Financial Statements
September 30, 2024

City of Caldwell, Idaho

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CITY OF CALDWELL, IDAHO

CITY OFFICIALS

September 30, 2024

MAYOR

Jarom Wagoner

COUNCIL

Brad Doty – Council President

Chris Allgood

Chuck Stadick

Diana Register

Geoff Williams

Mike Dittenber

CITY CLERK

Debbie Geyer

CITY TREASURER

Rachelle Castleberry

CITY FINANCE DIRECTOR

Raelynn North

EideBailly

CPAs & BUSINESS ADVISORS

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 (the City), as of and for the year ended September 30, 2024, 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, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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.

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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our

inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining 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 GAAS. 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 2, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
April 2, 2025

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, 2024.

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, 2024, by $534,562,290. This is an increase of $66,440,754 over the September 30, 2023, beginning balance of $468,121,536. Of this amount, unrestricted net position of $126,397,120 may be used to meet the City's ongoing obligations to citizens compared to $102,466,050 on September 30, 2023.

- As of September 30, 2024, the City of Caldwell's governmental funds reported combined ending fund balances of $82,150,406. This is an increase of $17,418,033 over the September 30, 2023, balance of $64,732,373. Of this amount, $17,832,239 is unassigned for operations and projects and available for spending compared to $15,505,966 on September 30, 2023.

- Management has committed $17,954,515 for public safety and capital projects and assigned $9,494,604 for city projects of the $45,426,942 in the general fund.

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 twelve 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, street fund, and debt service 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. Individual fund data for each of these non-major proprietary funds is 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, 2024, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources $534,562,289. This is an increase of $66,440,754 over the September 30, 2023, balance of $468,121,535. Current and other assets increased by $26,377,127, capital assets net of depreciation increased $57,635,032, deferred outflows decreased by $4,193,787, liabilities increased $9,848,178 and deferred inflows of resources increased $3,529,440. The changes in the accounts above are attributed to changes in net position which are discussed below.

Net investments in capital assets totaling $400,456,427 represent by far the largest portion of the City's net position (74.91%). 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 $253,299,113 at September 30, 2024, and increased $39,203,163 from September 30, 2023, balance of $214,095,950 for governmental activities. Capital assets, net of accumulated depreciation for business-type activities totaled $160,731,947 at September 30, 2024 and increased $18,431,869 from September 30, 2023, balance of $142,300,078. Major asset additions are scheduled on page 13.

Governmental activities. Governmental activities increased the City's net position by $38,519,267 (change in net position) accounting for a 13.88% increase in the net position. Governmental expenses totaled $68,051,542 compared to $56,678,541 in 2023. Police expenses increased $2,772,668 for salary, benefits and capital. Fire expenses increased by $2,036,631 for salary, benefits and capital.

Program revenues totaled $61,288,228, which is $11,653,222 more than last year and covered 90.06% of governmental expenses. A major component of this increase is related to Urban Renewal Agency contributions for street infrastructure projects and federal grant funding received as well as increases in positions and pay city-wide.

Expenses less program revenues produced a net expense of $6,763,314. When netted against general revenues of $45,282,581 the change in net position for governmental activities is an increase of $38,519,267 (see statement of activities on page 18).

Business-type activities. Business-type activities increased the City's net position by $27,921,490 accounting for a 14.66% increase in the City's net position. Business-type operating expenses totaled $34,645,318 compared to $31,490,467 in 2023. Expenses for water, sewer, sanitation, golf and irrigation increased $477,599, $1,206,467 $705,623, $301,694 and $451,078, respectively. The water increase of $477,599 resulted from increases in personnel, contractual services, and maintenance. The sewer increase of $1,206,467 resulted from increases in personnel, maintenance, and operations. The sanitation expense increase of $705,623 was caused by an increase in contractual services. The golf increase of $301,694 resulted from an increase in maintenance and operations. The $451,078 increase in irrigation was the result of an increase in maintenance and operations.

Program revenues totaled $55,177,455 compared to $43,442,764 in 2023 and covered 159.26% of expenses. The major component of this $11,734,691 increase was due to an increase in contributed capital. Contributed capital and capital grants for water and sewer increased $4,417,160 and $1,983,638 respectively.

General revenues totaled $7,389,352 compared to $2,425,439 last year and covered 21.33% of expenses. General revenues are primarily comprised of investment earnings of $2,302,124, unrealized gain on investments of $514,433, miscellaneous revenues of $897,045 and transfers from governmental activities of $3,680,495.

Expenses less program revenues produced net revenue of $20,532,138. When combined with general revenues of $7,389,352, the change in net position for business-type activities is an increase of $27,921,490 (see statement of activities on page 18).

City of Caldwell's Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and Other	$ 143,544,407	$ 127,000,679	$ 62,987,101	$ 53,153,702	$ 206,531,508	$ 180,154,381
Capital Assets	253,299,113	214,095,950	160,731,947	142,300,078	414,031,060	356,396,028
Total Assets	396,843,520	341,096,629	223,719,048	195,453,780	620,562,568	536,550,409
Deferred Outflows	6,487,683	10,153,997	815,824	1,343,297	7,303,507	11,497,294
Short-Term Liabilities	16,836,252	21,264,436	3,472,179	3,483,079	20,308,431	24,747,515
Long-Term Liabilities	36,198,573	21,699,808	2,549,734	2,761,237	38,748,307	24,461,045
Total Liabilities	53,034,825	42,964,244	6,021,913	6,244,316	59,056,738	49,208,560
Deferred Inflows	34,163,493	30,672,771	83,554	44,836	34,247,047	30,717,607
Net Investment in Capital Assets	236,837,653	213,403,637	160,731,947	142,300,078	397,569,600	355,703,715
Restricted	10,595,570	9,951,771	-	-	10,595,570	9,951,771
Unrestricted	68,699,662	54,258,203	57,697,458	48,207,847	126,397,120	102,466,050
Total Net Position	$ 316,132,885	$ 277,613,611	$ 218,429,405	$ 190,507,925	$ 534,562,289	$ 468,121,536

At the end of the current fiscal year, the City is able to report positive balances in both 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	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 20,530,865	$ 19,358,464	$ 39,890,676	$ 36,108,091	$ 60,421,541	$ 55,466,555
Operating grants and contributions	3,038,893	7,072,909	-	-	3,038,893	7,072,909
Capital grants and contributions	37,718,470	23,203,633	15,286,779	7,334,673	53,005,249	30,538,306
General revenues:						
Property taxes-general purpose	27,533,223	22,393,185	-	-	27,533,223	22,393,185
Franchise fees	1,176,644	1,043,941	-	-	1,176,644	1,043,941
Sales tax and other government	13,909,704	12,395,661	-	-	13,909,704	12,395,661
Special assessments for debt service of LIDs	509,097	353,637	-	-	509,097	353,637
Investment earnings	4,011,695	2,848,959	2,302,124	1,925,091	6,313,819	4,774,050
Intereset on leases	80,208	97,486	6,500	3,004	86,708	100,490
Unrestricted unrealized gain (loss) on investments	641,262	240,806	514,433	147,901	1,155,695	388,707
Miscellaneous	1,944,824	586,136	897,042	279,341	2,841,866	865,477
Gain (loss) on disposal of asset	(843,579)	38,092	(11,247)	(17,210)	(854,826)	20,882
Internal transfers	(3,680,497)	(13,834)	3,680,499	13,834	2	-
Transfer of Capital Assets	-	(73,478)	-	73,478	-	-
Total revenues	106,570,809	89,545,597	62,566,807	45,868,203	169,137,616	135,413,800
Expenses:						
General government	$13,918,183	11,797,627	34,645,318	31,490,467	48,563,501	43,288,094
Public safety	30,443,971	25,461,170	-	-	30,443,971	25,461,170
Culture and recreation	4,789,319	3,854,391	-	-	4,789,319	3,854,391
Community services and development	6,874,476	4,965,569	-	-	6,874,476	4,965,569
Streets	11,740,415	10,487,725	-	-	11,740,415	10,487,725
Interest on long-term debt	285,178	112,059	-	-	285,178	112,059
Total expenses	68,051,542	56,678,541	34,645,318	31,490,467	102,696,860	88,169,008
Net Revenue	$ 38,519,267	$ 32,867,056	$ 27,921,487	$ 14,377,736	$ 66,440,754	$ 47,244,792

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, 2024, the City's governmental funds reported combined ending fund balances of $82,150,406. Of this amount, $17,824,139 (21.70%) is unassigned fund balance for operations. Other assigned fund balances include: $16,348,147 to be used for community services related to street projects, $12,205,171 to be used for debt services, $9,494,604 to be used for City projects, $128,367 for building capital maintenance, and $5,657,209 only to be used to fund activities in the community services of the City's Other Governmental Funds. Additionally, $2,030,488 can only be used to fund library expenditures. Fund balance committed for public safety and capital outlay are $3,633,352 and $14,321,163, respectively. Finally, $507,766 is classified as non-spendable with the $328,943 being inventory, $33,239 being notes receivable, and $145,584 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 $17,832,239. Within the unassigned fund balance, the City should maintain $13,716,319 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 $45,426,942, which is $1,582,816 more than last year. Revenues were under budget by ($916,104) while expenditures were under budget $18,015,912. The net of other financing sources/uses was under budget by $1,271,523. Net change in general fund's fund balance due to positive budget variances is an increase of $18,371,331.

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 $52,256,077. Unassigned fund balance represents 34.12% and total fund balance represents 86.93% of total general fund expenditures.

Major components affecting the general fund's total fund balance are $1,167,600 committed for safety services and $14,675,853 committed from impact fees for new parks, police and fire capital improvements, and capital equipment for park and recreation maintenance of $2,111,062. General Fund Receivables for property taxes due within one year total $23,585,230, an increase of 1,923,717 from the September 30, 2023 balance of $21,661,513.

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 $16,348,147, which is $3,842,899 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 $24,469,789.

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 $12,561,056, $12,324,746 and ($942,843), respectively. Total net position increase in the water fund resulted from excess revenues over expenditures of $1,451,413 (before contributions and transfers). The increase in sewer fund net position also resulted from excess revenues over expenditures of $8,072,304 (before contributions and transfers). The decrease in the sanitation fund net position resulted from planned excess expenditures over revenues of $942,843 (before contributions and transfers).

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget to Actual Revenues. General fund revenues were under budget projections by ($916,104). This variance is reported in detail on page 68. Property tax revenue is $501,805 over budget resulting from delinquent tax collections. Intergovernmental revenues, which are comprised of sales tax, were under budget projections by ($391,663).

Budget to Actual Expenditures. Savings in general fund expenditures totaled $18,015,912. General government expenditures were under budget by $15,966,154 due to grant projects. Public safety expenditures were under budget by $2,075,827 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, 2024, amounts to $414,017,407 (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 $37,468,810 in capital assets (excluding contributed capital) during the year and retired assets totaling $2,394,434. Depreciation and amortization expense for the year was $17,384,406.

