

CITY OF TWIN FALLS, IDAHO
FINANCIAL STATEMENTS
SEPTEMBER 30, 2010

**CITY OF TWIN FALLS, IDAHO
FINANCIAL STATEMENTS**

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Justamere Inn
401 Gooding Street North, Suite 201
P.O. Box 1293
Twin Falls, Idaho 83303-1293

Phone (208) 734-2077
Fax (208) 734-2079

office@hcmholmstead.com

INDEPENDENT AUDITORS' REPORT

June 8, 2011

City Council
City of Twin Falls, Idaho

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Twin Falls, Idaho's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of September 30, 2010, and the respective changes in financial position, and cash flows, where applicable thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2011, on our consideration of the City of Twin Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 12 and 51 through 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Twin Falls, Idaho's financial statements as a whole. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Sincerely,



HCM HOLMSTEAD, PLLC



City of Twin Falls, Idaho

Management's Discussion and Analysis

As of and for the Year Ended September 30, 2010

The following discussion and analysis of the City of Twin Falls' (City) financial activities for the year ended September 30, 2010 is provided by management of the City. Please read this analysis in conjunction with the City's financial statements that begin on page 13.

Overview of the Financial Statements

The City's basic financial statements are comprised of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases reported in the Statement of Net Assets. Information on how the City's net assets changed during the fiscal year is presented in the Statement of Activities. Financial information for the City's component unit, the Urban Renewal Agency of the City of Twin Falls is also presented.

Fund Financial Statements

Fund financial statements for governmental and proprietary funds focus on individual parts of the City, reporting the City's separate operations in more detail than the government-wide financial statements.

Fiduciary Fund Statements

The City may act as a fiduciary for the financial activity of others. The Fiduciary Fund Statements are a reporting of that stewardship of monies held by the City in care for others at the end of the fiscal year.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the government-wide and fund financial statements. Note 1 to the financial statements provides more information on the elements of the financial statements.

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

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

Financial Analysis of the City as a Whole

Analysis of Condensed Statement of Net Assets

The table below presents the City's Condensed Statement of Net Assets as of September 30, 2010 and 2009, derived from the government-wide Statement of Net Assets. The assets of the City exceeded its liabilities (net assets) at the close of the year by \$180,358,409 for governmental activities and by \$43,424,975 for business-type activities, for a combined total of \$223,783,384 for the primary government. There was some shifting of net assets as net assets for governmental activities decreased by \$727,571 from 2009 to 2010, while the net assets for business type activities increased \$1,643,165 during the same period.

The three components of net assets include amounts invested in capital assets, net of related debt; restricted; and unrestricted. The largest component of net assets, totaling \$179,452,798 at year end, is the investment in capital assets, net of related debt, which includes all of the sewer and water lines and roads of the City. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net assets are not available for future spending. Restricted assets totaling \$16,182,340 represent resources that are subject to external restrictions and other provisions on how they can be used. The remaining balance of \$28,148,246 is unrestricted and available to meet the ongoing obligations of the City to its citizens and creditors.

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>
Current and other assets	28,082,091	26,815,222	12,393,834	25,282,244	40,475,925	52,097,466
Capital assets	158,154,431	157,643,029	53,371,305	61,342,883	211,525,736	218,985,912
Total assets	<u>186,236,522</u>	<u>184,458,251</u>	<u>65,765,139</u>	<u>86,625,127</u>	<u>252,001,661</u>	<u>271,083,378</u>
Current liabilities	2,617,569	1,721,143	2,484,275	5,728,896	5,101,844	7,450,039
Noncurrent liabilities	2,532,973	2,378,699	21,499,054	37,471,256	24,032,027	39,849,955
Total liabilities	<u>5,150,542</u>	<u>4,099,842</u>	<u>23,983,329</u>	<u>43,200,152</u>	<u>29,133,871</u>	<u>47,299,994</u>
Net assets:						
Invested in capital assets net of related debt	157,805,240	157,523,535	30,949,407	21,929,263	188,754,647	179,452,798
Restricted	13,892,797	15,515,339	667,001	667,001	14,559,798	16,182,340
Unrestricted	9,387,943	7,319,535	10,165,402	20,828,711	19,553,345	28,148,246
Total net assets	<u>181,085,980</u>	<u>180,358,409</u>	<u>41,781,810</u>	<u>43,424,975</u>	<u>222,867,790</u>	<u>223,783,384</u>

Analysis of Condensed Statement of Activities

The following table presents the City's condensed statement of activities for the fiscal year 2008-09 and fiscal year 2009-10, as derived from the government-wide Statement of Activities. Over time, increases and decreases in net assets measure whether the City's financial position is improving or deteriorating. The City's total net assets increased during the fiscal year 2009-10 by \$915,594. Of that total, governmental activities decreased by \$727,571 and the net assets of business-type activities increased by \$1,643,165.

Condensed Statement of Activities						
For the Fiscal Year Ended September 30						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2010	2009	2010	2009	2010
Program revenues						
Charges for services	5,105,008	4,885,343	14,299,503	15,585,180	19,404,511	20,470,523
Grants and contributions						
Operating	5,950,919	6,590,889	161,833	185,559	6,112,752	6,776,448
Capital	1,597,966	927,338	196,201	109,432	1,794,167	1,036,770
Total program revenue	12,653,893	12,403,570	14,657,537	15,880,171	27,311,430	28,283,741
General revenues and payments						
Property taxes	15,112,226	15,607,739	-	-	15,112,226	15,607,739
Other taxes	238,775	151,479	-	-	238,775	151,479
Investment earnings	830,451	343,218	421,640	186,049	1,252,091	529,267
Other revenues	711,803	761,452	11,136	16,487	722,939	777,939
Total general revenues and payments	16,893,255	16,863,888	432,776	202,536	17,326,031	17,066,424
Total general revenues and payments	29,547,148	29,267,458	15,090,313	16,082,707	44,637,461	45,350,165
Program expenses						
General government	11,731,668	11,440,065	-	-	11,731,668	11,440,065
Public safety	11,014,016	11,160,816	-	-	11,014,016	11,160,816
Public works	3,801,034	3,875,057	-	-	3,801,034	3,875,057
Culture and recreation	2,927,852	3,023,904	-	-	2,927,852	3,023,904
Airport	1,393,113	1,750,030	-	-	1,393,113	1,750,030
Water	-	-	5,822,351	4,949,667	5,822,351	4,949,667
Sewer	-	-	4,875,189	5,318,229	4,875,189	5,318,229
Sanitation	-	-	1,958,583	1,958,948	1,958,583	1,958,948
Recreation enterprises	-	-	698,220	875,612	698,220	875,612
Other	-	-	84,974	82,243	84,974	82,243
Total program expenses	30,867,683	31,249,872	13,439,317	13,184,699	44,307,000	44,434,571
Excess (deficiency) before gain (loss) and transfers	(1,320,535)	(1,982,414)	1,650,996	2,898,008	330,461	915,594
Transfers	1,077,184	1,254,843	(1,077,184)	(1,254,843)	-	-
Change in net assets	(243,351)	(727,571)	573,812	1,643,165	330,461	915,594
Beginning net assets	182,189,135	181,085,980	41,353,496	41,781,810	223,542,631	222,867,790
Prior Period Adjustment	(859,804)		(145,498)		(1,005,302)	
Ending net assets	181,085,980	180,358,409	41,781,810	43,424,975	222,867,790	223,783,384

Governmental Revenues

The City is heavily reliant on property taxes and shared state revenues to support governmental operations. For 2010, in the governmental funds, property taxes are 53%, shared state revenues are 19%, charges for services are 8%, and federal grants 7%, with all other sources of revenue account for the remaining 13% of governmental revenues.

Program Expenses and Revenue for Governmental Activities

The following table presents the net costs for governmental activities. Net program costs increased slightly as compared to the prior year. Overall program revenues contributed 39.7% to programs expenses, with the balance coming from general revenues, i.e. property taxes and state shared revenues.

Program revenues for 2010 are less than in 2009 by \$250,323 and Program expenses for 2010 are greater than in 2009 by \$382,189.

Net cost of Governmental Activities For the Fiscal Year Ended September 30

<u>Functions/Programs</u>	<u>Program Expenses</u>	Less	<u>Net Program Costs</u>		<u>Program Revenues as a Percentage of Program Expenses</u>	
		<u>Program Revenues</u>	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
General government	11,440,065	4,354,315	7,085,750	7,540,130	38.1%	35.7%
Fire	3,606,947	392,292	3,214,655	3,202,260	10.9%	10.5%
Police	7,553,869	828,015	6,725,854	6,646,213	11.0%	10.6%
Engineering & planning	1,357,850	731,337	626,513	413,399	53.9%	70.7%
Library	1,504,640	103,131	1,401,509	1,350,219	6.9%	4.5%
Culture & recreation	1,519,264	228,678	1,290,586	1,323,297	15.1%	12.6%
Highways & streets	2,517,207	3,920,466	(1,403,259)	(884,511)	155.7%	137.0%
Airport	1,750,030	1,845,336	(95,306)	(1,377,217)	105.4%	198.9%
Totals	31,249,872	12,403,570	18,846,302	18,213,790	39.7%	41.0%

Program Expenses and Revenue for Business-type Activities

The following table presents net income and costs for business-type activities. Program revenues generated from business-type activities were sufficient to cover program expenses except for the Water Fund and the Municipal Golf Course. The golf course revenues are dependent on weather and patron usage and its net costs were greater in 2010 than in 2009.

Revenues in the water fund are impacted by weather's affect on irrigation usage, growth in the city, and rates. During the year the City implemented a flat monthly fee of \$11.15 to fund the costs associated with coming into compliance with new federal arsenic requirements. The City is developing a new source of water from the Pristine springs area it purchased last year, with the intent to blend that source with other City water sources having a higher arsenic content. That process, when completed will assure the City's compliance with the new mandated requirements as well as providing the City with a good source of water for future growth. During the current year the City funded improvements for this project enhancement to the system of over \$5,700,000 for that project alone. Bonds secured to finance the project will be repaid with the new \$11.15 monthly charge.

<u>Functions/Programs</u>	Program	Less	Net Program		Program Expenses	
	Revenues	Program	Income (Costs)		as a Percentage of	
	2010	Expenses	2010	2009	2010	2009
Water	6,855,401	4,949,667	1,905,734	(50,326)	72.2%	100.9%
Sewer	6,042,714	5,318,229	724,485	1,013,248	88.0%	82.8%
Sanitation	2,222,611	1,958,948	263,663	216,905	88.1%	90.0%
Golf	286,883	345,419	(58,536)	(34,869)	120.4%	110.3%
Pool	185,559	180,946	4,613	10,757	97.5%	93.4%
Dierkes Lk/Shoshone Fls	179,367	201,449	(22,082)	49,660	112.3%	77.9%
Parking	76,454	60,293	16,161	11,868	78.9%	82.4%
Common Area Maintenance	31,182	21,950	9,232	977	70.4%	96.8%
Totals	15,880,171	13,036,901	2,843,270	1,218,220	82.1%	94.0%

Fund Analysis

Governmental Funds

The City's governmental funds reported a combined ending fund balance of \$22,976,635 at September 30, 2010, with \$18,571,505 reported as undesignated; compared to \$23,562,690 and \$19,135,600 at September 30, 2009. Changes of note during the fiscal year 2009-10 occurred in the Street Fund where the balance decreased by \$2,774,259. That fund experienced a significant amount of construction costs for the widening of Falls Avenue and Washington Street. Those additional capital outlays were anticipated, the City had performed some advanced construction knowing that the State funds were committed for the project and would be coming in as a reimbursement. It should also be noted that the Airport Fund decreased by \$852,761 and the Airport Construction increased by \$963,783 as transfers occurred to balance the funds out from past construction projects. Also during the year the General Fund experienced an increase of \$1,288,072 generally as a result of department heads and City staff being vigilant and conscientious with city funds.

Proprietary Funds

The City's proprietary funds reported a combined ending fund net assets of \$43,424,978 at September 30, 2010, with \$21,929,262 invested in capital assets (net of debt) and \$20,828,715 reported as unrestricted. On September 30, 2009 the fund net assets were \$41,781,810, of which \$30,949,407 was invested in capital assets (net) and \$10,165,402 was reported as unrestricted.

The most significant change during the year ended September 30, 2010 was in the water fund, where the assets increased by \$21,411,843 and liabilities increased by \$20,051,121. As referenced earlier and discussed further below, the shift was largely related to the development of a new water source for the City.

Capital Asset Activity

At September 30, 2010 the City reported, on a government wide basis, net capital assets of \$218,985,912, a decrease of \$511,402 for governmental activities and an increase of \$7,971,578 for business-type activities. Most of the major increases in capital assets for the government activities are between \$20,000 and \$100,000 and related to scheduled asset replacements due to equipment wear and obsolescence. Significant capital acquisitions by the City for business-type activities during the current year relate to construction projects still in process. At the end of the year the City had the following significant construction projects that were still in process. Approximately \$6,700,000 invested in the Washington Street widening, \$2,200,000 for the Falls Avenue project, \$1,800,000 of federally funded Airport projects still under progress, and \$7,600,000 developing the new water source for arsenic compliance.

In its mission to provide citizens of the City the services and protections they require, the City maintains a substantial investment in streets, water systems, waste treatment and disposal structures, a pool of vehicles, and general and heavy equipment. All of those capital assets have a definitive useful life and are subject to depreciation, or a decrease in value, over time. During

the current year that depreciation was estimated to be around \$8,800,000 for the general funds and \$1,700,000 for the business type activities. The City needs to maintain a balance in its budgeting efforts to assure that this investment in capital assets is maintained at a level which will allow the City to fulfill its mission and still assure that those needs are met in an affordable way.

Long-Term Debt Activity

The City has no outstanding general obligation bonds.

In fiscal year 2009-2010 the city incurred no new long-term debt for governmental related funds. The City made payments of \$229,697 on existing long-term debt for equipment, with the total remaining balance due at September 30, 2010 of \$119,494 also included as a future obligation of the City is \$1,316,192 for future compensated absences. That is the obligation the city has incurred for unused vacation pay that employees have earned and not used as well as hours worked that an employee has elected to defer payment for until a future period.

In fiscal year 2009-2010 the city incurred long-term debt for business-type activities in the amount of \$18,595,000 plus costs of funding the debt less interest discounts related to the financing. The new debt financed construction costs related to the City’s development of a new water source.

The city made payments of \$1,603,278 on existing debt leaving a balance due at September 30, 2010 of \$39,413,620, which excludes \$148,722 for future compensation issues outlined above. Of this unpaid balance, \$6,844,631 is for debt incurred on improvements to the sewer plant in 1995 and 1998; \$4,425,041 is for debt incurred on improvements to the water system in 1998; \$52,144 is for the purchase of golf equipment; and the balance of the \$28,091,804 is the new loans and existing debt for the purchase of Pristine Springs in the prior year and construction costs to develop it into a useable water supply for the City.

Economic Factors

Twin Falls continues to grow but at a very modest pace. Like the rest of the nation, residential construction is slowing down. Single family building permits issued by the City for the past five years are as follows:

Fiscal Year Ending	Permits Issued
2006	547
2007	258
2008	233
2009	158
2010	159

The City experienced a small decrease in the seasonally adjusted civilian labor force from a labor force of 22,023 last year to 21,924 at the end of the current fiscal year.

Also following the national trend of continued high unemployment, unemployment levels increased in the City. A year ago the City’s unemployment level was reported at 8.6%, at the end of the current year, unemployment had reached 10.4%. That 10.4% occurred at a time when the Idaho State unemployment was 9.5% and the National unemployment was 9.6%.

The reduced building growth has impacted the city utilities as well, with water service connections accounts showing a slight decrease from 15,874 to 15,596 between September 30, 2009 and 2010.

Appraised values within the City increased by 2.5% from \$2,276,127,009 to \$2,331,983,468. That increase tracked close to the increased funding needs of the City from property tax revenue and let the levy rate remain relatively unchanged for the year.

Following is a table showing a comparison of the levy rates for 2008 and 2009.

Taxing District	2008 Levy Rates (funded 2008-09 budget)	2009 Levy Rates (funded 2009-10 budget)	Percent Change
City of Twin Falls	0.006592610	0.006587793	-0.1%
Twin Falls County	0.003726219	0.003853440	3.4%
Twin Falls County Ambulance District	0.000166942	0.000172225	3.2%
Twin Falls County Abatement District	0.000105117	0.000108501	3.2%
Twin Falls School District 411	0.002585037	0.002629437	1.7%
Twin Falls Highway District	0.000947925	0.000981824	3.6%
College of Southern Idaho	0.000804923	0.000835215	3.8%
Combined	0.014928773	0.015168435	1.6%

Future Issues

As the City has grown, infrastructure needs have also grown. Eastland Drive, a critical arterial street of the City was shown accelerated deterioration the past year and needs immediate attention. Significant maintenance is needed for the waste water treatment system. Budgeting constraints could reach a level where levels of service may be impacted. Additionally, over the years the City’s water supply vacillates between drought conditions which frequently jeopardize existing water supplies and wet water years that impact water revenue. The city has engaged in the process of finding solutions and the appropriate balance to these issues.

