



Financial Statements
September 30, 2019
City of Caldwell

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CITY OF CALDWELL, IDAHO

CITY OFFICIALS

September 30, 2019

MAYOR

Garret L. Nancolas

COUNCIL

Dennis Callsen, President

Mike Pollard

Robert Hopper

Shannon Ozuna

Chris Allgood

Chuck Stadick

CITY CLERK

Debbie Geyer

CITY TREASURER / FINANCE DIRECTOR

Carol Mitchell



Independent Auditor's Report

Members of City Council
City of Caldwell, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Caldwell (the City), as of and for the year ended September 30, 2019, 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, each major fund, and the aggregate remaining fund information of the City of Caldwell, as of September 30, 2019, 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, the schedule of employer's share of net pension asset/liability and employer's contributions, the other postemployment benefits schedule of changes in the City's total OPEB liability and related ratios, and budgetary comparison information as listed 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's financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining nonmajor fund financial statements 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 nonmajor fund financial statements fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated February 7, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Caldwell's internal control over financial reporting and compliance.

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

Boise, Idaho
February 7, 2020

Management of the City of Caldwell, Idaho, (the City) offers readers of these financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2019.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Caldwell, Idaho exceeded its liabilities and deferred inflows of resources at September 30, 2019, by \$286,656,696. This is an increase of \$28,824,350 over the September 30, 2018, beginning balance of \$257,832,346. Of this amount, unrestricted net position of \$61,027,171 may be used to meet the City's ongoing obligations to citizens and creditors compared to \$50,845,317 on September 30, 2018.
- As of September 30, 2019, the City of Caldwell's governmental funds reported combined ending fund balances of \$35,362,832. This is an increase of \$7,644,093 over the September 30, 2018, balance of \$27,718,739. Of this amount, \$2,711,204 is unassigned and available for spending compared to \$1,332,771 on September 30, 2018, and \$32,651,628 is assigned or committed for specific future purposes, and classified as nonspendable fund balance compared to \$26,385,968 on September 30, 2018.
- Management has assigned \$10,182,657 for city operations and city projects of the \$24,751,082 in the general fund.
- The City of Caldwell's total debt obligation is \$1,050,000 compared to \$1,825,000 last year.

An explanation of the events and activities giving rise to the increases or decreases between years is provided in the main body of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. These basic financial statements are comprised of three components:

- 1) government-wide financial statements
- 2) fund financial statements
- 3) notes to the financial statements

The report also contains required supplementary information and other supplementary information.

Government-wide Financial Statements.

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all City assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator as to whether the financial position of the City is improving or deteriorating.

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

Government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, parks and recreation, community services, community development, streets and other charges. The business-type activities of the City include water, sewer, sanitation, golf, street lighting, and irrigation.

Fund Financial Statements.

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

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

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

The City maintains eleven governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and street fund, which are considered major funds. Data from the other nine funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary funds. The City maintains two different types of proprietary funds, namely enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains six individual enterprise funds. Information is presented separately in the proprietary statement of net position and the proprietary statement of revenues, expenses and changes in fund net position for the Water, Sewer and Sanitation funds, which are considered major funds. Data from the other three funds are combined into a single, aggregated presentation. Nonmajor proprietary funds are provided in the form of combining statements elsewhere in this report.

Internal service funds are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its employee section 125-benefit plan and to maintain and administer a post-retirement Health Retirement Account Voluntary Employee Beneficiary Association (HRA

VEBA) authorized under Internal Revenue Code 501(c)(9). Data from these funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in the report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information. Required supplementary information includes the budget to actual for the general fund and street fund. It also includes the schedules of the City's share of the net pension asset/liability and the City's contributions to the PERSI Base plan, FRF plan and OPEB plan. The combining statements referred to earlier in connection with nonmajor funds and internal service funds are presented immediately after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as a useful indicator of a government's financial position. At September 30, 2019, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$286,656,696. This is an increase of \$28,824,350 over the September 30, 2018, balance of \$257,832,346. Current and other assets increased \$11,094,876, capital assets net of depreciation increased \$17,821,671, deferred outflows decreased \$349,136, liabilities decreased \$2,737,328 and deferred inflows of resources increased \$2,480,388. The changes in the accounts above are attributed to changes in net position which are discussed below.

Investments in capital assets, less any related outstanding debt used to acquire those assets, totaling \$224,814,397 represent by far the largest portion of the City's net position (78.43%). Capital assets are used to provide services to citizens and they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Capital assets for governmental activities, net of accumulated depreciation, totaled \$127,620,057 at September 30, 2019, and increased \$10,699,995 from September 30, 2018, balance of \$116,920,062 for governmental activities. Capital assets, net of accumulated depreciation for business-type activities totaled \$98,244,340 at September 30, 2019 and increased \$7,121,676 from September 30, 2018, balance of \$91,122,664. Major asset additions are scheduled on page 12.

Governmental activities. Governmental activities increased the City's net position by \$18,690,952 (change in net position) accounting for a 12.89% increase in the net position. Governmental expenses totaled \$35,495,091 compared to \$33,636,258 in 2018. Police expenses increased \$1,175,883 for salary, benefits and capital. Fire expenses increased by \$279,888 for salary, benefits and capital.

Program revenues totaled \$27,165,138 which is \$70,052 less than last year and covered 76% of governmental expenses. Major component of this decrease includes a decrease of \$1,653,332 in Airport grant revenues for Airport Improvement Projects and a decrease of \$620,890 in Urban Renewal projects and in increase in charges for services of \$1,962,910.

Expenses less program revenues produced a net expense of \$8,329,953. When netted against general revenues of \$27,020,905 the change in net position for governmental activities is an increase of \$18,690,952 (see statement on page 17).

Business-type activities. Business-type activities increased the City's net position by \$10,133,398 accounting for an 8.98% increase in the City's net position. Business-type expenses totaled \$19,631,615 compared to \$18,121,468 in 2018. Expenses for water, sewer, sanitation, and irrigation increased \$208,648, \$1,159,169, \$386,081, and \$10,751, respectively. The water increase of \$208,648 resulted from increases in personnel and contracted services. The sewer increase of \$1,159,169 resulted from increases in contractual services and maintenance and operations. The sanitation expense increase of \$386,081 was caused by an increase in contractual services. The \$10,751 increase in irrigation was the result from an increase in contractual services.

Program revenues totaled \$28,254,873 compared to \$25,631,540 in 2018 and covered 143.9% of expenses. Major components of this \$2,623,333 increase included fee increases and customer base growth. These two factors added \$558,779 in the water fund charges for services. Similarly, increases in charges for services in the sewer fund of \$1,984,745, are attributed to fee increases for septic dump services, interceptor and plant capacity fees. These increases are also the result of an improving economy and increasing construction activity.

General revenues totaled \$1,510,140 compared to \$121,278 last year (which \$703,496 was from a gain on investments and \$528,490 increase in transfers) and covered 7.69% of expenses. General revenues comprise investment earnings of \$500,690, unrealized gain on investments of \$391,641, project reimbursements from property owners and time and materials reimbursements added \$415,086, and transfers from governmental activities of \$190,311.

Expenditures less program revenues produced net revenue of \$8,623,258. When combined with general revenues of \$1,510,140, the change in net position for business-type activities is an increase of \$10,133,398 (see statement of activities on page 17).

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other	\$ 64,155,425	\$ 55,630,898	\$ 29,636,858	\$ 27,066,511	\$ 93,792,283	\$ 82,697,409
Capital Assets	127,620,057	116,920,062	98,244,340	91,122,664	225,864,397	208,042,726
Total Assets	191,775,482	172,550,960	127,881,198	118,189,175	319,656,680	290,740,135
Deferred Outflows	1,206,053	1,518,672	196,289	232,806	1,402,342	1,751,478
Short-Term Liabilities	3,941,182	4,872,842	4,181,692	3,564,137	8,122,874	8,436,979
Long-Term Liabilities	4,880,963	6,082,889	648,647	1,869,944	5,529,610	7,952,833
Total Liabilities	8,822,145	10,955,731	4,830,339	5,434,081	13,652,484	16,389,812
Deferred Inflows	20,475,045	18,120,508	274,797	148,946	20,749,842	18,269,454
Net Investment in						
Capital Assets	127,620,057	116,920,062	97,194,340	89,297,664	224,814,397	206,217,726
Restricted	-	-	815,128	769,304	815,128	769,304
Unrestricted	36,064,288	28,073,331	24,962,883	22,771,986	61,027,171	50,845,317
Total Net Position	\$163,684,345	\$ 144,993,393	\$122,972,351	\$ 112,838,954	\$286,656,696	\$ 257,832,347

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

City of Caldwell's Statement of Activities

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 12,465,332	\$10,502,422	\$ 25,315,226	\$22,207,397	\$37,780,558	\$ 32,709,819
Operating grants and contributions	3,539,042	1,595,740	-	-	3,539,042	1,595,740
Capital grants and contributions	11,160,764	15,137,028	2,939,647	3,424,143	14,100,411	18,561,171
General revenues:						
Property taxes-general purpose	17,511,858	16,503,068	-	-	17,511,858	16,503,068
Property taxes-debt service	-	349,089	-	-	-	349,089
Franchise fees	830,964	731,977	-	-	830,964	731,977
Sales tax and other government	7,399,459	6,952,241	-	-	7,399,459	6,952,241
Special assessments for debt service of LIDs	239,825	83,378	-	-	239,825	83,378
Unrestricted investment earnings	644,667	460,332	500,690	415,294	1,145,357	875,626
Unrestricted unrealized gain on investments	422,220	(222,317)	391,641	(311,855)	813,861	(534,172)
Miscellaneous	162,223	180,628	415,086	356,018	577,309	536,646
Gain on disposal of asset	-	-	12,412	-	12,412	-
Internal transfers	(190,311)	338,179	190,311	(338,179)	-	-
Net transfers from agency transfers	-	-	-	-	-	-
Total revenues	54,186,043	52,611,765	29,765,013	25,752,818	83,951,056	78,364,583
Expenses:						
General government	4,562,281	5,417,892	19,631,615	18,121,468	24,193,896	23,539,360
Public safety	17,772,676	16,179,680	-	-	17,772,676	16,179,680
Culture and recreation	2,506,169	2,218,478	-	-	2,506,169	2,218,478
Community services and development	3,218,266	2,768,562	-	-	3,218,266	2,768,562
Streets	7,435,699	7,045,683	-	-	7,435,699	7,045,683
Interest on long-term debt	-	5,963	-	-	-	5,963
Total expenses	35,495,091	33,636,258	19,631,615	18,121,468	55,126,706	51,757,726
Net Revenue	\$ 18,690,952	\$18,975,507	\$ 10,133,398	\$ 7,631,350	\$28,824,350	\$ 26,606,857

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Caldwell uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The purpose of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of cash and near cash resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At September 30, 2019, the City's governmental funds reported combined ending fund balances of \$35,362,832. Of this amount, \$2,711,204 (7.6%) is unassigned fund balance in the general fund. Other assigned fund balances include: \$6,344,857 to be used for community services related to street projects, \$8,167,857 to be used for City General operations, \$2,014,800 to be used for City projects, \$6,643 for housing rehabilitation, and \$2,438,424 only to be used to fund activities in the community services of the City's Other Governmental Funds. Additionally, \$1,148,165 can only be used to fund library expenditures and \$413,263 must be used to pay debt obligations. Fund balance committed for public safety and capital outlay are \$3,973,305 and \$6,684,035, respectively. Additionally, \$1,197,711 is committed for Building Safety. Finally, \$262,568 is classified as non-spendable with the majority, \$187,889 being inventory.

The general fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance was \$2,711,204. Within the assigned fund balance, the City should maintain \$8,167,857 to pay personnel and operation expenses from October 1st until property tax revenues are received in late January. Additionally, \$2,014,800 has been budgeted and assigned from fund balance to build Fire Station #3, build a new cemetery office and complete multiple projects. The remaining unassigned fund balance of \$2,711,204 can be used for one-time expenditures approved by city council. Total fund balance amounted to \$24,751,082, which is \$3,946,469 more than last year. Revenues exceeded budget by \$2,729,100 while expenditures were under budget \$4,433,914. The net of other financing sources/uses was over budget by \$520,692. The City had a higher net change in fund balance than expected due to higher revenues and lower expenditures compared to final budgeted amounts.

As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures of \$25,907,313. Unassigned fund balance represents 10.95% and total fund balance represents 95.5% of total general fund expenditures. This unassigned fund balance represents 9.2% of budgeted general fund expenditures of \$29,343,734 in 2020.

Major components affecting the general fund's total fund balance are \$3,973,305 committed for safety services and committed funds from impact fees for new parks, police and fire capital improvements and capital equipment for park's maintenance of \$6,684,035. Receivables for property taxes due within one year total \$14,807,739.

The street fund builds, maintains and monitors all roads, bridges, storm drains and other public easements within city limits. At the end of the current fiscal year, assigned fund balance in the street fund was \$6,344,857, which is \$2,930,456 greater than last year. This fund balance is designated for streets and related transportation projects and is reported to the State Transportation Department annually. The street fund tries to maintain fund balance to cover all budgeted capital expenditures for the coming fiscal year to insure timely payment of all current obligations, contracts and construction projects. The next fiscal year capital expenditures budget equals \$3,149,067.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The changes in total net position for the Water, Sewer, and Sanitation funds were \$3,420,398, \$5,463,453 and \$302,291, respectively. Total net position increases in the water fund resulted from excess revenues over expenditures of \$2,127,757 (before contributions and transfers). The increase in sewer fund net position also resulted from excess revenues over expenditures of \$4,517,469 (before contributions and transfers). The increase in the sanitation fund net position also resulted from excess revenues over expenditures of \$276,819 (before contributions and transfers).

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget to Actual Revenues. General fund revenues exceeded budget projections by \$2,729,100. This variance is reported in detail on page 65. Property tax revenue is \$453,503 over budget resulting from delinquent tax collections. Intergovernmental revenues, which are comprised of sales tax and revenue sharing, exceeded budget by \$477,893. All these increases are signs of an improving economy.

