

# 2022 PAFR Popular Annual Financial Report



**City of Post Falls, Idaho**  
**FOR THE YEAR ENDED SEPTEMBER 30, 2022**

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The FY 2022 ACFR can be viewed and downloaded on the City’s website at

<https://www.postfalls.gov/departments/finance-support-services/budget-book-cafr-pafr/>





Dear Citizens,

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

The City’s award-winning PAFR is a user friendly report of our City’s financial operations in 2022. The audited financial report of City financials is the City’s ACFR . The average citizen may find it difficult to interpret the vast amount of data in the ACFR. The PAFR is designed to make the City’s basic finances easier to understand and to communicate to 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 2022 ACFR. Under State law, the ACFR 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, 2022 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 ACFR, not be a substitute for it. For a complete review of the City’s financial status for the recently concluded fiscal year, the FY 2022 ACFR and FY 2022 budget documents can be found on the City’s website at <https://www.postfalls.gov/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 ACFR, 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 2022 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 Annual Comprehensive Financial Report (ACFR) 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.

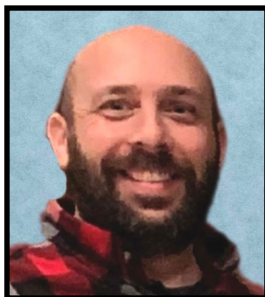
Continuing to provide open communication, accountability and transparency in presenting the City's financial reports is a priority for the City Council.



Ronald G. Jacobson, Mayor



Councilor  
Kerri Thoreson



Councilor  
Josh Walker



Councilor  
Joe Malloy



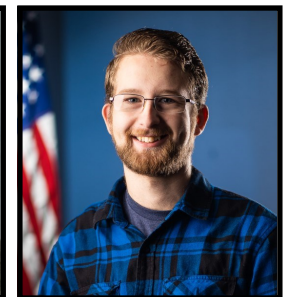
Mayor  
Ronald G. Jacobson



Councilor  
Nathan Ziegler

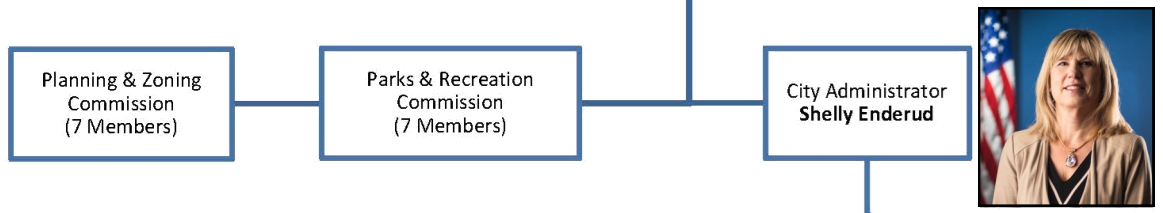
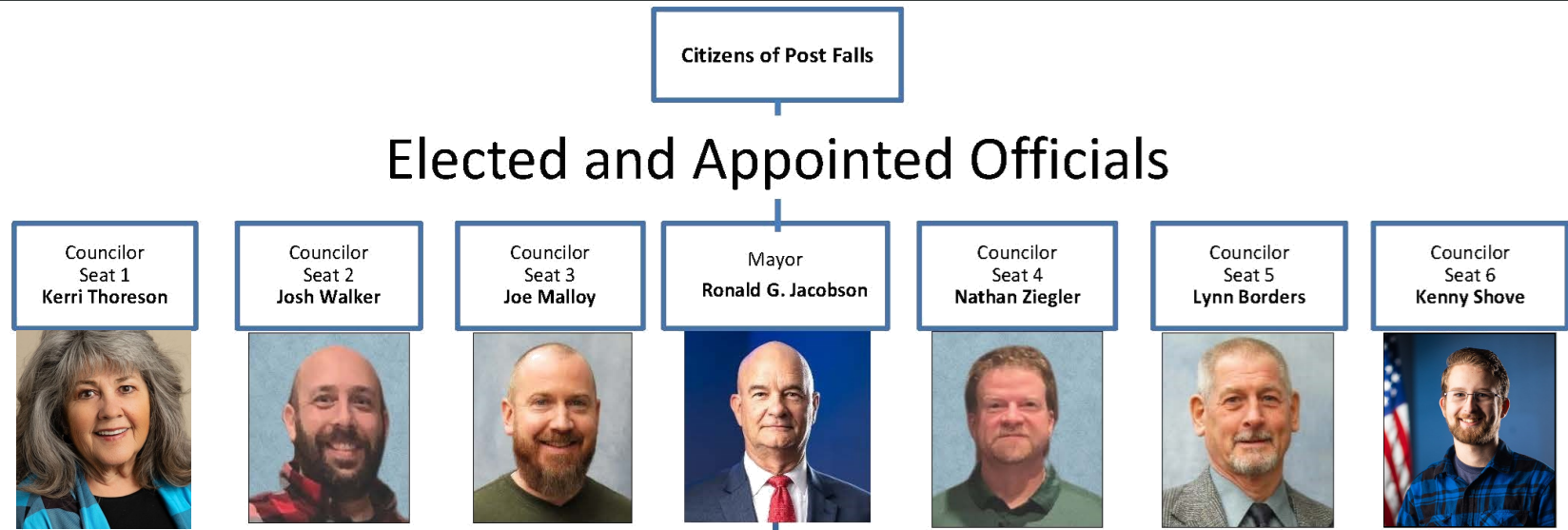