The economic downturn that is affecting most of the nation is influencing Idaho as well. The State continues to discuss reduced funding in revenue areas that it shares with the City as one possibility of meeting the State’s budget needs in the future. The City has taken a proactive approach to be able to manage any revenue reductions as a result of changes in levels of State funding. Senior staff meets on a regular basis to monitor funding levels and make adjustments as necessary. Items that are capital in nature have been rated into three categories and purchase

approval is only given when needs are critical and funding is available. All training and travel is now subject to enhanced scrutiny and requires prior senior staff approval even if budgeted previously.

Urban Renewal Agency

The Urban Renewal Agency of the City of Twin Falls, Idaho was organized under Idaho law in 1965 to redevelop deteriorating areas and to promote economic development. Under governmental accounting standards the Agency is considered a component unit of the City so a summary of its financial information is discretely presented in the City's financial statements.

The Agency's financial statements are available upon request.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Twin Falls, Idaho
Statement of Net Assets
September 30, 2010

	<u>Primary Government</u>			Component Unit- Urban Renewal
	Governmental Activities	Business Type Activities	Total	
Assets				
Cash and Cash Equivalents	\$ 16,944,231	\$ 21,193,817	\$ 38,138,048	\$ 3,199,559
Restricted Cash	1,195,676	667,001	1,862,677	699,912
Investments	4,547,466	1,863,642	6,411,108	-
Receivables:				
Taxes	621,082	-	621,082	70,216
Fees and Services	30,297	2,031,395	2,061,692	-
Intergovernmental	2,022,455	50,514	2,072,969	24,232
Interest	12,515	4,561	17,076	6,752
Accounts	318,513	23,257	341,770	-
Capital Lease Receivable	-	-	-	873,435
Internal Balances	969,634	(969,634)	-	-
Prepaid Expenses	153,353		153,353	
Inventory	-	417,691	417,691	-
Deferred Charges	-	-	-	17,000
Land	6,680,546	11,252,388	17,932,934	2,631,089
Land, Buildings and Structures	16,676,135	18,925,371	35,601,506	4,850,000
Infrastructure	242,576,662	796,956	243,373,618	-
Improvements	15,626,085	40,424,416	56,050,501	-
Machinery and Equipment	12,718,912	6,625,714	19,344,626	475,000
Accumulated Depreciation	(148,109,036)	(25,861,433)	(173,970,469)	(101,667)
Construction in Progress	11,473,725	9,179,471	20,653,196	-
Total Assets	\$ 184,458,251	\$ 86,625,127	\$ 271,083,378	\$ 12,745,528
Liabilities				
Accounts Payable	\$ 1,366,093	\$ 3,320,689	\$ 4,686,782	\$ 338,311
Accrued Expenses	205,663	-	205,663	-
Accrued Interest	3,558	178,747	182,305	54,496
Deferred Revenue	749,901	-	749,901	-
Customer Deposits	338,941	138,374	477,315	-
Leases, Equipment and Property Notes	119,494	10,354,193	10,473,687	1,209,577
Revenue Bond Payable	-	29,059,427	29,059,427	6,075,000
Compensated Absences	1,316,192	148,722	1,464,914	-
Total Liabilities	4,099,842	43,200,152	47,299,994	7,677,384
Net Assets				
Invested in Capital Assets, Net of Related Debt	157,523,535	21,929,263	179,452,798	569,845
Restricted for:				
Capital Projects	4,899,170	-	4,899,170	-
Debt Service	38,320	667,001	705,321	699,912
Other Purposes	10,577,849	-	10,577,849	-
Unrestricted	7,319,535	20,828,711	28,148,246	3,798,387
Total Net Assets	180,358,409	43,424,975	223,783,384	5,068,144
Total Liabilities and Fund Equity	\$ 184,458,251	\$ 86,625,127	\$ 271,083,378	\$ 12,745,528

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
Statement of Activities
For the Year Ended September 30, 2010

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit - Urban Renewal
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General Government	\$ 11,440,065	\$ 1,046,127	\$ 3,091,796	216,392	\$ (7,085,750)	\$ -	\$ (7,085,750)	
Fire	3,606,947	392,292	-	-	(3,214,655)	-	(3,214,655)	
Police	7,553,869	828,015	-	-	(6,725,854)	-	(6,725,854)	
Engineering/Planning	1,357,850	731,337	-	-	(626,513)	-	(626,513)	
Library	1,504,640	62,582	40,549	-	(1,401,509)	-	(1,401,509)	
Culture and Recreation	1,519,264	201,265	27,413	-	(1,290,586)	-	(1,290,586)	
Highway and Street	2,517,207	857,498	3,062,968	-	1,403,259	-	1,403,259	
Airport	1,750,030	766,227	368,163	710,946	95,306	-	95,306	
Total Governmental Activities	31,249,872	4,885,343	6,590,889	927,338	(18,846,302)	-	(18,846,302)	-
Business-Type Activities:								
Water	4,949,667	6,834,621	-	20,780	-	1,905,734	1,905,734	
Sewer	5,318,229	5,954,062	-	88,652	-	724,485	724,485	
Sanitation	1,958,948	2,222,611	-	-	-	263,663	263,663	
Golf	493,525	286,883	-	-	-	(206,642)	(206,642)	
Pool	180,827	-	185,559	-	-	4,732	4,732	
Dierkes Lake/Shoshone Falls	201,260	179,367	-	-	-	(21,893)	(21,893)	
Parking	60,293	76,454	-	-	-	16,161	16,161	
Common Area Maintenance	21,950	31,182	-	-	-	9,232	9,232	
Total Business-Type Activities	13,184,699	15,585,180	185,559	109,432	-	2,695,472	2,695,472	
Total Primary Government	\$ 44,434,571	\$ 20,470,523	\$ 6,776,448	\$ 1,036,770	\$ (18,846,302)	\$ 2,695,472	\$ (16,150,830)	
Component Unit:								
Urban Renewal Agency								\$ 4,552,790
General Revenues:								
Taxes:								
Property taxes, Levied for General Purposes					\$ 15,607,739	\$ -	\$ 15,607,739	\$ 2,066,978
Property taxes, Levied for Debt Service					-	-	-	-
Franchise and Public Service Taxes					151,479	-	151,479	-
Interest and Investment Earnings					343,218	186,049	529,267	6,135
Miscellaneous Revenues					761,452	16,487	777,939	35
Transfers					1,254,843	(1,254,843)	-	-
					18,118,731	(1,052,307)	17,066,424	2,073,148
Changes in Net Assets					(727,571)	1,643,165	915,594	6,625,938
Net Assets - October 1, 2009					181,085,980	41,781,810	222,867,790	(1,557,794)
Net Assets - September 30, 2010					\$ 180,358,409	\$ 43,424,975	\$ 223,783,384	\$ 5,068,144

See accompanying notes and accountants' report.

FUND FINANCIAL STATEMENTS

City of Twin Falls, Idaho
Fund Balance Sheets
Governmental Funds
September 30, 2010

	<u>General</u>	<u>Street</u>	<u>Airport</u>	<u>Capital Improvement</u>	<u>Airport Construction</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
<u>Assets</u>							
Cash and Cash Equivalents	\$ 10,634,244	\$ 1,334,896	\$ 999,818	\$ 2,547,889	\$ (102,877)	\$ 1,294,313	\$ 16,708,283
Restricted Cash	396,518	-	-	18,015	294,581	486,561	1,195,675
Investments	2,602,725	1,453,817	154,038	268,291	-	858	4,479,729
Receivables (net of allowance)							
Taxes	451,659	61,137	12,169	27,560	-	61,261	613,786
Fees and Services	-	30,297	-	-	-	-	30,297
Intergovernmental	726,437	386,657	6,802	327,421	434,562	17,649	1,899,528
Interest	8,119	1,429	513	1,505	-	838	12,404
Accounts	101,783	-	44,735	-	16,994	143,943	307,455
Due from Other Funds	1,558,033	-	-	-	-	-	1,558,033
Total Assets	<u>\$ 16,479,518</u>	<u>\$ 3,268,233</u>	<u>\$ 1,218,075</u>	<u>\$ 3,190,681</u>	<u>\$ 643,260</u>	<u>\$ 2,005,423</u>	<u>\$ 26,805,190</u>
 <u>Liabilities</u>							
Accounts Payable	\$ 145,316	\$ 588,788	\$ 10,926	\$ 124,828	\$ 427,113	\$ 68,098	\$ 1,365,069
Accrued Expenses	187,511	-	-	-	-	8,251	195,762
Deferred Revenue	428,993	55,628	761,444	26,121	-	58,197	1,330,383
Customer Deposits Payable	348,941	-	-	-	-	-	348,941
Due to Other Funds	-	-	-	53,854	295,973	238,573	588,400
Total Liabilities	<u>1,110,761</u>	<u>644,416</u>	<u>772,370</u>	<u>204,803</u>	<u>723,086</u>	<u>373,119</u>	<u>3,828,555</u>
 <u>Fund Balances</u>							
Reserved for:							
Dedicated Purposes	3,220,383	-	-	11,583	294,581	840,264	4,366,811
Debt Service	-	-	-	-	-	38,319	38,319
Undesignated Reported In:							
General Fund	12,148,374	-	-	-	(374,407)	-	11,773,967
Special Revenue Fund	-	2,623,817	445,705	2,974,295	-	558,505	6,602,322
Capital Projects Fund	-	-	-	-	-	195,216	195,216
Total Fund Balance	<u>15,368,757</u>	<u>2,623,817</u>	<u>445,705</u>	<u>2,985,878</u>	<u>(79,826)</u>	<u>1,632,304</u>	<u>22,976,635</u>
Total Liabilities and Fund Equity	<u>\$ 16,479,518</u>	<u>\$ 3,268,233</u>	<u>\$ 1,218,075</u>	<u>\$ 3,190,681</u>	<u>\$ 643,260</u>	<u>\$ 2,005,423</u>	<u>\$ 26,805,190</u>

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended September 30, 2010

	<u>General</u>	<u>Street</u>	<u>Airport</u>	<u>Capital Improvement</u>	<u>Airport Construction</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
Revenues							
Property Taxes, Including Interest	\$ 11,325,088	\$ 1,626,486	\$ 296,020	\$ 606,799	\$ -	\$ 1,468,902	\$ 15,323,295
Other Taxes	655,413	-	-	-	-	151,479	806,892
Special Assessments, Including Interest	-	-	-	-	-	103,360	103,360
Fines and Forfeitures	7,016	-	-	-	-	38,475	45,491
Licenses and Permits	730,679	-	-	-	-	-	730,679
Fees and Services	1,188,042	250,934	533,832	-	102,318	242,807	2,317,933
Intergovernmental	1,796,802	2,159,886	316,812	1,149,256	51,351	4,998	5,479,105
Federal Grants	114,227	903,082	-	91,625	710,946	46,549	1,866,429
Miscellaneous	736,625	677,654	103,943	361,167	105	72,623	1,952,117
Total Revenue	<u>16,553,892</u>	<u>5,618,042</u>	<u>1,250,607</u>	<u>2,208,847</u>	<u>864,720</u>	<u>2,129,193</u>	<u>28,625,301</u>
Expenditures							
Current							
General Government	2,721,495	-	-	221,240	-	-	2,942,735
Public Safety	11,314,592	-	-	415,018	-	52,829	11,782,439
Engineering	1,254,317	-	-	-	-	-	1,254,317
Community Development	103,533	-	-	-	-	167,248	270,781
Culture and Recreation	1,289,383	-	-	256,285	-	1,522,746	3,068,414
Highway and Streets	-	1,195,028	-	3,984	-	264,926	1,463,938
Airport	-	-	753,309	-	967,001	-	1,720,310
Capital Outlay	-	7,257,735	-	596,348	-	-	7,854,083
Total Expenditures	<u>16,683,320</u>	<u>8,452,763</u>	<u>753,309</u>	<u>1,492,875</u>	<u>967,001</u>	<u>2,007,749</u>	<u>30,357,017</u>
Excess of Revenues Over (Under) Expenditures	(129,428)	(2,834,721)	497,298	715,972	(102,281)	121,444	(1,731,716)
Interfund Transfers, Donations and Other							
Donation of Assets	-	-	-	30,243	-	-	30,243
Transfers In	1,417,500	265,994	-	-	1,066,064	128,042	2,877,600
Transfers Out	-	(205,532)	(1,350,059)	(188,327)	-	(18,261)	(1,762,179)
Net Transfers and Donations	<u>1,417,500</u>	<u>60,462</u>	<u>(1,350,059)</u>	<u>(158,084)</u>	<u>1,066,064</u>	<u>109,781</u>	<u>1,145,664</u>
Net Change in Fund Balance	1,288,072	(2,774,259)	(852,761)	557,888	963,783	231,225	(586,052)
Fund Balance October 1, 2009	14,080,685	5,398,076	1,298,466	2,427,990	(1,043,609)	1,401,079	23,562,687
Prior Period Adjustment	-	-	-	-	-	-	-
Fund Balance September 30, 2010	<u>\$ 15,368,757</u>	<u>\$ 2,623,817</u>	<u>\$ 445,705</u>	<u>\$ 2,985,878</u>	<u>\$ (79,826)</u>	<u>\$ 1,632,304</u>	<u>\$ 22,976,635</u>

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
 Reconciliation of Governmental Fund Statements to Government Wide Statements

Reconciliation of Governmental Fund Balances to Government Wide Net Assets at September 30, 2010

Governmental Fund Balances at September 30, 2010	\$ 22,976,635
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	157,333,962
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	587,381
Internal service funds are used by management to charge the costs of certain activities, such as insurance, and vehicle repairs and maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	882,116
Long-term liabilities, including capitalized leases, equipment notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	<u>(1,421,685)</u>
Net Assets for Governmental Activities-per reconciliation	<u>\$ 180,358,409</u>

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities for the year ended September 30, 2010

Net Change in Fund Balances - Total Government Funds	\$ (586,052)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Government funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital outlays exceeded depreciation in the current period	(502,908)
Note Proceeds and Capitalized Leases are reported as financing sources in government funds and thus contribute to the change in fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net assets.	
Debt Issued:	
Municipal lease/purchase for the Communications Center	-
Repayments:	
To bond, certificate, and note holders	229,697
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in government funds.	(61,590)
Internal service funds are used by management to charge the costs of certain activities, such as insurance and shop repairs and maintenance, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	52,506
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	<u>140,776</u>
Change in Net Assets of Governmental Activities	<u>\$ (727,571)</u>

See accompanying notes and accountants' report.