Budget to Actual Expenditures. Savings in general fund expenditures totaled \$4,433,914. General government expenditures were under budget by \$893,480 due to savings in operations. Public safety expenditures were under budget by \$416,400 due to savings in operations.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities at September 30, 2019, amounts to \$225,864,397 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings including water and sewer service lines and streetlights, automobiles and equipment, infrastructure including streets, roads and bridges, and construction in progress. The City added \$28,538,692 in capital assets during the year and retired assets totaling \$2,130,390. Depreciation expense for the year was \$9,856,977.

Major capital asset additions during the current fiscal year included the following:

Governmental Funds:

• General Fund Land	\$ 637,292
• General Fund Building Improvements	2,230,407
• General Fund Vehicles	58,346
• Fire Vehicles	34,533
• Police Vehicles	365,836
• Library Mobile Maker-Space	48,743
• Park Equipment & Vehicles	152,371
• Park Improvements	140,364
• Road & Pathway Construction	966,182
• Concrete LID Construction	91,231
• Street Equipment & Vehicles	1,244,975
• Street Dept. Building Improvements	800,400
• Airport Improvements	196,381
• Wolfe Park Announcers Box	434,431
• Gen Fund Improvements-Downtown	166,005
• Dedicated Streets	6,563,388
• Dedicated Storm Drains	166,818
• Downtown Plaza Ice Rink	2,206,172
• ROW's and Easements	307,148

Enterprise Funds:

• Water Department Vehicle	\$ 27,580
• Sewer Department Vehicle	25,029
• Dedicated Water Lines	1,277,744
• Water Meters & Water Line Improvements	703,446
• Dedicated Sewer Lines	936,042
• Irrigation Pump Station Rebuilds & Upgrades	245,703
• Dedicated Irrigation	431,291
• Sewer Plant Site Improvements	6,561,711
• Sewer Pump and Drain Improvements/Extension	898,005
• Dedicated Street Lights	294,570
• Well Improvements	258,331
• Sanitation Trash Enclosures-Downtown	68,217

Additional information on the City's capital assets can be found in Note 5.

Long-Term Debt. At the end of the current fiscal year, the City had \$1,050,000 in outstanding debt consisting of revenue bonds. Specific revenue sources secured all of the debt.

The City's total debt decreased \$775,000 during the current fiscal year from the 2018 balance of \$1,825,000. No new long-term debt was added during 2019. Interest cost incurred in 2019 totaled \$73,123. Additional information on the City's long-term debt can be found in Note 7.

ECONOMIC FACTORS AND NEXT YEAR'S PLANS

Enterprise fund utility rate increases varied in 2019. Water and sewer rates were increased 4.9% and 4.9%, respectively in 2019. Sanitation (garbage collection) rates increased 2.36% and streetlights increased 3%. These rates are set by council resolution each year including a public hearing for fee increases in excess of 5% of the fee previously charged.

Pending Conditions of Significant Importance. Economic conditions continued to improve in 2019. The demand for new single-family residential units in 2018 resulted in 756 building permits issued. Real estate prices and sales increased as more buyers continued to enter the market. As home sales prices increased, so did the county assessed values. After losing \$411,226,467 in assessed value from 2008 – 2013, assessed values rebounded further in 2019 by \$392,556,638. New construction and annexations added \$79,653,058. Taxable values at September 30, 2019, reached \$2,445,299,119 compared to the highest values recorded in 2008 of \$1,492,249,718. Property taxes levied on this \$2,445,299,119 are \$16,914,283 compared to \$12,226,839 levied on the \$1,492,249,718 in 2008 with a levy rate of 82.5 mills. The result of increased funding at lower assessed values is higher levy rates. City-wide levy rates dropped 9.2% to 82.5 mills in 2019 compared to 91.4 mills in 2018. City council reduced the levy rate 8.6% to 73.9 mills in the 2020 budget and plans to continue levy rate reductions in future years.

The economy is returning to sustainable levels of new construction. Building permits, January-December, for new construction commercial and residential were 534 in 2017, 631 in 2018 and 831 in 2019. Demand for residential building permits should continue to increase at these levels in 2020. Demand for commercial building permits should stay the same in 2020.

Requests for Information. This financial report is designed to provide a general overview of the City of Caldwell's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, City of Caldwell, P.O. Box 1179 411 Blaine St., Caldwell, Idaho 83606.

City of Caldwell
Statement of Net Position
September 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash, investments and cash equivalents	\$ 34,557,731	\$ 25,922,035	\$ 60,479,766
Prepaid expenses	14,436	-	14,436
Receivables			
Interest	261,107	44,201	305,308
Taxes	18,657,052	-	18,657,052
Intergovernmental	1,899,211	-	1,899,211
Accounts	1,222,574	2,792,996	4,015,570
Special assessments	294,692	-	294,692
Grants	167,365	-	167,365
Notes receivable, current portion	335,243	-	335,243
Internal balances	154,000	(154,000)	-
Inventory	187,889	216,498	404,387
Total current assets	<u>57,751,300</u>	<u>28,821,730</u>	<u>86,573,030</u>
Noncurrent Assets			
Restricted cash, investments and cash equivalents	202,650	815,128	1,017,778
Restricted investments	276,290	-	276,290
Notes receivable, net of current portion	275,000	-	275,000
Net pension asset	5,650,185	-	5,650,185
Capital assets			
Land and other assets not depreciated	15,602,643	16,150,602	31,753,245
Capital assets being depreciated	112,017,414	82,093,738	194,111,152
Total noncurrent assets	<u>134,024,182</u>	<u>99,059,468</u>	<u>233,083,650</u>
Deferred Outflows of Resources			
OPEB obligation	51,094	-	51,094
Pension obligation	1,154,959	196,289	1,351,248
Total deferred outflows of resources	<u>1,206,053</u>	<u>196,289</u>	<u>1,402,342</u>

City of Caldwell
Statement of Net Position
September 30, 2019

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Current Liabilities			
Vouchers and payroll payable	2,906,786	2,449,061	5,355,847
Unavailable revenue	-	318	318
Customer deposits	1,378	534,494	535,872
Interest payable	-	3,281	3,281
Current portion of compensated absences	1,033,018	144,538	1,177,556
Current portion of long-term liabilities	-	1,050,000	1,050,000
Total current liabilities	<u>3,941,182</u>	<u>4,181,692</u>	<u>8,122,874</u>
Noncurrent Liabilities			
OPEB liability	652,113	-	652,113
Net pension liability	4,228,850	648,647	4,877,497
Total noncurrent liabilities	<u>4,880,963</u>	<u>648,647</u>	<u>5,529,610</u>
Deferred Inflows of Resources			
Pension obligation	2,377,325	274,797	2,652,122
OPEB obligation	15,238	-	15,238
Unavailable property tax revenue	18,082,482	-	18,082,482
Total deferred inflows of resources	<u>20,475,045</u>	<u>274,797</u>	<u>20,749,842</u>
Net Position			
Net investment in capital assets	127,620,057	97,194,340	224,814,397
Restricted	-	815,128	815,128
Unrestricted	36,064,288	24,962,883	61,027,171
Total net position	<u>\$ 163,684,345</u>	<u>\$ 122,972,351</u>	<u>\$ 286,656,696</u>

City of Caldwell
Statement of Activities
Year Ended September 30, 2019

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue	
		Charges for Services	Operating Grants and Contributions		Capital Grants and Contributions
Primary Government:					
Governmental Activities					
General government					
Executive and legislative	\$ 341,481	\$ -	\$ -	\$ -	\$ (341,481)
Administrative	284,445	-	-	-	(284,445)
Legal	212,353	-	-	-	(212,353)
City clerk	182,830	34,540	-	-	(148,290)
Accounting	280,017	-	-	-	(280,017)
Tort insurance	374,603	374,603	-	-	-
Other general government	1,649,053	892,434	-	-	(756,619)
Government buildings and engineering services	1,237,499	1,342,655	-	-	105,156
Public safety					
Law enforcement	10,491,422	910,511	285,396	-	(9,295,515)
Fire department	6,294,162	2,744,019	27,921	-	(3,522,222)
Building safety	987,092	2,460,448	-	-	1,473,356
Parks and recreation					
Parks	2,308,206	1,527,207	-	-	(780,999)
Culture and recreation	197,963	137,675	-	-	(60,288)
Community services					
Community services	2,496,104	457,885	10,398	523,285	(1,504,536)
Community development	670,920	-	771,402	10,152,949	10,253,431
Senior citizens	51,242	-	-	-	(51,242)
Streets	7,435,699	1,583,355	2,443,925	484,530	(2,923,889)
Total governmental activities	<u>35,495,091</u>	<u>12,465,332</u>	<u>3,539,042</u>	<u>11,160,764</u>	<u>(8,329,953)</u>
Business-Type Activities					
Water	4,339,560	5,931,341	-	1,277,744	2,869,525
Sewer	7,878,297	11,921,766	-	936,042	4,979,511
Sanitation	4,419,266	4,497,722	-	-	78,456
Golf	1,163,437	869,606	-	-	(293,831)
Street lighting	587,085	614,588	-	294,570	322,073
Irrigation	1,243,970	1,480,203	-	431,291	667,524
Total business-type activities	<u>19,631,615</u>	<u>25,315,226</u>	<u>-</u>	<u>2,939,647</u>	<u>8,623,258</u>
Total Primary Government	<u>\$ 55,126,706</u>	<u>\$ 37,780,558</u>	<u>\$ 3,539,042</u>	<u>\$ 14,100,411</u>	<u>\$ 293,305</u>

City of Caldwell
Statement of Activities
Year Ended September 30, 2019

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Change in Net Position			
Net revenue (expense)	\$ (8,329,953)	\$ 8,623,258	\$ 293,305
General revenues			
Shared revenues			
Property taxes, levied for general purposes	17,511,858	-	17,511,858
Franchise fees	830,964	-	830,964
Sales tax and other governmental	7,399,459	-	7,399,459
Special assessments for debt service of Local Improvement Districts	239,825	-	239,825
Unrestricted investment earnings	644,667	500,690	1,145,357
Unrestricted unrealized gain on investments	422,220	391,641	813,861
Miscellaneous	162,223	415,086	577,309
Gain on disposal of assets	-	12,412	12,412
Transfers	(190,311)	190,311	-
Total general revenues and transfers	<u>27,020,905</u>	<u>1,510,140</u>	<u>28,531,045</u>
Change in Net Position	18,690,952	10,133,398	28,824,350
Net Position, Beginning of Year	<u>144,993,393</u>	<u>112,838,953</u>	<u>257,832,346</u>
Net Position, End of Year	<u>\$ 163,684,345</u>	<u>\$ 122,972,351</u>	<u>\$ 286,656,696</u>

City of Caldwell
Balance Sheet – Governmental Funds
September 30, 2019

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets				
Cash, investments and cash equivalents	\$ 24,448,366	\$ 6,379,400	\$ 2,946,058	\$ 33,773,824
Prepaid expenses	2,170	-	12,266	14,436
Receivables				
Interest	47,789	7,053	205,619	260,461
Taxes	14,807,739	2,156,974	1,692,339	18,657,052
Intergovernmental	703,500	812,662	383,049	1,899,211
Accounts	744,052	413,894	64,628	1,222,574
Special assessments	-	-	294,692	294,692
Grants	149,594	-	17,771	167,365
Notes	-	-	60,243	60,243
Due from other funds	5,123	-	72,008	77,131
Advances	-	-	283,000	283,000
Inventory	-	187,889	-	187,889
Restricted cash and cash equivalents	-	-	202,650	202,650
Restricted investments	-	-	276,290	276,290
	<u>\$ 40,908,333</u>	<u>\$ 9,957,872</u>	<u>\$ 6,510,613</u>	<u>\$ 57,376,818</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Vouchers and payroll payable	\$ 1,402,492	\$ 1,268,152	\$ 236,142	\$ 2,906,786
Customer deposits	-	-	1,378	1,378
Due to other funds	1,008	-	5,123	6,131
Total liabilities	<u>1,403,500</u>	<u>1,268,152</u>	<u>242,643</u>	<u>2,914,295</u>
Deferred Inflows of Resources				
Unavailable property tax revenue	14,753,751	2,156,974	1,692,339	18,603,064
Unavailable revenue	-	-	496,627	496,627
Total deferred inflows of resources	<u>14,753,751</u>	<u>2,156,974</u>	<u>2,188,966</u>	<u>19,099,691</u>
Fund Balances				
Nonspendable	2,170	187,889	72,509	262,568
Committed for public safety	3,973,305	-	-	3,973,305
Committed for capital outlay	6,684,035	-	-	6,684,035
Committed for building safety	1,197,711	-	-	1,197,711
Assigned for housing rehabilitation	-	-	6,643	6,643
Assigned for library services	-	-	1,148,165	1,148,165
Assigned for debt services	-	-	413,263	413,263
Assigned for community services	-	6,344,857	2,438,424	8,783,281
Assigned for operations	8,167,857	-	-	8,167,857
Assigned for city projects	2,014,800	-	-	2,014,800
Unassigned	2,711,204	-	-	2,711,204
Total fund balances	<u>24,751,082</u>	<u>6,532,746</u>	<u>4,079,004</u>	<u>35,362,832</u>
	<u>\$ 40,908,333</u>	<u>\$ 9,957,872</u>	<u>\$ 6,510,613</u>	<u>\$ 57,376,818</u>

See Notes to Financial Statements

City of Caldwell
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 September 30, 2019

Fund balance - total governmental funds		\$ 35,362,832
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The costs of the assets is \$181,468,482 and the accumulated depreciation is \$53,848,425.</p>		127,620,057
<p>Some of the property taxes receivable are not available to pay for current-period expenditures and therefore are deferred in the funds.</p>		520,582
<p>Some of the City's long-term receivables will be collected after year-end, but are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:</p>		
Loan to other governments	550,000	
Interest receivable on community development loans	18,284	
Special assessments	478,343	1,046,627
<p>The obligations related to the PERSI base plan and the PERSI FRF plan are not due and payable in the current period nor are they financial resources in the current period. Therefore, they are not reported in the funds.</p>		
Net pension asset related to the PERSI FRF plan	5,650,185	
Net pension liability related to the PERSI base plan	(4,228,850)	
Deferred inflow of resources related to PERSI plans	(2,377,325)	
Deferred outflow of resources related to PERSI plans	1,154,959	198,969
<p>Long-term interfund loan is not due and payable in the current period and therefore is not reported in the funds.</p>		(200,000)
<p>A portion of the accrued compensated absences are not due and payable in the current period and therefore, are not reported in the funds.</p>		(1,033,018)
<p>Internal service funds are used by management to charge the costs of certain employee benefits to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.</p>		168,296
Net position of governmental activities		\$ 163,684,345