Councilor  
Lynn Borders



Councilor  
Kenny Shove

# City of Post Falls Organizational Chart



NAME	OFFICE	OCCUPATION	TERM
Ronald G. Jacobson	Mayor	Retired	2025
Kerri Thoreson	Council President - Seat 1	Self Employed	2023
Josh Walker	Councilor - Seat 2	Project Manager - NNAC, Inc.	2025
Joe Malloy	Councilor - Seat 3	Project Coordinator - Outotec Energy Products	2023
Nathan Ziegler	Councilor - Seat 4	Patient Care Coordinator-Crest Home Health & Hospice	2025
Lynn Borders	Councilor - Seat 5	Retired	2023
Kenny Shove	Councilor - Seat 6	Self Employed	2025

Shelly Enderud	City Administrator
Jason Faulkner	Director of Finance
Greg McLean	Chief of Police
David Fair	Parks & Recreation Director
Bob Seale	Community Development Director
John Beacham	Public Services Director
Teresa Benner	Human Resources Director
Warren Wilson	Legal Services Director
Shannon Howard	City Clerk

# Lifestyle and Recreation



Post Falls is a very special place, with scenic beauty, year-round recreational opportunities and a relaxed lifestyle that creates a valuable quality of life that is attracting new businesses and new citizens daily. The recreational opportunities and natural surroundings are a large part of why people choose Post Falls. Boating and water sports such as wakeboarding, water skiing, wake surfing, whitewater kayaking and paddle boarding are popular on the Spokane River. Winter sports including downhill skiing/snowboarding, snowshoeing, cross-country skiing, and snowmobiling, all which are easily accessible from Post Falls. The region also provides ample opportunities for sportsmen and anglers. The City maintains 34 parks, several of which are on the Spokane River. Sports, swimming, rock climbing, boating or just relaxing, there's a park that fills the bill. Post Falls also offers a variety of community events for the whole family to enjoy.



# Parks & Recreation

FOR AN ACTIVE LIFESTYLE

## DID YOU KNOW?

The City's Recreation Division had over 8,000 participants that spent over 189,000 hours engaged in activities that enhance their healthy lifestyles.



## COMMUNITY EVENTS

Post Falls hosts many community-wide events such as the Sprint Triathlon, Shoes & Brews 5K, Post Falls Festival, Movies in the Park, Winterfest, Fishing Deby and many sports tournaments.



## PARKS

Post Falls has 34 parks, 3 splash pads, 16 children's playgrounds, 883 acres of park land, 38 trail miles and 112 climbing routes.



## WATER RECREATION

Post Falls has 3.5 miles of river frontage, 21,000 square feet of beach area, whitewater access and an amphitheater overlooking the river.



*The Park at the Landings, a joint collaboration with the City of Post Falls and Avista Utilities, officially opened to the public May 6, 2022.*



*River City Market & Music is a 6 week concert series and vendor market located at the Landings during the summer months.*

# Demographics

Post Falls, Idaho is an inviting place to live, work and play. Its proximity to numerous lakes, rivers and mountains offers a quality of life that is highly desirable. Just minutes to the east is Coeur d'Alene, ID, with a reputation as a world travel destination due to the five-star Coeur d'Alene Resort and golf course with a floating green. To the west is the largest city in the region, Spokane, WA with a population of approximately 250,000. Post Falls' unique location between these two diverse cities offers Post Falls' residents varied opportunities in their lifestyle, recreation and business opportunities. 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.

The City of Post Falls has grown from 7,350 residents in 1990 to approximately 39,452 by the end of 2022. The January 2023 estimated Post Falls Population is 45,991. The continued influx of new residents has resulted in a strong construction industry. Post Falls grew at a more modest annual growth rate of approximately 2.4% between 2010 through 2015, compared to the 4.8% annual growth rate experienced between 2000 and 2010. 2015 brought signs of change as Post Falls grew at a higher 3.76% growth rate. Growth pressured have continued since 2015. Due to the number of inquiries and developments of multi-family near commercial corridors within Post Falls, it is a matter of time when additional commercial properties will begin being developed. It is very common for commercial corridors to be supported by high density residential housing nearby. With the additional multi-family being developed nearby and along currently undeveloped commercial corridors, Post Falls have seen additional land that has been sitting vacant for some time be commercially developed in 2022 and should continue through 2023.



Incorporated 1891



**39,452**

2022 Population



**6,235**

Public School Enrollment



# Post Falls By the Numbers

## TRANSPORTATION



**200**

MILES OF STREETS



**28**

BIKE LANE MILES



**19**

TRAFFIC SIGNALS

## PUBLIC SAFETY



**42,826**

CALLS FOR SERVICE



**51**

SWORN PERSONNEL



**4**

SRO - SCHOOL RESOURCE OFFICERS

## PARKS & RECREATION



**34**

PARKS



**883**

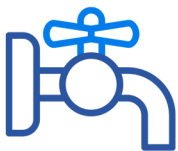
PARKS ACREAGE



**483**

COMMUNITY FOREST ACREAGE

## UTILITIES



**8,145**

WATER CUSTOMERS



**13,715**

WASTEWATER CUSTOMERS



**30**

LIFT STATIONS



*The Park at the Landings is centrally located in downtown Post Falls. It is adjacent to Falls Park and just north of Q'emiln Park.*



# Major Initiatives

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

## **Economic Development and Growth**

**Management** – 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 within other areas of the community, including completing the Spencer Street connection to Seltice Way and a providing multi-use trail along the east side of Highway 41 that received grant funding through the Community Choices for Idaho program. This funding also has matching funds coming from the Urban Renewal Agency. The City completed two roundabout and safety projects in 2022 (Poleline and Cecil Road and Mullan frontage and Cecil Road), as well as made substantial completion on improvements to Spokane Street between Poleline and Prairie Avenues, as well as a roundabout at Prairie Avenue and Spokane Street, along with completing the adjoining Prairie Avenue Frontage - this project is to be completed in 2023. All three of these projects provide for improvement capacity and safety to the local and regional transportation systems.