City of Twin Falls, Idaho

Fund Balance Sheets

Proprietary Funds

September 30, 2010

	Business-Type Activities				Total	Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type		
Assets						
Cash and Cash Equivalents	\$ 18,250,732	\$ 1,879,285	\$ 1,016,078	\$ 47,722	\$ 21,193,817	\$ 356,946
Investments	1,389,536	414,482	59,625	-	1,863,643	67,737
Receivables (net of allowance for uncollect.)						
Taxes	-	-	-	-	-	7,295
Fees and Services	1,043,442	716,952	265,131	5,870	2,031,395	-
Intergovernmental	1,087	-	-	49,427	50,514	1,928
Interest	2,354	1,525	561	118	4,558	110
Accounts	5,229	2,960	10,688	4,380	23,257	11,057
Prepaid Expenses	-	-	-	-	-	153,353
Inventories	417,691	-	-	-	417,691	-
Total Current Assets	21,110,071	3,015,204	1,352,083	107,517	25,584,875	598,426
Restricted Assets	354,472	312,529	-	-	667,001	-
Due from Other Funds	-	20,794	-	-	20,794	-
Fixed Assets (Net of Accum. Depreciation)	33,410,964	25,328,602	68,533	2,534,784	61,342,883	309,066
Total Assets	\$ 54,875,507	\$ 28,677,129	\$ 1,420,616	\$ 2,642,301	\$ 87,615,553	\$ 907,492
Liabilities and Equity						
Current Liabilities:						
Accounts Payable	\$ 2,608,846	\$ 542,580	\$ 150,979	\$ 18,280	\$ 3,320,685	\$ 922
Accrued Expenses	99,906	77,931	-	910	178,747	-
Due to Other Funds	291,120	-	-	699,307	990,427	-
Deferred Revenue	-	-	-	-	-	6,899
Notes Payable - Current	293,821	390,231	-	25,409	709,461	-
Compensated Absences	87,012	32,239	23,879	5,591	148,721	17,555
Total Current Liabilities	3,380,705	1,042,981	174,858	749,497	5,348,041	25,376
Current Liab. Payable from Restricted Assets:						
Revenue Bonds Payable - Current	1,520,000	-	-	-	1,520,000	-
Customer Deposits Payable	133,754	2,400	-	2,220	138,374	-
Total Curr. Liab. From Restricted Assets	1,653,754	2,400	-	2,220	1,658,374	-
NonCurrent Liabilities:						
Notes Payable - Equipment	4,131,220	5,486,777	-	26,736	9,644,733	-
Revenue Bonds Payable (Net of Discounts)	26,571,804	967,623	-	-	27,539,427	-
Total Non-current Liabilities	30,703,024	6,454,400	-	26,736	37,184,160	-
Total Liabilities	35,737,483	7,499,781	174,858	778,453	44,190,575	25,376
Net Assets						
Invested In Capital Assets, net of related debt	894,119	18,483,971	68,533	2,482,639	21,929,262	309,066
Restricted	354,472	312,529	-	-	667,001	-
Unrestricted	17,889,433	2,380,848	1,177,225	(618,791)	20,828,715	573,050
Total Equity	19,138,024	21,177,348	1,245,758	1,863,848	43,424,978	882,116
Total Liabilities and Equity	\$ 54,875,507	\$ 28,677,129	\$ 1,420,616	\$ 2,642,301	\$ 87,615,553	\$ 907,492

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2010

	Business-Type Activities				Total	Governmental Activities - Internal Service Funds
	Waterworks	Wastewater	Sanitation	Other Business- Type		
Operating Revenues:						
Charges for Services	\$ 6,606,498	\$ 5,555,071	\$ 2,206,706	\$ 571,441	\$ 14,939,716	\$ 256,664
Special Assessments, Including Interest	-	-	-	-	-	168,999
Taps, Connection and Other Fees	87,010	2,680	-	-	89,690	-
Miscellaneous	98,465	222,025	15,981	(3,671)	332,800	2,441
Total Operating Revenues	6,791,973	5,779,776	2,222,687	567,770	15,362,206	428,104
Operating Expenses:						
Contracted Services	199,926	2,985,996	1,159,136	181,447	4,526,505	855
Personnel Expenses	1,556,526	514,560	168,829	272,671	2,512,586	179,451
Depreciation and Amortization	610,647	952,406	10,296	124,117	1,697,466	8,494
Utilities	699,707	-	-	112,345	812,052	6,224
Landfill Expenses	-	-	610,482	-	610,482	-
Supplies	662,221	8,579	1,496	47,664	719,960	16,739
Insurance	-	-	-	-	-	294,662
Repairs, Maintenance, Studies & Projects	195,639	510,311	3,684	183,472	893,106	7,305
Vehicle Expenses	111,982	36,796	4,650	22,747	176,175	940
Rental Expense	116,426	-	-	619	117,045	-
Miscellaneous Expense	8,639	3,123	75	8,610	20,447	350
Testing and Monitoring	50,072	-	-	-	50,072	-
Telephone	-	-	-	28	28	-
Travel and Meetings	1,389	602	300	573	2,864	-
Total Operating Expenses	4,213,174	5,012,373	1,958,948	954,293	12,138,788	515,020
Operating Income (Loss)	2,578,799	767,403	263,739	(386,523)	3,223,418	(86,916)
Non-Operating Revenues (Expenses):						
Development Fees	-	179,717	-	-	179,717	-
Interest Income	117,720	48,831	15,690	3,811	186,052	-
Rent and Royalties	65,010	-	-	-	65,010	-
Federal Grants	20,780	88,652	-	-	109,432	-
Intergovernmental	-	-	-	185,559	185,559	-
Interest Expense	(736,492)	(305,856)	-	(5,267)	(1,047,615)	-
Total Non-Operating Revenues (Exp.)	(532,982)	11,344	15,690	184,103	(321,845)	-
Income (Loss) Before Interfund Transfers and Contributions	2,045,817	778,747	279,429	(202,420)	2,901,573	(86,916)
Interfund Transfers, Contributions and Changes:						
Contribution of Assets	-	-	-	-	-	-
Operating Transfers In	235,306	-	-	-	235,306	185,075
Operating Transfers Out	(920,401)	(459,768)	(142,148)	60,285	(1,462,032)	(45,653)
Net Transfers and Contributions	(685,095)	(459,768)	(142,148)	60,285	(1,226,726)	139,422
Net Income	1,360,722	318,979	137,281	(142,135)	1,674,847	52,506
Total Net Assets, October 1, 2009	17,777,302	20,858,369	1,108,477	-	39,744,148	829,610
Prior Period Adjustment	-	-	-	-	-	-
Total Net Assets, September 30, 2010	\$ 19,138,024	\$ 21,177,348	\$ 1,245,758	\$ (142,135)	\$ 41,418,995	\$ 882,116

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2010

	Business-Type Activities				Governmental Activities - Internal Service Funds	
	Waterworks	Wastewater	Sanitation	Other Business- Type		Total
Cash Flows from Operating Activities						
Receipts from Customers	\$ 6,256,252	\$ 5,503,138	\$ 2,186,280	\$ 567,192	\$ 14,512,862	\$ 247,492
Special Assessments	-	-	-	-	-	168,999
Payments to Suppliers	421,080	(3,668,011)	(1,783,047)	(562,173)	(5,592,151)	(480,842)
Payments to Employees	(1,566,177)	(510,492)	(168,380)	(273,758)	(2,518,807)	(179,364)
Other Receipts (Payments)	98,465	222,025	15,979	(3,671)	332,798	2,441
Net Cash Provided (Used) by Operating Activities	5,209,620	1,546,660	250,832	(272,410)	6,734,702	(241,274)
Cash Flows from Non-Capital Financing Activities						
Operating Subsidies and Transfers to Other Funds	(685,095)	(459,768)	(142,146)	60,285	(1,226,724)	139,422
Other Revenue Sources - Non-Operating	85,790	268,369	-	185,559	539,718	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(599,305)	(191,399)	(142,146)	245,844	(687,006)	139,422
Cash Flows from Capital and Related Financing Activities						
Proceeds from Capital Debt	28,895,000	-	-	-	28,895,000	-
Purchase of Capital Assets	(7,795,180)	(1,905,956)	-	(100,594)	(9,801,730)	-
Disposals, Transfers of Capital Assets	-	-	-	166,047	166,047	-
Principal Paid on Capital Debt	(11,232,412)	(680,078)	-	(24,147)	(11,936,637)	-
Increase in Amounts Due to Other Funds	-	-	-	-	-	-
Interest Paid on Capital Debt	(714,440)	(311,564)	-	(16,048)	(1,042,052)	-
Increase in Restricted Assets	-	-	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	9,152,968	(2,897,598)	-	25,258	6,280,628	-
Cash Flows from Investing Activities						
Increase in Bank Overdraft	-	-	-	-	-	-
Purchase of Securities	1,215,218	362,483	52,144	-	1,629,845	59,239
Interest, Dividends and Changes in Market Value	123,192	52,960	16,328	3,991	196,471	133
Net Cash Provided (Used) by Investing Activities	1,338,410	415,443	68,472	3,991	1,826,316	59,372
Net Increase (Decrease) in Cash and Cash Equivalents Balances - Beginning of the Year	15,101,693	(1,126,894)	177,158	2,683	14,154,640	(42,480)
Balances - End of the Year	\$18,250,732	\$ 1,879,285	\$ 1,016,078	\$ 79,401	\$ 21,225,496	\$ 356,946
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income	\$ 2,578,799	\$ 767,403	\$ 263,739	\$ (386,523)	\$ 3,223,418	\$ (86,916)
Adjustments to Reconcile Operating Income to net Cash Provided (Used) by Operating Activities:						
Depreciation and Amortization	610,647	952,406	10,295	124,117	1,697,465	8,494
Change in Assets and Liabilities:						
Receivables, Net	(416,495)	(55,209)	(20,427)	(3,939)	(496,070)	(9,838)
Prepaid Expenses	-	-	-	-	-	(153,353)
Inventories	90,354	-	-	-	90,354	-
Due From Other Funds	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	666
Accounts Payable	2,376,727	(122,603)	(3,224)	(4,668)	2,246,232	(414)
Customer Deposits	(20,761)	595	-	(310)	(20,476)	-
Compensated Absences	(9,651)	4,068	449	(1,087)	(6,221)	87
Net Cash Provided (Used) by Operating Activities	\$ 5,209,620	\$ 1,546,660	\$ 250,832	\$ (272,410)	\$ 6,734,702	\$ (241,274)

See accompanying notes and accountants' report.

City of Twin Falls, Idaho
Statement of Fiduciary Net Assets - Fiduciary Fund
September 30, 2010

	Agency Fund
<u>Assets</u>	
Cash and Cash Equivalents	\$ -
Receivables (net of allowance for uncollect.)	
Intergovernmental	11,843
Total Assets	\$ 11,843
 <u>Liabilities</u>	
Pooled Cash Deficit	11,843
Accounts Payable	14,362
Total Liabilities	26,205
 <u>Net Assets</u>	
Held in Trust for Specific Purposes	(14,362)
Total Net Assets	\$ (14,362)

See accountants' report.

NOTES TO FINANCIAL STATEMENTS

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES

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

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

Financial Reporting Entity

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

Blended Component Units-Twin Falls Public Library and Business Improvement District

Blended component units are legally separate from the City but are so intertwined with the City that they are, in substance, the same as the City. The component units are reported as part of the City and blended into the appropriate funds.

The Library is governed by a separate board appointed by the City Council; however, final responsibility relative to budget, taxing and debt remains with the City. The Library is reported as a special revenue fund.

The Historic Downtown and Old Towne Business Improvement Districts (B.I.D.) are governed by separate boards comprised of dues paying members; however, final responsibility relative to the budget, taxing and debt remains with the City. The Business Improvement Districts are reported in two permanent fund groups defined by services provided.

Discretely Presented Component Units-Urban Renewal Agency

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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

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

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

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

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

These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Fund Types and Major Funds

The City reports the following major governmental funds:

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

The **special revenue funds** account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects).

The **debt service fund** accounts for the servicing of general long-term debt not being financed by proprietary or non-expendable trust funds.

The **capital projects funds** account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or non-expendable trust funds.

Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations. Proprietary funds include the following fund types: Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Other Fund Types

The City also reports the following fund types:

Internal service funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis.

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

Measurement Focus, Basis of Accounting and Basis of Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The City's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Reimbursements are reported as reductions to expenses. Proprietary and fiduciary fund financial statements and financial statements of City component units also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include property taxes, franchise taxes, licenses, interest and special assessments. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

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 needed. See Note 4 for information describing restricted assets.

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, special revenue and debt service funds. All annual appropriations lapse at fiscal year-end. Project-length financial plans are adopted for all capital projects funds.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Deposits and Investments

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

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

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

Custodial Credit Risk

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

The City is authorized to invest in the State of Idaho Local Government Investment Pool. This is part of the Joint Powers Investment Pool managed by the State of Idaho Treasurer's Office and is established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. This pooling is intended to improve administrative efficiency and increase investment yield.

Credit Risk

Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's, Standard & Poor's and Fitch's. The City's credit risk policy limits them to purchases of securities with a minimum of single A- or its equivalent or better by two or more public rating agencies at the time of purchase. Short term credit ratings for commercial paper must be top tier AL/PL/FL by two of the three credit rating agencies at the time of purchase.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Receivables and Payables

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

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

Inventories and Prepaid Items

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

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

Restricted Assets

Passenger fees collected at the City’s airport are committed for future airport expansion. Restricted assets in the enterprise funds include deposit obligations and resources set aside for repayment of certificates of participation.

Urban Renewal Agency tax increment property tax revenues are restricted first to the ongoing payment of revenue bonds outstanding. When received the revenues are deposited in a separate account controlled by a bank trustee. All use of the funds must be requisitioned for approval by the trustee before payment is made. The amount shown as restricted cash for the Urban Renewal Agency in these financial statements is based on the largest principal and interest payment due. The payment is the required payment on August 1, 2013.

Capital Assets, Depreciation, and Amortization

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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

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

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

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

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

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

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

Fund Overdrafts

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

Compensated Absences

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

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

Long-Term Obligations

In the government-wide, proprietary, and component unit financial statements, outstanding debts are reported as liabilities. Bond issuance costs, bond discounts or premiums, are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Fund Equity

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. Designations of fund balance represent tentative management plans that are subject to change.

Estimates

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

2. LEGAL COMPLIANCE - BUDGETS

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

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

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

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

3. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents - A reconciliation of cash and cash equivalents at September 30, 2010 is as follows:

Reconciled Bank Accounts	\$ 22,978,401
State Investment Pool	5,890,762
Certificates of Deposit	2,029,363
Money Market Mutual Funds	9,080,196
Library Operating Fund	20,251
Petty Cash	<u>1,752</u>
	40,000,725
Reported as Restricted	<u>(1,862,677)</u>
Total Net Cash	<u>\$38,138,048</u>

At September 30, 2010, the Urban Renewal Agency's reconciliation of cash and cash equivalents is as follows:

Cash in Bank	\$ 459,205
Money-Market Bond Funds	<u>3,440,266</u>
Total	3,899,471
Reported as Restricted	<u>(699,912)</u>
Total Net Cash	<u>\$ 3,199,559</u>

The reconciled bank balance is covered by \$1,349,813 federal depository insurance with the remainder covered by collateral held by the City's agent in the City's name. The reconciled bank balance for Urban Renewal Agency a discretely presented component unit, is covered by FDIC insurance of \$ 250,000.

Investments – The city held the following investments at September 30, 2010.

Federal National Mortgage Association (FNMA)	\$ 1,763,268
Federal Home Loan Mortgage Corporation (FHLM)	1,221,679
Government National Mortgage Association (GNMA)	2,119,222
Federal Home Loan Bank (FHLB)	<u>1,306,939</u>
Total	<u>\$ 6,411,108</u>

All investments are guaranteed by the U.S. Government. All investments were held in trust for the City in the Agents name.

The City or Agency has no investments in foreign currency and no exposure to foreign currency risk.

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

4. RESTRICTED ASSETS

Restriction on cash and cash equivalents were due to the following:

	2010
General Fund	
Customer or Developer Deposits	\$ 351,516
Custody/Evidence Account	39,089
Other	5,913
Trail Fund	40
Park Development Fund	486,521
Capital Projects Funds	
Public Art Fund	18,015
Passenger Facility Charges Held for Lease Payments	294,582
Enterprise Funds	
Cash within Fund to Pay Obligation of Certificates of Deposit	544,681
Refundable Customer Utility Deposits	122,320
	\$ 1,862,677
Total Restricted Assets	

Restriction on cash and cash equivalents for the Urban Renewal Agency were due to the following:

	Total
Cash reserved to pay interest and principal on the revenue bonds	\$ 699,912

5. TAXES RECEIVABLE, DEFERRED REVENUE, AND DUE FROM OTHER GOVERNMENTS

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

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

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

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

Property taxes uncollected by November 30, 2010, are considered to be deferred revenue.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

**5. TAXES RECEIVABLE, DEFERRED REVENUE, AND DUE FROM OTHER GOVERNMENTS -
Continued**

Taxes receivable and deferred revenue as of September 30, 2010, consist of the following for the City:

<u>Fund</u>	<u>Taxes Receivable</u>	<u>Deferred Revenue</u>
General	\$ 451,659	\$ 428,993
Street	61,137	55,628
Street Lighting	4,609	4,403
Airport	12,170	761,444
Library Revenue	56,652	53,794
Capital Improvement	27,560	26,121
Insurance	7,295	6,899
Total	<u>\$ 621,082</u>	<u>\$ 1,337,282</u>

Deferred revenue, per the fund balance sheets fund types and account groups, consists of the following:

Property Taxes	\$ 587,382
Prepaid Rent & Parking	<u>749,900</u>
Total	<u>\$ 1,337,282</u>

Urban Renewal Agency taxes receivable and deferred revenue at September 30, 2010 consist of 2008 property tax revenue to be collected after November 30, 2010.

Amounts due from other governments at September 30, 2010, are presented as follows for the City:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Local</u>	<u>Total</u>
General	\$ 16,672	\$ 457,267	\$ 135,337	\$ 117,161	\$ 726,437
Street	-	362,951	23,707	-	386,658
Street Light	-	-	1,210	-	1,210
Library	-	-	15,040	-	15,040
Airport	3,588	-	3,214	-	6,802
Capital Improvement	-	320,289	7,132	-	327,421
Liability Insurance	-	-	1,928	-	1,928
Pool	-	49,427	-	-	49,427
Fireworks	-	1,399	-	-	1,399
CDBG	-	120,998	-	-	120,998
CSI	-	11,843	-	-	11,843
Water Works	945	142	-	-	1,087
Airport Improvements	434,561	-	-	-	434,561
	<u>\$ 455,766</u>	<u>\$ 1,324,316</u>	<u>\$ 187,568</u>	<u>\$ 117,161</u>	<u>\$ 2,084,811</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

**5. TAXES RECEIVABLE, DEFERRED REVENUE, AND DUE FROM OTHER GOVERNMENTS -
Continued**

Urban Renewal Agency receivable from other governments consists of property taxes collected by the County prior to December 1, 2010.