City of Caldwell

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended September 30, 2019

	General	Street	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 13,981,093	\$ 2,020,507	\$ 1,585,268	\$ 17,586,868
Franchise fees	830,964	-	-	830,964
Interest	450,779	81,520	104,188	636,487
Licenses and permits	2,494,988	-	-	2,494,988
Intergovernmental	2,721,654	3,570,000	1,107,805	7,399,459
Capital grants	-	484,530	523,285	1,007,815
Operating grants	1,084,719	2,443,925	10,398	3,539,042
Charges for services	7,416,600	1,583,355	970,389	9,970,344
Assessments	-	-	157,094	157,094
Unrealized gain on investments	287,760	90,186	39,937	417,883
Miscellaneous	67,319	42,158	52,747	162,224
Total revenues	<u>29,335,876</u>	<u>10,316,181</u>	<u>4,551,111</u>	<u>44,203,168</u>
Expenditures				
Current				
General government	4,697,508	-	-	4,697,508
Public safety	16,969,586	-	-	16,969,586
Culture and recreation	197,963	-	1,752,172	1,950,135
Community services	456,691	-	2,168,044	2,624,735
Streets	-	4,484,069	-	4,484,069
Capital outlay	3,585,565	3,043,385	245,124	6,874,074
Total expenditures	<u>25,907,313</u>	<u>7,527,454</u>	<u>4,165,340</u>	<u>37,600,107</u>
Excess of Revenues Over Expenditures	<u>3,428,563</u>	<u>2,788,727</u>	<u>385,771</u>	<u>6,603,061</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	510,378	4,000	25,965	540,343
Contributions from other governments	-	-	216,000	216,000
Loan proceeds from enterprise fund	200,000	-	-	200,000
Loan repayments from other governments	-	-	275,000	275,000
Transfers in	-	151,517	17,000	168,517
Transfers out	(192,472)	-	(166,356)	(358,828)
Total other financing sources	<u>517,906</u>	<u>155,517</u>	<u>367,609</u>	<u>1,041,032</u>
Net Change in Fund Balances	3,946,469	2,944,244	753,380	7,644,093
Fund Balance, Beginning of Year	<u>20,804,613</u>	<u>3,588,502</u>	<u>3,325,624</u>	<u>27,718,739</u>
Fund Balance, End of Year	<u>\$ 24,751,082</u>	<u>\$ 6,532,746</u>	<u>\$ 4,079,004</u>	<u>\$ 35,362,832</u>

City of Caldwell

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
Year Ended September 30, 2019

Net change in fund balances - total governmental funds	\$ 7,644,093
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>	
<p>Government funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>	
Capital outlay	6,874,074
Depreciation expense	(5,254,882)
<p>In the statement of activities, the gain (loss) on sale of the equipment is reported, whereas in the governmental funds, the proceeds from sales increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the equipment sold.</p>	
	(856,147)
<p>Capital assets contributed do not provide financial resources.</p>	
	9,936,949
<p>Some property tax revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
	(75,010)
<p>Some of the City's long-term receivables will not be collected for several months after the City's fiscal year end and they are not considered available revenues in the governmental funds, but are instead counted as unavailable revenues. They are however, recorded as revenues in the statement of activities.</p>	
Special assessments	82,731
<p>Payments received on note receivable with other governments create financial resources in governmental funds but are recorded as a reduction in notes receivable in the statement of net position.</p>	
	(275,000)
<p>Revenues (expenditures) related to the PERSI obligations do not require the use of current financial resources and therefore, are not reported as revenue or expenditures in the governmental funds.</p>	
	825,025
<p>Proceeds from interfund loans provide current financial resources to governmental funds, but issuing interfund loans increases internal balances in the statement of net position.</p>	
Interfund loans received	(200,000)
<p>Expenditures related to the long-term portion of accrued compensated absences do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>	
	(74,727)
<p>Internal service funds are used by management to charge the costs of certain employee benefits to individual funds. The net revenue (expense) of certain internal service funds are included in governmental activities in the statement of activities.</p>	
	<u>63,846</u>
Change in Net Position	<u>\$ 18,690,952</u>

City of Caldwell
Statement of Net Position – Proprietary Funds
September 30, 2019

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal Service Funds
Assets						
Current Assets						
Cash, investments and cash equivalents	\$ 9,891,102	\$ 12,019,236	\$ 927,053	\$ 3,084,644	\$ 25,922,035	\$ 783,907
Receivables						
Interest	11,901	25,613	1,866	4,821	44,201	646
Accounts, net	608,725	1,150,301	539,052	494,918	2,792,996	-
Due from other funds	-	-	40,000	-	40,000	-
Advances	-	-	160,000	-	160,000	-
Inventory	175,955	-	-	40,543	216,498	-
Total current assets	10,687,683	13,195,150	1,667,971	3,624,926	29,175,730	784,553
Noncurrent Assets						
Restricted cash, investments and cash equivalents	-	815,128	-	-	815,128	-
Capital assets						
Capital assets not being depreciated	557,668	15,281,144	-	311,790	16,150,602	-
Capital assets being depreciated (net)	23,387,555	53,417,361	67,516	5,221,306	82,093,738	-
Total noncurrent assets	23,945,223	69,513,633	67,516	5,533,096	99,059,468	-
Deferred Outflow of Resources						
Pension obligation - OPEB	-	-	-	-	-	51,094
Pension obligation	102,281	66,760	-	27,248	196,289	-
Total deferred outflow of resources	102,281	66,760	-	27,248	196,289	51,094
	\$34,735,187	\$ 82,775,543	\$1,735,487	\$ 9,185,270	\$128,431,487	\$ 835,647

City of Caldwell
Statement of Net Position – Proprietary Funds
September 30, 2019

	Enterprise Funds					Governmental
	Water	Sewer	Sanitation	Other	Total	Activities
				Enterprise Funds		Internal Service Funds
Liabilities						
Current Liabilities						
Vouchers and payroll payable	\$ 362,318	\$ 1,626,899	\$ 341,858	\$ 117,986	\$ 2,449,061	\$ -
Customer deposits	419,175	95,434	-	19,885	534,494	-
Unearned Revenue	-	-	-	318	318	-
Due to other funds	-	-	-	71,000	71,000	-
Advances	-	-	-	283,000	283,000	-
Interest payable	-	3,281	-	-	3,281	-
Current portion of compensated absences payable	110,692	16,987	-	16,859	144,538	-
Current portion of long-term liabilities	-	1,050,000	-	-	1,050,000	-
Total current liabilities	892,185	2,792,601	341,858	509,048	4,535,692	-
Noncurrent Liabilities						
OPEB liability	-	-	-	-	-	652,113
Net pension liability	349,666	223,480	-	75,501	648,647	-
Total noncurrent liabilities	349,666	223,480	-	75,501	648,647	652,113
Deferred Inflow of Resources						
Changes in assumptions-OPEB	-	-	-	-	-	15,238
Pension obligation	152,059	88,835	-	33,903	274,797	-
Total deferred inflow of resources	152,059	88,835	-	33,903	274,797	15,238
Net Position						
Net investment in capital assets	23,945,223	67,648,505	67,516	5,533,096	97,194,340	-
Restricted	-	815,128	-	-	815,128	-
Unrestricted	9,396,054	11,206,994	1,326,113	3,033,722	24,962,883	168,296
Total net position	33,341,277	79,670,627	1,393,629	8,566,818	122,972,351	168,296
	\$ 34,735,187	\$ 82,775,543	\$ 1,735,487	\$ 9,185,270	\$ 128,431,487	\$ 835,647

City of Caldwell
Statement Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2019

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal Service Funds
Operating Revenues						
Charges for services	\$ 5,362,310	\$ 11,817,237	\$ 4,497,722	\$ 2,964,397	\$ 24,641,666	\$ 160,194
Other	220,357	456	174,739	19,534	415,086	-
Total operating revenues	5,582,667	11,817,693	4,672,461	2,983,931	25,056,752	160,194
Operating Expenses						
Personnel expenses	1,464,742	730,316	-	516,202	2,711,260	-
Contractual services	717,465	2,153,416	4,328,446	706,115	7,905,442	70,752
Materials and supplies	44,837	296,387	65,145	194,901	601,270	-
Utilities	322,434	622,151	37	770,669	1,715,291	-
Repairs and maintenance	361,759	636,368	-	403,300	1,401,427	-
Other expenses	61,039	460,615	24,937	75,116	621,707	-
Depreciation	1,359,258	2,913,947	701	328,189	4,602,095	-
Total operating expenses	4,331,534	7,813,200	4,419,266	2,994,492	19,558,492	70,752
Operating Income (Loss)	1,251,133	4,004,493	253,195	(10,561)	5,498,260	89,442
Nonoperating Revenues (Expenses)						
Hook-on-fees	569,031	104,529	-	-	673,560	-
Interest expense	(8,026)	(65,097)	-	-	(73,123)	-
Interest income	161,136	275,375	15,554	48,625	500,690	8,180
Gain (loss) on the sale of assets	2,050	-	-	10,362	12,412	-
Unrealized gain on investments	152,433	198,169	8,070	32,969	391,641	4,335
OPEB expenses (offset)	-	-	-	-	-	(38,111)
Nonoperating revenues (expenses)	876,624	512,976	23,624	91,956	1,505,180	(25,596)
Income Before Contributions and Transfers	2,127,757	4,517,469	276,819	81,395	7,003,440	63,846
Contributions from developers	1,277,744	936,042	-	725,861	2,939,647	-
Operating transfers in	14,897	9,942	25,472	150,000	200,311	-
Operating transfers out	-	-	-	(10,000)	(10,000)	-
Change in Net Position	3,420,398	5,463,453	302,291	947,256	10,133,398	63,846
Net Position, Beginning of Year	29,920,879	74,207,174	1,091,338	7,619,562	112,838,953	104,450
Net Position, End of Year	\$ 33,341,277	\$ 79,670,627	\$ 1,393,629	\$ 8,566,818	\$ 122,972,351	\$ 168,296

City of Caldwell
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2019

	Enterprise Funds			Other Enterprise Funds	Total	Internal Service Funds
	Water	Sewer	Sanitation			
Operating Activities						
Received from user charges	\$ 5,445,992	\$11,736,336	\$4,620,062	\$ 2,984,710	\$24,787,100	\$ 160,326
Payments to employees for services	(1,454,639)	(730,557)	-	(517,878)	(2,703,074)	(70,752)
Payments to suppliers for goods and services	(1,676,079)	(3,554,793)	(4,384,072)	(2,245,210)	(11,860,154)	(137)
Net Cash from Operating Activities	2,315,274	7,450,986	235,990	221,622	10,223,872	89,437
Noncapital Financing Activities						
Interfund loans	-	-	(200,000)	-	(200,000)	-
Repayment on intefund loans	-	-	-	(71,000)	(71,000)	-
Transfers in	14,897	1,509,942	-	150,000	1,674,839	-
Transfers out	-	(1,500,000)	25,472	(10,000)	(1,484,528)	-
Net Cash from (used for) Noncapital Financing Activities	14,897	9,942	(174,528)	69,000	(80,689)	-
Capital and Related Financing Activities						
Acquisition of capital assets	(989,357)	(7,459,716)	(68,217)	(270,732)	(8,788,022)	-
Proceeds from sale of assets	2,050	-	-	14,260	16,310	-
Hook-on fees	569,031	104,529	-	-	673,560	-
Principal payments on bonds payable	-	(775,000)	-	-	(775,000)	-
Interest paid	(9,248)	(73,387)	-	-	(82,635)	-
Net Cash used for Capital and Related Financing Activities	(427,524)	(8,203,574)	(68,217)	(256,472)	(8,955,787)	-
Investing Activities						
Interest received on investments	157,896	268,691	15,303	47,481	489,371	8,004
Net increase in pooled investments	152,433	198,169	8,070	32,970	391,642	4,335
Net Cash from Investing Activities	310,329	466,860	23,373	80,451	881,013	12,339
Net Change in Cash, Investments, and Cash Equivalents	2,212,976	(275,786)	16,618	114,601	2,068,409	101,776
Cash, Investments and Cash Equivalents, October 1, 2018	7,678,126	13,110,150	910,435	2,970,043	24,668,754	682,131
Cash, Investments and Cash Equivalents, September 30, 2019	\$ 9,891,102	\$12,834,364	\$ 927,053	\$ 3,084,644	\$26,737,163	\$ 783,907
Supplemental Information						
Contributed property, plant and equipment	\$ 1,277,744	\$ 936,042	\$ -	\$ 725,861	\$ 2,939,647	\$ -

City of Caldwell
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2019

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal
						Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from operating activities						
Operating income (loss)	\$ 1,251,133	\$ 4,004,493	\$ 253,195	\$ (10,561)	\$ 5,498,260	\$ 89,442
Depreciation	1,359,258	2,913,947	701	328,189	4,602,095	-
GASB 68 pension expense	(3,985)	(3,315)	-	(1,628)	(8,928)	-
Changes in assets and liabilities						
Accounts receivable	(36,310)	(134,811)	(52,399)	758	(222,762)	132
Prepaid expenses	-	1,378	-	-	1,378	-
Internal balances	(410,976)	410,976	-	-	-	-
Inventory	33,306	-	-	(31,543)	1,763	-
Vouchers payable	208,449	202,393	34,493	(63,309)	382,026	(137)
Unearned revenue	-	-	-	318	318	-
Compensated absences	14,764	2,471	-	(304)	16,931	-
Customer deposits	(100,365)	53,454	-	(298)	(47,209)	-
Net Cash from Operating Activities	<u>\$ 2,315,274</u>	<u>\$ 7,450,986</u>	<u>\$ 235,990</u>	<u>\$ 221,622</u>	<u>\$10,223,872</u>	<u>\$ 89,437</u>

City of Caldwell
Statement of Fiduciary Net Position – Fiduciary Funds
September 30, 2019

	Business Improvement District Fund	Agency Fund	Employee Benefit Plan Trust
Assets			
Cash	\$ 11,981	\$ 298,384	\$ 2,378,195
Accounts receivables	25,829	500	-
	<u>37,810</u>	<u>298,884</u>	<u>2,378,195</u>
Total current assets	<u>\$ 37,810</u>	<u>\$ 298,884</u>	<u>\$ 2,378,195</u>
Liabilities			
Vouchers payables	\$ 37,810	\$ 237,625	\$ 73,619
Due to other entities	-	61,259	-
Health claims incurred but not reported	-	-	375,833
Total long-term liabilities	<u>37,810</u>	<u>298,884</u>	<u>449,452</u>
Total liabilities	<u>37,810</u>	<u>298,884</u>	<u>449,452</u>
Net Position	<u>-</u>	<u>-</u>	<u>1,928,743</u>
Total Liabilities, and Net Position	<u>\$ 37,810</u>	<u>\$ 298,884</u>	<u>\$ 2,378,195</u>

City of Caldwell
Statement Revenues, Expenses, and Changes in Net Position – Fiduciary Funds
Year Ended September 30, 2019

	Employee Benefit Plan Trust
Contributions	
Employer	\$ 3,190,224
Employees	245,178
COBRA	25,233
Total contributions	3,460,635
Other Income	
Rebates	19,755
Total other income	19,755
Deductions	
Insurance claim benefits	2,773,913
Change in health claims incurred but not paid	103,833
Stop loss premiums	380,384
Administrative expenses	218,681
Total deductions	3,476,811
Change in Net Position	3,579
Net Position, Beginning of Year	1,925,164
Net Position, End of Year	\$ 1,928,743

Note 1 - Summary of Significant Accounting Policies

City of Caldwell, Idaho (the City) operates under a Mayor and Council form of government and provides the following services as authorized by its charter: public safety (police and fire), parks and recreation, community services, streets, and general administrative services.

