531,139		470,822
Net Position, September 30th			$ 557,929		$ 531,139

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ 63,300	$ 63,300	$ 64,051	$ 751	$ 77,868
Non-Property Taxes	375,000	375,000	394,089	19,089	393,394
Miscellaneous & Intergovernmental	-	-	-	-	-
Total Revenues	438,300	438,300	458,140	19,840	471,262
Expenditures:					
Current					
Highways and Streets	416,420	416,420	391,408	25,012	365,699
Total Expenditures	416,420	416,420	391,408	25,012	365,699
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,880	21,880	66,732	44,852	105,563
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	(21,880)	(21,880)	(21,880)	-	(21,784)
Total Other Sources (Uses)	(21,880)	(21,880)	(21,880)	-	(21,784)
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ -	$ -	44,852	$ 44,852	83,779
Fund Balances, October 1st			155,533		71,754
Fund Balances, September 30th			$ 200,385		$ 155,533

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ 1,618,259	$ 1,618,259	$ 1,623,653	$ 5,394	$ 1,574,500
Fines and Forfeits	28,000	28,000	22,888	(5,112)	31,679
Fees and Services	32,500	32,500	37,717	5,217	40,207
Miscellaneous	16,000	16,000	8,921	(7,079)	20,230
Total Revenues	1,694,759	1,694,759	1,693,179	(1,580)	1,666,616
Expenditures:					
Current					
Culture and Recreation	1,694,759	1,694,759	1,620,463	74,296	1,588,642
Capital Outlay	60,000	60,000	60,000	-	-
Total Expenditures	1,754,759	1,754,759	1,680,463	74,296	1,588,642
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,000)	(60,000)	12,716	72,716	77,974
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ (60,000)	$ (60,000)	12,716	$ 72,716	$ 77,974
Fund Balances, October 1st			1,129,549		1,051,575
Fund Balances, September 30th			$ 1,142,265		$ 1,129,549

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Property Taxes	$ -	$ -	$ -	$ -	$ -
Federal Grants	6,000	6,000	-	(6,000)	-
Miscellaneous	-	-	200	200	-
Total Revenues	6,000	6,000	200	(5,800)	-
Expenditures:					
Current					
Community Development	6,000	6,000	-	6,000	-
Total Expenditures	6,000	6,000	-	6,000	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	200	200	-
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ -	$ -	200	$ 200	-
Fund Balances, October 1st			(4,607)		(4,607)
Fund Balances, September 30th			$ (4,407)		$ (4,607)

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Miscellaneous	$ -	$ -	$ 2,241	$ 2,241	$ 19,965
Total Revenues	-	-	2,241	2,241	19,965
Expenditures:					
Current					
Industrial Development	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	2,241	2,241	19,965
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	$ -	$ -	2,241	$ 2,241	19,965
Fund Balances, October 1st			234,200		214,235
Fund Balances, September 30th			$ 236,441		$ 234,200

CITY OF TWIN FALLS, IDAHO

Capital Projects - Trail Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Revenues:					
Miscellaneous	$ -	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-	-
Expenditures:					
Current					
Trail Fund	-	-	-	-	-
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	$ -	$ -	-	$ -	-
Fund Balances, October 1st			541		541
Fund Balances, September 30th			$ 541		$ 541

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Fees and Services	$ 120,000	$ 120,000	$ 688,452	$ 568,452	$ 841,703
Miscellaneous	-	-	43,997	43,997	67,391
Total Operating Revenues	120,000	120,000	732,449	612,449	909,094
Operating Expenses:					
Capital Outlay	800,000	800,000	751,013	48,987	117,492
Total Operating Expenses	800,000	800,000	751,013	48,987	117,492
Income (Loss) before operating transfers	(680,000)	(680,000)	(18,564)	661,436	791,602
Operating Transfers:					
Transfers In	280,000	280,000	280,000	-	280,000
Transfers Out	-	-	-	-	-
Net Transfers	280,000	280,000	280,000	-	280,000
Net Income (Loss)	$ (400,000)	$ (400,000)	261,436	$ 661,436	1,071,602
Fund Balances, October 1st			4,363,994		3,292,392
Fund Balances, September 30th			$ 4,625,430		$ 4,363,994

CITY OF TWIN FALLS, IDAHO

Other Funds - Drug Seizure Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Special Assessments, Including Interest	$ -	$ -	$ 48,712	$ 48,712	$ 161,679
Total Operating Revenues	-	-	48,712	48,712	161,679
Operating Expenses:					
Public Safety	130,677	130,677	64,196	66,481	66,073
Total Operating Expenses	130,677	130,677	64,196	66,481	66,073
Income (Loss) before operating transfers	(130,677)	(130,677)	(15,484)	115,193	95,606
Operating Transfers:					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Net Transfers	-	-	-	-	-
Net Income (Loss)	$ (130,677)	$(130,677)	(15,484)	$ 115,193	95,606
Fund Balances, October 1st, as Previously Stated			202,781		107,175
Fund Balances, September 30th			$ 187,297		$ 202,781

CITY OF TWIN FALLS, IDAHO

Other Funds - Fireworks Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Intergovernmental	$ 825	$ 825	$ -	$ (825)	$ -
Miscellaneous and Permits	675	8,675	9,572	897	899
Total Operating Revenues	1,500	9,500	9,572	72	899
Operating Expenses:					
Community Development	8,000	16,000	16,000	-	8,000
Total Operating Expenses	8,000	16,000	16,000	-	8,000
Income (Loss) before operating transfers	(6,500)	(6,500)	(6,428)	72	(7,101)
Operating Transfers:					
Transfers In	6,500	6,500	6,500	-	6,500
Transfers Out	-	-	-	-	-
Net Transfers	6,500	6,500	6,500	-	6,500
Net Income (Loss)	$ -	$ -	72	$ 72	(601)
Fund Balances, October 1st			(11,980)		(11,379)
Fund Balances, September 30th			$ (11,908)		$ (11,980)

CITY OF TWIN FALLS, IDAHO

Enterprise - Golf Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ -	$ -	$ -	$ -	$ 9,921
Miscellaneous	-	-	2,699	2,699	-
Total Operating Revenues	-	-	2,699	2,699	9,921
Operating Expenses:					
Contracted Expenses	-	-	-	-	-
Personnel Expenses	-	-	-	-	(4,168)
Depreciation and Amortization	-	-	45,761	(45,761)	40,480
Utilities	-	-	-	-	373
Small Equipment	55,000	55,000	-	55,000	10,350
Miscellaneous Expenses	-	-	-	-	-
Travel and Meetings	-	-	-	-	-
Total Operating Expenses	55,000	55,000	45,761	9,239	47,035
Operating Income (Loss)	(55,000)	(55,000)	(43,062)	11,938	(37,114)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	-	-	-	-	-
Income (Loss) before operating transfers	(55,000)	(55,000)	(43,062)	11,938	(37,114)
Operating Transfers:					
Transfers In	55,000	55,000	55,000	-	65,000
Transfers Out	-	-	-	-	-
Net Transfers	55,000	55,000	55,000	-	65,000
Net Income (Loss)	$ -	$ -	11,938	$ 11,938	27,886
Net Position, October 1st, As Previously Stated			(324,860)		(352,746)
Net Position, September 30th			$ (312,922)		$ (324,860)

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, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ -	$ -	$ 219,290	$ 219,290	$ -
Miscellaneous and Reserves	-	-	130	130	-
Total Operating Revenues	-	-	219,420	219,420	-
Operating Expenses:					
Contracted Expenses	120,000	120,000	64,743	55,257	120,000
Utilities	-	-	34,690	(34,690)	194
Supplies	-	-	33,139	(33,139)	122
Repairs and Maintenance	-	-	7,243	(7,243)	1
Miscellaneous Expenses	-	-	5,145	(5,145)	(1,311)
Equipment	350,000	350,000	18,137	331,863	3,295
Total Operating Expenses	650,000	650,000	361,138	288,862	122,301
Operating Income (Loss)	(650,000)	(650,000)	(141,718)	508,282	(122,301)
Non-operating Revenues (Expenses):					
Integovernmental	120,000	120,000	126,234	6,234	123,132
Total Non-operating Revenues (Exp.)	120,000	120,000	126,234	6,234	123,132
Income (Loss) before operating transfers	(530,000)	(530,000)	(15,484)	514,516	831
Contributions and Interfund Transfers:					
Capital Contributions	-	-	634,122	634,122	-
Transfers In	530,000	530,000	350,000	(180,000)	3,500
Transfers Out	-	-	-	-	-
Net Transfers	530,000	530,000	984,122	454,122	3,500
Net Income (Loss)	$ -	$ -	968,638	$ 968,638	4,331
Fund Balances, October 1st			(220,746)		(225,077)
Fund Balances, September 30th			$ 747,892		$ (220,746)

CITY OF TWIN FALLS, IDAHO

Enterprise - Dierkes Lake/Shoshone Falls Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 194,687	$ 194,687	$ 427,167	$ 232,480	$ 260,383
Miscellaneous and Reserves	-	41,851	4,099	(37,752)	4,328
Total Operating Revenues	194,687	236,538	431,266	194,728	264,711
Operating Expenses:					
Contracted Expenses	62,800	62,800	66,572	(3,772)	56,299
Personnel Expenses	87,749	87,749	71,554	16,195	63,191
Depreciation and Amortization	-	-	55,457	(55,457)	56,636
Utilities	4,500	4,500	10,976	(6,476)	5,603
Supplies	5,250	5,250	3,444	1,806	3,552
Repairs and Maintenance	8,000	49,851	53,515	(3,664)	4,007
Vehicle Expense	315	315	138	177	897
Small Equipment	15,000	15,000	47,243	(32,243)	(482)
Miscellaneous Expenses	5,500	5,500	3,086	2,414	3,520
Total Operating Expenses	189,114	230,965	311,985	(81,020)	193,223
Operating Income (Loss)	5,573	5,573	119,281	113,708	71,488
Non-operating Revenues (Expenses):					
Interest Income	4,000	4,000	795	(3,205)	4,406
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	4,000	4,000	795	(3,205)	4,406
Income (Loss) before operating transfers	9,573	9,573	120,076	110,503	75,894
Operating Transfers:					
Transfers In	-	-	-	-	-
Transfers Out	(9,573)	(9,573)	(9,573)	-	(9,531)
Net Transfers	(9,573)	(9,573)	(9,573)	-	(9,531)
Net Income (Loss)	$ -	$ -	110,503	$ 110,503	66,363
Net Position, October 1st			1,419,137		1,352,774
Net Position, September 30th			$ 1,529,640		$ 1,419,137

CITY OF TWIN FALLS, IDAHO

Enterprise - Common Area Maintenance

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 32,466	$ 32,466	$ 34,569	$ 2,103	$ 31,371
Total Operating Revenues	32,466	32,466	34,569	2,103	31,371
Operating Expenses:					
Contracted Expenses	25,527	25,527	24,501	1,026	24,501
Utilities	1,200	1,200	866	334	878
Repairs and Maintenance	3,000	3,000	12,434	(9,434)	5,996
Miscellaneous Expenses	-	-	75	(75)	37
Total Operating Expenses	29,727	29,727	37,876	(8,149)	31,412
Operating Income (Loss)	2,739	2,739	(3,307)	(6,046)	(41)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	-	-	-	-	-
Income (Loss) before operating transfers	2,739	2,739	(3,307)	(6,046)	(41)
Operating Transfers:					
Transfers In	-	-	-	-	-
Transfers Out	(2,739)	(2,739)	(2,739)	-	(2,727)
Net Transfers	(2,739)	(2,739)	(2,739)	-	(2,727)
Net Income (Loss)	$ -	$ -	(6,046)	$ (6,046)	(2,768)
Net Position, October 1st			27,568		30,336
Net Position, September 30th			$ 21,522		$ 27,568

CITY OF TWIN FALLS, IDAHO

Internal Service - Insurance Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Special Assessments, Including Interest	$ 180,355	$ 180,355	$ 182,134	$ 1,779	$ 202,721
Miscellaneous	5,000	5,000	1,462	(3,538)	3,524
Total Operating Revenues	185,355	185,355	183,596	(1,759)	206,245
Operating Expenses:					
Insurance Expense	433,990	433,990	474,508	(40,518)	419,947
Miscellaneous Expenses	1,045	1,045	358	687	1,372
Travel and Meetings	350	350	-	350	-
Total Operating Expenses	435,385	435,385	474,866	(39,481)	421,319
Operating Income (Loss)	(250,030)	(250,030)	(291,270)	(41,240)	(215,074)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	-	-	-	-	-
Income (Loss) before operating transfers	(250,030)	(250,030)	(291,270)	(41,240)	(215,074)
Operating Transfers:					
Transfers In	304,732	304,732	304,732	-	292,898
Transfers Out	(54,702)	(54,702)	(54,702)	-	(54,462)
Net Transfers	250,030	250,030	250,030	-	238,436
Net Income (Loss)	$ -	$ -	(41,240)	$ (41,240)	23,362
Net Position, October 1st			278,867		255,505
Net Position, September 30th			$ 237,627		$ 278,867