6. CAPITAL LEASE RECEIVABLE – URBAN RENEWAL

On December 13, 2004, the Agency purchased the building at 621 Washington Street South in Twin Falls, to lease to Jayco, Inc., a major national manufacturer of recreational vehicles.

The building was purchased for \$2,400,000 plus expenses of \$53,101. The agency paid \$82,320, applied the funds of a Development Block Grant of \$500,000 received from the State of Idaho, and entered into a promissory note with D.L. Evans Bank of Twin Falls for the balance of \$1,870,781. The note has a term of 10 years, bears interest at 4.26% per annum and monthly payments are \$19,173.

The rent due under the lease agreement is the same as monthly debt service, the term is the same as the note, title transfers at the end of the lease, and rents are assigned to the bank for debt service on the note. These terms require the lease to be treated as a capital lease under generally accepted accounting principles, which give it the same characteristics as a contract of sale.

Accordingly, the \$873,435 principal balance on this lease is reported as a receivable in the Statement of Net Assets.

Annual Maturities of this lease follows:

Year Ending September	Total	Interest	Principal
2011	\$ 230,076	\$ 33,389	\$ 196,687
2012	230,076	24,915	205,161
2013	230,076	15,932	214,144
2014	230,076	6,261	223,815
2015	34,236	608	33,628
Totals	\$ 954,540	\$ 81,105	\$ 873,435

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

7. FIXED ASSETS

Changes in the fixed asset groups for the City for the year ended September 30, 2010, are as follows:

	<u>2009</u>	<u>Additions</u>	<u>Disposals</u>	<u>2010</u>
Government-wide Assets				
Land	\$ 6,532,440	\$ 148,106	\$ -	\$ 6,680,546
Buildings and Structures	16,545,276	130,859	-	16,676,135
Infrastructure	242,075,924	500,738	-	242,576,662
Improvements	15,191,399	436,219	(1,533)	15,626,085
Machinery and Equipment	12,485,852	787,932	(554,872)	12,718,912
Construction in Progress	5,200,741	6,272,984	-	11,473,725
Total	<u>\$ 298,031,632</u>	<u>\$ 8,276,838</u>	<u>\$ (556,405)</u>	<u>\$ 305,752,065</u>
Accum. Deprec. For Govt. Wide				
Buildings and Structures	\$ 4,278,840	\$ 384,907	\$ -	\$ 4,663,747
Infrastructure	123,010,441	7,042,023	-	130,052,464
Improvements	5,582,805	546,662	(683)	6,128,784
Machinery and Equipment	7,005,115	770,070	(511,144)	7,264,041
Total Accum. Deprec.	<u>\$ 139,877,201</u>	<u>\$ 8,743,662</u>	<u>\$ (511,827)</u>	<u>\$ 148,109,036</u>
Business Type Activity Assets:				
Land	\$ 11,400,494	\$ -	\$ (148,106)	\$ 11,252,388
Buildings and Structures	17,466,358	1,476,912	(17,899)	18,925,371
Infrastructure	-	796,956	-	796,956
Improvements	40,304,730	145,355	(25,669)	40,424,416
Machinery and Equipment	6,466,840	258,607	(99,733)	6,625,714
Construction in Progress	2,055,572	7,123,899	-	9,179,471
Total	<u>\$ 77,693,994</u>	<u>\$ 9,801,729</u>	<u>\$ (291,407)</u>	<u>\$ 87,204,316</u>
Accum. Deprec. For Business Type Activities				
Buildings and Structures	\$ 10,574,187	\$ 458,304	\$ (14,529)	\$ 11,017,869
Infrastructure	-	53,130	-	53,130
Improvements	10,449,540	864,608	(11,393)	11,302,556
Machinery and Equipment	3,298,962	288,369	(99,438)	3,487,878
Total Accum. Deprec.	<u>\$ 24,322,689</u>	<u>\$ 1,664,411</u>	<u>\$ (125,360)</u>	<u>\$ 25,861,433</u>

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

7. FIXED ASSETS - Continued

Changes in the fixed asset group for the Urban Renewal Agency for the year ended September 30, 2010, is as follows:

	Balance October 1, 2009	Additions	Disposals	Balance September 30, 2010
Government-wide Assets				
Land and Buildings	\$ 2,631,089	\$ -	\$ -	\$ 2,631,089
Business Type Activities:				
Land	\$ -	\$ 1,350,000	\$ -	\$ 1,350,000
Buildings & Improvements	-	3,500,000	-	3,500,000
Equipment	-	475,000	-	475,000
Total	\$ -	\$ 5,325,000	\$ -	\$ 5,325,000
Accumulated Depreciation for Business-Type Activities				
Building & Improvements	\$ -	\$ 46,667	\$ -	\$ 46,667
Equipment	-	55,000	-	55,000
Total	\$ -	\$ 101,667	\$ -	\$ 101,667

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

General Government	\$ 7,016,683
Fire	85,904
Police	221,155
Library	89,534
Culture and Recreation	192,420
Highway and Street	367,543
Airport	761,929
	<u>8,735,168</u>
Depreciation on Capital Assets held by the City's Internal Service Fund.	<u>8,494</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 8,743,662</u>

The City elected to implement capitalization and depreciation of streets owned and maintained by the City in the current year. Other infrastructure assets owned by the City have been included in the Government-wide financial statements.

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

8. LONG-TERM LIABILITIES

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

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

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

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

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
PRIMARY GOVERNMENT					
Governmental Activities:					
Other long-term liabilities	\$ 349,191	\$ -	\$ (229,697)	\$ 119,494	\$ 119,494
Compensated absences	1,250,217	65,975	-	1,316,192	-
Total	1,599,408	65,975	(229,697)	1,435,686	119,494
Business-type activities:					
Certificate of Participation and Revenue Bonds	\$ 11,386,067	\$ 18,595,000	\$ (921,640)	\$ 29,059,427	\$1,806,728
State revolving fund loan	10,959,539	-	(657,490)	10,302,049	684,052
Other long-term liabilities	76,292	-	(24,148)	52,144	25,409
Compensated absences	154,944	-	(6,222)	148,722	-
Total	22,576,842	18,595,000	(1,609,500)	39,562,342	2,516,189
Total Long-Term Liabilities	\$ 24,176,250	\$ 18,660,975	\$ (1,839,197)	\$ 40,998,028	\$ 2,635,683

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

8. LONG-TERM LIABILITIES - Continued

Equipment Leases Payable

The City has entered into leasing agreements as lessee for financing the acquisition of equipment. These agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. Future minimum lease obligations and net present values are included with the presentation of debt service requirements.

Governmental Activities:

Wells Fargo Bank, payable in annual
Installments of \$124,035.26 including interest
at 3.8% for Communications Center. \$ 119,494

Business Type Activities:

GE Capital, payable in annual installments
of \$28,131.35 including interest at 5.22%
for Golf Course Equipment \$ 52,144

Business-Type Activities - Revenue Obligations

In 2004, the City issued refunding certificates of participation to refund and refinance, the Water Revenue Certificates of Participation, Series 1993 that were originally used to upgrade the City's water system.

Following are the outstanding certificates of participation and other obligations that the City has pledged income derived from the acquired or constructed assets to pay debt service.

Certificates of participation-\$3,910,000 issued August 1, 1999, for improvements to the sewer treatment system, interest at 4.00% to 5.00%, payable semi-annually, subject to prior redemption after October 1, 2007 through August 2013. \$1,005,000

	<u>(37,377)</u>	
Less: Unamortized discount		
Total		\$ 967,623

Idaho Bond Bank Authority Loan Payable, Payable in semi-annual installments over 15 years with interest rates that vary from 2 to 5.1%. \$ 9,700,000

	<u>(114,529)</u>	
Less: Unamortized discount		
Total		9,585,471

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

8. LONG-TERM LIABILITIES - Continued

Idaho Bond Bank Authority Loan Payable, Payable in semi-annual installments over 15 years with interest rates that vary from 3 to 5.06%.

\$ 18,595,000

Less: Unamortized discount

(88,667)

Total

18,506,333

Total

\$ 29,059,427

State Revolving Fund Loan Payable

Division of Environmental Quality State Water Quality Programs, payable in semi-annual installments over 20 years at 4%, upon project completion-Wastewater Treatment.

\$ 5,877,008

State Revolving Fund Loan Payable

Division of Environmental Quality State Water Quality Programs, payable in semi-annual installments over 20 years at 4%, upon project completion-Water System Improvements.

4,425,041

Total

\$ 10,302,049

Debt service requirements to maturity are as follows:

	2011	2012	2013	2014	2015	2016-2020	2021-2025
Governmental Activities:							
Other long-term liabilities	\$ 119,494	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Governmental Activities	119,494	-	-	-	-	-	-
Business-type activities:							
Certificate of Participation	320,000	335,000	350,000	-	-	-	-
Unamortized discount	(13,194)	(13,194)	(10,989)	-	-	-	-
Total COP	306,806	321,806	339,011	-	-	-	-
Revenue Bonds	1,520,000	1,560,000	1,620,000	1,655,000	1,710,000	9,285,000	10,945,000
Unamortized discount	(20,078)	33,012	(28,852)	(28,852)	(28,852)	(43,406)	(86,168)
Total Revenue Bonds	1,499,922	1,593,012	1,591,148	1,626,148	1,681,148	9,241,594	10,858,832
State revolving fund loans	684,052	711,687	740,440	770,354	801,476	4,520,044	2,073,996
Other long-term liabilities	25,409	26,735	-	-	-	-	-
Total Other	709,461	738,422	740,440	770,354	801,476	4,520,044	2,073,996
Total Business Type	2,516,189	2,653,240	2,670,599	2,396,502	2,482,624	13,761,638	12,932,828
Total Amounts Due	<u>\$ 2,635,683</u>	<u>\$ 2,653,240</u>	<u>\$ 2,670,599</u>	<u>\$ 2,396,502</u>	<u>\$ 2,482,624</u>	<u>\$ 13,761,638</u>	<u>\$ 12,932,828</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

8. LONG-TERM LIABILITIES-Continued

Additional Required Disclosure Required by SEC Rule 15c2-12(b) (5)

Sewer Revenue Certificates of Participation, Series 1999

On August 4, 1999, the city issued \$3,910,000 Sewer Revenue Certificates of Participation, Series 1999, for the purpose of advance refunding Series 1995 Certificates to achieve a change in certain covenants. (See earlier portion of Note 8 for details.)

Item 2 (a), Status of Certificates

<u>Maturity-October 1</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
1999	4.00%	\$ 230,000	\$ -
2000	4.25%	195,000	-
2001	4.50%	200,000	-
2002	4.50%	210,000	-
2003	4.50%	220,000	-
2004	4.50%	230,000	-
2005	4.50%	240,000	-
2006	4.55%	250,000	-
2007	4.70%	260,000	-
2008	4.70%	275,000	-
2009	4.75%	290,000	-
2010	4.90%	305,000	0
2011	5.00%	320,000	320,000
2012	5.00%	335,000	335,000
2013	5.00%	350,000	350,000
Total		<u>\$ 3,910,000</u>	<u>\$ 1,005,000</u>

Item 2 (b), Proceeds Account Activity

<u>Description</u>	<u>Amount</u>
Proceeds from issuance of certificates	\$ 3,910,000
Premium	107
Accrued Interest	1,521
Issuance Costs	(223,809)
Deposit to Escrow Fund	(3,687,819)
Balance, September 30, 1999	\$ -

Item 2 (c), Amounts on Deposit

There are no amounts on deposit

Item 2 (d), Revenue and Expenditures of the System

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

8. LONG-TERM LIABILITIES-Continued

Year Ended September 30, 2010

<u>Revenues</u>	
Sewer Service	\$ 5,555,071
Connection Fees	2,680
Development Fees	179,717
Investment Income	48,831
Grant Revenues	88,652
Miscellaneous Fees	<u>222,025</u>
Total	6,096,976
 <u>Expenditures</u>	
Personnel	514,560
Administration	559,411
Operation & Maintenance	<u>2,985,996</u>
Total	<u>4,059,967</u>
 Net Available for Debt Service	 <u>\$ 2,037,009</u>
 State Revolving Fund	 \$ 621,447
Certificates of Participation Services 1999	<u>370,250</u>
Total Debt Service	<u>\$ 991,697</u>
 Coverage Ratio	 <u>2.05</u>

There are no Continuing Disclosure Significant Events to report.

Urban Renewal Agency

Continuing Disclosure

The 2005 bonds are subject to the requirements of Continuing Disclosure under S.E.C Rule 15c2-12(b)(5). The following information is provided in compliance with this requirement. Additionally, these financial statements have been submitted to Wells Fargo Bank, Trustee and Dissemination Agent for the bonds, for placement in a nationally recognized repository.

Continuing Disclosure Bond Information

<u>Maturity</u>	<u>Interest Rate</u>	<u>Original Principal</u>	<u>Outstanding Principal</u>
August 1, 2008	4.35%	\$ 955,000	\$ -
August 1, 2010	4.60%	705,000	-
August 1, 2014	4.95%	1,640,000	1,640,000
August 1, 2017	5.15%	1,455,000	1,455,000
August 1, 2022	5.45%	<u>2,980,000</u>	<u>2,980,000</u>
Total		<u>\$ 7,735,000</u>	<u>\$ 6,075,000</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

8. LONG-TERM LIABILITIES-Continued

Amounts on deposit	
Revenue Allocation Fund	\$ 2,740,352
Bond Fund	1
Reserve Fund	<u>699,913</u>
Total on deposit	<u>\$ 3,440,266</u>

Revenue Allocation Revenues	
Property Taxes – 2008 (2009 budget & reporting period)	\$ 1,953,300
Property Taxes for prior periods	21,034
Property Taxes - 2008	<u>25,315</u>
Total reported in Governmental Funds	<u>\$ 1,999,649</u>

Assessed values of property within Revenue Allocation Area Total assessed value for 2008	<u>\$ 219,516,919</u>
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Tax increment value for 2008	<u>\$ 144,120,056</u>
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There are no Continuing Disclosure Significant Events to report.

Long term debt of the Urban Renewal Agency outstanding at September 30, 2010, is as follows:

Revenue Allocation Refunding Bonds, Series 2005A, dated August 1, 2005 and maturing August 1, 2022. These are revenue allocation (tax-increment) bonds payable, both principal and interest, solely from the income, proceeds, revenues and funds the Agency derives from and in connection with the increased property taxes generated from the revenue allocation area as described in the bond ordinance and instrument. The proceeds of the bonds provided funds to advance refund prior obligations issued, and establish a reserve fund required by terms of the issue. The bonds are term bonds that require annual sinking fund deposits on August 1 each year. Bonds maturing August 1, 2016 and later are subject to prior redemption on August 1, 2015. The bonds bear interest at rates ranging from 4.35% to 5.45%

\$ 6,075,000

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

8. LONG-TERM LIABILITIES-Continued

<p><i>Promissory Note due D.L. Evans Bank, dated November 30, 2004, for the purchase of land and building. It is secured by a Deed of Trust on the property purchased and leased to Jayco, Inc. with rents received assigned to make the payments on this note. This note is payable in monthly installments of \$19,172.96, beginning December 30, 2004, including interest of 4.26% and matures November 30, 2014.</i></p>	873,435
<p><i>Promissory Note due Larry and Karen Tucker, dated June 8, 2009, for the purchase of real estate. This note is payable in monthly installments of \$3,663.68, beginning August 1, 2009, including interest of 6.00% and matures August 1, 2019.</i></p>	300,874
<p><i>Promissory Note due Larry McElliott, dated November 20, 2007, for the purchase of land. This note is payable in monthly installments of \$1,449.96, beginning December 1, 2007, including interest of 6.00% and matures November 1, 2012.</i></p>	<u>35,268</u>
<p>Total</p>	<u><u>\$ 7,284,577</u></u>

Expected annual maturities of the obligations, are as follows:

Year Ending September	Total	Interest	Principal
2011	\$ 989,961	\$ 370,927	\$ 619,034
2012	991,152	341,032	650,120
2013	976,852	309,806	667,046
2014	973,162	277,840	695,322
2015	775,545	247,639	527,906
2016-2020	3,658,909	818,760	2,840,149
2021-2022	1,391,003	106,003	1,285,000
Total	\$ 9,756,584	\$ 2,472,007	\$ 7,284,577

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

8. LONG-TERM LIABILITIES-Continued

Changes in Long-Term Debt of the Agency for the year ended September 30, 2010 is as follows:

	<u>09/30/09</u>	<u>Additions</u>	<u>Repayments</u>	<u>09/30/10</u>
Promissory note payable to Dell USA L.P.	\$ 1,099,327	-	\$ 1,099,327	\$ -
Promissory note payable to Larry McElliot	50,067	-	14,799	35,268
Promissory note payable to Larry Tucker	1,061,756	-	188,321	873,435
Promissory note payable to D.L. Evans Bank	325,962	-	25,088	300,874
Revenue Allocation Bond, Series 2005A	6,435,000	-	360,000	6,075,000
Total	<u>\$ 8,972,112</u>	<u>-</u>	<u>\$ 1,687,535</u>	<u>\$ 7,284,577</u>

9. INTERFUND TRANSACTIONS

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

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

Individual fund interfund receivable/payable balances at September 30, 2010:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 1,558,033	\$ -
Street Fund	-	233,920
Historic Preservation	-	3,987
Airport Construction	-	295,973
Golf Fund	-	362,021
Pool	-	337,286
Fireworks	-	666
Capital Improvements	-	53,854
Waterworks	-	291,120
Waste Water	20,794	-
Total	<u>\$ 1,578,827</u>	<u>\$ 1,578,827</u>

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

10. RISK MANAGEMENT

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

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

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

11. PUBLIC EMPLOYEES RETIREMENT SYSTEM OF IDAHO

The Public Employee Retirement System of Idaho (PERSI) – The PERSI Base Plan, a cost sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. The plan provides benefits based on members' years of service, age, and compensation. In addition, benefits are provided for disability, death, and survivors of eligible member or beneficiaries. The authority to establish and amend benefit provisions is established in Idaho Code. Designed as a mandatory system for eligible state and school district employees, the legislation provided for political subdivisions to participate by contractual agreement with PERSI. After 5 years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. For each month of credited service, the annual service retirement allowance is 2.0% (2.3% police/firefighter) of average monthly salary for the highest consecutive 42 months.

