

2018 PAFR

Popular Annual Financial Report



Lifestyle



Your Government



Major Initiatives



Financial Results



City of Post Falls, Idaho
FOR THE YEAR ENDED SEPTEMBER 30, 2018

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The FY 2018 CAFR can be viewed and downloaded on the City’s website at
<http://www.postfallsidaho.org/departments/finance-support-services/budget-book-cafr-pafr/>

*Above: Spring flowers carpet the hillsides in Falls Park .
Walking distance from City Hall, this park also features
viewpoints of the Avista dam.*

*Cover Photo: Visitors are greeted by an artistic larger than life
trout and flowers of the season when entering Post Falls.*

Dear Citizens,

The City of Post Falls Financial Services Department is proud to present the “popular” form of the City’s Comprehensive Annual Financial Report, the Popular Annual Financial Report (or PAFR).

The City’s award-winning PAFR is a user friendly citizen’s report of our City’s financial operations in 2018. The audited financial report of City financials is the City’s CAFR . The average citizen may find it difficult to interpret the vast amount of data in the CAFR. The PAFR is the designed to make the City’s basic finances easier to understand and to communicate with our citizens where City dollars come from and how they are spent.

Much of the information in the PAFR comes from the City’s FY 2018 CAFR. Under State law, the CAFR is prepared annually by City staff in accordance with Generally Accepted Accounting Principles, or GAAP. The City’s financial statements are then audited by an independent third-party professional accounting firm (Anderson Bros. CPA’s, P.A.). This step provides a level of assurance to the Mayor, the City Council, the financial community, and citizens-at-large that these financial statements are free of material misstatement. Based on the audit, Anderson Bros. CPA’s, P.A. concluded, in an unmodified opinion (meaning without reservation of any kind), that the City of Post Falls’ financial statements for the fiscal year ended September 30, 2018 are fairly presented and in conformity with GAAP. This opinion, its accompanying financial statements, and its Management Letter, containing a concise statement of areas where financial management practices could be improved, are presented in depth by officials Anderson Bros. CPA’s, P.A. to the City’s Finance Department. Subsequently, the audit report is then presented to the Mayor and City Council as part of a regular Council Work Session agenda item.

The PAFR , or citizen’s report, is intended to complement the CAFR, not be a substitute for it. It is For a complete review of the City’s financial status for the recently concluded fiscal year, the FY 2018 CAFR and FY2018 budget documents can be found on the City’s website at <http://www.postfallsidaho.org/departments/finance-support-services/>, or copies may be obtained from the Finance and Support Services Department. We will be pleased to respond to any questions on this publication, the CAFR, and current budget documents.



Jason Faulkner

Finance and Support Services Department
Finance Director / Treasurer



Message from the Mayor



The City Council and I are pleased to present the 2018 Popular Annual Financial Report (PAFR) for the City of Post Falls.

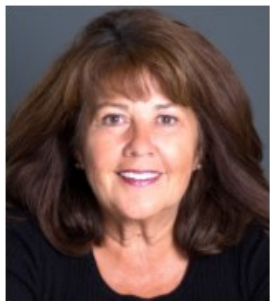
The PAFR, or as it is often called, the Citizen's Report gives an overview of the City's progress and financial performance in a way that is transparent and easy to understand.

The PAFR is designed to take information from the Comprehensive Annual Financial Report (CAFR) and displays the highlights in a simplified format. Doing so increases the transparency of the City's finances and operations. The PAFR gives a snapshot of our City's financial health, not only to residents, but also to others outside our community who may be considering relocating their home or business.

Continuing to provide open communication, accountability and transparency in presenting the City's financial reports is a priority for the City Council.

