



Financial Statements
September 30, 2022
City of Caldwell, Idaho

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CITY OF CALDWELL, IDAHO

CITY OFFICIALS

September 30, 2022

MAYOR

Jarom Wagoner

COUNCIL

Chris Allgood – Council President

Brad Doty

Chuck Stadick

Diana Register

Geoff Williams

John McGee

CITY CLERK

Debbie Geyer

CITY TREASURER

Rachelle Castleberry



Independent Auditor's Report

Members of City Council
City of Caldwell, Idaho
Caldwell, Idaho

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Caldwell, Idaho (the City) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Adoption of New Accounting Standard

As discussed in Note 1 to the financial statements, the City has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended September 30, 2022. Accordingly, a restatement has been made to the governmental activities, business-type activities, the

General fund, the nonmajor governmental funds, and the Water fund net positions and fund balances, as applicable, as of October 1, 2021, to restate beginning net position and fund balance as applicable. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Boise, Idaho
April 26, 2023

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, 2022.

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, 2022, by \$420,873,388. This is an increase of \$49,025,101 over the September 30, 2021, beginning balance of \$371,848,287. Of this amount, unrestricted net position of \$100,194,364 may be used to meet the City's ongoing obligations to citizens compared to \$84,726,912 on September 30, 2021.
- As of September 30, 2022, the City of Caldwell's governmental funds reported combined ending fund balances of \$56,332,898. This is an increase of \$6,649,766 over the September 30, 2021, balance of \$49,683,132. Of this amount, \$25,040,285 is unassigned for operations compared to \$10,209,750 unassigned for operations as of September 30, 2021.
- Management has committed \$12,416,500 for public safety and capital projects and assigned \$673,960 for city projects in the general fund.
- During the fiscal year ending September 30, 2022, the City implemented GASB 87 and recorded Lease Receivables and Deferred inflows of \$3,813,073 and \$3,803,169 respectively as of September 30, 2022.

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 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 non-major 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. Non-major 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 non-major 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, 2022, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$420,873,388. This is an increase of \$49,025,101 over the September 30, 2021, beginning balance of \$371,848,287. Current and other assets increased \$19,845,449, capital assets net of depreciation increased \$36,783,266, deferred outflows increased \$5,323,320, liabilities increased \$21,083,151 and deferred inflows of resources decreased \$8,156,217. The changes in the accounts above are attributed to changes in net position which are discussed below.

Investment in capital assets totaling \$312,036,957 represent by far the largest portion of the City's net position (74.14%). Capital assets are used to provide services to citizens and they are not available for future spending. Capital assets for governmental activities, net of accumulated depreciation, totaled \$186,305,248 at September 30, 2022, and increased \$22,161,736 from September 30, 2021, balance of \$164,143,512 for governmental activities. Capital assets, net of accumulated depreciation for business-type activities totaled \$125,731,709 at September 30, 2022 and increased \$14,621,530 from September 30, 2021, balance of \$111,110,179. Major asset additions are scheduled on page 13.

Governmental activities. Governmental activities increased the City's net position by \$27,188,141 (change in net position) accounting for a 12.49% increase in the net position. Governmental expenses totaled \$45,535,318 for fiscal year 2022 compared to \$40,211,408 in 2021. Police expenses increased \$329,692 for salary, benefits and capital. Fire expenses increased by \$777,391 for salary, benefits and capital.

Program revenues totaled \$38,441,069 which is \$4,402,698 less than last year and covered 84.42% of governmental expenses. Major component of this decrease includes a decrease in contributed capital and operating grants due economic delays with contractors for services for grant related projects.

Expenses less program revenues produced a net expense of \$7,094,249. When netted against general revenues of \$34,282,392 the change in net position for governmental activities is an increase of \$27,188,141 (see statement of activities on page 17).

Business-type activities. Business-type activities increased the City's net position by \$21,805,427 accounting for a 14.12% increase in the City's net position. Business-type expenses totaled \$26,058,686 compared to \$23,003,219 in 2021. Expenses for water, sewer, sanitation, golf and irrigation increased \$700,591, \$1,391,983, \$470,253, \$311,392, and \$238,245, respectively. The water increase of \$700,591 resulted from increases in personnel, materials, and maintenance. The sewer increase of \$1,391,983 resulted from increases in personnel and maintenance and operations. The sanitation expense increase of \$470,253 was caused by an increase in contractual services. The golf increase of \$311,392 resulted from an increase in maintenance and operations. The \$238,245 increase in irrigation was the result of an increase in maintenance and operations.

Program revenues totaled \$47,822,737 compared to \$40,007,592 in 2021 and covered 183.5% of expenses. Major components of the \$7,815,145 increase is attributed to fee increases, customer base growth, and contributed capital. These three factors added \$519,298 in the sanitation fund charges for services. Similarly, increases in charges for services in the sewer fund of \$252,508, are attributed to fee increases for septic dump services, interceptor and plant capacity fees. Contributed capital for water, sewer, and irrigation increased \$2,440,828, \$2,265,483, and \$1,517,617, respectively. These increases are also the result of an improving economy and increasing construction activity.

General revenues totaled \$41,376 compared to \$677,467 last year and covered .15% of expenses. General revenues are primarily comprised of investment earnings of \$409,849, unrealized loss on investments of (\$1,007,362), miscellaneous revenues of \$400,703 and transfers from governmental activities of \$197,436.

Expenses less program revenues produced net revenue of \$21,764,051. When combined with general revenues of \$41,376, the change in net position for business-type activities is an increase of \$21,805,427 (see statement of activities on page 18).

City of Caldwell's Net Position

	Governmental Activities		Business-type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
Current and Other	\$ 109,556,992	\$ 96,667,049	\$ 54,444,866	\$ 47,489,360	\$ 164,001,858	\$ 144,156,409
Capital Assets	186,305,248	164,143,512	125,731,709	111,110,179	312,036,957	275,253,691
Total Assets	295,862,240	260,810,561	180,176,575	158,599,539	476,038,815	419,410,100
Deferred Outflows	9,450,695	4,570,191	1,104,774	661,958	10,555,469	5,232,149
Short-Term Liabilities	18,637,488	14,320,800	3,089,192	3,558,353	21,726,680	17,879,153
Long-Term Liabilities	16,152,722	786,030	2,010,454	141,522	18,163,176	927,552
Total Liabilities	34,790,210	15,106,830	5,099,646	3,699,875	39,889,856	18,806,705
Deferred Inflows	25,779,526	32,751,145	51,514	1,236,112	25,831,040	33,987,257
Investment in						
Capital Assets	186,305,248	164,143,512	125,731,709	111,110,179	312,036,957	275,253,691
Restricted	8,642,067	11,849,263	-	18,421	8,642,067	11,867,684
Unrestricted	49,795,884	41,530,002	50,398,480	43,196,910	100,194,364	84,726,912
Total Net Position	\$ 244,743,199	\$217,522,777	\$176,130,189	\$154,325,510	\$420,873,388	\$ 371,848,287

* The prior fiscal year columns were not adjusted to incorporate the effects of GASB 87 which was implemented in fiscal year 2022.

At the end of the current fiscal year, the City is able to report positive balances in all 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	
	2022	2021*	2022	2021*	2022	2021*
Revenues:						
Program revenues:						
Charges for services	\$ 16,691,915	\$ 15,277,993	\$ 32,213,186	\$ 31,028,142	\$ 48,905,101	\$ 46,306,135
Operating grants and contributions	4,102,332	7,311,258	-	14,825	4,102,332	7,326,083
Capital grants and contributions	17,646,822	20,254,516	15,609,551	8,964,625	33,256,373	29,219,141
General revenues:						
Property taxes-general purpose	20,868,349	19,597,720	-	-	20,868,349	19,597,720
Franchise fees	854,451	798,018	-	-	854,451	798,018
Sales tax and other government	12,418,612	10,792,233	-	-	12,418,612	10,792,233
Special assessments for debt service of LIDs	331,715	392,162	-	-	331,715	392,162
Investment earnings	694,670	369,929	409,849	241,695	1,104,519	611,624
Unrealized gain (loss) on investment	(1,139,954)	(173,146)	(1,007,362)	(229,917)	(2,147,316)	(403,063)
Miscellaneous	454,347	138,233	400,703	349,347	855,050	487,580
Gain (loss) on disposal	(2,364)	416,062	40,750	-	38,386	416,062
Internal transfers	(30,588)	(44,545)	30,588	44,545	-	-
Transfer of Capital assets	(166,848)	(271,797)	166,848	271,797	-	-
Total revenues	72,723,459	74,858,636	47,864,113	40,685,059	120,587,572	115,543,695
Expenses:						
General government	8,032,656	4,971,000	26,058,686	23,003,219	34,091,342	27,974,219
Public safety	21,300,595	20,157,223	-	-	21,300,595	20,157,223
Culture and recreation	2,855,410	2,757,640	-	-	2,855,410	2,757,640
Community services and development	4,225,103	4,142,948	-	-	4,225,103	4,142,948
Streets	9,023,454	8,072,797	-	-	9,023,454	8,072,797
Interest on long-term debt	98,100	109,800	-	-	98,100	109,800
Total expenses	45,535,318	40,211,408	26,058,686	23,003,219	71,594,004	63,214,627
Net Revenue	\$ 27,188,141	\$ 34,647,228	\$ 21,805,427	\$ 17,681,840	\$ 48,993,568	\$ 52,329,068

* The prior fiscal year columns were not adjusted to incorporate the effects of GASB 87 which was implemented in fiscal year 2022.

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, 2022, the City's governmental funds reported combined ending fund balances of \$56,332,898. Of this amount, \$25,040,285 (65.55%) is unassigned fund balance for operations. Other assigned fund balances include: \$11,288,478 to be used for community services related to street projects, \$673,960 to be used for City projects, \$551,626 for building capital maintenance, and \$4,176,287 only to be used to fund activities in the community services of the City's Other Governmental Funds. Additionally, \$1,484,823 can only be used to fund library expenditures and \$434,164 must be used to pay debt obligations. Fund balance committed for public safety and capital outlay are \$5,831,125 and \$6,585,375, respectively. Finally, \$266,775 is classified as non-spendable with the \$121,811 being inventory, \$51,478 being notes receivable, and \$93,486 being pre-paid expenditures.

The general fund is the City's chief operating fund. At the end of the current fiscal year, unassigned fund balance was \$25,040,285. Within the unassigned fund balance, the City strives to maintain \$10,889,304 to pay personnel and operation expenses from October 1st until property tax revenues are received in late January. The remaining unassigned fund balance can be used for one-time expenditures approved by city council. Total fund balance amounted to \$38,199,839, which is \$4,167,338 more than last year. Revenues were under budget by (\$9,917,872) while expenditures were under budget \$21,372,188. The net of other financing sources/uses was under budget by (\$197,572). Net change in general fund's fund balance due to positive budget variances is an increase of \$11,256,744.

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 \$36,636,105. Unassigned fund balance represents 66.55% and total fund balance represents 68.35% of total general fund expenditures.

Major components affecting the general fund's total fund balance are \$5,831,125 committed for public safety services and \$6,585,375 committed from impact fees for new parks, police and fire capital improvements and capital equipment for park's maintenance. Receivables for property taxes due within one year total \$17,506,372.

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 \$11,288,478, which is \$1,477,758 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 \$11,843,290.

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 \$6,807,533, \$9,041,075 and \$325,882, respectively. Total net position increase in the water fund resulted from excess revenues over expenditures of \$1,183,346 (before contributions and transfers) and contributions from developers. The increase in sewer fund net position also resulted from excess revenues over expenditures of \$4,156,926 (before contributions and transfers) and contributions from developers. The increase in the sanitation fund net position also resulted from excess revenues over expenditures of \$325,882 (before contributions and transfers).

