City of Coeur d'Alene, Idaho

Audited Financial Statements

September 30, 2023

City of Coeur d'Alene

TABLE OF CONTENTS
September 30, 2023

FINANCIAL SECTION:

City of Coeur d'Alene

TABLE OF CONTENTS
September 30, 2023

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

ALPINE SUMMIT CPAs
TAX, ASSURANCE, ACCOUNTING, ADVISORY
Office (208) 777-1099 Fax (202) 773-5108
1810 E. Schneidmiller Ave, Ste 310
Post Falls, ID 83854

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Coeur d'Alene
Coeur d'Alene, ID 83814

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Coeur d'Alene, Idaho as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Coeur d'Alene, Idaho's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Coeur d'Alene, Idaho as of September 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of ignite cda. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for ignite cda is based solely on the report of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Coeur d'Alene, Idaho and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Coeur d'Alene, Idaho's financial statements. The accompanying combining and individual nonmajor fund financial statements schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2024, on our consideration of the City of Coeur d'Alene, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Coeur d'Alene, Idaho's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Coeur d'Alene, Idaho's internal control over financial reporting and compliance.

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
June 11, 2024

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2023

As management of the City of Coeur d'Alene, Idaho (the "City"), we have provided readers of the City's financial statements with this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $373,005,149 (net position). Of this amount, $64,349,283 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.

- The City's total net position increased $8,220,565. This increase is made up of a 3.77% increase in the business activities and a .03% decrease in the governmental activities.

- At the end of the fiscal year, the City's governmental funds reported combined ending fund balances of $21,266,725 an increase of $536,852. This increase is mainly attributed to an increase in capital project funds of $482,516 as well as an increase in the special revenue funds of $198,441. These increases were offset by a decrease of $144,105 in the general fund.

- At the end of the fiscal year, unassigned fund balance for the General Fund was $12,943,931 or 21.7% of the amended 2023 budget of general fund expenditures. The percentage for the year before was 24.5%, a decrease of 2.8%.

- The City's total debt decreased by $3,249,977 during fiscal year 2022-2023. The City's compensated absences increased $338,870. Other changes to long-term debt were payments of $835,961 on general obligation bond debt, $114,462 on capital leases and $2,909,484 on revenue bonds payable.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-Wide Financial Statements – The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to private sector businesses.

The *Statement of Net Position* presents information on all of the City's assets and liabilities, with the difference between the two reported as total net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (i.e. uncollected taxes and earned, but unused, vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, culture and recreation and interest on long-term debt. The business-type activities of the City include water, wastewater, sanitation, drainage, street lighting and public parking.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

The government-wide financial statements include not only the City itself (known as the primary government), but a legally separate urban renewal district, ignite cda, for which the City is financially accountable. ignite cda has been reported as a discreetly presented component unit and does prepare separate financial statements.

Fund Financial Statement – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund Balance Sheet and governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 20 individual governmental funds. Information is presented separately in the governmental Fund Balance sheet and in the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the Capital Projects Fund which are considered to be major funds. Data from the other 18 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements or schedules elsewhere in this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains one type of proprietary fund which is an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for water, wastewater, drainage, solid waste, public parking and street lighting operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the enterprise funds which are considered to be major funds of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

Notes to the Financial Statements – The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information – Combining and individual fund statements and schedules for nonmajor funds are presented immediately following the notes to basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net positions – The City has 80.82% of its total net positions invested in capital assets (land, buildings, infrastructure, machinery and equipment, and vehicles) less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although, the City's investment in its 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.

An additional 1.93% of the City's net positions represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, 17.25%, may be used to meet the City's ongoing obligations to citizens and creditors.

Table 1, below is a comparative summary of the City of Coeur d'Alene's Net Position statement for the years ended September 30, 2023 and 2022:

Table 1
Statements of Net Position
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	$ 30,737,217	$ 34,009,352	$ 55,497,180	$ 50,985,271	$ 86,234,397	$ 84,994,623
Net pension asset-FRF and Base Plan	19,817,023	17,209,002	-	-	19,817,023	17,209,002
Capital assets	126,254,017	125,017,473	211,472,872	210,112,146	337,726,889	335,129,619
Total assets	176,808,257	176,235,827	266,970,052	261,097,417	443,778,309	437,333,244
DEFERRED OUTFLOWS OF RESOURCES						
Deferred pension outflows-base plan	10,417,799	13,809,675	1,517,702	1,935,158	11,935,501	15,744,833
Deferred pension outflows-FRF plan	755,817	1,832,021	-	-	755,817	1,832,021
Total deferred outflows of resources	11,173,616	15,641,696	1,517,702	1,935,158	12,691,318	17,576,854
LIABILITIES						
Other liabilities	3,060,801	3,696,564	2,309,372	2,127,383	5,370,173	5,823,947
Net pension liability-base plan	26,169,685	25,819,912	3,785,152	3,743,034	29,954,837	29,562,946
Other long-term liabilities	7,046,765	7,316,365	34,711,038	37,691,415	41,757,803	45,007,780
Total liabilities	36,277,251	36,832,841	40,805,562	43,561,832	77,082,813	80,394,673
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue- unearned grant revenue	5,705,584	8,704,589	-	-	5,705,584	8,704,589
Unearned lease contract revenue	295,195	373,048	188,025	207,317	483,220	580,365
Deferred pension inflows-base plan	156,915	382,748	35,946	63,139	192,861	445,887
Deferred pension inflows-FRF plan	-	-	-	-	-	-
Total deferred inflows of resources	6,157,694	9,460,385	223,971	270,456	6,381,665	9,730,841
NET POSITION						
Net investment in capital assets	124,116,766	121,966,288	177,353,171	173,397,291	301,469,937	295,363,579
Restricted	7,185,929	7,780,258	-	-	7,185,929	7,780,258
Unrestricted	14,244,233	15,837,751	50,105,050	45,802,996	64,349,283	61,640,747
Total net position	$ 145,546,928	$ 145,584,297	$ 227,458,221	$ 219,200,287	$ 373,005,149	$ 364,784,584

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net positions, both for the City as a whole, as well as for its separate governmental and business-type activities.

Table 2, below is a comparative summary of the City of Coeur d'Alene's Changes in Net Position for the years ended September 30, 2023 and 2022:

Table 2
Changes in Net Position
September 30, 2023 and 2022

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program revenues:						
Charges for services	$ 5,227,180	$ 5,708,422	$ 30,480,113	$ 28,247,263	$ 35,707,293	$ 33,955,685
Operating grants and contributions	1,804,673	648,036	-	-	1,804,673	648,036
Capital grants and contributions	2,711,046	73,365	4,603,006	5,256,864	7,314,052	5,330,229
General revenues:						
Property taxes	26,313,054	24,702,687	-	-	26,313,054	24,702,687
Sales tax	6,362,186	6,127,597	-	-	6,362,186	6,127,597
Franchise fees	3,964,869	3,693,780	-	-	3,964,869	3,693,780
Motor fuel taxes	3,833,944	3,858,406	-	-	3,833,944	3,858,406
Alcoholic beverage taxes	1,436,322	1,453,820	-	-	1,436,322	1,453,820
Grants and contributions not restricted to specific purposes	3,489,207	4,723,833	519,382	16,613	4,008,589	4,740,446
Interest and investment earnings	1,395,939	52,898	2,525,962	1,503,433	3,921,901	1,556,331
Miscellaneous	247,555	931,925	-	-	247,555	931,925
Donated assets	-	-	-	-	-	-
Total revenues	56,785,975	51,974,769	38,128,463	35,024,173	94,914,438	86,998,942
EXPENSES						
General government	8,297,113	7,365,658	-	-	8,297,113	7,365,658
Public safety	29,118,146	26,934,484	-	-	29,118,146	26,934,484
Public works	10,368,353	8,796,635	-	-	10,368,353	8,796,635
Culture and recreation	6,374,690	5,687,276	-	-	6,374,690	5,687,276
Administrative expense	-	2,275	-	-	-	2,275
Interest on long-term debt	206,741	222,762	-	-	206,741	222,762
Water services	-	-	7,394,888	6,869,217	7,394,888	6,869,217
Wastewater	-	-	11,272,346	11,506,381	11,272,346	11,506,381
Sanitation	-	-	4,545,808	3,968,728	4,545,808	3,968,728
Other enterprise	-	-	2,762,569	2,705,626	2,762,569	2,705,626
Loss (gain) on asset disposal	(26,634)	(15,729)	(39,581)	(4,389)	(66,215)	(20,118)
Net pension expense (revenue)	5,564,897	5,809,447	854,537	962,039	6,419,434	6,771,486
Total expenses	59,903,306	54,802,808	26,790,567	26,007,602	86,693,873	80,810,410
Increase (decrease) in net position before	(3,117,331)	(2,828,039)	11,337,896	9,016,571	8,220,565	6,188,532
Transfers	3,079,962	2,886,398	(3,079,962)	(2,886,398)	-	-
Special items	-	525,880	-	358,000	-	883,880
Change in net position	$ (37,369)	$ 584,239	$ 8,257,934	$ 6,488,173	$ 8,220,565	$ 7,072,412

Major changes in governmental activities were as follows:

Governmental activities decreased the City's net position by $37,369 which impacted the City's Governmental net position by approximately .03%.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

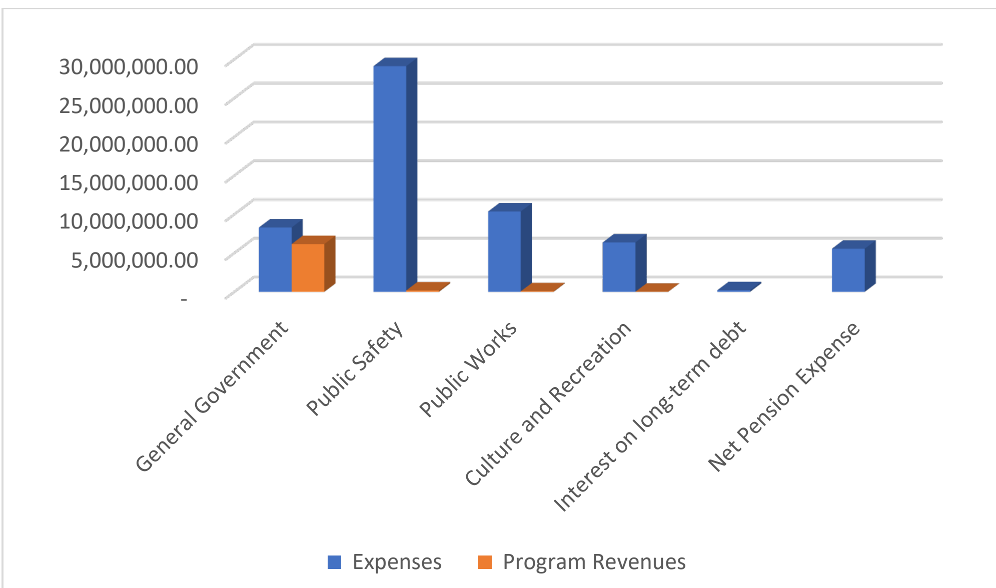
Property taxes collected were $1,912,041 higher in fiscal year 2022-23 compared to fiscal year 2021-22 due to the closing of the Lake District, one of the City's urban renewal districts. The City Council took $268,938 in new growth property taxes and 3% of the allowed 3% increase to property tax revenue in fiscal year 2022-23 amounting to $710,216. The urban renewal district closing amounted to $930,787 in new property tax revenue. The change in total governmental fund revenue from fiscal year 2022-23 compared to fiscal year 2021-22 was an increase of $5,112,880. This increase was due to the increase in property tax revenue over the prior year, an increase in interest earnings of $1,343,041,and an increase in intergovernmental revenues of $3,060,123.