Ronald G. Jacobson, Mayor

MAYOR AND CITY COUNCIL



Councilor
Kerri Thoreson



Councilor
Alan Wolfe



Councilor
Joe Malloy



Mayor
Ronald G. Jacobson



Councilor
Steve Anthony



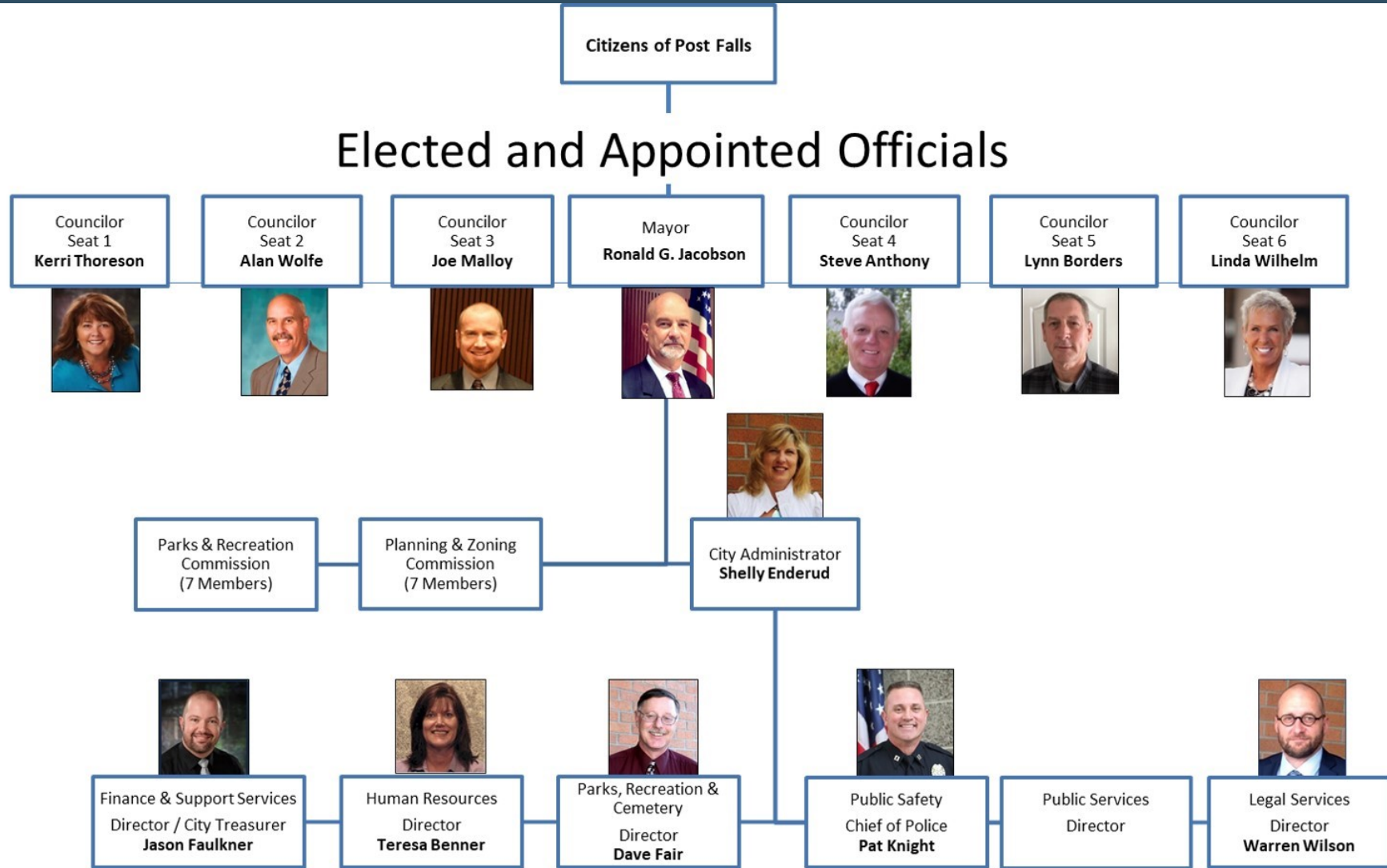
Councilor
Lynn Borders



Councilor
Linda Wilhelm



City of Post Falls Organizational Chart



ELECTED OFFICIALS

NAME	OFFICE	OCCUPATION	TERM
Ronald G. Jacobson	Mayor	Senior VP – bankcda	2021
Linda Wilhelm	Council President - Seat 6	Realtor – Coldwell Banker	2021
Kerri Thoreson	Councilor - Seat 1	Self Employed	2019
Alan Wolfe	Councilor - Seat 2		2021
Joe Malloy	Councilor - Seat 3	Project Coordinator - Outotec Energy Products	2019
Steve Anthony	Councilor - Seat 4	Retired	2021
Lynn Borders	Councilor - Seat 5	Retired	2019

APPOINTED OFFICIALS

Shelly Enderud	City Administrator
Jason Faulkner	Director of Finance
Scot Haug	Chief of Police
David Fair	Parks & Recreation Director
	Public Services Director
Teresa Benner	Human Resources Director
Shannon Howard	City Clerk

Lifestyle and Recreation



Beck Park



Pocket Park

Whether it is our largest park, the Community Forest or a small neighborhood park, City parks play an important part in our residents' daily lives.

The City's 29 parks, some of which are on the Spokane River, offer a wide variety of year-round recreation and enjoyment .

- Enjoy natural rock-climbing walls in the beautiful 78-acre Q'emiln Park, called the best 5.10 and below cragging area in the Inland Northwest

- Observation viewpoints at Falls Park are a perfect place to view the Avista Dam.

- Black Bay offers paved walking and bike trails, fishing and relaxing scenic views

- Neighborhood parks have a variety of playgrounds, sports fields, splash pads and picnic areas.

- The 500 acre Community Forest is a naturally forested area with 2 miles of Spokane River frontage, hiking, mountain biking trails, native trees and shrubs, wildlife, and amazing granite cliffs and rock outcroppings.



Q'emiln Climbing Walls



Falls Park Vista



Tullamore Park



Community Forest



Black Bay Park



Community Garden



Q'emiln Park



Falls Park

Parks & Recreation

For an Active Lifestyle

The City's Recreation Division had over 8,000 participants that spent over 189,000 hours engaged in activities that enhanced their healthy lifestyles. Offered over 148 programs, from sports leagues to special interest classes and outdoor recreation trips.

COMMUNITY FOREST

A Parks & Water Reclamation joint collaboration to bring residents

500 acres

of multi-use property including hiking, rock climbing, kayaking, fishing, mountain biking and more



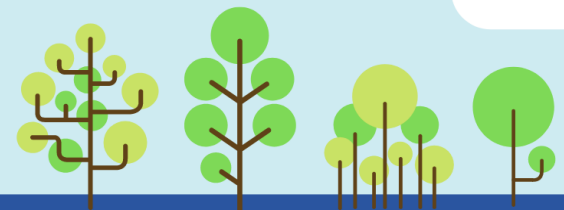
COMMUNITY EVENTS

Post Falls hosted many community-wide events such as the Sprint Triathlon, Shoes & Microbrews 5k Fun Run, Post Falls Festival, Movies in the Park, Family Fishing Derby, Winterfest/Tree Lighting Celebration and sports tournaments.