PERSI issues publicly available stand alone financial reports that include audited financial statements and required supplementary information. These reports may be obtained from PERSI's website www.persi.idaho.gov

The actuarially determined contribution requirements of the City and its employees are established and may be amended by the PERSI Board of Trustees. For the year ended September 30, 2009, the required contribution rate as a percentage of covered payrolls for members was 6.23% for general members and 7.65% for police/firefighters. The employer rate as a percentage of covered payroll was 10.39% for general members and 10.73% for police/firefighter members. The City employer contributions required and paid were \$1,708,061, \$1,698,170 and \$1,618,975 for the three years ended September 30, 2010, 2009 and 2008, respectively.

CITY OF TWIN FALLS, IDAHO
Notes to Financial Statements
September 30, 2010

12. FUND BALANCE AND NET ASSET DEFICITS

Fund deficits as of September 30, 2010, which are significant, are as follows:

Airport Construction Fund- The deficit of \$79,826 is due to accumulated costs of construction that exceeded revenues.

Street Light- The deficit of \$189,326 is being reduced through excess revenues.

13. URBAN RENEWAL SUMMARIZED INFORMATION

	Year Ended September 30, 2010
Assets	\$ 12,745,528
Total Assets	\$ 12,745,528
 Liabilities & Net Assets	
Liabilities	\$ 7,677,384
Net Assets:	
Invested in Capital Assets	\$ 569,845
Restricted	699,912
Unrestricted	3,798,387
Total Liabilities & Net Assets	\$ 12,745,528
 Revenues	\$ 7,730,692
Expenditures	1,104,754
Excess (Deficiency) Revenues over Expenditures	6,625,938
 Fund Deficit - Beginning of Year	(1,557,794)
 Fund Deficit - End of Year	\$ 5,068,144

14. COMMITMENTS AND SUBSEQUENT EVENTS

The Urban Renewal Agency makes commitments to certain public and redevelopment improvements within Urban Renewal Area, and is in the on-going process of considering properties to be acquired and improvements to be made. There were no such commitments at September 30, 2010.

CITY OF TWIN FALLS, IDAHO

Notes to Financial Statements

September 30, 2010

15. BOND COVENANT COMPLIANCE

The City is subject to various covenants as a result of the various bonds and certificates of participation issued by the City. During the year ended September 30, 2010, the City did not comply with the following covenants:

1999 Sewer Certificates of Participation

One covenant requires that the City provide no free service, including usage by the City departments. During 2010, the Wastewater Fund did not bill other City departments for sewer service provided during the year.

16. PRIOR PERIOD ADJUSTMENTS

From 1990 to 2008 Twin Falls County, using Idaho Tax Commission software, had misapportioned assessments to the city which should have gone to the highway district. In 2009 the City and Twin Falls Highway District reached an agreement for the City to pay back \$175,629 in misapportioned funds.

17. CHANGE IN CAPITALIZATION THRESHOLD

The City also changed its policy regarding capitalization of fixed assets. In 2009 the City's policy increased the capitalization limits from \$500 to \$5,000. The increased limitation brings the City's accounting principles into compliance with the GFOA which recommends that "In no case should capitalization thresholds be less than \$5,000". This change in accounting principal and the payment for misapportioned funds to the highway district were reflected as a prior period adjustment on the 2009 financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF TWIN FALLS, IDAHO

General Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010				2009
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:					
Property Taxes, Including Penalty and Interest	\$11,195,307	\$11,195,307	\$11,325,088	\$ 129,781	\$10,774,784
Non-property Taxes	695,000	695,000	655,413	(39,587)	687,352
Fines and Forfeitures	6,700	6,700	7,016	316	7,701
Licenses and Permits	753,000	753,000	730,679	(22,321)	984,983
Fees and Services	1,088,540	1,088,540	1,188,042	99,502	1,143,115
Intergovernmental	1,732,500	1,732,500	1,796,802	64,302	1,824,413
Federal Grants	174,708	174,708	114,227	(60,481)	16,804
Miscellaneous	731,875	731,875	736,625	4,750	1,010,080
Total Revenues	16,377,630	16,377,630	16,553,892	176,262	16,449,232
Expenditures:					
Current					
General Government	2,879,421	2,879,421	2,721,493	157,928	2,651,445
Public Safety	11,929,933	11,929,933	11,314,593	615,340	11,144,780
Engineering	1,453,936	1,453,936	1,254,318	199,618	1,352,528
Economic Development	130,661	130,661	103,533	27,128	108,561
Culture and Recreation	1,401,179	1,401,179	1,289,383	111,796	1,300,221
Total Expenditures	17,795,130	17,795,130	16,683,320	1,111,810	16,557,535
Excess (Deficiency) of Revenue Over Expenditures	(1,417,500)	(1,417,500)	(129,428)	1,288,072	(108,303)
Other Financing Sources (Uses)					
Operating Transfers In	1,417,500	1,417,500	1,417,500	-	1,349,405
Operating Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	1,417,500	1,417,500	1,417,500	-	1,349,405
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ -	\$ -	1,288,072	\$ 1,288,072	1,241,102
Fund Balance, October 1st			14,080,685		12,839,583
Fund Balance, September 30th			\$15,368,757		\$ 14,080,685

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 General Fund
 Statement of Expenditures - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Expenditures:					
Data Processing	\$ 1,136,739	\$ 1,136,739	1,053,546	\$ 83,193	\$ 1,011,505
Council	155,865	155,865	144,432	11,433	146,198
Manager	412,588	412,588	405,495	7,093	397,356
Finance	657,278	657,278	632,398	24,880	643,526
Attorney	179,050	179,050	178,098	952	191,086
Personnel	337,901	337,901	307,524	30,377	261,774
Total General Government	<u>2,879,421</u>	<u>2,879,421</u>	<u>2,721,493</u>	<u>157,928</u>	<u>2,651,445</u>
Police	7,500,914	7,500,914	7,018,593	482,321	6,873,925
Fire	3,606,792	3,606,792	3,521,043	85,749	3,480,907
Inspection	470,227	470,227	433,086	37,141	434,987
Animal Control	352,000	352,000	341,871	10,129	354,961
Total Public Safety	<u>11,929,933</u>	<u>11,929,933</u>	<u>11,314,593</u>	<u>615,340</u>	<u>11,144,780</u>
Engineering	1,094,642	1,094,642	901,562	193,080	997,476
Planning and Zoning	359,294	359,294	352,756	6,538	355,052
Total Engineering and Planning	<u>1,453,936</u>	<u>1,453,936</u>	<u>1,254,318</u>	<u>199,618</u>	<u>1,352,528</u>
Economic Development	130,661	130,661	103,533	27,128	108,561
Parks	969,006	969,006	903,690	65,316	898,371
Recreation	432,173	432,173	385,693	46,480	401,850
Total Culture and Recreation	<u>1,401,179</u>	<u>1,401,179</u>	<u>1,289,383</u>	<u>111,796</u>	<u>1,300,221</u>
Total Expenditures	<u><u>\$17,795,130</u></u>	<u><u>\$17,795,130</u></u>	<u><u>\$16,683,320</u></u>	<u><u>\$ 1,111,810</u></u>	<u><u>\$ 16,557,535</u></u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Street Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Property Taxes	\$ 1,609,222	\$ 1,609,222	\$ 1,626,486	\$ 17,264	\$ 1,456,957
Fees and Services	240,000	240,000	250,934	10,934	244,632
Intergovernmental	2,125,000	2,125,000	2,159,886	34,886	2,097,849
Grants	-	-	903,082	903,082	227,999
Miscellaneous	885,985	885,985	677,654	(208,331)	925,696
Total Revenues	<u>4,860,207</u>	<u>4,860,207</u>	<u>5,618,042</u>	<u>757,835</u>	<u>4,953,133</u>
Expenditures:					
Current					
Highways and Streets	1,396,305	1,396,305	1,195,028	201,277	1,720,966
Capital Outlay	5,295,965	5,295,965	7,257,735	(1,961,770)	2,086,317
Debt Service					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>6,692,270</u>	<u>6,692,270</u>	<u>8,452,763</u>	<u>(1,760,493)</u>	<u>3,807,283</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,832,063)	(1,832,063)	(2,834,721)	(1,002,658)	1,145,850
Other Financing Sources (Uses)					
Operating Transfers In	74,994	74,994	265,994	(191,000)	71,423
Operating Transfers Out	(205,532)	(205,532)	(205,532)	-	(196,561)
Total Other Sources (Uses)	<u>(130,538)</u>	<u>(130,538)</u>	<u>60,462</u>	<u>(191,000)</u>	<u>(125,138)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$(1,962,601)</u>	<u>\$(1,962,601)</u>	(2,774,259)	<u>\$(1,193,658)</u>	1,020,712
Fund Balances, October 1st			5,398,076		4,552,996
Prior Period Adjustment			-		(175,632)
Fund Balances, September 30th			<u>\$2,623,817</u>		<u>\$5,398,076</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Airport Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Property Taxes	\$ 292,442	\$ 292,442	\$ 296,020	\$ 3,578	\$ 304,486
Fees and Services	472,566	472,566	533,832	61,266	463,878
Intergovernmental	292,442	292,442	316,812	24,370	301,874
Federal Grants	-	-	-	-	-
Farm Income	27,300	27,300	29,096	1,796	26,128
Miscellaneous	11,000	11,000	74,847	63,847	93,245
Total Revenues	<u>1,095,750</u>	<u>1,095,750</u>	<u>1,250,607</u>	<u>154,857</u>	<u>1,189,611</u>
Expenditures:					
Current					
Airport	761,755	761,755	753,309	8,446	664,320
Total Expenditures	<u>761,755</u>	<u>761,755</u>	<u>753,309</u>	<u>8,446</u>	<u>664,320</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	333,995	333,995	497,298	163,303	525,291
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(333,995)	(333,995)	(1,350,059)	1,016,064	(341,288)
Total Other Sources (Uses)	<u>(333,995)</u>	<u>(333,995)</u>	<u>(1,350,059)</u>	<u>1,016,064</u>	<u>(341,288)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(852,761)	<u>\$ 1,179,367</u>	184,003
Fund Balances, October 1st			<u>1,298,466</u>		<u>1,114,463</u>
Fund Balances, September 30th			<u>\$ 445,705</u>		<u>\$ 1,298,466</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Special Revenue - Capital Improvement Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010				
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	2009 Actual
Revenues:					
Property Taxes	\$ 593,538	\$ 593,538	\$ 606,799	\$ 13,261	\$ 887,611
Intergovernmental	1,152,600	1,152,600	1,149,256	(3,344)	1,184,741
Federal Grants	-	-	91,625	91,625	-
Miscellaneous or Reserves	334,303	334,303	361,167	26,864	388,368
Total Revenues	2,080,441	2,080,441	2,208,847	128,406	2,460,720
Expenditures:					
Current					
General Government	314,799	314,799	221,240	93,559	377,601
Public Safety	299,525	299,525	415,018	(115,493)	446,110
Culture and Recreation	31,400	31,400	256,285	(224,885)	362,568
Highways and Streets	556,300	556,300	3,984	552,316	9,864
Capital Outlay	801,917	801,917	596,348	205,569	714,898
Total Expenditures	2,003,941	2,003,941	1,492,875	511,066	1,911,041
Excess (Deficiency) of Revenues Over (Under) Expenditures	76,500	76,500	715,972	639,472	549,679
Other Financing Sources (Uses)					
Contribution of Assets			30,243	(30,243)	78,500
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	(188,327)	188,327	(525)
Total Other Sources (Uses)	-	-	(158,084)	158,084	77,975
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	\$ 76,500	\$ 76,500	557,888	\$ 797,556	627,654
Fund Balances, October 1st			2,427,990		1,800,336
Fund Balances, September 30th			\$ 2,985,878		\$ 2,427,990