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

Governmental Funds:	
• General Fund Land and ROW	$ 1,261,166
• Leased Equip & SBITA's	1,248,637
• Street Equip & Machinery	450,387
• Library Equip & Vehicles	95,981
• Parks/Rec Vehicles & Machinery	280,946
• Gen Fund Vehicles & Equipment	374,504
• Airport Vehicle	91,421
• Fire Vehicles & Machinery	3,668,986
• Police Vehicles	1,456,044
• Cemetery Machinery	20,477
• Police Fencing	65,696
• New Pool Rehab & Bath House	3,917,051
• Park Improvements	1,150,875
• Simplot Stadium Turf	725,000
• Streets LIDS & Pathway Improvements	2,863,571
• Airport Improvements	925,613
• Street Dept Construction of Roundabouts	5,346,023
• Gen Fund Improvements-TVCC Remodel	1,663,164
• Gen Fund Improvements-CEC & VanSlyke	102,328
• Dedicated Streets	21,063,521
• Dedicated Storm Drains	668,984
• Dedicated ROW's and Easements	2,547,510
	$ 49,987,885
Enterprise Funds:	
• Water Department Vehicle & Machinery	$ 745,902
• Sewer Department Vehicle & Machinery	520,028
• St. Light Machinery	63,823
• Irrigation Department Vehicle & Machinery	119,647
• Golf Machinery & Equip	124,672
• Dedicated Water Lines	6,524,906
• Water Meters & Water Line Improvements	7,108,379
• Dedicated Sewer Lines	4,268,729
• Irrigation Pump Station Rebuilds & Upgrades	165,371
• Dedicated Irrigation	2,552,785
• Sewer Plant Site Improvements	2,913,118
• Dedicated Street Lights	1,042,254
	$ 26,149,614

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 2024. Sewer, Water, and Sanitation (garbage collection) rates were increased 4.9%, respectively in 2025. Street lights 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 slightly in 2024. The demand for new single-family residential units in 2024 resulted in 1,429 new residential building permits issued. Real estate prices and sales increased slightly as buyers continue to enter the market. Home sale prices stayed relatively the same, so did the county assessed values. After losing $411,226,467 in assessed value from 2008 – 2013, assessed values rebounded further in 2024 by $804,592,654. New construction and annexations added $351,154,569 in taxable value. District Taxable values at September 30, 2024, reached $8,088,798,783 compared to the highest values recorded in 2008 of $1,492,249,718. Property taxes levied on this $8,439,953,352 are $29,080,020 compared to $12,226,839 levied on the $1,492,249,718 in 2008 with a levy rate of 82.5 mills. The City also levied bond revenue in 2025 for the amount of $890,555. The City-wide levy increased by .05% to 36.78 mills in 2024 compared to 36.76 mills in 2023.

The economy is continuing to grow 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, 884 in 2022, 1069 in 2023, and 1,624 in 2024. Demand for residential building permits is expected to stay the same in 2025. Demand for commercial building permits is expected to stay the same in 2025.

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 Treasurer, City of Caldwell, P.O. Box 1179, 205 S. 6th Ave., Caldwell, Idaho 83606.

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash, investments and cash equivalents	$ 90,036,988	$ 56,934,692	$ 146,971,680
Prepaid expenses	186,673	-	186,673
Receivables			
Interest	678,520	198,408	876,928
Taxes	30,679,978	-	30,679,978
Intergovernmental	3,621,160	-	3,621,160
Accounts	1,161,316	4,200,021	5,361,337
Special assessments	453,455	-	453,455
Grants	834,935	-	834,935
Notes receivable	38,391	-	38,391
Lease receivable	250,729	7,310	258,039
Internal balances	28,000	(28,000)	-
Inventory	321,093	745,698	1,066,791
Total current assets	128,291,238	62,058,129	190,349,367
Noncurrent Assets			
Restricted cash, investments and cash equivalents	1,411,305	898,105	2,309,410
Restricted investments	215,280	-	215,280
Net pension asset - FRF	10,595,570	-	10,595,570
Lease receivable	3,031,014	30,867	3,061,881
Capital assets			
Land and other assets not depreciated	45,633,245	20,913,721	66,546,966
Capital assets being depreciated	206,145,259	139,818,226	345,963,485
Right to use subscription IT assets, net of accumulated amortization	1,506,956	-	1,506,956
Equipment Lease, net of accumulated amortization	13,653	-	13,653
Total noncurrent assets	268,552,282	161,660,919	430,213,201
Deferred Outflows of Resources			
OPEB obligation	179,684	-	179,684
Pension obligation	6,307,999	815,824	7,123,823
Total deferred outflows of resources	6,487,683	815,824	7,303,507

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Current Liabilities			
Vouchers and payroll payable	13,326,328	2,323,124	15,649,452
Customer deposits	7,185	804,905	812,090
Interest payable	165,590	-	165,590
Advance revenues	833,785	-	833,785
Subscription IT liabilities	397,970	-	397,970
Equipment lease liabilities	5,568	-	5,568
Current portion of compensated absences	1,506,528	344,150	1,850,678
Current portion of loan payable	262,570	-	262,570
Current portion of bond payable	330,728	-	330,728
Total current liabilities	16,836,252	3,472,179	20,308,431
Noncurrent Liabilities			
Compensated absences payable	1,452,355	-	1,452,355
Bonds payable	11,754,293	-	11,754,293
Loan payable	2,624,257	-	2,624,257
Subscription IT liabilities	1,080,227	-	1,080,227
Equip lease liabilities	5,847	-	5,847
OPEB liability	625,827	-	625,827
Net pension liability-Base Plan	18,655,767	2,549,734	21,205,501
Total noncurrent liabilities	36,198,573	2,549,734	38,748,307
Deferred Inflows of Resources			
Pension obligation	350,552	47,910	398,462
OPEB obligation	231,608	-	231,608
Lease related	3,304,317	35,644	3,339,961
Subsequent year property tax revenue	30,277,016	-	30,277,016
Total deferred inflows of resources	34,163,493	83,554	34,247,047
Net Position			
Net investment in capital assets	236,837,653	160,731,947	397,569,600
Restricted	10,595,570	-	10,595,570
Unrestricted	68,699,662	57,697,458	126,397,120
Total net position	$ 316,132,885	$ 218,429,405	$ 534,562,289

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary Government:					
Governmental Activities					
General government					
Executive and legislative	$ 476,247	$ -	$ -	$ -	$ (476,247)
Administrative	745,180	-	-	-	(745,180)
Legal	174,791	-	-	-	(174,791)
City clerk	349,172	50,133	-	-	(299,039)
Accounting	1,192,542	-	-	-	(1,192,542)
Other general government	8,324,934	2,358,053	-	-	(5,966,881)
Government buildings and engineering services	2,655,317	2,965,754	-	-	310,437
Public safety					
Law enforcement	16,375,288	1,141,389	106,967	-	(15,126,932)
Fire department	12,284,470	4,021,845	631,904	-	(7,630,721)
Building safety	1,784,213	5,303,931	-	-	3,519,718
Parks and recreation					
Parks	4,242,559	3,177,999	-	-	(1,064,560)
Culture and recreation	546,760	199,605	-	-	(347,155)
Community services					
Community services	4,709,457	666,233	10,401	11,136,467	7,103,644
Community development	2,120,130	-	321,774	26,470,568	24,672,212
Senior citizens	44,889	-	-	-	(44,889)
Streets	11,740,415	645,923	1,967,847	111,435	(9,015,210)
Interest on long-term debt	285,178	-	-	-	(285,178)
Total governmental activities	68,051,542	20,530,865	3,038,893	37,718,470	(6,763,314)
Business-Type Activities					
Water	9,233,505	9,921,842	-	7,423,011	8,111,348
Sewer	12,460,180	18,626,886	-	4,268,729	10,435,435
Sanitation	7,140,248	6,084,555	-	-	(1,055,693)
Golf	2,138,405	1,965,473	-	-	(172,932)
Street lighting	731,698	872,739	-	1,042,254	1,183,295
Irrigation	2,941,281	2,419,181	-	2,552,785	2,030,685
Total business-type activities	34,645,318	39,890,676	-	15,286,779	20,532,138
Total Primary Government	$ 102,696,860	$60,421,541	$ 3,038,893	$ 53,005,249	$ 13,768,824

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Change in Net Position			
Net revenue (expense)	$ (6,763,314)	$ 20,532,138	$ 13,768,824
General revenues			
Shared revenues			
Property taxes, levied for general purposes	27,533,223	-	27,533,223
Franchise fees	1,176,644	-	1,176,644
Sales tax and other governmental	13,909,704	-	13,909,704
Special assessments for debt service of Local Improvement Districts	509,097	-	509,097
Unrestricted investment earnings	4,011,695	2,302,124	6,313,819
Unrestricted interest-leases	80,208	6,500	86,708
Unrestricted unrealized gain (loss) on investments	641,262	514,433	1,155,695
Miscellaneous	1,944,824	897,045	2,841,869
Gain on disposal of assets	(843,579)	(11,247)	(854,826)
Transfers	(3,680,497)	3,680,497	-
Total general revenues and transfers	45,282,581	7,389,352	52,671,933
Change in Net Position	38,519,267	27,921,490	66,440,754
Net Position, Beginning of Year	277,613,616	190,507,921	468,121,537
Net Position, End of Year	$ 316,132,885	$ 218,429,405	$ 534,562,289

City of Caldwell, Idaho
Balance Sheet – Governmental Funds
September 30, 2024

	General	Street	Debt Service	Other Governmental Funds	Total Governmental Funds
Assets					
Cash, investments and cash equivalent	$47,210,519	$21,337,265	$12,177,268	$ 7,917,635	$ 88,642,687
Prepaid expenses	145,584	7,850	-	33,239	186,673
Receivables					
Interest	232,915	75,544	282,625	82,715	673,799
Taxes	23,585,230	3,166,855	890,555	3,037,338	30,679,978
Intergovernmental	1,130,059	1,825,517	-	665,584	3,621,160
Accounts	1,031,617	5,751	-	123,948	1,161,316
Special assessments	-	-	453,455	-	453,455
Grants	191,716	-	-	643,219	834,935
Notes	-	-	-	38,391	38,391
Leases	117,549	-	-	3,164,194	3,281,743
Due from other funds	201,828	-	-	14,000	215,828
Advances	-	-	-	14,000	14,000
Inventory	-	321,093	-	-	321,093
Restricted cash and cash equivalents	1,251,241	-	2,944	157,120	1,411,305
Restricted investments	-	-	-	215,280	215,280
	$75,098,258	$26,739,875	$13,806,847	$16,106,663	$131,751,643
Liabilities, Deferred Inflows, and Fund Balances					
Liabilities					
Vouchers and payroll payable	$ 4,578,966	$ 6,895,930	$ 18,610	$ 1,812,004	$ 13,305,510
Customer deposits	-	-	-	7,185	7,185
Due to other funds	-	-	3,339	198,489	201,828
Advanced revenues	833,785	-	-	-	833,785
Total liabilities	5,412,751	6,895,930	21,949	2,017,678	14,348,308
Deferred Inflows of Resources					
Unavailable property tax revenue	23,489,445	3,166,855	1,579,727	3,037,338	31,273,365
Unavailable revenue-other	656,963	-	-	18,284	675,247
Lease related	112,157	-	-	3,192,160	3,304,317
Total deferred inflows of resources	24,258,565	3,166,855	1,579,727	6,247,782	35,252,929
Fund Balances					
Nonspendable	145,584	328,943	-	33,239	507,766
Committed for public safety	2,634,247	-	-	-	2,634,247
Committed for capital outlay	14,321,163	-	-	-	14,321,163
Assigned for capital maintenance	-	-	-	128,367	128,367
Assigned for library services	-	-	-	2,030,488	2,030,488
Assigned for debt services	-	-	12,205,171	-	12,205,171
Assigned for community services	-	16,348,147	-	5,649,109	21,997,256
Assigned for city projects	9,494,604	-	-	-	9,494,604
Unassigned for operations	18,831,344	-	-	-	18,831,344
Total fund balances	45,426,942	16,677,090	12,205,171	7,841,203	82,150,406
	$75,098,258	$26,739,875	$13,806,847	$16,106,663	$131,751,643