DID YOU KNOW

Post Falls has

- 886 acres of park land
- 29 parks
- 12.25 miles of asphalt trails
- 12,000 urban trees
- 13 children's playgrounds
- 3.5 miles of river frontage
- 21,000 square feet of beach area
- Whitewater access
- 112 climbing routes
- 36 trail miles



Demographics

Population

The City of Post Falls has grown from 7,350 residents in 1990 to more than 37,000 at the end of 2018. The continued influx of new residents has resulted in a strong construction industry. Post Falls' annual growth rate of 4.8% between 2000 and 2010, slowed to 2.4% from 2010 through 2015. 2015 saw a growth rate increase of 3.76%, and in 2016 a growth rate of 5.56%. This growth trend continued in 2017 with a growth rate of 4.47%. In 2018, there were 828 new dwelling units, 540 of them were single family residential homes. This equated to a growth rate of approximately 5.80% in 2018. Multi-family slowed in 2018, but that may change in 2019, as there are approximately 500 multi-family permits waiting to be issued. 120 of these are senior apartments with a lower persons per household. Due to the number of inquiries and developments of multi-family near commercial corridors, it is only a matter of time when additional commercial properties will develop. Therefore, Post Falls may see additional land that has been sitting vacant for some time be commercially developed in 2019 and 2020. If continued residential growth occurs as it appears early in 2019, Post Falls may grow to over 39,000 by the end of the year, adding an additional 2,300 residents.



Incorporated 1891



37,186

2018 POPULATION



823

2018 NEW DWELLING UNITS

Demographics

Post Falls, Idaho is an inviting place to live, work and play. Post Falls is located four miles east of the Washington-Idaho border along Interstate 90 in Kootenai County and is bounded by Coeur d'Alene, Idaho to the east, the State of Washington to the west, the Spokane River to the south and the Rathdrum prairie to the north. Post Falls is 20 miles east of Spokane, Washington and 100 miles from the Canadian border. Proximity of numerous lakes, rivers and mountains, makes Post Falls an inviting place to live and visit. This is reflected in the tourism and retail sectors of the economy, with an increasing number of retail and dining businesses locating in the City. Additionally, Post Falls has a growing medical and health care community.

The I-90 corridor, connecting Spokane and Post Falls/Coeur d'Alene, continues to be a hub of business growth. This is reflected in an increasing number of retails, health care, and manufacturing businesses locating in the City.

Idaho boasts the lowest cost of living in the western states and, with an average commute time of just under 21 minutes, Idahoans get to work, home, and the outdoors faster than anyone in other western metro areas.



Post Falls By the Numbers

TRANSPORTATION



558

STREET LANE MILES
172 CENTERLINE MILES



21

BIKE LANE MILES
205 SIDEWALK MILES



17

TRAFFIC SIGNALS



7

ROUNDBOUTS



PUBLIC SAFETY



1,796

TOTAL POLICE INCIDENTS



47

SWORN OFFICERS



40,870

CALLS FOR SERVICE



10

LIFE SAVING AWARD
RECIPIENTS



PARKS & RECREATION



29

PARKS



886

PARKS ACREAGE
36 TRAIL MILES



500

COMMUNITY FOREST
ACREAGE



8,099

RECREATION PROGRAM
PARTICIPATION



UTILITIES



7,398

WATER CUSTOMERS



11,221

WASTEWATER CUSTOMERS



119

MILES OF WATER MAINS



This is a summary of the City's Major Initiatives, a full detailed list of Major Initiatives and department accomplishments are available in the CAFR.

Ongoing efforts on behalf of the City and the Post Falls Urban Renewal Agency continue to provide for growth and business attraction with the City Center area. The City and Agency continue to work on transportation improvements, including completing the Spencer Street connection to Seltice Way and a providing multi-use trail along the east side of Highway 41.

Staff continued, in 2017 and 2018, with economic development efforts supporting business recruitment relocation and expansion of existing businesses in an economic development program for Post Falls.

The City hired a consultant to update the City's Comprehensive Plan and Zoning Code in 2017. The Comprehensive Plan's update is planned to be adopted late Spring of 2019.

City established a new Technology Mixed Zoning District in 2018 that supported a major annexation for a new 300+ acre Industrial Park located on the NW Corner of HWY and Prairie. The newly planned Industrial Park may provide high tech jobs to benefit Post Falls future employment base.

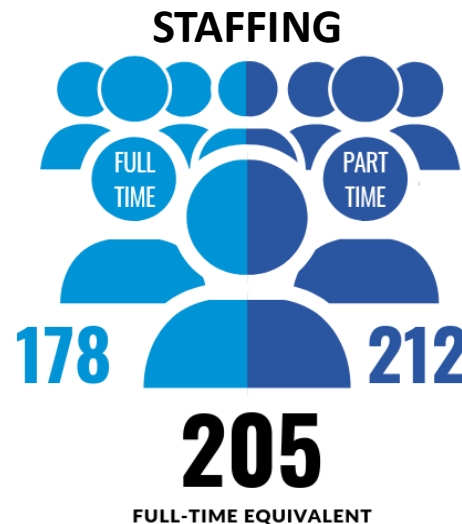
The City adopted a new Wireless Code in 2018 and is in the process of adopting a Mobile Vending Ordinance in 2019.