**Public Health/Environment** - The goal of effective and timely maintenance and repair of facilities and equipment is one of our highest

priorities. The Street Maintenance Division has a program of bi-weekly sweeping citywide in the summer months for dust control. 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 Utility Division operates the City water system consisting of 9 wells and 5 reservoirs, with a pumping capacity of 19.7 million gallons/day with reservoir capacity of 6.5 million gallons. At the end of 2020, construction is nearly complete on two new wells which add capacity to the water system.

The Water Reclamation Facility has a capacity of 4.1 million gallons/day and 30 lift stations, having removed two from operation in 2022 by constructing permanent interceptor lines. Bio-solids are hauled off site and processed by Barr Tech.

**Other Community Services** – The Parks and Recreation Department is responsible for the operations of the Parks, Recreation, Cemetery, and Urban Forestry divisions. The department focus is planning, development, and standardization of infrastructure to increase system efficiency, improve cost effectiveness, safety, and reduce liability. The department has made improvements in the following areas: state of the art irrigation systems, ADA compliance, up-graded picnic

shelters, modern restroom facilities, trails and pathways, maintenance equipment, trash collection, security cameras, energy efficient lighting, wildlife management, and new playground equipment. The department continues to emphasize good customer service and maximization of resources as it tries to keep up with the rapidly increasing public demand for services.

## **Major Business Development Highlights—**

In 2022, a significant number of rooftops once again were added to the City of Post Falls for a total of 789 housing units. There were 447 single family housing unit (HU) permits issued and an additional 342 multi-family housing HU created. Examples of multifamily projects in 2022 are the following with unit counts in (X): Millworx South(30), Apartment 26 (138), Sawtooth Buildings(North, South, 314 Flats) (72), West End Apartments (44). The Following are highlights of the approved commercial Site Plans in 2022: Bills Heating Warehouse, St. Josephs Ear Nose and Throat, Donohoe Construction, Quality Stove, Bruchi's, Bunker Bar, Caliber Collision, Kindred and Company Bookstore & Cafe, Pine and Poppy, Buzz Oates Building A&B, Wildfire Defense Systems, Konala Restaurant, Shabby Fabrics, Dutch Bros Coffee, Prairie Falls Clubhouse, Kootenai Classical Academy, and Peak Health and Fitness. In 2023, continued residential and commercial/industrial development is expected to remain strong. It will be exciting to see what all develops in 2023.

# Financial Reporting Award

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 ACFR. Unlike the ACFR, 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 2021 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, 2021**