CITY OF TWIN FALLS, IDAHO

Internal Service - Shop Revolving Fund

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

For the Fiscal Year Ended September 30, 2017

With Comparative Actual Amounts from the Previous Year

	2017				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2016 Actual
Operating Revenues:					
Charges for Services	$ 368,176	$ 368,176	$ 370,292	$ 2,116	$ 353,314
Miscellaneous	-	-	-	-	(66)
Total Operating Revenues	368,176	368,176	370,292	2,116	353,248
Operating Expenses:					
Contracted Expenses	3,300	3,300	4,782	(1,482)	5,123
Personnel Expenses	374,891	374,891	363,330	11,561	332,320
Depreciation and Amortization	-	-	17,487	(17,487)	15,927
Utilities	10,229	10,229	9,262	967	9,599
Supplies	28,000	28,000	22,921	5,079	25,036
Repairs and Maintenance	21,240	21,240	12,075	9,165	15,479
Vehicle Expense	1,949	1,949	1,121	828	1,674
Small Equipment	53,500	53,500	25,998	27,502	11,795
Miscellaneous Expenses	1,604	1,604	(2,588)	4,192	111
Travel and Meetings	500	500	440	60	259
Total Operating Expenses	495,213	495,213	454,828	40,385	417,323
Operating Income (Loss)	(127,037)	(127,037)	(84,536)	42,501	(64,075)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp.)	-	-	-	-	-
Income (Loss) before operating transfers	(127,037)	(127,037)	(84,536)	42,501	(64,075)
Operating Transfers:					
Transfers In	73,537	73,537	73,537	-	60,922
Transfers Out	-	-	-	-	-
Net Transfers	73,537	73,537	73,537	-	60,922
Net Income (Loss)	$ (53,500)	$ (53,500)	(10,999)	$ 42,501	(3,153)
Net Position, October 1st			708,570		711,723
Net Position, September 30th			$ 697,571		$ 708,570

STATISTICAL SECTION

CITY OF TWIN FALLS, IDAHO

Statistical Section

September 30, 2017

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

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

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

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

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

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

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

City of Twin Falls, Idaho

September 30,

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Schedule of Net Position - Schedule 1										
(accrual basis of accounting)										
Governmental Activities										
Net Investment in Capital Assets	$ 144,133,814	$ 139,207,450	$ 140,796,310	$ 148,994,442	$ 149,862,775	$ 153,880,017	$ 155,596,113	$ 157,523,535	$ 157,805,240	$ 162,233,909
Restricted	5,689,098	5,333,887	4,228,544	29,878,583	16,259,022	15,353,423	13,881,916	15,515,339	13,892,797	11,336,688
Unrestricted	30,207,292	31,667,251	28,789,849	1,699,141	11,197,181	6,321,892	12,155,857	7,319,535	9,387,943	8,618,538
Total Governmental Activities Net Position	$ 180,030,204	$ 176,208,588	$ 173,814,703	$ 180,572,166	$ 177,318,978	$ 175,555,332	$ 181,633,886	$ 180,358,409	$ 181,085,980	$ 182,189,135
Business-Type Activities										
Net Investment in Capital Assets	$ 84,024,365	$ 82,464,944	$ 67,210,548	$ 40,851,261	$ 41,132,893	$ 44,224,642	$ 34,747,495	$ 21,929,263	$ 30,949,407	$ 29,769,561
Restricted	4,250,768	8,935,206	15,815,072	29,334,545	199,519	1,781,582	688,746	667,001	667,001	
Unrestricted	19,722,784	11,110,781	14,887,526	22,641,980	18,730,324	11,374,812	10,947,759	20,828,711	10,165,402	11,583,935
Total Governmental Activities Net Position	$ 107,997,917	$ 102,510,931	$ 97,913,146	$ 92,827,786	$ 60,062,736	$ 57,381,036	$ 46,384,000	$ 43,424,975	$ 41,781,810	$ 41,353,496
Primary Government										
Net Investment in Capital Assets	$ 228,158,179	$ 221,672,394	$ 208,006,858	$ 189,845,703	$ 190,995,668	$ 198,104,659	$ 190,343,608	$ 179,452,798	$ 188,754,647	$ 192,003,470
Restricted	9,939,866	14,269,093	20,043,616	59,213,128	16,458,541	17,135,005	14,570,662	16,182,340	14,559,798	11,336,688
Unrestricted	49,930,076	42,778,032	43,677,375	24,341,121	29,927,505	17,696,704	23,103,616	28,148,246	19,553,345	20,202,473
Total Primary Government Net Position	$ 288,028,121	$ 278,719,519	$ 271,727,849	$ 273,399,952	$ 237,381,714	$ 232,936,368	$ 228,017,886	$ 223,783,384	$ 222,867,790	$ 223,542,631

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

City of Twin Falls, Idaho

September 30,

Schedule of Changes in Net Position - Schedule 2

(accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental Activities:										
General Government	$ 12,728,775	$ 13,451,319	$ 13,055,440	$ 11,943,398	$ 11,474,562	$ 10,564,109	$ 10,102,271	$ 11,440,065	$ 11,731,668	$ 11,017,593
Fire	3,724,075	3,365,672	2,690,217	4,069,035	3,949,996	3,694,364	3,658,319	3,606,947	3,576,095	3,522,826
Police	9,894,491	8,972,945	8,603,022	8,199,302	7,849,707	7,632,626	7,487,176	7,553,869	7,437,921	7,138,418
Engineering/Planning	2,289,208	2,148,670	2,169,122	1,951,363	1,492,029	1,384,368	1,380,902	1,357,850	1,408,542	1,504,867
Library	1,764,149	1,699,739	1,743,574	1,583,001	1,521,534	1,548,327	1,631,261	1,504,640	1,414,190	1,369,324
Culture and Recreation	2,199,115	2,042,063	1,920,259	1,751,333	1,705,144	1,612,078	1,533,417	1,519,264	1,513,662	1,484,998
Streets	5,802,644	3,811,188	3,663,385	3,998,213	3,311,279	2,689,289	2,581,089	2,517,207	2,392,492	2,090,943
Airport	1,817,366	1,747,681	1,734,504	2,132,707	2,050,091	1,380,459	1,149,725	1,750,030	1,393,113	1,795,466
Total	40,219,823	37,239,277	35,579,523	35,628,352	33,354,342	30,505,620	29,524,160	31,249,872	30,867,683	29,924,435
Business-Type Activities:										
Water	7,221,602	7,279,970	6,783,620	7,080,671	5,842,097	5,398,289	4,805,882	4,949,667	5,822,351	4,317,630
Wastewater	8,064,545	7,724,769	7,234,304	6,602,907	5,528,219	4,560,436	4,928,568	5,318,229	4,875,189	4,513,630
Sanitation	2,514,297	2,413,932	2,336,654	2,321,666	2,524,489	2,498,537	2,480,848	1,958,948	1,958,583	1,869,566
Golf	43,062	47,036	46,853	58,021	82,998	111,044	341,903	493,525	372,315	442,726
Pool (a)	361,136	155,910	181,301	165,031	170,194	161,573	187,079	180,827	151,076	218,012
Dierkes Lake/Shoshone Falls	311,985	193,223	223,664	219,597	225,756	214,236	216,536	201,260	174,829	178,698
Common Area Maintenance	49,998	31,411	23,099	22,930	20,391	92,779	91,407	82,243	84,974	38,296
Total	18,566,625	17,846,251	16,829,495	16,470,823	14,394,144	13,036,894	13,052,223	13,184,699	13,439,317	11,578,558
Total Primary Government	$ 58,786,448	$ 55,085,528	$ 52,409,018	$ 52,099,175	$ 47,748,486	$ 43,542,514	$ 42,576,383	$ 44,434,571	$ 44,307,000	$ 41,502,993
Program Revenues:										
Governmental Activities:										
Charges for Services	$ 6,329,286	$ 6,354,779	$ 6,801,330	$ 6,050,556	$ 5,652,382	$ 5,629,074	$ 4,964,450	$ 4,885,343	$ 5,105,008	$ 5,242,968
Operating Grants and Contributions	8,347,517	8,074,642	7,781,738	6,781,238	5,882,115	5,898,413	5,764,661	6,590,889	5,950,919	6,402,597
Capital Grants and Contributions	1,867,265	4,311,907	985,169	3,989,947	2,314,982	668,580	1,478,780	927,338	1,597,966	5,335,406
Total	16,544,068	18,741,328	15,568,237	16,821,741	13,849,479	12,196,067	12,207,891	12,403,570	12,653,893	16,980,971
Business-Type Activities:										
Charges for Services	$ 24,399,151	$ 23,017,706	$ 23,046,518	$ 22,335,115	$ 19,902,491	$ 18,906,147	$ 16,832,890	$ 15,585,180	$ 14,299,503	$ 14,418,667
Operating Grants and Contributions	126,233		-	569,853	-		175,131	185,559	161,833	112,047
Capital Grants and Contributions			-	-	845,391	81,463	58,969	109,432	196,201	1,798,625
Total	24,525,384	23,017,706	23,046,518	22,904,968	20,747,882	18,987,610	17,066,990	15,880,171	14,657,537	16,329,339
Total Primary Government	$ 41,069,452	$ 41,759,034	$ 38,614,755	$ 39,726,709	$ 34,597,361	$ 31,183,677	$ 29,274,881	$ 28,283,741	$ 27,311,430	$ 33,310,310

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	$ 19,334,072	$ 18,219,696	$ 17,673,416	$ 17,412,749	$ 16,651,268	$ 16,075,739	$ 15,764,702	$ 15,607,739	$ 15,112,226	$ 14,117,690
Franchise Taxes	394,089	393,394	385,292	356,898	223,358	196,323	189,820	151,479	238,775	186,585
Interest and Investment Earnings	365,364	604,822	577,025	452,434	(44,176)	259,959	151,341	343,218	830,451	593,666
Miscellaneous Rev. (Including Asset Sales)	6,195,101	322,311	423,292	459,192	370,696	554,904	1,338,416	761,452	711,803	980,454
Contributions of Assets				2,264,987						
Transfers	987,999	1,507,521	1,578,589	1,278,570	4,237,557	(5,274,297)	1,237,773	1,254,843	1,077,184	665,053
Total	27,276,625	21,047,744	20,637,614	22,224,830	21,438,703	11,812,628	18,682,052	18,118,731	17,970,439	16,543,448
Business-Type Activities:										
Interest and Investment Earnings	$ 307,138	$ 611,827	$ 1,100,433	$ 393,336	$ (56,627)	$ 111,004	$ 106,459	$ 186,049	$ 421,640	$ 399,018
Miscellaneous Rev. (Including Asset Sales)	429,834	166,115	123,606	118,255	451,952	79,394	75,572	16,487	11,136	209,053
Contributions of Assets			-	26,932,853						
Transfers	(987,999)	(1,507,521)	(1,578,589)	(1,278,570)	(4,237,557)	5,274,297	(1,237,773)	(1,254,843)	(1,077,184)	(665,053)
Total	(251,027)	(729,579)	(354,550)	26,165,874	(3,842,232)	5,464,695	(1,055,742)	(1,052,307)	(644,408)	(56,982)
Total Primary Government	$ 27,025,598	$ 20,318,165	$ 20,283,064	$ 48,390,704	$ 17,596,471	$ 17,277,323	$ 17,626,310	$ 17,066,424	$ 17,326,031	$ 16,486,466
Change in Net Position:										
Governmental Activities	$ 3,600,870	$ 2,549,795	$ 626,328	$ 3,418,219	$ 1,933,840	$ (6,496,925)	$ 1,365,783	$ (727,571)	$ (243,351)	$ 3,599,984
Business-Type Activities	5,707,732	4,441,876	5,862,473	32,600,019	2,511,506	11,415,411	2,959,025	1,643,165	573,812	4,693,799
Total Primary Government	$ 9,308,602	$ 6,991,671	$ 6,488,801	$ 36,018,238	$ 4,445,346	$ 4,918,486	$ 4,324,808	$ 915,594	$ 330,461	$ 8,293,783

(a) For a period of time during 2012 to 2017 the City pool was operated by the YMCA. During that time the pool was supported with governmental revenues and reported as a governmental activity. The City has taken back operations of the pool and is once again charging for admissions and reporting the activity as a business-type activity. For presentation purposes above the Pool activity is being reported as a business-type activity over the ten year historical period.