The goal of effective and timely maintenance and repair of facilities and equipment is one of our highest priorities. We continue to work towards efficient, effective treatment of pollutants and provide the best service to our community.

The City has directed greater emphasis on crack sealing, seal coating and maintenance overlay of streets to preserve current paved surfaces. A program has been initiated to pave or replace badly deteriorated chip sealed streets with new pavement in residential districts. Over the last two years, we invested over \$1,000,000 in this area to improve the traveling service.

The Water Reclamation Facility has a capacity of 4.1 million gallons a day. The City now maintains 33 lift stations. The bio-solids from the plant are hauled off site and processed by Barr Tech. The City owns 628 acres of farmland for future land application for reclaimed water and an additional 412 acres of forested land in 2016 and 2017.

In 2014, the City was issued a 5-year NPDES permit with some of the most stringent phosphorus removal requirements in the nation. Necessary upgrades are in the design phase for 2019. Other projects for the Water Reclamation Facility include the design of a replacement outfall, to be built in 2020.



Department Highlights—

- Built and opened the new Animal Facility on the PD campus.
- The grant for our OASIS Crime Victim Advocates was exhausted, after 24 years. Due to the importance of this program, two Advocate positions were included the budget.
- The Urban Forestry Division hosted the annual tree giveaway, providing 3,000 trees, estimated value of \$300,000 to Post Falls' residents, businesses, and organizations.
- The Parks & Recreation Department has continued its major partnerships with our Police Department to provide community connections through our movie nights in our parks, with Avista Utilities providing river access, and the Post Falls School District for indoor recreational facilities. The department partners with over 50 agencies, groups and businesses.
- The Water Reclamation Division has secured Urban Renewal Agency funding to build a new major lift station on 12th Avenue.
- The Building Division permitted 165 dwelling units and 12 new commercial buildings which is inclusive of the total valuations of approximately \$50 million.
- The Streets Division worked with a contractor to chip / fog seal approximately 5 center line miles of roadway and upgraded traffic signals at Cecil and Mullan
- The Finance Department received GFOA awards for the Budget, CAFR and PAFR

The Popular Annual Financial Report (PAFR), sometimes called the Annual Report to Citizens, is a summary of the financial activities of the City's governmental funds and is drawn from information found in the CAFR. Unlike the CAFR, the PAFR is unaudited and presented on a non-GAAP basis.

The City of Post Falls received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the GFOA for the 2017 PAFR. The City has received this award annually since 2008. The award is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government popular reports. In order to receive this award, a government unit must publish a report, with contents that conform to standards of creativity, presentation, understandability, and reader appeal.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Post Falls
Idaho**