*Christopher P. Morill*

Executive Director/CEO

# Changes in Net Position

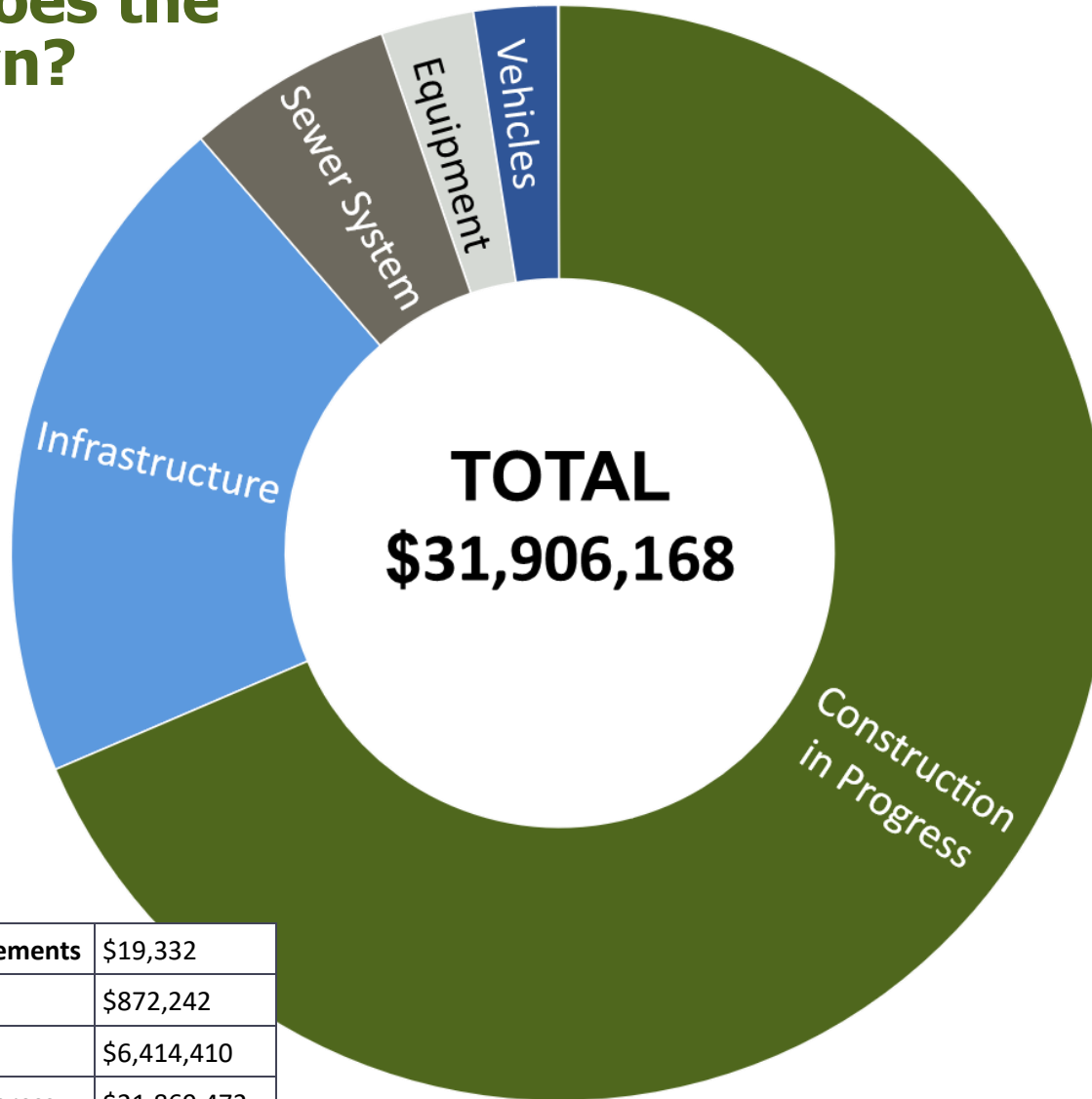
## City of Post Falls' Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>REVENUES</b>						
Program revenues:						
Charges for services	\$ 15,457,731	\$ 7,721,513	\$ 26,301,300	\$ 27,089,829	\$ 41,759,031	\$ 34,811,342
Operating grants and contributions	508,618	5,367,248	-	-	508,618	5,367,248
Capital grants and contributions	5,005,926	4,604,455	9,865,768	8,401,748	14,871,694	13,006,203
General revenues:						
Property taxes	13,380,490	13,057,484	-	-	13,380,490	13,057,484
Other taxes	8,252,624	7,258,753	-	-	8,252,624	7,258,753
Other	(3,595,130)	(141,579)	(4,599,803)	26,878	(8,194,933)	(114,701)
Total revenues	<u>\$ 39,010,259</u>	<u>\$ 37,867,874</u>	<u>\$ 31,567,265</u>	<u>\$ 35,518,455</u>	<u>\$ 70,577,524</u>	<u>\$ 73,386,329</u>
<b>EXPENSES</b>						
General government	\$ 11,058,886	\$ 7,465,327	\$ -	\$ -	\$ 11,058,886	\$ 7,465,327
Public safety	8,898,904	8,437,213	-	-	8,898,904	8,437,213
Highway and public works	6,962,500	6,375,742	-	-	6,962,500	6,375,742
Culture and recreation	3,521,990	3,410,611	-	-	3,521,990	3,410,611
Interest on long-term debt	3,937	2,588	-	-	3,937	2,588
Water	-	-	2,298,693	1,882,959	2,298,693	1,882,959
Reclaimed Water	-	-	6,214,357	5,728,491	6,214,357	5,728,491
Sanitation	-	-	3,602,888	3,169,065	3,602,888	3,169,065
Total expenses	<u>\$ 30,446,217</u>	<u>\$ 25,691,481</u>	<u>\$ 12,115,938</u>	<u>\$ 10,780,515</u>	<u>\$ 42,562,155</u>	<u>\$ 36,471,996</u>
<b>INCREASE IN NET POSITION BEFORE TRANSFERS</b>	<u>8,564,042</u>	<u>12,176,393</u>	<u>19,451,327</u>	<u>24,737,940</u>	<u>28,015,369</u>	<u>36,914,333</u>
<b>TRANSFERS IN (OUT)</b>	<u>2,106,322</u>	<u>1,930,470</u>	<u>(2,106,322)</u>	<u>(1,930,470)</u>	<u>-</u>	<u>-</u>
<b>INCREASE IN NET POSITION</b>	<u>10,670,364</u>	<u>14,106,863</u>	<u>17,345,005</u>	<u>22,807,470</u>	<u>28,015,369</u>	<u>36,914,333</u>
<b>NET POSITION beginning - restated</b>	<u>130,217,990</u>	<u>116,111,127</u>	<u>216,088,293</u>	<u>193,280,823</u>	<u>346,306,283</u>	<u>309,391,950</u>
<b>NET POSITION ending</b>	<u>\$ 140,888,354</u>	<u>\$ 130,217,990</u>	<u>\$ 233,433,298</u>	<u>\$ 216,088,293</u>	<u>\$ 374,321,652</u>	<u>\$ 346,306,283</u>

*The changes in net position provides a detailed account of the revenues (sources of income) and expenses (the use of money) for City operations. It reflects changes in net assets that occurred during the fiscal year.*