City of Twin Falls, Idaho

December 31,

Program Labor Burden - Schedule 3
(cash basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Labor Cost:										
General Government	$ 2,846,567	$ 2,600,066	$ 2,628,021	$ 2,300,448	$ 1,958,510	$ 1,784,519	$ 1,771,966	$ 1,963,735	$ 1,951,944	$ 1,813,409
Fire	2,872,326	2,589,862	2,573,121	2,417,721	2,362,685	2,268,505	2,245,222	2,243,158	2,188,994	2,164,464
Police	6,058,440	5,752,076	5,578,775	5,125,314	4,980,524	4,796,982	4,644,092	4,659,091	4,741,028	4,566,707
Dispatch *	608,941									
Engineering/Planning	1,516,200	1,363,856	1,318,899	1,139,277	1,159,679	1,025,624	1,062,278	1,088,968	1,059,823	996,277
Streets	766,244	702,086	679,117	638,292	567,264	522,918	507,040	545,142	543,766	574,691
Library	834,132	762,985	774,970	761,178	733,922	709,564	691,030	667,879	672,102	619,861
Culture and Recreation *	903,763	830,184	803,071	761,210	731,027	731,409	673,557	675,535	685,619	711,300
Airport	412,893	387,441	375,470	359,612	349,287	308,228	295,303	299,910	316,667	307,408
Water	1,426,265	1,325,484	1,294,640	1,197,864	1,049,847	944,786	912,610	987,601	981,853	935,869
Wastewater	393,295	340,666	346,945	303,517	341,046	327,009	313,325	310,333	310,433	301,856
Golf	59,126	54,994	52,824	48,401	46,568	45,377	46,371	45,579	61,895	74,708
Dierkes Lake/Shoshone Falls	57,574	48,308	52,745	43,466	42,029	41,045	37,136	30,507	31,956	31,335
	$ 18,755,766	$ 16,758,008	$ 16,478,598	$ 15,096,300	$ 14,322,388	$ 13,505,965	$ 13,199,930	$ 13,517,438	$ 13,546,081	$ 13,097,885
Program Labor Hours:										
General Government	93,728	88,381	90,186	83,068	74,745	70,860	70,438	75,699	75,766	72,941
Fire	140,474	143,128	143,904	141,092	141,493	140,996	142,546	141,597	133,288	132,627
Police	269,115	288,151	293,747	276,639	276,448	278,673	273,870	276,758	277,188	266,566
Dispatch *	35,351									
Engineering/Planning	48,151	47,022	47,639	44,658	44,367	40,469	42,200	43,048	42,637	42,309
Streets	30,383	29,655	29,065	29,062	28,105	28,030	26,974	28,829	28,748	31,485
Library	52,660	43,785	39,476	50,424	50,532	51,563	50,536	47,957	44,942	40,967
Culture and Recreation *	47,864	43,975	42,809	43,529	43,150	45,285	41,076	41,552	43,105	46,090
Airport	21,356	20,652	18,995	18,459	18,630	18,220	18,234	18,721	18,508	18,218
Water	63,047	60,970	62,207	59,356	55,115	51,806	50,972	52,852	52,009	50,771
Wastewater	17,078	17,109	17,456	14,601	15,397	15,541	15,079	15,185	15,324	15,001
Golf	2,128	2,126	2,200	2,120	2,120	2,127	2,216	2,189	3,268	4,661
Dierkes Lake/Shoshone Falls	6,105	5,382	5,999	4,948	5,083	4,957	4,530	3,710	3,967	4,036
	827,440	790,336	793,683	767,956	755,186	748,527	738,671	748,096	738,750	725,672

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

City of Twin Falls, Idaho

September 30,

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

(modified accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund										
Restricted	$ 78,417	$ 78,151	$ 77,852	$ 257,598	$ 249,939	$ 5,913	$ 5,913			
Reserved (for Dedicated Purpose)/Committed	578,141	2,537,477	70,820	158,843	158,843	158,843	4,370,006	$ 3,220,383	$ 3,220,383	
Unreserved/Undesignated/Assigned	8,135,374	7,014,566	10,007,787	9,616,943	15,439,425	12,160,105	12,794,580	12,148,374	10,860,301	$ 12,839,581
Total	$ 8,791,932	$ 9,630,194	$ 10,156,459	$ 10,033,384	$ 15,848,207	$ 12,324,861	$ 17,170,499	$ 15,368,757	$ 14,080,684	$ 12,839,581
All Other Governmental Funds										
Restricted		$ 121,884	$ 107,175	$ 799,935	$ 779,301	$ 363,669	$ 255,419			
Reserved (for Dedicated Purpose)/Committed	$ 5,930,635	7,245,521	4,148,443	3,410,083	3,197,704	5,582,578	4,833,493	$ 4,405,130	$ 4,427,090	$ 297,918
Unreserved/Undesignated/Assigned	19,635,325	25,471,609	22,507,705	17,895,754	7,963,397	3,687,948	4,065,138	3,202,748	5,054,916	7,146,034
Total (b)	$ 25,565,960	$ 32,839,014	$ 26,763,323	$ 22,105,772	$ 11,940,402	$ 9,634,195	$ 9,154,050	$ 7,607,878	$ 9,482,006	$ 7,443,952

(a) The City changed the classification of fund balances in the governmental funds for fiscal year ending 2011 in accordance with GASB 54. Early changes to equity definitions were made in the fiscal year ending 2009. In preparing the schedule an attempt has been made to accommodate these changes as best as possible and to make then as comparable as possible.

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

City of Twin Falls, Idaho

September 30,

Changes in Fund Balances, Governmental Funds (a) **- Schedule 5**
(modified accrual basis of accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Property Taxes	$ 19,244,951	$ 18,227,029	$ 17,674,504	$ 17,403,998	$ 16,517,423	$ 16,006,243	$ 15,906,743	$ 15,323,295	$ 14,931,139	$ 13,917,927
Other Taxes	890,516	880,171	911,857	922,415	743,589	797,050	763,982	806,892	926,127	836,216
Special Assessments	48,712	161,679	86,100	69,427	72,757	91,567	93,964	103,360	212,456	208,140
Fines and Forfeitures	35,378	41,145	49,417	48,003	45,968	45,864	43,394	45,491	46,284	47,192
Licenses and Permits	1,206,907	1,264,310	1,192,848	1,083,837	891,886	765,285	579,772	730,679	984,983	1,242,704
Fees and Services	2,864,280	2,907,286	3,418,932	2,732,030	2,745,225	2,810,895	2,390,857	2,317,933	2,012,791	2,219,644
Intergovernmental	8,027,528	7,850,437	6,987,622	6,561,282	6,373,641	6,113,841	5,574,317	5,479,105	5,630,777	5,674,392
Federal Grants	2,174,987	3,785,398	1,740,331	4,207,153	1,808,926	452,008	1,587,539	1,866,429	1,805,321	1,733,499
Miscellaneous	2,500,653	3,974,965	2,561,569	2,374,547	1,674,665	2,051,865	1,579,718	1,952,117	2,627,496	2,415,171
Total	36,993,912	39,092,420	34,623,180	35,402,692	30,874,080	29,134,618	28,520,286	28,625,301	29,177,374	28,294,885
Expenditures:										
General Government	4,845,447	4,453,961	4,113,905	3,750,276	3,447,775	3,153,796	2,722,890	2,942,735	3,029,045	2,624,155
Public Safety	15,540,831	14,834,689	13,737,173	13,501,256	12,447,261	11,969,176	11,591,611	11,782,439	11,619,262	11,230,011
Engineering	1,499,651	1,426,545	1,320,956	1,642,952	1,350,315	1,266,254	1,260,708	1,254,317	1,352,528	1,253,384
Community Development	867,205	716,364	908,135	695,930	197,191	231,322	648,673	270,781	408,623	391,640
Cultural and Recreation	3,705,360	3,959,919	3,933,293	3,684,778	3,388,194	3,458,260	3,038,972	3,068,414	2,976,958	3,261,059
Highways and Streets	4,852,226	2,809,548	2,166,676	2,047,874	1,639,953	1,521,619	1,492,435	1,463,938	2,041,079	1,565,752
Airport	3,493,986	2,632,330	1,230,160	4,420,793	3,163,629	1,270,911	1,769,158	1,720,310	2,507,966	2,104,506
Capital Outlay	11,517,565	3,978,723	3,552,872	2,604,250	3,470,227	4,949,351	3,679,733	7,854,083	2,801,215	2,488,126
Total	46,322,271	34,812,079	30,963,170	32,348,109	29,104,545	27,820,689	26,204,180	30,357,017	26,736,676	24,918,633
Other Financing Sources (Uses):										
Contributions				204	2,512	741	60,938	30,243	78,500	263,646
Transfers In	4,224,338	4,737,890	4,180,526	12,096,205	6,105,578	1,811,648	1,877,766	2,877,600	1,491,353	1,401,274
Transfers Out	(3,228,041)	(3,468,805)	(2,860,508)	(10,800,449)	(2,048,072)	(8,071,758)	(906,897)	(1,762,179)	(555,765)	(871,073)
Total	996,297	1,269,085	1,320,018	1,295,960	4,060,018	(6,259,369)	1,031,807	1,145,664	1,014,088	793,847
Net Change in Fund Balances	$ (8,332,062)	$ 5,549,426	$ 4,980,028	$ 4,350,543	$ 5,829,553	$ (4,945,440)	$ 3,347,913	$ (586,052)	$ 3,454,786	$ 4,170,099
Debt Service as a percentage of non-capital expenditures	0%	0%	0%	0%	0%	0%	0.5%	1.0%	0.9%	1.8%

(a) The City had an insignificant amount of outstanding long-term debt in earlier years in the governmental funds, averaging less than $400,000. Debt service of those obligations has been reflected in General Government expenditures.

City of Twin Falls, Idaho

Assessed Value of Taxable Property - Schedule 6

Fiscal Year	Assessed Valuation	City Levy Rate	Calculated Property Taxes for Budget	Actual Assessment All Property Taxes	Cancellations	Adjustments (Circuit Breaker)	Net Assessed Property Taxes	Collected in Year of Assessment	Collected in Subsequent Yr.	Outstanding Balance 9/30/2017
2016	$ 2,360,192,034	0.008039014	$ 18,973,617	$ 24,152,122	$ 5,887	$ 232,772	$ 23,913,463	$ 23,630,826		$ 282,637
2015	2,274,715,387	0.007868287	17,898,114	22,234,136	27,358	239,628	21,967,150	21,707,166	113,254	146,730
2014	2,264,943,286	0.007664692	17,360,093	21,596,737	35,309	239,436	21,321,992	20,987,796	259,989	74,207
2013	2,200,305,399	0.007856543	17,286,794	20,744,396	13,388	234,361	20,496,647	20,143,388	353,245	14
2012	2,152,055,074	0.007713994	16,600,940	17,821,562	26,820	244,594	17,550,148	17,142,639	407,509	-
2011	2,314,981,873	0.006922194	16,024,754	17,079,578	56,541	237,543	16,785,494	16,368,285	417,209	-
2010	2,321,326,751	0.006800067	15,785,177	16,835,130	11,123	253,174	16,570,833	16,106,019	464,814	-
2009	2,331,983,468	0.006587793	15,362,624	16,521,630	3,850	237,989	16,279,791	15,795,086	484,705	-
2008	2,276,127,009	0.006592610	15,005,618	16,073,885	17,747	228,210	15,827,928	15,455,449	372,479	-
2007	2,095,114,614	0.006652024	13,936,753	14,844,221	46,902	231,214	14,566,105	14,291,302	274,803	-

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
2016	0.008039014	0.004620777	0.004821117	0.001245724	0.000982086	0.000211166	0.000124953	0.020044837
2015	0.007868287	0.004552904	0.004765449	0.001223108	0.000963895	0.000208866	0.000125414	0.019707923
2014	0.007664692	0.004499616	0.004786364	0.001194773	0.000955478	0.000202299	0.000124412	0.019427634
2013	0.007856543	0.004622130	0.004396713	0.001207963	0.000968505	0.000211405	0.000125563	0.019388822
2012	0.007713994	0.004526841	0.003788780	0.001181484	0.000957570	0.000206622	0.000125974	0.018501265
2011	0.006922194	0.004190567	0.003706993	0.001077720	0.000904474	0.000187362	0.000115022	0.017104332
2010	0.006800067	0.004045866	0.002726628	0.001038132	0.000872809	0.000180899	0.000107959	0.015772360
2009	0.006587793	0.003853440	0.002629437	0.000981824	0.000835215	0.000172225	0.000108501	0.015168435
2008	0.006592610	0.003726219	0.002585037	0.000947925	0.000804923	0.000166942	0.000105117	0.014928773
2007	0.006652024	0.003695145	0.002635825	0.000943895	0.000798289	0.000165659	-	0.014890837