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Capital Projects - Airport Construction Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Fees and Services	\$ 93,000	\$ 93,000	\$ 102,318	\$ 9,318	\$ 96,691
Intergovernmental	-	-	51,351	51,351	25,000
Federal Grants	1,100,000	1,100,000	710,946	(389,054)	1,746,900
Miscellaneous	475	475	105	(370)	239
Total Revenues	<u>1,193,475</u>	<u>1,193,475</u>	<u>864,720</u>	<u>(328,755)</u>	<u>1,868,830</u>
Expenditures:					
Current					
Airport	1,145,800	1,145,800	967,001	178,799	1,843,646
Total Expenditures	<u>1,145,800</u>	<u>1,145,800</u>	<u>967,001</u>	<u>178,799</u>	<u>1,843,646</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	47,675	47,675	(102,281)	(149,956)	25,184
Other Financing Sources (Uses)					
Operating Transfers In	50,000	50,000	1,066,064	(1,016,064)	70,000
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>1,066,064</u>	<u>(1,016,064)</u>	<u>70,000</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ 97,675</u>	<u>\$ 97,675</u>	963,783	<u>\$ (1,166,020)</u>	95,184
Fund Balances, October 1st			<u>(1,043,609)</u>		<u>(1,138,793)</u>
Fund Balances, September 30th			<u>\$ (79,826)</u>		<u>\$ (1,043,609)</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Enterprise - Waterworks Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 6,586,707	\$6,586,707	6,606,498	\$ 19,791	\$ 5,458,659
Taps, Connection and Other Fees	178,064	178,064	87,010	(91,054)	155,492
Miscellaneous	99,742	99,742	98,465	(1,277)	76,826
Total Operating Revenues	<u>6,864,513</u>	<u>6,864,513</u>	<u>6,791,973</u>	<u>(72,540)</u>	<u>5,690,977</u>
Operating Expenses:					
Contracted Expenses	225,400	225,400	199,926	25,474	270,607
Personnel Expenses	1,634,677	1,634,677	1,556,526	78,151	1,529,460
Depreciation and Amortization	-	-	610,647	(610,647)	549,495
Utilities	828,450	828,450	699,707	128,743	729,809
Supplies	691,125	691,125	662,221	28,904	589,802
Repairs, Maintenance, Studies & Projects	1,414,337	1,414,337	195,639	1,218,698	959,495
Vehicle Expense	127,925	127,925	111,982	15,943	97,127
Rental Expense	184,650	184,650	116,426	68,224	115,254
Miscellaneous Expenses	26,550	26,550	8,639	17,911	13,169
Testing and Monitoring	49,000	49,000	50,072	(1,072)	46,783
Telephone	-	-	-	-	20
Travel and Meetings	10,500	10,500	1,389	9,111	1,686
Total Operating Expenses	<u>5,192,614</u>	<u>5,192,614</u>	<u>4,213,174</u>	<u>979,440</u>	<u>4,902,707</u>
Operating Income (Loss)	1,671,899	1,671,899	2,578,799	906,900	788,270
Non-operating Revenues (Expenses):					
Interest Income	125,000	125,000	117,720	(7,280)	231,334
Rent and Royalties	65,000	65,000	65,010	10	65,850
Federal Grants	-	-	20,780	20,780	20,232
Interest Expense	(344,888)	(344,888)	(736,492)	(391,604)	(919,644)
Total Non-operating Revenues (Exp)	<u>(154,888)</u>	<u>(154,888)</u>	<u>(532,982)</u>	<u>(378,094)</u>	<u>(602,228)</u>
Income (Loss) before operating transfers	1,517,011	1,517,011	2,045,817	528,806	186,042
Interfund Transfers and Donations:					
Donation of Assets			-	-	0
Operating Transfers In	235,306	235,306	235,306	-	224,100
Operating Transfers Out	(729,401)	(729,401)	(920,401)	(191,000)	(696,480)
Net Transfers and Donations	<u>(494,095)</u>	<u>(494,095)</u>	<u>(685,095)</u>	<u>(191,000)</u>	<u>(472,380)</u>
Net Income (Loss)	<u>\$ 1,022,916</u>	<u>\$1,022,916</u>	1,360,722	<u>\$ 337,806</u>	(286,338)
Net Assets, October 1st			17,777,302		18,140,515
Prior Period Adjustment			-		(76,875)
Net Assets, September 30th			<u>\$ 19,138,024</u>		<u>\$ 17,777,302</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Enterprise - Wastewater Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 6,849,723	\$ 6,849,723	5,555,071	\$ (1,294,652)	\$ 5,496,276
Taps, Connection and Other Fees	6,750	6,750	2,680	(4,070)	3,525
Miscellaneous	35,000	35,000	222,025	187,025	(8,156)
Total Operating Revenues	<u>6,891,473</u>	<u>6,891,473</u>	<u>5,779,776</u>	<u>(1,111,697)</u>	<u>5,491,645</u>
Operating Expenses:					
Contracted Expenses	2,971,429	2,971,429	2,990,098	(18,669)	3,012,264
Personnel Expenses	472,910	472,910	514,560	(41,650)	491,731
Depreciation and Amortization	-	-	952,406	(952,406)	806,392
Utilities	24,000	24,000	-	24,000	-
Supplies	22,610	22,610	8,579	14,031	11,689
Repairs and Maintenance	3,048,984	3,048,984	510,311	2,538,673	168,920
Vehicle Expense	39,145	39,145	36,796	2,349	32,535
Studies and Projects	-	-	-	-	-
Rental Expense	-	-	-	-	-
Miscellaneous Expenses	7,400	7,400	(979)	8,379	15,659
Telephone	-	-	-	-	-
Travel and Meetings	1,000	1,000	602	398	140
Total Operating Expenses	<u>6,587,478</u>	<u>6,587,478</u>	<u>5,012,373</u>	<u>1,575,105</u>	<u>4,539,330</u>
Operating Income (Loss)	303,995	303,995	767,403	463,408	952,315
Non-operating Revenues (Expenses):					
Development Fees	256,000	256,000	179,717	(76,283)	221,620
Interest Income	100,000	100,000	48,831	(51,169)	148,957
Interest Expense	(336,130)	(336,130)	(305,856)	30,274	(335,859)
Federal Grant	-	-	88,652	88,652	175,969
Total Non-operating Revenues (Exp)	<u>19,870</u>	<u>19,870</u>	<u>11,344</u>	<u>(8,526)</u>	<u>210,687</u>
Income (Loss) before operating transfers	323,865	323,865	778,747	454,882	1,163,002
Interfund Transfers and Donations:					
Donation of Assets	-	-	-	-	1,808
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(459,768)	(459,768)	(459,768)	-	(442,878)
Net Transfers and Donations	<u>(459,768)</u>	<u>(459,768)</u>	<u>(459,768)</u>	<u>-</u>	<u>(441,070)</u>
Net Income (Loss)	<u>\$ (135,903)</u>	<u>\$ (135,903)</u>	318,979	<u>\$ 454,882</u>	721,932
Net Assets, October 1st			20,858,369		20,176,238
Prior Period Adjustment			-		(39,801)
Net Assets, September 30th			<u>\$ 21,177,348</u>		<u>\$ 20,858,369</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Enterprise - Sanitation Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009
	Proposed Budget	Final Budget	Actual		Actual
Operating Revenues:					
Charges for Services	\$ 2,182,000	\$ 2,182,000	\$ 2,206,706	\$ 24,706	\$ 2,159,559
Miscellaneous	15,000	15,000	15,981	981	15,751
Total Operating Revenues	<u>2,197,000</u>	<u>2,197,000</u>	<u>2,222,687</u>	<u>25,687</u>	<u>2,175,310</u>
Operating Expenses:					
Contracted Expenses	1,160,000	1,160,000	1,159,136	864	1,126,044
Personnel Expenses	197,506	197,506	168,829	28,677	168,338
Depreciation and Amortization	-	-	10,296	(10,296)	6,740
Landfill Expenses	695,000	695,000	610,482	84,518	647,831
Supplies	2,200	2,200	1,496	704	1,671
Repairs and Maintenance	3,500	3,500	2,530	970	1,758
Vehicle Expense	5,419	5,419	4,650	769	4,462
Studies and Projects	1,550	1,550	1,154	396	1,132
Miscellaneous Expenses	1,800	1,800	75	1,725	50
Telephone	-	-	-	-	-
Travel and Meetings	1,000	1,000	300	700	558
Total Operating Expenses	<u>2,067,975</u>	<u>2,067,975</u>	<u>1,958,948</u>	<u>109,027</u>	<u>1,958,584</u>
Operating Income (Loss)	129,025	129,025	263,739	134,714	216,726
Non-operating Revenues (Expenses):					
Interest Income	10,500	10,500	15,690	5,190	34,778
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp)	<u>10,500</u>	<u>10,500</u>	<u>15,690</u>	<u>5,190</u>	<u>34,778</u>
Income (Loss) before operating transfers	139,525	139,525	279,429	139,904	251,504
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(142,147)	(142,147)	(142,148)	(1)	(134,988)
Net Transfers	<u>(142,147)</u>	<u>(142,147)</u>	<u>(142,148)</u>	<u>(1)</u>	<u>(134,988)</u>
Net Income (Loss)	<u>\$ (2,622)</u>	<u>\$ (2,622)</u>	137,281	<u>\$ 139,903</u>	116,516
Net Assets, October 1st			1,108,477		994,217
Prior Period Adjustment			-		(2,256)
Net Assets, September 30th			<u>\$ 1,245,758</u>		<u>\$ 1,108,477</u>

See accountants' report.

SUPPLEMENTARY INFORMATION

City of Twin Falls, Idaho
Combining Statement - Other Governmental Funds
Fund Balance Sheets
September 30, 2010

	Special Revenue Funds			Debt Service Fund		
	Street Light	Library	Total	LID Guarantee Bond	Library Bond	Total
Assets						
Cash and Cash Equivalents	\$ 43,625	\$ 798,442	\$ 842,067	\$ 18,254	\$ 20,046	\$ 38,300
Restricted Cash	-	-	-	-	-	-
Investments	-	858	858	-	-	-
Receivables (net of allowance)						
Taxes	4,609	56,652	61,261	-	-	-
Fees and Services	-	-	-	-	-	-
Intergovernmental	1,210	15,040	16,250	-	-	-
Interest	-	469	469	9	10	19
Accounts	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-
Total Assets	\$ 49,444	\$ 871,461	\$ 920,905	\$ 18,263	\$ 20,056	\$ 38,319
Liabilities						
Accounts Payable	447	61,585	62,032	-	-	-
Accrued Expenses	-	8,251	8,251	-	-	-
Deferred Revenue	4,403	53,794	58,197	-	-	-
Customer Deposits Payable	-	-	-	-	-	-
Due to Other Funds	233,920	-	233,920	-	-	-
Total Liabilities	238,770	123,630	362,400	-	-	-
Fund Balance						
Reserved for:						
Dedicated Purposes	-	-	-	-	-	-
Debt Service	-	-	-	18,263	20,056	38,319
Unreserved:						
Designated For Subsequent Year's Exp.	-	-	-	-	-	-
Undesignated	(189,326)	747,831	558,505	-	-	-
Total Fund Balance	(189,326)	747,831	558,505	18,263	20,056	38,319
Total Liabilities and Fund Equity	\$ 49,444	\$ 871,461	\$ 920,905	\$ 18,263	\$ 20,056	\$ 38,319

See accountants' report.

City of Twin Falls, Idaho
 Combining Statement - Other Governmental Funds
 Fund Balance Sheets
 September 30, 2010

Capital Projects Fund					Other Permanent Funds				Total Other Government Funds
Historic Preservation	Park Develop.	Trail Fund	Impact Fee	Total	Drug Seizure	Historic Downtown	Fireworks	Total	
\$ (135)	\$ (33,879)	\$ 1	\$ 229,817	\$ 195,804	\$ 112,106	\$ 106,590	\$ (554)	\$ 218,142	\$ 1,294,313
-	486,521	40	-	486,561	-	-	-	-	486,561
-	-	-	-	-	-	-	-	-	858
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	61,261
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,399	1,399	17,649
-	235	-	115	350	-	-	-	-	838
-	-	-	3,247	3,247	140,696	-	-	140,696	143,943
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<u>\$ (135)</u>	<u>\$ 452,877</u>	<u>\$ 41</u>	<u>\$ 233,179</u>	<u>\$ 685,962</u>	<u>\$ 252,802</u>	<u>\$ 106,590</u>	<u>\$ 845</u>	<u>\$ 360,237</u>	<u>\$ 2,005,423</u>
-	198	-	-	198	5,868	-	-	5,868	68,098
-	-	-	-	-	-	-	-	-	8,251
-	-	-	-	-	-	-	-	-	58,197
-	-	-	-	-	-	-	-	-	-
3,987	-	-	-	3,987	-	-	666	666	238,573
<u>3,987</u>	<u>198</u>	<u>-</u>	<u>-</u>	<u>4,185</u>	<u>5,868</u>	<u>-</u>	<u>666</u>	<u>6,534</u>	<u>373,119</u>
-	486,521	40	-	486,561	246,934	106,590	179	353,703	840,264
-	-	-	-	-	-	-	-	-	38,319
-	-	-	-	-	-	-	-	-	-
(4,122)	(33,842)	1	233,179	195,216	-	-	-	-	753,721
<u>(4,122)</u>	<u>452,679</u>	<u>41</u>	<u>233,179</u>	<u>681,777</u>	<u>246,934</u>	<u>106,590</u>	<u>179</u>	<u>353,703</u>	<u>1,632,304</u>
<u>\$ (135)</u>	<u>\$ 452,877</u>	<u>\$ 41</u>	<u>\$ 233,179</u>	<u>\$ 685,962</u>	<u>\$ 252,802</u>	<u>\$ 106,590</u>	<u>\$ 845</u>	<u>\$ 360,237</u>	<u>\$ 2,005,423</u>

See accountants' report.

City of Twin Falls, Idaho
Combining Statement - Other Governmental Funds
Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended September 30, 2010

	Special Revenue Funds			Debt Service Fund		
	Street Light	Library	Total	LID Guarantee Bond	Library Bond	Total
Revenues						
Property Taxes, Including Interest	\$ 120,791	\$ 1,348,111	\$ 1,468,902	\$ -	\$ -	\$ -
Other Taxes	151,479	-	151,479	-	-	-
Special Assessments, Including Interest	-	28,127	28,127	-	-	-
Fines and Forfeitures	-	38,475	38,475	-	-	-
Licenses and Permits	-	-	-	-	-	-
Fees and Services	-	34,355	34,355	-	-	-
Intergovernmental	-	-	-	-	-	-
Federal Grants	-	40,549	40,549	-	-	-
Miscellaneous	-	1,266	1,266	279	302	581
Total Revenue	272,270	1,490,883	1,763,153	279	302	581
Expenditures						
Current						
General Government	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-
Engineering	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Culture and Recreation	-	1,522,746	1,522,746	-	-	-
Highway and Streets	264,926	-	264,926	-	-	-
Airport	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Debt Service						
Principal Retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total Expenditures	264,926	1,522,746	1,787,672	-	-	-
Excess of Revenues Over (Under) Expenditures	7,344	(31,863)	(24,519)	279	302	581
Operating Transfers						
Transfers In	-	128,042	128,042	-	-	-
Transfers Out	18,261	-	18,261	-	-	-
Net Transfers	(18,261)	128,042	109,781	-	-	-
Net Change in Fund Balance	(10,917)	96,179	85,262	279	302	581
Fund Balance October 1, 2009	(178,409)	651,652	473,243	17,984	19,754	37,738
Fund Balance September 30, 2010	\$(189,326)	\$ 747,831	\$ 558,505	\$ 18,263	\$ 20,056	\$ 38,319

See accountants' report.

City of Twin Falls, Idaho
Combining Statement - Other Governmental Funds
Statements of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended September 30, 2010

Capital Projects Fund					Other Permanent Funds				Total Other
Historic Preservation	Park Develop.	Trail Fund	Impact Fee	Total	Drug Seizure	Historic Downtown	Fireworks	Total	Government Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,468,902
-	-	-	-	-	-	-	-	-	151,479
-	-	-	-	-	91,534	(16,301)	-	75,233	103,360
-	-	-	-	-	-	-	-	-	38,475
-	-	-	-	-	-	-	-	-	-
-	-	-	206,952	206,952	-	-	1,500	1,500	242,807
-	-	-	-	-	-	-	4,998	4,998	4,998
6,000	-	-	-	6,000	-	-	-	-	46,549
-	12,576	-	2,137	14,713	-	33,649	22,414	56,063	72,623
6,000	12,576	-	209,089	18,576	91,534	17,348	28,912	137,794	2,129,193
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	52,829	-	-	52,829	52,829
-	-	-	-	-	-	-	-	-	-
6,096	53,647	-	-	59,743	-	82,230	25,275	107,505	167,248
-	-	-	-	-	-	-	-	-	1,522,746
-	-	-	-	-	-	-	-	-	264,926
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
6,096	53,647	-	-	59,743	52,829	82,230	25,275	160,334	2,007,749
(96)	(41,071)	-	209,089	167,922	38,705	(64,882)	3,637	(22,540)	121,444
-	-	-	-	-	-	-	-	-	128,042
-	-	-	-	-	-	-	-	-	18,261
-	-	-	-	-	-	-	-	-	109,781
(96)	(41,071)	-	209,089	167,922	38,705	(64,882)	3,637	(22,540)	231,225
(4,026)	493,750	41	24,090	513,855	208,229	171,472	(3,458)	376,243	1,401,079
\$ (4,122)	\$ 452,679	\$ 41	\$ 233,179	\$ 681,777	\$ 246,934	\$ 106,590	\$ 179	\$ 353,703	\$ 1,632,304

See accountants' report.

City of Twin Falls, Idaho
Combining Statement - Proprietary Funds
Fund Balance Sheets
September 30, 2010

	Business-Type Activities					Total
	Golf	Pool	Dierkes Lake Shoshone Falls	Parking	Common Area Maintenance	
Assets						
Cash and Cash Equivalents	\$ (262,312)	\$ 28,858	\$ 210,435	\$ 59,667	\$ 11,074	\$ 47,722
Investments	-	-	-	-	-	-
Receivables (net of allowance for uncollected.)	-	-	-	-	-	-
Fees and Services	-	-	-	-	5,870	5,870
Intergovernmental	-	49,427	-	-	-	49,427
Interest	-	-	118	-	-	118
Accounts	4,412	-	-	(32)	-	4,380
Inventories	-	-	-	-	-	-
Total Current Assets	(257,900)	78,285	210,553	59,635	16,944	107,517
Restricted Assets	-	-	-	-	-	-
Deferred Charges	-	-	-	-	-	-
Fixed Assets (Net of Accum. Depreciation)	572,600	852,650	1,108,721	813	-	2,534,784
Total Assets	\$ 314,700	\$ 930,935	\$ 1,319,274	\$ 60,448	\$ 16,944	\$ 2,642,301
Liabilities and Equity						
Current Liabilities:						
Accounts Payable	\$ 6,160	\$ 1,753	\$ 7,264	\$ 97	\$ 3,006	\$ 18,280
Accrued Expenses	910	-	-	-	-	910
Due to Other Funds	362,021	337,286	-	-	-	699,307
Notes Payable - Current	25,409	-	-	-	-	25,409
Compensated Absences	5,591	-	-	-	-	5,591
Total Current Liabilities	400,091	339,039	7,264	97	3,006	749,497
Current Liab. Payable from Restricted Assets:						
Revenue Bonds Payable - Current	-	-	-	-	-	-
Customer Deposits Payable	-	-	-	2,220	-	2,220
Total Curr. Liab. From Restricted Assets	-	-	-	2,220	-	2,220
NonCurrent Liabilities:						
Notes Payable - Equipment	26,736	-	-	-	-	26,736
Revenue Bonds Payable (Net of Discounts)	-	-	-	-	-	-
Total Non-Current Liabilities	26,736	-	-	-	-	26,736
Total Liabilities	426,827	339,039	7,264	2,317	3,006	778,453
Net Assets						
Invested In Capital Assets, net of related debt	520,455	852,650	1,108,721	813	-	2,482,639
Restricted	-	-	-	-	-	-
Unrestricted	(632,582)	(260,754)	203,289	57,318	13,938	(618,791)
Total Equity	(112,127)	591,896	1,312,010	58,131	13,938	1,863,848
Total Liabilities and Equity	\$ 314,700	\$ 930,935	\$ 1,319,274	\$ 60,448	\$ 16,944	\$ 2,642,301

See accountants' report.