Public safety expenses increased $2,161,718 from fiscal year 2021-22 to 2022-23. This increase was due to an increase in wages and benefits plus one additional firefighter position and an additional applications analyst in the police department.

Governmental Activities:

The following graphs depict various governmental activities and show the expenses and revenues for 2023 and 2022.

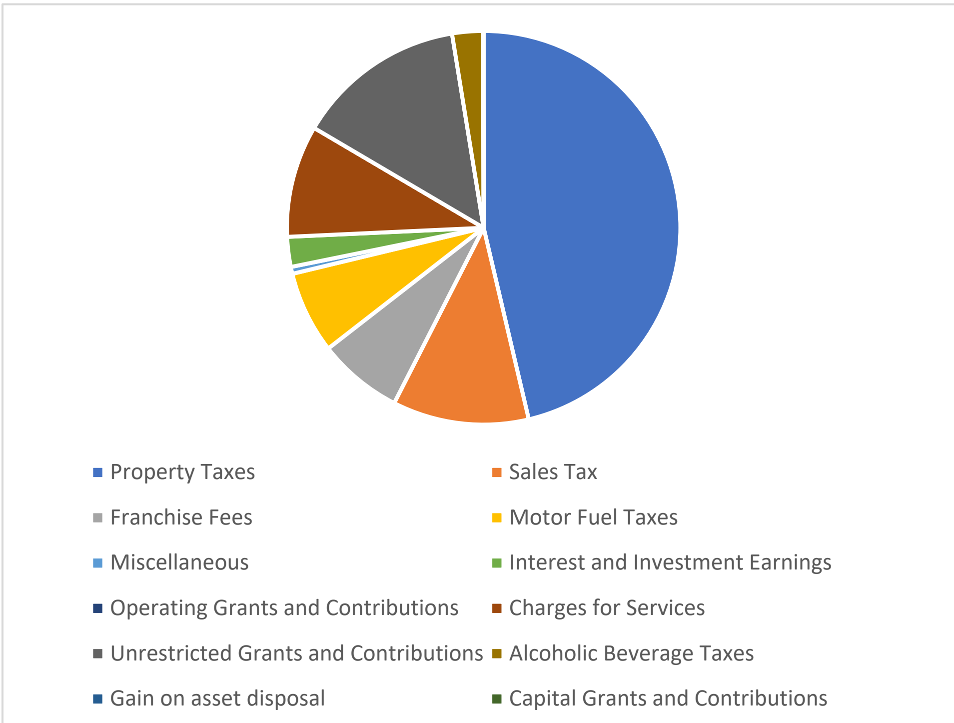
Expenses and Program Revenues – Government Activities FY 2022-23



GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Activities:

Revenues by Source – Governmental Activities



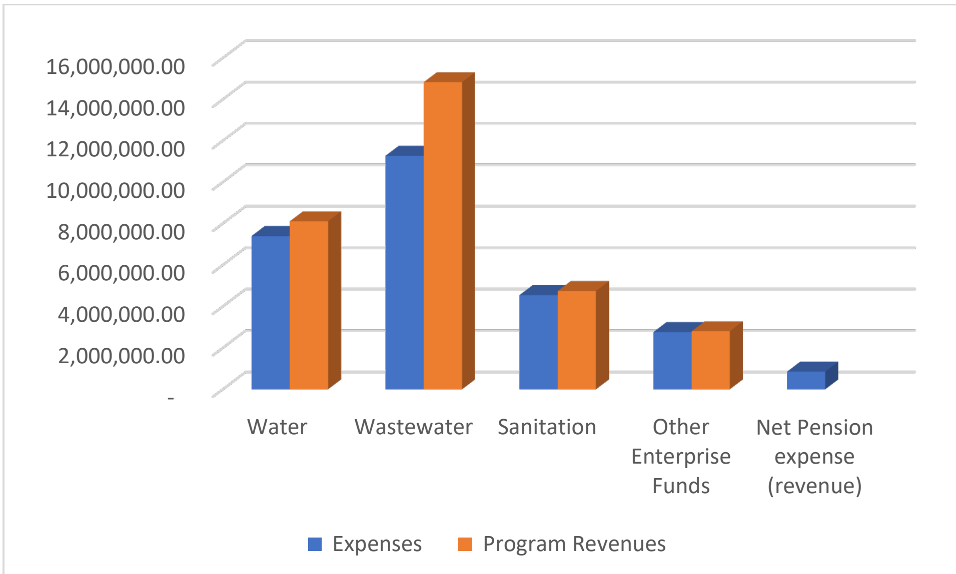
Business-Type Activities:

Business-type activities increased the City's net position by $8,257,934, which impacted the City's business-type net position by 3.77%. There was an increase in revenue from charges for services in the amount of $155,099. This increase was mainly due to an increase in the number of accounts billed due to growth in the city and increases in water, wastewater, and street lighting rates offset by a cooler summer after a very long hot one causing water consumption to go down. Water fund revenue decreased by $618,029, Wastewater fund revenue increased by $820,821, and Sanitation Fund revenue increased by $49,973.

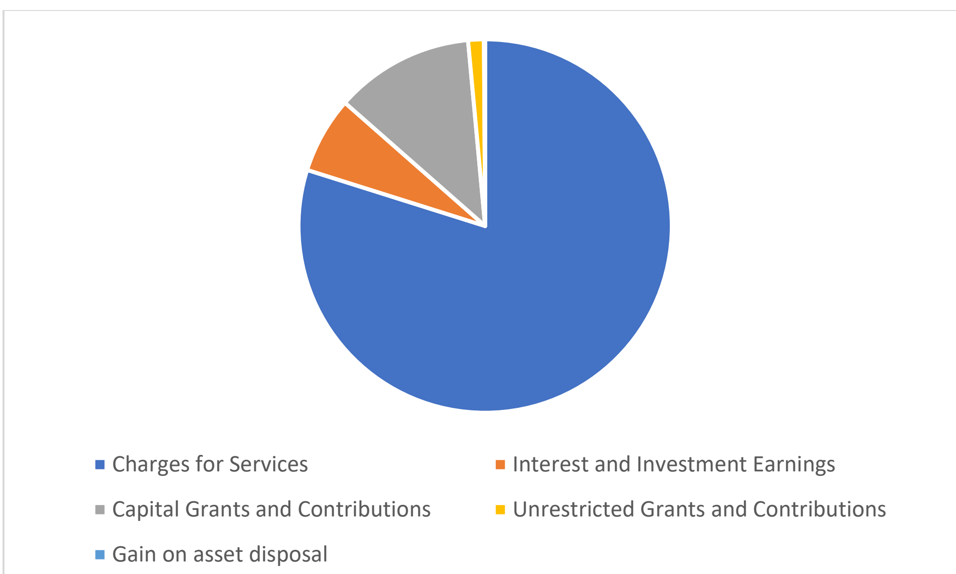
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONCLUDED)

Business-Type Activities:

Expenses and Program Revenue – Business Type Activities



Revenues by Source – Business Type Activities



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the fiscal year, the City's governmental funds reported combined ending fund balances of $21,266,725 an increase of $536,852. Of the $21,266,275 fund balance $5,494,860 is unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted, committed or assigned to indicate that it is not available for new spending because it has already been committed to pay public safety capital needs, future park, fire, police and street projects, and perpetual care of cemeteries.

The General Fund is the chief operating fund of the City. At the end of the current year, the fund balance of the General Fund was $18,146,292. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total budgeted expenditures. Fund balance represents 30.5% of 2023 budgeted expenditures and the unassigned fund balance of $12,943,931 represents 21.7% of 2023 budgeted expenditures. Although the General Fund balance appears to be adequate, it must be stressed that the balance is needed to support operations until funds are received in January 2024 from the first current-year property tax settlement. Also, important to note is that the capital projects fund borrowed $7,700,000 from the wastewater capitalization fund in fiscal year 2017-18 to purchase the Atlas Waterfront Site property. Interest on this due to / due from is accruing at an annual rate of 1.5% with the understanding that future tax increment funds from ignite's atlas district will begin to pay this down beginning in 2023.

General Fund cash balance decreased by $3,503,137. This majority of this decrease can be attributed to the City spending $2,789,067 from the American Rescue Plan Act funding that was received the year before. General Fund revenues increased by $4,915,544 mostly due to recognizing the American Rescue Plan Act funds as revenues in fiscal year 22-23. General Fund expenses increased by $7,460,839 between fiscal year 2021-22 and 2022-23.due to a $2,822,941 increase in capital outlay spending, a $2,161,718 increase in public safety expenditures and a $1,326,229 increase in spending in public works.

The unassigned fund balance of the City's General Fund increased $1,063,839.

The capital projects fund had a fund balance deficit of $7,449,071 at September 30, 2023. This deficit will disappear as funds are received from ignite cda as development of the Atlas Riverfront Site generates tax increment funding.

Proprietary Funds – The City's Proprietary Funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to $50,105,050. The total increase in net position for the funds was $8,257,934. This increase is attributed to the water and wastewater fund operating revenues being $1,806,060 higher than the previous year's, the capitalization fees revenue increasing by $1,135,531 and interest earnings year over year increasing by $1,638,189 while operating expenses remained comparable to the previous year. Continued growth in the City and a scheduled increase in rates drove the revenue increase in fiscal year 2022-23.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's General Fund budget was amended during the fiscal year. The amendment increased the General Fund budget before transfers out by $2,245,747. An amendment in the amount of $1,187,300 was approved for the purchase of land for the police department building expansion. This expenditure was paid for with wage and benefit savings from the previous fiscal year. Other amendments included, $175,000 to cover the carryover for the expense of a boat house to house the fire boat and $160,000 for two paramedic positions that were funded by Kootenai County Emergency Medical Services. $501,897 for the street overlay budget in the Street Department was amended to account for overlay projects that were not completed in fiscal year 2021-22 and were carried over and completed in fiscal year 2022-23. The Street Department also had a carryover in the amount of $241,000 for the purchase of a dump truck that was not available in fiscal year 2021-22

Overall expenditures before transfers were $6,996,323 under the final amended budget and $4,750,576 under the original budget. Overall revenues before transfers were $2,108,632 under the final amended budget of $52,880,510 and $1,921,933 under the original budget of $52,693,811.

CAPITAL ASSETS

The City's investment in capital assets (net of accumulated depreciation) for its governmental and business-type activities as of September 30, 2023, amounts to $337,726,889. This investment in capital assets includes land, buildings, infrastructure, construction in progress, machinery and equipment, vehicles and subscription arrangements. This balance represents a net increase of $2,597,270 from the prior year. Additional details of capital asset activity for the year can be found in Note 5 of the notes to the basic financial statements.

The increase in the net capital assets can be attributed to the purchase of land for the police department building expansion and capital projects in both the Water and Wastewater Funds.

LONG-TERM DEBT

The City's long-term bonded debt decreased by $3,745,445 in 2023; leaving a balance of $35,482,654 at year-end. The City paid down long-term general obligation debt of $835,961 during fiscal year 2022-23. Additional details of long-term debt activity for the year can be found in Note 7 in the notes to basic financial statements. State statutes limit the amount of general obligation debt a government entity may issue to 2% of assessed market value. The current debt limitation for the City is $236,106,494 which is significantly higher than the City's net outstanding general obligation debt of $1,716,587.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City Council chose to take a 3% increase in the amount of property taxes levied of the allowed 3% for the 2022-23 budget. In the last 11 years the Council has only taken a portion of the allowed increase 4 times as follows – fiscal year 2022-23 – 3%, fiscal year 2019-20 – 3%, fiscal year 2016-17 – 2.5%, and fiscal year 2012-13 – 2%.