The financial statements of the City 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 government's most significant accounting policies are described below.

Generally accepted accounting principles for local governments include those principles prescribed by the GASB, and the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governments.

Financial Reporting Entity

For financial reporting purposes, the financial statements for the City include all organizations for which the City is financially accountable, and other organizations for which the nature and significance of their relationships with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City's Mayor is responsible for appointing members of the Caldwell Housing Authority Board, but the City's accountability for this organization does not extend beyond making the appointments. Therefore, Caldwell Housing Authority is not included in the City's financial statements.

The Caldwell East Urban Renewal Agency (URA) was organized on December 21, 1998, to oversee redevelopment efforts in the Northeastern Caldwell areas. The City Council served as the board of commissioners for the URA. The Board of Commissioners for the Agency includes three members from City Council and three members from the public who reside within the urban renewal boundaries. The URA is not considered a component unit of the City and is not included in the City's financial statements.

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 to 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Street Fund - The Street Fund is used to account for the operation of the street system. Operation, maintenance and construction of the streets is provided by property taxes, state sales tax, state gas tax and federal/state transportation funds.

The City reports the following major enterprise funds:

Water Fund – The Water Fund is used to account for the operations of the water system.

Sewer Fund – The Sewer Fund is used to account for the operations of the sewer system.

Sanitation Fund – The Sanitation Fund is used to account for the billings and receipts for the City trash service. The trash collection is contracted out to an independent firm.

These funds are used to account for operations that are financed and operated in a manner similar to private business when the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges or when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Additionally, the City reports the following fund types:

Internal Service Funds - Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. The City uses internal service funds to account for its employee section 125-benefit plan and to maintain and accumulate a post-retirement Health Retirement Account Voluntary Employee Beneficiary Association (HRA VEBA) authorized under Internal Revenue Code 501(c)(9). This plan is subject to vesting and provides post-retirement benefits only (see Note 9).

Fiduciary Funds – Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Government. Trust funds account for assets held by the Government under the terms of a formal trust agreement. Agency funds generally are used to account for assets that the Government holds on behalf of others as their agent, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are as follows:

The Business Improvement District fund was established in the in Fiscal year 2017 to account for assets held in an agency capacity for the Downtown Caldwell Business Improvement District that was established pursuant to Ordinance No 3067 in August of 2016.

Agency Funds account for asset held by the City for others in an agency capacity. These are funds collected from community projects and donations.

Employee Benefit Plan Trust Funds account for the revenues received, expenses incurred and the net position available for health benefits of the City’s employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between various functions of the government when elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and products and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges for services to customers for sales and services. The Water and Sewer Funds also recognize as nonoperating revenue the portion of hook-on fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments, including restricted cash, with a maturity of three months or less when purchased to be cash equivalents. The investment purchases and sales information is not available for individual funds and management believes that due to the nature of pooled investments this information is not significant for purposes of understanding the statement of cash flows. Accordingly, the net change method is used to report cash flows from investments in these statements.

For purposes of efficient cash flow management and the management of temporary investments, the City utilizes external investment pools for its cash.

Investments

State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, commercial paper, corporate bonds, repurchase agreements, City coupon and local improvement district bonds.

Investments are stated at fair value as determined by quoted market prices. The City pools its cash and investments to maximize interest income. The City allocates interest income on investments to the various funds based on the average balance of the net contribution of the respective fund.

Property Taxes Receivable

Within the governmental fund financial statements, property taxes are recognized as revenue when the amount of taxes levied is measurable, and proceeds are available to finance current period expenditures.

Available tax proceeds include property tax receivables expected to be collected within sixty days after year-end. Property taxes attach as liens on properties on January 1, and are levied in September of each year. Tax notices are sent to taxpayers during November, with tax payments scheduled to be collected on or before December 20.

Taxpayers may pay all or one-half of their tax liability on or before December 20. If one-half of the amount is paid on December 20, the remaining balance is due by the following June 20. Since the City is on a September 30 fiscal year-end, property taxes levied during September for the succeeding year's collection are recorded as unavailable revenue at the City's year-end and recognized as revenue in the following fiscal year. Canyon County bills and collects taxes for the City.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents the use of net position that applies to future periods, so will not be recognized as an outflow of resources (expense) until that time. The government-wide statement of net position reports the future outflows related to pension obligations and other post-employment benefits as a deferred outflows of resources. The balance of the deferred outflow of resources as of September 30, 2019, will be recognized as an expense and decrease in net position in future fiscal years.

In addition to liabilities, the statement of net position and the fund balance sheet will sometimes report a separate section for deferred inflow of resources. This separate financial statement element represents an acquisition of net position that applies to future periods, so will not be recognized as an inflow of resources (revenue) until that time. The government-wide statement of net position reports the property taxes levied for the following year as well as future inflows related to pension obligations and other post-employment benefits as a deferred inflow of resources. The balance of the deferred inflow of resources as of September 30, 2019, will be recognized as a revenue and increase in net position in future fiscal years.

The other items reported as deferred inflow of resources arise only under a modified accrual basis of accounting. Unavailable property tax revenue is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes as these amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available. In addition, certain receivables recorded in the governmental fund financial statements are not available at year end, so the City records a deferred inflow of resources until such time as the revenue becomes available.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

In the governmental fund financial statements, receivables are recorded when they are both measurable and available. Proprietary fund receivables consist of all revenues earned at year-end and not yet received.

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/due from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Inventories

Inventories are stated at the lower of cost (first-in, first-out method) or market. The costs of inventory items are recognized as expenditures in governmental funds when consumed (consumption method) and as expenses in proprietary funds when used.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$20,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated fixed assets are valued at their estimated acquisition value on the date donated. Public domain infrastructure consisting of roads and sidewalks are also reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Depreciation is recorded by use of the straight-line method. The book value of each asset is reduced by equal amounts over its estimated useful life as follows:

	Estimated Useful Life (Years)
Buildings	10-50
Improvements other than buildings	7-40
Sewer and water service lines	30-50
Public domain infrastructure	30-50
Office furniture and equipment	3-30
Vehicles	5-10
Machinery and equipment	3-20

Maintenance, repairs and minor renewals are charged to operations as incurred. When an asset is disposed of, accumulated depreciation is deducted from the original cost, and any gain or loss arising from its disposal is credited or charged to operations.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred during construction of capital assets of business-type activities are capitalized when they are material. There were no interest costs included as part of the costs of capital assets under construction in the current year.

Risk Management

The City is exposed to various risks of loss related to theft of, damage to, or destruction of assets. The City participates in a public entity risk pool, Idaho Counties Risk Management Pool (ICRMP), for liability insurance. The City's exposure to loss from its participation in ICRMP is limited only to the extent of their deductible.

The City provides self-insurance against potential unemployment claims. Expenses and funding for these risks are provided for in the funds responsible for employment of the workers.

The City also partially self-insures health and accident insurance. The City established the "Employee Benefit Plan Trust" (the Trust) in 2008. All health claims are paid from this Trust and all plan contributions are deposited into it. The City's Human Resource Director and Treasurer serve as trustees. The Trust is audited each year and a copy of the audit is submitted to the Idaho Department of Insurance.

The City also maintains an internal service fund to account for employee life insurance premiums and long-term disability insurance.

All funds of the City participate in the self-insurance programs. A liability for claims is established in the Trust fund if information indicates that it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The estimate for claims incurred but not reported (IBNR) on health and accident coverage is determined by the actual claims paid through the first few months of the following year. Claims paid in excess of the estimate, if any, are not expected to be material. No amounts were accrued in the City internal service fund in the current year.

Budgets

In accordance with Title 50, Chapter 10 of the Idaho State Code, the City is required to prepare, approve and adopt an annual budget for filing with the local governing body, for informational purposes. A budget means an annual estimate of revenues and expenses for the following fiscal year of the agency.

Bonded Indebtedness

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 position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are recognized in the period the bonds are issued.

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

General Obligation Bonds

The Bonds are general obligations of the City and the full faith, credit and resources of the City are pledged for the punctual payment of the principal of and interest on the Bonds. The Bonds are secured by *ad valorem* taxes to be levied against all taxable property within the City. These taxes, when collected, are required to be applied solely for the purpose of payment of principal and interest on the Bonds.

Revenue Bonds

Parity lien sewer revenue refunding bonds issued in 2001 provided funding to retire a \$10,000,000 state revolving loan plus accrued interest. This bond was paid in full in 2010 through the issuance of parity lien sewer refunding bond, series 2010 through Wells Fargo Bank. Revenues collected by the water treatment plant are the primary source of monies to retire the bonds.

Compensated Absences Payable

The City provides personal leave to its full-time employees. It is paid to employees when taken and will also be paid to employees or their beneficiaries upon the employee's termination, retirement or death. The amount of unpaid leave accumulated by City employees is accrued as an expense when incurred in the government-wide and proprietary fund financial statements, which use the accrual basis of accounting. The City does not pay earned sick pay upon the employees' termination, retirement or death. Accordingly, sick pay is not accrued since the amount is not a liability to the City. Compensated absences are paid by funds that employ full-time staff, which typically include the following funds: general, library, street, airport, recreation, cemetery, golf, water, and sewer.

Pensions

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

Other Post Employment Benefits (OPEB)

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to the OPEB and plan expense, information has been actuarially determined as of September 30, 2018 and has been rolled forward to the September 30, 2019 measurement date. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Net Position and Fund Balances

In the government-wide financial statements, equity is classified as net position and displayed in three components:

- Net investment in capital assets – consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any notes or other borrowings attributable to those assets.
- Restricted net position – consists of net position with constraints placed on the use either by external groups, such as grantors or laws and regulations of other governments, or law through constitutional provisions or enabling legislation. Restricted net position in the City's Sewer fund is restricted pursuant to bond covenants.
- Unrestricted net position – all other net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund equity is classified as fund balance. Fund balance is further classified as follows:

- Nonspendable fund balance—amounts that are in nonspendable form (such as inventory or long-term notes receivable) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance—amounts constrained to specific purposes by the City itself, using its highest level of decision-making authority (i.e., City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint.
- Assigned fund balance—amounts the City intends to use for a specific purpose. Intent can be expressed by the City Council or by an official or body to which the City Council delegates the authority.
- Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as special incentives).

Assigned fund balance is established by City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

In the general fund, the City strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 20% of the actual GAAP basis expenditures and other financing sources and uses.

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

Other Revenues

Sales Taxes—Sales taxes are collected by vendors and required to be remitted to the State of Idaho. The tax is then remitted to the City quarterly. A two-month lag exists between collection by the vendor and payment to the City. Revenue received in October and November from sales made in August and September, respectively, is available for prior year expenses and is accrued in both the government-wide and fund financial statements.

Charges for Service—Charges for services consist primarily of charges made by both governmental and enterprise funds for services such as city council, mayor, human resources, clerk, treasurer, engineering, mapping, insurance, attorney, payroll and accounting, utility billing and other benefits provided to customers of the City.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues, expenditures and expenses during the reported period. The actual results could differ from those estimates.

Note 2 - Cash and Investments

At September 30, 2019, the City's cash and cash equivalents and investments (including fiduciary funds) were invested as follows:

	Cost	Fair Value
Cash and cash equivalents- Unrestricted		
Cash	\$ 10,087,743	\$ 10,087,743
Money market funds	2,598,624	2,598,624
Total cash and cash equivalents - unrestricted	\$ 12,686,367	\$ 12,686,367
Cash and cash equivalents - Restricted		
Cash -library	\$ 202,650	\$ 202,650
Total cash and cash equivalents - restricted	\$ 202,650	\$ 202,650
Investments - Unrestricted		
Investments carried at fair value		
Local government investment pool	\$ 29,622,264	\$ 29,690,398
Idaho state treasurer's bond fund	19,972,747	20,791,561
Total investments - unrestricted	\$ 49,595,011	\$ 50,481,959
Investments - Restricted		
Investments carried at fair value		
US Government Agency Obligations	\$ 227,312	\$ 227,312
Idaho state treasurer's bond fund	806,715	815,128
Mutual funds	54,508	48,978
Total investments - restricted	\$ 1,088,535	\$ 1,091,418

Investment types that are authorized for the City of Caldwell by the Idaho Code and the City's investment policy are as follows:

1. Local and State Agency Bonds
2. U.S. Agency Bonds
3. U.S. Agency Securities
4. Certificates of Deposit

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. One of the ways the City manages its exposure to interest rate risk is by purchasing a combination of long and short-term investments. The City keeps funds needed for operations in short-term liquid investments while maintaining a stable longer-term investment portfolio with duration matched to expected completion of capital projects. When selecting longer-term maturities, the City's policy requires investments which provide for the stability of income and reasonable liquidity.