Fund balance - total governmental funds		$ 82,150,406
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The costs of the assets is $342,679,431 and the accumulated depreciation is $89,380,317.		253,299,114
Some of the property taxes receivable are not available to pay for current-period expenditures and therefore are deferred in the funds.		360,656
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:		
Receivable on opioid settlements	603,481	
Interest receivable on community development loans	18,284	
Special assessments	689,174	1,310,939
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.		
Net pension asset related to the PERSI FRF plan	10,595,570	
Net pension liability related to the PERSI Base plan	(18,655,767)	
Deferred inflow of resources related to PERSI plans	(350,552)	
Deferred outflow of resources related to PERSI plans	6,307,999	(2,102,750)
Long-term liabilities, including subscriptions and leases are not due and payable in the current period and, therefore, are not reported in the funds.		(1,489,613)
Long-term debt is not due and payable in the current-period and therefore is not reported in the funds.		(14,971,849)
Interst on long-term debt is not due and payable in the current-period and therefore, are not reported in the funds.		(165,590)
A portion of the accrued compensated absences are not due and payable in the current period and therefore, are not reported in the funds.		(2,958,884)
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.		700,456
Net position of governmental activities		$ 316,132,885

City of Caldwell, Idaho

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

Year Ended September 30, 2024

	General	Street	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	$21,312,331	$ 3,173,936	$ -	$ 3,051,356	$27,537,623
Franchise fees	1,176,644	-	-	-	1,176,644
Interest	2,660,375	869,597	115,355	319,218	3,964,545
Intereset from leases	2,851	-	-	77,357	80,208
Licenses and permits	5,354,064	-	-	-	5,354,064
Intergovernmental	4,175,662	7,239,843	-	2,494,199	13,909,704
Capital grants	-	111,435	-	1,610,690	1,722,125
Operating grants	10,361,468	4,156,556	-	10,401	14,528,425
Charges for services	13,386,116	645,923	-	1,144,761	15,176,800
Assessments	-	-	138,363	370,734	509,097
Unrealized gain on investments	361,808	168,543	40,914	62,237	633,502
Miscellaneous	789,055	34,975	-	230,708	1,054,738
Total revenues	59,580,374	16,400,808	294,632	9,371,661	85,647,475
Expenditures					
Current					
General government	9,432,862	-	-	263,238	9,696,100
Public safety	28,959,242	-	143,492	-	29,102,734
Culture and recreation	546,760	-	-	3,153,193	3,699,953
Community services	1,415,077	-	-	4,609,389	6,024,466
Streets	-	5,953,973	-	-	5,953,973
Debt service					
Principal repayments on					
Interfund loan	40,000	-	-	-	40,000
Bonds	270,667	-	-	-	270,667
Subscriptions	452,896	-	-	-	452,896
Equipment leases	6,138	-	-	-	6,138
Interest and other	131,344	-	-	-	131,344
Capital outlay	11,001,091	9,401,333	-	5,726,580	26,129,004
Total expenditures	52,256,077	15,355,306	143,492	13,752,400	81,507,275
Excess (Deficiency) of Revenues Over Expenditures	7,324,297	1,045,502	151,140	(4,380,739)	4,140,200
Other Financing Sources (Uses)					
Proceeds from sale of capital assets	226,994	1,950	-	-	228,944
Bond proceeds	-	-	12,096,453	-	12,096,453
Contributions from other entities	-	-	-	226,800	226,800
Loan proceeds	3,157,494	-	-	-	3,157,494
Subscriptions	1,231,082	-	-	-	1,231,082
Equipment leases	17,554	-	-	-	17,554
Transfers in	364,755	2,686,247	-	4,571,484	7,622,486
Transfers out	(10,739,362)	(22,171)	(489,946)	(51,501)	(11,302,980)
Total other financing sources (uses)	(5,741,483)	2,666,026	11,606,507	4,746,783	13,277,833
Net Change in Fund Balances	1,582,814	3,711,528	11,757,647	366,044	17,418,033
Fund Balance, Beginning of Year	43,844,126	12,965,562	447,523	7,475,162	64,732,373
Fund Balance, End of Year	$45,426,942	$16,677,090	$ 12,205,170	$ 7,841,203	$82,150,406

See Notes to Financial Statements

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, 2024

Net change in fund balances - total governmental funds	$ 17,418,033
Amounts reported for governmental activities in the statement of activities are different because:	
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.	
Capital outlay	26,129,005
Depreciation expense	(10,133,335)
In the statement of activities, the gain (loss) on sale of the equipment is reported, whereas in the governmental funds, the proceeds from sales increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the equipment sold.	(1,072,523)
Capital assets contributed do not provide financial resources.	24,280,015
Some property tax revenue in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(4,400)
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.	
Opioid settlement	603,481
Speical assessements	286,605
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.	(2,342,872)
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.	
Subscription principal payments	452,896
Equipment lease principal payments	6,138
Loan principal payments	270,667
Bond proceeds	(12,096,453)
Loan proceeds	(3,117,494)
Amortization of premium	11,432
Subscription	(1,231,082)
Equipment lease	(17,554)
Interest expense accrued but not paid reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(165,630)
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.	(891,104)
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.	133,457
Change in Net Position	$ 38,519,267

See Notes to Financial Statements

	Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Other Enterprise Funds	Total	Internal Service Funds
Assets						
Current Assets						
Cash, investments and cash equivalents	$10,054,134	$ 40,898,939	$1,272,657	$ 4,708,962	$ 56,934,692	$1,394,301
Receivables						
Interest	36,895	144,337	3,756	13,420	198,408	4,721
Accounts, net	978,397	1,664,534	898,014	659,076	4,200,021	-
Leases receivable	7,310	-	-	-	7,310	-
Inventory	706,698	-	-	39,000	745,698	-
Total current assets	11,783,434	42,707,810	2,174,427	5,420,458	62,086,129	1,399,022
Noncurrent Assets						
Restricted cash, investments and cash equivalents	898,105	-	-	-	898,105	-
Lease receivable	30,867	-	-	-	30,867	-
Capital assets						
Not being depreciated	12,385,424	8,349,929	-	178,368	20,913,721	-
Being depreciated (net)	43,458,198	75,553,957	24,879	20,781,192	139,818,226	-
Total noncurrent assets	56,772,594	83,903,886	24,879	20,959,560	161,660,919	-
Deferred Outflow of Resources						
OPEB Liability	-	-	-	-	-	179,684
Pension	395,774	290,938	-	129,112	815,824	-
Total deferred outflow of resources	395,774	290,938	-	129,112	815,824	179,684
	$68,951,802	$126,902,634	$2,199,306	$26,509,130	$224,562,872	$1,578,706

	Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Other Enterprise Funds	Total	Internal Service Funds
Liabilities						
Current Liabilities						
Vouchers and payroll payable	$ 499,241	$ 937,492	$ 580,241	$ 306,150	$ 2,323,124	$ 20,814
Customer deposits	714,426	7,800	-	82,679	804,905	-
Due to other funds	-	-	-	14,000	14,000	-
Advances	-	-	-	14,000	14,000	-
Current portion of compensated absences payable	199,179	115,826	-	29,145	344,150	-
Total current liabilities	1,412,846	1,061,118	580,241	445,974	3,500,179	20,814
Noncurrent Liabilities						
OPEB liability	-	-	-	-	-	625,827
Net pension liability	1,229,951	913,775	-	406,008	2,549,734	-
Total noncurrent liabilities	1,229,951	913,775	-	406,008	2,549,734	625,827
Deferred Inflow of Resources						
Changes in assumptions-OPEB	-	-	-	-	-	231,608
Lease Related	35,644	-	-	-	35,644	-
Pension obligation	23,111	17,170	-	7,629	47,910	-
Total deferred inflow of resources	58,755	17,170	-	7,629	83,554	231,608
Net Position						
Investment in capital assets	55,843,622	83,903,886	24,879	20,959,560	160,731,947	-
Unrestricted	10,406,628	41,006,685	1,594,186	4,689,959	57,697,458	700,457
Total net position	66,250,250	124,910,571	1,619,065	25,649,519	218,429,405	700,457
	$ 68,951,802	$ 126,902,634	$2,199,306	$26,509,130	$224,562,872	$ 1,578,706

City of Caldwell, Idaho
Statement Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
Year Ended September 30, 2024

	Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Other Enterprise Funds	Total	Internal Service Funds
Operating Revenues						
Charges for services	$ 8,919,317	$ 18,549,069	$ 6,084,555	$ 5,257,393	$ 38,810,334	$ 449,642
Other	152,634	254	41,685	702,472	897,045	-
Total operating revenues	9,071,951	18,549,323	6,126,240	5,959,865	39,707,379	449,642
Operating Expenses						
Personnel expenses	2,864,709	2,130,995	-	930,521	5,926,225	146,821
Contractual services	1,566,912	3,123,589	6,929,879	1,015,532	12,635,912	148,404
Materials and supplies	157,787	525,636	148,521	505,390	1,337,334	-
Utilities	506,199	851,477	722	1,221,817	2,580,215	-
Repairs and maintenance	1,725,601	1,100,216	9,741	1,066,307	3,901,865	-
Other expenses	342,074	531,050	42,858	96,714	1,012,696	-
Depreciation	2,070,223	4,197,217	8,527	975,104	7,251,071	-
Total operating expenses	9,233,505	12,460,180	7,140,248	5,811,385	34,645,318	295,225
Operating Income (Loss)	(161,554)	6,089,143	(1,014,008)	148,480	5,062,061	154,417
Nonoperating Revenues (Expenses)						
Hook-on-fees	1,002,525	77,817	-	-	1,080,342	-
Interest income	517,367	1,543,747	53,098	187,912	2,302,124	47,150
Gain (Loss) on the sale of assets	(11,247)	-	-	-	(11,247)	-
Other Misc Revenues-Leases	6,500	-	-	-	6,500	-
Unrealized gain on investments	97,822	361,597	18,067	36,947	514,433	7,760
OPEB expenses (offset)	-	-	-	-	-	(75,870)
Nonoperating revenues (expenses)	1,612,967	1,983,161	71,165	224,859	3,892,152	(20,960)
Income (Loss) Before Contributions and Transfers	1,451,413	8,072,304	(942,843)	373,339	8,954,213	133,457
Contributions from developers	7,423,011	4,268,729	-	3,595,039	15,286,779	-
Operating transfers in	3,686,632	5,884	-	20,147	3,712,663	-
Operating transfers out	-	(22,171)	-	(10,000)	(32,171)	-
Change in Net Position	12,561,056	12,324,746	(942,843)	3,978,525	27,921,484	133,457
Net Position, Beginning of Year	53,689,194	112,585,825	2,561,908	21,670,994	190,507,921	566,999
Net Position, End of Year	$66,250,250	$ 124,910,571	$ 1,619,065	$25,649,519	$218,429,405	$ 700,457

City of Caldwell, Idaho
Statement of Cash Flows – Proprietary Funds
Year Ended September 30, 2024

	Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Other Enterprise Funds	Total	Internal Service Funds
Operating Activities						
Received from user charges	$ 9,053,131	$18,384,023	$6,018,439	$5,916,037	$39,371,630	$ 449,642
Payments to employees for services	(2,630,844)	(1,932,289)	-	(881,977)	(5,445,110)	-
Payments to suppliers for goods and services	(4,793,266)	(5,833,155)	(7,054,234)	(4,106,887)	(21,787,542)	(281,216)
Net Cash from (used for) Operating Activities	1,629,021	10,618,579	(1,035,795)	927,173	12,138,978	168,426
Noncapital Financing Activities						
Interfund loan payments received	-	-	40,000	-	40,000	-
Transfers in	3,686,632	5,884	-	-	3,692,516	-
Transfers out	-	(22,171)	-	10,147	(12,024)	-
Other financial assistance	6,500	-	-	-	6,500	-
Advances	-	-	-	(70,000)	(70,000)	-
Repayment of interfund loans	-	-	-	(14,000)	(14,000)	-
Net Cash from (used for) Noncapital Financing Activities	3,693,132	(16,287)	40,000	(73,853)	3,642,992	-
Capital and Related Financing Activities						
Acquisition of capital assets	(6,535,043)	(3,433,146)	-	(473,513)	(10,441,702)	-
Net Cash used for Capital and Related Financing Activities	(5,498,223)	(3,355,329)	-	(473,513)	(9,327,065)	-
Investing Activities						
Interest received on investments	527,734	1,540,170	59,948	189,661	2,317,513	44,952
Net increase in pooled investments	97,822	361,597	18,067	36,947	514,433	7,760
Net Cash used for Investing Activities	625,556	1,901,767	78,015	226,608	2,831,946	52,712
Net Change in Cash, Investments and Cash Equivalents	449,486	9,148,730	(917,780)	606,415	9,286,851	221,138
Cash, Investments and Cash Equivalents, Beginning of Year	10,502,753	31,750,209	2,190,437	4,102,547	48,545,946	1,173,162
Cash, Investments and Cash Equivalents, End of Year	$10,952,239	$40,898,939	$1,272,657	$4,708,962	$57,832,797	$1,394,301
Contributed capital assets	$ 7,423,011	$ 4,268,729	$ -	$3,595,039	$15,286,779	$ 14,009

	Enterprise Funds					Governmental Activities
	Water	Sewer	Sanitation	Other Enterprise Funds	Total	Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from (used for)operating activities						
Operating income (loss)	$ (161,554)	$ 6,089,143	$(1,014,008)	$ 148,481	$ 5,062,062	$ 154,417
Depreciation	2,070,223	4,197,217	8,526	975,104	7,251,070	-
GASB 68 pension expense	166,642	138,068	-	49,979	354,689	-
Changes in assets and liabilities						
Accounts receivable	(123,405)	5,166	(107,800)	(41,914)	(267,952)	-
Inventory	(240,895)	-	-	(9,095)	(249,990)	-
Vouchers payable	(249,604)	301,465	77,487	(190,732)	(61,384)	14,009
Compensated absences	63,029	57,987	-	(2,736)	118,280	-
Customer deposits	104,585	(170,466)	-	(1,917)	(67,798)	-
Net Cash from (used for) Operating Activities	$1,629,021	$10,618,579	$(1,035,795)	$ 927,173	$12,138,978	$ 168,426

	Employee Benefit Plan Trust
Assets	
Current Assets	
Cash	$ 3,179,955
Accounts receivables	3,315
Total current assets	3,183,270
	$ 3,183,270
Liabilities	
Vouchers payables	$ 200,281
Health claims incurred but not reported	731,631
Total liabilities	931,912
Net Position	2,251,358
Total Liabilities, and Net Position	$ 3,183,270

	Employee Benefit Plan Trust
Contributions	
Employer	$ 5,055,214
Employees	409,582
COBRA	14,094
Total contributions	5,478,890
Other Income	
Rebates	271,205
Total other income	271,205
Deductions	
Insurance claim benefits	4,999,522
Change in health claims incurred but not paid	334,894
Stop loss premiums	542,248
Administrative expenses	378,948
Total deductions	6,255,612
Change in Net Position	(505,517)
Net Position, Beginning of Year	2,756,874
Net Position, End of Year	$ 2,251,358

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 (URA) 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 URA 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.

Debt Service Fund - The Debt Service Fund is used to account for the revenue and expenses associated with debt services such as bond proceeds, project costs, and debt repayment, as well as Local Improvement District Debt services.

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.

> 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 assets 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, 2024, 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 assets 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 tax 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 (revenues) 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 capital 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 but are not reported in the fund financial statements.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the asset into service.

They are amortized over the short of the subscription term or useful life using straight-line method. The amortization varies from 4 to 7 years.

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.

Right to use subscription IT assets are recognized at the subscription commencement date and represent the City's right to use the underlying IT asset for the subscription term. Right to use subscription IT assets are measured at the initial value of the subscription liability plus any payments made to the vendor at the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term, plus any capitalizable initial implementation costs necessary to place the subscription asset into service. Right to use subscription IT assets are amortized over the short of the subscription term or useful life of the underlying asset using the straight-line method.

Long-Term Obligations

Subscription Liabilities represent the City's obligation to make subscription payments arising from the subscription contract. Subscription liabilities are recognized at the subscription commencement date based on the present value of the future subscription payments expected to be made during the subscription term. The present value of the subscription payments are discounted based on a borrowing rate determined by the City based on the term of the lease.

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, Finance 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 short-term 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, 2024 the City has $11,220,000 in bond debt and $2,886,827 in long term loans.

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, 2024. 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 actual GAAP basis expenditures and other financing sources and uses.

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

Other Revenues

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

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

Use of Estimates

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

Note 2 - Cash and Investments

At September 30, 2024, the City's cash and cash equivalents and investments (including fiduciary funds) were invested as follows:

	Cost	Fair Value
Cash and cash equivalents- Unrestricted		
Cash	$ 10,786,186	$ 10,786,186
Total cash and cash equivalents - unrestricted	$ 10,786,186	$ 10,786,186

	Cost	Fair Value
Cash and cash equivalents - Restricted		
Cash - library	$ 157,120	$ 157,120
Other restricted accounts	2,152,290	2,152,290
Total cash and cash equivalents - restricted	$ 2,309,410	$ 2,309,410

	Cost	Fair Value/NAV
Investments - Unrestricted		
Investments carried at net asset value (NAV)		
Local government investment pool	$ 116,429,244	$ 116,860,030
Idaho state treasurer's bond fund	22,350,073	22,505,418
	$ 138,779,317	$ 139,365,448
Investments - Restricted		
Investments carried at fair value		
US Government Agency Obligations	$ 168,806	$ 168,806
Mutual funds	46,474	46,474
Total investments - restricted	$ 215,280	$ 215,280

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, 2024, were as follows:

		Investment Maturities in Years			
Investment Type	Fair Value/NAV	Less than 1	1-5	6-10	More than 10
Local Government Investment Pool	$ 116,860,030	$ 116,860,030	$ -	$ -	$ -
Idaho State Treasurer's Bond Fund	22,505,418	-	22,505,418	-	-
US Government Agency	168,806	-	38,856	5,163	124,787
	$ 139,534,254	$ 116,860,030	$ 22,544,274	$ 5,163	$ 124,787

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+	$ 143,265	$ -	$ -	$ 143,265
Unrated	25,541	116,860,030	22,505,418	139,390,989
	$ 168,806	$ 116,860,030	$ 22,505,418	$ 139,534,254

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, 2024, 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, 2024, is $13,071,404 of which $12,596,995 is collateralized. Deposits in each local and area bank are insured by the FDIC in the amount of $474,409 for interest bearing and non-interest bearing deposit accounts. The uninsured and uncollateralized deposit balance at September 30, 2024, 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 net asset value (NAV) 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, 2024.

Investments	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Debt securities				
U.S. Government Agency Securities	$ 99,247	$ -	$ 99,247	$ -
Mortgage-backed securities	69,559	-	69,559	-
	168,806	-	168,806	-
Mutual funds				
Short-term government	46,474	46,474	-	-
Total investments	$ 215,280	$ 46,474	$ 168,806	$ -
Investments measured at the net asset value (NAV)				
Local government investment pool	$ 116,860,030			
State of Idaho diversified bond fund	22,505,418			
Total investments measured at fair value	$ 139,580,728			

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	$ 116,860,030	None	Next business day	3 days; over $10,000,000
State of Idaho diversified bond fund	$ 22,505,418	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, 2024:

State of Idaho	
Revenue sharing	$ 1,848,990
Liquor apportionment	122,144
Gas tax	821,334
Urban Renewal Agency	806,976
Canyon County	
Road and bridge tax	730
Court revenue	20,986
	$ 3,621,160

Grants owed to the City at September 30, 2024, by source are:

Federal	$ 793,281
State	41,654
	$ 834,935

Note 5 - Capital Assets

	Balance October 1, 2023	Additions	Contributed Capital	Deletions	Transfers	Balance September 30, 2024
Governmental Activities						
Capital assets, not depreciated						
Land	$ 17,026,629	$ 519,815	$ -	$ (372,112)	$ -	$ 17,174,332
Construction in progress	22,247,332	17,027,716	-	(67,079)	(10,749,056)	28,458,913
Total capital assets, not depreciated	39,273,961	17,547,531	-	(439,191)	(10,749,056)	45,633,245
Capital assets, depreciated						
Buildings	38,644,313	-	-	(36,917)	1,646,820	40,254,216
Improvements other than buildings	62,752,185	152,737	-	-	5,007,949	67,912,871
Equipment	26,983,618	6,438,747	-	(1,715,198)	(1,264,438)	30,442,729
Intangibles	8,626,046	741,352	2,547,510	(30,000)	(22,082)	11,862,826
Infrastructure	117,389,154	-	21,732,505	-	5,380,807	144,502,466
Total capital assets, depreciated	254,395,315	7,332,836	24,280,015	(1,782,115)	10,749,056	294,975,108
Less accumulated depreciation for						
Buildings	(11,944,559)	(1,183,988)	-	36,919	-	(13,091,628)
Improvements other than buildings	(21,819,655)	(2,229,824)	-	-	-	(24,049,479)
Equipment	(16,213,465)	(2,298,953)	-	1,111,859	-	(17,400,559)
Infrastructure	(30,302,121)	(3,986,062)	-	-	-	(34,288,183)
Total accumulated depreciation	(80,279,800)	(9,698,827)	-	1,148,778	-	(88,829,849)
Total net capital assets, depreciated	174,115,509	(2,365,991)	24,280,015	(633,337)	10,749,056	206,145,259
Right-to-use leased assets						
Being Amortized	-	17,555	-	-	-	17,555
Less accumulated amortization	-	(3,901)	-	-	-	(3,901)
Net right-to-use subscription IT assets	-	13,654	-	-	-	13,654
Right-to-use Subcription IT Assets Being Amortized	822,440	1,231,083	-	-	-	2,053,523
Less accumulated amortization	(115,960)	(430,607)	-	-	-	(546,567)
Net right-to-use subscription IT assets	706,480	800,476	-	-	-	1,506,956
Governmental Activites Capital Assets, Net	$ 214,802,430	$15,982,016	$ 24,280,015	$ (1,072,528)	$ -	$ 253,285,460

Depreciation/amortization expense for the year ended September 30, 2024, was charged to the following functions:

Governmental Activities	
General government	$ 709,554
Police	960,107
Fire	742,249
Building safety	40,497
Parks and recreation	1,089,366
Community services	805,119
Streets	5,786,443
Total depreciation expense - governmental activities	$ 10,133,335

	Balance October 1, 2023	Additions	Contributed	Deletions	Transfers	Balance September 30,
Business-type Activities						
Capital assets, not depreciated						
Land	$ 2,986,834	$ -	$ -	$ -	$ -	$ 2,986,834
Construction in progress	18,031,764	9,765,735	-	-	(9,870,612)	17,926,887
Total capital assets, not depreciated	21,018,598	9,765,735	-	-	(9,870,612)	20,913,721
Capital assets, depreciated						
Buildings	33,231,589	-	-	-	2,517,993	35,749,582
Improvements other than buildings	163,337,766	-	14,388,674	-	7,352,619	185,079,059
Equipment	13,872,617	1,574,071	-	(173,128)	-	15,273,560
Total capital assets, depreciated	210,441,972	1,574,071	14,388,674	(173,128)	9,870,612	236,102,201
Less accumulated depreciation for						
Buildings	(8,497,250)	(1,116,737)	-	-	-	(9,613,987)
Improvements other than buildings	(70,877,202)	(5,118,199)	-	-	-	(75,995,401)
Equipment	(9,786,040)	(1,016,135)	-	127,588	-	(10,674,587)
Total accumulated depreciation	(89,160,492)	(7,251,071)	-	127,588	-	(96,283,975)
Total net capital assets, depreciated	121,281,480	(5,677,000)	14,388,674	(45,540)	9,870,612	139,818,226
Business-type Activities Capital Assets, Net	$ 142,300,078	$ 4,088,735	$ 14,388,674	$ (45,540)	$ -	$ 160,731,947

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

Business-type Activities	
Water	$ 2,070,223
Sewer	4,197,217
Sanitation	8,527
Golf	211,135
Street lighting	238,964
Irrigation	525,004
Total depreciation expense - business-type activities	$ 7,251,070

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, 2024, is as follows:

Receivable Fund	Payable Fund	Description	Amount
Advances			
Other governmental	Other enterprise	Long-term loan	$ 14,000
Due to/from			
Other governmental	Other enterprise	Short-term loan	14,000
General	Other enterprise	Negative cash in GO Fire Fund	3,339
General	Other enterprise	Negative cash in CDBG Fund	37,938
General	Other governmental	Library payroll	160,552
			$ 229,829

Transfers from Other enterprise, Streets and Sewer to water is for use of capital. Transfers from the General fund to Other Governmental was for the renovation of the new Pool and Bathhouse, other General fund transfers to Street and Water were for the ARPA Funded Farmway Road Improvement Project. Transfers from Other Governmental Funds to General, Street, Water, Sewer and Other Governmental funds are for the Local Improvement District special assessment payments received.

The composition of interfund transfers for the year ended September 30, 2024, is as follows:

	Transfers Out						
	General	Streets	Debt Service	Sewer	Other Enterprise	Other Governmental	Total
Transfers in							
General	$ -	$ -	$ 364,755	$ -	$ -	$ -	$ 364,755
Street	2,623,618	-	62,629	-	-	-	2,686,247
Water	3,595,761	22,171	56,678	2,024	10,000	-	3,686,632
Sewer	-	-	5,884	-	-	-	5,884
Other governmental	4,519,982	-	-	-	-	51,502	4,571,484
Other enterprise	-	-	-	20,147	-	-	20,147
	$ 10,739,362	$ 22,171	$ 489,946	$ 22,171	$ 10,000	$ 51,502	$ 11,335,152

Note 7 - Long-term Debt and Compensated Absences

Long-term debt consisted of the following as of September 30, 2024:

Governmental Activities

General Obligation Bond

$11,220,000 general obligation bond, series 2024, issued for the purpose of Capital Improvements for the rebuild of Fire Station 1. Principal and interest payments of $890,150 are due annually. The final installment of $875,000 is due in 2043 plus interest of 3.56% and including unamortized bond premium of $865,021.	$ 12,085,021

Fire Equipment Loan

$3,157,494 equipment loan, issued for the purpose of Capital Equipment, three new pumpers. Principal and interst payments of $200,000 are due annually. The final installment $195,246 is due in 2033 plus interest at 4.87%.	2,886,827
	$ 14,971,848

The annual requirements to amortize all debt outstanding at September 30, 2024, are as follows:

	Governmental Activities	
	Principal	Interest
2025	$ 547,570	$ 742,984
2026	670,513	624,387
2027	699,093	591,056
2028	738,344	556,306
2029	773,297	519,603
2030-2034	4,073,010	1,987,491
2035-2039	3,360,000	1,103,800
2040-2043	3,245,000	330,800
	$ 14,106,827	$ 6,456,428
Bond Premium	865,021	
	$ 14,971,848	

Total interest cost incurred during 2024 for governmental funds was $271,728 respectively.

In Idaho, a municipality is allowed a debt limit, excluding enterprise fund debt, of 2% of the market valuation of the real and personal property in its taxing area. The city's legal debt limits for governmental funds for fiscal year 2024, based on data available from Canyon County would be approximately $168,799,067.

The following is a summary of changes in long-term debt of the City for the year ended September 30, 2024:

	Debt at October 1, 2023	Debt Issued	Debt Retired	Debt at September 30, 2024	Due Within One Year
Governmental Activities					
Long Term Debt	$ -	$ 14,377,494	$ 270,667	$ 14,106,827	$ 547,570
Bond premium	-	876,453	11,432	865,021	45,728
Compensated absences	2,067,779	2,843,880	1,952,776	2,958,883	1,506,528
Governmental activities long-term liabilities	$ 2,067,779	$ 18,097,827	$ 2,234,875	$ 17,930,731	$ 2,099,826
Business-type Activities					
Compensated absences	$ 225,870	$ 490,624	$ 372,344	$ 344,150	$ 344,150
Business-type activities long-term liabilities	$ 225,870	$ 490,624	$ 372,344	$ 344,150	$ 344,150

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 72% for police and firefighters. As of June 30, 2024, it was 6.71% for general employees and 9.83% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.18% for general employees and 12.69% for police and firefighters. The City's contribution was $3,377,830 for the year ended September 30, 2024.

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, 2024, 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, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. 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, 2024, the City's proportion was .5668943 percent compared to .5626673 percent at June 30, 2023. For the year ended September 30, 2024, the City recognized pension expense related to the Base Plan of $6,098,694.

At September 30, 2024, 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	$ 3,376,112	$ -
Changes in assumptions or other inputs	840,053	-
Net difference between projected and actual earnings on pension plan investments	-	384,915
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	1,454,717	13,547
City's contributions subsequent to the measurement date	1,112,347	-
Total	$ 6,783,229	$ 398,462

The $1,112,347 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, 2025.

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, 2023, the beginning of the measurement period ended June 30, 2024, is 4.4.

At September 30, 2024, 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, 2024, 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, 2024, the City's proportion was 4.2096683 percent compared to 4.2096683 at June 30, 2023. Contributions to the FRF were no longer required by PERSI effective July 1, 2020.

For the year ended September 30, 2024, the City recognized plan pension expense offset related to the FRF of ($604,833). At September 30, 2024, 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	$ 340,594	$ -
Total	$ 340,594	$ -

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, 2023, the beginning of the measurement period ended June 30, 2024, 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
2025	$ 1,597,405	$ (123,602)
2026	4,493,788	570,334
2027	(345,400)	(103,763)
2028	(473,373)	(2,376)

Actuarial Assumptions

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

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

The total pension liability of the Base Plan and total pension asset of the FRF in the June 30, 2024, 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, 2024.

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 and demographic assumptions, including mortality were studied for the period 2015 through 2020. The net pension liability was determined by an actuarial valuation as of June 30, 2024, applied to all prior periods included in the measurement.

For the FRF plan, Economic assumptions and demographic assumptions, including mortality were studied for the period 2015 through 2020. The net pension asset was determined by an actuarial valuation as of June 30, 2024 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	$ 40,297,059	$ 21,205,501	$ 5,612,565
FRF	(9,777,544)	(10,595,570)	(11,311,051)

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, 2024, 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, 2024, valuation date the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled but not yet receiving benefits	-
Active employees entitled to but not yet receiving benefit payments	32
Active employees	325
	359

Total OPEB Liability

The City's total OPEB liability of $625,827 was measured as of September 30, 2024, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The Total OPEB liability in the September 30, 2024, 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, 2024
Discount Rate	4.08% per annum (BOY) 3.81% per annum (EOY)
Salary Increase Rate	3.5% per annum
Inflation Rate	2.7% per annum
Census Data	Census data as of September 2024 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	*Experience/Assumptions* gains and losses are amortized over a closed period of 12.8 years starting on October 1, 2023, 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, 2024
Retirement Tables	PERSI Actuarial Valuation as of June 30, 2024

Changes in the Total OPEB Liability

	Total OPEB Liability
Total OPEB Liability - Start of Year October 1, 2023	$ 642,904
Changes for the Year:	
Service cost	63,023
Interest cost	28,586
Differences between expected and actual experience	(142,859)
Changes in assumptions or other inputs	48,164
Benefit payments	(13,991)
Net change in total OPEB liability	(17,077)
Total OPEB Liability - End of Year September 30, 2024	$ 625,827

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 (2.81 percent) or 1 – percentage – point higher (4.81 percent) than the current discount rate.

	1% Decrease (2.81%)	Discount Rate (3.81%)	1% Increase (4.81%)
Total OPEB Liability	$ 586,000	$ 625,827	$ 668,000

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

For the year ended September 30, 2024, the City recognized an OPEB expense of $91,609. At September 30, 2024, 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	$ 78,034	$ (150,273)
Changes of assumptions/inputs	101,650	(81,335)
Total	$ 179,684	$ (231,608)

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,	
2025	$ (1,749)
2026	(1,749)
2027	(1,749)
2028	(1,749)
2029	(547)
Thereafter	(44,381)

At September 30, 2024, cash and cash equivalents held in the internal service fund total $1,394,301. Anticipated plan revenues for 2024 are $206,600 against budgeted expenditures of $69,000. Three employees opted to retire in 2024.