# Capital Assets

## CAPITAL ASSETS What Does the City Own?

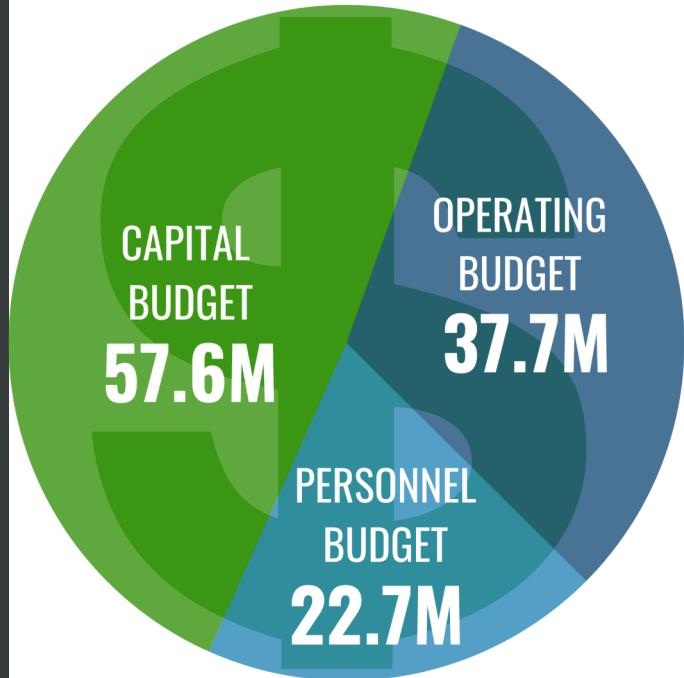


<b>Buildings &amp; Improvements</b>	\$19,332
<b>Equipment</b>	\$872,242
<b>Infrastructure</b>	\$6,414,410
<b>Construction in Progress</b>	\$21,869,472
<b>Water System</b>	\$0
<b>Sewer System</b>	\$1,944,202
<b>Vehicles</b>	\$786,510

By far the largest portion of the City of Post Falls' net position (61.7 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.

# 2022 City Budget



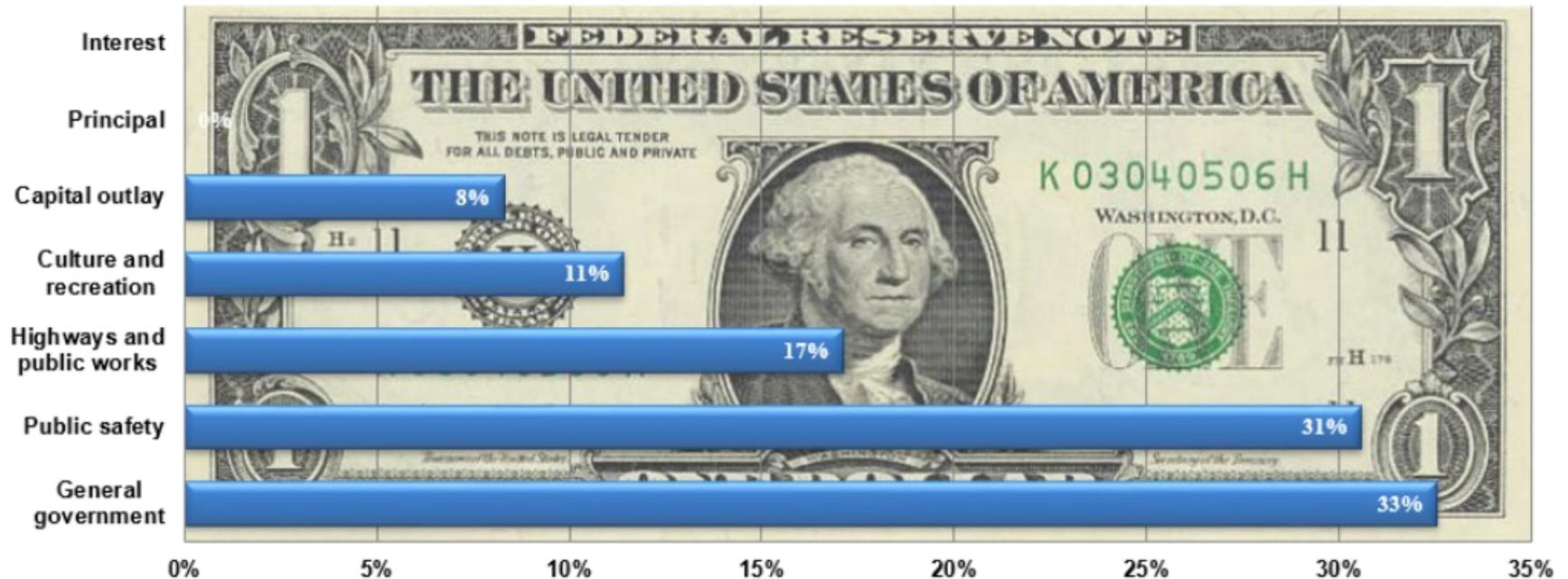
The City of Post Falls adopts an annual appropriated budget for its general fund. The City of Post Falls, like all other governmental entities in Idaho, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The general fund is the chief operating fund of the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

At the end of the current fiscal year, the City of Post Falls' reported a combined ending fund balance of \$54,342,778, a decrease of \$(1,761,320) in comparison with the prior year. The current fund balance contains \$3,369,433 of committed dollars, \$20,116,580 of assigned dollars and the balance of \$30,856,765 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 \$13,895,282 with a total fund balance of \$37,381,295. 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 52.2 percent of total general fund expenditures, while total fund balance represents 140.5 percent of that same amount.