Investments and maturity dates at September 30, 2019, were as follows:

Investment Type	Fair Value	Investment Maturities in Years			
		Less than 1	1-5	6-10	More than 10
Local Government Investment Pool	\$ 29,690,398	\$ 29,690,398	\$ -	\$ -	\$ -
Idaho State Treasurer's Bond Fund	21,606,689	-	21,606,689	-	-
US Government Agency	227,312	-	-	-	227,312
	<u>\$ 51,524,399</u>	<u>\$ 29,690,398</u>	<u>\$ 21,606,689</u>	<u>\$ -</u>	<u>\$ 227,312</u>

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 better by Standard & Poor's or other nationally recognized rating agency.

Rating	U.S. Government Agency Obligation	Local Government Investment Pool	Idaho State Treasurer's Bond Fund	Total
AA+	\$ 188,851	\$ -	\$ -	\$ 188,851
Unrated	38,461	29,690,398	21,606,689	51,335,548
	<u>\$ 227,312</u>	<u>\$ 29,690,398</u>	<u>\$ 21,606,689</u>	<u>\$ 51,524,399</u>

Concentration of Credit Risk

When investments are concentrated in one issuer, this concentration represents heightened risk of potential loss. No specific percentage identifies when concentration risk is present. The Governmental Accounting Standards Board has adopted a principle that governments should provide note disclosure when five percent of the total entities investments are concentrated in any one issuer. Investments in obligations specifically guaranteed by the U.S. government, mutual funds, and other pooled investments are exempt from disclosure. The City's investment policy has no limitations on the amount that can be invested in any one issuer.

At September 30, 2019, there are no investments in any one issuer (other than State investment pools) that represent 5% or more of total City investments.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City does not have a policy restricting the amount of deposits and investments subject to custodial credit risk.

The bank ledger balance for cash deposits at September 30, 2019, is \$11,142,700 of which \$10,718,266 collateralized. Deposits in each local and area bank are insured by the FDIC in the amount of \$424,434 for interest bearing and non-interest bearing deposit accounts. The uninsured and uncollateralized deposit balance at September 30, 2019, was \$0. Money market fund are not considered deposits and thus are not insured by the FDIC and are not collateralized.

The City minimizes exposure to custodial credit risk by requiring that investments, to the extent possible, be identified as to City of Caldwell ownership and be held in the City's name. All commercial paper, agency bonds and money market funds, including the cash management automatic investment account, are held in custody by U.S. Bank, First Interstate, or Zion's First National Bank in the City's name.

Investment in State Investment Pools

The City is a voluntary participant in the State of Idaho Local Government Investment Pool (LGIP) and the State of Idaho Diversified Bond Fund (DBF). Both the LGIP and the DBF are regulated by State of Idaho code under the oversight of the Treasurer of the State of Idaho. The fair value of the City's investment in the pools is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair market value provided by the fund for the entire portfolio. Both the LGIP and the DBF are unrated.

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

Fair Value

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City's investment fair value measurements are as follows at September 30, 2019.

<u>Investments</u>	<u>Fair Value</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>
Debt securities				
Corporate bonds	\$ 128,230	\$ -	\$ 128,230	\$ -
Mortgage-backed securities	99,082	-	99,082	-
	<u>227,312</u>	<u>-</u>	<u>227,312</u>	<u>-</u>
Mutual funds				
Short-term government	48,978	48,978	-	-
	<u>48,978</u>	<u>48,978</u>	<u>-</u>	<u>-</u>
Total investments	<u>276,290</u>	<u>\$ 48,978</u>	<u>\$ 227,312</u>	<u>\$ -</u>
Investments measured at the net asset value (NAV)				
Local government investment pool	29,690,398			
State of Idaho diversified bond fund	21,606,689			
Total investments measured at fair value	<u>\$ 51,573,377</u>			

Mutual funds categorized as Level 1 are valued based on prices quoted in active markets for those securities. Debt securities categorized as Level 2 are valued using a matrix pricing technique that values securities based on their relationship to benchmark quoted prices.

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

	Investments Measured at NAV			
	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Local government investment pool	\$ 29,690,398	None	Next business day	3 days; over \$10,000,000
State of Idaho diversified bond fund	\$ 21,606,689	None	Monthly	5-25 days

Note 3 - Restricted Assets

Restricted assets are required to be segregated as to use and are therefore identified as restricted assets. Restricted assets in the general fund are restricted pursuant to donor specifications relating to various activities.

Assets restricted in the nonmajor special revenue funds are primarily for current and future library operational funding. Assets restricted in the enterprise funds are restricted pursuant to donor specification and repayment of debt service for revenue bonds relating to the wastewater treatment plant construction.

Note 4 - Intergovernmental and Grant Receivables

The following summarizes the intergovernmental receivables at September 30, 2019:

State of Idaho	
Revenue sharing	\$ 654,908
Sales tax	434,364
Liquor apportionment	94,278
Gas tax	685,064
 Urban Renewal Agency	 3,421
 Canyon County	
Road and bridge tax	1,845
Court revenue	25,331
	<u>\$ 1,899,211</u>

Grants owed to the City at September 30, 2019, by source are:

Federal	\$ 151,230
State	16,135
	<u>\$ 167,365</u>

During 2017, the City loaned the Caldwell Urban Renewal Agency \$1,100,000 from the Cemetery Perpetual Care Fund for purposes of purchasing property. The loan is due to the City in annual installments of \$275,000 at 4% interest through September 2021. \$550,000 was owed to the City at September 30, 2019 and is included in notes receivable reported in the Statement of Net Position.

Note 5 - Capital Assets

	Balance October 1, 2018	Additions	Contributed Capital	Deletions	Reclassifications and Transfers	Balance September 30, 2019
Governmental Activities						
Capital assets, not depreciated						
Land	\$ 11,385,172	\$ 572,319	\$ 64,973	\$ (553,148)	\$ (10,000)	\$ 11,459,316
Construction in progress	3,720,636	1,105,600	-	(39,450)	(643,459)	4,143,327
Total capital assets, not depreciated	<u>15,105,808</u>	<u>1,677,919</u>	<u>64,973</u>	<u>(592,598)</u>	<u>(653,459)</u>	<u>15,602,643</u>
Capital assets, depreciated						
Buildings	25,319,929	2,923,647	434,431	(46,695)	(1,639,820)	26,991,492
Improvements other than buildings	44,161,688	477,520	2,265,575	-	2,846,749	49,751,532
Equipment	20,054,282	1,794,988	134,616	(658,523)	67,705	21,393,068
Intangibles	1,213,588	-	307,148	(257,007)	-	1,263,729
Infrastructure	60,338,659	-	6,730,206	-	(602,847)	66,466,018
Total capital assets, depreciated	<u>151,088,146</u>	<u>5,196,155</u>	<u>9,871,976</u>	<u>(962,225)</u>	<u>671,787</u>	<u>165,865,839</u>
Less accumulated depreciation for						
Buildings	(8,079,293)	(660,257)	-	14,687	-	(8,724,863)
Improvements other than buildings	(13,411,194)	(1,502,391)	-	-	-	(14,913,585)
Equipment	(11,190,498)	(1,427,315)	-	644,005	1,098,820	(10,874,988)
Intangibles	(39,984)	-	-	39,984	-	-
Infrastructure	(16,552,923)	(1,664,919)	-	-	(1,117,147)	(19,334,989)
Total accumulated depreciation	<u>(49,273,892)</u>	<u>(5,254,882)</u>	<u>-</u>	<u>698,676</u>	<u>(18,328)</u>	<u>(53,848,425)</u>
Total net capital assets, depreciated	<u>101,814,254</u>	<u>(58,727)</u>	<u>9,871,976</u>	<u>(263,549)</u>	<u>653,459</u>	<u>112,017,414</u>
Governmental Activities Capital Assets, Net	<u>\$ 116,920,062</u>	<u>\$ 1,619,192</u>	<u>\$ 9,936,949</u>	<u>\$ (856,147)</u>	<u>\$ -</u>	<u>\$ 127,620,057</u>

City of Caldwell
Notes to Financial Statements
September 30, 2019

	Balance October 1, 2018	Additions	Contributed Capital	Deletions	Transfers	Balance September 30, 2019
Business-type Activities						
Capital assets, not depreciated						
Land	\$ 459,062	\$ -	\$ -	\$ -	\$ -	\$ 459,062
Construction in progress	19,141,267	8,211,385	-	-	(11,661,112)	15,691,540
Total capital assets, not depreciated	<u>19,600,329</u>	<u>8,211,385</u>	<u>-</u>	<u>-</u>	<u>(11,661,112)</u>	<u>16,150,602</u>
Capital assets, depreciated						
Buildings	6,163,097	-	-	(292,858)	11,271,112	17,141,351
Improvements other than buildings	116,665,670	524,028	2,939,647	-	321,783	120,451,128
Equipment	11,341,330	52,609	-	(282,709)	49,890	11,161,120
Total capital assets, depreciated	<u>134,170,097</u>	<u>576,637</u>	<u>2,939,647</u>	<u>(575,567)</u>	<u>11,642,785</u>	<u>148,753,599</u>
Less accumulated depreciation for						
Buildings	(4,930,500)	(502,927)	-	292,858	-	(5,140,569)
Improvements other than buildings	(50,655,458)	(3,537,996)	-	-	-	(54,193,454)
Equipment	(7,061,804)	(561,172)	-	278,811	18,327	(7,325,838)
Total accumulated depreciation	<u>(62,647,762)</u>	<u>(4,602,095)</u>	<u>-</u>	<u>571,669</u>	<u>18,327</u>	<u>(66,659,861)</u>
Total net capital assets, depreciated	<u>71,522,335</u>	<u>(4,025,458)</u>	<u>2,939,647</u>	<u>(3,898)</u>	<u>11,661,112</u>	<u>82,093,738</u>
Business-type Activities Capital Assets, Net	<u>\$ 91,122,664</u>	<u>\$ 4,185,927</u>	<u>\$ 2,939,647</u>	<u>\$ (3,898)</u>	<u>\$ -</u>	<u>\$ 98,244,340</u>

Depreciation expense was charged to functions/programs of the City as follows:

Governmental Activities	
General government	\$ 401,839
Police	423,532
Fire	328,379
Building safety	51,179
Parks and recreation	556,034
Community services	542,289
Streets	<u>2,951,630</u>
Total depreciation expense - governmental activities	<u>\$ 5,254,882</u>
Business-type Activities	
Water	\$ 1,359,258
Sewer	2,913,947
Sanitation	701
Golf	128,811
Street lighting	100,084
Irrigation	<u>99,294</u>
Total depreciation expense - business-type activities	<u>\$ 4,602,095</u>

Note 6 - Interfund Balances and Transfers

Incoming receipts and outgoing disbursements are sometimes deposited to/disbursed from one fund on behalf of another fund. At that time, a corresponding receivable/payable and operating transfer is recorded between the funds.

The composition of interfund balances as of September 30, 2019, is as follows:

Receivable Fund	Payable Fund	Description	Amount
Advances			
Other governmental	Other enterprise	Long-term loan	\$ 183,000
Other governmental	Other enterprise	Long-term loan	100,000
Sanitation	General/Police Impact	Long-term loan	160,000
Due to/from			
Other governmental	Other enterprise	Short-term loan	46,000
Other governmental	Other enterprise	Short-term loan	25,000
Sanitation	General/Police Impact	Short-term loan	40,000
Other governmental	General	Fourth quarter admin reconciliation	1,008
General	Other governmental	Fourth quarter admin allocation	5,123
			<u>\$ 560,131</u>

Transfers from Other enterprise to water is for use of capital. Transfers from the General fund to the Other Governmental and Other Enterprise Funds include transfers to help fund operations. Transfers from the Other Governmental Funds to General, Street, Water and Sewer funds are for the Local Improvement District special assessment payments received for the fiscal year.

The composition of interfund transfers for the year ended September 30, 2019, is as follows:

	Transfers Out			Total
	General	Other Enterprise	Other Governmental	
Transfers in				
Street	\$ -	\$ -	\$ 151,517	\$ 151,517
Water	-	10,000	4,897	14,897
Sewer	-	-	9,942	9,942
Sanitation	25,472	-	-	25,472
Other enterprise	150,000	-	-	150,000
Other governmental	17,000	-	-	17,000
	<u>\$ 192,472</u>	<u>\$ 10,000</u>	<u>\$ 166,356</u>	<u>\$ 368,828</u>

During 2019, the Sanitation fund loaned the Police Impact Fee fund \$200,000 for completion of the police building expansion for additional evidence room. The loan is for five years at 3% interest, payable in annual installments of \$40,000 plus interest. \$200,000 was owed to the Sanitation fund at September 30, 2019, and is included in the internal balances in the Statement of Net Position.

Note 7 - Long-Term Debt

Long-term debt consisted of the following as of September 30, 2019:

Business-type Activities

Revenue bonds

\$6,610,000 parity lien sewer revenue refunding bond series 2010 due in annual installments through September 2020 of \$745,000 to \$1,050,000; interest from 3.00% to 4.50% due semi-annually. The bonds shall not be subject to call or optional redemption prior to their stated dates of maturity.

\$ 1,050,000

The annual requirements to amortize all debt outstanding at September 30, 2019, are as follows:

	Business-type Activities	
	Principal	Interest
2020	<u>\$ 1,050,000</u>	<u>\$ 39,375</u>
	<u>\$ 1,050,000</u>	<u>\$ 39,375</u>

Total interest cost incurred during 2019 for governmental funds and business-type activities was \$0 and \$73,123, respectively.

In Idaho, a municipality is allowed a debt limit, excluding enterprise fund debt, of 2% of the market valuation of the real and personal property in its taxing area. The City's legal debt limits for governmental funds for fiscal year 2019, based on data available from Canyon County would be approximately \$41,054,850.