Source - Twin Falls County, Idaho

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

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

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

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

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

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

Principal Property Tax Payers - Schedule 8

Taxpayer	2017 Taxable Assessed Value	2016 Taxable Assessed Value	2015 Taxable Assessed Value	2014 Taxable Assessed Value	2013 Taxable Assessed Value
Chobani, Inc (Agro-Farma)	$ 425,078,135	$ 447,967,459	$ 440,704,927	$ 397,014,522	$ 332,583,611
Idaho Power *	136,632,843				
Idaho Frozen Foods	92,120,925	85,206,199	73,766,988	76,896,371	74,497,915
Clif Bar Baking Company	96,844,384	37,007,452			
Magic Valley Mall II , LLC	36,153,343	34,260,684	28,085,114	28,103,597	31,636,266
Glanbia Foods, Inc	50,296,001	34,069,915	32,280,570	33,796,073	24,448,073
Longview Fiber	18,330,840	19,852,116	17,250,406	18,350,447	
Wal-Mart Stores, Inc.	18,617,037	18,202,778	15,022,186	18,989,807	13,709,376
Henningsen Cold Storage Co		17,690,071	17,776,846	17,675,599	22,048,496
Twin Falls Canyon Park (Geronimo LLC)	15,935,346	14,043,318			
Bridgeview Estates Real Estate Investors, LLC	13,181,293	14,949,346			13,352,686
Solo Cup Company			14,792,489	14,632,441	
Twin Falls Rivercrest Apartments			14,479,199		12,383,983
Base Jumpers, LLC			12,798,703		12,635,447
Bridgeview Estates Real Estate Investors, LLC				11,667,748	
Jayco				11,576,542	
Costco Wholesale Corporation					10,606,476

Source: Assessed property values are provided by Twin Falls County. Utility taxpayers were not evaluated in years prior to 2017.

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

Fiscal Year	Government Activities	Business-type Activities			Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)	City Personal Income	City Population
	Term Loans	Certificates of Participation	Revenue Bonds (c)	Term Loans					
2017	-	-	$ 61,978,558	-	$ 61,978,558	2.0653	$ 1,284	3,000,974,000	48,260
2016	-	-	66,173,038	-	66,173,038	2.2900	1,394	2,889,612,000	47,468
2015	-	-	70,287,516	-	70,287,516	2.5287	1,529	2,779,540,000	45,981
2014	-	-	74,291,998	-	74,291,998	2.8356	1,645	2,620,007,000	45,158
2013	-	-	38,340,793	$ 49,445	38,390,238	1.5406	856	2,491,872,000	44,848
2012	-	$ 339,011	24,998,870	8,906,309	34,244,190	1.4627	769	2,341,182,000	44,505
2011	-	660,817	26,591,882	9,644,733	36,897,432	1.6244	863	2,271,421,000	42,741
2010	$ 119,494	967,623	28,091,804	10,354,193	39,533,114	1.6895	937	2,339,979,000	42,197
2009	349,191	1,259,429	10,126,638	11,035,831	22,771,089	1.0041	549	2,267,895,000	41,510
2008	571,436	1,536,235	-	11,690,740	13,798,411	0.6585	320	2,095,294,000	43,080
2007	980,364	1,798,041	-	12,198,916	14,977,321	0.7598	388	1,971,259,000	38,630

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**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct & Overlapping Debt	Combined Debt
Debt Repaid with Property Taxes (b):				
Twin Falls School District - Series 2014C General Obligation Debt (Refunding)	28,255,000	83.94%	23,717,247	
Twin Falls School District - Series 2014B General Obligation Debt	6,405,000	83.94%	5,376,357	
Twin Falls School District - Series 2014A General Obligation Debt	62,460,000	83.94%	52,428,924	
Urban Renewal Agency of Twin Falls, Idaho:				
Revenue Allocation Bonds, Series 2013A	28,069,000	100.00%	28,069,000	
Revenue Allocation Refunding Bonds, Series 2015A	1,235,000	100.00%	1,235,000	
Revenue Allocation Bonds, Series 2015C	5,500,000	100.00%	5,500,000	
Revenue Allocation Bonds, Series 2016A	13,670,000	100.00%	13,670,000	
Other Debt:				
Twin Falls School District - Capital Leases	27,594	83.94%	23,162	
Subtotal, overlapping debt			130,019,690	130,019,690
City Direct Debt:				61,978,558
Total Direct and Overlapping Debt				$ 191,998,248

Legal Debt Margin Information (d) - **Schedule 11**

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, 2017. The URA is as of September 30, 2017. The City has no Governmental Activity Debt

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

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

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

Pledged Revenue Coverage - Schedule 12
(cash basis of accounting)

Water Revenue Bonds

Fiscal Year	Utility Service Charges	Less: Operating Expense	Net Available Revenue	Debt Service Principal	Debt Service Interest (a)	Coverage
2017	$ 10,263,184	$ 4,907,137	$ 5,356,047	$ 2,105,000	$ 709,811	1.90
2016	10,236,640	5,065,364	5,171,276	2,055,000	721,589	1.86
2015	9,743,873	4,561,843	5,182,030	1,930,000	812,559	1.89
2014	9,534,028	4,573,694	4,960,334	1,930,000	878,288	1.77
2013	9,347,841	3,964,573	5,383,268	1,900,000	907,580	1.92
2012	8,984,545	3,856,180	5,128,365	1,560,000	860,031	2.12
2011	8,081,699	3,169,418	4,912,281	1,520,000	817,654	2.10
2010	6,606,498	3,602,527	3,003,971	555,000	529,900	2.77
2009	5,458,661	4,353,212	1,105,449	-	286,522	3.86
2008	5,236,353	3,588,251	1,648,102	-		-

Wastewater Revenue Bonds

Fiscal Year	Utility Service Charges	Less: Operating Expense	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2017	$ 9,826,394	$ 4,598,570	$ 5,227,824	$ 1,845,000	$ 1,638,516	1.50
2016	9,218,900	4,282,031	4,936,869	1,815,000	1,665,856	1.42
2015	9,865,339	4,035,020	5,830,319	1,765,000	1,713,096	1.68
2014	9,644,992	4,029,245	5,615,747	2,350,000	1,135,032	1.61
2013	7,521,962	4,122,715	3,399,247	1,070,000	344,600	2.40
2012	6,637,147	3,332,619	3,304,528	335,000	34,250	8.95
2011	5,611,424	3,670,746	1,940,678	320,000	50,250	5.24
2010	5,555,071	4,059,967	1,495,104	305,000	65,195	4.04
2009	5,491,645	3,732,938	1,758,707	290,000	78,970	4.77
2008	5,827,133	3,357,699	2,469,434	275,000	91,895	6.73

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation or amortization.
(a) The City has qualifying Build America Bonds in its Water Fund. Under that program the federal government participates in the interest expense portion of the bond that the City pays. The interest reflected is the net interest expense after Federal participation.

City of Twin Falls, Idaho

Demographic and Economic Statistics - Schedule 13

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
City Population	Unavailable	48,260	47,468	45,981	45,158	44,848	44,505	42,741	42,197	41,510
Total Personal Income for Twin Falls County (Thousand Dollars)	Unavailable	$ 3,000,974	$ 2,889,612	$ 2,779,540	$ 2,620,007	$ 2,491,872	$ 2,341,182	$ 2,271,421	$ 2,339,979	$ 2,267,895
Personal Income per capita for Twin Falls County	Unavailable	$ 35,934	$ 35,079	$ 34,763	$ 33,336	$ 31,917	$ 30,198	$ 29,781	$ 31,140	$ 30,756

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
City Unemployment Rate	2.5	3.3	3.6	4.1	5.4	6.5	7.9	8.8	8.5	5.1
City Labor Force	23,769	23,522	23,221	22,243	22,364	22,155	21,720	21,303	22,341	21,445
School Enrollment	9,602	9,322	9,090	8,865	8,633	8,273	7,912	7,777	7,644	7,616

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 for the last calendar month. The Department of Labor is cautions users that the City is a small sample size for purposes of computing an unemployment rate. School enrollment information is based on the census at September 4th of each school year.

City's Largest Employers - Schedule 14

2017

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

2008

Business	Rank	Employment Range	Industry
Magic Valley Reg. Medical Center	1	1,600 - 1,699	Health Care
Personnel Plus Inc.	2	1,300 - 1,399	Administrative & Support Services
College of Southern Idaho	3	1,100 - 1,199	Local Government Education
Twin Falls School District #411	4	900 - 999	Local Government Education
Dell USA LP	5	500 - 599	Administrative & Support Services
Conagra Foods - Lamb Weston	6	500 - 599	Manufacturing - Packaged Foods
Amalgamated Sugar Co LLC	7	300-399	Manufacturing - Sugar
Twin Falls County	8	300 - 399	Local Government Administration
City of Twin Falls	9	200 - 299	Local Government Administration
Fred Meyer	10	200 - 299	Retail Trade

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

Note: Only employers that have given the Department permission to release employment range data are listed. The listing included both private and public employers and is ranked by total reported wages for the calendar year for 2008 and the 3rd Quarter Wages for 2017.

City of Twin Falls, Idaho

Selected City Service Information - Schedule 15

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Building:										
Permits Issued (Single Family)	224	236	230	189	182	151	96	159	159	233
Value (Single Family)	$ 44,391,872	$ 47,719,056	$ 46,392,231	$ 30,578,140	$ 27,654,144	$ 21,875,132	$ 14,705,604	$ 20,874,598	$ 21,561,377	$ 33,953,879
Permits Issued (New Commercial)	32	28	59	36	33	21	18	28	60	61
Value (New Commercial)	$ 28,328,054	$ 56,969,584	$ 87,856,213	$ 35,167,774	$ 25,313,089	$ 17,870,702	$ 7,079,892	$ 8,801,750	$ 24,854,339	$ 147,317,218
Fire:										
Total Incidents	5,413	2,788	3,170	3,200	3,418	3,233	3,523	3,769	3,677	3,932
Estimate of Property Saved	$ 18,581,258	$ 10,636,150	$ 21,382,821	$ 12,409,423	$ 27,200,175	$ 54,236,490	$ 5,318,350	$ 10,044,555	$ 8,505,280	$ 123,467,250
Estimate of Property Lost	$ 1,756,247	$ 1,008,100	$ 2,257,189	$ 1,375,840	$ 1,327,375	$ 499,290	$ 674,270	$ 424,180	$ 861,625	$ 937,200
Police:										
Calls for Service	58,655	54,832	52,552	51,439	54,606	48,556	48,775	49,378	48,098	48,714
Case Reports Taken	7,971	7,275	7,263	7,050	7,377	6,888	6,825	6,748	7,080	7,568
Airport:										
Airplane Takeoff/Landings	25,621	26,337	28,195	25,265	29,731	33,855	31,386	36,155	33,424	34,192
Boarding/Deboarding	81,206	70,055	65,586	56,894	53,683	50,933	75,048	68,234	54,365	57,645
Library:										
Number of Cardholders	28,564	34,804	31,636	30,989	29,277	27,945	26,120	25,554	24,825	23,187
Average Daily Traffic	843	820	797	817	808	790	767	866	754	670
Total Items Checked Out	582,464	474,709	474,844	493,939	453,385	464,343	456,142	461,936	459,178	425,614
Parks:										
Total Maintained Acreage	1,395	1,363	1,363	1,363	1,362	1,362	1,376	1,215	1,211	1,207
Water:										
Water Consumed (Millions)	4,309	4,494	4,584	4,608	4,613	4,765	4,350	4,461	4,399	4,955
Wastewater:										
Gallons Treated (Millions)	2,918	2,850	2,750	2,716	2,560	2,604	2,474	2,492	2,416	2,457
Solids Treated (lbs. BOD):	8,691,145	8,608,736	9,493,887	9,255,666	9,368,059	6,436,424	4,073,630	4,019,704	5,910,417	6,117,963
Sanitation:										
Customer Count	14,912	14,618	14,412	14,039	13,874	13,814	13,482	13,305	13,239	12,794
Trash Tonnage (Tons)	18,120	18,086	17,269	17,490	17,037	16,777	16,975	17,683	18,770	19,015
Tonnage per Customer	1.22	1.24	1.20	1.25	1.23	1.21	1.26	1.33	1.42	1.49

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.