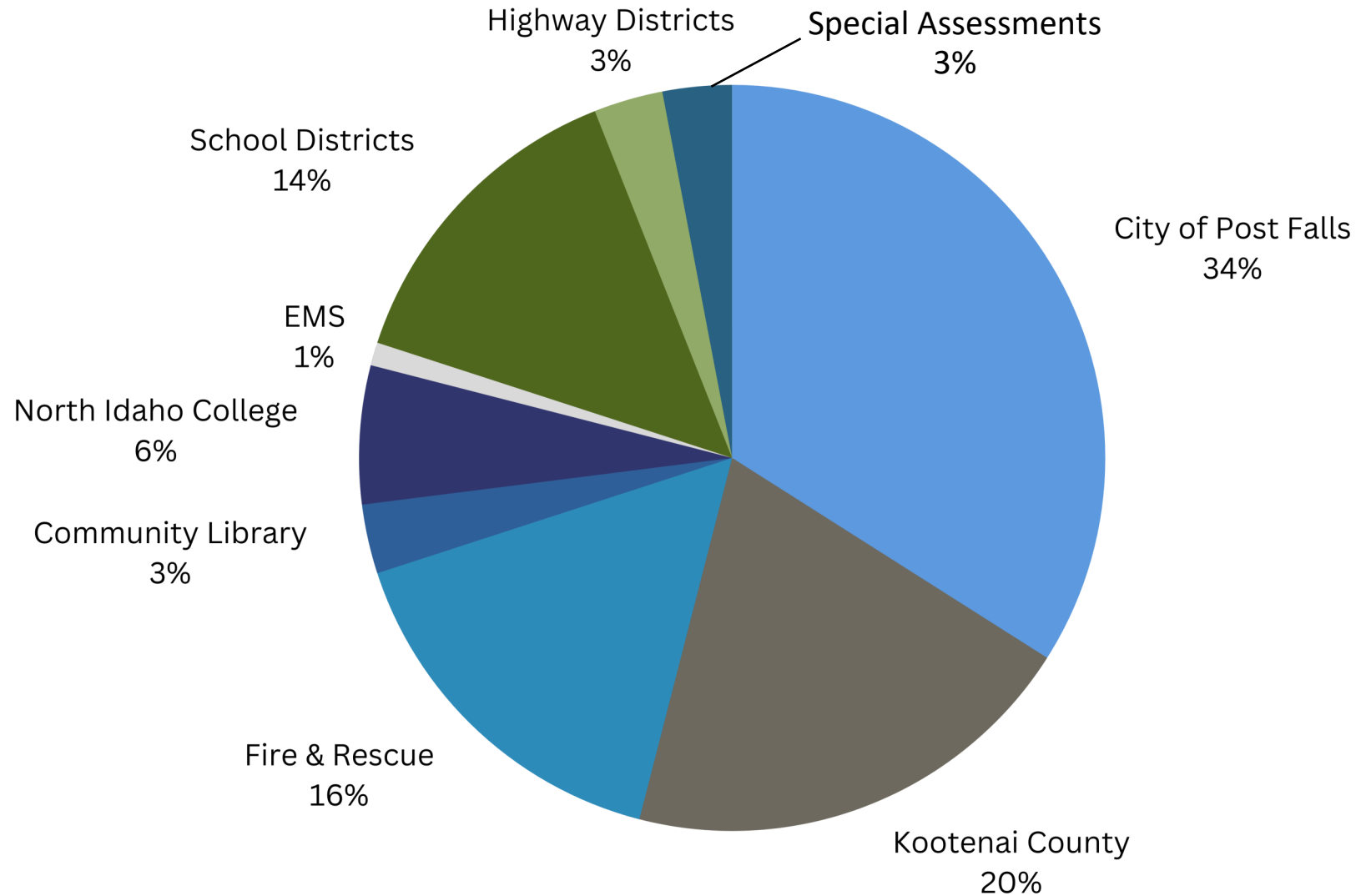
**118M**

## General Fund Expenditures by Function



# Where Do Your Taxes Go?

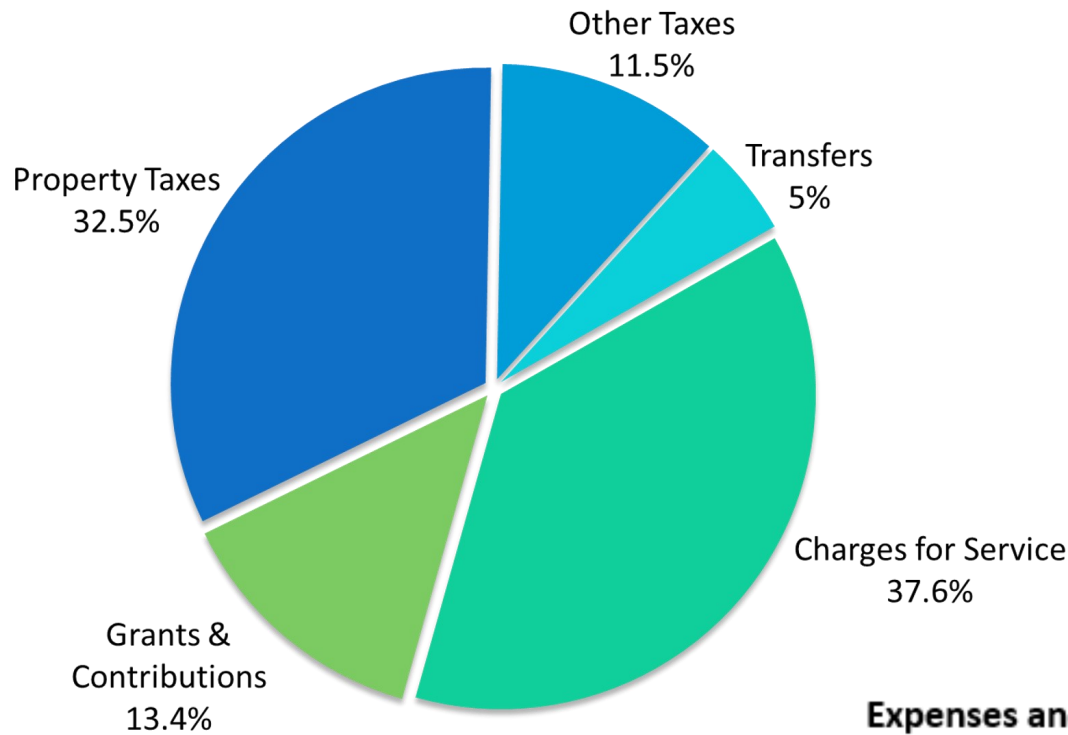
## Percentage of Property Tax by Taxing District