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget to Actual Revenues. General fund revenues were under budget projections by (\$9,917,872). This variance is reported in detail on page 67. Property tax revenue is \$458,674 over budget resulting from delinquent tax collections. Intergovernmental revenues, which are comprised of sales tax, exceeded budget by \$972,974. All these increases are signs of an improving economy.

Budget to Actual Expenditures. Savings in general fund expenditures totaled \$21,372,188. General government expenditures were under budget by \$15,548,045 due to grant projects. Public safety expenditures were under budget by \$847,289 due to savings in operations.

CAPITAL ASSETS

Capital Assets. The City's investment in capital assets for its governmental and business-type activities at September 30, 2022, amounts to \$312,036,957 (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 \$20,305,119 in capital assets (excluding contributed capital) during the year and retired assets totaling \$1,276,338. Depreciation expense for the year was \$13,459,107.

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

Governmental Funds:

• Library Vehicles	\$ 32,213
• Gen Fund Building Improvements	2,379,273
• Gen Fund Vehicles & Equipment	212,769
• Fire Vehicles	1,762,775
• Police Vehicles	318,623
• New Pool & Rec Building Design & Construction	482,265
• Park Equipment & Vehicles	109,780
• Park Improvements	1,156,380
• Ustick Widening & Overpass	351,248
• Streets Grounds Improvements	70,239
• Airport Improvements	1,030,858
• Street Dept Construction of Roundabouts	3,403,508
• Event Center Improvements	143,668
• Fire Station1 Improvements	33,750
• Gen Fund Improvements-Downtown	347,508
• Gen Fund Improvements-Event Center	2,357,411
• Dedicated Streets	11,087,680
• Dedicated Storm Drains	904,188
• ROW's and Easements	3,594,537

Enterprise Funds:

• Water Department Vehicle & Machinery	\$ 72,655
• Sewer Department Vehicle & Machinery	668,909
• Golf Machinery & Equip	166,848
• Dedicated Water Lines	5,602,577
• Water Meters & Water Line Improvements	634,510
• Dedicated Sewer Lines	4,865,181
• Dedicated Irrigation	3,850,608
• Sewer Plant Site Improvements	253,770
• Sewer Pump and Drain Improvements	3,303,819
• Dedicated Street Lights	1,291,185

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

ECONOMIC FACTORS AND NEXT YEAR'S PLANS

Enterprise fund utility rate increases varied in 2022. Sewer rates were increased 4.9%, respectively in 2022. Sanitation (garbage collection) rates increased 2.42% 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 2022. The demand for new single-family residential units in 2022 resulted in 762 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 2022 by \$1,919,425,924. New construction and annexations added \$205,035,377. Taxable values at September 30, 2022, reached \$5,418,550,963 compared to the highest values recorded in 2008 of \$1,492,249,718. Property taxes levied on this \$5,418,550,963 are \$21,953,755 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 higher assessed values is lower levy rates. City-wide levy rates dropped 41.65% to 39.92 mills in 2022 compared to 68.42 mills in 2021.

The economy is leveling off, continuing at sustainable levels of new construction. Building permits, January-December, for new construction commercial and residential were 534 in 2017, 631 in 2018, 831 in 2019, 955 in 2020, 1,028 in 2021, and 884 in 2022. Demand for residential building permits should stay the same in 2023. Demand for commercial building permits should stay the same in 2023.

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, Idaho
Statement of Net Position
September 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash, investments and cash equivalents	\$ 69,871,057	\$ 50,439,332	\$ 120,310,389
Prepaid expenses	93,486	-	93,486
Receivables			
Interest	375,787	85,963	461,750
Taxes	22,135,262	-	22,135,262
Intergovernmental	3,400,295	-	3,400,295
Accounts	313,252	3,364,950	3,678,202
Special assessments	224,801	-	224,801
Grants	56,502	-	56,502
Notes receivable, current portion	51,478	-	51,478
Lease receivable, current portion	364,168	6,052	370,220
Internal balances	117,000	(117,000)	-
Inventory	121,811	635,362	757,173
Total current assets	<u>97,124,899</u>	<u>54,414,659</u>	<u>151,539,558</u>
Noncurrent Assets			
Restricted cash, investments and cash equivalents	121,231	-	121,231
Restricted investments	219,890	-	219,890
Net pension asset - FRF	8,642,067	-	8,642,067
Lease receivable, net of current portion	3,448,905	30,207	3,479,112
Capital assets			
Land and other assets not depreciated	24,490,216	6,118,214	30,608,430
Capital assets being depreciated	161,815,032	119,613,495	281,428,527
Total noncurrent assets	<u>198,737,341</u>	<u>125,761,916</u>	<u>324,499,257</u>
Deferred Outflows of Resources			
OPEB	171,695	-	171,695
Pension	9,279,000	1,104,774	10,383,774
Total deferred outflows of resources	<u>9,450,695</u>	<u>1,104,774</u>	<u>10,555,469</u>

City of Caldwell, Idaho
Statement of Net Position
September 30, 2022

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Current Liabilities			
Vouchers and payroll payable	5,534,236	2,225,111	7,759,347
Customer deposits	6,010	682,544	688,554
Advance revenues	11,862,459	-	11,862,459
Current portion of compensated absences	1,234,783	181,537	1,416,320
Total current liabilities	<u>18,637,488</u>	<u>3,089,192</u>	<u>21,726,680</u>
Noncurrent Liabilities			
Compensated absences payable	208,198	-	208,198
OPEB liability	580,764	-	580,764
Net pension liability-Base Plan	15,363,760	2,010,454	17,374,214
Total noncurrent liabilities	<u>16,152,722</u>	<u>2,010,454</u>	<u>18,163,176</u>
Deferred Inflows of Resources			
Pension	101,096	13,229	114,325
OPEB	122,208	-	122,208
Lease related	3,803,169	38,285	3,841,454
Unavailable property tax revenue	21,753,053	-	21,753,053
Total deferred inflows of resources	<u>25,779,526</u>	<u>51,514</u>	<u>25,831,040</u>
Net Position			
Investment in capital assets	186,305,248	125,731,709	312,036,957
Restricted for pensions	8,642,067	-	8,642,067
Unrestricted	49,795,884	50,398,480	100,194,364
Total net position	<u>\$ 244,743,199</u>	<u>\$ 176,130,189</u>	<u>\$ 420,873,388</u>

City of Caldwell, Idaho
Statement of Activities
Year Ended September 30, 2022

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	\$ 414,871	\$ -	\$ -	\$ -	\$ (414,871)
Administrative	429,678	-	-	-	(429,678)
Legal	252,757	-	-	-	(252,757)
City clerk	266,231	44,942	-	-	(221,289)
Accounting	415,720	-	-	-	(415,720)
Tort insurance	411,386	333,272	-	-	(78,114)
Other general government	4,226,411	1,197,658	-	-	(3,028,753)
Government buildings and engineering services	1,615,602	1,799,188	-	-	183,586
Public safety					
Law enforcement	11,888,931	1,061,300	128,392	-	(10,699,239)
Fire department	8,106,813	3,966,430	-	-	(4,140,383)
Building safety	1,304,851	4,332,907	-	-	3,028,056
Parks and recreation					
Parks	2,624,037	1,823,166	-	-	(800,871)
Culture and recreation	231,373	106,848	-	-	(124,525)
Community services					
Community services	3,204,571	689,123	599,126	1,670,201	(246,121)
Community development	971,617	-	3,367,903	15,882,085	18,278,371
Senior citizens	48,915	-	-	-	(48,915)
Streets	9,023,454	1,337,081	6,911	94,536	(7,584,926)
Interest on long-term debt	98,100	-	-	-	(98,100)
Total governmental activities	<u>45,535,318</u>	<u>16,691,915</u>	<u>4,102,332</u>	<u>17,646,822</u>	<u>(7,094,249)</u>
Business-Type Activities					
Water	6,065,976	7,386,104	-	5,602,577	6,922,705
Sewer	10,329,717	14,791,565	-	4,865,181	9,327,029
Sanitation	5,782,772	5,903,918	-	-	121,146
Golf	1,591,233	1,413,230	-	-	(178,003)
Street lighting	531,020	747,207	-	1,291,185	1,507,372
Irrigation	1,757,968	1,971,162	-	3,850,608	4,063,802
Total business-type activities	<u>26,058,686</u>	<u>32,213,186</u>	<u>-</u>	<u>15,609,551</u>	<u>21,764,051</u>
Total Primary Government	<u>\$ 71,594,004</u>	<u>\$ 48,905,101</u>	<u>\$ 4,102,332</u>	<u>\$ 33,256,373</u>	<u>\$ 14,669,802</u>

City of Caldwell, Idaho
Statement of Activities
Year Ended September 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Change in Net Position			
Net revenue (expense)	\$ (7,094,249)	\$ 21,764,051	\$ 14,669,802
General revenues			
Shared revenues			
Property taxes, levied for general purposes	20,868,349	-	20,868,349
Franchise fees	854,451	-	854,451
Sales tax and other governmental	12,418,612	-	12,418,612
Special assessments for debt service of Local Improvement Districts	331,715	-	331,715
Unrestricted investment earnings	694,670	409,849	1,104,519
Unrestricted unrealized gain (loss) on investments	(1,139,954)	(1,007,362)	(2,147,316)
Miscellaneous	454,347	400,703	855,050
(Loss) gain on disposal of assets	(2,364)	40,750	38,386
Transfers	(30,588)	30,588	-
Transfer of Capital Assets	(166,848)	166,848	-
Total general revenues and transfers	<u>34,282,390</u>	<u>41,376</u>	<u>34,323,766</u>
Change in Net Position	27,188,141	21,805,427	48,993,568
Net Position, Beginning of Year, as previously stated	<u>217,522,777</u>	<u>154,325,510</u>	<u>371,848,287</u>
Restatement (see note 16)	<u>32,281</u>	<u>(748)</u>	<u>31,533</u>
Net Position, Beginning of Year as Restated	<u>217,555,058</u>	<u>154,324,762</u>	<u>371,879,820</u>
Net Position, End of Year	<u><u>\$ 244,743,199</u></u>	<u><u>\$ 176,130,189</u></u>	<u><u>\$ 420,873,388</u></u>

City of Caldwell, Idaho
Balance Sheet – Governmental Funds
September 30, 2022

	General	Street	Other Governmental Funds	Total Governmental Funds
Assets				
Cash, investments and cash equivalents	\$ 50,563,682	\$ 13,222,258	\$ 5,116,216	\$ 68,902,156
Prepaid expenses	69,094	-	24,392	93,486
Receivables				
Interest	89,961	24,514	260,378	374,853
Taxes	17,506,372	2,582,606	2,046,284	22,135,262
Intergovernmental	1,839,200	1,040,361	520,734	3,400,295
Accounts	212,962	32,601	67,689	313,252
Special assessments	-	-	224,801	224,801
Grants	33,108	-	23,394	56,502
Notes	-	-	51,478	51,478
Leases	162,349	-	3,650,724	3,813,073
Due from other funds	32,637	-	210,000	242,637
Advances	-	-	587,000	587,000
Inventory	-	121,811	-	121,811
Restricted cash and cash equivalents	-	-	121,231	121,231
Restricted investments	-	-	219,890	219,890
	<u>\$ 70,509,365</u>	<u>\$ 17,024,151</u>	<u>\$ 13,124,211</u>	<u>\$ 100,657,727</u>
Liabilities, Deferred Inflows, and Fund Balances				
Liabilities				
Vouchers and payroll payable	\$ 2,273,128	\$ 3,031,256	\$ 229,618	\$ 5,534,002
Customer deposits	-	-	6,010	6,010
Due to other funds	125,000	-	32,637	157,637
Advances	475,000	-	-	475,000
Advanced revenues	11,862,459	-	-	11,862,459
Total liabilities	<u>14,735,587</u>	<u>3,031,256</u>	<u>268,265</u>	<u>18,035,108</u>
Deferred Inflows of Resources				
Unavailable property tax revenue	17,417,545	2,582,606	2,046,284	22,046,435
Unavailable revenue-other	-	-	440,117	440,117
Lease related	156,394	-	3,646,775	3,803,169
Total deferred inflows of resources	<u>17,573,939</u>	<u>2,582,606</u>	<u>6,133,176</u>	<u>26,289,721</u>
Fund Balances				
Nonspendable	69,094	121,811	75,870	266,775
Committed for public safety	5,831,125	-	-	5,831,125
Committed for capital outlay	6,585,375	-	-	6,585,375
Assigned for building capital maintenance	-	-	551,626	551,626
Assigned for library services	-	-	1,484,823	1,484,823
Assigned for debt services	-	-	434,164	434,164
Assigned for community services	-	11,288,478	4,176,287	15,464,765
Assigned for city projects	673,960	-	-	673,960
Unassigned for operations	25,040,285	-	-	25,040,285
Total fund balances	<u>38,199,839</u>	<u>11,410,289</u>	<u>6,722,770</u>	<u>56,332,898</u>
	<u>\$ 70,509,365</u>	<u>\$ 17,024,151</u>	<u>\$ 13,124,211</u>	<u>\$ 100,657,727</u>