SINGLE AUDIT INFORMATION

CITY OF TWIN FALLS, IDAHO
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2017

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
Department of Homeland Security			
Terrorism Preparedness Activities	97.067		$ 8,053
Department of Transportation			
State and Community Highway Safety	20.600		20,444
National Priority Safety Programs	20.616		3,281
Payments for Small Community Air Service Development	20.930		17,878
Public Transporation for Nonurbanized Areas	20.509		342
Department of Justice			
Bulletproof Vest Partnership Program	16.607		5,411
COPS Grant	16.710		169,500
Body Worn Camera Grant	16.738		90,000
Federal Highway Administration			
Highway Planning and Construction	20.205		1,855
Department of Commerce			
Community Development Block Grant	14.228		11,313
Federal Aviation Administration			
Airport Improvement Program-Terminal Modification	20.106		37,509
Airport Improvement Program-Terminal Construction	20.106		1,516,631
Total Expenditures of Federal Awards			$ 1,882,217

The City of Twin Falls received equipment in the amount of $6,873 from Department of Homeland Security.

See notes to schedule of expenditures of federal awards

CITY OF TWIN FALLS, IDAHO
Notes to Schedule of Expenditures of Federal Awards
September 30, 2017

Note A-Basis of Presentation

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

Note B-Significant Accounting Policies

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

CITY OF TWIN FALLS, IDAHO
Schedule of Findings and Questioned Costs
For the Year ended September 30, 2017

Financial Statements

Type of auditor's report issued:	Unmodified	
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	20.106

Dollar threshold used to distinguish between type A and Type B programs	$750,000	
Auditee Qualified as low-risk auditee?	Yes ☒	No ☐

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

To the City Council
City of Twin Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2017, 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 1, 2018.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Twin Falls, Idaho's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 1, 2018

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

To the City Council
City of Twin Falls, Idaho

Report on Compliance for Each Major Federal Program

We have audited the City of Twin Falls, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Twin Falls, Idaho's major federal programs for the year ended September 30, 2017. City of Twin Falls, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the City of Twin Falls, Idaho, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2017.

Report on Internal Control over Compliance

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

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

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

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

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & Co., PLLC
February 1, 2018

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From: Mitch Humble, Deputy City Manager

Request:

Request to approve a contract with Pivot North Architecture for the completion of a recreation center feasibility study.

Time Estimate:

The staff presentation will take about 10 minutes. Following the presentation, we anticipate some time will be needed to discuss and answer Council questions.

Background:

The Fiscal Year 2017 budget included $10,000 for recreation center committee expenses. As staff began to create the recreation center committee's scope of work, it became clear that the committee needed to work on a feasibility study with architectural and recreation center specialists. In summer 2017, the Council approved a request from the staff to begin the process to hire a recreation center specialist to guide the recreation center committee through a feasibility study.

Since that time, we have put together our recreation center committee and completed our request for qualifications process. Pivot North Architecture was selected to negotiate a contract with to help the City with the feasibility study. Pivot North is an Idaho architectural firm with a working history in Twin Falls and developed relationships with City staff. Barker Rinker Seacat Architecture (BRS) is included as a sub-consultant to Pivot North to help with the project. We are excited to have BRS on board, as they are a nationally recognized architectural firm that specializes in recreation centers.

Staff has been working on a project scope and proposal with Pivot North for the last several weeks. We now have a complete scope for the project that includes activities like similar facility research, needs analysis, facility programming, community outreach, costs analysis, concept layouts, site analysis, and financial analysis. We are excited to be at this point and recommend that the Council approve the contract.

Approval Process:

A majority vote of the Council is needed to approve this request.

Budget Impact:

The proposed contract has a total not-to-exceed cost of **$98,272**. That amount includes professional service fees of $79,390 and reimbursable expenses of $18,882. The contract also includes some potential add-on costs for services that are not included in the current project scope or fee. These costs would only be added if the City determined that completing one or more of the optional tasks would be beneficial to the project. The additional services include things like community surveys and site specific engineering work. We would not proceed with any of the additional services without first understanding the need for the service, and then asking the Council for specific authorization to add the additional service to the project.

The Fiscal Year 2017 budget included $10,000 for recreation center committee expenses. We were unable to put together the recreation center committee membership and complete the request for qualifications process before the end of FY 2017, so that funding was not spent and went into the City's cash reserve account. The decision to proceed with a feasibility study was also not made in time to include the funding in the FY 2018 budget. So, there is no funding budgeted for this project. As we discussed when we initiated the request for architectural services for this project, staff recommends that if the Council desires to proceed with the feasibility study, that we pay for it from cash reserves.

Regulatory Impact:

If the Council approves the request, the City will execute the agreement with Pivot North and begin the feasibility study for a recreation center. The recreation center committee is ready to start working on this project and excited to be a part of it.

History:

N/A

Analysis:

N/A

Conclusion:

Staff recommends that the Council approve the request as submitted.

Attachments:

1. Pivot North Contract - unsigned

February 2018

City of Twin Falls
136 Maxwell Avenue
Twin Falls, Idaho, 83301

Re: Letter of Agreement - Professional Architectural Services for Community Recreation Center Feasibility Study

To Whom it May Concern,

On behalf of Pivot North and BRS Architecture, I would like to thank you for the opportunity to serve the City of Twin Falls. This letter and attachments shall serve as agreement between the City of Twin Falls (City) and Pivot North, PLLC (Architect) for services related to the Community Recreation Center Feasibility Study. If services are extended for comprehensive architectural services including complete design, construction documents, and construction administration, a separate AIA contract will be executed.

BRS will lead the committee meetings, needs assessment, community work sessions, financial assessment, and programming. Pivot North, as the local contact, will hold the contract, lead the site analysis, architectural study, be the center of communication, and stay in constant contact with the City of Twin Falls' executive team to ensure that all goals are being met for the project.

We anticipate the process described in the attached work plan to take five to six months depending on scheduling of the committee and executive team. The following are deliverables associated with the process and will be finalized in a written report.

- Mission statement
- Summary of community support
- Program list of spaces including size and quantity
- Concept site and building plans
- Architectural character study
- Cost estimate
- Business plan
- Project timeline

Also included are a summary of costs and our standard terms and conditions for services provided. Please don't hesitate to contact me if you have any questions regarding this agreement and we look forward to working with you and your community.

Sincerely,

_____ _____

Clint Sievers, AIA, NCARB
Principal

City of Twin Falls

Attachments: Exhibit 'A' Work plan
Exhibit 'B' Fee and cost summary
Exhibit 'C' Community survey options
Exhibit 'D' Standard Terms and Conditions

	Exhibit 'A'		
	City of Twin Falls ID - Community Recreation Center Feasibility Study		
	SCOPE OF SERVICES & WORK PLAN		
Activity/ Timeline	**Scope Description (Tasks & Products)**		
	Program Development and Conceptual Design Phase		Duration
0	**Preparation for Pre-Workshop 01**	**BRS / PN**	**1 day**
1.0	**Project Team: Pre-Workshop #1 Meeting with Executive Team**	BRS / PN	1 day
Online Meeting	• Confirm time frame for work plan		
	• Discuss public input process requirements		
	• Confirm all deliverables, Project Budget, & Operational Goals/Expectations		
	• Market and demographic analysis considerations		
	• Project mission and vision statement confirmation		
	• Discuss conceptual building budget		
	• Discuss potential focus groups, individual engagement, & partnership outreach efforts		
1.1	**Work Period #1 - Data Collection, Workshop, & Community Meeting Prep**		3 weeks
	• Develop & schedule focus group, individual engagement, & partnership outreach	BRS	
	• Collect all existing data available to include: Past planning efforts, surveys, current mission statements, P & R operational data, City development requirements and codes, City budget	BRS	
	• Draft focus group meeting questions		
	• Confirm Committee and public input dates	BRS	
	• National Slide tour of potential recreation center program components	BRS	
	• Prepare operational strategies and benchmarking data	BRS	
1.2	**Committee Workshop #1**	BRS / PN	
Trip 1	• Project mission and vision statement confirmation		
Day 1	• Consider Project Goals & Objectives		
	• Consider Defining Guidelines		
	• Discuss conceptual building budget		
	• Present National Slide tour of recreation centers		
	• Play Program Card Game as participatory exercise		
	• Discuss Priorities and Phasing Options		
	• Discuss preliminary recreation center cost recovery expectation and capital cost estimates for construction based on work to date and "Wish list" program options		
	• Discuss Site requirements, amenities, and selection priorities	PN	
1.3	**Facilitation of Focus Group Meetings**	BRS / PN	
Trip 1	• Facilitate Focus Group Meetings		
1.4	**Facilitation of Community Open House #1**	BRS / PN	
Trip 1	• Facilitate Community Open House #1 (program options)		
Day 1	• Present National Slide tour of recreation centers		
	• Discuss preliminary recreation center cost recovery expectation and capital cost estimates		
	• Play Dot-ocracy Game as participatory exercise for program spaces & site amenities		
1.5	**Follow-Up with Executive Team**	BRS / PN	
Trip 1	• Re-Cap of Committee, Focus Group, and Open House input		
Day 2	• Re-Balance of program / budget / schedule, as needed		
	• Re-Balance project status with operational goals, as needed		
	• Develop prioritization of program & site amenities		
	• Review project commitments to date, and next steps		
2.0	**Work Period #2A - Program Refinement**		3 weeks
	• Summarize & Compile Community Open House #1 and Project Team Data	BRS	
	• Create preliminary conceptual program(s) plan based on all input	BRS	
	• Create options of proposed program spaces and area (SF) requirements		
	• Create preliminary capital costs for each program		
	• Create conceptual operational expenses and revenues models		
	• Craft the Mission Statement & Goals		
	• Craft the preliminary Defining Design Guidelines		
	• Revise the recreation project budget model spreadsheet for all program options	BRS	
2.1	**Follow-Up with Committee**	BRS / PN	
Online Meeting	• Facilitate a Go-To-Meeting for preliminary review of above topics		
2.2	**Work Period #2B - Program Refinement**		2 weeks

	City of Twin Falls ID - Community Recreation Center Feasibility Study		
	SCOPE OF SERVICES & WORK PLAN		
	• Revise program, as needed based on all input from Go-To-Meeting	BRS	
	• Revise program models & phasing options		
	• Revise preliminary capital costs for each program		
	• Refine the Mission Statement & Goals / Defining Design Guidelines		
	• Develop preliminary relationship diagrams & refine site selection criteria	BRS / PN	
	• Revise operational expenses and revenues models costs and fee structure for preferred	BRS	
2.3	**Follow-Up with Committee**	BRS / PN	
Online Meeting	• Facilitate a Go-To-Meeting for preliminary review of above topics		
2.4	**Work Period #2C - Preliminary Site Evaluation**		4 weeks
	• Create a preliminary analysis for building & site amenities	BRS / PN	
	• Develop tapestry analysis for one site	BRS / PN	
	• Create site diagram showing preferred direction from various inputs	PN	
	• Create conceptual building & site plan diagram options on selected site	BRS / PN	
2.5	**Follow-Up with Committee**	BRS / PN	
Online Meeting	• Facilitate a Go-To-Meeting for review of above topics		
	• Develop a strategy for property acquisition		
	City of Twin Falls Selects Site & Initiates Formal Acquisition		
2.6	**Committee Workshop #2**	BRS / PN	2 days
Trip 2	• Present site selection analysis		
Day 1	• Present conceptual plan diagrams options & architectural ideas for preferred site, reflecting		
	• Discuss program areas that may be impacted by partner involvement		
	• Confirm timeline for partner involvement		
	• Review and discuss project budget and construction costs		
	• Present operational expenses and revenues models costs and fee structure for preferred		
2.7	**Facilitation of Community Open House #2**	BRS / PN	
Trip 2	• Presentation of Program, Adjacency Diagrams, Site Analysis, and Architectural Characteristics		
Day 1	• Present operational expenses and revenues models costs and fee structure for preferred		
	• Collect comments, questions, and preferences on two conceptual building plan / site options		
2.8	**Follow-Up with Executive Team**	BRS / PN	
Trip 2	• Re-Cap of Committee and Open House input & discuss possible realignments		
Day 2	• Confirm Preferred Site & Building Option		
3.0	**Work Period #3 - Refine Building Plan, Business Plan and Study Architectural Character**		3 weeks
	• Develop conceptual building plan based on preferred option & input to date	BRS	
	• Develop architectural character approach for the facility	PN	
	• Review Overall Construction and Project Budget Model	BRS / PN	
	• Develop Final Draft of Operational Business Plan	BRS	
3.1	**Committee Workshop #3**	BRS / PN	2 days
Trip 3	• Review Site Plan diagram and final building plan diagram		
Day 1	• Review phasing options, if applicable		
	• Review Recreation Center Budget Model against goals		
	• Review Recreation Center Operational Business Plan		
3.2	**Facilitation of Community Open House #3**	BRS / PN	
Trip 3	• Presentation of site plan diagram and final building plan diagram		
Day 1	• Present Recreation Center Budget Model against goals & Final Operational Plan/Fee Structure		
	• Collect comments, questions and preferences.		
3.3	**Review Project with City Agencies**	PN	
Trip 3	• Discuss site / building plan diagrams with City Planning, Fire, and Building Departments		
Day 2	**Follow-Up with Executive Team**	BRS / PN	
	• Re-Cap of Committee and Open House input & discuss possible realignments		
4.0	**Work Period #4 - Produce Final Conceptual Design Report and Graphics**	BRS	3 weeks
	• Update all work products based on input received in Workshop 3		
4.1	**Deliver Final Feasibility Report**	BRS / PN	