Note 9 - 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, 2024:

Golf	$	8,678
Sanitation		16,283

Note 10 - 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 11 - Other Commitments

The City has the following commitments at September 30, 2024:

Project Description	Outstanding Commitments	% Complete	Completed as of September 30	Total Contract Amount
Wilson Drain Culvert At Ustick	$ 465,488	61%	$ 732,328	$ 1,197,816
Ustick Widening I84-Middleton	468,208	18%	99,381	567,589
Ustick Widening I84-Middleton	246,736	31%	110,199	356,935
Middleton Rd & Joplin St	57,381	62%	94,162	151,543
Middleton & Skyway St RAB	5,585	98%	298,653	304,238
Ustick Road & Montana Ave Traffic Signal	2,528	97%	72,465	74,992
Ustick Road & Montana Ave Traffic Signal	527,502	53%	605,987	1,133,489
Middleton Skyway RAB	2,091,649	59%	2,996,474	5,088,123
Linden Ward RAB	105,815	69%	237,785	343,600
LID 24-2/Misc Conrete Improvements	673,803	0%	-	673,803
LID 24-1/Downtown Decorative Concrete	801,510	0%	-	801,510
Caldwell Taxiway B Engineering Srvcs	113,932	40%	75,028	188,960
Caldwell Taxiway B Construction Services	923,774	39%	593,548	1,517,322
Pipe Dream Park Pump Track	300,000	50%	300,000	600,000
New Pool & Pool Bathhouse Construction	1,158,021	76%	3,696,385	4,854,406
Oconner Bathroom Remodel	75,777	0%	-	75,777
Luby Park Library Kioske	89,237	0%	-	89,237
New Pool & Pool Bathhouse Design	450,976	62%	746,194	1,197,170
Farmway WaterMain Extension	31,370	96%	825,979	857,349
20/26 Waterline/Mason Creek to Franklin	171,289	0%	-	171,289
10th Ave Water Main/Mallard Park to Vallivue	102,465	38%	62,275	164,740
Renovation fo UV Disinfecting System	38,769	93%	504,781	543,550
Caldwell Septage Receiving Station Design	49,321	84%	259,189	308,510
Caldwell Septage Receiving Station Construction	428,199	38%	263,418	691,617
	$ 9,379,335		$ 12,574,231	$ 21,953,565

Note 12 - Tax Abatements

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

These revenues were reduced through a business property tax abatement program authorized under Idaho Code 63-602NN. This program provides property tax exemptions to certain businesses which invest in non-retail buildings or plants for commercial or industrial purposes. The investment must be made in a plant that will bring significant economic benefit to the county. The exemption may be granted for up to five years. Canyon County has determined the City's share of abatements as of September 30, 2024 as follows:

Tax Abatement Program	Total Amount of Taxes Abated for the City
Idaho Code 63-602NN Tax Exemption	$ 180,777

Note 13 - Related Party Transactions

During 2024, the Caldwell Urban Renewal agency reimbursed the City in the amount of $2,275,003 for expenditures paid on its behalf on various projects (Ustick Road Widening, Indian-Ustick RAB, Ustick-Florida RAB). Additionally, the Agency issued monthly payments to the City for the Caldwell Economic Development funding in the amount of $226,800 and paid the City $8,400 for accounting services.

As of September 30, 2024, the Agency owed the City $806,976 in project related costs.

Note 14 – Leases

Lessor Activities

The City has accrued leases receivable for 1 building leases and 279 land leases related primarily to airport hangers. The remaining receivable for these leases was $3,319,920 as of September 30, 2024. Deferred Inflows related to these leases were $3,304,317 as of September 30, 2024. Interest revenue recognized on these leases was $81,105 for the year ended September 30, 2024. Principal receipts of $295,476 were recognized during the fiscal year. The implicit interest rate used by the City to calculate the leases was 2.158% and 5.438%. Final receipt is expected through fiscal year 2064.

Lessee Activities

The City has accrued lease liability for one vehicle in the general fund. The remaining liability for this lease was $11,416 as of September 30, 2024. Interest expense recognized on this lease was $374, for the year ended September 30, 2024. Principal payment of $6,138 was recognized during the fiscal year. The implicit interest rate used by the City to calculate the lease was 4.87%. Final payment is expected through fiscal year 2026.

Note 15 – Subscription-Based Information Technology Arrangements (SBITAs)

During the current year, the City entered into a SBITA contract for the use of procurement and budgeting software. In the prior year, the City entered into a SBITA contract for the use of Cybersecurity Software. The City is required to make annual principal and interest payments through September 2030. The subscription liability was valued using a discount rate of 2.503% and 3.409%, respectively.

	Balance October 1, 2023	Additions	Deletions	Transfers	Balance September 30, 2024	Due Within One Year
Subscription IT liabilities	$ 692,312	$ 1,231,082	$ (445,197)	$ -	$ 1,478,197	$ 397,970

Remaining principle and interest payments on subcriptions are as follows:

Years Ending September 30,	Principle	Interest
2025	$ 397,970	$ 35,091
2026	378,458	22,145
2027	272,427	13,287
2028	240,000	4,823
2029	93,480	2,431
2030	95,862	6
	$ 1,478,197	$ 77,783

Required Supplementary Information
September 30, 2024

City of Caldwell, Idaho

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

	2024	2023	2022	2021	2020
Employer's portion of net the pension liability	0.5668943%	0.5626673%	0.4411089%	0.4438023%	0.4382035%
Employer's proportionate share of the net pension liability (asset)	$ 21,205,501	$ 22,454,197	$ 17,374,214	$ (350,509)	$ 10,175,662
Employer's covered payroll	$ 25,371,176	$ 19,218,479	$ 15,945,204	$ 15,121,544	$ 14,403,507
Employer's proportional share of the net pension liability as a percentage of its covered payroll	83.58%	116.84%	108.96%	-2.32%	70.65%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.83%	83.09%	100.36%	88.22%

	2019	2018	2017	2016	2015
Employer's portion of net the pension liability	0.4272990%	0.4299319%	0.4292893%	0.4151597%	0.4176759%
Employer's proportionate share of the net pension liability (asset)	$ 4,877,497	$ 6,341,569	$ 6,747,689	$ 8,415,926	$ 5,500,112
Employer's covered payroll	$ 13,350,459	$ 12,702,613	$ 12,308,096	$ 11,161,497	$ 9,999,630
Employer's proportional share of the net pension liability as a percentage of its covered payroll	36.53%	0 49.92%	54.82%	75.40%	55.00%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	91.38%

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

Schedule of Employer's Share of Net Pension Asset

FRF

Last 10 - Fiscal Years

	2024	2023	2022	2021	2020
Employer's portion of net the pension asset	4.2096683%	4.2096683%	4.2096683%	4.2096683%	4.2096683%
Employer's proportionate share of the net pension asset	$ 10,595,570	$ 9,951,771	$ 8,642,067	$ 11,375,653	$ 6,268,160
Employer's covered payroll	$ 1,460,922	$ 1,474,438	$ 1,201,115	$ 1,081,918	$ 1,002,746
Employer's proportional share of the net pension asset as a percentage of its covered payroll	725.27%	674.95%	719.50%	1051.43%	625.10%
Plan fiduciary net position as a percentage of the total pension asset	207.66%	200.58%	184.72%	211.83%	155.55%

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

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

Schedule of Employer Contributions

Base Plan

Last 10 - Fiscal Years

	2024	2023	2022	2021	2020
Statutorily required contribution	$ 3,377,830	$ 2,705,063	$ 2,166,427	$ 1,984,468	$ 2,054,507
Contributions in relation to the statutorily required contribution	$ 3,377,830	$ 2,705,063	$ 2,166,427	$ 1,984,468	$ 2,054,507
Contributions (deficiency) excess	0	$ -	$ -	$ -	$ -
Employer's covered payroll	$ 25,183,281	$ 20,475,367	$ 17,033,768	$ 15,232,229	$ 14,637,182
Contributions as a percentage of covered payroll	13%	13%	13%	13%	14%

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

Data reported is measured as of September 30.

Schedule of Employer Contributions

FRF

Last 10 - Fiscal Years

	2024	2023	2022	2021	2020
Statutorily required contribution	$ -	$ -	$ -	$ -	$ 164,297
Contributions in relation to the statutorily required contribution	$ -	$ -	$ -	$ -	$ 164,297
Contributions (deficiency) excess	$ -	$ -	$ -	$ -	$ -
Employer's covered payroll	$ -	$ -	$ -	$ -	$ 1,042,330
Contributions as a percentage of covered payroll	0%	0%	0%	0%	16%

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

Data reported is measured as of September 30.

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

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	$ 63,023	$ 61,055	$ 74,479	$ 72,458	$ 48,508	$ 47,951	$ 46,027
Interest cost	28,586	25,370	13,117	17,079	17,384	24,674	27,245
Changes of benefit terms	-	-	-	-	47,217	-	-
Differences between expected and actual experience	(142,859)	-	103,479	-	(32,877)	-	-
Changes in assumptions or other inputs	48,164	(2,816)	(95,428)	2,209	52,377	56,070	(18,526)
Benefit Payments	(13,991)	(21,469)	(95,378)	(234,646)	(61,327)	(37,846)	(198,251)
Net change in total OPEB liability	(17,077)	62,140	269	(142,900)	71,282	90,849	(143,505)
Total OPEB Liability - Start of Year 10/01	642,904	580,764	580,495	723,395	652,113	561,264	704,769
Total OPEB Liability - End of Year 09/30	$ 625,827	$ 642,904	$ 580,764	$ 580,495	$ 723,395	$ 652,113	$ 561,264
Covered employee payroll	$19,983,350	$19,399,000	$18,834,176	$16,003,188	$12,303,818	$10,570,085	$10,570,085
Total OPEB Liability as a % of covered employee payroll	3.13%	3.31%	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.

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Property taxes	$ 20,810,525	$ 20,810,526	$ 21,312,331	$ 501,805
Franchise fees	1,085,000	1,085,000	1,176,644	91,644
Interest	288,500	1,788,500	2,663,226	874,726
Licenses and permits	4,542,768	4,542,767	5,354,064	811,297
Intergovernmental	4,567,325	4,567,325	4,175,662	(391,663)
Operating grants	14,314,423	14,327,422	10,361,468	(3,965,954)
Charges for services	13,220,011	13,220,009	13,386,116	166,107
Unrealized gain on investments	-	-	361,808	361,808
Miscellaneous	154,929	154,929	789,055	634,126
Total revenues	58,983,481	60,496,478	59,580,374	(916,104)
Expenditures				
Current				
General government	22,788,675	25,399,016	9,432,862	15,966,154
Public safety	30,634,437	31,035,069	28,959,242	2,075,827
Culture and recreation	707,729	776,782	546,760	230,022
Community development	1,416,416	1,417,438	1,415,077	2,361
Debt Service				
Principal repayments on interfund loan	-	-	499,034	(499,034)
Principal repayments on loans	-	310,667	270,667	40,000
Interest and other	-	130,533	131,344	(811)
Capital outlay	8,423,887	11,202,484	11,001,091	201,393
Total expenditures	63,971,144	70,271,989	52,256,077	18,015,912
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,987,663)	(9,775,511)	7,324,297	17,099,808
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	226,994	226,994
Loan proceeds	-	3,157,494	3,157,494	-
Subscriptions & Equip Leases	-	-	1,248,636	1,248,636
Transfers in	5,566,300	5,916,300	364,755	(5,551,545)
Transfers Out	(15,102,800)	(16,086,800)	(10,739,362)	5,347,438
Total other financing sources (uses)	(9,536,500)	(7,013,006)	(5,741,483)	1,271,523
Net Change in Fund Balances	$ (14,524,163)	$ (16,788,517)	1,582,814	$ 18,371,331
Fund Balance, Beginning of Year			43,844,126	
Fund Balance, End of Year			$ 45,426,942	

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Revenues				
Property taxes	$ 3,173,936	$ 3,173,936	$ 3,173,936	$ -
Interest	100,250	100,250	869,597	769,347
Intergovernmental	6,420,308	6,420,308	7,239,843	819,535
Charges for services	3,124,867	3,124,867	645,923	(2,478,944)
Other grants	591,732	591,732	111,435	(480,297)
Capital Grants - Other General	-	-	4,156,556	4,156,556
Unrealized gain (loss) on investments	-	-	168,543	168,543
Miscellaneous	20,000	20,000	34,975	14,975
Total revenues	13,431,093	13,431,093	16,400,808	2,969,715
Expenditures				
Streets	12,653,925	12,828,381	5,953,973	6,874,408
Capital outlay	14,177,500	22,126,143	9,401,333	12,724,810
Total expenditures	26,831,425	34,954,524	15,355,306	19,599,218
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,400,332)	(21,523,431)	1,045,502	22,568,933
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	-	-	1,950	1,950
Loan proceeds	287,250	287,250	-	(287,250)
Operating transfers in	4,400,000	4,452,500	2,686,247	(1,766,253)
Operating transfers out	-	(22,171)	(22,171)	(22,171)
Total other financing sources (uses)	4,687,250	4,717,579	2,666,026	(2,073,724)
Net Change in Fund Balances	$ (8,713,082)	$ (16,805,852)	3,711,528	$ 20,495,209
Fund Balance, Beginning of Year			12,965,562	
Fund Balance, End of Year			$ 16,677,090	

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 Finance Director 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 Finance Director and Mayor are 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, 2024

City of Caldwell, Idaho

NONMAJOR GOVERNMENTAL FUNDS

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 revenues property taxes to financing of parks and recreation programs.