See Notes to Financial Statements

City of Caldwell, Idaho
 Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
 September 30, 2022

Fund balance - total governmental funds		\$ 56,332,898
<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 \$258,319,088 and the accumulated depreciation is \$72,013,840.</p>		186,305,248
<p>Some of the property taxes receivable are not available to pay for current-period expenditures and therefore are deferred in the funds.</p>		293,382
<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>		
Interest receivable on community development loans	18,284	
Special assessments and related interest receivable	421,833	440,117
<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	8,642,067	
Net pension liability related to the PERSI base plan	(15,363,760)	
Deferred inflow of resources related to PERSI plans	(101,096)	
Deferred outflow of resources related to PERSI plans	9,279,000	2,456,211
<p>Long-term interfund loan is not due and payable in the current period and therefore is not reported in the funds.</p>		(80,000)
<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>		(1,442,981)
<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>		438,324
Net position of governmental activities		\$244,743,199

City of Caldwell, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended September 30, 2022

	General	Street	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	\$ 16,660,300	\$ 2,418,521	\$ 1,897,545	\$ 20,976,366
Franchise fees	854,451	-	-	854,451
Interest	419,688	111,360	158,582	689,630
Licenses and permits	4,377,849	-	-	4,377,849
Intergovernmental	4,977,884	5,713,840	1,726,888	12,418,612
Capital grants	-	1,362,047	1,670,201	3,032,248
Operating grants	4,040,175	6,911	55,246	4,102,332
Charges for services	10,088,080	1,337,081	888,904	12,314,065
Assessments	-	-	396,332	396,332
Unrealized gain (loss) on investments	(752,910)	(256,662)	(119,071)	(1,128,643)
Miscellaneous	142,290	48,405	263,656	454,351
Total revenues	<u>40,807,807</u>	<u>10,741,503</u>	<u>6,938,283</u>	<u>58,487,593</u>
Expenditures				
Current				
General government	5,896,486	-	303,678	6,200,164
Public safety	20,249,958	-	-	20,249,958
Culture and recreation	231,375	-	1,910,108	2,141,483
Community services	815,422	-	2,696,781	3,512,203
Streets	-	4,510,656	-	4,510,656
Debt service				
Principal repayments on interfund loan	40,000	-	-	40,000
Interest and other	98,100	-	-	98,100
Capital outlay	9,304,764	4,887,914	1,178,778	15,371,456
Total expenditures	<u>36,636,105</u>	<u>9,398,570</u>	<u>6,089,345</u>	<u>52,124,020</u>
Excess of Revenues Over Expenditures				
	<u>4,171,702</u>	<u>1,342,933</u>	<u>848,938</u>	<u>6,363,573</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	22,500	28,065	17,935	68,500
Contributions from other entities	-	-	216,000	216,000
Transfers in	-	62,514	33,653	96,167
Transfers out	(33,653)	-	(93,102)	(126,755)
Total other financing sources (uses)	<u>(11,153)</u>	<u>90,579</u>	<u>174,486</u>	<u>253,912</u>
Net Change in Fund Balances	4,160,549	1,433,512	1,023,424	6,617,485
Fund Balance, Beginning of Year, previously stated	<u>34,032,501</u>	<u>9,976,777</u>	<u>5,673,854</u>	<u>49,683,132</u>
Restatement - See Note 16	<u>6,789</u>	<u>-</u>	<u>25,492</u>	<u>32,281</u>
Fund Balance, Beginning of Year, restated	<u>34,039,290</u>	<u>9,976,777</u>	<u>5,699,346</u>	<u>49,715,413</u>
Fund Balance, End of Year	<u>\$ 38,199,839</u>	<u>\$ 11,410,289</u>	<u>\$ 6,722,770</u>	<u>\$ 56,332,898</u>

City of Caldwell, Idaho
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
 Funds to the Statement of Activities
 Year Ended September 30, 2022

Net change in fund balances - total governmental funds	\$ 6,617,485
<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	15,371,456
Depreciation expense	(7,370,582)
<p>In the statement of activities, the gain (loss) on sale of 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>	
	(70,864)
<p>Transfers of capital assets to business activities do not require financial resources.</p>	
	(166,848)
<p>Capital assets contributed do not provide financial resources.</p>	
	14,398,574
<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>	
	(108,017)
<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	(64,617)
<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>	
	(1,444,291)
<p>Long-term interfund loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of interfund loan principal is an expenditure in the governmental funds, but the repayment reduces long-term debt in the statement of net position.</p>	
Interfund loan principal payments	40,000
<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>	
	(102,531)
<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>	
	88,376
Change in Net Position	\$ 27,188,141

City of Caldwell, Idaho
Statement of Net Position – Proprietary Funds
September 30, 2022

	Enterprise Funds					Governmental
	Water	Sewer	Sanitation	Other	Total	Activities
				Enterprise Funds		Internal Service Funds
Assets						
Current Assets						
Cash, investments and cash equivalents	\$17,357,686	\$ 27,275,210	\$1,892,104	\$ 3,914,332	\$ 50,439,332	\$ 968,901
Receivables						
Interest	31,295	47,691	2,217	4,760	85,963	933
Accounts, net	626,665	1,494,215	692,100	551,970	3,364,950	-
Due from other funds	-	-	40,000	-	40,000	-
Advances	-	-	40,000	-	40,000	-
Leases receivable, current portion	6,052	-	-	-	6,052	-
Inventory	611,661	-	-	23,701	635,362	-
Total current assets	18,633,359	28,817,116	2,666,421	4,494,763	54,611,659	969,834
Noncurrent Assets						
Leases receivable, net of current portion	30,207	-	-	-	30,207	-
Capital assets						
Capital assets not being depreciated	525,024	5,414,822	-	178,368	6,118,214	-
Capital assets being depreciated (net)	32,747,573	71,079,897	41,933	15,744,092	119,613,495	-
Total noncurrent assets	33,302,804	76,494,719	41,933	15,922,460	125,761,916	-
Deferred Outflow of Resources						
OPEB	-	-	-	-	-	171,695
Pension	512,042	401,683	-	191,049	1,104,774	-
Total deferred outflow of resources	512,042	401,683	-	191,049	1,104,774	171,695
	\$52,448,205	\$ 105,713,518	\$2,708,354	\$ 20,608,272	\$181,478,349	\$1,141,529

City of Caldwell, Idaho
Statement of Net Position – Proprietary Funds
September 30, 2022

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal
						Service Funds
Liabilities						
Current Liabilities						
Vouchers and payroll payable	\$ 375,787	\$ 1,135,622	\$ 475,944	\$ 237,758	\$ 2,225,111	\$ 233
Customer deposits	514,507	100,386	-	67,651	682,544	-
Due to other funds	-	-	-	85,000	85,000	-
Advances	-	-	-	112,000	112,000	-
Current portion of compensated absences payable	119,914	29,363	-	32,260	181,537	-
Total current liabilities	1,010,208	1,265,371	475,944	534,669	3,286,192	233
Noncurrent Liabilities						
OPEB liability	-	-	-	-	-	580,764
Net pension liability	931,992	731,415	-	347,047	2,010,454	-
Total noncurrent liabilities	931,992	731,415	-	347,047	2,010,454	580,764
Deferred Inflow of Resources						
Changes in assumptions-OPEB	-	-	-	-	-	122,208
Lease related	38,285				38,285	
Pension	6,133	4,813	-	2,283	13,229	-
Total deferred inflow of resources	44,418	4,813	-	2,283	51,514	122,208
Net Position						
Investment in capital assets	33,272,597	76,494,719	41,933	15,922,460	125,731,709	-
Unrestricted	17,188,990	27,217,200	2,190,477	3,801,813	50,398,480	438,324
Total net position	50,461,587	103,711,919	2,232,410	19,724,273	176,130,189	438,324
	<u>\$ 52,448,205</u>	<u>\$ 105,713,518</u>	<u>\$ 2,708,354</u>	<u>\$ 20,608,272</u>	<u>\$ 181,478,349</u>	<u>\$ 1,141,529</u>

City of Caldwell, Idaho
Statement Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2022

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal Service Funds
Operating Revenues						
Charges for services	\$ 6,838,717	\$ 14,693,479	\$5,903,918	\$ 4,131,599	\$ 31,567,713	\$ 359,300
Other	61,322	9,465	220,550	109,366	400,703	-
Total operating revenues	6,900,039	14,702,944	6,124,468	4,240,965	31,968,416	359,300
Operating Expenses						
Personnel expenses	1,582,830	1,368,187	-	660,400	3,611,417	113,271
Contractual services	1,402,515	2,105,183	5,608,877	831,812	9,948,387	153,291
Materials and supplies	218,437	637,315	106,494	340,621	1,302,867	-
Utilities	401,203	719,144	423	884,489	2,005,259	-
Repairs and maintenance	774,611	1,247,743	28,360	422,592	2,473,306	-
Other expenses	51,830	463,096	30,091	83,905	628,922	-
Depreciation	1,634,550	3,789,049	8,527	656,402	6,088,528	-
Total operating expenses	6,065,976	10,329,717	5,782,772	3,880,221	26,058,686	266,562
Operating Income	834,063	4,373,227	341,696	360,744	5,909,730	92,738
Nonoperating Revenues (Expenses)						
Hook-on-fees	547,387	98,086	-	-	645,473	-
Interest income	146,463	227,438	14,207	21,742	409,850	5,046
Gain on the sale of assets	-	40,150	-	600	40,750	-
Unrealized gain (loss) on investments	(344,567)	(581,975)	(30,021)	(50,799)	(1,007,362)	(11,311)
OPEB expenses	-	-	-	-	-	1,903
Nonoperating revenues (expenses)	349,283	(216,301)	(15,814)	(28,457)	88,711	(4,362)
Income (Loss) Before Contributions and Transfers	1,183,346	4,156,926	325,882	332,287	5,998,441	88,376
Contributions from developers	5,602,577	4,865,181	-	5,141,793	15,609,551	-
Operating transfers in	21,620	18,968	-	-	40,588	-
Transfer of Capital Assets from Governmental Activities	-	-	-	166,847	166,847	-
Operating transfers out	-	-	-	(10,000)	(10,000)	-
Change in Net Position	6,807,543	9,041,075	325,882	5,630,927	21,805,427	88,376
Net Position, Beginning of Year as previously stated	43,654,792	94,670,844	1,906,528	14,093,346	154,325,510	349,948
Restatement (See Note 16)	(748)	-	-	-	(748)	-
Net Position, Beginning of Year, as restated	43,654,044	94,670,844	1,906,528	14,093,346	154,324,762	-
Net Position, End of Year	\$ 50,461,587	\$ 103,711,919	\$ 2,232,410	\$ 19,724,273	\$ 176,130,189	\$ 438,324

City of Caldwell, Idaho
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2022