Building growth was still strong in both the residential and commercial real estate sectors in fiscal year 2022-23. Building permit revenue for fiscal year 2022-23 was $1,567,452 compared to $2,107,903 the previous year. The building department issued 1,211 permits in fiscal year 2022-23 with a total valuation of $186 million and 1,394 in fiscal year 2021-22 with a valuation of $217 million. Idaho experienced a 17.9% growth in population over the past decade, making it the 2nd largest percentage growth state in the nation between 2022 and 2023 and the 10th largest numeric growth state with 34,719 new residents. Kootenai County's population grew 34.47% over that time, making it the 3rd fastest growing county in Idaho. Median housing prices in Kootenai County now exceed $500,000 and have more than doubled in the last four years. On a per capita level Idaho tends to slightly lag the nation in terms of income growth.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES (CONCLUDED)

Personal income growth for Idaho for the third quarter of 2023 increased 9.1%. In Coeur d’Alene the unemployment rate in October of 2023 was 3.3% with the unemployment count around 2,949. The Idaho unemployment rate for the same month was also 3.3% and the national rate was 3.8%.

There will be scheduled fee increases in 2024 in the water fund, wastewater fund, sanitation fund and the street lighting fund. Any increases in other areas of the City greater than 5% will be carefully studied and brought forward to the Mayor and Council at a public hearing.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City’s finances for all those with an interest in the City’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

City of Coeur d’Alene
Finance Director
710 Mullan Avenue
Coeur d’Alene, Idaho 83814.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

City of Coeur d'Alene, Idaho

STATEMENT OF NET POSITION
September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	ignite cda
ASSETS				
Cash and cash equivalents	$ 34,109,987	$ 40,614,399	$ 74,724,386	$ 12,256,843
Investments	1,045,295	-	1,045,295	-
Receivables:				
Taxes delinquent	414,692	-	414,692	99,166
Accounts	896,321	4,649,853	5,546,174	143,645
Special assessments	94,283	-	94,283	-
Lease	292,308	395,571	687,879	-
Internal balances	(9,480,099)	9,480,099	-	-
Due from other governments	3,364,430	357,258	3,721,688	-
Net pension asset-FRF plan	19,817,023	-	19,817,023	-
Capital assets:				
Land	20,955,500	4,667,226	25,622,726	-
Construction in Progress	693,312	7,120,098	7,813,410	20,273,824
Capital assets and intangible assets, net of accumulated depreciation and amortization	104,605,205	199,685,548	304,290,753	-
Total assets	176,808,257	266,970,052	443,778,309	32,773,478
DEFERRED OUTFLOWS OF RESOURCES				
Deferred pension outflows-base plan	10,417,799	1,517,702	11,935,501	-
Deferred pension outflows-FRF plan	755,817	-	755,817	-
Total deferred outflows of resources	11,173,616	1,517,702	12,691,318	-
LIABILITIES				
Accounts payable	2,764,039	2,118,509	4,882,548	158,120
Accrued payroll and related costs	-	-	-	10,804
Other accrued liabilities	-	100,000	100,000	-
Due to other governments	-	-	-	9,938
Deposits	290,982	-	290,982	270,000
Accrued interest payable	5,780	90,863	96,643	-
Long-term liabilities:				
Due within one year	1,621,750	2,902,368	4,524,118	-
Due in more than one year	5,425,015	31,808,670	37,233,685	357,000
Net pension liability-base plan	26,169,685	3,785,152	29,954,837	-
Total liabilities	36,277,251	40,805,562	77,082,813	805,862
DEFERRED INFLOWS OF RESOURCES				
Unearned grant revenue	5,705,584	-	5,705,584	-
Unearned lease contract revenue	295,195	188,025	483,220	-
Deferred pension inflows-base plan	156,915	35,946	192,861	-
Deferred pension inflows-FRF plan	-	-	-	-
Total deferred inflows of resources	6,157,694	223,971	6,381,665	-
NET POSITION				
Net investment in capital assets	124,116,766	177,353,171	301,469,937	20,273,824
Restricted	7,185,929	-	7,185,929	11,693,792
Unrestricted	14,244,233	50,105,050	64,349,283	-
Total net position	$ 145,546,928	$ 227,458,221	$ 373,005,149	$ 31,967,616

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF ACTIVITIES
For the year ended September 30, 2023

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs				
Primary government:				
Governmental activities:				
General government	$ 8,297,113	$ 5,227,180	$ 1,217,340	$ -
Public safety	29,118,146	-	499,433	1,063,433
Public works	10,368,353	-	56,561	1,155,549
Culture and recreation	6,374,690	-	31,339	492,064
Interest on long-term debt	206,741	-	-	-
Net pension expense (revenue)	5,564,897	-	-	-
Total governmental activities	59,929,940	5,227,180	1,804,673	2,711,046
Business-type activities:				
Water	7,394,888	8,104,991	-	2,371,682
Wastewater	11,272,346	14,830,252	-	2,231,324
Sanitation	4,545,808	4,743,876	-	-
Other Enterprise	2,762,569	2,800,994	-	-
Net pension expense (revenue)	854,537	-	-	-
Total business-type activities	26,830,148	30,480,113	-	4,603,006
Total primary government	$ 86,760,088	$ 35,707,293	$ 1,804,673	$ 7,314,052
Component unit:				
Lake City Development Corporation	$ 1,383,236		$ -	$ -
Total component unit	$ 1,383,236	$ -	$ -	$ -

General revenues:
- Property taxes, levied for general purposes
- Sales tax
- Franchise fees
- Motor fuel taxes
- Alcoholic beverage taxes
- Grants and contributions not restricted to specific purposes:
- Interest and investment earnings
- Miscellaneous
- Special assessments
- Gain (loss) on disposal of assets
- Transfers

Special Items:
- Gain (loss) on disposal of assets
- Total general revenues, transfer and special items
- Change in net position

Net position - beginning

Net position - ending

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	ignite cda
$ (1,852,593)	$ -	$ (1,852,593)	$ -
(27,555,280)	-	(27,555,280)	-
(9,156,243)	-	(9,156,243)	-
(5,851,287)	-	(5,851,287)	-
(206,741)	-	(206,741)	-
(5,564,897)	-	(5,564,897)	-
(50,187,041)	-	(50,187,041)	-
-	3,081,785	3,081,785	-
-	5,789,230	5,789,230	-
-	198,068	198,068	-
-	38,425	38,425	-
-	(854,537)	(854,537)	-
-	8,252,971	8,252,971	-
(50,187,041.00)	8,252,971	(41,934,070)	-
			(1,383,236)
			(1,383,236)
26,313,054	-	26,313,054	2,082,980
6,362,186	-	6,362,186	-
3,964,869	-	3,964,869	-
3,833,944	-	3,833,944	-
1,436,322	-	1,436,322	-
3,489,207	519,382	4,008,589	-
1,395,939	2,525,962	3,921,901	73,466
247,555	-	247,555	143,646
-	-	-	-
26,634	39,581	66,215	-
3,079,962	(3,079,962)	-	-
-	-	-	1,432,344
50,149,672	4,963	50,154,635	3,732,436
(37,369)	8,257,934	8,220,565	2,349,200
145,584,297	219,200,287	364,784,584	29,618,416
$ 145,546,928	$ 227,458,221	$ 373,005,149	$ 31,967,616

City of Coeur d'Alene, Idaho

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023

	General	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$23,471,045	$ 883,016	$ 9,755,926	$34,109,987
Investments	-	-	1,045,295	1,045,295
Receivables:				
Taxes delinquent	339,438	-	75,254	414,692
Accounts	866,949	-	29,372	896,321
Special assessments	-	-	94,283	94,283
Lease	-	-	292,308	292,308
Due from other governments	3,354,258	-	10,172	3,364,430
Due from other funds	94,283	-	-	94,283
Total assets	$28,125,973	$ 883,016	$11,302,610	$40,311,599
LIABILITIES				
Accounts payable	$ 2,498,727	$ 37,000	$ 228,312	$ 2,764,039
Due to other funds	1,185,012	8,295,087	94,283	9,574,382
Deposits	290,982	-	-	290,982
Total liabilities	3,974,721	8,332,087	322,595	12,629,403
DEFERRED INFLOWS OF RESOURCES				
Unearned grant revenue	5,665,522	-	40,062	5,705,584
Unearned lease contract revenue	-	-	295,195	295,195
Unavailable revenue- property taxes	339,438	-	75,254	414,692
Total deferred inflows of resources	6,004,960	-	410,511	6,415,471
FUND BALANCES (DEFICITS)				-
Restricted	868,301	-	6,317,628	7,185,929
Committed	2,991,809	-	3,180,516	6,172,325
Assigned	1,342,251	-	1,071,360	2,413,611
Unassigned	12,943,931	(7,449,071)	-	5,494,860
Total fund balances	18,146,292	(7,449,071)	10,569,504	21,266,725
Total liabilities, deferred inflows of resources and fund balances (deficits)	$28,125,973	$ 883,016	$11,302,610	$40,311,599

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
September 30, 2023

Total fund balances at September 30, 2023 - Governmental Funds		$ 21,266,725
Cost of capital assets at September 30, 2023	242,737,925	
Less: Accumulated depreciation and amortization as of September 30, 2023	(116,483,908)	126,254,017
Net pension asset-FRF		19,817,023
Net pension liability-base plan		(26,169,685)
Deferred pension outflows-base plan		10,417,799
Deferred pension outflows-FRF plan		755,817
Elimination of deferred revenue		414,692
Accrued interest		(5,781)
Deferred pension inflows-base plan		(156,915)
Deferred pension inflows-FRF plan		-
Long-term liabilities at September 30, 2023		
Leases	(414,883)	
Subscription liabilities	(271,060)	
General obligation debt	(1,701,117)	
Bond premium net of amortization	(15,470)	
Compensated absences	(4,644,234)	(7,046,764)
Net position at September 30, 2023		$ 145,546,928

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended September 30, 2023

	General Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 23,743,320	$ -	$ 2,668,915	$ 26,412,235
Licenses and permits	6,459,674	-	-	6,459,674
Intergovernmental	18,839,829	434,611	222,044	19,496,484
Charges for services	352,874	-	1,957,478	2,310,352
Fines and forfeits	421,924	-	99	422,023
Assessments collected	-	-	-	-
Investment (loss) earnings	848,531	34,747	512,661	1,395,939
Contributions	-	66,016	-	66,016
Miscellaneous	105,726	-	216,707	322,433
Total revenues	50,771,878	535,374	5,577,904	56,885,156
EXPENDITURES				
Current:				
General government	7,984,243	-	554,765	8,539,008
Public safety	30,439,735	-	-	30,439,735
Public works	6,764,010	-	-	6,764,010
Culture and recreation	3,480,621	-	1,946,214	5,426,835
Capital outlay	3,785,350	1,934,786	1,448,036	7,168,172
Debt service:				
Principal payments	75,158	-	828,230	903,388
Interest and fiscal agent fees	41,489	122,588	51,851	215,928
Total expenditures	52,570,606	2,057,374	4,829,096	59,457,076
(Deficiency) excess of revenues (under) over expenditures	(1,798,728)	(1,522,000)	748,808	(2,571,920)
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	28,810	-	-	28,810
Operating transfers in	3,538,813	2,004,516	338,447	5,881,776
Operating transfers out	(1,913,000)	-	(888,814)	(2,801,814)
Total other financing sources (uses)	1,654,623	2,004,516	(550,367)	3,108,772
Net change in fund balances	(144,105)	482,516	198,441	536,852
Fund balances (deficits) - beginning of year	18,290,397	(7,931,587)	10,371,063	20,729,873
Fund balances (deficits) - end of year	$ 18,146,292	$ (7,449,071)	$ 10,569,504	$ 21,266,725