For its Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrill

Executive Director/CEO

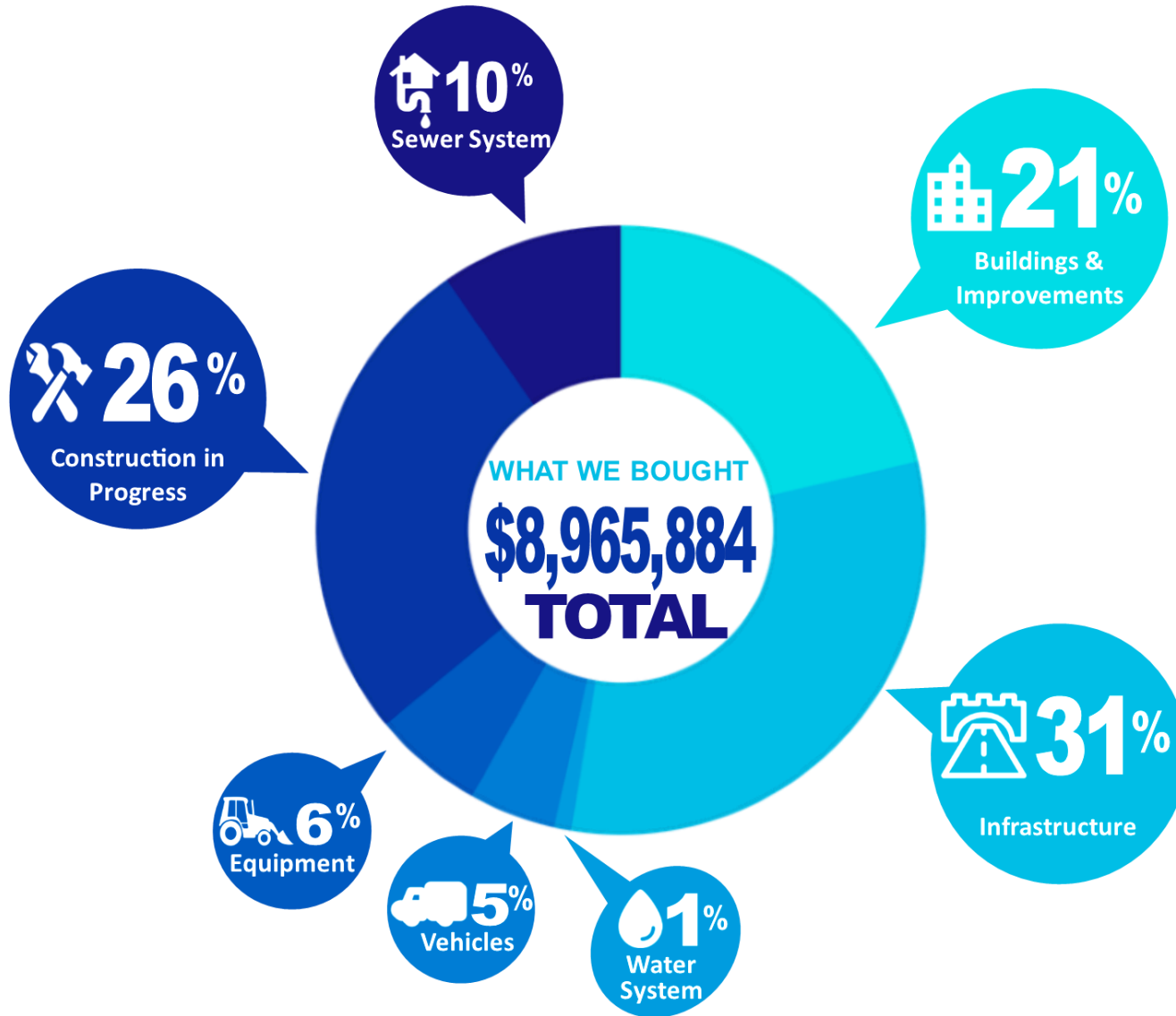
Statement of Net Position

City of Post Falls' Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
REVENUES						
Program revenues:						
Charges for services	\$7,260,052	\$6,223,519	\$17,077,205	\$15,408,097	\$24,337,257	\$21,631,616
Operating grants and contributions	838,194	478,166			838,194	478,166
Capital grants and contributions	2,956,528	4,104,434	5,311,226	4,710,856	8,267,754	8,815,290
General revenues:						
Property taxes	10,743,680	10,072,449			10,743,680	10,072,449
Other taxes	4,570,089	4,252,949			4,570,089	4,252,949
Other	130,943	37,183	601,448	250,992	732,391	288,175
Total revenues	\$26,499,486	\$25,168,700	\$22,989,879	\$20,369,945	\$49,489,365	\$45,538,645
EXPENSES						
General government	\$6,921,961	\$6,336,780			\$6,921,961	\$6,336,780
Public safety	6,808,754	6,808,217			6,808,754	6,808,217
Highway and public works	4,895,812	4,562,035			4,895,812	4,562,035
Culture and recreation	2,376,302	2,308,641			2,376,302	2,308,641
Interest on long-term debt	35,558	52,040			35,558	52,040
Water			\$1,627,378	\$1,598,994	1,627,378	1,598,994
Reclaimed Water			4,741,739	4,253,783	4,741,739	4,253,783
Sanitation			2,334,610	2,134,098	2,334,610	2,134,098
Total expenses	\$21,038,387	\$20,067,713	\$8,703,727	\$7,986,875	\$29,742,114	\$28,054,588
INCREASE IN NET POSITION BEFORE TRANSFERS	5,461,099	5,100,987	14,286,152	12,383,070	19,747,251	17,484,057
TRANSFERS IN (OUT)	1,696,630	1,881,928	(1,696,630)	(1,881,928)		
INCREASE IN NET POSITION	7,157,729	6,982,915	12,589,522	10,501,142	19,747,251	17,484,057
NET POSITION beginning	89,935,398	82,952,483	141,969,437	131,468,295	231,904,835	214,420,778
NET POSITION ending	\$97,093,127	\$89,935,398	\$154,558,959	\$141,969,437	\$251,652,086	\$231,904,835

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

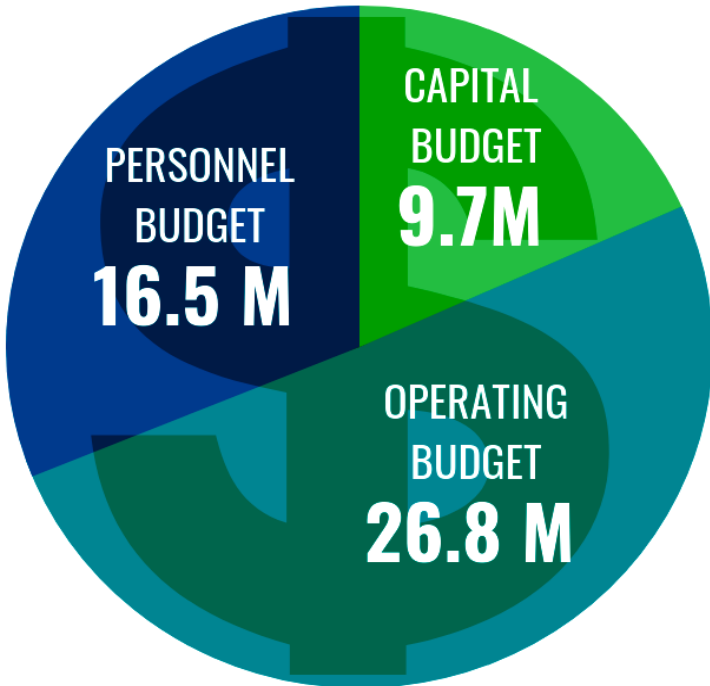
CAPITAL ASSETS What Does the City Own?