The following is a summary of changes in long-term debt of the City for the year ended September 30, 2019:

	Debt at October 1, 2018	Debt Issued	Debt Retired	Debt at September 30, 2019	Due Within One Year
Governmental Activities					
Compensated absences	\$ 958,290	\$ 1,124,094	\$ 1,049,366	\$ 1,033,018	\$ 1,033,018
Governmental activities long-term liabilities	<u>\$ 958,290</u>	<u>\$ 1,124,094</u>	<u>\$ 1,049,366</u>	<u>\$ 1,033,018</u>	<u>\$ 1,033,018</u>
Business-type Activities					
Revenue bonds					
Parity lien sewer series					
2010	\$ 1,825,000	\$ -	\$ 775,000	\$ 1,050,000	\$ 1,050,000
Compensated absences	<u>127,607</u>	<u>159,115</u>	<u>142,184</u>	<u>144,538</u>	<u>144,538</u>
Business-type activities long-term liabilities	<u>\$ 1,952,607</u>	<u>\$ 159,115</u>	<u>\$ 917,184</u>	<u>\$ 1,194,538</u>	<u>\$ 1,194,538</u>

The City has pledged future sewer customer revenues, net of specified operating expenses, to repay \$6,610,000 in sewer system parity lien refunding revenue bonds issued in May 2010. Proceeds from the bonds were used for the purpose of advance refunding a portion of the series 2001 sewer system parity lien refunding bonds. Proceeds from the series 2001 bonds provided financing for the construction of sewer treatment plant improvements. The bonds are payable solely from sewer customer net revenues and are payable through 2020. Annual principal and interest payments on the bonds are expected to require less than 50 percent of net revenues. The total principal and interest remaining to be paid on the bonds is approximately \$1,089,375. Principal and interest paid for the current year and total customer net revenues were \$848,388 and \$4,004,495, respectively.

Note 8 - Defined Benefit Pension Plan and Firefighter Retirement Fund

Plan Description

The City contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

The City also contributes to the FRF which is a cost-sharing multiple-employer defined benefit pension plan administered by the PERSI that 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 cost to administer the plan is financed through the contributions and investment earnings of the FRF. Additional FRF funding is obtained from receipts from a state fire insurance premium tax. PERSI issues a publicly available financial report that included 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 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 with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

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

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

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

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

Member and Employer Contributions

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

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2019, 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% for general employees and 11.66% for police and firefighters. On July 1st, the Retirement Board increased employee contribution rates to 7.16% for general employees and 8.81% for police and firefighters. The employer contributions rates also increased on July 1st, to 11.94% for general employees and 12.28% for police and firefighters. The City's contribution was \$1,837,328 for the year ended September 30, 2019.

As of June 30, 2019, the total FRF 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 \$158,658 for the year ended September 30, 2019.

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

At September 30, 2019, the City reported a liability for its proportionate share of the net pension liability of the Base Plan. The net pension liability was measured as of June 30, 2019, 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, 2019, the City's proportion was .4272990 percent compared to .4299319 percent at June 30, 2018.

For the year ended September 30, 2019, the City recognized pension expense related to the Base Plan of \$1,705,241. At September 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 453,288	\$ 574,838
Changes in assumptions or other inputs	271,314	-
Net difference between projected and actual earnings on pension plan investments	-	1,661,623
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	105,083	38,657
City's contributions subsequent to the measurement date	373,271	-
 Total	 \$ 1,202,956	 \$ 2,275,118

The \$373,271 reported as deferred outflows of resources related to pensions resulting from Employer contributions to the Base Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2020.

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

At September 30, 2019, the City reported an asset for its proportionate share of the net pension asset of the FRF. The net pension asset was measured as of June 30, 2019, 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, 2019, the City's proportion was 3.9304645 percent compared to 4.0348687 at June 30, 2018.

For the year ended September 30, 2019, the City recognized plan pension expense offset related to the FRF of (\$805,980). At September 30, 2019, the City reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 377,004
City's contributions subsequent to the measurement date	148,292	-
Total	\$ 148,292	\$ 377,004

The \$148,292 reported as deferred outflows of resources related to pensions resulting from City contribution subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ending September 30, 2020.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2018, the beginning of the measurement period ended June 30, 2019, is 1.0 years.

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:

Years Ended September 30,	Base Plan	FRF
2020	\$ (133,090)	\$ (56,924)
2021	(715,519)	(210,497)
2022	(373,052)	(73,969)
2023	(223,772)	(35,614)

Actuarial Assumptions

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

The 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.

The total pension liability of the Base Plan and total pension asset of the FRF in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

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

For the base plan, an experience study was performed for the period July 1, 2011 through June 30, 2017, which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2011 and 2017. The Total Pension Liability (Base Plan) as of June 30, 2019, is based on the results of an actuarial valuation date of July 1, 2019.

For the FRF plan an experience study was performed for the period July 1, 2011 through June 30, 2017 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2011 and 2017. The Total Pension Asset (FRF Plan) as of June 30, 2019, is based on the results of an actuarial valuation date of July 1, 2019.

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 show 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.

Asset Class		Target Allocation	Long-Term Expected Nominal Rate of (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	Barclays Aggregate	30.00%	3.05%	0.80%
Broad US Equities	Wilshire 5000/Russell 3000	55.00%	8.30%	6.05%
Developed Foreign Equities	MSCI EAFE/World ex US	15.00%	8.45%	6.20%
Assumed Inflation - Mean			2.25%	2.25%
Assumed Inflation - Standard Deviation			1.50%	1.50%
Portfolio Arithmetic Mean Return			6.75%	4.50%
Portfolio Standard Deviation			12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return			6.13%	3.77%
Assumed Investment Expenses			0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses			5.73%	3.37%
Portfolio Long-Term Expected Rate of Return, Net of Investment Expenses				4.19%
Portfolio Standard Deviation				14.16%
Valuation Assumptions Chosen by PERSI Board				
Long-Term Expected Rate of Return, Net of Investment Expenses				4.05%
Assumed Inflation				3.00%
Long-Term Geometric Expected Rate of Return, Net of Investment Expenses				7.05%

Discount Rate

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

Sensitivity of the Employer's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.

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

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)			
Base Plan	\$ 14,731,927	\$ 4,877,497	\$ (3,271,798)
FRF	(4,563,627)	(5,650,185)	(6,577,815)

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 the www.persi.idaho.gov.

Payable to the Pension Plan

At September 30, 2019, there were no payables to the defined benefit pension plans for legally required employer contributions or for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

Note 9 - Other Post-Employment Benefits

Plan Description

Effective March 1, 2014, the City established a post-retirement Health Reimbursement Arrangement Plan, referred to as the HRA VEBA Plan, under Internal Revenue Service Notice 2002-45. It is a single employer Plan. Employees who retire under PERSI before age 65 will not be eligible for Medicare until age 65 or older. The City established the post-retirement health reimbursement benefit for PERSI retired employees to help bridge the gap between retirement and age 65.

The Plan was established and can be amended or discontinued by City Council action. Initial funding came from the agency fund Employee Health Insurance formerly used to cover employee health and dental care claims. These monies were not required to support current health claims now covered by the Employee Health Trust Plan.

Benefits

The Plan is funded solely by employer contributions on a pay as you go basis. Basic benefit funding is \$500 per year for each regular full-time employee at the beginning of each fiscal year. Upon retirement, payment is made at \$500 for each year of service up to 30 years. The employee’s benefit is deposited in a Trust Account held by an independent third party and the City has no further financial obligation.

Only those employees who retire from the City according to the Public Employee Retirement System of Idaho (“PERSI”) retirement rules may receive the City’s post-employment benefit. Employees are vested after five years of service at the City.

PERSI retirement criteria is defined as follows:

<u>Employee Category</u>	<u>Early Retirement</u>	<u>Service Retirement</u>
Police & Fire Employees	5 Years of Service, Age 50	5 Years of Service, Age 60
General Employees	5 Years of Service, Age 60	5 Years of Service, Age 65

Additionally, the full value of the benefit will only be provided to those employees who meet the following age-plus-service criteria. The value of the benefit will be reduced for those who do not meet this requirement.

<u>Employee Category</u>	<u>Age Plus Service</u>
Sworn Police Officers and Fire Administrative Staff	80
General Employees	90

Note that the Fire Union employees are not eligible for the post employment benefit, unless they are Fire Administrative Staff.

Eligible retirees receive a one-time payment into an HRA. The payment consists of two parts:

- (1) paid time off (“PTO”) accumulation payout and,
- (2) one-time contribution based on age and years of service.

The first part of this payment is given to the retiree based on carryover hours at their hourly rate of pay at retirement. The maximum carryover hours are based on years of service, as follows:

<u>Years of Service</u>	<u>Monthly Accrual Rate</u>	<u>Maximum Carryover</u>
Up to 12 Months	7 hours	84 hours
1 - 5 Years	11 hours	192 hours
6 - 10 Years	13 hours	240 hours
11 - 15 Years	15 hours	288 hours
16 - 20 Years	17 hours	312 hours
21+ Years	17 hours	336 hours

The second part of this payment is calculated according to a benefit schedule provided by the City, which is based on age and years of service at retirement. Benefit amounts range from \$1,250 to \$36,000.

Employees covered by benefit terms. At September 30, 2018 valuation date the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	15
Inactive employees entitled but not yet receiving benefits	-
Active employees entitled to but not yet receiving benefit payments	5
Active employees	197
	217

Total OPEB Liability

The City’s total OPEB liability of \$652,113, was measured as of September 30, 2019, and was determined by an actuarial valuation as of September 30, 2018, rolled forward to the measurement date of September 30, 2019.

Actuarial Assumptions and other inputs. The Total OPEB liability is based on the most recent actuarial valuation (September 30, 2018) rolled forward to the September 30, 2019 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Impact of Assumption Changes. In the transition year the City assumed no changes (other than discount rate) to assumptions and experience.

Valuation Date	September 30,2018
Measurement Date	September 30, 2019
Discount Rate	3.63% per annum (BOY) 2.66% per annum (EOY)
Salary Increase Rate	3.5% per annum
Medical Consumer Price Index Trend	3.0% per annum
Inflation Rate	3.0% per annum

Actuarial Cost Method	Entry Age Normal based on level percentage of Projected salary.
Mortality Rates	RP-2014 generational table scaled using MP-17
Experience Study	The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 100% of all employees who are eligible for early retiree benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement.
Amortization Method	<i>Experience/Assumptions</i> gains and losses are amortized over a closed period of 11.3 years starting on October 1, 2017, equal to the average remaining service of active and inactive plan members (who have no future service).

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Total OPEB Liability - Start of Year October 1, 2018	\$ 561,264
Changes for the Year:	
Service cost	47,951
Interest cost	24,674
Changes in assumptions or other inputs	56,070
Benefit Payments	(37,846)
Net change in total OPEB liability	<u>90,849</u>
Total OPEB Liability - End of Year September 30, 2019	<u><u>\$ 652,113</u></u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1- percentage – point lower (1.66 percent) or 1 – percentage – point higher (3.66 percent) than the current discount rate.

	1% Decrease (1.66%)	Discount Rate (2.66%)	1% Increase (3.66%)
Total OPEB Liability	\$615,000	\$652,113	\$692,000

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the City recognized an OPEB expense of (\$75,957). At September 30, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions/inputs	\$ 51,094	\$ 15,238
Total	\$ 51,094	\$ 15,238

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Years Ended September 30,</u>	<u>2019</u>
2020	\$ 3,332
2021	3,332
2022	3,332
2023	3,332
2024	3,332
Thereafter	19,196

At September 30, 2019, cash and cash equivalents held in the internal service fund total \$776,922. Anticipated plan revenues for 2020 are \$142,000 against budgeted expenditures of \$30,000. Two employees have opted to retire in 2020.

Note 10 - Conduit Debt

In March 2012, the Industrial Development Corporation Board issued \$5,500,000 of industrial development revenue bonds to provide financial assistance to a private-sector business (borrower) for the acquisition and construction of an industrial facility. The bonds are secured by the property financed and payments are made by the borrower. The City is not obligated in any manner for repayment of the bonds, and accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2019, the scheduled outstanding principal was \$1,680,556.

Note 11 - Other Information

Accounting principles generally accepted in the United States of America require disclosure, as part of the basic financial statements, of certain information concerning individual funds. The following funds had expenditures greater than appropriations for the year ended September 30, 2019:

Sanitation	\$	67,139
Health Trust	\$	192,272
HRA VEBA	\$	38,075
Other Insurance - LT Disability	\$	371
Employee 125 Flex	\$	350

Note 12 - Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Any disallowed claims, including amounts already collected, could become a liability of the City. City management believes disallowances, if any, will be immaterial.

The City has been named as defendant in various legal actions, the results of which are not presently determinable. However, in the opinion of the City's management and legal counsel, the amount of losses that might be sustained, if any, would not materially affect the City's financial position.

Note 13 - Other Commitments

The City has the following commitments at September 30, 2019:

Project Description	Outstanding Commitments	% Complete	Completed as of September 30	Total Contract Amount
Caldwell PD Blding Addition - Architecture	\$ -	100%	\$ 115,000	\$ 115,000
Caldwell PD Blding Addition - Construction	40,777	98%	1,952,567	1,993,344
Fire Dept. New Station#3	253,740	45%	203,544	457,284
Downtown Parking Lots 9th - 12th	-	100%	762,452	762,452
Rehabilitate Runway 12-30	-	100%	2,153,153	2,153,153
LID 17-1 City Center Improvements	36,863	92%	422,401	459,264
Street Department Addition/Interior Work	-	100%	632,000	632,000
Street Department Addition/Construction	-	100%	198,000	198,000
Indian Creek Pathway - Design	-	100%	159,752	159,752
Indian Creek Pathway - Construction	14,186	61%	22,114	36,300
Santa Ana & Ustick Roundabout	83,037	40%	54,354	137,391
Centennal Roundabout	27,790	89%	214,936	242,726
Noble Drain Sewer Trunk Line	846,208	46%	732,247	1,578,455
WWTP Filtration Building/Design	100,486	91%	1,080,814	1,181,300
WWTP Filtration Building/Construction	197,032	98%	12,086,741	12,283,773
WWTP Lab Facility	763,159	4%	30,400	793,559
WWTP Lab Facility	28,592	31%	12,602	41,194
	<u>\$ 2,391,870</u>		<u>\$ 20,833,077</u>	<u>\$23,224,947</u>

Note 14 - Tax Abatements

Agency tax revenues were reduced under agreements entered into by Canyon County.