	Enterprise Funds			Other Enterprise Funds	Total	Internal Service Funds
	Water	Sewer	Sanitation			
Operating Activities						
Received from user charges	\$ 7,069,098	\$ 14,664,535	\$ 6,062,685	\$ 4,171,570	\$ 31,967,888	\$ 359,300
Payments to employees for services	(1,533,513)	(1,260,167)	-	(576,451)	(3,370,131)	-
Payments to suppliers for goods and services	(3,143,115)	(5,678,184)	(5,704,665)	(2,755,478)	(17,281,442)	(296,329)
Net Cash from Operating Activities	<u>2,392,470</u>	<u>7,726,184</u>	<u>358,020</u>	<u>839,641</u>	<u>11,316,315</u>	<u>62,971</u>
Noncapital Financing Activities						
Interfund loan payments received	-	-	40,000	-	40,000	-
Transfers in	21,620	18,968	-	-	40,588	-
Transfers out	-	-	-	(10,000)	(10,000)	-
Repayment of interfund loans	-	-	-	(85,000)	(85,000)	-
Net Cash from (used for) Noncapital Financing Activities	<u>21,620</u>	<u>18,968</u>	<u>40,000</u>	<u>(95,000)</u>	<u>(14,412)</u>	<u>-</u>
Capital and Related Financing Activities						
Acquisition of capital assets	(707,168)	(4,226,495)	-	-	(4,933,663)	-
Proceeds from sale of assets	-	40,150	-	600	40,750	-
Hook-on fees	547,387	98,086	-	-	645,473	-
Net Cash from (used for) Capital and Related Financing Activities	<u>(159,781)</u>	<u>(4,088,259)</u>	<u>-</u>	<u>600</u>	<u>(4,247,440)</u>	<u>-</u>
Investing Activities						
Interest received on investments	123,845	189,748	12,403	18,329	344,325	4,419
Net decrease in pooled investments	(344,567)	(581,975)	(30,021)	(50,799)	(1,007,362)	(11,311)
Net Cash used for Investing Activities	<u>(220,722)</u>	<u>(392,227)</u>	<u>(17,618)</u>	<u>(32,470)</u>	<u>(663,037)</u>	<u>(6,892)</u>
Net Change in Cash, Investments and Cash Equivalents	2,033,587	3,264,666	380,402	712,771	6,391,426	56,079
Cash, Investments and Cash Equivalents, October 1, 2021	<u>15,324,099</u>	<u>24,010,544</u>	<u>1,511,702</u>	<u>3,201,561</u>	<u>44,047,906</u>	<u>912,822</u>
Cash, Investments and Cash Equivalents, September 30, 2022	<u>\$ 17,357,686</u>	<u>\$ 27,275,210</u>	<u>\$ 1,892,104</u>	<u>\$ 3,914,332</u>	<u>\$ 50,439,332</u>	<u>\$ 968,901</u>
Supplemental Information						
Contributed capital assets	<u>\$ 5,602,577</u>	<u>\$ 4,865,181</u>	<u>\$ -</u>	<u>\$ 5,141,793</u>	<u>\$ 15,609,551</u>	<u>\$ -</u>

City of Caldwell, Idaho
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2022

	Enterprise Funds				Total	Governmental
	Water	Sewer	Sanitation	Other Enterprise Funds		Internal
						Service Funds
Reconciliation of Operating Income to Net Cash from operating activities						
Operating income	\$ 834,063	\$4,373,227	\$ 341,696	\$ 360,744	\$ 5,909,730	\$ 92,738
Depreciation	1,634,550	3,789,049	8,527	656,403	6,088,529	-
GASB 68 pension expense	38,079	104,379	-	79,193	221,651	-
Changes in assets and liabilities						
Accounts receivable	50,441	(21,331)	(61,783)	(93,674)	(126,347)	-
Prepaid expenses	-	7,466	-	340	7,806	-
Inventory	(327,075)	-	-	11,176	(315,899)	-
Vouchers payable	27,771	(516,901)	69,580	(205,427)	(624,977)	(29,767)
Compensated absences	16,023	7,373	-	6,606	30,002	-
Customer deposits	118,618	(17,078)	-	24,280	125,820	-
Net Cash from Operating Activities	<u>\$2,392,470</u>	<u>\$7,726,184</u>	<u>\$ 358,020</u>	<u>\$ 839,641</u>	<u>\$11,316,315</u>	<u>\$ 62,971</u>

Supplemental noncash disclosure: During fiscal year 2022 governmental activities transferred \$166,848 in equipment to the Golf Fund.

City of Caldwell, Idaho
Statement of Fiduciary Net Position – Fiduciary Funds
September 30, 2022

	Treasure Valley Metro Task Force Fund	Employee Benefit Plan Trust
Assets		
Cash	\$ 1,761	\$ 2,844,910
Total assets	\$ 1,761	\$ 2,844,910
Liabilities		
Vouchers payables	\$ -	\$ 75,919
Health claims incurred but not reported	-	326,533
Total liabilities	-	402,452
Net Position		
Restricted for Treasure Valley Metro Task Force	1,761	-
Restricted for Employee Benefit Plan Trust	-	2,442,458
Total Liabilities, and Net Position	\$ 1,761	\$ 2,844,910

City of Caldwell, Idaho
Statement Revenues, Expenses, and Changes in Net Position – Fiduciary Funds
Year Ended September 30, 2022

	Treasure Valley Metro Task Force	Employee Benefit Plan Trust
Contributions		
Employer	\$ -	\$ 3,524,963
Employees	-	284,013
COBRA	-	92,995
Total contributions	<u>-</u>	<u>3,901,971</u>
Other Income		
Rebates	-	86,634
Miscellaneous	6,264	-
Total other income	<u>6,264</u>	<u>86,634</u>
Deductions		
Insurance claim benefits	-	3,102,423
Change in health claims incurred but not paid	-	22,851
Stop loss premiums	-	383,301
Administrative expenses	5,723	289,200
Total deductions	<u>5,723</u>	<u>3,797,775</u>
Change in Net Position	541	190,830
Net Position, Beginning of Year	<u>1,220</u>	<u>2,251,628</u>
Net Position, End of Year	<u>\$ 1,761</u>	<u>\$ 2,442,458</u>

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.

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 Urban Renewal Agency of the City of Caldwell (Agency) was organized on December 21, 1998, to oversee redevelopment efforts in the Northeastern Caldwell areas. 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 Agency is no longer considered a component unit of the City and 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. Trust funds account for assets held by the Government under the terms of a formal trust agreement.

The Treasure Valley Metro Task Force fiduciary fund is a custodial fund used to account for the resources and activities of federal government’s Treasure Valley Metro Task Force.

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.

Lease Receivables

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

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position reports 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 deferred outflows of resources. The balance of the deferred outflow of resources as of September 30, 2022, 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 reports 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 City has four types of items that qualify for reporting in this category. The first item, unavailable revenue from property taxes, arises under a modified accrual basis of accounting and is reported only in the Governmental Funds Balance Sheet. Delinquent property taxes not collected within 60 days of year-end are deferred and recognized as an inflow of resources in the governmental funds in the period the amounts become available. The second item is property taxes levied for subsequent years, which represent property taxes received

or reported as a receivable before the period for which the taxes are levied, and is reported as a deferred inflow of resources in both the government-wide statement of net position and the governmental funds balance sheet. Property taxes levied for subsequent years are deferred and recognized as an inflow of resources in the government-wide financial statements in the year for which they are levied and in the governmental fund financial statements during the year for which they are levied, if available. The third item is deferred inflows related to pension and OPEB plans as a result of various estimate differences that will be recognized as expenses in future years, reported in the government-wide statement of net position. The fourth item is deferred inflows related to leases where the City is the lessor and is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease.

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. As of September 30, 2022, the City has no outstanding debt.

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 the measurement date of September 30, 2022. 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:

- Investment in capital assets – consists of capital assets, net of accumulated depreciation.
- 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.
- Unrestricted net position – all other net position that does not meet the definition of “restricted” or “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 not 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 30% of the next fiscal year’s budgeted GAAP basis expenditures which totals \$10,889,304 as of September 30, 2022.

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.

Implementation of GASB Statement No. 87

As of October 1, 2022, the City adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. The effect of the implementation of this standard on beginning net position is disclosed in Note 15 and the additional disclosures required by this standard are included in Note 16.

Note 2 - Cash and Investments

At September 30, 2022, the City’s cash and cash equivalents and investments (including fiduciary funds) were invested as follows:

Cash and cash equivalents- Unrestricted			
Cash		\$	11,614,501
Money market funds			<u>2,611,301</u>
Total cash and cash equivalents - unrestricted			<u><u>\$ 14,225,802</u></u>
Cash and cash equivalents - Restricted			
Cash -library		\$	<u>121,231</u>
Total cash and cash equivalents - restricted			<u><u>\$ 121,231</u></u>
		<u>Cost</u>	<u>Fair Value</u>
Investments - Unrestricted			
Investments carried at fair value			
Local government investment pool	\$	88,062,354	\$ 87,806,973
Idaho State Treasurer's bond fund		<u>21,851,482</u>	<u>21,124,285</u>
		<u><u>\$ 109,913,836</u></u>	<u><u>\$ 108,931,258</u></u>
Investments - Restricted			
Investments carried at fair value			
US Government Agency Obligations	\$	173,415	\$ 173,965
Mutual funds		<u>54,508</u>	<u>45,925</u>
Total investments - restricted		<u><u>\$ 227,923</u></u>	<u><u>\$ 219,890</u></u>

Investment types that are authorized for the City of Caldwell, Idaho 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, 2022, 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	\$ 87,806,973	\$ 87,806,973	\$ -	\$ -	\$ -
Idaho State Treasurer's					
Bond Fund	21,124,285	-	21,124,285	-	-
US Government Agency	173,965	-	17	39,419	134,529
	<u>\$ 109,105,223</u>	<u>\$ 87,806,973</u>	<u>\$ 21,124,302</u>	<u>\$ 39,419</u>	<u>\$ 134,529</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+	\$ 143,302	\$ -	\$ -	\$ 143,302
Unrated	<u>30,663</u>	<u>87,806,973</u>	<u>21,124,285</u>	<u>108,961,921</u>
	<u>\$ 173,965</u>	<u>\$ 87,806,973</u>	<u>\$ 21,124,285</u>	<u>\$ 109,105,223</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, 2022, 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 balance for cash deposits at September 30, 2022, is \$11,003,186 of which \$10,643,054 is collateralized. Deposits in each local and area bank are insured by the FDIC in the amount of \$360,132 for interest bearing and non-interest bearing deposit accounts. The uninsured and uncollateralized deposit balance at September 30, 2022, 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, Columbia 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, 2022:

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt securities				
U.S. Government Agency Obligations	\$ 96,859	\$ -	\$ 96,859	\$ -
Mortgage-backed securities	<u>77,106</u>	<u>-</u>	<u>77,106</u>	<u>-</u>
	173,965	-	173,965	-
Mutual funds				
Short-term government	<u>45,925</u>	<u>45,925</u>	<u>-</u>	<u>-</u>
Total investments	<u><u>219,890</u></u>	<u><u>\$ 45,925</u></u>	<u><u>\$ 173,965</u></u>	<u><u>\$ -</u></u>
Investments measured at the net asset value (NAV)				
Local government investment pool	87,806,973			
State of Idaho diversified bond fund	<u>21,124,285</u>			
Total investments measured at fair value	<u><u>\$ 109,151,148</u></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			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Local government investment pool	\$ 87,806,973	None	Next business day	3 days; over \$10,000,000
State of Idaho diversified bond fund	\$ 21,124,285	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. Assets restricted in the nonmajor special revenue funds are primarily for current and future library operational funding.