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

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, 2023

Total net changes in fund balances for year ended September 30, 2023	$ 536,852
Add: Capital outlay which is considered expenditures	7,168,172
Less: Depreciation and amortization expense for the year ended September 30, 2023	(6,281,535)
Less: Proceeds from asset disposal	(28,810)
Add: Gain on asset disposal	26,634
Add: Current year PERSI contributions	3,580,899
Add: PERSI pension plan revenue	(5,564,897)
Elimination of interfund revenues and expenditures:	
Add: Interfund transfers out	2,801,814
Less: Interfund transfers in	(2,801,814)
Less: Change in compensated absence accrual for the year ended September 30, 2023	(370,460)
Add: Debt principal payments considered as an expenditure	985,770
Less: Proceeds from capital lease	-
Add: Change in accrued interest	1,456
Add: Bond Premium Amortization	7,731
Less: Difference between revenue earned on property taxes on modified accrual basis versus revenue on property taxes on accrual basis	(99,181)
Change in net position for year ended September 30, 2023	$ (37,369)

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

	Business-type Activities - Enterprise Funds				
	Water Fund	Wastewater Fund	Sanitation Fund	Other Enterprise	Total Current Year
ASSETS					
Current assets:					
Cash and cash equivalents	$ 8,966,456	$ 28,161,344	$ 1,281,772	$ 2,204,827	$ 40,614,399
Receivables:					
Accounts, net of allowance for uncollectible accounts	1,737,567	1,984,106	414,509	513,671	4,649,853
Lease receivable	395,571	-	-	-	395,571
Due from other governments	-	-	-	357,258	357,258
Due from other funds	-	9,480,099	-	-	9,480,099
Prepaid expenses	-	-	-	-	-
Total current assets	11,099,594	39,625,549	1,696,281	3,075,756	55,497,180
Capital assets:					
Land	566,534	1,528,020	-	2,572,672	4,667,226
Construction in Progress	4,306,164	2,813,934	-	-	7,120,098
Capital assets, net of accumulated depreciation	70,532,883	113,085,289	-	16,067,376	199,685,548
Total capital assets, net	75,405,581	117,427,243	-	18,640,048	211,472,872
Total non-current assets	75,405,581	117,427,243	-	18,640,048	211,472,872
Total assets	86,505,175	157,052,792	1,696,281	21,715,804	266,970,052
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension outflows	612,114	847,504	-	58,084	1,517,702
LIABILITIES					
Current liabilities:					
Accounts payable	544,062	1,005,150	398,695	170,602	2,118,509
Claims liability	-	100,000	-	-	100,000
Accrued interest	3,842	87,021	-	-	90,863
Current portion of compensated absences	21,675	11,402	-	-	33,077
Current portion of leases payable	106,838	246,796	-	-	353,634
Current portion of bonds/loan payable	-	2,515,657	-	-	2,515,657
Total current liabilities	676,417	3,966,026	398,695	170,602	5,211,740
Non-current liabilities:					
Compensated absences	236,370	269,680	-	52,210	558,260
Leases Payable	-		-	-	-
Bonds/loan payable, net of unamortized discounts	-	31,250,410	-	-	31,250,410
Net pension liability	1,567,744	2,057,752	-	159,656	3,785,152
Total non-current liabilities	1,804,114	33,577,842	-	211,866	35,593,822
Total liabilities	2,480,531	37,543,868	398,695	382,468	40,805,562
DEFERRED INFLOWS OF RESOURCES					
Deferred pension inflows	14,444	19,900	-	1,602	35,946
Unearned contract revenue	188,025	-	-	-	188,025
	202,469	19,900	-	1,602	223,971
NET POSITION					
Net investment in capital assets	75,298,743	83,414,380	-	18,640,048	177,353,171
Unrestricted	9,135,546	36,922,148	1,297,586	2,749,770	50,105,050
Total net position	$ 84,434,289	$ 120,336,528	$ 1,297,586	$ 21,389,818	$ 227,458,221

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the year ended September 30, 2023

	Business-type Activities - Enterprise Funds				
	Water Fund	Wastewater Fund	Sanitation Fund	Other Enterprise	Total
OPERATING REVENUES					
Services	$ 8,104,991	$ 14,830,252	$ 4,743,876	$ 2,800,994	$ 30,480,113
OPERATING EXPENSES					
Administration	2,963,732	1,016,113	-	226,788	4,206,633
Maintenance	-	-	-	347,501	347,501
Pumping	1,153,620	-	-	-	1,153,620
Treatment	45,141	3,827,070	-	-	3,872,211
Collection	-	835,046	-	-	835,046
Transportation and distribution	150,431	-	-	-	150,431
Supplies	28,176	-	-	57,483	85,659
Contracted services	-	-	4,545,741	797,203	5,342,944
Depreciation	3,047,605	4,498,667	-	1,333,557	8,879,829
Bad debt	200	654	67	37	958
Net pension expense (revenue)	364,313	452,573	-	37,651	854,537
Total operating expenses	7,753,218	10,630,123	4,545,808	2,800,220	25,729,369
Operating (loss) income	351,773	4,200,129	198,068	774	4,750,744
NONOPERATING REVENUES (EXPENSES)					
Capitalization fees	775,463	1,365,851	-	-	2,141,314
Amortization	-	486,812	-	-	486,812
Investment income	408,613	1,458,374	71,344	100,819	2,039,150
Grant income	126,678	-	-	392,704	519,382
Gain on sale of assets	1,619	3,392	-	34,570	39,581
Interest expense	(5,983)	(1,094,796)	-	-	(1,100,779)
Total non-operating revenues (expenses)	1,306,390	2,219,633	71,344	528,093	4,125,460
Income before contributions and transfers	1,658,163	6,419,762	269,412	528,867	8,876,204
Capital contributions	1,596,219	865,473	-	-	2,461,692
Operating transfers in	-		-	-	-
Operating transfers out	(635,122)	(851,148)	(715,082)	(878,610)	(3,079,962)
Change in net position	2,619,260	6,434,087	(445,670)	(349,743)	8,257,934
Total net position - beginning	81,815,029	113,902,441	1,743,256	21,739,561	219,200,287
Total net position - ending	$ 84,434,289	$ 120,336,528	$ 1,297,586	$ 21,389,818	$ 227,458,221

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the year ended September 30, 2023

	Business-type Activities - Enterprise Funds				
	Water Fund	Wastewater Fund	Sanitation Fund	Other Enterprise	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ 8,405,891	$ 14,765,859	$ 4,745,764	$ 2,433,515	$ 30,351,029
Payments to suppliers	(1,997,200)	(3,537,975)	(4,507,667)	(1,637,433)	(11,680,275)
Payments to employees	(2,504,720)	(2,319,137)	-	248,385	(4,575,472)
Net cash provided by operating activities	3,903,971	8,908,747	238,097	1,044,467	14,095,282
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating transfers in	-	-	-	-	-
Operating transfers out	(635,122)	(851,148)	(715,082)	(878,610)	(3,079,962)
Net cash (used) by noncapital financing activities	(635,122)	(851,148)	(715,082)	(878,610)	(3,079,962)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Bond payments	-	(2,422,672)	-	-	(2,422,672)
Capital lease payments	(11,914)	(27,390)	-	-	(39,304)
New debt issuance	-		-	-	-
Interest paid	(6,353)	(1,105,438)	-	-	(1,111,791)
Capital asset purchases	(3,189,506)	(3,709,838)	-	(486,816)	(7,386,160)
Capitalization Fees	775,463	1,365,851	-	-	2,141,314
Contributions	126,678	-	-	34,570	161,248
Proceeds from the sale of assets	1,620	3,392	-	-	5,012
Net cash (used) by financing activities	(2,304,012)	(5,896,095)	-	(452,246)	(8,652,353)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	408,613	1,458,374	71,344	100,819	2,039,150
Net cash provided by investing activities	408,613	1,458,374	71,344	100,819	2,039,150
Net (decrease) increase in cash and cash equivalents	1,373,450	3,619,878	(405,641)	(185,570)	4,402,117
Cash and cash equivalents, beginning of year	7,593,006	24,541,466	1,687,413	2,390,397	36,212,282
Cash and cash equivalents, end of year	$ 8,966,456	$ 28,161,344	$ 1,281,772	$ 2,204,827	$ 40,614,399
Reconciliation of operating income to net cash provided by operating activities:					
Operating (loss) income	$ 351,773	$ 4,200,129	$ 198,068	$ 774	$ 4,750,744
Adjustments to reconcile operating (loss) income to net cash provided by (used for) operating activities:					
Depreciation expense	3,047,605	4,498,667	-	1,333,557	8,879,829
(Gain) loss on sale of capital assets	-	-	-	-	-
(Increase) decrease in accounts receivable	280,764	75,707	1,888	(26,834)	331,525
(Increase) decrease in lease receivable	35,773				35,773
(Increase) decrease in due from special assessment receivable	2,655	-	-	-	2,655
(Increase) decrease in due from other governments	1,000	-		(340,645)	(339,645)
(Increase) decrease in due from other funds	-	(140,100)	-	-	(140,100)
(Increase) decrease in net pension asset	-	-		-	-
(Increase) decrease in prepaid expenses	-	-	-		-
(Increase) decrease in deferred outflow s of resources	177,973	221,090	-	18,393	417,456
Increase (decrease) in accounts payable	35,930	62,912	38,141	56,018	193,001
Increase (decrease) in due to other funds	-	-	-	-	-
Increase (decrease) in compensated absences	(16,573)	(17,562)	-	2,546	(31,589)
Increase (decrease) increase in net pension liability	17,956	22,306	-	1,856	42,118
Increase (decrease) increase in deferred inflows of resources	(11,593)	(14,402)	-	(1,198)	(27,193)
Increase (decrease) increase in uneared contract revene	(19,292)	-	-	-	(19,292)
Net cash provided by operating activities	$ 3,903,971	$ 8,908,747	$ 238,097	$ 1,044,467	$ 14,095,282

Non-cash capital and related financing activities:

$1,596,219 of w ater lines w ere donated to the w ater fund by developers.

$865,473 of sew er lines w ere donated to the w astew ater fund by developers.