These revenues were reduced through a business property tax abatement program authorized under Idaho Code 63-602NN. This program provides property tax exemptions to certain businesses which invest in non-retail buildings or plants for commercial or industrial purposes. The investment must be made in a plant that will bring significant economic benefit to the county. The exemption may be granted for up to five years. Canyon County has determined the City's share of abatements as of September 30, 2019 as follows:

<u>Tax Abatement Program</u>	<u>Total Amount of Taxes Abated for the City</u>
Idaho Code 63-602NN Tax Exemption	\$ 20,827

Note 15 - Related Party Transactions

During 2019, the Caldwell East Urban Renewal Agency (the Agency) reimbursed the City in the amount of \$759,981 for expenditures paid on its behalf on various projects (400 and 500 Lateral Relocate Projects, Smeed Realignment, Elevate School, Skyway Extension Project, Slipstream Cul-de-sac, Demo project, Building Repairs and Utility Expenses). Additionally, the Agency issued monthly payments to the City for the Caldwell Economic Development funding in the amount of \$216,000 and paid the City \$8,000 for Accounting Services.

As of September 30, 2019, the Agency owed the City \$3,421 in project related costs (utilities and TVCC R&M).

In 2017, the Agency received a loan from the City's Cemetery Perpetual Care fund in the amount of \$1,100,000 for purposes of purchasing property. The loan is due in annual installments of \$275,000 at 4 % interest through September 2021. Remaining balance owing on the note is \$550,000.



Required Supplementary Information
September 30, 2019

City of Caldwell

City of Caldwell
Schedule of Employer's Share of Net Pension Asset/Liability
Year End September 30, 2019

Schedule of Employer's Share of Net Pension Liability

**PERSI - Base Plan
Last 10 - Fiscal Years***

	2019	2018	2017	2016	2015
Employer's portion of net the pension liability	0.4272990%	0.4299319%	0.4292893%	0.4151597%	0.4176759%
Employer's proportionate share of the net pension liability	\$ 4,877,497	\$ 6,341,569	\$ 6,747,689	\$ 8,415,926	\$ 5,500,112
Employer's covered payroll	\$ 13,350,459	\$ 12,702,613	\$ 12,308,096	\$ 11,161,497	\$ 9,999,630
Employer's proportional share of the net pension liability as a percentage of its covered payroll	37%	50%	55%	75%	55%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	91.38%

Schedule of Employer's Share of Net Pension Asset

**FRF
Last 10 - Fiscal Years***

	2019	2018	2017	2016	2015
Employer's portion of net the pension asset	3.9304645%	4.0348687%	3.9578287%	3.8194708%	3.9619978%
Employer's proportionate share of the net pension asset	\$ 5,650,185	\$ 4,566,267	\$ 3,395,644	\$ 2,052,905	\$ 2,139,902
Employer's covered payroll	\$ 926,446	\$ 906,609	\$ 867,239	\$ 794,910	\$ 1,504,124
Employer's proportional share of the net pension asset as a percentage of its covered payroll	609.88%	503.66%	391.55%	258.26%	142.27%
Plan fiduciary net position as a percentage of the total pension asset	152.74%	140.15%	129.65%	118.42%	118.08%

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

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

City of Caldwell
Schedule of Employer's Contributions
Year Ended September 30, 2019

**Schedule of Employer Contributions
Base Plan**

	Last 10 - Fiscal Years*				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 1,642,850	\$ 1,565,835	\$ 1,519,344	\$ 1,424,055	\$ 1,360,543
Contributions in relation to the statutorily required contribution	\$ 1,642,850	\$ 1,565,835	\$ 1,519,344	\$ 1,424,055	\$ 1,360,543
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 13,535,037	\$ 12,933,267	11,967,974	\$ 11,306,995	\$ 10,087,109
Contributions as a percentage of covered payroll	12%	12%	13%	13%	13%

**Schedule of Employer Contributions
FRF**

	Last 10 - Fiscal Years*				
	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 154,346	\$ 151,041	\$ 143,431	\$ 101,420	\$ 204,650
Contributions in relation to the statutorily required contribution	\$ 154,346	\$ 151,041	\$ 143,431	\$ 101,420	\$ 204,650
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 933,995	\$ 916,508	\$ 852,346	\$ 805,272	\$ 1,517,282
Contributions as a percentage of covered payroll	17%	16%	17%	13%	13%

*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.

**Schedule of Changes in the City's Total OPEB Liability and Related Ratios
 Last 10 - Fiscal Years***

	2019	2018
Total OPEB Liability		
Service cost	\$ 47,951	\$ 46,027
Interest cost	24,674	27,245
Changes in assumptions or other inputs	56,070	(18,526)
Benefit Payments	(37,846)	(198,251)
Net change in total OPEB liability	90,849	(143,505)
Total OPEB Liability - Start of Year 10/01	561,264	704,769
Total OPEB Liability - End of Year 09/30	\$ 652,113	\$ 561,264
Covered employee payroll	\$ 10,570,085	\$ 10,570,085
Total OPEB Liability as a % of covered payroll	6.17%	5.31%

*GASB Statement No. 75 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. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you go basis.

City of Caldwell

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – General Fund
Year Ended September 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 13,527,590	\$ 13,527,590	\$ 13,981,093	\$ 453,503
Franchise fees	730,000	730,000	830,964	100,964
Interest	156,017	156,017	450,779	294,762
Licenses and permits	1,688,722	1,728,722	2,494,988	766,266
Intergovernmental	2,243,761	2,243,761	2,721,654	477,893
Operating grants	93,000	1,081,789	1,084,719	2,930
Charges for services	6,894,220	7,048,607	7,416,600	367,993
Unrealized gain on investments	-	-	287,760	287,760
Miscellaneous	80,290	90,290	67,319	(22,971)
Total revenues	25,413,600	26,606,776	29,335,876	2,729,100
Expenditures				
Current				
General government	4,823,938	5,590,988	4,697,508	893,480
Public safety	17,002,812	17,385,986	16,969,586	416,400
Culture and recreation	229,049	229,049	197,963	31,086
Community development	455,937	465,937	456,691	9,246
Capital outlay	6,272,814	6,669,267	3,585,565	3,083,702
Total expenditures	28,784,550	30,341,227	25,907,313	4,433,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,370,950)	(3,734,451)	3,428,563	7,163,014
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	30,986	510,378	479,392
Contributions from other governments	-	-	200,000	200,000
Transfers in	910,518	980,518	-	(980,518)
Transfers out	(739,818)	(1,014,290)	(192,472)	821,818
Total other financing sources (uses)	170,700	(2,786)	517,906	520,692
Net Change in Fund Balances	\$ (3,200,250)	\$ (3,737,237)	3,946,469	\$ 7,683,706
Fund Balance, Beginning of Year			20,804,613	
Fund Balance, End of Year			<u>\$ 24,751,082</u>	

City of Caldwell

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street Fund
Year Ended September 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 2,020,507	\$ 2,020,507	\$ 2,020,507	\$ -
Interest	20,000	50,500	81,520	31,020
Intergovernmental	3,375,898	3,375,898	3,570,000	194,102
Charges for services	1,603,528	1,603,528	1,583,355	(20,173)
Other grants	269,641	269,641	484,530	214,889
Capital grants - other general	134,000	134,000	2,443,925	2,309,925
Unrealized gain on investments	-	-	90,186	90,186
Miscellaneous	20,500	23,700	42,158	18,458
Total revenues	<u>7,444,074</u>	<u>7,477,774</u>	<u>10,316,181</u>	<u>2,838,407</u>
Expenditures				
Streets	6,855,088	7,115,088	4,484,069	2,631,019
Capital outlay	<u>3,711,000</u>	<u>3,711,000</u>	<u>3,043,385</u>	<u>667,615</u>
Total expenditures	<u>10,566,088</u>	<u>10,826,088</u>	<u>7,527,454</u>	<u>3,298,634</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,122,014)</u>	<u>(3,348,314)</u>	<u>2,788,727</u>	<u>6,137,041</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	4,000	4,000
Loan proceeds	287,250	287,250	-	(287,250)
Operating transfers in	<u>69,338</u>	<u>159,338</u>	<u>151,517</u>	<u>(7,821)</u>
Total other financing sources (uses)	<u>356,588</u>	<u>446,588</u>	<u>155,517</u>	<u>(291,071)</u>
Net Change in Fund Balances	<u>\$ (2,765,426)</u>	<u>\$ (2,901,726)</u>	<u>2,944,244</u>	<u>\$ 5,845,970</u>
Fund Balance, Beginning of Year			<u>3,588,502</u>	
Fund Balance, End of Year			<u>\$ 6,532,746</u>	

Note 1 - Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to September 1, the City Treasurer and City Council prepare a proposed operating budget for the fiscal year commencing on October 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted at City Hall to obtain taxpayer comments.
- Prior to October 1, the budget is legally enacted through passage of an appropriation ordinance.
- Budgetary amendments are approved by City Council during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles for the general, debt service, and special revenue funds. All annual appropriations lapse at fiscal year-end. The Mayor is authorized to transfer budget amounts within departments and between departments within any fund. Revisions that alter the total expenditure appropriation of any fund must be approved by the City Council. State law does not allow fund expenditures to exceed fund appropriations.



Other Financial Information
September 30, 2019

City of Caldwell

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest, including bonds, certificates of participation and capital leases.

SPECIAL REVENUE FUNDS

To account for specific revenues that are legally restricted to expenditures for particular purposes.

CDBG/HUD –To account for resources received for federal community development block programs received directly from the U.S. Department of Housing and Urban Development (HUD).

Cemetery Fund

To account for the operation and maintenance of the cemetery. Property taxes and sales of cemetery plots are the principal revenue sources. City ordinances require that these revenues be used to finance cemetery operations and maintenance.

Cemetery Capital Improvement Fund

To account for the resources and expenditures of the City's cemetery capital improvement fund. Grave fees are the principal revenue sources and capital outlay is the primary expenditure.

Cemetery Perpetual Care Fund

To account for the resources and expenditures of the City's perpetual care fund. Grave fees and earnings on investments are the principal source of revenues. Capital outlay is the primary expenditure.

Community Development Fund

To account for the collection of low interest mortgages made to low income citizens of the City and the subsequent expenditures of these funds. These loans were established under a Community Development grant.

Library Fund

To account for the operation of the public library. Financing is provided principally through property taxes which are restricted for library operations by City ordinance.

Airport Fund

To account for operation of the City airport. Financing is provided by property taxes, federal and state grants as well as state gasoline and sales tax. City ordinance requires that these revenues be restricted to financing airport operations.

Recreation Fund

To account for operation of City-owned parks and recreation programs. Financing is provided principally through program fees and a specific annual property tax levy. City ordinance restricts revenues property taxes to financing of parks and recreation programs.

City of Caldwell
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Debt Service	CDBG HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Assets										
Cash and cash equivalents	\$ 413,770	\$ -	\$353,670	\$ 48,094	\$807,026	\$ 16,024	\$ 677,289	\$281,800	\$ 348,385	\$2,946,058
Prepaid expenses	-	-	-	-	-	-	12,266	-	-	12,266
Receivables										
Interest	184,522	-	326	48	11	18,284	1,860	329	239	205,619
Taxes	-	-	124,580	-	-	-	753,282	149,572	664,905	1,692,339
Intergovernmental	-	-	11,166	-	-	-	71,602	11,056	289,225	383,049
Accounts	-	-	-	-	-	-	-	43,045	21,583	64,628
Special assessments	294,692	-	-	-	-	-	-	-	-	294,692
Grants	-	14,708	-	-	-	-	1,780	1,283	-	17,771
Notes	-	-	-	-	-	60,243	-	-	-	60,243
Due from other funds	-	-	46,000	-	25,000	-	1,008	-	-	72,008
Advances	-	-	183,000	-	100,000	-	-	-	-	283,000
Restricted assets										
Cash and cash equivalents	-	-	-	-	-	-	202,650	-	-	202,650
Investments	-	-	-	-	-	-	276,290	-	-	276,290
	<u>\$ 892,984</u>	<u>\$ 14,708</u>	<u>\$718,742</u>	<u>\$ 48,142</u>	<u>\$932,037</u>	<u>\$ 94,551</u>	<u>\$1,998,027</u>	<u>\$487,085</u>	<u>\$1,324,337</u>	<u>\$6,510,613</u>

City of Caldwell
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2019

	Debt Service	CDBG HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Vouchers and payroll payable	\$ -	\$ 14,708	\$ 14,918	\$ -	\$ -	\$ 9,381	\$ 79,191	\$ 20,759	\$ 97,185	\$ 236,142
Customer deposits	1,378	-	-	-	-	-	-	-	-	1,378
Due to other funds	-	-	-	-	-	-	5,123	-	-	5,123
Total liabilities	<u>1,378</u>	<u>14,708</u>	<u>14,918</u>	<u>-</u>	<u>-</u>	<u>9,381</u>	<u>84,314</u>	<u>20,759</u>	<u>97,185</u>	<u>242,643</u>
Deferred Inflows of Resources										
Unavailable property tax revenue	-	-	124,580	-	-	-	753,282	149,572	664,905	1,692,339
Unavailable revenue	478,343	-	-	-	-	18,284	-	-	-	496,627
Total deferred inflows of resources	<u>478,343</u>	<u>-</u>	<u>124,580</u>	<u>-</u>	<u>-</u>	<u>18,284</u>	<u>753,282</u>	<u>149,572</u>	<u>664,905</u>	<u>2,188,966</u>
Fund Balances										
Nonspendable	-	-	-	-	-	60,243	12,266	-	-	72,509
Assigned for housing rehabilitation	-	-	-	-	-	6,643	-	-	-	6,643
Assigned for library services	-	-	-	-	-	-	1,148,165	-	-	1,148,165
Assigned for debt service	413,263	-	-	-	-	-	-	-	-	413,263
Assigned for community services	-	-	579,244	48,142	932,037	-	-	316,754	562,247	2,438,424
Total fund balances	<u>413,263</u>	<u>-</u>	<u>579,244</u>	<u>48,142</u>	<u>932,037</u>	<u>66,886</u>	<u>1,160,431</u>	<u>316,754</u>	<u>562,247</u>	<u>4,079,004</u>
	<u>\$ 892,984</u>	<u>\$ 14,708</u>	<u>\$ 718,742</u>	<u>\$ 48,142</u>	<u>\$ 932,037</u>	<u>\$ 94,551</u>	<u>\$ 1,998,027</u>	<u>\$ 487,085</u>	<u>\$ 1,324,337</u>	<u>\$ 6,510,613</u>