City of Twin Falls, Idaho
Combining Statement - Proprietary Funds
Statements of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended September 30, 2010

	Business-Type Activities					Totals
	Dierkes Lake Shoshone			Common Area		
	Golf	Pool	Falls	Parking	Maintenance	
Operating Revenues:						
Charges for Services	\$ 284,438	\$ -	\$ 179,364	\$ 76,455	\$ 31,184	\$ 571,441
Taps, Connection and Other Fees	-	-	-	-	-	-
Miscellaneous	8,803	-	(12,674)	200	-	(3,671)
Total Operating Revenues	<u>293,241</u>	<u>-</u>	<u>166,690</u>	<u>76,655</u>	<u>31,184</u>	<u>567,770</u>
Operating Expenses:						
Contracted Services	58,401	43,000	58,330	1,030	20,686	181,447
Personal Expenses	142,156	(780)	75,590	55,705	-	272,671
Depreciation and Amortization	41,339	37,752	44,213	813	-	124,117
Utilities	11,173	96,899	3,449	-	824	112,345
Landfill Expenses	-	-	-	-	-	-
Supplies	38,085	606	8,836	137	-	47,664
Insurance	-	-	-	-	-	-
Repairs and Maintenance	174,219	2,912	5,857	44	440	183,472
Vehicle Expenses	21,823	-	924	-	-	22,747
Studies and Projects	-	-	-	-	-	-
Rental Expense	214	405	-	-	-	619
Miscellaneous Expense	2,014	-	4,060	2,536	-	8,610
Testing and Monitoring	-	-	-	-	-	-
Telephone	-	-	-	28	-	28
Travel and Meetings	539	34	-	-	-	573
Total Operating Expenses	<u>489,963</u>	<u>180,828</u>	<u>201,259</u>	<u>60,293</u>	<u>21,950</u>	<u>954,293</u>
Operating Income (Loss)	(196,722)	(180,828)	(34,569)	16,362	9,234	(386,523)
Non-Operating Revenues (Expenses):						
Development Fees	-	-	-	-	-	-
Interest Income	-	-	3,264	547	-	3,811
Rent and Royalties	-	-	-	-	-	-
Federal Grants	-	-	-	-	-	-
Intergovernmental	-	185,559	-	-	-	185,559
Loss on Transfer of Assets	-	(5,267)	-	-	-	(5,267)
Interest Expense	(3,562)	-	-	-	-	(3,562)
Total Non-Operating Revenues (Exp.)	<u>(3,562)</u>	<u>180,292</u>	<u>3,264</u>	<u>547</u>	<u>-</u>	<u>180,541</u>
Income (Loss) Before Operating Transfers	(200,284)	(536)	(31,305)	16,909	9,234	(205,982)
Operating Transfers:						
Operating Transfers In	60,285	-	-	-	-	60,285
Operating Transfers Out	(20,128)	-	(7,989)	-	-	(28,117)
Net Transfers	<u>40,157</u>	<u>-</u>	<u>(7,989)</u>	<u>-</u>	<u>-</u>	<u>32,168</u>
Net Income (Loss)	(160,127)	(536)	(39,294)	16,909	9,234	(173,814)
Total Net Assets, October 1, 2009	48,000	592,432	1,351,304	41,222	4,704	2,037,662
Prior Period Adjustment	-	-	-	-	-	-
Total Net Assets, September 30, 2010	<u>\$ (112,127)</u>	<u>\$ 591,896</u>	<u>\$ 1,312,010</u>	<u>\$ 58,131</u>	<u>\$ 13,938</u>	<u>\$ 1,863,848</u>

See accountants' report.

City of Twin Falls, Idaho
Combining Statement - Internal Service Funds
Fund Balance Sheets
September 30, 2010

	Governmental Activities - Internal Service Funds		
	Shop		
	Insurance	Revolving	Total
<u>Assets</u>			
Cash and Cash Equivalents	\$ (15,621)	\$ 372,567	\$ 356,946
Investments	67,737	-	67,737
Receivables (net of allowance for uncollect.)			-
Taxes	7,295	-	7,295
Fees and Services	-	-	-
Intergovernmental	1,928	-	1,928
Interest	110	-	110
Accounts	11,057	-	11,057
Prepaid Expenses	153,353		153,353
Inventories	-	-	-
Total Current Assets	225,859	372,567	598,426
Restricted Assets			
Deferred Charges			
Fixed Assets (Net of Accum. Depreciation)	-	309,066	309,066
Total Assets	\$ 225,859	\$ 681,633	\$ 907,492
<u>Liabilities and Equity</u>			
Current Liabilities:			
Accounts Payable	\$ 320	\$ 602	\$ 922
Accrued Expenses	-	-	-
Deferred Revenue	6,899	-	6,899
Notes Payable - Current	-	-	-
Compensated Absences	-	17,555	17,555
Total Current Liabilities	7,219	18,157	25,376
Total Liabilities	7,219	18,157	25,376
<u>Net Assets</u>			
Invested In Capital Assets, net of related debt	-	309,066	309,066
Restricted	-	-	-
Unrestricted	218,640	354,410	573,050
Total Equity	218,640	663,476	882,116
Total Liabilities and Equity	\$ 225,859	\$ 681,633	\$ 907,492

City of Twin Falls, Idaho
Combining Statement - Internal Service Funds
Statements of Revenues, Expenses, and Changes in Fund Net Assets
For the Year Ended September 30, 2010

	Governmental Activities - Internal Service Funds		
	Shop		
	<u>Insurance</u>	<u>Revolving</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ -	\$ 256,664	\$ 256,664
Special Assessments, Including Interest Taps, Connection and Other Fees	168,999	-	168,999
Miscellaneous	2,441	-	2,441
Total Operating Revenues	<u>171,440</u>	<u>256,664</u>	<u>428,104</u>
Operating Expenses:			
Contracted Services	-	855	855
Personal Expenses	-	179,451	179,451
Depreciation and Amortization	-	8,494	8,494
Utilities	-	6,224	6,224
Landfill Expenses	-	-	-
Supplies	-	16,739	16,739
Insurance	294,662	-	294,662
Repairs and Maintenance	-	7,305	7,305
Vehicle Expenses	-	940	940
Studies and Projects	-	-	-
Rental Expense	-	-	-
Miscellaneous Expense	350	-	350
Testing and Monitoring	-	-	-
Telephone	-	-	-
Travel and Meetings	-	-	-
Total Operating Expenses	<u>295,012</u>	<u>220,008</u>	<u>515,020</u>
Operating Income (Loss)	(123,572)	36,656	(86,916)
Non-Operating Revenues (Expenses):			
Development Fees	-	-	-
Interest Income	-	-	-
Rent and Royalties	-	-	-
Federal Grants	-	-	-
Intergovernmental	-	-	-
Interest Expense	-	-	-
Total Non-Operating Revenues (Exp.)	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) Before Operating Transfers	(123,572)	36,656	(86,916)
Operating Transfers:			
Operating Transfers In	185,075	-	185,075
Operating Transfers Out	(45,653)	-	(45,653)
Net Transfers	<u>139,422</u>	<u>-</u>	<u>139,422</u>
Net Income (Loss)	15,850	36,656	52,506
Total Net Assets, October 1, 2009	202,790	626,820	829,610
Prior Period Adjustment	-	-	-
Total Net Assets, September 30, 2010	<u>\$ 218,640</u>	<u>\$ 663,476</u>	<u>\$ 882,116</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Street Light Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes	\$ 120,246	\$ 120,246	\$ 120,791	\$ 545	\$ 112,873
Non-Property Taxes	202,515	202,515	151,479	(51,036)	238,775
Miscellaneous & Intergovernmental	-	-	-	-	-
Total Revenues	<u>322,761</u>	<u>322,761</u>	<u>272,270</u>	<u>(50,491)</u>	<u>351,648</u>
Expenditures:					
Current					
Highways and Streets	304,500	304,500	264,926	39,574	310,249
Total Expenditures	<u>304,500</u>	<u>304,500</u>	<u>264,926</u>	<u>39,574</u>	<u>310,249</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	18,261	18,261	7,344	(10,917)	41,399
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(18,261)	(18,261)	(18,261)	-	(17,391)
Total Other Sources (Uses)	<u>(18,261)</u>	<u>(18,261)</u>	<u>(18,261)</u>	<u>-</u>	<u>(17,391)</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(10,917)	<u>\$ (10,917)</u>	24,008
Fund Balances, October 1st			<u>(178,409)</u>		<u>(202,417)</u>
Fund Balances, September 30th			<u>\$ (189,326)</u>		<u>\$ (178,409)</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Library Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Property Taxes	\$ 1,387,197	\$ 1,387,197	\$ 1,348,111	\$ (39,086)	\$ 1,394,424
Interest			28,127		
Fines and Forfeits	28,000	28,000	38,475	10,475	38,583
Fees and Services	32,500	32,500	34,355	1,855	38,585
Grants	-	-	40,549		
Miscellaneous	7,000	7,000	1,266	(5,734)	21,385
Total Revenues	<u>1,454,697</u>	<u>1,454,697</u>	<u>1,490,883</u>	<u>(32,490)</u>	<u>1,492,977</u>
Expenditures:					
Current					
Culture and Recreation	1,454,697	1,454,697	1,354,397	100,300	1,314,168
Capital Outlay	-	-	168,349	(168,349)	-
Total Expenditures	<u>1,454,697</u>	<u>1,454,697</u>	<u>1,522,746</u>	<u>(68,049)</u>	<u>1,314,168</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(31,863)	(31,863)	178,809
Other Financing Sources (Uses)					
Operating Transfers In	-	-	128,042	(128,042)	525
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>128,042</u>	<u>(128,042)</u>	<u>525</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	96,179	<u>\$ (159,905)</u>	179,334
Fund Balances, October 1st			<u>651,652</u>		<u>472,318</u>
Fund Balances, September 30th			<u>\$ 747,831</u>		<u>\$ 651,652</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Special Revenue - LID Guarantee Bond Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010				2009
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	Actual
Revenues:					
Miscellaneous	\$ -	\$ -	\$ 279	\$ 279	\$ 646
Total Revenues	-	-	279	279	646
Expenditures:					
Debt Service					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	279	279	646
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	-	-	-	-	-
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	\$ -	\$ -	279	\$ 279	646
Fund Balances, October 1st			17,984		17,338
Fund Balances, September 30th			\$ 18,263		\$ 17,984

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Special Revenue - Library Bond Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Revenues:					
Property Taxes, Including Penalty and Interest	\$ -	\$ -	\$ -	\$ -	\$ 7
Miscellaneous	-	-	302	302	710
Total Revenues	<u>-</u>	<u>-</u>	<u>302</u>	<u>302</u>	<u>717</u>
Expenditures:					
Current					
General Government	-	-	-	-	-
Debt Service					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	302	302	717
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	302	<u>\$ 302</u>	717
Fund Balances, October 1st			<u>19,754</u>		<u>19,037</u>
Fund Balances, September 30th			<u>\$ 20,056</u>		<u>\$ 19,754</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Capital Projects - Historic Preservation Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Grants	5,000	5,000	6,000	1,000	6,000
Miscellaneous	-	-	-	-	-
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>6,000</u>	<u>1,000</u>	<u>6,000</u>
Expenditures:					
Current					
Community Development	5,000	5,000	6,096	(1,096)	6,000
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>6,096</u>	<u>(1,096)</u>	<u>6,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(96)	(96)	-
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(96)	<u>\$ (96)</u>	-
Fund Balances, October 1st			<u>(4,026)</u>		<u>(4,026)</u>
Fund Balances, September 30th			<u>\$ (4,122)</u>		<u>\$ (4,026)</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Capital Projects - Park Development
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Miscellaneous	\$ 259,700	\$ 259,700	12,576	\$ (247,124)	\$ 115,669
Total Revenues	<u>259,700</u>	<u>259,700</u>	<u>12,576</u>	<u>(247,124)</u>	<u>115,669</u>
Expenditures:					
Current					
Industrial Development	259,700	259,700	53,647	206,053	151,378
Total Expenditures	<u>259,700</u>	<u>259,700</u>	<u>53,647</u>	<u>206,053</u>	<u>151,378</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(41,071)	(41,071)	(35,709)
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	(41,071)	<u>\$ (41,071)</u>	(35,709)
Fund Balances, October 1st			<u>493,750</u>		<u>529,459</u>
Fund Balances, September 30th			<u>\$ 452,679</u>		<u>\$ 493,750</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Capital Projects - Trail Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues:					
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 129
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>129</u>
Expenditures:					
Current					
Trail Fund	-	-	-	-	21,781
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,781</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(21,652)
Other Financing Sources (Uses)					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Total Other Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues/Other Sources Over (Under) Expenditures/Uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>(21,652)</u>
Fund Balances, October 1st			<u>41</u>		<u>21,693</u>
Fund Balances, September 30th			<u>\$ 41</u>		<u>\$ 41</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Other Funds - Impact Fees

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010			Variance	2009
	Proposed Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Operating Revenues:					
Fees and Services	\$ -	\$ -	\$206,952	\$ 206,952	\$ 24,090
Miscellaneous	-	-	2,137	2,137	-
Total Operating Revenues	-	-	209,089	209,089	24,090
Operating Expenses:					
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Operating Expenses	-	-	-	-	-
Income (Loss) before operating transfers	-	-	209,089	209,089	24,090
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	-	-	-	-	-
Net Income (Loss)	\$ -	\$ -	209,089	\$ 209,089	24,090
Net Assets, October 1st			24,090		-
Net Assets, September 30th			\$233,179		\$ 24,090