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	Police Retirement Pension Trust Funds	Sales Tax Custodial Fund	Homeless Custodial Fund	Business Improvement District Custodial Fund	Kootenai County Solid Waste Custodial Fund	EMS Impact Fees Custodial Fund	City of Coeur d'Alene Employee Benefits Trust
ASSETS							
Cash and cash equivalents	$ 155,357	$ 1,939	$ 507	$ 404,277	$ 261,016	$ 1,056	$ 1,199,580
Investments	283,460	-	-	-	-		2,558,457
Due from other government unit	433	-	-	-	-		-
Due from other funds	-	52	-	-	-		-
Prepaid Expense	-	-	-	-	-		1,366
Taxes receivable	144						
Accounts receivable		-	-	16,196	293,830		35,473
Total assets	439,394	1,991	507	420,473	554,846	1,056	3,794,876
LIABILITIES							
Claims payable	-		507	-	261,016		142,818
Deferred revenues	144						
Health claims incurred but not paic	-	-	-	-	-		720,505
Due to other governments	-	1,991	-	-	-	1,056	-
Total liabilities	144	1,991	507	-	261,016	1,056	863,323
NET POSITION							
Restricted for:							
Police retirement	439,250	-	-	-	-		-
Sales tax	-	-	-	-	-		-
Homeless	-	-	-	-	-		-
Business improvement district	-	-	-	420,473	-		-
Kootenai County solid waste	-	-	-	-	293,830		-
City Employee Benefits Trust	-	-	-	-	-		2,931,553
Total net position	$ 439,250	$ -	$ -	$ 420,473	$ 293,830	$ -	$ 2,931,553

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

City of Coeur d'Alene, Idaho

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the year ended September 30, 2023

	Police Retirement Pension Trust Fund	Sales Tax Custodial Fund	Homeless Trust Custodial Fund	Business Improvement District Custodial Fund	Kootenai County Solid Waste Custodial Fund	EMS Impact Fees Custodial Fund	City of Coeur d'Alene Employee Benefits Trust
ADDITIONS							
Contributions	$ 150,988	$ -	$ -	$ -	$ -		$ 5,825,054
Interest	10,361	-	-	16,997	-		-
Net increase (decrease) in the fair value of investments	3,402	-	-	-	-		-
Sales tax collected for other governments	-	30,504	-	-	-		-
Contributions for homeless	-	-	7,560	-	-		-
Revenues for the business improvement distric	-	-	-	35,897	-		-
Revenues for Kootenai County solid w aste					3,113,683		
Revenues for Kootenai County EMS	-	-	-	-		1,481	-
Interest	-	-	-	-	-		40,663
Total additions	164,751	30,504	7,560	52,894	3,113,683	1,481	5,865,717
DEDUCTIONS							
Pension expense	137,171	-	-	-	-		-
Payments of sales tax collected for other governments	-	30,504	-	-	-		-
Beneficiary payments to individuals	-	-	7,560	-	-		-
Payments to other entities	-	-	-	1,000	-		-
Payments of solid w aste revenue for other governments	-	-	-	-	3,117,103		-
Payments of impact fee revenue for other governments						1,481	
Insurance claim benefits	-	-	-	-	-		4,267,387
Change in health claims incurred but not paid	-	-	-	-	-		(94,876)
Stop loss premiums	-	-	-	-	-		551,191
Script sourcing	-	-	-	-	-		119,806
Administrative expenses	1,571	-	-	-	-		401,452
Total deductions	138,742	30,504	7,560	1,000	3,117,103	1,481	5,244,960
Net increase (decrease) in fiduciary net positic	26,009	-	-	51,894	(3,420)	-	620,757
Net position, beginning of year	413,241	-	-	368,579	297,250		2,310,796
Net position, end of year	$ 439,250	$ -	$ -	$ 420,473	$ 293,830	$ -	$ 2,931,553

The accompanying "Notes to the Financial Statements" are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The City of Coeur d'Alene, Idaho (the “City”) was incorporated in 1887. The City is governed by a Mayor and a six-member council, elected by the voters of the City. The Mayor and Council serve as the taxing authority, the contracting body, and the chief administrators of public services for the City.

The services provided by the Mayor and Council, their appointed boards, officials, department heads, division heads and each underlying department, comprise the primary government unit of the City.

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

The accompanying financial statements include all aspects controlled by the City Council of the City of Coeur d'Alene. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Under Idaho Code, in December 1997, the Coeur d'Alene City Council passed an ordinance which created the Coeur d'Alene Urban Renewal Agency (the “Agency”), a legally separate entity from the City. The Agency was established to promote urban development and improvement in blighted areas within the Agency’s boundaries. The Agency is governed by a maximum board of nine directors, two of which may be City Council members, who are appointed by the City Council. The City Council has the ability to appoint, hire, reassign, or dismiss those persons having responsibility for the day-to-day operations of the Agency. These powers of the City meet the criteria set forth in GASB No. 61 for having financial accountability for the Agency. Based on the above, the Agency has been discretely presented in the accompanying financial statements of the City as a component unit. Separate financial statements of the component unit are issued. The Agency adopted the name Lake City Development Corporation (LCDC) in fiscal year 2001 and later changed their name to ignite cda in 2015. ignite cda is the only component unit of the City.

Under Idaho Code, the Agency has the authority to issue bonds. Any bonds issued by the Agency are payable solely from the proceeds of tax increment financing (or revenue allocation in Idaho), and are not a debt of the City. The City Council is not responsible for approving the Agency budget or funding any annual deficits. The Agency controls its disbursements independent of the City Council.

The Agency operates on the same fiscal year as the City. Complete financial statements of the Agency can be found at http://www.ignitecda.org/resources/financials/ or obtained directly from:

ignite cda
P.O. Box 3450
Coeur d’Alene, ID 83816-1379

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government–Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the propriety fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise fees, quarterly payments from the State of Idaho, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

The government reports the following major governmental funds:

The g*eneral 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 capital projects fund accounts for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

The government reports the following major proprietary funds:

The w*ater utility fund* accounts for the provision of water services to individuals and commercial users. All activities necessary to provide such services are accounted for in this fund, including (but not limited to) administration, operations, maintenance and financing and related debt service.

The w*astewater utility fund* accounts for the provision of wastewater services to individuals and commercial users. All activities necessary to provide such services are accounted for in this fund, including (but not limited to) administration, operations, maintenance and financing and related debt service.

The s*anitation utility fund* accounts for the collection of solid wastes from the residents of the City. All activities necessary to provide such services are accounted for in this fund, including (but not limited to) administration, operations and maintenance.

Additionally, the government reports the following fund types:

Fiduciary fund financial statements consist of a statement of fiduciary net position and a statement of changes in fiduciary net position. Assets held by the City for other parties (either as a trustee or as an agent) and that cannot be used to finance the City's own operating programs are reported in the fiduciary funds. The City is responsible for ensuring that the activities reported in fiduciary funds are based on their intended purposes.

Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements. The City's fiduciary fund financial statements are presented on pages 24 and 25:

The p*ension trust fund* is used to account for the payment of benefits to police officers who were hired before April 12, 1967 and to their eligible surviving spouses. Funding for these benefits comes from property taxes, interest earnings and invested funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the government's water, wastewater and sanitation functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Concluded)

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grant contributions, and 3) capital grants and contributions, including special assessments. Internally, dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, wastewater and sanitation funds are charges to customers for sales and services. The water and sewer funds also recognize as operating revenue the portion of cap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Budgetary Accounting - Budgetary Basis

All City departments are required to submit their annual budget requests to the Comptroller.

The Comptroller is the budget officer, and as such, it is the Comptroller's duty to compile and prepare a preliminary budget for consideration by the City Council. On or before the first Tuesday in August, the Comptroller submits the proposed budget to the City Council for their review and approval.

In July or August, the City Council convenes to consider the proposed budget in detail and make any alterations allowable by law and which they deem advisable and agree upon a tentative amount to be allowed and appropriated for the ensuing fiscal year.

After the City Council agrees on tentative appropriations, the Comptroller, not later than the third Wednesday in August, publishes the tentative budget, establishing the amount proposed to be appropriated to each department, service, or activity for the ensuing fiscal year.

On the first Tuesday in September, the City Council meets to hold a public hearing, at which time any taxpayer may appear and be heard upon any part or parts of the tentative budget. Upon the conclusion of the hearing, the City Council determines the amount of the budget for each department, service, or activity of the City. The combined final budget may not exceed the total of the tentative budget.

The City Council adopts the final budget by ordinance and enters the ordinance on the official minutes of the Council. The adopted final budget is filed in the office of the City Clerk, and a copy, certified by the City Clerk, is filed with the County Auditor by the second Tuesday in September.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Accounting - Budgetary Basis (Concluded)

The City is required by state law to adopt annual budgets for all governmental funds. All adopted budgets for governmental funds and fiduciary funds, with the exception of the pension trust fund, are prepared in accordance with the modified accrual basis of accounting and are adopted on a basis consistent with generally accepted accounting principles (GAAP). The adopted budgets of proprietary funds, internal service funds, and the pension trust fund are prepared in accordance with the accrual basis of accounting and are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted for all funds.

The annual adopted budget covers a period from October 1 to September 30 annually. The level of budgetary control at which expenditures may not exceed appropriations is the total fund level per Idaho statute. The City's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the City Administrator. Any changes in the total budget of each fund must be approved by a majority vote of the City Council.

The City Council may only increase the total adopted budget during the year for unanticipated revenues, such as state and federal grants, donations to departments, and other unscheduled revenues. The adopted budget may be increased only by the amount of revenues received. Budget revisions must be advertised, discussed in a public hearing, and adopted through a resolution by the City Council. The budget for the fiscal year ending September 30, 2023, was amended by the amount of unscheduled revenues. The financial statements reflect the amended budget.

All appropriations lapse at the end of the fiscal year. Appropriation accounts remain open until October 31st for the payment of claims incurred against such appropriations prior to the close of the fiscal year. After October 31st, the appropriations, except for the incomplete improvements, become null and void. Any lawful claim presented after that day against any appropriation will be provided for in the ensuing budget. The City of Coeur d'Alene does not utilize encumbrance accounting.

Debt service for capital leases is budgeted in each of the respective lessee departments on a fiscal year basis. Each capital lease agreement has a non-appropriation clause which generally states that each fiscal year's lease payments are subject to City Council approval. The lease payment appropriations are included in the operating budget.

Cash and Cash Equivalents, and Investments

The City pools all individual fund cash balances in bank accounts, the State Investment Pool, U.S. Government issued investments and certificates of deposit, except for the investments of the police retirement fund and the cemetery perpetual care fund which are held separately from those of other City funds.

Cash equivalents are defined as investments with maturities of 90 days or less at the time they are purchased by the City. If maturity is greater than 90 days, some investments are classified as cash equivalents since they are part of the City’s cash management activity, and readily convertible to known amounts of cash. Balances in checking accounts, State Pooled Investments, certificates of deposit, and U.S. Government issued investments are stated at fair value.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Due To and From Other Funds

Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed.

Inventory

The City had no significant inventories on September 30, 2023.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The City contracted with an independent appraisal firm to perform a complete inventory of fixed assets in September 2007. Assets were valued at estimated historical costs, when original costs were not available. The City has and will continue to update this inventory. Donated fixed assets are capitalized at fair value on the date donated. Assets valued at $5,000 or more which have a useful life of more than one year are capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30-35
Equipment	5-25
Infrastructure	20-30
Other improvements	20-30
Reservoir	20
Wells and booster stations	20-100
Distribution system	50
Collections	40-50
Plant	40
Street lights	20

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of applicable bond premium or discount.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bond Discounts and Bond Premiums

In government-wide financial statements and proprietary fund types in the fund financial statements, bond premiums and discounts are deferred and amortized over the corresponding term of the bonds.

Amortization is computed on the straight-line method as follows:

	Years
Bond premium and discounts:	
2022A Sewer Revenue Refunding Bonds	20
2022B Sewer Revenue Refunding Bonds	3

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

Compensated Absences

The Government Accounting Standards Board Codification section C60 specifies that a liability should be accrued for leave benefits that meet the following conditions:

1. The employer's obligation relating to employees' rights to receive compensation for future absences is attributed to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

For governmental and proprietary funds, the City records a liability for accumulated unused vacation time when earned for all employees. Accumulated unused comp time is recorded as a liability up to 240 hours. Accumulated unpaid sick leave in excess of 720 hours (1,440 for firefighters) is paid out to employees yearly at 33.3%. The only other time accumulated unpaid sick leave is paid by the City is upon retirement. Unpaid sick leave is recorded as a liability at 71% of all employees who have worked for the City for ten years or more.