City of Caldwell

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
Year Ended September 30, 2019

	Debt Service	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Revenues										
Property taxes	\$ -	\$ -	\$ 116,698	\$ -	\$ -	\$ -	\$ 705,623	\$ 140,109	\$ 622,838	\$ 1,585,268
Interest	18,548	-	10,267	481	41,794	3	28,710	1,133	3,252	104,188
Intergovernmental	-	-	39,121	-	-	-	250,852	38,733	779,099	1,107,805
Capital grants	-	241,320	-	-	-	-	-	281,965	-	523,285
Operating grants	-	-	-	-	-	-	10,398	-	-	10,398
Charges for services	-	-	154,926	16,512	29,880	-	34,702	221,865	512,504	970,389
Unrealized gain on investments	3,671	-	2,186	319	6,954	-	22,448	807	3,552	39,937
Assessments	157,094	-	-	-	-	-	-	-	-	157,094
Miscellaneous	-	-	1,883	-	-	3,000	27,043	16,121	4,700	52,747
Total revenues	179,313	241,320	325,081	17,312	78,628	3,003	1,079,776	700,733	1,925,945	4,551,111
Expenditures										
Current										
Parks and recreation	-	-	-	-	-	-	-	-	1,752,172	1,752,172
Community services	-	241,320	259,079	16,705	-	214,229	999,857	436,854	-	2,168,044
Capital outlay	-	-	-	-	-	-	48,743	196,381	-	245,124
Total expenditures	-	241,320	259,079	16,705	-	214,229	1,048,600	633,235	1,752,172	4,165,340
Excess (Deficiency) of Revenues Over (Under) Expenditures	179,313	-	66,002	607	78,628	(211,226)	31,176	67,498	173,773	385,771

City of Caldwell

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
Year Ended September 30, 2019

	Debt Service	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Other Financing Sources (Uses)										
Proceeds from sale of assets	-	-	-	2,450	-	-	-	-	23,515	25,965
Contributions from other governments	-	-	-	-	-	216,000	-	-	-	216,000
Loans to other governments	-	-	-	-	275,000	-	-	-	-	275,000
Operating transfers out	(166,356)	-	-	-	-	-	-	-	-	(166,356)
Operating transfers in	-	-	17,000	-	-	-	-	-	-	17,000
Total other financing sources (uses)	(166,356)	-	17,000	2,450	275,000	216,000	-	-	23,515	367,609
Excess of Revenues Over Expenditures and Other Financing Sources	12,957	-	83,002	3,057	353,628	4,774	31,176	67,498	197,288	753,380
Fund Balance, Beginning of Year	400,306	-	496,242	45,085	578,409	62,112	1,129,255	249,256	364,959	3,325,624
Fund Balance, End of Year	\$ 413,263	\$ -	\$ 579,244	\$ 48,142	\$ 932,037	\$ 66,886	\$ 1,160,431	\$ 316,754	\$ 562,247	\$ 4,079,004

NONMAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

To account for operations that are financed and operated in a manner similar to private business enterprises when the intent of the governing body is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or when the City's council has decided that periodic determination of net income is appropriate for accountability purposes.

Golf Fund

To account for the operations of the City's public golf courses (Purple Sage and Fairview).

Street Lighting Fund

To account for the billings and receipts for the City street lights.

Irrigation Fund

To account for maintenance, operation and capital replacement of the City's irrigation system.

INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Post-Retirement Health Reimbursement Arrangement

To account for post-employment benefits for employees who retire under PERSI before age 65 that are not yet eligible for Medicare until age 65 or older. The benefits will help retired employees to bridge the gap between retirement and age 65.

Section 125 Benefit Plan

To account for employee cafeteria contributions and expenditures for health services.

City of Caldwell
Combining Statement of Net Position – Nonmajor Enterprise Funds
September 30, 2019

	Golf	Street Lighting	Irrigation	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 68,520	\$ 860,044	\$ 2,156,080	\$ 3,084,644
Interest receivable	267	1,475	3,079	4,821
Accounts receivable	100	67,959	426,859	494,918
Inventory	40,543	-	-	40,543
Total current assets	109,430	929,478	2,586,018	3,624,926
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	178,368	-	133,422	311,790
Capital asset being depreciated (net)	820,367	2,190,143	2,210,796	5,221,306
Total noncurrent assets	998,735	2,190,143	2,344,218	5,533,096
Deferred Outflow of Resources				
Pension obligation	13,663	-	13,585	27,248
	<u>\$ 1,121,828</u>	<u>\$ 3,119,621</u>	<u>\$ 4,943,821</u>	<u>\$ 9,185,270</u>
Liabilities				
Current Liabilities				
Vouchers and payroll payables	\$ 54,393	\$ 16,549	\$ 47,044	\$ 117,986
Customer deposits	19,885	-	-	19,885
Due to other funds	71,000	-	-	71,000
Advances	283,000	-	-	283,000
Unearned revenue	318	-	-	318
Current portion of compensated absences	16,859	-	-	16,859
Total current liabilities	445,455	16,549	47,044	509,048
Noncurrent Liabilities				
Net pension liability	39,227	-	36,274	75,501
Deferred Inflow of Resources				
Pension obligation	20,117	-	13,786	33,903
Net Position				
Net investment in capital assets	998,735	2,190,143	2,344,218	5,533,096
Unrestricted	(381,706)	912,929	2,502,499	3,033,722
Total net position	617,029	3,103,072	4,846,717	8,566,818
	<u>\$ 1,121,828</u>	<u>\$ 3,119,621</u>	<u>\$ 4,943,821</u>	<u>\$ 9,185,270</u>

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds
Year Ended September 30, 2019

	Golf	Street Lighting	Irrigation	Totals
Operating Revenues				
Charges for services	\$ 869,606	\$ 614,588	\$ 1,480,203	\$ 2,964,397
Other	13,447	2,335	3,752	19,534
Total operating revenues	883,053	616,923	1,483,955	2,983,931
Operating Expenses				
Personnel services	318,570	-	197,632	516,202
Contractual services	293,583	103,433	309,099	706,115
Materials and supplies	155,363	-	39,538	194,901
Utilities	97,253	241,378	432,038	770,669
Repairs and maintenance	118,617	136,841	147,842	403,300
Other expenses	51,240	5,349	18,527	75,116
Depreciation	128,811	100,084	99,294	328,189
Total operating expenses	1,163,437	587,085	1,243,970	2,994,492
Operating Income (Loss)	(280,384)	29,838	239,985	(10,561)
Nonoperating Revenues (Expenses)				
Interest income	730	12,582	35,313	48,625
Gain of sale of assets	10,362	-	-	10,362
Unrealized gain (loss) on investments	(187)	6,610	26,546	32,969
Total nonoperating revenues	10,905	19,192	61,859	91,956
Income (Loss) Before Contributions and Transfers	(269,479)	49,030	301,844	81,395
Contributions from developers	-	294,570	431,291	725,861
Transfers in	150,000	-	-	150,000
Transfers out	-	-	(10,000)	(10,000)
Change in Net Position	(119,479)	343,600	723,135	947,256
Net Position, Beginning of Year	736,508	2,759,472	4,123,582	7,619,562
Net Position, End of Year	\$ 617,029	\$ 3,103,072	\$ 4,846,717	\$ 8,566,818

City of Caldwell
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2019

	<u>Non Major Enterprise Funds</u>			
	<u>Golf</u>	<u>Street Lighting</u>	<u>Irrigation</u>	<u>Total</u>
Operating Activities				
Received from user charges	\$ 884,690	\$ 611,647	\$ 1,488,373	\$ 2,984,710
Payments to employees for services	(320,033)	-	(197,845)	(517,878)
Payments to suppliers for goods and services	(758,338)	(513,250)	(973,622)	(2,245,210)
Net Cash from (used for) Operating Activities	<u>(193,681)</u>	<u>98,397</u>	<u>316,906</u>	<u>221,622</u>
Noncapital Financing Activities				
Transfers in	150,000	-	-	150,000
Transfers out	-	-	(10,000)	(10,000)
Repayment on interfund loan	(71,000)	-	-	(71,000)
Net Cash from (used for) Noncapital Financing Activities	<u>79,000</u>	<u>-</u>	<u>(10,000)</u>	<u>69,000</u>
Capital and Related Financing Activities				
Acquisition of capital assets	-	-	(270,732)	(270,732)
Proceeds from sale of assets	14,260	-	-	14,260
Net Cash from (used for) Capital and Related Financing Activities	<u>14,260</u>	<u>-</u>	<u>(270,732)</u>	<u>(256,472)</u>
Investing Activities				
Interest received on investments	657	12,349	34,475	47,481
Net increase (decrease) in pooled investments	(187)	6,609	26,548	32,970
Net Cash from Investing Activities	<u>470</u>	<u>18,958</u>	<u>61,023</u>	<u>80,451</u>
Net Change in Cash and Cash Equivalents	(99,951)	117,355	97,197	114,601
Cash and Cash Equivalents, October 1, 2018	<u>168,471</u>	<u>742,689</u>	<u>2,058,883</u>	<u>2,970,043</u>
Cash and Cash Equivalents, September 30, 2019	<u>\$ 68,520</u>	<u>\$ 860,044</u>	<u>\$ 2,156,080</u>	<u>\$ 3,084,644</u>
Contributed property, plant and equipment	<u>\$ -</u>	<u>\$ 294,570</u>	<u>\$ 431,291</u>	<u>\$ 725,861</u>

City of Caldwell
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2019

	Non Major Enterprise Funds			
	Golf	Street Lighting	Irrigation	Total
Reconciliation of operating income (loss) to net cash from (used for) operating activities				
Operating income (loss)	\$ (280,384)	\$ 29,838	\$ 239,985	\$ (10,561)
Depreciation	128,811	100,084	99,294	328,189
GASB 68 pension expense	(755)	-	(873)	(1,628)
Changes in assets and liabilities				
Accounts receivable	1,617	(5,277)	4,418	758
Inventory	(31,543)	-	-	(31,543)
Vouchers payable	(11,143)	(26,248)	(25,918)	(63,309)
Unearned revenue	318	-	-	318
Compensated absences	(304)	-	-	(304)
Customer deposits	(298)	-	-	(298)
Net Cash from (used for) Operating Activities	<u>\$ (193,681)</u>	<u>\$ 98,397</u>	<u>\$ 316,906</u>	<u>\$ 221,622</u>

City of Caldwell
Combining Statement of Net Position – Nonmajor Internal Service Funds
September 30, 2019

	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Totals
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and cash equivalents	\$ 776,922	\$ 6,985	\$ 783,907
Interest receivable	646	-	646
Total current assets	<u>777,568</u>	<u>6,985</u>	<u>784,553</u>
Deferred Outflows of Resources			
OPEB obligations	<u>51,094</u>	<u>-</u>	<u>51,094</u>
Total deferred outflows of resources	<u>51,094</u>	<u>-</u>	<u>51,094</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
OPEB liability	<u>652,113</u>	<u>-</u>	<u>652,113</u>
Total liabilities	<u>652,113</u>	<u>-</u>	<u>652,113</u>
Deferred Inflows of Resources			
OPEB obligations	<u>15,238</u>	<u>-</u>	<u>15,238</u>
Total deferred inflows of resources	<u>15,238</u>	<u>-</u>	<u>15,238</u>
Net Position			
Unrestricted	<u>161,311</u>	<u>6,985</u>	<u>168,296</u>
Total net position	<u>161,311</u>	<u>6,985</u>	<u>168,296</u>
	<u>\$ 828,662</u>	<u>\$ 6,985</u>	<u>\$ 835,647</u>

City of Caldwell

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Internal Service
Funds
Year Ended September 30, 2019

	<u>Post-Retirement Health Reimbursement Arrangement</u>	<u>Section 125 Benefit Plan</u>	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 160,194	\$ -	\$ 160,194
Total operating revenues	<u>160,194</u>	<u>-</u>	<u>160,194</u>
Operating Expenses			
Personnel services	-	-	-
Contractual services	70,402	350	70,752
Total operating expenses	<u>70,402</u>	<u>350</u>	<u>70,752</u>
Operating Income (Loss)	<u>89,792</u>	<u>(350)</u>	<u>89,442</u>
Nonoperating Revenues (Expenses)			
Interest income	8,180	-	8,180
Unrealized gain on investments	4,335	-	4,335
OPEB expenses (offset)	(38,111)	-	(38,111)
Total nonoperating expenses	<u>(25,596)</u>	<u>-</u>	<u>(25,596)</u>
Change in Net Position	64,196	(350)	63,846
Net Position, Beginning of Year	<u>97,115</u>	<u>7,335</u>	<u>104,450</u>
Net Position, End of Year	<u>\$ 161,311</u>	<u>\$ 6,985</u>	<u>\$ 168,296</u>

City of Caldwell
Combining Statement of Cash Flows – Nonmajor Internal Service Funds
Year Ended September 30, 2019

	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Totals
Operating Activities			
Received from user charges	\$ 160,326	\$ -	\$ 160,326
Payments to employees for services	(70,402)	(350)	(70,752)
Payments to suppliers for goods and services	(137)	-	(137)
Net Cash from (used for) Operating Activities	<u>89,787</u>	<u>(350)</u>	<u>89,437</u>
Investing Activities			
Interest received on investments	8,004	-	8,004
Net increase in pooled investments	4,335	-	4,335
Net Cash from Investing Activities	<u>12,339</u>	<u>-</u>	<u>12,339</u>
Net Change in Cash and Cash Equivalents	102,126	(350)	101,776
Cash and Cash Equivalents, October 1, 2018	<u>674,796</u>	<u>7,335</u>	<u>682,131</u>
Cash and Cash Equivalents, September 30, 2019	<u>\$ 776,922</u>	<u>\$ 6,985</u>	<u>\$ 783,907</u>
Reconciliation of Operating Income (Loss) to Net Cash from (used for) operating activities			
Operating income (loss)	\$ 89,792	\$ (350)	\$ 89,442
Changes in assets and liabilities			
Accounts receivable	132	-	132
Vouchers payable	(137)	-	(137)
Net Cash from (used for) Operating Activities	<u>\$ 89,787</u>	<u>\$ (350)</u>	<u>\$ 89,437</u>