Exhibit 'B' Fee and Cost Summary	
Professional Service Fees	**$79,390**
***This service will be billed hourly based on current rates with a not-to-exceed limit.**	
Reimbursable Allowances - Printing, Travel, Cost Estimate, etc.	**$18,882**
***Reimbursable expenses will be billed as direct pass through to the CoTF. Remaining balance will be returned.**	
Total Not-to-Exceed	**$98,272**
Additional Optional Owner Costs	
Statistically valid survey	$16,000.00
Online non-statistically valid survey	$5,500.00
Non-statistically valid survey	$2,000.00
Site surveys by qualified civil engineer	tbd
Traffic studies	tbd
Detailed aquatics analysis	tbd
Site geotechnical report	tbd

Exhibit 'C' Community Survey Options

1. **Statistically Valid Survey**
    a. BRS will retain the services of a firm specializing in Community Surveys.
    b. Approximately 3,000 randomly selected households will be mailed a survey
        i. Maximum 4-page length
        ii. Selected households will have option of mailing survey back or completing survey online
        iii. Obtain a statistically valid sample of at least 300 responses (guaranteed).
    c. An "open link" version of the online survey will also be made available to those who did not receive a survey. Responses from the "open link" survey will be kept separate from the "invitation" survey.
    d. Results will be tallied, summarized, charted and graphed in a summary final report in Power Point.

    Cost: $16,000 (This survey will take 6-7 weeks to complete. If this is chosen, will influence the schedule.)

2. **Online – Non-Statistically Valid Survey**
    a. BRS will develop survey questions for an online survey i.e. ZOHO or Survey Monkey, to assist in expanding opportunities for community input regarding a new recreation center.
    b. The survey will be accessed through the City of Twin Falls web site and all marketing for the survey will be the responsibility of the City.
    c. BRS will compile and analyze survey responses and report results to the City.

    Cost: $5,500

3. **Non-Statistically Valid Survey**
    a. BRS will develop survey questions for a community survey to assist in expanding opportunities for community input regarding a new recreation center.
    b. The City of Twin Falls will be responsible for the determination method of distribution, data collection and analysis.

    Cost $2,000

Exhibit 'D'

CONTRACT TERMS AND CONDITIONS

1. CONTRACT. These Contract Terms and Conditions and the Provisions and the accompanying Proposal or Scope of Services (collectively "Scope") constitute the full and complete Agreement between Architect and Client (the "Agreement") and supersede all prior negotiations, representations or agreements, either written or oral. The Agreement shall not be amended, waived, or superseded in whole or in part except in a writing signed by all parties. These Contract Terms and Conditions shall control over any inconsistency between them and any writing relating to the transactions between Architect and Client arising under the Agreement.

2. PAYMENT. Unless the Scope provides otherwise, Client shall pay Architect as stated herein. Client shall pay Architect monthly for services rendered and reimbursable expenses. Client shall issue payment of all undisputed amounts within 30 calendar days of receiving Architect's invoice. If Client does not pay an invoice within 30 days of receiving it, Architect may, upon written notice to Client, suspend further work until payments are brought current. Client agrees to indemnify and hold Architect harmless from any claim or liability resulting from such suspension. Client shall pay Architect a service fee of 1.5% per month on invoiced amounts not paid after 60 calendar days.

Within 15 calendar days of receiving an invoice, Client shall notify Architect in writing of any dispute over the invoice amount or invoiced services, and waives its rights to all disputes regarding an invoice if it does not so notify Architect. If Client and Architect do not resolve the dispute within 25 calendar days after Client's notice to Architect, the dispute must be resolved in accordance with the Dispute Resolution provisions of this Agreement. Client shall not withhold any payment amount for contractual penalties, contract damages, liquidated damages, or any other set off, unless Architect is adjudged liable for that amount prior to the date the payment is due. Architect has the right to all legal remedies to obtain payment. Client shall pay Architect's costs and attorney fees, incurred in seeking payment of invoices not paid when due.

3. REIMBURSABLE EXPENSES. Reimbursable Expenses will be billed at Architect's cost plus 0%. Reimbursable Expenses are Architect's actual expenses incurred directly or indirectly in connection with the services provided, which may include but are not limited to, travel costs, materials, supplies, document reproduction, municipal fees and taxes, delivery and courier services; and costs responding to subpoenas or other legal process regarding the Agreement or Scope.

4. DOCUMENTS. All reports, notes, drawings, specifications, data, calculations, and other documents, including those in electronic form, prepared by Architect are instruments of Architect's service and shall remain Architect's property ("Instruments of Service"). Unless otherwise stated in the Scope, Architect retains all rights to the Instruments of Service except that Client has a non-exclusive license to use and reproduce the Instruments of Service for the project that is the subject of the Scope. No other licenses are granted or implied. If this agreement is terminated for any reason before Architect completes and is paid in full for its services, Client's non-exclusive license to use the Instruments of Service terminates on the date the contract is terminated. Any reuse or distribution of Instruments of Service to third parties without Architect's written consent is prohibited and shall be at Client's sole risk and without liability to Architect. Client shall defend, indemnify, and hold harmless Architect from and against all costs, expenses, fees, losses, claims, demands, liabilities, suits, actions, and damages whatsoever arising out of or relating to Client's unauthorized reuse or distribution of Instruments of Service.

5. STANDARD OF CARE. Architect shall perform services under this Agreement, including but not limited to efforts to comply with applicable codes, regulations, laws, rules, ordinances, in accordance with the standard of care for similar professionals rendering similar services under similar circumstances in the area of the project.

6. SCHEDULE AND DELAY. Except as to Client's payment obligations, the failure of a party to perform an obligation hereunder shall not be a default of the Agreement to the extent a cause beyond the reasonable control of the party with the obligation prevented the performance.

7. WAIVER OF CERTAIN DAMAGES. Architect and Client mutually and irrevocably waive all claims for and rights to delay damages, productivity loss damages, indirect damages, consequential damages, and, to the extent not encompassed by the foregoing, damages related to loss of use, loss of profits, loss of income, loss of reputation, unrealized savings, and diminution of property value arising out of or relating to Architect's and its sub Architects' services, performance, or breach of the Agreement.

8. LIABILITY. Client agrees the limit of Architect's—and its officers, directors, employees, agents, and sub Architects—liability for any claims, including but not limited to negligent acts, errors, omissions, or breach of contractual obligations relating to or arising out of Architect's—and its officers, directors, employees, agents, and sub Architects—services shall not exceed the greater of $_____(If no amount is stated herein, Architect's total compensation under the Agreement shall be the liability limit.) or Architect's total compensation under the Agreement. This limitation applies to Client and Client's contractors and subcontractors on the project. Client agrees to require its contractors and subcontractors to execute an agreement limiting liability in accordance with this paragraph.

9. INDEMNIFICATION. Client shall defend, indemnify and hold harmless Architect—and its officers, directors, employees, agents, and sub Architects—from and against all claims, damages, losses, and expenses, including but not limited to attorneys' fees, arising out of Client's or Client's other Architects', contractors', and subcontractors' services performed, negligent acts, errors or omissions, or other conduct relating to the project.

10. RIGHT OF ENTRY. Client shall obtain or provide the legal right of Architect—and those assisting it in performing the work—to enter all property necessary to perform the Scope.

11. HAZARDOUS MATERIALS. Unless the Scope provides otherwise, Architect's services under the Agreement do not include any obligation to investigate, detect, or remediate hazardous materials, as defined by Federal, State, and local laws or regulations, and Architect shall have no responsibility for the discovery, presence, handling, removal, remediation, or disposal of, or exposure of persons to, hazardous materials in any form at project.

12. DISPOSAL OF SAMPLES. Unless the Scope provides, Architect has the right to discard all samples of any kind relating to the project upon completing the Scope.

~~**13. FAIR HOUSING**. Client acknowledges that the requirements of Americans with Disabilities Act ("ADA") and the Fair Housing Act (as well as all state and local laws, codes, or ordinances, that apply to the same subject matter) may be subject to various and possibly contradictory interpretations. Architect will endeavor to use reasonable professional efforts to interpret applicable requirements that apply to its services. Architect cannot and does not promise, warrant, or guarantee that the services performed under the Agreement services will comply with interpretations of those requirements as they apply currently or in the future. In addition, the Architect shall be entitled to rely reasonably on written interpretations and specific approvals regarding the disability requirements given by government officials with responsibility for enforcing such requirements.~~

~~**14. CONSTRUCTION PHASE SERVICES**. Unless the Scope provides otherwise, if Architect provides services during the project's construction phase, Architect has no duty, and shall be deemed to not have assumed a duty, to supervise, direct, control, or inspect the work of contractors or subcontractors, shall not have authority over or responsibility for the construction means, methods, techniques, sequences or procedures or for safety precautions and programs in connection with the work of contractors or subcontractors, and shall have no liability or responsibility for the contractors' or subcontractors' performance of their work in accordance with the Instruments of Service or any other document issued by Architect.~~

15. OPINION OF COSTS. Architect's opinions of probable cost, financial evaluations, feasibility studies, economic analyses of alternate solutions, and utilitarian considerations of operations and maintenance costs, if provided by Architect, will be based on Architect's experience and qualifications and will represent Architect's judgment, but shall not be construed as a guarantee of the accuracy of such estimates. Client recognizes that Architect does not have control over the costs of labor, material, equipment, or services furnished by others or over market conditions or contractors' methods of determining prices or performing the work and agrees that Architect shall have no liability or responsibility arising from or related to the use of Architect's opinions.

16. SUSPENSION OF WORK. If Client suspends Architect's work for any reason, Client shall remain liable to, and shall pay within 30 days, Architect for all services rendered to the date Client suspends the work, plus suspension charges, which shall include the cost of assembling documents, personnel and equipment, rescheduling or reassignment, and commitments made to others on Client's behalf.

17. CHANGES TO ARCHITECT'S FEE AND SCHEDULE COMMITMENTS. Unless the Scope provides otherwise, the proposed fee, costs and schedule commitments therein are Architect's estimate to perform the contracted services. Architect's fee, costs, and schedule commitments shall be renegotiated if Client, Client's contractors' or Client's subcontractor's fail to provide specified facilities, direction, or information, or if any cause beyond Architect's reasonable control impairs Architect's ability to perform its services within its proposed fee, costs and schedule commitments.

18. CONFLICTS OF INTEREST. Architect may have current or past relationships with clients whose interests are adverse to Client or the project. Architect's practice is to make reasonable attempts to identify such relationships prior to accepting a professional assignment, but Architect cannot assure that conflicts or perceived conflicts will not arise and shall incur no liability or responsibility for such occurrences.

19. GOVERNING LAW. The laws of the state of Idaho shall govern the validity and interpretation of this Agreement. In the event and only to the extent that Idaho law is held inapplicable for any reason, the laws of the state in which the project is located shall govern the validity and interpretation of this Agreement.

20. SEVERABILITY AND SURVIVAL. In the event any part of these Contract Provisions is found to be illegal or otherwise unenforceable, the unenforceable part shall be stricken while having no effect on the enforceability of the remaining Contract Provisions and those remaining Contract Provisions shall continue in full force and effect as if the unenforceable part was never included in the Agreement. Limitations of liability and indemnities shall survive termination of this Agreement for any cause.