City of Caldwell, Idaho
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2024

	Business Improvement District	CDBG HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Assets										
Cash and cash equivalents	$ 170,422	$ 102,780	$ 834,950	$ 132,975	$ 1,860,060	$ 136,170	$ 1,698,335	$ 923,990	$2,057,953	$ 7,917,635
Prepaid expenses	-	8,100	-	-	-	-	25,139	-	-	33,239
Receivables										
Interest	-	18,284	2,370	215	6,395	2,428	8,180	1,463	3,557	42,892
Interest lease related	-	-	-	-	-	-	-	39,823	-	39,823
Taxes	-	-	184,256	-	-	-	1,396,311	428,970	1,027,801	3,037,338
Intergovernmental	-	-	18,571	-	-	-	139,028	22,292	485,693	665,584
Accounts	79,946	-	-	-	-	-	3,476	30,754	9,772	123,948
Special assessments	-	38,598	-	-	-	-	-	604,621	-	643,219
Notes	-	38,391	-	-	-	-	-	-	-	38,391
Leases	-	-	-	-	-	-	-	3,164,194	-	3,164,194
Due from other funds	-	-	-	-	14,000	-	-	-	-	14,000
Advances	-	-	-	-	14,000	-	-	-	-	14,000
Restricted assets	-	-								
Cash and cash equivalents	-	-	-	-	-	-	157,120	-	-	157,120
Investments	-	-	-	-	-	-	215,280	-	-	215,280
	$ 250,368	$ 206,153	$ 1,040,147	$ 133,190	$ 1,894,455	$ 138,598	$ 3,642,869	$5,216,107	$3,584,776	$ 16,106,663

City of Caldwell, Idaho
Combining Balance Sheet – Nonmajor Governmental Funds
September 30, 2024

	Business Improvement District	CDBG HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Liabilities, Deferred Inflows of Resource and Fund Balances										
Liabilities										
Vouchers and payroll payable	$ 68,280	$ 98,430	$ 13,447	$ 77	$ -	$ 10,231	$ 30,379	$ 666,800	$ 924,358	$ 1,812,002
Customer deposits	-	-	-	-	-	-	-	-	7,185	7,185
Due to other funds	-	37,937	-	-	-	-	160,552	-	-	198,489
Total liabilities	68,280	136,367	13,447	77	-	10,231	190,931	666,800	931,543	2,017,676
Deferred Inflows of Resources										
Unavailable property tax revenue	-	-	184,256	-	-	-	1,396,311	428,970	1,027,801	3,037,338
Unavailable revenue	-	18,284	-	-	-	-	-	-	-	18,284
Lease related	-	-	-	-	-	-	-	3,192,160	-	3,192,160
Total deferred inflows of resources	-	18,284	184,256	-	-	-	1,396,311	3,621,130	1,027,801	6,247,782
Fund Balances										
Nonspendable	-	8,100	-	-	-	-	25,139	-	-	33,239
Assigned for Building Capital Maintenance	-	-	-	-	-	128,367	-	-	-	128,367
Assigned for library services	-	-	-	-	-	-	2,030,488	-	-	2,030,488
Assigned for community services	182,088	43,402	842,444	133,113	1,894,455	-	-	928,177	1,625,432	5,649,111
Total fund balances	182,088	51,502	842,444	133,113	1,894,455	128,367	2,055,627	928,177	1,625,432	7,841,205
	$ 250,368	$ 206,153	$ 1,040,147	$ 133,190	$ 1,894,455	$ 138,598	$ 3,642,869	$5,216,107	$3,584,776	$ 16,106,663

City of Caldwell, Idaho

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

Year Ended September 30, 2024

	Business Improvement District	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Revenues										
Property taxes	$ -	$ -	$ 183,318	$ -	$ -	$ -	$1,388,507	$ 500,157	$ 979,374	$3,051,356
Interest	-	-	40,583	5,484	73,058	23,809	92,750	32,112	51,422	319,218
Interest lease relaed	-	-	-	-	-	-	-	77,357	-	77,357
Intergovernmental	-	-	69,592	-	-	-	520,993	83,537	1,820,077	2,494,199
Capital grants	-	755,050	-	-	-	-	-	855,640	-	1,610,690
Operating grants	-	-	-	-	-	-	10,401	-	-	10,401
Charges for services	-	-	196,020	20,221	38,099	-	29,112	271,043	590,266	1,144,761
Unrealized (loss)/gain on investments	-	-	6,024	458	15,395	2,905	18,778	5,094	13,583	62,237
Assessments	370,734	-	-	-	-	-	-	-	-	370,734
Miscellaneous	-	-	7,403	-	-	1,001	188,204	25,753	8,347	230,708
Total revenues	370,734	755,050	502,940	26,163	126,552	27,715	2,248,745	1,850,693	3,463,069	9,371,661
Expenditures										
Current										
General government	263,238	-	-	-	-	-	-	-	-	263,238
Parks and recreation	-	-	-	-	-	-	-	-	3,153,193	3,153,193
Community services	-	755,050	461,687	35,871	-	916,102	1,754,485	686,192	-	4,609,387
Capital outlay	-	-	20,477	-	-	-	44,982	1,017,033	4,644,088	5,726,580
Total expenditures	263,238	755,050	482,164	35,871	-	916,102	1,799,467	1,703,225	7,797,281	13,752,398
Excess (Deficiency) of Revenues Over (Under) Expenditures	107,496	-	20,776	(9,708)	126,552	(888,387)	449,278	147,468	(4,334,212)	(4,380,737)

City of Caldwell, Idaho

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds

Year Ended September 30, 2024

	Business Improvement District	CDBG/ HUD	Cemetery	Cemetery Capital Improvement	Cemetery Perpetual Care	Community Development	Library	Airport	Recreation	Totals
Other Financing Sources (Uses)										
Contributions from other governments	-	-	-	-	-	226,800	-	-	-	226,800
Operating transfers out	-	-	-	-	-	(51,502)	-	-	-	(51,502)
Operating transfers in	-	51,502	-	-	-	105,174	-	-	4,414,807	4,571,483
Total other financing sources (uses)	-	51,502	-	-	-	280,472	-	-	4,414,807	4,746,781
Excess of Revenues Over Expenditures and Other Financing Sources	107,496	51,502	20,776	(9,708)	126,552	(607,915)	449,278	147,468	80,595	366,044
Fund Balance, Beginning of Year	74,592	-	821,667	142,821	1,767,903	736,282	1,606,349	780,710	1,544,838	7,475,162
Fund Balance, End of Year	$ 182,088	$ 51,502	$ 842,444	$ 133,113	$1,894,455	$ 128,367	$2,055,627	$ 928,177	$ 1,625,432	$7,841,205

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.

	Golf	Street Lighting	Irrigation	Totals
Assets				
Current Assets				
Cash and cash equivalents	$ 197,754	$ 2,412,341	$ 2,098,867	$ 4,708,962
Interest receivable	54	8,425	4,941	13,420
Accounts receivable	975	98,247	559,854	659,076
Inventory	39,000	-	-	39,000
Total current assets	237,783	2,519,013	2,663,662	5,420,458
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	178,368	-	-	178,368
Capital asset being depreciated (net)	633,458	5,675,025	14,472,709	20,781,192
Total noncurrent assets	811,826	5,675,025	14,472,709	20,959,560
Deferred Outflow of Resources				
Pension obligation	77,193	-	51,919	129,112
	$ 1,126,802	$ 8,194,038	$ 17,188,290	$ 26,509,130
Liabilities				
Current Liabilities				
Vouchers and payroll payables	$ 138,114	$ 44,388	$ 123,648	$ 306,150
Customer deposits	82,679	-	-	82,679
Due to other funds	14,000	-	-	14,000
Advances	14,000	-	-	14,000
Current portion of compensated absences	29,145	-	-	29,145
Total current liabilities	277,938	44,388	123,648	445,974
Noncurrent Liabilities				
Net pension liability	245,058	-	160,950	406,008
Deferred Inflow of Resources				
Pension obligation	4,605	-	3,024	7,629
Net Position				
Net investment in capital assets	811,826	5,675,025	14,472,709	20,959,560
Unrestricted	(212,625)	2,474,625	2,427,959	4,689,959
Total net position	599,201	8,149,650	16,900,668	25,649,519
	$ 1,126,802	$ 8,194,038	$ 17,188,290	$ 26,509,130

	Golf	Street Lighting	Irrigation	Totals
Operating Revenues				
Charges for services	$ 1,965,473	$ 872,739	$ 2,419,181	$ 5,257,393
Other	16,846	20,718	664,908	702,472
Total operating revenues	1,982,319	893,457	3,084,089	5,959,865
Operating Expenses				
Personnel services	552,233	-	378,288	930,521
Contractual services	633,170	66,736	315,626	1,015,532
Materials and supplies	377,190	14,462	113,738	505,390
Utilities	106,286	260,234	855,297	1,221,817
Repairs and maintenance	190,657	145,219	730,431	1,066,307
Other expenses	67,734	6,083	22,897	96,714
Depreciation	211,135	238,964	525,004	975,103
Total operating expenses	2,138,405	731,698	2,941,281	5,811,384
Operating Income (Loss)	(156,086)	161,759	142,808	148,481
Nonoperating Revenues (Expenses)				
Interest income	12,849	86,382	88,681	187,912
Unrealized (loss)/gain on investments	272	19,808	16,867	36,947
Total nonoperating revenues	13,121	106,190	105,548	224,859
Income (Loss) Before Contributions and Transfers	(142,965)	267,949	248,356	373,340
Contributions from developers	-	1,042,254	2,552,785	3,595,039
Transfer of Capital Assets from Governmental	-	-	20,147	20,147
Transfers out	-	-	(10,000)	(10,000)
Change in Net Position	(142,965)	1,310,203	2,811,288	3,978,526
Net Position, Beginning of Year	742,167	6,839,448	14,089,382	21,670,997
Net Position, End of Year	$ 599,201	$ 8,149,650	$ 16,900,668	$ 25,649,519