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.

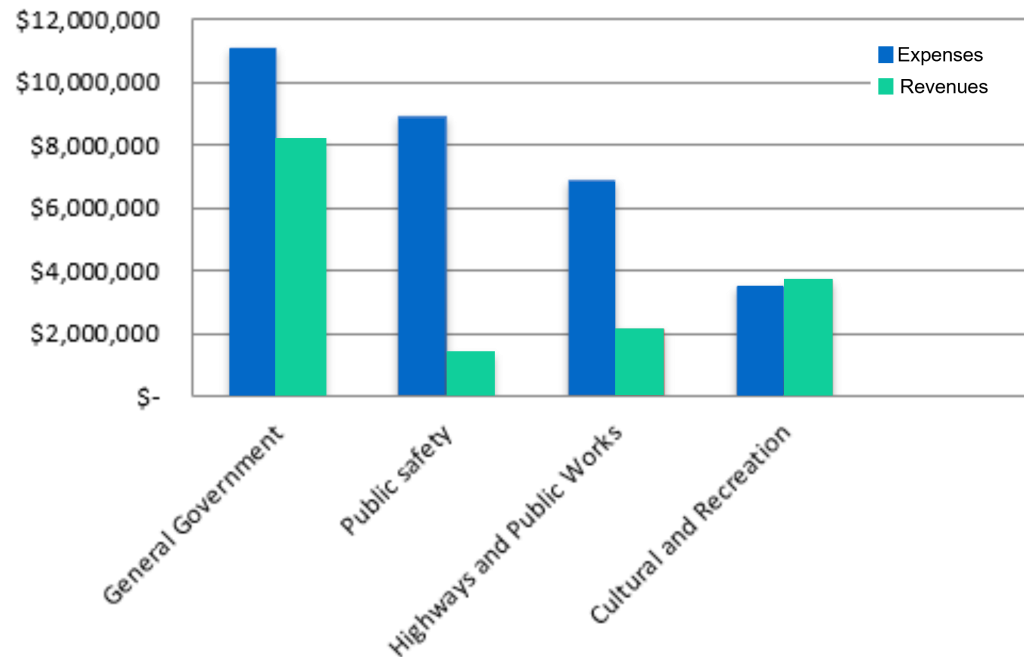
# The City Revenues and Expenses

## Revenue by Source—Government Activities



- The majority of the City of Post Falls' governmental activities' revenue is received from property tax (32.5 percent) with other taxes following at (11.5 percent).
- When all taxes are added together, they make up 44 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 was significantly funded through federal grants each year, until the grants expired. Council has committed to funding the program in full.