The liability for vacation, comp time, and sick leave is recorded in the statement of net position for all governmental activities and business-type activities. The entire amount of compensated absences is reported as a fund liability. The City has implemented GASB Statement No. 16, "Accounting for Compensated Absences" which requires the accrual to include related payroll tax and retirement costs. At September 30, 2023, the total compensated absences payable by the City was $5,235,572.

Compensated absences are reported as follows in the financial statements:

Governmental activities	$ 4,644,235
Business-type activities	591,337
	$ 5,235,572

See accompanying independent auditors' report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City does have items that qualify for reporting in this category. Note 13 outlines the outflows of resources associated with the PERSI pension base and FRF plans and the police retirement pension plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of these items, which arise under the government-wide accrual basis of accounting that qualifies for reporting in this category and three items, which arises only under a modified accrual basis of accounting. Deferred property taxes, unavailable grant revenue and unearned lease contract revenues are reported in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The items reported in the government-wide statements are amounts related to the pension base and FRF plans, unearned grant revenue and unearned lease contract revenues. See note 13 for details on the pension plan. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. See note 13 for the police retirement fund deferred outflows of resources disclosures. The unearned grant revenues are federal or state grants that the City has received but will be expended in future fiscal years. See note 5 related to the unearned lease contract revenue.

Fund Equity

Governmental fund equity is classified as fund balance. Fund balance is further classified as non-spendable, restricted, committed, assigned, or unassigned.

When both restricted and unrestricted fund balances are available for use, it is the City's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those restricted fund balance classifications can be used.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position Flow Assumptions

Net position represents the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Contributed Capital

Contributed capital represents donations by developers, grants restricted for capital construction, and assets whose construction was financed by special assessments. Tap-in fees that exceed the cost of physical connection to the system are recorded as cash in the water fund and the wastewater fund until the fees are spent. Capitalization fees may be used only for expansion of the system, storm sewer separation, improvement or expansion of the present plant, or the construction of additional water and wastewater facilities. When the cash received for capitalization fees is spent, the assets purchased are recorded as plant and equipment.

Maximum Property Tax Rates

State statute sets maximum property tax rates for the City of Coeur d'Alene. The City cannot certify a budget request to finance the ad valorem portion of its annual budget that has a dollar amount that exceeds 3% of the dollar amount of ad valorem taxes certified for its annual budget during the last year in which a levy was made. The levy rate for the City of Coeur d'Alene for the 2023-23 fiscal year were as follows: library fund - .000150, general obligation bonds .000072, police retirement .000013 and general fund -.001977.

Property Tax Calendar

Property taxes are levied each November based on the assessed value of property as listed on the previous September tax rolls. Assessed values are an approximation of market value. The County Assessor establishes assessed values. Property tax payments are due in one-half installments in December and June. Property taxes become a lien on the property when it is levied.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of measuring the net pension asset and pension expense/(revenue), information about the fiduciary net position of the Firefighters' Retirement Fund Plan (FRF Plan) and additions to/deductions from FRF's fiduciary net position have been determined on the same basis as they are reported by the FRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deficit Fund Balances

Deficit fund balances as of September 30, 2023 included capital projects funds which had a net deficit fund balance of $7,449,071, This deficit is primarily related to the Riverstone Mill Site, which has a deficit fund balance of $8,295,087. This deficit is due the capital projects fund borrowing $7,700,000 from the wastewater capitalization fund in fiscal year 2017-18 to purchase the Atlas Waterfront Site property. Interest on this due to / due from is accruing at an annual rate of 1.5% with the understanding that future tax increment funds from ignite's atlas district will begin to pay this down beginning in 2024.

See accompanying independent auditors' report.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Recently issued and Adopted Accounting Pronouncements

As of October 1, 2021, the City adopted GASB Statement No 87, Lease accounting. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases as inflows of resources or outflows of resources based on the payment provisions of the contract. The effect of the implementation of this standard on beginning net position and fund balance is disclosed in Note 5.

Lessor:
As a result of the implementation of GASB Statement No. 87, the City recognizes a lease receivable for the term of the leases under contract as well as the years that the City has deemed are reasonably certain that the lessee will renew. As a long-term lease, the City also imputes interest into each lease, recognized as interest income. The City recognizes a deferred inflow of resources for the lease activities under contract that have not been recognized as revenue. The deferred inflow of resources is amortized over the contractual or expected term of the lease.

As of October 1, 2022, the City adopted GASB Statement No, 96, Subscription-Based Information Technology Arrangements (SBITA) with the fiscal year ending September 30, 2023. This statement will enhance the relevance ad reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs. Implementation of GASB 96 restated the capital assets and long-term liability balances but had no effect on beginning net position.

NOTE 2 - CASH AND INVESTMENTS

General:
State statutes authorize the City's investments and deposits. The City is authorized to invest in demand deposits, savings accounts, U.S. Government obligations and its agencies, obligations of Idaho and its agencies, fully collateralized repurchase agreements, prime domestic commercial paper, prime domestic bankers acceptances, bonds, debentures or notes of any corporation organized, controlled and operating within the U.S. which have at their purchase an "A" rating or higher, government pool and money market funds consisting of any of these securities listed. No violations of these categories have occurred during the year.

Custodial credit risk:
Custodial credit risk is the risk that in the event of a failure of a financial institution, the City's deposits and investments may not be returned to it. The City does not have a deposit policy for custodial credit risk. The carrying amount of the City's deposits and investments is $80,635,300 and the bank balance is $82,877,468. As of September 30, 2023, the City's deposits and investments were exposed to custodial credit risk as follows:

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Deposits and investments without exposure to custodial credit risk:		
Deposits:		
Amounts insured by FDIC	$	81,073,073
		81,073,073
Investments:		
Amount registered in the name of the City		1,328,755
Total deposits and investments without exposure to custodial credit risk		82,401,828
Deposits and investments with exposure to custodial credit risk:		
Deposits:		
Amounts uninsured		475,640
Amount collateralized with securities held in trust, but not in the City's name		-
		475,640
Investments:		
Amount collateralized with securities held in trust, but not in the City's name		-
Total deposits and investments with exposure to custodial credit risk		475,640
Total Deposits and Investments	$	82,877,468

Cash and cash equivalents at September 30, 2023 consist of the following:		
Deposits (checks in excess of deposits)	$	3,570,646
Cash on hand		1,350
Short-term certificates of deposit		17,723,165
Money market		16,857,805
Idaho State Investment Pool		41,153,609
Total		79,306,575
Cash and cash equivalents are presented in the Financial Statements as follows:		
Governmental activities		34,109,987
Business-type activities		40,614,399
Police retirement pension trust fund		155,357
Sales tax agency fund		1,939
Homeless custodial agency fund		507
Business improvement district agency fund		404,277
Kootenai County Emergency Medical Services System impact fees		1,056
City of Coeur d'Alene employee benefits trust		3,758,037
Kootenai county solid waste agency fund		261,016
Total		79,306,575
Investments are presented in the Financial Statements as follows:		
Governmental activities		1,045,295
Police retirement pension trust fund		283,460
Total		1,328,755
Total Cash and Investments	$	80,635,330

Credit risk:

Credit risk is the risk that a debtor will not fulfill its obligations. All the above securities registered in the City’s name carry a rating of AAA from Moody’s, and Standard and Poor’s. The Idaho State Investment Pool does not have an established credit rating but invests in entities with a minimum credit rating of “A” as stipulated by Idaho code.

See accompanying independent auditors’ report.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Interest rate risk and concentration of credit risk:
Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Concentration of credit risk as defined by GASB exists when more than 5% of an investment portfolio is allocated to one security. As of September 30, 2023, the City had the following investments (and associated maturities) in its internal investment portfolio:

					Maturity			
Maturity	Investment	Cost	% of Total	Fair Value & Carrying Amount	Less than 1 year	Less than 2 years	2-5 years	6-10 years
9/6/2024	The Coca Cola Co	$ 73,628	5%	67,554	67,554			-
10/15/2026	Emerson Elec Co	97,237	7%	87,830	-		87,830	-
6/12/2025	Toronto Dominion Bank	50,715	3%	46,289	-	46,289	-	-
6/24/2026	Bank of Nova Scotia	50,289	3%	44,415	-		44,415	-
8/31/2025	US Treasury Note	99,977	7%	91,246	-	91,246	-	-
9/23/2025	FHLMCMTN	99,559	7%	91,176	-	91,176	-	-
4/30/2024	US Treasury Note	48,453	4%	49,151	49,151	-	-	-
2/15/2026	US Treasury Note	103,906	7%	92,633	-	-	92,633	-
9/24/2026	FNMA	102,946	7%	91,833	-		91,833	-
9/24/2026	FNMA	51,473	3%	45,917	-		45,917	-
1/26/2027	Bank of NY Mellon Corp	49,871	3%	44,681	-		44,681	-
2/15/2026	US Treasury Note	25,977	2%	23,158	-		23,158	-
2/28/2025	US Treasury Note	51,141	4%	47,196	-	47,196	-	-
10/31/2024	US Treasury Note	49,879	4%	49,440		49,440		-
10/5/2026	Morgan Stanley Bank Salt Lake	140,000	10%	139,415			139,415	-
1/15/2026	Emerson Elec Co	48,618	3%	43,915			43,915	-
2/28/2026	US Treasury Note	102,695	7%	94,555			94,555	-
11/24/2023	Caterpillar Financial SE	101,734	8%	99,760	99,760			-
3/8/2024	Federal Home Loan Bks	50,792	4%	49,369	49,369			-
10/1/2024	Simon Property Group LP	30,559	2%	29,226	-	29,226		-
		$ 1,429,448		$ 1,328,755	$ 265,833	$ 354,572	$ 708,351	$ -

		Maturity			
Investment	Fair Value & Carrying Amount	Less than 1 year	Less than 2 years	2-5 years	6-10 years
U.S. Treasuries	$ 447,378	$ 49,151	$ 187,881	$ 210,346	$ -
U.S. Agencies	278,294	49,369	91,176	137,750	-
U.S. Corporations	512,380	167,314	29,226	315,840	-
Foreign Corporations	90,704	-	46,289	44,415	-
	$ 1,328,755	$ 265,833	$ 354,572	$ 708,351	$ -

The City does not have a policy for interest rate risk or concentration of credit risk but does manage the portfolio to preserve the principal value. Since all the City's cash needs cannot be anticipated, the above securities are traded in active and secondary or resale markets.

NOTE 2 - CASH AND INVESTMENTS (CONCLUDED)

Fair value:

The securities registered in the City's name were purchased at a cost of $1,429,448. The net loss of $100,693 (the difference between cost and fair value) has been recognized in the financial statements as a net loss on investments. There was a current year gain of $15,000 on these investments.

The City's investments in 2a-7-like pools are valued based upon the value of pool shares. The City invests in one 2a-7-like pool, the Idaho State Investment Pool. The advisory board of the Idaho State Investment Pool is composed of members appointed pursuant to the requirements of the Public Funds Investment Act. The State Investment Pool is duly chartered and administered by the State Treasurer's office and consists of US Treasury bills and notes, collateralized certificates of deposit and repurchase agreements.

The balances that the City has in the State Investment Pool are carried at its fair market value of $41,153,609. The City's portion of the State Investment Pool had an unrealized gain of $69,842 as of September 30, 2023, which has been recognized in the financial statements.

The City considers funds held in the State Investment Pool to be cash equivalents, as the average maturity of the underlying securities is less than 90 days, and the City can liquidate the account at any time.