Note 4 - Intergovernmental and Grant Receivables

The following summarizes the intergovernmental receivables at September 30, 2022:

State of Idaho		
Revenue sharing	\$	1,837,389
Liquor apportionment		127,145
Gas tax		740,327
Urban Renewal Agency		655,687
Canyon County		
Road and bridge tax		2,519
Court revenue		37,228
		3,400,295
	\$	3,400,295

Grants owed to the City at September 30, 2022, by source are:

Federal		
State	\$	40,212
		16,290
		56,502
	\$	56,502

Note 5 - Capital Assets

	Balance October 1, 2021	Additions	Contributed Capital	Deletions	Transfers	Balance September 30, 2022
Governmental Activities						
Capital assets, not depreciated						
Land	\$ 13,758,440	\$ 299,838	\$ -	\$ -	\$ -	\$ 14,058,278
Construction in progress	9,071,034	10,226,031	-	-	(8,865,127)	10,431,938
Total capital assets, not depreciated	<u>22,829,474</u>	<u>10,525,869</u>	<u>-</u>	<u>-</u>	<u>(8,865,127)</u>	<u>24,490,216</u>
Capital assets, depreciated						
Buildings	34,691,279	183,135	-	(66,209)	93,019	34,901,224
Improvements other than buildings	52,896,058	1,446,591	-	-	5,101,388	59,444,037
Equipment	24,278,563	2,358,168	-	(1,066,263)	(99,515)	25,470,953
Intangibles	3,846,307	857,693	2,429,687	-	-	7,133,687
Infrastructure	91,306,699	-	11,968,887	-	3,603,385	106,878,971
Total capital assets, depreciated	<u>207,018,906</u>	<u>4,845,587</u>	<u>14,398,574</u>	<u>(1,132,472)</u>	<u>8,698,277</u>	<u>233,828,872</u>
Less accumulated depreciation for						
Buildings	(10,345,388)	(768,607)	-	66,210	2,342	(11,045,443)
Improvements other than buildings	(19,958,618)	(1,687,356)	-	-	(2,340)	(21,648,314)
Equipment	(13,458,286)	(1,894,277)	-	995,398	-	(14,357,165)
Infrastructure	(21,942,576)	(3,020,342)	-	-	-	(24,962,918)
Total accumulated depreciation	<u>(65,704,868)</u>	<u>(7,370,582)</u>	<u>-</u>	<u>1,061,608</u>	<u>2</u>	<u>(72,013,840)</u>
Total net capital assets, depreciated	<u>141,314,038</u>	<u>(2,524,995)</u>	<u>14,398,574</u>	<u>(70,864)</u>	<u>8,698,279</u>	<u>161,815,032</u>
Governmental Activities Capital Assets, Net	<u>\$ 164,143,512</u>	<u>\$ 8,000,874</u>	<u>\$ 14,398,574</u>	<u>\$ (70,864)</u>	<u>\$ (166,848)</u>	<u>\$ 186,305,248</u>
Governmental Activities						
General government					\$ 429,234	
Police					473,854	
Fire					547,433	
Building safety					29,345	
Parks and recreation					713,928	
Community services					663,988	
Streets					<u>4,512,800</u>	
Total depreciation expense - governmental activities					<u>\$ 7,370,582</u>	

City of Caldwell, Idaho
Notes to Financial Statements
September 30, 2022

	Balance October 1, 2021	Additions	Contributed Capital	Deletions	Transfers	Balance September 30, 2022
Business-type Activities						
Capital assets, not depreciated						
Land	\$ 459,062	\$ -	\$ -	\$ -	\$ -	\$ 459,062
Construction in progress	3,445,801	3,700,522	-	-	(1,487,171)	5,659,152
Total capital assets, not depreciated	<u>3,904,863</u>	<u>3,700,522</u>	<u>-</u>	<u>-</u>	<u>(1,487,171)</u>	<u>6,118,214</u>
Capital assets, depreciated						
Buildings	32,977,820	-	-	-	253,769	33,231,589
Improvements other than buildings	138,496,345	491,577	15,609,551	-	1,233,399	155,830,872
Equipment	12,284,460	741,564	-	(143,869)	166,851	13,049,006
Total capital assets, depreciated	<u>183,758,625</u>	<u>1,233,141</u>	<u>15,609,551</u>	<u>(143,869)</u>	<u>1,654,019</u>	<u>202,111,467</u>
Less accumulated depreciation for						
Buildings	(6,339,693)	(1,082,344)	-	-	-	(7,422,037)
Improvements other than buildings	(61,786,253)	(4,263,680)	-	-	-	(66,049,933)
Equipment	(8,427,363)	(742,504)	-	143,865	-	(9,026,002)
Total accumulated depreciation	<u>(76,553,309)</u>	<u>(6,088,528)</u>	<u>-</u>	<u>143,865</u>	<u>-</u>	<u>(82,497,972)</u>
Total net capital assets, depreciated	<u>107,205,316</u>	<u>(4,855,387)</u>	<u>15,609,551</u>	<u>(4)</u>	<u>1,654,019</u>	<u>119,613,495</u>
Business-type Activities Capital Assets, Net	<u>\$ 111,110,179</u>	<u>\$(1,154,865)</u>	<u>\$ 15,609,551</u>	<u>\$ (4)</u>	<u>\$ 166,848</u>	<u>\$ 125,731,709</u>

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

Business-type Activities	
Water	\$ 1,634,550
Sewer	3,789,049
Sanitation	8,527
Golf	178,196
Street lighting	168,762
Irrigation	<u>309,444</u>
Total depreciation expense - business-type activities	<u>\$6,088,528</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, 2022, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Description</u>	<u>Amount</u>
Advances			
Other governmental	Other enterprise	Long-term loan	\$ 45,000
Other governmental	Other enterprise	Long-term loan	25,000
Other governmental	Other enterprise	Long-term loan	42,000
Other governmental	General	Long-term loan	475,000
Sanitation	General/Police Impact	Long-term loan	40,000
Due to/from			
Other governmental	Other enterprise	Short-term loan	46,000
Other governmental	Other enterprise	Short-term loan	25,000
Other governmental	Other enterprise	Short-term loan	14,000
Other governmental	General	Short-term loan	125,000
Sanitation	General/Police Impact	Short-term loan	40,000
General	Other governmental	Negative cash in CDBG Fund	2,214
General	Other governmental	Library Payroll	30,423
			<u>\$ 909,637</u>

During 2019, the Sanitation fund loaned to 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. \$80,000 was owed to the Sanitation fund at September 30, 2022 and is included in the internal balances in the Statement of Net Position.

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 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, 2022, is as follows:

	Transfers Out			Total
	General	Other Enterprise	Other Governmental	
Transfers in				
Street	\$ -	\$ -	\$ 62,514	\$ 62,514
Water	-	10,000	11,620	21,620
Sewer	-	-	18,968	18,968
Other governmental	33,653	-	-	33,653
	<u>\$ 33,653</u>	<u>\$ 10,000</u>	<u>\$ 93,102</u>	<u>\$ 136,755</u>

During 2022, governmental activities transferred capital assets of \$166,848 to the Golf Fund.

Note 7 - Compensated Absences

The following is a summary of changes in compensated absences of the City for the year ended September 30, 2022:

	October 1, 2021	Increases	Decreases	September 30, 2022	Due Within One Year
Governmental Activities					
Compensated absences	\$ 1,340,450	\$ 1,597,079	\$ 1,494,548	\$ 1,442,981	\$ 1,234,783
Governmental activities long-term liabilities	<u>\$ 1,340,450</u>	<u>\$ 1,597,079</u>	<u>\$ 1,494,548</u>	<u>\$ 1,442,981</u>	<u>\$ 1,234,783</u>
Business-type Activities					
Compensated absences	\$ 151,538	\$ 245,454	\$ 215,455	\$ 181,537	\$ 181,537
Business-type activities long-term liabilities	<u>\$ 151,538</u>	<u>\$ 245,454</u>	<u>\$ 215,455</u>	<u>\$ 181,537</u>	<u>\$ 181,537</u>

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 discontinued making contributions in July 2020, 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' 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 of 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 74% for police and firefighters. As of June 30, 2021, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters. The City's contribution was \$2,166,427 for the year ended September 30, 2022.

There are currently no FRF employer contributions as of July 1, 2020 following the PERSI Board's approval made at the 2019 December board meeting. However, by statute, one-half of all proceeds from fire insurance premium tax collected throughout the state are automatically assigned to the FRF and are accounted for in employer contributions.

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

At September 30, 2022, 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, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022. 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, 2022, the City's proportion was .4411089 percent compared to .4438023 at June 30, 2021. For the year ended September 30, 2022, the City recognized its proportionate share pension expense related to the Base Plan of \$4,503,858.

At September 30, 2022, 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	\$ 1,910,529	\$ 77,547
Changes in assumptions or other inputs	6,830,119	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	119,455	36,778
City's contributions subsequent to the measurement date	645,859	-
Total	\$ 9,505,962	\$ 114,325

The \$645,859 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, 2023.

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, 2021, the beginning of the measurement period ended June 30, 2022, is 4.6.

At September 30, 2022, 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, 2022, 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, 2022, the City's proportion was 4.2096683 percent compared to 4.2096683 at June 30, 2021. Contributions to the FRF were no longer required by PERSI effective July 1, 2020.

For the year ended September 30, 2022, the City recognized plan pension expense offset related to the FRF of (\$585,275). At September 30, 2022, 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	\$ 877,812	\$ -
Total	\$ 877,812	\$ -

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, 2021, the beginning of the measurement period ended June 30, 2022, 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
2023	\$ 2,114,727	\$ 92,705
2024	2,288,194	130,848
2025	1,045,769	(19,838)
2026	3,297,088	674,097

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 asset of the Base Plan and total pension asset of the FRF in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions and the entry age, applied to all periods included in the measurement:

	Base Plan	FRF
Inflation	2.30%	2.30%
Salary increases including inflation	3.05%	3.05% *
Investment rate of return-net of investment fees	6.35%	6.35%
Cost-of-living (COLA) adjustments	1.00%	**

*3.05 percent or 1.00 percent depending on whether the member was hired on or before July 1, 2012.

**There is an additional component of assumed salary grown (on top of the 3.05%) that varies for each individual member based on years of service.

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2022.

Contributing Members, Service Retirement Members, and beneficiaries

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

For the base plan, Economic assumptions were studied in an experience study performed for the period 2015 through 2020. Demographic assumptions, including mortality were studied for the period 2011 through 2017. The net pension liability was determined by an actuarial valuation as of July 1, 2022, applied to all prior periods included in the measurement.

For the FRF plan, Economic assumptions were studied in an experience study performed for the period 2015 through 2020. Demographic assumptions, including mortality were studied for the period 2011 through 2017. The net pension asset was determined by an actuarial valuation as of July 1, 2022, applied to all prior periods included in the measurement.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. The assumptions and the System's formal policy for asset allocation are show below. The formal asset allocation policy is somewhat more conservative than the current allocation of PERSI's assets. The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

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

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for 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 6.35%, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)			
Base Plan	\$ 30,663,784	\$ 17,374,214	\$ 6,497,043
FRF	(7,739,059)	(8,642,067)	(9,426,234)

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, 2022, 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:

Employee Category	Early Retirement	Service Retirement
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.

Employee Category	Age Plus Service
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:

Years of Service	Monthly Accrual Rate	Maximum Carryover
Up to 12 Months	10 hours	120 hours
1 - 5 Years	14 hours	400 hours
6 - 10 Years	16 hours	400 hours
11 - 15 Years	18 hours	400 hours
16+ Years	20 hours	400 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, 2022, valuation date the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	9
Inactive employees entitled but not yet receiving benefits	-
Active employees entitled to but not yet receiving benefit payments	36
Active employees	<u>217</u> <u>262</u>

Total OPEB Liability

The City’s total OPEB liability of \$580,764 was measured as of September 30, 2022 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The Total OPEB liability in the September 30, 2022 actuarial valuation 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. The City had no changes in assumptions other than discount rate and inflation rate.