By far the largest portion of the City of Post Falls' net position (61.8 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, other improvements, infrastructure, and construction in progress); less any related debt used to acquire those assets that are still outstanding.

The City of Post Falls uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Post Falls' net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

FY 2018 BUDGET



53 M

The City of Post Falls adopts an annual appropriated budget for its general fund. The City of Post Falls, like all other governmental entities in Idaho, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The general fund is the chief operating fund of the City of Post Falls.

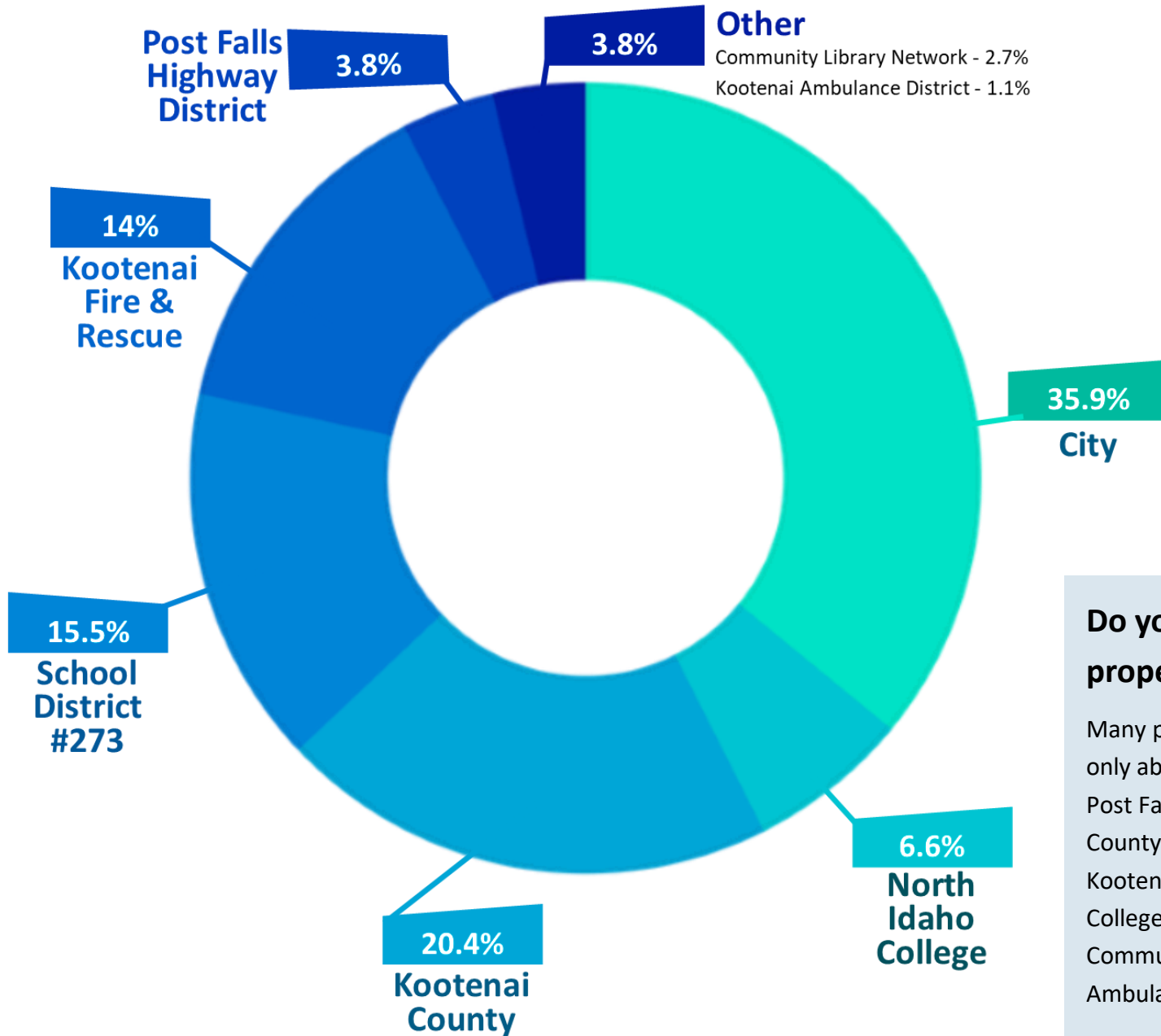
At the end of the current fiscal year, the City of Post Falls' reported a combined ending fund balance of \$32,142,183, an increase of \$2,038,568 in comparison with the prior year. The current fund balance contains \$8,580,329 of restricted dollars, \$3,833,107 of committed dollars, \$2,738,850 of assigned dollars and the balance of \$16,989,897 is unassigned, which is available for spending at the government's discretion.

The general fund is the chief operating fund of the City of Post Falls. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,454,105 with a total fund balance of \$23,026,062. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 82 percent of total general fund expenditures, while total fund balance represents 115.00 percent of that same amount.

General Fund Expenditures by Function



Where Do Your Taxes Go?