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2024

	Non Major Enterprise Funds			
	Golf	Street Lighting	Irrigation	Total
Operating Activities				
Received from user charges	$ 1,979,427	$ 884,222	$ 3,052,389	$ 5,916,038
Payments to employees for services	(548,995)	-	(332,982)	(881,977)
Payments to suppliers for goods and services	(1,356,561)	(495,780)	(2,254,546)	(4,106,887)
Net Cash from (used for) Operating Activities	73,871	388,442	464,861	927,174
Noncapital Financing Activities				
Transfers out	-	-	10,147	10,147
Advances	(70,000)	-	-	(70,000)
Repayment on interfund loan	(14,000)	-	-	(14,000)
Net Cash from (used for) Noncapital Financing Activities	(84,000)	-	10,147	(73,853)
Capital and Related Financing Activities				
Acquisition of capital assets	(124,672)	(63,823)	(285,018)	(473,513)
Net Cash from (used for) Capital and Related Financing Activities	(124,672)	(63,823)	(285,018)	(473,513)
Investing Activities				
Interest received on investments	12,795	86,032	90,836	189,663
Net increase (decrease) in pooled investments	272	19,808	16,867	36,947
Net Cash from Investing Activities	13,067	105,840	107,703	226,610
Net Change in Cash and Cash Equivalents	(121,735)	430,460	297,695	606,420
Cash and Cash Equivalents, October 1, 2023	319,489	1,981,883	1,801,175	4,102,547
Cash and Cash Equivalents, September 30, 2024	$ 197,754	$ 2,412,341	$ 2,098,867	$ 4,708,962
Contributed property, plant and equipment	$ -	$ 1,042,254	$ 2,552,785	$ 3,595,039

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Enterprise Funds
Year Ended September 30, 2024

	Non Major Enterprise Funds			
	Golf	Street Lighting	Irrigation	Total
Reconciliation of operating income (loss) to net cash from (used for) operating activities				
Operating income (loss)	$ (146,876)	$ 161,759	$ 148,856	$ 163,739
Depreciation	211,136	238,964	525,004	975,104
GASB 68 pension expense	(3,800)	-	38,521	34,721
Changes in assets and liabilities				
Accounts receivable	(975)	(9,236)	(31,700)	(41,911)
Inventory	(9,095)	-	-	(9,095)
Vouchers payable	28,134	(3,047)	(215,820)	(190,732)
Compensated absences	(2,736)	-	-	(2,736)
Customer deposits	(1,917)	-	-	(1,917)
Net Cash from (used for) Operating Activities	$ 73,871	$ 388,441	$ 464,861	$ 927,174

	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Totals
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and cash equivalents	$ 1,351,596	$ 42,705	$ 1,394,301
Interest receivable	4,721	-	4,721
Total current assets	1,356,317	42,705	1,399,022
Deferred Outflows of Resources			
OPEB obligations	179,684	-	179,684
Total deferred outflows of resources	179,684	-	179,684
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Vouchers payable	19,487	1,327	20,814
OPEB liability	625,827	-	625,827
Total liabilities	645,314	1,327	646,641
Deferred Inflows of Resources			
OPEB obligations	231,608	-	231,608
Total deferred inflows of resources	231,608	-	231,608
Net Position			
Unrestricted	659,079	41,378	700,456
Total net position	659,079	41,378	700,456
	$ 1,536,001	$ 42,705	$ 1,578,705

City of Caldwell, Idaho

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

Year Ended September 30, 2024

	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Totals
Operating Revenues			
Charges for services	$ 300,886	$ 148,756	$ 449,642
Total operating revenues	300,886	148,756	449,642
Operating Expenses			
Personnel Services	-	146,821	146,821
Contractual services	143,449	4,955	148,404
Total operating expenses	143,449	151,776	295,225
Operating Income (Loss)	157,437	(3,020)	154,417
Nonoperating Revenues (Expenses)			
Interest income	47,150	-	47,150
Unrealized gain on investments	7,760	-	7,760
OPEB expenses (offset)	(75,870)	-	(75,870)
Total nonoperating (expenses)	(20,960)	-	(20,960)
Change in Net Position	136,477	(3,020)	133,457
Net Position, Beginning of Year	522,601	44,398	566,999
Net Position, End of Year	$ 659,079	$ 41,378	$ 700,456

City of Caldwell, Idaho
Combining Statement of Cash Flows – Nonmajor Internal Service Funds
Year Ended September 30, 2024

	Internal Service Funds		
	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Totals
Operating Activities			
Received from user charges	$ 300,886	$ 148,756	$ 449,642
Payments to suppliers for goods and services	(129,962)	(151,254)	(281,216)
Net Cash from (used for) Operating Activities	170,924	(2,498)	168,426
Investing Activities			
Interest received on investments	44,952	-	44,952
Net increase in pooled investments	7,760	-	7,760
Net Cash from (used for) Investing Activities	52,712	-	52,712
Net Change in Cash and Cash Equivalents	223,637	(2,498)	221,139
Cash and Cash Equivalents, October 1, 2023	1,127,958	45,204	1,173,162
Cash and Cash Equivalents, September 30, 2024	$ 1,351,596	$ 42,705	$ 1,394,301
Net Cash from (used for) Operating Activities	$ 170,924	$ (2,498)	$ 168,426

	Internal Service Funds		
	Post-Retirement Health Reimbursement Arrangement	Section 125 Benefit Plan	Total
Reconciliation of Operating Income to Net Cash from operating activities			
Operating income (loss)	$ 157,437	$ (3,020)	$ 157,437
Changes in assets and liabilities			
Vouchers payable	13,487	522	13,487
Net Cash from Operating Activities	$ 170,924	$ (2,498)	$ 170,924

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CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, 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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to the Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Boise, Idaho
April 2, 2025

Independent Auditor's Report on Compliance for Each` Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

To the Members of the City Council
City of Caldwell, Idaho
Caldwell, Idaho

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Caldwell, Idaho's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended September 30, 2024. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the major federal programs as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

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

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

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 as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated April 2, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Eide Bailly LLP

Boise, Idaho
April 2, 2025

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Financial Assistance Listing	Federal Grantor/ Pass-through Entity Identifying Number	Expenditures	Amounts Passed-Through to Subrecipients
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Program				
CDBG - Entitlement Grants Cluster				
CDBG/Entitlement Grant	14.218	B-20-MS-16-0008	$ 43,018	$ 43,018
COVID-19 CDBG/Entitlement Grant	14.218	B-20-MW-16-0008	31,893	68,231
CDBG/Entitlement Grant	14.218	B-21-MC-16-0008	442,467	442,467
CDBG/Entitlement Grant	14.218	B-22-MC-16-0008	150,928	150,372
CDBG/Entitlement Grant	14.218	B-23-MC-16-0008	86,742	-
Total Department of Housing and Urban Development / CDBG Entitlement Grants Cluster			755,048	704,088
U. S. DEPARTMENT OF JUSTICE				
Passed through City of Nampa				
Edward Byrne Memorial Justice Assistance	16.738	2023-DJ-BX-0597	35,063	-
Total 16.738			35,063	-
Passed through Idaho Office of the Attorney General				
Missing Childrens Assistance (ICAC)	16.543	2023-MC-FX-K061	4,029	-
Total 16.738			4,029	-
Total U.S. Department of Justice			39,092	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through State of Idaho Office of Emergency Management				
State Homeland Security Program (SHSP)	97.067	EMW-2021-SS-00070	19,973	-
Total 97.067			19,973	-
Direct Program				
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	ENW-2021-FF-01852	602,616	-
Passed through US Fire Administration				
National Fire Acadamy Training Assistance	97.083	ENW-2021-FF-01852	1,778	-
Total 97.083			604,394	-
Total U.S. Department of Homeland Security			624,367	-

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Financial Assistance Listing	Federal Grantor/ Pass-through Entity Identifying Number	Expenditures	Amounts Passed-Through to Subrecipients
U. S. DEPARTMENT OF TRANSPORTATION				
Direct Program				
Federal Aviation Administration				
AIP-Airport Improvement Program	20.106	3-16-0045-037-2023	56,573	-
AIP-Airport Improvement Program	20.106	3-16-0045-039-2024	369,861	-
BIL-Bipartisan Infrastructure Law	20.106	3-16-0045-040-2024	379,908	-
BIL-Bipartisan Infrastructure Law	20.106	3-16-0045-041-2024	4,500	-
Total 20.106			810,843	-
Passed through the Idaho Department of Transportation, Office of Hwy Safety				
Office of the Highway Cluster				
National Priority Safety Programs	20.600	PT-2024-EA-00-00	2,197	-
National Priority Safety Programs	20.600	DD-2024-EA-00-00	1,047	-
National Priority Safety Programs	20.600	PT-2024-EA-00-00	2,869	-
Total 20.600			6,113	-
State and Community Highway Safety	20.616	M2HVE-2024-EA-00-00	2,137	-
State and Community Highway Safety	20.616	M5HVE-2024-EA-00	1,184	-
State and Community Highway Safety	20.616	M5HVE-2024-ED-00	544	-
State and Community Highway Safety	20.616	M2HVE-2024-EB-00-00	1,987	-
State and Community Highway Safety	20.616	M5HVE-2024-EB-00	1,062	-
State and Community Highway Safety	20.616	M5HVE-2024-EC-00	1,044	-
Total 20.616			7,957	-
Total Office of Hwy Safety Cluster			14,071	-
Passed through State of Idaho Office of Emergency Management				
Interagency Hazardous Materials Public Sector Training and Planning Grants (HMEP)	20.703	HM-HMP-0535180200	7,537	-
Total 20.703			7,537	-
Total U.S. Department of Transportation			832,450	-
INSTITUTE OF MUSEUM AND LIBRARY SERVICES				
Passed through the State of Idaho Commission for Libraries				
Grants to States	45.310	LS-253624-OLS-23	7,500	-
Grants to States	45.310	LS-256815-OLS-24	1,125	-
Total Institute of Museum and Library Services			8,625	-
U.S. DEPARTMENT OF THE TREASURY				
Passed through State of Idaho Controllers Office				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1982-0-1-806	9,525,779	-
Total Department of the Treasury			9,525,779	-
TOTAL FEDERAL FINANCIAL ASSISTANCE			$ 11,785,361	$ 704,088

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the City of Caldwell, Idaho (the City) under programs of the federal government for the year ended September 30, 2024. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or fund balance of the City.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the modified accrual basis of accounting, except for subrecipient expenditures, which are recorded on the cash basis. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

The City does not draw for indirect administrative expenses and has not elected to use the 10% de minimums cost rate.

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified	Yes
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program:	
Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516:	No

Identification of major program:

Name of Federal Program	Federal Financial Assistance Listing
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027
Airport Improvement Program	20.106
Community Development Block Grants Entitlement Grants Cluster	14.218

Dollar threshold used to distinguish between type A and type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

2024-001 Impact Fees - Lost Revenues
Material Weakness

Criteria:
Resolution 193-23 passed by City Council on August 1, 2023 increased the total Impact Fee rates for Parks and Recreation effective date of October 1, 2023 the resolution from $2,006.94 per residential unit to $2,081.73.

Condition:
During our audit of impact fees we noted Public Works Department had not updated the impact fee rates in the software application utilized to calculate the impact fees (Citizenserve) to the rates approved by City Council on the effective dates of the resolutions in fiscal year 2023. These rates were not updated until March 2024.

Cause:
Public Works Department failed to update the impact rates in Citizenserve to the approved rates.

Effect:
For fiscal year 2024 we estimated lost revenues for Park and Recreation impact fees totaled $395,757 as a result of not updating the rate in Citizenserve.

Recommendation:
We recommend the City add additional levels of control to ensure the impact fees rates are input timely and accurately upon passage of an approved resolution by City Council.

Views of Responsible Officials:
The City concurs with the recommendation as stated.

Section III – Federal Award Findings and Questioned Costs

None reported.