Valuation Date	September 30, 2022
Discount Rate	2.16% per annum (BOY) 4.02% per annum (EOY)
Salary Increase Rate	3.5% per annum
Inflation Rate	2.5% per annum
Census Data	Census data as of September 2022 was provided by the City.
Marriage Rate	There are no spouse benefits provided to retirees.
Spouse Age	There are no spouse benefits provided to retirees.

Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary.
Mortality Rates	Pub-2010 headcount weighted base mortality table, projected generationally using Scale MP-2021, applied on a gender-specific and job class basis (teacher, safety, or general, as applicable).
Plan Participation Percentage	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 and their dependents 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 12.2 years starting on October 1, 2021, equal to the average remaining service of active and inactive plan members (who have no future service).
Termination Tables	PERSI Actuarial Valuation as of June 30, 2021
Retirement Tables	PERSI Actuarial Valuation as of June 30, 2021

Changes in the Total OPEB Liability

Total OPEB Liability - Start of Year October 1, 2021	\$	580,495
Changes for the Year:		
Service cost		74,479
Interest cost		13,117
Changes in benefit terms		-
Differences between expected and actual experience		103,479
Changes in assumptions or other inputs		(95,428)
Benefit Payments		(95,378)
		(95,378)
Total OPEB Liability - End of Year September 30, 2022	\$	580,764

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 (3.02 percent) or 1 – percentage – point higher (5.02 percent) than the current discount rate.

	1% Decrease (3.02%)	Discount Rate (4.02%)	1% Increase (5.02%)
Total OPEB Liability	\$ 619,502	\$ 580,764	\$ 544,423

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

For the year ended September 30, 2022, the City recognized an OPEB expense of \$93,477. At September 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 94,997	\$ 24,296
Changes of assumptions/inputs	76,698	97,912
Total	\$ 171,695	\$ 122,208

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

Years Ended September 30,	
2023	\$ 5,880
2024	5,880
2025	5,880
2026	5,880
2027	5,880
Thereafter	20,087

At September 30, 2022, cash and cash equivalents held in the Post-Retirement Health Reimbursement Arrangement internal service fund total \$930,512. Anticipated plan revenues for 2023 are \$172,500 against budgeted expenditures of \$22,250. Two employees have opted to retire in 2023.

Note 10 - 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, 2022:

Golf	\$ 109,580
Sanitation	\$ 529,127

Note 11 - 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 12 - Other Commitments

The City has the following commitments at September 30, 2022:

Project Description	Outstanding Commitments	% Complete	Completed as of September 30	Total Contract Amount
Pickle Ball Courts/Luby Park - Construction	\$ 527,230	27%	\$ 191,120	\$ 718,350
Parks and Rec Building/Design	1,385,684	59%	1,984,674	3,370,358
Ustick Road & Cleveland Blvd Intersection	12,158	98%	536,473	548,631
Ustick Road I-84 to Middleton	294,094	18%	62,841	356,935
Centennial Way Median Infill	45,635	32%	21,821	67,456
Middleton Rd & Joplin St	81,874	46%	69,669	151,543
Indian Creek at Ustick Road	66,886	52%	73,764	140,650
Indian Creek Plaza Expansion	17,720	9%	1,680	19,400
Farmway & Purple Sage Water Main Ext	389,248	7%	27,492	416,740
New Pool Design	377,445	59%	544,925	922,370
Ustick Road Trunk Line	19,865	83%	97,035	116,900
Pickle Ball Courts/Luby Park-Design	9,600	20%	2,400	12,000
Design West	10,741	95%	203,207	213,948
Highway 20/26 Sewer Extension	4,393	94%	68,227	72,620
21st Ave Sewer LS Bypass Project	1,688,556	75%	5,029,221	6,717,777
	<u>\$ 4,931,129</u>		<u>\$ 8,914,549</u>	<u>\$ 13,845,678</u>

Note 13 - Tax Abatements

City 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, 2022 as follows:

Tax Abatement Program	Total Amount of Taxes Abated for the City
Idaho Code 63-602NN Tax Exemption	\$ 11,771

Note 14 - Related Party Transactions

During 2022, the Urban Renewal Agency of the City of Caldwell (the Agency) reimbursed the City in the amount of \$4,845,583 for expenditures paid on its behalf on various projects (Downtown Property demolitions, Fiber & Fencing, Ustick Overpass Widening, Ustick Road Widening, 21st Ave Parking Lot, 602 Cleveland Parking Lot, 3rd Ave & Illinois HAWK Crossing, Griffiths Park Restrooms, and Pickle Ball Courts at Luby Park). 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, 2022, the Agency owed the City \$655,687 in project related costs (Ustick Overpass Widening, Ustick Road Widening, 21st Ave Parking Lot, 3rd Ave & Illinois HAWK Crossing, Pickle Ball, Fiber, 602 Cleveland parking lot, Indiana RAB Expansion and Compactor Relocation).

Note 15 – Adoption of New Standard

As of October 1, 2021, the City adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. Beginning net position and fund balances were restated to retroactively adopt the provisions of GASB Statement No. 87 as follows:

	Governmental Funds				
	Governmental Activities	General Fund	Other Governmental Funds	Combining Other Governmental Funds	
				Airport	Community Development
Net Position/Fund Balance at October 1, 2021 as previously reported	\$ 217,522,777	\$34,032,501	\$ 5,673,854	\$ 91,797	\$ 405,936
Recognition of lease receivables	4,031,799	185,984	3,845,815	2,335,632	1,510,183
Recognition of deferred inflows	<u>(3,999,518)</u>	<u>(179,195)</u>	<u>(3,820,323)</u>	<u>(2,325,756)</u>	<u>(1,494,567)</u>
Net Position /Fund Balance at October 1, 2021 as adjusted	<u>\$ 217,555,058</u>	<u>\$34,039,290</u>	<u>\$ 5,699,346</u>	<u>\$ 101,673</u>	<u>\$ 421,552</u>
				Enterprise Fund	
				Business-type Activities	Water Fund
Net Position/Fund Balance at October 1, 2021 as previously reported				\$ 154,325,510	\$ 43,654,792
Recognition of lease receivables				42,181	42,181
Recognition of deferred inflows				<u>(42,929)</u>	<u>(42,929)</u>
Net Position /Fund Balance at October 1, 2021 as adjusted				<u>\$ 154,324,762</u>	<u>\$ 43,654,044</u>

Note 16 – Leases

Lessor Activities

The City has accrued leases receivable for 7 building leases and 269 land leases related primarily to airport hangers. The remaining receivable for these leases was \$3,849,332 for the year ended September 30, 2022. Deferred inflows related to these leases were \$3,841,454 as of September 30, 2022. Interest revenue recognized on these leases was \$96,267 for the year ended September 30, 2022. Principal receipts of \$434,305 were recognized during the fiscal year. The implicit interest rate used by the City to calculate the leases was 2.158%. Final receipt is expected through fiscal year 2066.



Required Supplementary Information
September 30, 2022

City of Caldwell, Idaho

Schedule of Employer's Share of Net Pension Liability

PERSI - Base Plan

Last 10 - Fiscal Years*

	2022	2021	2020	2019
Employer's portion of net the pension liability	0.4411089%	0.4438023%	0.4382035%	0.4272990%
Employer's proportionate share of the net pension liability (asset)	\$ 17,374,214	\$ (350,509)	\$ 10,175,662	\$ 4,877,497
Employer's covered payroll	\$ 15,945,204	\$ 15,121,544	\$ 14,403,507	\$ 13,350,459
Employer's proportional share of the net pension liability as a percentage of its covered payroll	109%	-2%	71%	37%
Plan fiduciary net position as a percentage of the total pension liability	83.09%	100.36%	88.22%	93.79%
	2018	2017	2016	2015
Employer's portion of net the pension liability	0.4299319%	0.4292893%	0.4151597%	0.4176759%
Employer's proportionate share of the net pension liability (asset)	\$ 6,341,569	\$ 6,747,689	\$ 8,415,926	\$ 5,500,112
Employer's covered payroll	\$ 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	50%	55%	75%	55%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%

*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).

Schedule of Employer's Share of Net Pension Asset

FRF

Last 10 - Fiscal Years*

	2022	2021	2020	2019
Employer's portion of net the pension asset	4.2096683%	4.2096683%	4.2096683%	3.9304645%
Employer's proportionate share of the net pension asset	\$ 8,642,067	\$ 11,375,653	\$ 6,268,160	\$ 5,650,185
Employer's covered payroll	\$ 1,201,115	\$ 1,081,918	\$ 1,002,746	\$ 926,446
Employer's proportional share of the net pension asset as a percentage of its covered payroll	719.50%	1051.43%	625.10%	609.88%
Plan fiduciary net position as a percentage of the total pension asset	184.72%	211.83%	155.55%	152.74%
	2018	2017	2016	2015
Employer's portion of net the pension asset	4.0348687%	3.9578287%	3.8194708%	3.9619978%
Employer's proportionate share of the net pension asset	\$ 4,566,267	\$ 3,395,644	\$ 2,052,905	\$ 2,139,902
Employer's covered payroll	\$ 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	503.66%	391.55%	258.26%	142.27%
Plan fiduciary net position as a percentage of the total pension asset	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).

Schedule of Employer Contributions

Base Plan

Last 10 - Fiscal Years*

	2022	2021	2020	2019
Statutorily required contribution	\$ 2,166,427	\$ 1,984,468	\$ 2,054,507	\$ 1,642,850
Contributions in relation to the statutorily required contribution	\$ 2,166,427	\$ 1,984,468	\$ 2,054,507	\$ 1,642,850
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 17,033,768	\$ 15,232,229	\$ 14,637,182	\$ 13,535,037
Contributions as a percentage of covered payroll	13%	13%	14%	12%
	2018	2017	2016	2015
Statutorily required contribution	\$ 1,565,835	\$ 1,519,344	\$ 1,424,055	\$ 1,360,543
Contributions in relation to the statutorily required contribution	\$ 1,565,835	\$ 1,519,344	\$ 1,424,055	\$ 1,360,543
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 12,933,267	11,967,974	\$ 11,306,995	\$ 10,087,109
Contributions as a percentage of covered payroll	12%	13%	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 Employer Contributions

FRF

Last 10 - Fiscal Years*

	2022	2021	2020	2019
Statutorily required contribution	\$ -	\$ -	\$ 164,297	\$ 154,346
Contributions in relation to the statutorily required contribution	\$ -	\$ -	\$ 164,297	\$ 154,346
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ -	\$ -	\$ 1,042,330	\$ 933,995
Contributions as a percentage of covered payroll	0%	0%	16%	17%
	2018	2017	2016	2015
Statutorily required contribution	\$ 151,041	\$ 143,431	\$ 101,420	\$ 204,650
Contributions in relation to the statutorily required contribution	\$ 151,041	\$ 143,431	\$ 101,420	\$ 204,650
Contributions (deficiency) excess	\$ -	\$ -	\$ -	\$ -
Employer's covered payroll	\$ 916,508	\$ 852,346	\$ 805,272	\$ 1,517,282
Contributions as a percentage of covered payroll	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.