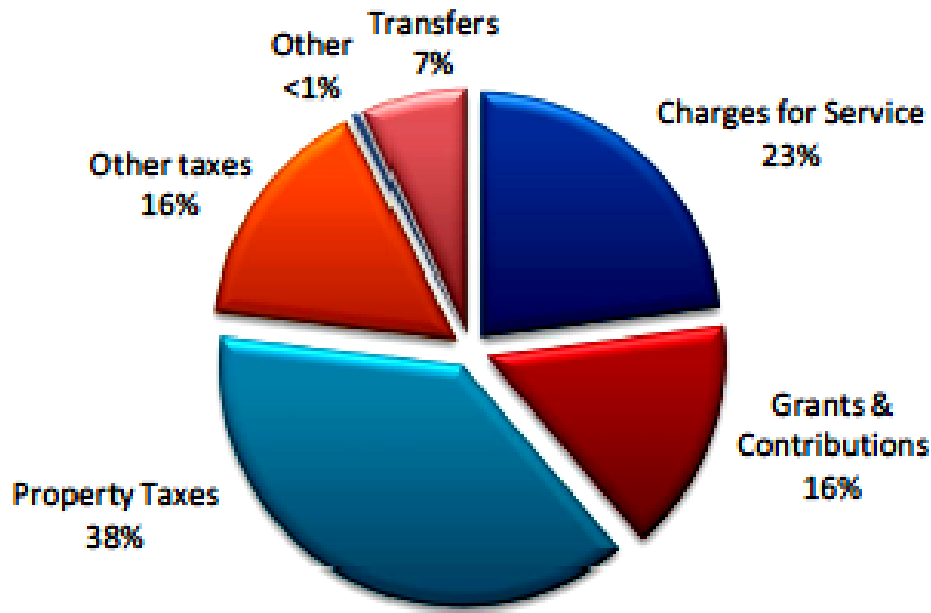
Other
Community Library Network - 2.7%
Kootenai Ambulance District - 1.1%

Do you know where your property taxes go?

Many people are surprised to learn that only about one-third goes to the City of Post Falls and the rest goes to Kootenai County, the Post Falls School District, Kootenai Fire and Rescue, North Idaho College, Post Falls Highway District and the Community Library Network and Kootenai Ambulance District.