21. DISPUTE RESOLUTION. Client and Architect agree to submit all claims and disputes arising out of this Agreement to non-binding mediation before initiating legal proceedings. This provision shall survive completion or termination of this Agreement. However, neither party shall seek mediation of any claim or dispute arising out of this Agreement beyond the period of time that would bar the initiation of legal proceedings to litigate such claim or dispute under the applicable law. The mediation shall follow the Construction Industry Mediation Rules of the American Arbitration Association.

22. ARCHITECT RELIANCE. Architect is entitled to rely on the accuracy and completeness of information provided by Client and Client's Architects and contractors, and information from public records, without independently verifying such information, and shall incur no responsibility or liability arising from the inaccuracy or incompleteness of such information.

23. CERTIFICATIONS. Unless the Scope provides otherwise, Architect is not required to sign any certifications. Further, Architect shall not be required to sign any documents, no matter by whom requested, that would require Architect to certify, guaranty, or warrant the existence or non-existence of conditions Architect cannot reasonably ascertain or require affirmation of facts outside of the scope of this agreement.

24. THIRD PARTIES. There are no third party beneficiaries to this Agreement. Nothing in this Agreement shall be construed as creating a contractual relationship with, or a cause of action in favor of, a third party against Client or Architect.

25. NONWAIVER. Either party's waiver or failure to enforce this Agreement regarding an event constituting a breach by the other party shall not operate as or be construed as a waiver of either party's rights as to any other event constituting a breach.

Agreed to on _____
(Date)

Client:_____
(Signature)

Architect:_____
(Signature)

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From: Mitch Humble, Deputy City Manager

Request:

Consider and act on a resolution declaring the City's intent to dispose of real property and setting a date for a public hearing.

Time Estimate:

The staff presentation will take about 5 minutes. Additional time may be needed for discussion and to answer questions.

Background:

The City recently completed its new City Hall construction project and has occupied the facility at 203 Main Avenue East. All City personnel that had been working out of our building at 324 Hansen Street East have now moved into the second floor of City Hall. The City has vacated the Hansen building, making it surplus to our needs. The City has also received multiple inquiries from private parties regarding the possibility of acquiring that building for various redevelopment opportunities. Since the building is surplus to City needs, and since there appears to be multiple potential interested parties, staff recommends that the Council go through the process to dispose of the building through an auction process.

Approval Process:

In order to dispose of real property, the City must first adopt a resolution declaring the City's intent to do so. That resolution also establishes a date for a public hearing regarding the proposed disposition of real property. Following the public hearing, the Council can initiate the auction of the property. A resolution has been prepared and is attached for your review. The resolution sets a public hearing date of Monday, March 26, 2018 at 6:00. A simple majority vote of the Council is needed to adopt the attached resolution.

Budget Impact:

There will be a minor cost to publish the attached resolution, should the Council adopt it tonight. The subsequent auction of the building would be revenue that was not anticipated or included in the current fiscal year budget.

We cannot guess how much the building could sell for through an auction, however, the Council does have the ability to establish a minimum value it will accept for the sale of the building. The City does not have a current appraisal of the property. The last appraisal we have is from 2006 for $230,000. However, the City acquired the property in the fall of 2007 from the College of Southern Idaho. At that time, we paid $265,368 for the building. We then spent an additional $143,852 in remodel and upgrade expenses. Our total investment into the Hansen building has been $409,220.

Regulatory Impact:

Adoption of the resolution will declare the City's intent to dispose of real property and set a date for a public hearing.

History:

N/A

Analysis:

N/A

Conclusion:

Staff recommends that the City Council adopt the attached resolution as presented.

Attachments:

1. Hansen Bldg Aerial Photo
2. Hansen Bldg Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, DECLARING THE INTENTION OF THE CITY TO DISPOSE OF REAL PROPERTY, AND SETTING A DATE FOR A PUBLIC HEARING.

WHEREAS, The City of Twin Falls owns real property located at 324 Hansen Street East, also described as the northeast 72 feet of Lots 17 through 20, Block 59, of the Twin Falls Townsite Subdivision, Twin Falls County, Idaho; and

WHEREAS, The City of Twin Falls has vacated the subject property so that it is not being used and is no longer needed for the City's public purposes; and

WHEREAS, The City of Twin Falls has received inquiries from multiple private parties who have expressed an interest in acquiring the subject property for various redevelopment purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF TWIN FALLS, IDAHO:

Section 1: That the City of Twin Falls hereby declares its intention to dispose of that parcel of real property, legally described below, by way of public auction.

324 Hansen Street East, also described as:
The northeast 72 feet of Lots 17 through 20, Block 59, of the Twin Falls Townsite Subdivision, Twin Falls County, Idaho

Section 2: That the City Council will conduct a public hearing on the exchange on Monday, March 26, 2018, at 6:00 PM in Council Chambers, 203 Main Avenue East, Twin Falls, Idaho.

Section 3: That this Resolution of Intention be published in the Times News at least 14 days before the public hearing date.

PASSED BY THE CITY COUNCIL , 2018.
SIGNED BY THE MAYOR , 2018.

_____
Mayor

ATTEST:

_____
Deputy City Clerk

PUBLISH:

Date: Monday, March 5, 2018

To: Honorable Mayor and City Council

From: Bill Baxter

Request:

Request to continue consideration of options for the recycling program managed by PSI, and consider authorizing cost sharing with PSI for calendar 2018.

Time Estimate:

Presentation will take approximately 10 minutes. Staff suggests allowing time for discussion and questions with PSI management team and City staff.

Background:

The City of Twin Falls' recycle program has been operating in various forms since October of 2005 and with the advent of the cart process in October of 2010 the total amount of material that has been re-directed from the landfill has totaled approximately 14,499 tons. Beginning in 2013, the revenues that had been a part of the recycling benefit to the City since its inception decreased to $0, and from 2015 forward the recycling processing costs, and material value declines, have resulted in a net cost of handling the recycling for the past two years.

Market changes for pricing and use of the single stream recycled products, and export concerns with China's push back on contamination of U.S. sourced recycled product have driven the cost to $118 per ton in October of 2017, with a slight retreat to $98 per ton in November, then up to $99 for December. January, 2018 showed cost of $116, and February is going to be $136. The combined cost for the recycling process related to the City of Twin Falls for calendar year 2017 totaled $109,227. This cost hast has been borne by solely PSI.

The terms of the contract developed with PSI last year specify, on page 3 in paragraph 1.A.7., that the City and PSI will negotiate a cost sharing agreement, as market conditions "may require," following the first calendar year of the contract, ending December 31, 2017. The purpose of this presentation is to have that conversation, and request the Council's decision in managing the recycling program and reaching that negotiated agreement for the coming year.

There are options to continuing the recycling program as it is currently managed, and these options need to be discussed also during this process. Travis had previously covered several of these in his staff report for the week of February 19th. At the Council meeting on February 26th, the breadth of options discussed included:

1. Discontinuation of the program completely. This would incur landfill rates of $37.50 per ton (the current rate) for the recycled material going to the landfill. PSI projects a rate decrease of approximately $0.80 per customer, at the current rates, if this were to be the decision. Recycle carts would remain in the possession of the citizens and the carts would be used, then, as garbage carts for weekly collection. This would be done to handle the extra material that is currently filling them under the recycle program. There are numerous "downsides" to this beyond the economic

one.

2. Continue to participate in the recycle program up to a certain price point, including a cost share with PSI, then convert to a landfill delivery through the Transfer Station until the cost of recycling came back down to an "acceptable" level of cost for the City to participate again. This would entail balancing the charges to the citizens at a level determined with the costs of recycling, and delivering to the processor providing the service at the cost "breakpoint" set. This would be a more fluid process, leaving the choice of processor delivery at the level of City management and PSI, based on the cost factors for each month as things change.
3. Maintain the recycling program "as is" through this market challenge, with a rate established for continuing service to the citizens that would support the cost share portion agreed to with PSI and estimated to cover anticipated cost per ton processing going forward through the balance of calendar 2018. This option would be the most costly from the current economic perspective, and is only presented as the far end of the existing options spectrum.

Approval Process:

Council is asked to decide on how to manage the recycling program through PSI going forward, and then authorize staff to follow through as Council decides on the related cost sharing agreement with PSI as specified in the contract, and in line with the recycling program decision.

Budget Impact:

A schedule of potential costs, and a "breakpoint," is attached for Council's information and review. The nature of the Sanitation Budget, as an Enterprise Fund, drives the conversation as to what rate adjustment must be made to cover the additional costs of the decision on the additional landfill or recycling costs to be incurred, and maintain the sustainability of the decision.

Based on an increased cost of $110,000 (last year's total expense to PSI to dispose of recyclables), and no other adjustments to the formula (I don't want to introduce any additional variables so we keep the comparison on point), we'd have to increase rates an additional 3.59% over the 2.14% increase in October. That means each of the 14,810 households we use to calculate rates would be paying an additional $0.62/month or $7.44/year to raise the needed funds to dispose of the recyclables.

Remember, when Recycle Bank was providing the service, we were subsidizing the costs of the program with reserves to help keep the costs to the citizens low.

Regulatory Impact:

None.

History:

N/A

Analysis:

N/A

Conclusion:

City staff recommend that Council decide on how to manage the recycling program through PSI going forward, and then authorize staff to follow through as Council decides on the cost sharing agreement with PSI as specified in the contract.

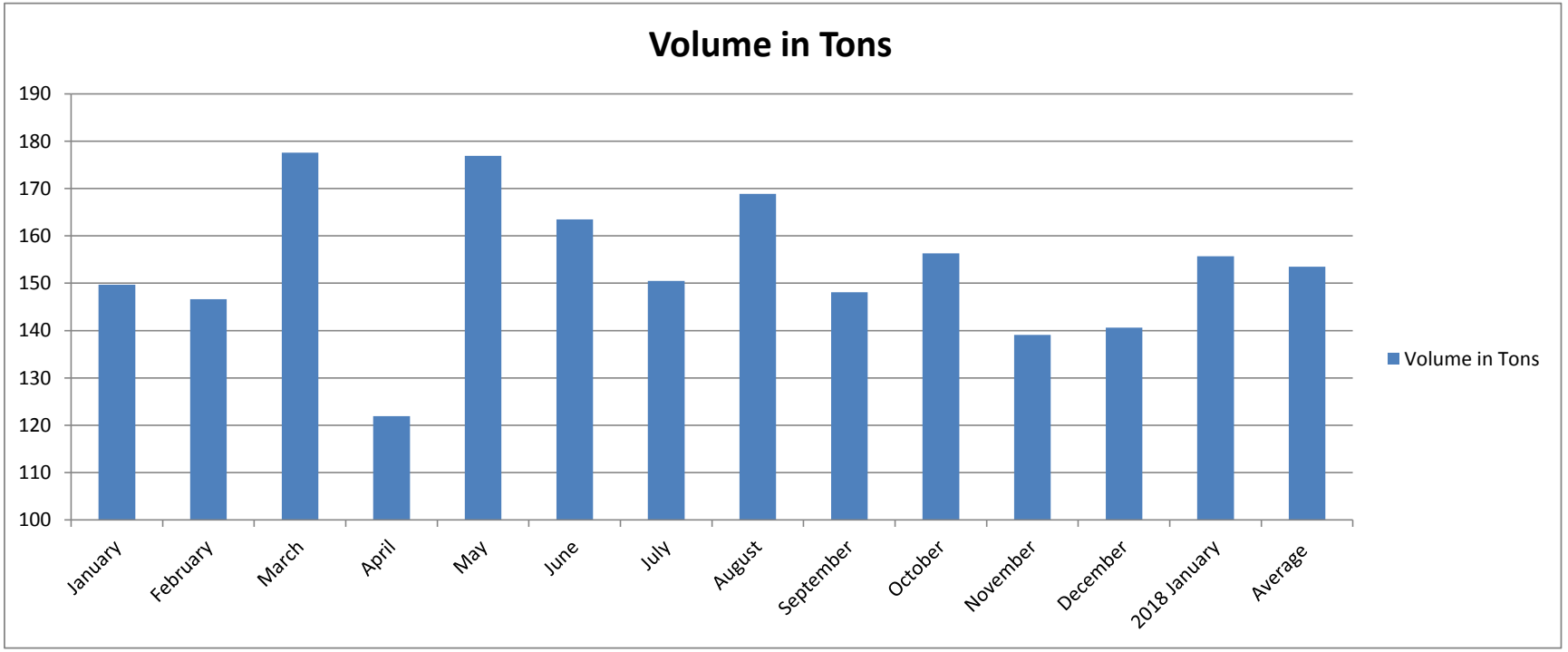
Attachments:

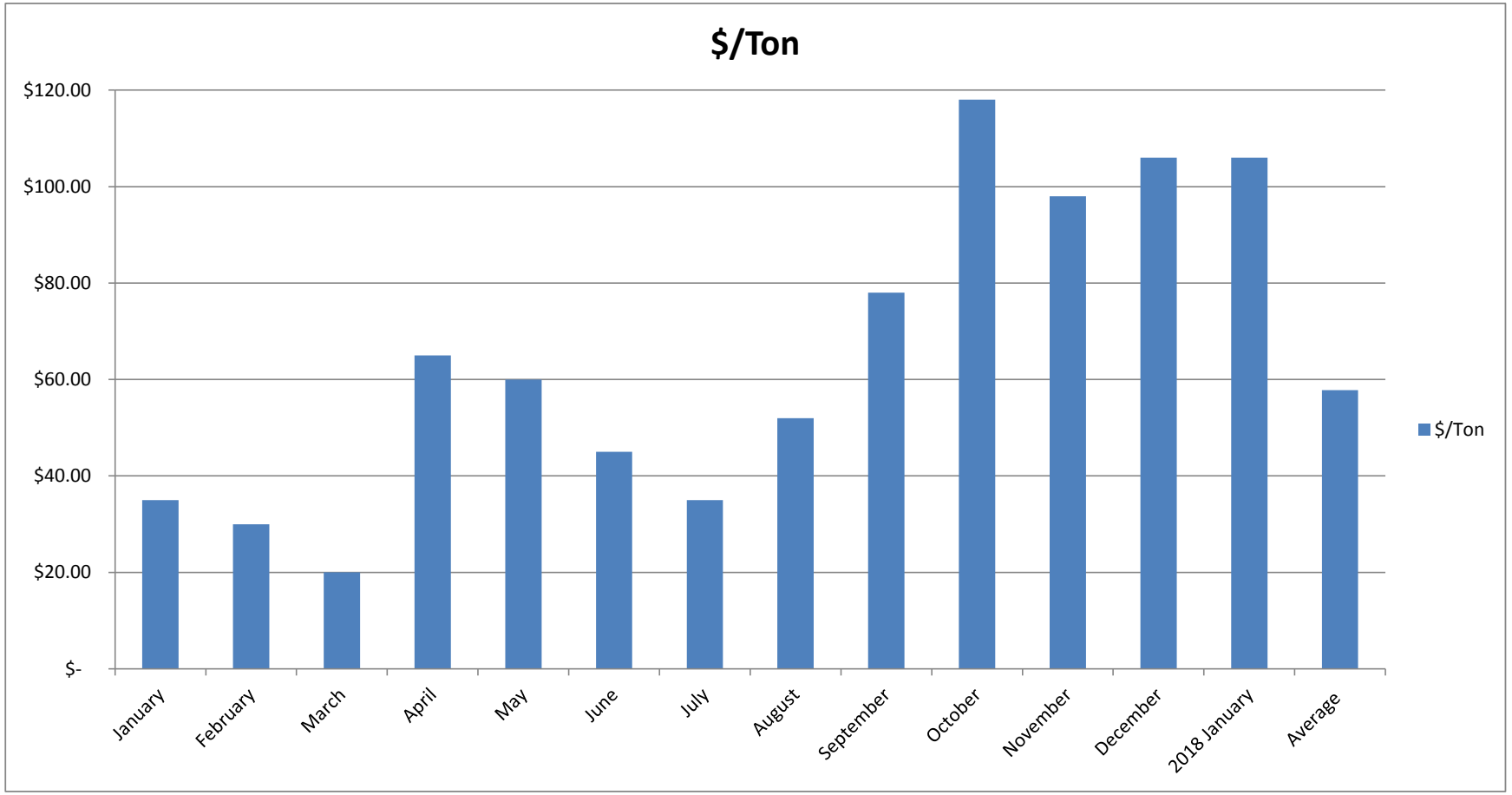
1. Recycling Expense 2017
2. Analysis History of City of TF Recycling 1-18-18
3. Copy of Recycling Rate Increase v1.1 Brent Hyatt 2-27-18

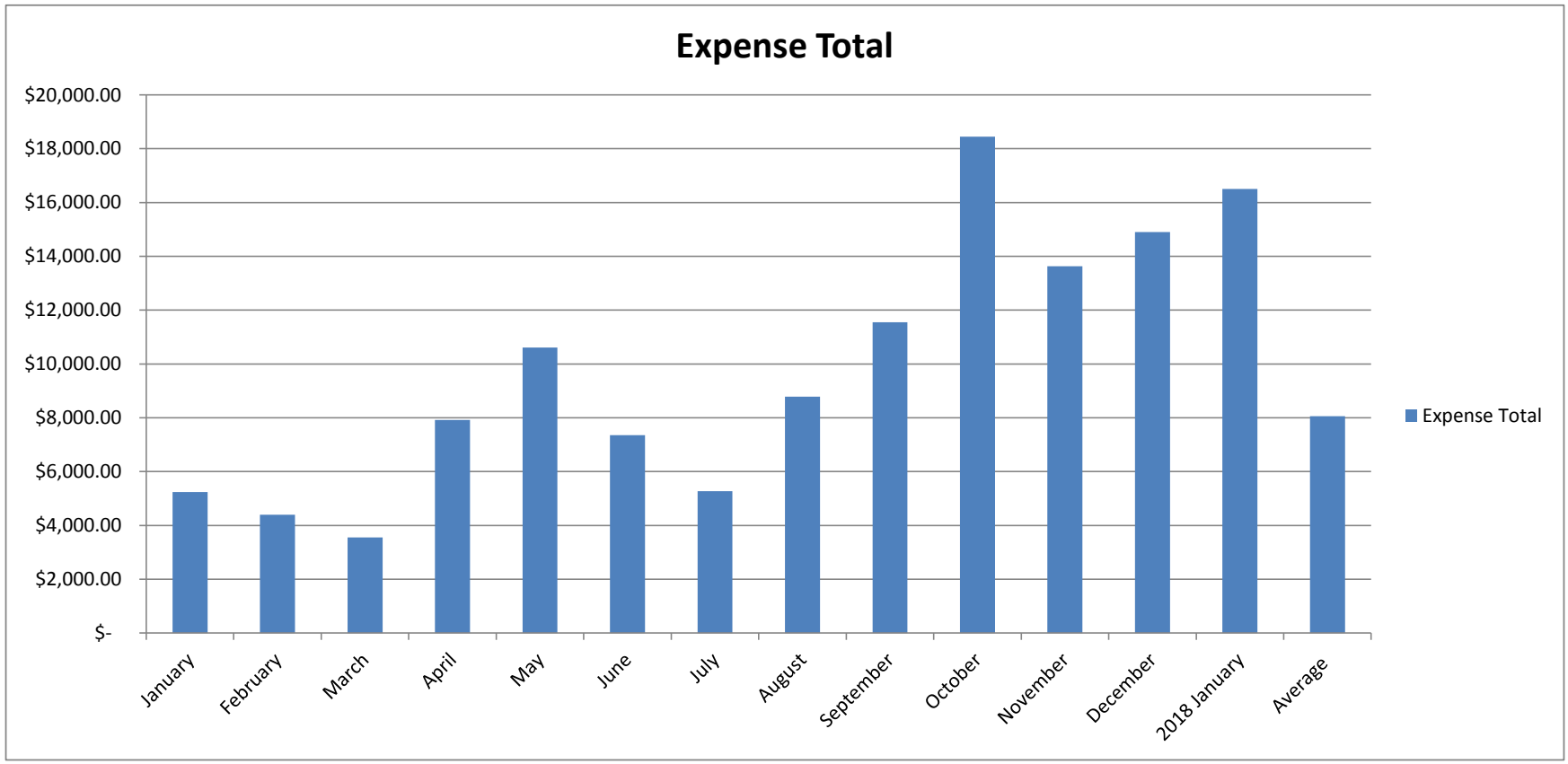
Twin Falls City Recycling Program

Magic Valley Recycling Fees

	Volume in Tons	$/Ton	Total	
January	149.7	35	$	5,239.50
February	146.6	30	$	4,398.00
March	177.6	20	$	3,552.00
April	121.9	65	$	7,923.50
May	176.9	60	$	10,614.00
June	163.5	45	$	7,357.50
July	150.5	35	$	5,267.50
August	168.9	52	$	8,782.80
September	148.1	78	$	11,551.80
October	156.3	118	$	18,443.40
November	139.1	98	$	13,631.80
December	140.63	106	$	14,906.78
2018 January	155.72	106	$	16,506.32
Average	153.5	65	$	9,859.61


Volume in Tons
190
180
170
160
150
140
130
120
110
100
January
February
March
April
May
June
July
August
September
October
November
December
2018 January
Average
Volume in Tons


$/Ton
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$-
January
February
March
April
May
June
July
August
September
October
November
December
2018 January
Average
$/Ton


Expense Total
$20,000.00
$18,000.00
$16,000.00
$14,000.00
$12,000.00
$10,000.00
$8,000.00
$6,000.00
$4,000.00
$2,000.00
$-
January
February
March
April
May
June
July
August
September
October
November
December
2018 January
Average
Expense Total

Analysis of History of Recycling for City of Twin Falls
Prepared by Bill Baxter, Utility Service Supervisor/Finance Accountant
December 5, 2017
For Use in Recycling Cost Share Conversation with City Council

Year	Tonnage Recycled	Landfill Cost Saved	Recycling Revenue (Cost)	Combined Benefit (Cost) of Recycling	
Fiscal '05 - '06	384	$12,688	$9,461	$22,149	**(18 Gal. "Tubs" began in Oct. 2005)**
Fiscal '06 - '07	381	$12,565	$14,973	$27,538	
Fiscal '07 - '08	358	$12,336	$19,192	$31,528	
Fiscal '08 - '09	350	$12,058	$5,087	$17,145	
Fiscal '09 - '10	243	$8,376	$9,139	$17,515	
Fiscal '10 - '11	1,473	$50,805	$26,054	$76,859	**(95 Gal. Carts began in Oct. 2010)**
Calendar 2012	2,030	$72,004	$7,369	$79,373	
Calendar 2013	1,924	$68,310	$0	$68,310	
Calendar 2014	1,961	$69,616	$0	$69,616	
Calendar 2015	1,935	$68,693	($65,790)	$2,903	
Calendar 2016	1,908	$67,734	($93,492)	($25,758)	
Calendar 2017	1,846	$69,225	($109,988)	($40,763)	
Totals	14,793	$524,409	($177,995)	$346,414	

City of Twin Falls Recycling Rate Increase															**Breakeven**
Cost of Recycling per Ton (1)	$ 20	$ 30	$ 40	$ 50	$ 60	$ 70	$ 80	$ 90	$ 100	$ 110	$ 120	$ 130	$ 140	$ 150	$ 95
Annual Recycled Tones (2)	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12
Costs to Recycle	37,742	56,614	75,485	94,356	113,227	132,098	150,970	169,841	188,712	207,583	226,454	245,326	264,197	283,068	179,918
Costs Estimated at Contract Inception	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742	37,742
Additional Costs Currently being															
Paid 100% by PSI	$ 0	$ 18,872	$ 37,743	$ 56,614	$ 75,485	$ 94,356	$ 113,228	$ 132,099	$ 150,970	$ 169,841	$ 188,712	$ 207,584	$ 226,455	$ 245,326	$ 142,176
	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
City's Cost Sharing at 50%	$ (0)	9,436	18,871	28,307	37,743	47,178	56,614	66,049	75,485	84,921	94,356	103,792	113,227	122,663	71,088
Citizen's Participating (3)	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810
Annual Increase	0	0.64	1.27	1.91	2.55	3.19	3.82	4.46	5.10	5.73	6.37	7.01	7.65	8.28	4.80
	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	12
Monthly Rate Increase passed 100% to PSI	**0.00**	**0.05**	**0.11**	**0.16**	**0.21**	**0.27**	**0.32**	**0.37**	**0.42**	**0.48**	**0.53**	**0.58**	**0.64**	**0.69**	**0.40**
Current Rate Sanitation Fee	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	17.26	
% Increase	0.0%	0.3%	0.6%	0.9%	1.2%	1.5%	1.8%	2.2%	2.5%	2.8%	3.1%	3.4%	3.7%	4.0%	
Costs of Not Recycling (Landfill)															
Annual Recycled Tones (2)	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	1,887.12	
Landfill Cost Per Ton	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	37.50	
Total Additional Landfill Costs	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	70,767.00	
Citizen's Participating (3)	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	14,810	
Annual Cost Per Citizen	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	4.78	
	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	÷12	
Monthly Cost Per Citizen	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	**0.40**	