City of Caldwell, Idaho
Schedule of Changes in City's Total OPEB Liability and Related Ratios
Year Ended September 30, 2022

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

	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 74,479	\$ 72,458	\$ 48,508	\$ 47,951	\$ 46,027
Interest cost	13,117	17,079	17,384	24,674	27,245
Changes of benefit terms	-	-	47,217	-	-
Differences between expected and actual experience	103,479	-	(32,877)	-	-
Changes in assumptions or other inputs	(95,428)	2,209	52,377	56,070	(18,526)
Benefit Payments	(95,378)	(234,646)	(61,327)	(37,846)	(198,251)
Net change in total OPEB liability	<u>269</u>	<u>(142,900)</u>	<u>71,282</u>	<u>90,849</u>	<u>(143,505)</u>
Total OPEB Liability - Start of Year 10/01	<u>580,495</u>	<u>723,395</u>	<u>652,113</u>	<u>561,264</u>	<u>704,769</u>
Total OPEB Liability - End of Year 09/30	<u>\$ 580,764</u>	<u>\$ 580,495</u>	<u>\$ 723,395</u>	<u>\$ 652,113</u>	<u>\$ 561,264</u>
Covered employee payroll	\$ 18,834,176	\$ 16,003,188	\$ 12,303,818	\$ 10,570,085	\$10,570,085
Total OPEB Liability as a % of covered employee payroll	3.08%	3.63%	5.88%	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, Idaho

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – General Fund
Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 16,201,626	\$ 16,201,626	\$ 16,660,300	\$ 458,674
Franchise fees	765,000	765,000	854,451	89,451
Interest	270,270	270,270	419,688	149,418
Licenses and permits	3,438,172	3,577,717	4,377,849	800,132
Intergovernmental	3,974,910	4,004,910	4,977,884	972,974
Operating grants	6,315,000	15,570,994	4,040,175	(11,530,819)
Charges for services	9,652,736	10,222,046	10,088,080	(133,966)
Unrealized gain (loss) on investments	-	-	(752,910)	(752,910)
Miscellaneous	81,760	113,116	142,290	29,174
Total revenues	<u>40,699,474</u>	<u>50,725,679</u>	<u>40,807,807</u>	<u>(9,917,872)</u>
Expenditures				
Current				
General government	12,285,198	21,444,531	5,896,486	15,548,045
Public safety	20,332,857	21,097,250	20,249,958	847,292
Culture and recreation	284,527	295,400	231,375	64,025
Community development	759,064	770,144	815,422	(45,278)
Debt Service				
Principal repayments on interfund loan	390,000	390,000	40,000	350,000
Interest and other	98,100	98,100	98,100	-
Capital outlay	11,643,500	13,912,868	9,304,764	4,608,104
Total expenditures	<u>45,793,246</u>	<u>58,008,293</u>	<u>36,636,105</u>	<u>21,372,188</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	<u>(5,093,772)</u>	<u>(7,282,614)</u>	<u>4,171,702</u>	<u>11,454,316</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	22,500	22,500	-
Transfers in	163,919	163,919	-	(163,919)
Transfers out	-	-	(33,653)	(33,653)
Total other financing sources (uses)	<u>163,919</u>	<u>186,419</u>	<u>(11,153)</u>	<u>(197,572)</u>
Net Change in Fund Balances	<u><u>\$ (4,929,853)</u></u>	<u><u>\$ (7,096,195)</u></u>	4,160,549	<u><u>\$ 11,256,744</u></u>
Fund Balance, Beginning of Year, previously stated			34,032,501	
Restatement - See Note 16			<u>6,789</u>	
Fund Balance, End of Year			<u><u>\$ 38,199,839</u></u>	

City of Caldwell, Idaho

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – Street Fund
Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property taxes	\$ 2,418,521	\$ 2,418,521	\$ 2,418,521	\$ -
Interest	75,000	75,000	111,360	36,360
Intergovernmental	3,999,228	5,455,137	5,713,840	258,703
Charges for services	1,357,229	1,357,229	1,337,081	(20,148)
Other grants	845,207	845,207	1,362,047	516,840
Capital Grants - Other General	-	900,000	6,911	(893,089)
Unrealized gain (loss) on investment	-	-	(256,662)	(256,662)
Miscellaneous	1,920,500	1,920,500	48,405	(1,872,095)
Total revenues	<u>10,615,685</u>	<u>12,971,594</u>	<u>10,741,503</u>	<u>(2,230,091)</u>
Expenditures				
Streets	7,459,969	7,646,154	4,510,656	3,135,498
Capital outlay	4,484,000	4,484,000	4,887,914	(403,914)
Total expenditures	<u>11,943,969</u>	<u>12,130,154</u>	<u>9,398,570</u>	<u>2,731,584</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				
	<u>(1,328,284)</u>	<u>841,440</u>	<u>1,342,933</u>	<u>501,493</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	28,065	28,065
Operating transfers in	265,153	265,153	62,514	(202,639)
Total other financing sources (uses)	<u>265,153</u>	<u>265,153</u>	<u>90,579</u>	<u>(174,574)</u>
Net Change in Fund Balances	<u><u>\$ (1,063,131)</u></u>	<u><u>\$ 1,106,593</u></u>	1,433,512	<u><u>\$ 326,919</u></u>
Fund Balance, Beginning of Year			<u>9,976,777</u>	
Fund Balance, End of Year			<u><u>\$ 11,410,289</u></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, 2022

City of Caldwell, Idaho

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.

Business Improvement District Fund

To account for the resources and expenditures of the City's business improvement district fund. Special assessments are the only revenue source. Expenditures are restricted by state code.

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 property taxes to financing of parks and recreation programs.

City of Caldwell, Idaho
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2022

	Debt Service	Business Improvement District	CDBG HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Assets											
Cash and cash equivalents	\$ 433,660	\$ 36,417	\$ -	\$ 691,937	\$ 102,517	\$ 920,710	\$ 531,643	\$ 1,081,377	\$ 285,272	\$1,032,683	\$ 5,116,216
Prepaid expenses	-	-	-	-	-	-	-	20,342	-	4,050	24,392
Receivables											
Interest	197,536	-	-	943	40	1,599	20,583	2,292	35,263	2,122	260,378
Taxes	-	-	-	149,164	-	-	-	911,927	189,084	796,109	2,046,284
Intergovernmental	-	-	-	16,536	-	-	-	119,430	17,455	367,313	520,734
Accounts	-	50,623	-	-	-	-	-	-	15,206	1,860	67,689
Special assessments	224,801	-	-	-	-	-	-	-	-	-	224,801
Grants	-	-	2,814	-	-	-	-	900	19,680	-	23,394
Notes	-	-	-	-	-	-	51,478	-	-	-	51,478
Leases	-	-	-	-	-	-	1,341,102	-	2,309,622	-	3,650,724
Due from other funds	-	-	-	46,000	-	164,000	-	-	-	-	210,000
Advances	-	-	-	45,000	-	542,000	-	-	-	-	587,000
Restricted assets											
Cash and cash equivalents	-	-	-	-	-	-	-	121,231	-	-	121,231
Investments	-	-	-	-	-	-	-	219,890	-	-	219,890
	<u>\$ 855,997</u>	<u>\$ 87,040</u>	<u>\$ 2,814</u>	<u>\$ 949,580</u>	<u>\$ 102,557</u>	<u>\$ 1,628,309</u>	<u>\$ 1,944,806</u>	<u>\$ 2,477,389</u>	<u>\$ 2,871,582</u>	<u>\$2,204,137</u>	<u>\$13,124,211</u>

City of Caldwell, Idaho
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2022

	Debt Service	Business Improvement District	CDBG HUD	Cemetery Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Liabilities											
Vouchers and payroll payable	\$ -	\$ 26,964	\$ 600	\$ 16,220	\$ -	\$ -	\$ 7,735	\$ 29,874	\$ 7,040	\$ 141,185	\$ 229,618
Customer deposits	-	-	-	-	-	-	-	-	-	6,010	6,010
Due to other funds	-	-	2,214	-	-	-	-	30,423	-	-	32,637
Total liabilities	-	26,964	2,814	16,220	-	-	7,735	60,297	7,040	147,195	268,265
Deferred Inflows of Resources											
Unavailable property tax revenue	-	-	-	149,164	-	-	-	911,927	189,084	796,109	2,046,284
Unavailable revenue	421,833	-	-	-	-	-	18,284	-	-	-	440,117
Lease related	-	-	-	-	-	-	1,315,683	-	2,331,092	-	3,646,775
Total deferred inflows of resources	421,833	-	-	149,164	-	-	1,333,967	911,927	2,520,176	796,109	6,133,176
Fund Balances											
Nonspendable	-	-	-	-	-	-	51,478	20,342	-	4,050	75,870
Assigned for building capital maintenance	-	-	-	-	-	-	551,626	-	-	-	551,626
Assigned for library services	-	-	-	-	-	-	-	1,484,823	-	-	1,484,823
Assigned for debt service	434,164	-	-	-	-	-	-	-	-	-	434,164
Assigned for community services	-	60,076	-	784,196	102,557	1,628,309	-	-	344,366	1,256,783	4,176,287
Total fund balances	434,164	60,076	-	784,196	102,557	1,628,309	603,104	1,505,165	344,366	1,260,833	6,722,770
	\$ 855,997	\$ 87,040	\$ 2,814	\$ 949,580	\$ 102,557	\$ 1,628,309	\$ 1,944,806	\$ 2,477,389	\$ 2,871,582	\$ 2,204,137	\$ 13,124,211

City of Caldwell, Idaho
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
Year Ended September 30, 2022

	Debt Service	Business Improvement District	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Revenues											
Property taxes	\$ -	\$ -	\$ -	\$ 139,687	\$ -	\$ -	\$ -	\$ 844,623	\$ 167,706	\$ 745,529	\$ 1,897,545
Interest	21,114	1	-	7,031	200	12,973	30,628	16,507	61,570	8,558	158,582
Intergovernmental	-	-	-	61,769	-	-	-	446,110	65,201	1,153,808	1,726,888
Capital grants	-	-	492,252	-	-	-	-	-	1,177,949	-	1,670,201
Operating grants	-	-	-	-	-	-	-	55,246	-	-	55,246
Charges for services	-	-	-	195,818	21,220	37,593	-	38,536	217,196	378,541	888,904
Unrealized (loss)/gain on investments	(6,111)	-	-	(6,434)	(480)	(27,261)	(2,685)	(52,033)	(3,190)	(20,877)	(119,071)
Assessments	78,744	317,588	-	-	-	-	-	-	-	-	396,332
Miscellaneous	-	-	-	688	-	-	181,474	49,922	27,681	3,891	263,656
Total revenues	93,747	317,589	492,252	398,559	20,940	23,305	209,417	1,398,911	1,714,113	2,269,450	6,938,283
Expenditures											
Current											
General government	-	303,678	-	-	-	-	-	-	-	-	303,678
Parks and recreation	-	-	-	-	-	-	-	-	-	1,910,108	1,910,108
Community services	-	-	492,252	262,578	-	-	277,518	1,229,798	434,635	-	2,696,781
Capital outlay	-	-	-	-	-	-	-	32,213	1,036,785	109,780	1,178,778
Total expenditures	-	303,678	492,252	262,578	-	-	277,518	1,262,011	1,471,420	2,019,888	6,089,345
Excess (Deficiency) of Revenues Over (Under) Expenditures											
	93,747	13,911	-	135,981	20,940	23,305	(68,101)	136,900	242,693	249,562	848,938

City of Caldwell, Idaho
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds
Year Ended September 30, 2022

	Debt Service	Business Improvement District	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Other Financing Sources (Uses)											
Proceeds from sale of assets	-	-	-	-	-	-	-	-	-	17,935	17,935
Contributions from other governments	-	-	-	-	-	-	216,000	-	-	-	216,000
Operating transfers out	(93,102)	-	-	-	-	-	-	-	-	-	(93,102)
Operating transfers in	-	-	-	-	-	-	33,653	-	-	-	33,653
Total other financing sources (uses)	<u>(93,102)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>249,653</u>	<u>-</u>	<u>-</u>	<u>17,935</u>	<u>174,486</u>
Excess of Revenues Over Expenditures and Other Financing Sources	645	13,911	-	135,981	20,940	23,305	181,552	136,900	242,693	267,497	1,023,424
Fund Balance, Beginning of Year, previously stated	<u>433,519</u>	<u>46,165</u>	<u>-</u>	<u>648,215</u>	<u>81,617</u>	<u>1,605,004</u>	<u>405,936</u>	<u>1,368,265</u>	<u>91,797</u>	<u>993,336</u>	<u>5,673,854</u>
Restatement - See Note 16	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,616</u>	<u>-</u>	<u>9,876</u>	<u>-</u>	<u>25,492</u>
Fund Balance, Beginning of Year, as restated	<u>433,519</u>	<u>46,165</u>	<u>-</u>	<u>648,215</u>	<u>81,617</u>	<u>1,605,004</u>	<u>421,552</u>	<u>1,368,265</u>	<u>101,673</u>	<u>993,336</u>	<u>5,699,346</u>
Fund Balance, End of Year	<u><u>\$ 434,164</u></u>	<u><u>\$ 60,076</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 784,196</u></u>	<u><u>\$ 102,557</u></u>	<u><u>\$ 1,628,309</u></u>	<u><u>\$ 603,104</u></u>	<u><u>\$ 1,505,165</u></u>	<u><u>\$ 344,366</u></u>	<u><u>\$ 1,260,833</u></u>	<u><u>\$ 6,722,770</u></u>