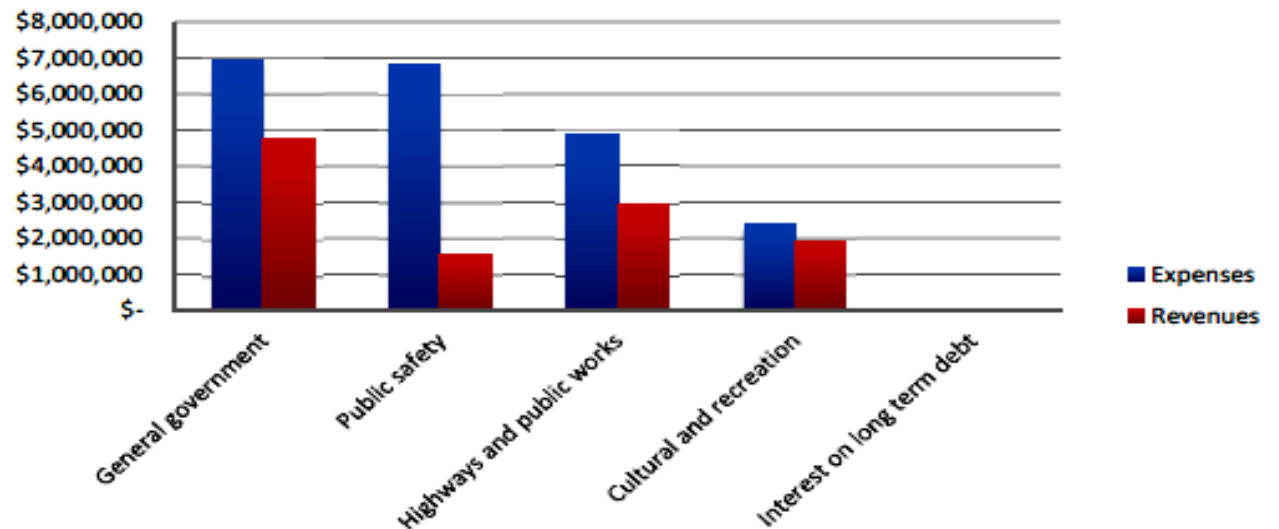
The City Revenues and Expenses

Revenue by Source - Government Activities



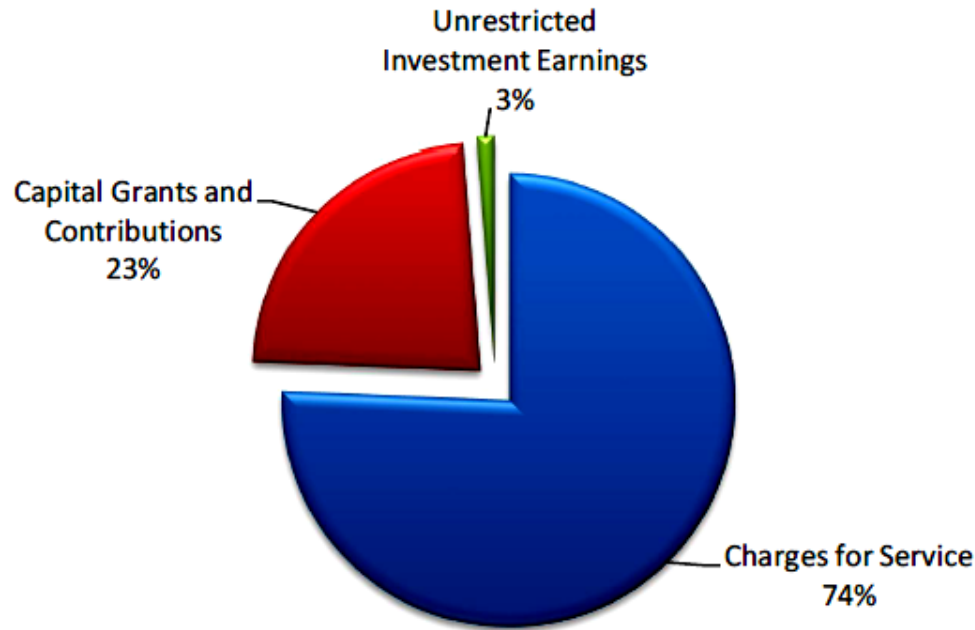
- The majority of the City of Post Falls' governmental activities' revenue is received from property tax (38 percent) with other taxes following at (16.2 percent).
- When all taxes are added together, they make up 54.3 percent of the budget.
- When revenues are compared to expenses, it shows that none of the City of Post Falls' programs are self-supporting. They all require tax support to continue at their current level of service.
- Grants and contributions are primarily received by public safety and public works. These grants normally have matching requirements by the City yet allow programs and projects that may not happen without those additional funds. The City currently runs a domestic violence program that is significantly funded through federal grants each year.

Expenses and Program Revenues - Governmental Activities

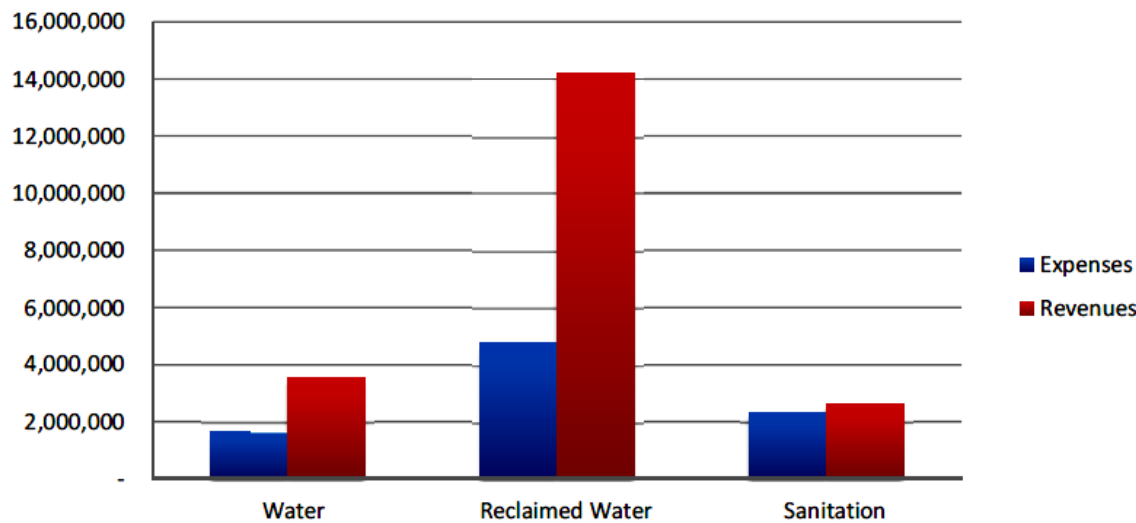


For the most part, increases in expenses closely paralleled inflation and growth in the demand for services. No significant transactions occurred outside of the Major funds for FY 18. No significant losses or revenues were received during the year and building permit revenue has increased during FY 18.

Revenue by Source - Business Type Activities



Expenses and Program Revenues - Business-type Activities



- One of the major sources of the City of Post Falls' business-type activities' revenue is received from charges for services (74.3 %). Currently, the City of Post Falls' business-type activities do not use property taxes for any type of funding.
- The second major source of revenue is capital construction (23.1 %). These contributions are received by water and reclaimed water only. The sanitation for the City of Post Falls is contracted out, and the City has no capital investment in that program.
- When revenues are compared to expenses, it shows that all the City of Post Falls' programs are self-supporting. In reclaimed water this includes capital contributions from developers.

FINANCIAL HIGHLIGHTS

- The assets of the City of Post Falls exceeded its liabilities at the close of the most recent fiscal year by \$251,652,086 (net position).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16,454,105, or 82.0 % of total general fund expenditures.
- The governments net position increased by \$19,747,251. Approximately \$2,757,714 of this increase is attributed to one-time infusions of resources from capital contributions.
- In the City's business-type activities, operating revenues increased by \$1,669,108 (10.8 %) and operating expenses increase by \$622,304. The increases in operating revenues is primarily due to the increase in utility rates (3.0% for water and 7.0% for reclaimed water).
- The City of Post Falls holds an AA- water reclamation bond rating and an AA water bond rating with Standard & Poors.



City of Post Falls
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A young fisherman at the Fishing Derby at Falls Park