## Expenses and Program Revenues - Governmental Activities

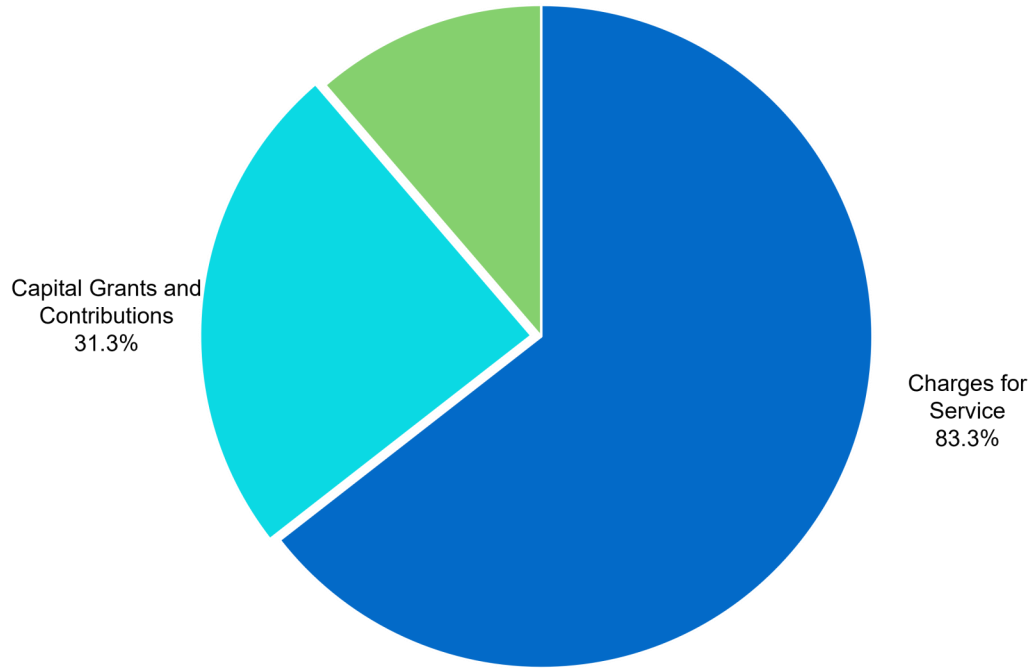


For the most part, increases in expenses were due to inflation, supply chain issues, and growth in the demand for services. No significant transactions occurred outside of the Major funds for FY 2022. No significant losses received during the year while building permit revenue, state shared revenues, motor vehicle revenues, and liquor taxes has increased significantly during FY 2022. Post Falls continues to experience development of residential and multi-family. Property taxes are the largest individual revenue stream for the general fund at \$13.4 million. However, state shared revenues which includes sales taxes were \$8.3 million during fiscal year 2022.



# Business Type Activities

## Revenue by Source—Business Type Activities

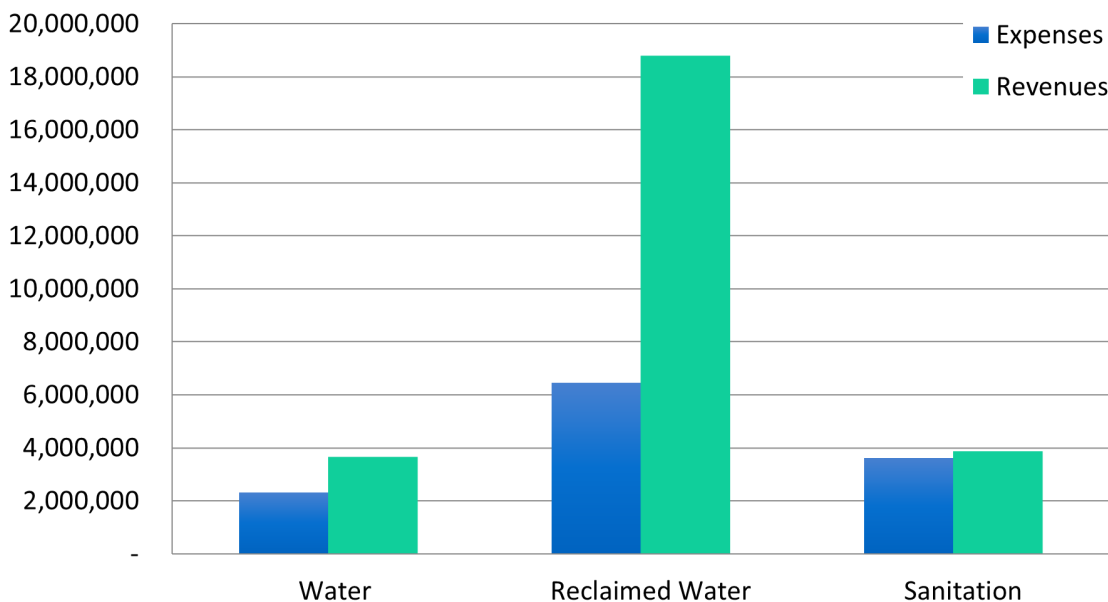


- One of the major sources of the City of Post Falls’ business-type activities’ revenue is received from charges for services (83.3 percent). Currently, the City of Post Falls’ business-type activities do not use property taxes for any type of funding.
- The second major source of revenue is capital construction (31.3 percent). 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 \$374,321,652 (net position).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$13,895,282, or 52 percent of total general fund expenditures.
- The governments net position increased by \$28,015,369. Fixed asset governmental additions increased \$14,375,972 and business type additions were \$17,991,657 during fiscal year 2022. Approximately \$1,081,722 exceeded the budgeted amount for state highway, proprietary contributions of \$865,040 resources from capital contribution. Revenues related to growth, such as permitting revenues and impact fees exceeding projections by \$3.9 million and \$3.1 million, respectively. In addition, approximately \$869,587 is generated from state liquor taxes.
- In the City’s business-type activities, operating revenues decreased by \$(788,529) ((2.9) percent) and operating expenses increased by \$1,256,825. The increases in operating revenues is primarily due to the increase in utility rates (3.0% for water and a 2.5% for reclaimed water).
- The City of Post Falls is still experiencing tremendous growth as building permits continue to exceed expectations and housing shortages are becoming a reality for both single family and multi-family units. The closing of urban renewal districts, which is anticipated to generate \$1.2 million in property taxes, an increase of sales tax, motor fuel taxes, in addition to an increase in liquor taxes will help offset the cost of growth. However, pending legislation continues to limit the taxing authority associated with new construction and annexations.
- Department heads are developing a 5-year workforce and capital plan that will assist with future budgets as the City continues to grow
- The City of Post Falls holds an AA- water reclamation bond rating and an AA water bond rating with Standard & Poors.

## Expenses and Program Revenues - Business-type Activities





City of Post Falls | 408 N. Spokane St., Post Falls, ID 83854  
208.773.3511 | [www.postfalls.gov](http://www.postfalls.gov)