NOTE 3 - ACCOUNTS RECEIVABLE

Governmental activities:
Accounts receivable consist of the following as of September 30, 2023:

Franchise and utility receivables	$819,984
Miscellaneous receivables	76,338
	$896,321

Business-type activities:
Accounts receivable consist of the following as of September 30, 2023:

Amounts due from customers	$	4,658,143
Less allowance for uncollectible accounts		(8,290)
	$	4,649,853

NOTE 4 - SPECIAL ASSESSMENTS RECEIVABLE

Special assessments receivable from benefited property owners of public improvements consist of the following as of September 30, 2023 and are recorded in the debt service fund and water fund:

Governmental activities:

Deferred principal amounts not currently due, but due at a future date	$	94,283

Installment payments of principal and interest due from property owners are billed annually.

See accompanying independent auditors' report.

NOTE 5 - LEASE INCOME

A summary of leases receivable are as follows:

During the year ended September 30, 2000 the City established a lease with AT&T Wireless for rack and tower space located at the City's standpipe at 710 West Wilbur. The original lease called for monthly payments of $900 increasing by 4% each year. The lease was amended in July of 2006 which renewed the terms for up to five additional sixty-month terms. Monthly payments were set at $842.30 with a 10% increase every five years. A second amendment went into effect in February of 2015. This amendment provided an additional increase in rent of $373.47 per month for additional antennas and a yearly increase to the monthly rent of 3%. A third amendment was agreed upon in March of 2021. This amendment included a monthly rent increase of $500 for an increase to the size of the Premises leased to the Tenant. Current monthly payments of $1,621 are being made to the City.

During the year ended September 30, 2003 the City established a lease with VoiceStream PV/SS PCS L.P. for rack and tower space located at the City's standpipe at 4945 Industrial Avenue. The original lease called for monthly payments of $950 increasing by 3% each year. The lease was amended in February of 2015 which increased the rent to $1,486.80 a month and continued the annual increase of 3%. A second amendment went into effect in May of 2016. This amendment provided an additional increase in rent making the monthly rent $1,368 for additional equipment to the "Communications Facilities". A third amendment was agreed upon in October of 2016. This amendment included a monthly rent increase of $500 for an increase to the size of the Premises leased to the Tenant. The agreement automatically renews for five additional five-year terms. As of September 30, 2024 the lease has been renewed for four of the successive five-year terms with the fifth term ending November 30, 2033. Current monthly payments of $2,366.33 are being made to the City.

During the year ended September 30, 2023 the City established a lease with Paul Mason for a mobile food concession at Atlas Mill Park. Under the terms of this lease, yearly payments of $5,000 are made to the City over a three-year period. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change.

During the year ended September 30, 2018 the City established a lease with Luntenterprises, LLC for Bay 5 on the south side of the City dock. On September 7, 2021 this lease was assigned to Scenic Adventure Flights, LLC. Under the terms of this lease, yearly payments of $5,992.60 are made to the City for a five-year period commencing April 1, 2018. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $7,099.

During the year ended September 30, 2022 the City established a lease with Lake Coeur d'Alene Cruises, Inc. for Bays 1, 2 and 3 on the east side of the City dock and Bays 6, 7 and 8 on the west side of the City dock. Under the terms of this lease, yearly payments of $47,014.33 are made to the City for a five-year period commencing April 1, 2022. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $49,976.

During the year ended September 30, 2021 the City established a lease with Indy Point Concessions LLC for a mobile food concession at Independence Point. Under the terms of this lease, yearly payments of $9,000 are made to the City over a three-year period commencing May 1, 2021. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $10,072.

During the year ended September 30, 2017 the City established a lease with the Coeur d'Alene Arts and Culture Alliance for operating and managing the Riverstone Concert Series held at Riverstone Park. Under the terms of this lease, yearly payments of $3,500 are made to the City over a three-year period and can be renewed for three additional years.

NOTE 5 - LEASE INCOME (CONTINUED)

During the year ended September 30, 2019 the City established a lease with Coeur d'Alene Parasail and Watersports, Inc. for Bay 4 on the east side of the City dock and Bay 9 on the west side of the City dock. Under the terms of this lease, yearly payments of $10,117.48 are made to the City for a four-year period commencing May 1, 2019. The lessee may request a four-year extension. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $11,899.

During the year ended September 30, 2018 the City established a lease with Davis Enterprises, Inc. for the use of McEuen Park on Wednesday evenings for "Live After Five" concert events. Under the terms of this lease, Davis Enterprises will pay the City $500 per concert and for the yearly three big ticketed shows, an additional $3 per ticket sold. This lease includes a renewable option at the conclusion of the 2020 season which extended the lease through the 2023 season.

During the year ended September 30, 2021 the City established a lease with The Buoy, LLC for use of the McEuen Park Rotary Harbor House for the purpose of operating and maintaining food, beer and wine concessions. Under the terms of this lease, yearly payments of $16,000 are made to the City over a three-year period commencing April 1, 2021. This lease includes a three-year renewable option at the conclusion of the 2023 season. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $17,906.

During the year ended September 30, 2021 the City extended a lease with Eleventh Street Dock Owners Association, Inc for five years for the right to maintain movable docks and dock storage and booms fronting or adjacent to the shoreline. Under the terms of this lease, yearly payments of $7,182.67 are made to the City for a five-year period commencing November 2, 2021. The lessee may request a five-year extension. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $11,125.

During the year ended September 30, 2022 the City established a lease with Coeur d'Alene on Ice, LLC for use of the Avista Pavilion and McEuen Park for the purpose of operating a seasonal ice-skating rink. This lease was assigned to VMC Northwest LLC in the fall of 2023. Under the terms of this lease, yearly payments of $6,000 are made to the City over a five-year period commencing October 15, 2021. This lease includes a renewable option at the conclusion of the 2026 season for an additional five years. The annual lease fee will increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The five-year extension will begin with yearly payments of $10,000 and also increase by the Bureau of Labor Statistics Consumer Price Index (CPI-U) West Region annual change. The yearly payment for fiscal year 2022-23 was $12,498.

During the year ended September 30, 2022 the City established a lease with King Morton, LLC for five years for the right to operate a water-based boat delivery system, available to the public, for rental of watercraft, captained surf boats, and pontoon boats on the Spokane River near Harbor Center. Under the terms of this lease, yearly payments of $20,000 are made to the City for a five-year period commencing June 7, 2022. The lessee may request a five-year extension.

NOTE 5 - LEASE INCOME (CONTINUED)

The following is a schedule of future payments included in the measurement of the lease receivable as of September 30, 2023:

Parks Capital Improvement Fund:

Year Ended September 30,	Principal	Interest	Total
2024	$ 90,794	$ 5,900	$ 96,694
2025	92,367	4,067	96,434
2026	89,542	2,203	91,745
2027	19,605	396	20,001
	$ 292,308	$ 12,566	$ 304,874

Water Fund:

Year Ended September 30,	Principal	Interest	Total
2024	$ 34,749	$ 12,549	$ 47,298
2025	36,806	11,327	48,133
2026	38,957	10,036	48,993
2027	43,020	8,643	51,663
2028	45,613	7,124	52,737
2029-2033	196,426	14,179	210,605
	$ 395,571	$ 63,858	$ 459,429

NOTE 6- CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2023 is as follows:

Plant, equipment and intangibles and accumulated depreciation/amortization for governmental activities are as follows:

	September 30, 2022	Additions	Deletions	Transfers Adjustments	September 30, 2023
Governmental activities:					
Land	$ 19,768,192	$ 1,187,308	$ -	$ -	$ 20,955,500
Construction in progress	626,495	589,101	-	(522,284)	693,312
Total capital assets, not being depreciated	20,394,687	1,776,409	-	(522,284)	21,648,812
Buildings	25,702,987	284,386	21,776	461,037	26,426,634
Other Improvements	18,439,274	872,128	-	-	19,311,402
Equipment	31,200,454	2,318,151	280,546	215,423	33,453,482
Infrastructure	139,567,166	1,917,099	-	61,247	141,545,512
Subscription arrangements	-	352,083	-	-	352,083
Total capital assets, being depreciated and amortized	214,909,881	5,743,847	302,322	737,707	221,089,113
Less: accumulated depreciation and amortization					
Buildings	12,517,462	752,128	19,598	-	13,249,992
Other Improvements	6,284,849	611,530	-	-	6,896,379
Equipment	21,237,721	1,603,000	280,546	215,423	22,775,598
Infrastructure	70,247,063	3,294,535	-	-	73,541,598
Subscription arrangements	-	20,341	-	-	20,341
	110,287,095	6,281,534	300,144	215,423	116,483,908
Total capital assets being depreciated, net	104,622,786	(537,687)	2,178	953,130	104,605,205
Governmental activities capital assets net	$ 125,017,473	$ 1,238,722	$ 2,178	$ 430,846	$ 126,254,017

Depreciation and amortization expense was charged to functions/programs for the governmental activities as follows:

Governmental activities:	
General government	$ 174,097
Public Works	3,898,755
Culture and Recreation	1,206,915
Public Safety	1,001,767
	$ 6,281,534

NOTE 6 - CAPITAL ASSETS (CONCLUDED)

Plant and equipment and accumulated depreciation for business-type activities are as follows:

	September 30, 2022	Additions	Deletions	Adjustments	September 30, 2023
Business-type activities:					
Land	$ 4,667,226	$ -	$ -	$ -	$ 4,667,226
Construction in progress	7,233,533	2,616,335	-	(2,729,770)	7,120,098
Total capital assets, not being depreciated'	11,900,759	2,616,335	-	(2,729,770)	11,787,324
Reservoir	7,020,237	-	-	-	7,020,237
Wells and booster stations	13,021,539	432,111	-	-	13,453,650
Distribution system	103,499,796	2,830,883	-	-	106,330,679
Collection	52,408,518	2,191,440	-	1,864,837	56,464,794
Plant	140,713,304	446,043	-	798,320	141,957,667
Street lights	790,986	-	-	-	790,986
Equipment	13,876,866	1,188,753	-	(215,423)	14,850,196
Improvements	25,958,057	534,993	-	66,613	26,559,664
	357,289,303	7,624,223	-	2,514,347	367,427,873
Less: accumulated depreciation					
Reservoir	5,475,634	204,446	-	-	5,680,080
Wells and booster stations	5,432,370	228,626	-	-	5,660,996
Distribution system	46,483,523	2,217,544	-	-	48,701,067
Collection	16,832,362	969,902	-	-	17,802,264
Plant	64,987,468	3,385,805	-	-	68,373,273
Street lights	733,422	6,357	-	-	739,779
Equipment	8,674,809	800,701	-	215,423	9,260,087
Improvements	10,458,330	1,066,449	-	-	11,524,779
	159,077,918	8,879,830	-	215,423	167,742,325
Total capital assets being depreciated, net	198,211,385	(1,255,607)	-	2,729,770	199,685,548
Business-type activities capital assets net	$ 210,112,143	$ 1,360,728	$ -	$ (5,459,540)	$ 211,472,872

Depreciation expense was charged to business-type activities as follows:

Business-type activities:	
Water	$ 3,047,606
Wastewater	4,498,667
Street Lighting	6,357
Drainage	450,371
Public Parking	876,829
	$ 8,879,830

See accompanying independent auditors' report.