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, Idaho
Combining Statement of Net Position – Nonmajor Enterprise Funds
September 30, 2022

	Golf	Street Lighting	Irrigation	Totals
Assets				
Current Assets				
Cash and cash equivalents	\$ 198,634	\$ 1,591,129	\$ 2,124,569	\$ 3,914,332
Interest receivable	-	1,701	3,059	4,760
Accounts receivable	-	77,967	474,003	551,970
Inventory	23,701	-	-	23,701
Total current assets	<u>222,335</u>	<u>1,670,797</u>	<u>2,601,631</u>	<u>4,494,763</u>
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	178,368	-	-	178,368
Capital asset being depreciated (net)	846,870	4,522,846	10,374,376	15,744,092
Total noncurrent assets	<u>1,025,238</u>	<u>4,522,846</u>	<u>10,374,376</u>	<u>15,922,460</u>
Deferred Outflow of Resources				
Pension	146,527	-	44,522	191,049
	<u>\$ 1,394,100</u>	<u>\$ 6,193,643</u>	<u>\$ 13,020,529</u>	<u>\$ 20,608,272</u>
Liabilities				
Current Liabilities				
Vouchers and payroll payables	\$ 99,790	\$ 19,161	\$ 118,807	\$ 237,758
Customer deposits	67,651	-	-	67,651
Due to other funds	85,000	-	-	85,000
Advances	112,000	-	-	112,000
Compensated absences	32,260	-	-	32,260
Total current liabilities	<u>396,701</u>	<u>19,161</u>	<u>118,807</u>	<u>534,669</u>
Noncurrent Liabilities				
Net pension liability	265,385	-	81,662	347,047
Deferred Inflow of Resources				
Pension	1,746	-	537	2,283
Net Position				
Investment in capital assets	1,025,238	4,522,846	10,374,376	15,922,460
Unrestricted	(294,970)	1,651,636	2,445,147	3,801,813
Total net position	<u>730,268</u>	<u>6,174,482</u>	<u>12,819,523</u>	<u>19,724,273</u>
	<u>\$ 1,394,100</u>	<u>\$ 6,193,643</u>	<u>\$ 13,020,529</u>	<u>\$ 20,608,272</u>

City of Caldwell, Idaho

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Enterprise Funds
Year Ended September 30, 2022

	Golf	Street Lighting	Irrigation	Totals
Operating Revenues				
Charges for services	\$ 1,413,230	\$ 747,207	\$ 1,971,162	\$ 4,131,599
Other	16,868	-	92,498	109,366
Total operating revenues	1,430,098	747,207	2,063,660	4,240,965
Operating Expenses				
Personnel services	531,962	-	128,438	660,400
Contractual services	287,392	136,981	407,439	831,812
Materials and supplies	274,932	-	65,689	340,621
Utilities	109,032	220,142	555,315	884,489
Repairs and maintenance	148,576	-	274,016	422,592
Other expenses	61,143	5,135	17,627	83,905
Depreciation	178,196	168,762	309,444	656,402
Total operating expenses	1,591,233	531,020	1,757,968	3,880,221
Operating Income (Loss)	(161,135)	216,187	305,692	360,744
Nonoperating Revenues (Expenses)				
Interest income	-	7,972	13,770	21,742
Gain of sale of assets	600	-	-	600
Unrealized (loss)/gain on investments	-	(17,983)	(32,816)	(50,799)
Total nonoperating revenues	600	(10,011)	(19,046)	(28,457)
Income (Loss) Before Contributions and Transfers	(160,535)	206,176	286,646	332,287
Contributions from developers	-	1,291,185	3,850,608	5,141,793
Transfer of Capital Assets from governmental activities	166,847	-	-	166,847
Transfers out	-	-	(10,000)	(10,000)
Change in Net Position	6,312	1,497,361	4,127,254	5,630,927
Net Position, Beginning of Year	723,956	4,677,121	8,692,269	14,093,346
Net Position, End of Year	\$ 730,268	\$ 6,174,482	\$ 12,819,523	\$ 19,724,273

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2022

	<u>Golf</u>	<u>Street Lighting</u>	<u>Irrigation</u>	<u>Total</u>
Operating Activities				
Received from user charges	\$ 1,454,376	\$ 745,810	\$ 1,971,384	\$ 4,171,570
Payments to employees for services	(448,954)	-	(127,497)	(576,451)
Payments to suppliers for goods and services	(833,212)	(365,289)	(1,556,977)	(2,755,478)
Net Cash from Operating Activities	<u>172,210</u>	<u>380,521</u>	<u>286,910</u>	<u>839,641</u>
Noncapital Financing Activities				
Transfers out	-	-	(10,000)	(10,000)
Repayment on interfund loan	(85,000)	-	-	(85,000)
Net Cash used for Noncapital Financing Activities	<u>(85,000)</u>	<u>-</u>	<u>(10,000)</u>	<u>(95,000)</u>
Capital and Related Financing Activities				
Proceeds from sale of assets	600	-	-	600
Net Cash from Capital and Related Financing Activities	<u>600</u>	<u>-</u>	<u>-</u>	<u>600</u>
Investing Activities				
Interest received on investments	-	6,705	11,624	18,329
Net (decrease) in pooled investments	-	(17,983)	(32,816)	(50,799)
Net Cash used for Investing Activities	<u>-</u>	<u>(11,278)</u>	<u>(21,192)</u>	<u>(32,470)</u>
Net Change in Cash and Cash Equivalents	87,810	369,243	255,718	712,771
Cash and Cash Equivalents, October 1, 2021	<u>110,824</u>	<u>1,221,886</u>	<u>1,868,851</u>	<u>3,201,561</u>
Cash and Cash Equivalents, September 30, 2022	<u>\$ 198,634</u>	<u>\$ 1,591,129</u>	<u>\$ 2,124,569</u>	<u>\$ 3,914,332</u>
Contributed property, plant and equipment	<u>\$ -</u>	<u>\$ 1,291,185</u>	<u>\$ 3,850,608</u>	<u>\$ 5,141,793</u>

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2022

	<u>Golf</u>	<u>Street Lighting</u>	<u>Irrigation</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash from (used for) operating activities				
Operating income (loss)	\$ (161,135)	\$ 216,187	\$ 305,692	\$ 360,744
Depreciation	178,197	168,762	309,444	656,403
GASB 68 pension expense	77,585	-	1,608	79,193
Changes in assets and liabilities				
Accounts receivable	-	(1,397)	(92,277)	(93,674)
Prepaid expenses	340	-	-	340
Inventory	11,176	-	-	11,176
Vouchers payable	35,161	(3,031)	(237,557)	(205,427)
Compensated absences	6,606	-	-	6,606
Customer deposits	24,280	-	-	24,280
Net Cash from Operating Activities	<u>\$ 172,210</u>	<u>\$ 380,521</u>	<u>\$ 286,910</u>	<u>\$ 839,641</u>

Supplemental noncash disclosure: During fiscal year 2022 governmental activities transferred \$166,848 in equipment to the Golf Fund.

City of Caldwell, Idaho
Combining Statement of Net Position – Nonmajor Internal Service Funds
September 30, 2022

	<u>Post-Retirement Health Reimbursement Arrangement</u>	<u>Section 125 Benefit Plan</u>	<u>Totals</u>
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and cash equivalents	\$ 930,512	\$ 38,389	\$ 968,901
Interest receivable	933	-	933
Total current assets	<u>931,445</u>	<u>38,389</u>	<u>969,834</u>
Deferred Outflows of Resources			
OPEB obligations	<u>171,695</u>	-	<u>171,695</u>
Total deferred outflows of resources	<u>171,695</u>	-	<u>171,695</u>
	<u>\$ 1,103,140</u>	<u>\$ 38,389</u>	<u>\$ 1,141,529</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Vouchers payable	\$ -	\$ 233	\$ 233
OPEB liability	<u>580,764</u>	-	<u>580,764</u>
Total liabilities	<u>580,764</u>	<u>233</u>	<u>580,997</u>
Deferred Inflows of Resources			
OPEB obligations	<u>122,208</u>	-	<u>122,208</u>
Total deferred inflows of resources	<u>122,208</u>	-	<u>122,208</u>
Net Position			
Unrestricted	<u>400,168</u>	<u>38,156</u>	<u>438,324</u>
Total net position	<u>400,168</u>	<u>38,156</u>	<u>438,324</u>
	<u>\$ 1,103,140</u>	<u>\$ 38,389</u>	<u>\$ 1,141,529</u>

City of Caldwell, Idaho

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Nonmajor Internal Service
Funds

Year Ended September 30, 2022

	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	<u>Totals</u>
Operating Revenues			
Charges for services	\$ 236,167	\$ 123,133	\$ 359,300
Total operating revenues	<u>236,167</u>	<u>123,133</u>	<u>359,300</u>
Operating Expenses			
Personnel Services	-	113,271	113,271
Contractual services	149,949	3,342	153,291
Total operating expenses	<u>149,949</u>	<u>116,613</u>	<u>266,562</u>
Operating Income	<u>86,218</u>	<u>6,520</u>	<u>92,738</u>
Nonoperating Revenues (Expenses)			
Interest income	5,046	-	5,046
Unrealized gain (loss) on investments	(11,311)	-	(11,311)
OPEB expenses (offset)	1,903	-	1,903
Total nonoperating (expenses)	<u>(4,362)</u>	<u>-</u>	<u>(4,362)</u>
Change in Net Position	81,856	6,520	88,376
Net Position, Beginning of Year	<u>318,312</u>	<u>31,636</u>	<u>349,948</u>
Net Position, End of Year	<u>\$ 400,168</u>	<u>\$ 38,156</u>	<u>\$ 438,324</u>

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Internal Service Funds
Year Ended September 30, 2022

	Post-Retirement Health Reimbursemen Arrangement	Section 125 Benefit Plan	Totals
Operating Activities			
Received from user charges	\$ 236,167	\$ 123,133	\$ 359,300
Payments to suppliers for goods and services	(179,949)	(116,380)	(296,329)
Net Cash from Operating Activities	<u>56,218</u>	<u>6,753</u>	<u>62,971</u>
Investing Activities			
Interest received on investments	4,419	-	4,419
Net decrease in pooled investments	(11,311)	-	(11,311)
Net Cash used for Investing Activities	<u>(6,892)</u>	<u>-</u>	<u>(6,892)</u>
Net Change in Cash and Cash Equivalents	49,326	6,753	56,079
Cash and Cash Equivalents, October 1, 2021	<u>881,186</u>	<u>31,636</u>	<u>912,822</u>
Cash and Cash Equivalents, September 30, 2022	<u>\$ 930,512</u>	<u>\$ 38,389</u>	<u>\$ 968,901</u>
Reconciliation of Operating Income to Net Cash from operating activities			
Operating income	\$ 86,218	\$ 6,520	\$ 92,738
Changes in assets and liabilities			
Vouchers payable	(30,000)	233	(29,767)
Net Cash from Operating Activities	<u>\$ 56,218</u>	<u>\$ 6,753</u>	<u>\$ 62,971</u>