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Other Funds - Drug Seizure Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Special Assessments, Including Interest	\$ -	\$ -	\$ 91,534	\$ 91,534	\$ 89,062
Miscellaneous and Reserves	53,600	53,600	-	(53,600)	-
Total Operating Revenues	<u>53,600</u>	<u>53,600</u>	<u>91,534</u>	<u>37,934</u>	<u>89,062</u>
Operating Expenses:					
Public Safety	53,600	53,600	52,829	771	28,372
Total Operating Expenses	<u>53,600</u>	<u>53,600</u>	<u>52,829</u>	<u>771</u>	<u>28,372</u>
Income (Loss) before operating transfers	-	-	38,705	38,705	60,690
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>38,705</u>	<u>\$ 38,705</u>	<u>60,690</u>
Net Assets, October 1st			<u>208,229</u>		<u>147,539</u>
Net Assets, September 30th			<u>\$ 246,934</u>		<u>\$ 208,229</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Other Funds - Historic Downtown Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Special Assessments, Including Interest	\$155,000	\$155,000	\$ (16,301)	\$ (171,301)	123,395
Miscellaneous	28,000	28,000	33,649	5,649	45,201
Total Operating Revenues	<u>183,000</u>	<u>183,000</u>	<u>17,348</u>	<u>(165,652)</u>	<u>168,596</u>
Operating Expenses:					
Community Development	183,000	183,000	82,230	100,770	112,903
Total Operating Expenses	<u>183,000</u>	<u>183,000</u>	<u>82,230</u>	<u>100,770</u>	<u>112,903</u>
Income (Loss) before operating transfers	-	-	(64,882)	(64,882)	55,693
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	(64,882)	<u>\$ (64,882)</u>	55,693
Net Assets, October 1st			<u>171,472</u>		<u>115,779</u>
Net Assets, September 30th			<u>\$ 106,590</u>		<u>\$ 171,472</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Other Funds - Fireworks Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Intergovernmental	\$ 5,000	\$ 5,000	\$ 4,998	\$ (2)	\$ 4,518
Miscellaneous and Permits	3,000	3,000	23,914	20,914	1,800
Total Operating Revenues	<u>8,000</u>	<u>8,000</u>	<u>28,912</u>	<u>20,912</u>	<u>6,318</u>
Operating Expenses:					
Community Development	8,000	8,000	25,275	(17,275)	8,000
Total Operating Expenses	<u>8,000</u>	<u>8,000</u>	<u>25,275</u>	<u>(17,275)</u>	<u>8,000</u>
Income (Loss) before operating transfers	-	-	3,637	3,637	(1,682)
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	3,637	<u>\$ 3,637</u>	(1,682)
Net Assets, October 1st			<u>(3,458)</u>		<u>(1,776)</u>
Net Assets, September 30th			<u>\$ 179</u>		<u>\$ (3,458)</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Enterprise - Golf Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Charges for Services	\$ 329,605	\$ 329,605	\$ 284,438	\$ (45,167)	\$ 307,322
Miscellaneous	5,238	5,238	8,803	3,565	30,124
Total Operating Revenues	<u>334,843</u>	<u>334,843</u>	<u>293,241</u>	<u>(41,602)</u>	<u>337,446</u>
Operating Expenses:					
Contracted Expenses	58,250	58,250	58,401	(151)	56,188
Personnel Expenses	139,127	139,127	142,156	(3,029)	189,074
Depreciation and Amortization	-	-	41,339	(41,339)	35,613
Utilities	11,900	11,900	11,173	727	11,160
Supplies	30,550	30,550	38,085	(7,535)	29,901
Repairs and Maintenance	46,200	46,200	174,219	(128,019)	20,325
Vehicle Expense	25,288	25,288	21,823	3,465	22,402
Studies and Projects	-	-	-	-	-
Rental Expense	500	500	214	286	-
Miscellaneous Expenses	2,900	2,900	2,014	886	2,044
Telephone	-	-	-	-	-
Travel and Meetings	-	-	539	(539)	827
Total Operating Expenses	<u>314,715</u>	<u>314,715</u>	<u>489,963</u>	<u>(175,248)</u>	<u>367,534</u>
Operating Income (Loss)	20,128	20,128	(196,722)	(216,850)	(30,088)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	(3,562)	(3,562)	(4,781)
Total Non-operating Revenues (Exp)	<u>-</u>	<u>-</u>	<u>(3,562)</u>	<u>(3,562)</u>	<u>(4,781)</u>
Income (Loss) before operating transfers	20,128	20,128	(200,284)	(220,412)	(34,869)
Operating Transfers:					
Operating Transfers In	-	-	60,285	60,285	-
Operating Transfers Out	(20,128)	(20,128)	(20,128)	-	(19,329)
Net Transfers	<u>(20,128)</u>	<u>(20,128)</u>	<u>40,157</u>	<u>60,285</u>	<u>(19,329)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>(160,127)</u>	<u>\$ (160,127)</u>	<u>(54,198)</u>
Net Assets, October 1st			48,000		104,824
Prior Period Adjustment			-		(2,626)
Net Assets, September 30th			<u>\$ (112,127)</u>		<u>\$ 48,000</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Enterprise - Pool Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous and Reserves	-	-	-	-	-
Total Operating Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Expenses:					
Contracted Expenses	43,000	43,000	43,000	-	46,582
Personnel Expenses	-	-	(780)	780	1,146
Depreciation and Amortization	-	-	37,752	(37,752)	38,010
Utilities	133,900	133,900	96,899	37,001	113,416
Supplies	1,000	1,000	606	394	356
Repairs and Maintenance	7,000	7,000	2,912	4,088	(49,115)
Rental Expense	-	-	405	(405)	631
Telephone	-	-	-	-	-
Travel and Meetings	-	-	34	(34)	48
Total Operating Expenses	<u>184,900</u>	<u>184,900</u>	<u>180,828</u>	<u>4,072</u>	<u>151,074</u>
Operating Income (Loss)	(184,900)	(184,900)	(180,828)	4,072	(151,074)
Non-operating Revenues (Expenses):					
Intergovernmental	184,900	184,900	185,559	659	161,833
Loss on Transfer of Assets	-	-	(5,267)	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp)	<u>184,900</u>	<u>184,900</u>	<u>180,292</u>	<u>659</u>	<u>161,833</u>
Income (Loss) before operating transfers	-	-	(536)	4,731	10,759
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	(536)	<u>\$ 4,731</u>	10,759
Net Assets, October 1st			592,432		599,193
Prior Period Adjustment			<u>-</u>		<u>(17,520)</u>
Net Assets, September 30th			<u>\$ 591,896</u>		<u>\$ 592,432</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Enterprise - Dierkes Lake/Shoshone Falls Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 163,000	\$ 163,000	\$ 179,364	\$ 16,364	\$ 224,390
Miscellaneous and Reserves	9,755	9,755	(12,674)	(22,429)	3,710
Total Operating Revenues	<u>172,755</u>	<u>172,755</u>	<u>166,690</u>	<u>(6,065)</u>	<u>228,100</u>
Operating Expenses:					
Contracted Expenses	47,600	47,600	58,330	(10,730)	57,109
Personnel Expenses	71,816	71,816	75,590	(3,774)	65,212
Depreciation and Amortization	-	-	44,213	(44,213)	35,262
Utilities	3,100	3,100	3,449	(349)	3,653
Supplies	9,750	9,750	8,836	914	1,570
Repairs and Maintenance	26,500	26,500	5,857	20,643	10,943
Vehicle Expense	8,989	8,989	924	8,065	1,025
Miscellaneous Expenses	7,500	7,500	4,060	3,440	55
Telephone	-	-	-	-	-
Total Operating Expenses	<u>175,255</u>	<u>175,255</u>	<u>201,259</u>	<u>(26,004)</u>	<u>174,829</u>
Operating Income (Loss)	(2,500)	(2,500)	(34,569)	(32,069)	53,271
Non-operating Revenues (Expenses):					
Interest Income	2,500	2,500	3,264	764	3,787
Interest Expense	-	-	-	-	2,728
Total Non-operating Revenues (Exp.)	<u>2,500</u>	<u>2,500</u>	<u>3,264</u>	<u>764</u>	<u>6,515</u>
Income (Loss) before operating transfers	-	-	(31,305)	(31,305)	59,786
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	(7,989)	(7,989)	(7,609)
Net Transfers	<u>-</u>	<u>-</u>	<u>(7,989)</u>	<u>(7,989)</u>	<u>(7,609)</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	(39,294)	<u>\$ (39,294)</u>	52,177
Net Assets, October 1st			1,351,304		1,302,044
Prior Period Adjustment			<u>-</u>		<u>(2,917)</u>
Net Assets, September 30th			<u>\$ 1,312,010</u>		<u>\$ 1,351,304</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO

Enterprise - Parking Fund

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

For the Fiscal Year Ended September 30, 2010

With Comparative Actual Amounts from the Previous Year

	2010			Variance	2009
	Proposed Budget	Final Budget	Actual	Favorable (Unfavorable)	Actual
Operating Revenues:					
Charges for Services	\$ 72,000	\$ 72,000	\$ 76,455	\$ 4,455	\$ 67,619
Miscellaneous	-	-	200	200	60
Total Operating Revenues	72,000	72,000	76,655	4,655	67,679
Operating Expenses:					
Contracted Expenses	1,100	1,100	1,030	70	1,030
Personnel Expenses	54,763	54,763	55,705	(942)	50,016
Depreciation and Amortization	-	-	813	(813)	1,625
Supplies	300	300	137	163	410
Repairs and Maintenance	3,400	3,400	44	3,356	2,690
Miscellaneous Expenses	12,137	12,137	2,536	9,601	-
Telephone	300	300	28	272	(20)
Travel	-	-	-	-	-
Total Operating Expenses	72,000	72,000	60,293	11,707	55,751
Operating Income (Loss)	-	-	16,362	16,362	11,928
Non-operating Revenues (Expenses):					
Interest Income	-	-	547	547	56
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Expenses)	-	-	547	547	56
Income (Loss) before operating transfers	-	-	16,909	16,909	11,984
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	-	-	-	-	-
Net Income (Loss)	\$ -	\$ -	16,909	\$ 16,909	11,984
Net Assets, October 1st			41,222		32,739
Prior Period Adjustment			-		(3,501)
Net Assets, September 30th			\$ 58,131		\$ 41,222

See accountants' report.

CITY OF TWIN FALLS, IDAHO
 Enterprise - Common Area Maintenance
 Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended September 30, 2010
 With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 30,800	\$ 30,800	\$31,184	\$ 384	\$ 30,200
Miscellaneous	-	-	-	-	-
Total Operating Revenues	30,800	30,800	31,184	384	30,200
Operating Expenses:					
Contracted Expenses	30,800	30,800	20,686	10,114	26,616
Personnel Expenses	-	-	-	-	-
Depreciation and Amortization	-	-	-	-	-
Utilities	-	-	824	(824)	743
Supplies	-	-	-	-	1,320
Repairs and Maintenance	-	-	440	(440)	545
Vehicle Expense	-	-	-	-	-
Miscellaneous Expenses	-	-	-	-	-
Telephone	-	-	-	-	-
Total Operating Expenses	30,800	30,800	21,950	8,850	29,224
Operating Income (Loss)	-	-	9,234	9,234	976
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Exp)	-	-	-	-	-
Income (Loss) before operating transfers	-	-	9,234	9,234	976
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	-	-	-	-	-
Net Income (Loss)	\$ -	\$ -	9,234	\$ 9,234	976
Net Assets, October 1st			4,704		3,728
Net Assets, September 30th			\$13,938		\$ 4,704

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Internal Service - Insurance Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010				2009 Actual
	Proposed Budget	Final Budget	Actual	Variance Favorable (Unfavorable)	
Operating Revenues:					
Special Assessments, Including Interest	\$ 165,804	\$ 165,804	168,999	\$ 3,195	193,786
Miscellaneous	1,500	1,500	2,441	941	5,326
Total Operating Revenues	<u>167,304</u>	<u>167,304</u>	<u>171,440</u>	<u>4,136</u>	<u>199,112</u>
Operating Expenses:					
Insurance Expense	305,824	305,824	294,662	11,162	331,141
Miscellaneous Expenses	650	650	350	300	382
Travel and Meetings	250	250	-	250	25
Total Operating Expenses	<u>306,724</u>	<u>306,724</u>	<u>295,012</u>	<u>11,712</u>	<u>331,548</u>
Operating Income (Loss)	(139,420)	(139,420)	(123,572)	15,848	(132,436)
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before operating transfers	(139,420)	(139,420)	(123,572)	15,848	(132,436)
Operating Transfers:					
Operating Transfers In	185,073	185,073	185,075	2	185,075
Operating Transfers Out	(45,653)	(45,653)	(45,653)	-	(43,479)
Net Transfers	<u>139,420</u>	<u>139,420</u>	<u>139,422</u>	<u>2</u>	<u>141,596</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	15,850	<u>\$ 15,850</u>	9,160
Net Assets, October 1st			<u>202,790</u>		<u>193,630</u>
Net Assets, September 30th			<u>\$ 218,640</u>		<u>\$ 202,790</u>

See accountants' report.

CITY OF TWIN FALLS, IDAHO
Internal Service - Shop Revolving Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2010
With Comparative Actual Amounts from the Previous Year

	2010			Variance Favorable (Unfavorable)	2009 Actual
	Proposed Budget	Final Budget	Actual		
Operating Revenues:					
Charges for Services	\$ 256,664	\$ 256,664	\$ 256,664	\$ -	\$ 246,593
Miscellaneous	-	-	-	-	6,374
Total Operating Revenues	<u>256,664</u>	<u>256,664</u>	<u>256,664</u>	<u>-</u>	<u>252,967</u>
Operating Expenses:					
Contracted Expenses	1,675	1,675	855	820	1,093
Personnel Expenses	211,878	211,878	179,451	32,427	171,797
Depreciation and Amortization	-	-	8,494	(8,494)	8,334
Utilities	8,800	8,800	6,224	2,576	6,964
Supplies	32,480	32,480	16,739	15,741	18,941
Repairs and Maintenance	500	500	7,305	(6,805)	6,607
Vehicle Expense	581	581	940	(359)	585
Miscellaneous Expenses	750	750	-	750	-
Telephone	-	-	-	-	-
Total Operating Expenses	<u>256,664</u>	<u>256,664</u>	<u>220,008</u>	<u>36,656</u>	<u>214,321</u>
Operating Income (Loss)	-	-	36,656	36,656	38,646
Non-operating Revenues (Expenses):					
Interest Income	-	-	-	-	-
Interest Expense	-	-	-	-	-
Total Non-operating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (Loss) before operating transfers	-	-	36,656	36,656	38,646
Operating Transfers:					
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
Net Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	36,656	<u>\$ 36,656</u>	38,646
Net Assets, October 1st			626,820		589,525
Prior Period Adjustment			<u>-</u>		<u>(1,351)</u>
Net Assets, September 30th			<u>\$ 663,476</u>		<u>\$ 626,820</u>

See accountants' report.

SINGLE AUDIT INFORMATION

Justamere Inn
401 Gooding Street North, Suite 201
P.O. Box 1293
Twin Falls, Idaho 83303-1293

Phone (208) 734-2077
Fax (208) 734-2079

office@hcmholmstead.com

**INDEPENDENT AUDITORS' REPORT - SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

City Council
City of Twin Falls, Idaho

We have audited the financial statements of The City of Twin Falls, Idaho, as of and for the year ended September 30, 2010 and have issued our report thereon dated June 8, 2011. Those financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on those financial statements based upon our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was performed for the purpose of forming an opinion on the financial statements of City of Twin Falls, Idaho taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis and as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of City of Twin Falls, Idaho. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Sincerely,



HCM HOLMSTEAD, PLLC
June 9, 2011

CITY OF TWIN FALLS, IDAHO
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2010

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
Historical Society			
Historic Preservation Fund Grants	15.904		\$ 6,000
Department of Transportation			
Highway Planning and Construction	20.205	A009(935)	1,499
State and Community Highway Safety	20.600	PT000-2009-01-00-00	560
State and Community Highway Safety	20.600	AL-2009-01-00-00	1,281
State and Community Highway Safety	20.600	OP-2009-01-00-00	620
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	K8-2010-01-00-00	1,318
Alcohol Traffic Safety & Drunk Driving Prevention	20.601	K8-2009-01-00-00	2,328
Department of Justice			
Edward Byrne Memorial Justice Assistance Program	16.738		795
Juvenile Accountability Block Grants	16.523		7,005
Internet Crimes Against Children	16.800		80,171
Department of Energy			
Energy Efficiency and Conservation Block Grant Program	81.128		89,394
Department of Homeland Security			
Law Enforcement Officer Reimbursement Program	97.090		100,980
Department of Housing and Urban Development			
Community Development Block Grant	14.228		120,998
Institute of Museum and Library Services			
National Leadership Grants	45.312		40,549
Federal Highway Administration			
CSI Safety Initiative	20.205		80,088
Environmental Protection Agency			
Congressionally Mandated Projects	66.202		88,652
Capitalization Grants for Drinking Water State Revolving Funds	66.468		20,780
Federal Aviation Administration			
Airport Improvement Program	20.106	AIP-3-16-0036-028	196,860
Airport Improvement Program	20.106	AIP-3-16-0036-029	12,351
Airport Improvement Program	20.106	AIP-3-16-0036-030	443,775
Airport Improvement Program	20.106	AIP-3-16-0036-031	46,739
Total Expenditures of Federal Awards			\$ 1,342,743

The City of Twin Falls received equipment in the amount of \$84,769 from Department of Homeland Security.

CITY OF TWIN FALLS, IDAHO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year ended September 30, 2010

Financial Statements

Unqualified

Type of auditor's report issued:

Internal Control over financial reporting:

Material Weakness(es) identified? Yes No

Reportable Condition(s) identified that are not considered to be a Material Weakness? Yes No

Non-Compliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:

Material Weakness(es) identified? Yes No

Reportable Condition(s) identified that are not considered to be a Material Weakness? Yes No

Type of auditor's report issued on compliance for major programs

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes No

Identification of major programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Airport Improvement Program	20.106

Dollar threshold used to distinguish between type A and Type B programs \$300,000

Auditee Qualified as low-risk auditee? Yes No

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

To the City Council
Twin Falls, ID 83301

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Twin Falls, Idaho, as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Twin Falls' internal control over financial reporting.

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.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management, City Council, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in blue ink that reads "HCM Holmstead". The signature is written in a cursive style.

HCM HOLMSTEAD, PLLC

June 8, 2011

Justamere Inn
401 Gooding Street North, Suite 201
P.O. Box 1293
Twin Falls, Idaho 83303-1293

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

City Council
City of Twin Falls, Idaho

Compliance

We have audited the compliance of the City of Twin Falls, Idaho, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. The City of Twin Falls, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Twin Falls, Idaho's management. Our responsibility is to express an opinion on the City of Twin Falls, Idaho's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City's compliance with those requirements.

In our opinion, the City of Twin Falls, Idaho complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2010.

Internal Control Over Compliance

The management of the City of Twin Falls, Idaho is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion of the effectiveness of internal control over compliance. Accordingly, we do not express an opinion of the effectiveness of the City's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency , or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program is more than inconsequential and will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



HCM HOLMSTEAD, PLLC

June 8, 2011