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Balance 10/1/2022	Additions	Deletions	Balance 9/30/2023	Due Within One Year	Due Within More Than One Year
Governmental activities:						
General obligation bonds payable	$ 2,529,347	$ -	$ 828,230	$ 1,701,117	$ 859,683	$ 841,434
Deferred amounts:						
For issuance premium	23,201	-	7,731	15,470		15,470
Total bonds payable	2,552,548	-	835,961	1,716,587	859,683	856,904
Capital leases	490,041	-	75,158	414,883	414,883	-
Subscription IT liabilities	-	353,442	82,382	271,060	74,500	196,560
Compensated absences	4,273,776	370,459	-	4,644,235	272,684	4,371,551
Governmental activities Long-term liabilities	$ 7,316,365	$ 723,901	$ 993,501	$ 7,046,765	$ 1,621,750	$ 5,425,015
Business-type activities:						
Revenue bonds payable	$ 32,133,077		$ 2,422,672	$ 29,710,405	$ 2,515,657	$ 27,194,748
Deferred amounts:						
For issuance premium	4,542,474		486,812	4,055,662		4,055,662
Total bonds payable	36,675,551	-	2,909,484	33,766,067	2,515,657	31,250,410
Capital Leases	392,938	-	39,304	353,634	353,634	-
Compensated absences	622,926		31589	591,337	33,077	558,260
Business-type activities: Long-term liabilities	$ 37,691,415	$ -	$ 2,980,377	$ 34,711,038	$ 2,902,368	$ 31,808,670

The City's long-term obligations at year-end consist of the following:

Revenue bonds payable from the wastewater fund at September 30, 2023, are composed of the following issues:

On December 15, 2009, the City entered into a loan agreement with the State of Idaho, Department of Environmental Quality for an amount not to exceed $13,000,000 at a .5% interest rate to be repaid in biannual installments over 20 years. The State of Idaho is authorized by Title 39, Chapter 36, Idaho Code, to make loans from the Wastewater Treatment Facility Loan Account to assist municipalities in the construction of wastewater treatment facilities. The loan to the City of Coeur d'Alene was for a wastewater treatment plant upgrade. The upgrade was being driven by the necessity to meet changing National Pollutant Discharge Elimination System discharge limits. The upgrade added a new sludge digester, a digester control building, a digester handling building, an administration/lab building and a maintenance shop building. On March 13, 2013, this loan was closed out and converted to Sewer Revenue Bond, Series 2013, with a principal amount owing of $12,257,859. The City pledges income derived on the acquired or constructed assets to pay debt service.

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Revenue bonds payable from the wastewater fund at September 30, 2023 (continued):

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
2013 Sewer Revenue Bonds	2024	0.50%	615,657	29,184	644,841
	2025	0.50%	618,821	26,020	644,841
	2026	0.50%	621,919	22,922	644,841
	2027	0.50%	625,033	19,808	644,841
	2028	0.50%	628,114	16,727	644,841
	2029	0.50%	631,306	13,535	644,841
	2030	0.50%	634,467	10,374	644,841
	2031	0.50%	637,643	7,198	644,841
	2032	0.50%	640,822	4,019	644,841
	2033	0.50%	321,623	797	322,420
Total 2013 Sewer Revenue Bonds			$5,975,405	$150,584	$6,125,989

On December 1, 2022, the City issued the "Series 2022 Bonds" sewer revenue bonds. The Series 2022 A Bonds with a principal amount owing of $21,865,000 were issued to refund outstanding principal amounts of the City's Sewer Revenue Bond, Series 2015 and the City's Revenue Bonds, Series 2020, and to pay to costs of issuance of the Series 2022 A Bonds. The Series 2022 B Bonds with a principal amount of $5,035,000 were issued to taxably advance refund the outstanding principal amount of the City's Sewer Revenue Refunding Bond, Series 2012 and to pay the costs of issuance of the Series 2022 B Bonds. The Series 2022 Bonds bear interest payable semiannually on each March 1 and September 1, beginning March 1, 2023 to the maturity of the Series 2022 Bonds. Principal will be payable annually each September 1.

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
2021A Sewer Revenue Refunding Bonds	2024	4.00%	30,000	874,600	904,600
	2025	4.00%	1,995,000	873,400	2,868,400
	2026	4.00%	2,075,000	793,600	2,868,600
	2027	4.00%	2,160,000	710,600	2,870,600
	2028	4.00%	2,245,000	624,200	2,869,200
	2029	4.00%	2,335,000	534,400	2,869,400
	2030	4.00%	2,425,000	441,000	2,866,000
	2031	4.00%	2,525,000	344,000	2,869,000
	2032	4.00%	2,625,000	243,000	2,868,000
	2033	4.00%	3,050,000	138,000	3,188,000
	2034	4.00%	400,000	16,000	416,000
			$21,865,000	$5,592,800	$27,457,800

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Revenue bonds payable from the wastewater fund at September 30, 2023 (continued):

The refunded bonds were all issued to finance or refinance various capital improvements to the City's wastewater system and all are privately held. The Series 2022 Bonds are revenue obligations of the system. Neither the full faith and credit nor the taxing power of the City is pledged to the payment of the Series 2022 Bonds.

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
2021B Sewer Revenue Refunding Bonds	2024	5.00%	1,870,000	93,500	1,963,500
			$1,870,000	$93,500	$1,963,500

General Obligation Bonds payable for the governmental activities at September 30, 2023, consist of the following issue:

On August 4, 2015 the City issued $6,000,000 in General Obligation Bonds for construction, acquisition and equipping of shared police / fire facilities and a mobile command / crime scene trailer and vehicle; construction and equipping of certain covered parking areas for police vehicles; acquisition and installation of a public safety camera network; and acquisition of certain fire protection vehicles and equipment; together with all necessary appurtenant facilities, improvements and equipment. The principal of the 2015A Bonds shall be payable annually on the 1st of August and shall bear interest at the rate of 2.05% payable semiannually on February 1st and August 1st in each year until maturity.

The City also issued $1,719,106 in General Obligation Bonds on August 4, 2015 for the purpose of refunding the 2006 General Obligation Bonds. The principal of the 2015B Bonds shall be payable annually on August 1st and shall bear interest at the rate of 2.05% payable semiannually on February 1st and August 1st in each year until maturity.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 10-year serial bonds.

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
2015A Public Safety Bonds:	2024	2.05%	654,792	27,122	681,914
	2025	2.05%	668,215	13,698	681,913
Total 2015A Public Safety Bonds			$1,323,007	$40,820	$1,363,827
Issue	FY End 30-Sep	Rate	Principal	Interest	Total
2015B Public Safety Bonds:	2024	2.05%	186,642	7,751	194,393
	2025	2.05%	191,468	3,925	195,393
Total 2015B Public Safety Bonds			378,110	11,676	389,786
Total General Obligation Bonds			$1,701,117	$52,496	$1,753,613

There are a number of covenants, limitations and other requirements contained in the various bond indentures. The City is in substantial compliance with these requirements at September 30, 2023.

See accompanying independent auditors' report.

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Capital Leases – The City of Coeur d'Alene entered into a master-lease purchase agreement with John Deere Financial on November 25, 2013 for the purchase of six loaders and a snow blower. The City chose not to make the final balloon payment on this lease and returned the loaders to John Deere in fiscal year 2018-19 removing the liability to the City.

An additional lease was entered into with John Deere on December 31, 2014 for the purchase of a grader. The total purchase price for the grader was $238,075. Annual payments of $20,591 were due December 31st of each year for five years beginning on December 31, 2014. A balloon payment of $156,700 was due on December 31, 2019. The City chose not to make the balloon payment and instead renegotiated and extended the lease for an additional 5 years on June 30, 2020. Annual payments of $33,881 are due June 30th of each year for five years beginning on June 30, 2020.

The City entered into a lease with Caterpillar Global Services LLC on January 28, 2019 for the purchase of 4 loaders. Three of the loaders will be used for governmental activities and one will be used for business-type activities in the water fund. An additional lease was entered into on March 19, 2019 also with Caterpillar for the purchase of 2 loaders that will be used for business-type activities in the wastewater fund.

The total purchase price for the business-type loaders for the water and wastewater funds was $556,815. Annual payments of $42,059 for the wastewater loaders are due March 5th of each year for five years beginning on March 5, 2019 with a balloon payment of $246,796 due on March 5, 2024. Annual payments for the water fund loader of $18,267 are due each year on Dec 15th for five years beginning on January 1, 2019 with a balloon payment of $106,838 due on January 31, 2024. The total purchase price for the governmental loaders was $607,397. Annual payments of $65,253 are due January 31st of each year for five years beginning on January 31, 2019. A balloon payment of $381,650 is due on January 31, 2024. The interest rate 5.35%.

Capital leases payable from governmental activities at September 30, 2023 consist of the following:

Minimum lease payments under capital leases for governmental activities are as follows:

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
General Fund - John Deere Financial Lease for 2014 Grader	2024	1.9%	$ 33,233	$ 648	$ 33,881
					-
			33,233	648	33,881
Issue	FY End 30-Sep	Rate	Principal	Interest	Total
General Fund - Caterpillar Financial Lease for 2018 Loaders	2024	5.35%	381,650	20,417	402,067
					-
			381,650	20,417	402,067
			$ 414,883	$ 21,065	$ 435,948

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (CONTINUED)

Minimum lease payments under capital leases for governmental activities are as follows:

Year ending September 30	Governmental Activities
2024	$ 435,948
	-
Total minimum lease payments	435,948
Less: amount representing interest	21,065
Present value of minimum lease payments	$ 414,883

Capital leases payable from business-type activities at September 30, 2023 consist of the following issues:

Issue	FY End 30-Sep	Rate	Principal	Interest	Total
Wastewater Fund - John Deere Financial Lease for a 2018 Wheel Loader	2024	5.35%	$ 128,144	$ 6,856	$ 135,000
					-
			128,144	6,856	135,000
Wastewater Fund - John Deere Financial Lease for a 2018 Wheel Loaders	2024	5.35%	118,652	6,348	125,000
					-
			118,652	6,348	125,000
Water Fund - John Deere Financial Lease for a 2018 Wheel Loader	2024	5.35%	106,838	5,715	112,553
					-
			106,838	5,715	112,553
			$ 353,634	$ 18,919	$ 372,553

Minimum lease payments under capital leases for business-type activities are as follows:

Year ending September 30	Business-type Activities
2024	$ 372,553
	-
Total minimum lease payments	372,553
Less: amount representing interest	18,919
Present value of minimum lease payments	$ 353,634

See accompanying independent auditors' report.

NOTE 7 – BONDS, LEASES AND SUBSCIPTION-BASED INFORMATION TECHNOLOGY INFORMATION TECHNOLOGY ARRANGEMENTS (CONCLUDED)

Subscription based information technology arrangements – The City has obtained subscription-based information technology arrangements through long-term contracts. The terms and conditions of these contracts vary. Some contracts are fixed, and others are period payments over the contract terms. The interest rates on these leases are 2%.

Governmental Activities Fiscal Year	Principal	Interest	Total Payments
2024	$ 74,500	$ 5,471	$ 79,971
2025	72,039	3,967	76,006
2026	61,639	2,513	64,152
2027	62,882	1,269	64,151
	$ 271,060	$ 13,220	$ 284,280

The following is a schedule of maturities of bonds, lease, compensated absences and subscription liabilities for all governmental activities:

Year	General Obligation Bonds	Capital Leases	Compensated Absences	Subscription Liabilities	Total (Memo Only)
Unknown	$ -	$ -	$ 4,371,551	$ -	$ 4,371,551
2024	841,434	414,883	272,684	74,500	1,603,501
2025	859,683	-	-	72,038	931,721
2026	-	-	-	61,639	61,639
2027	-	-	-	62,883	62,883
	1,701,117	414,883	4,644,235	271,060	7,031,295
Plus issuance premium- net	15,470	-	-	-	15,470
	$ 1,716,587	$ 414,883	$ 4,644,235	$ 271,060	$ 7,046,765

The following is a schedule of maturities of bonds, lease and loan obligations for all business-type activities:

Year	Wastewater 2013 Revenue Bonds	Wastewater 2021A Revenue Bonds	Wastewater 2021B Revenue Bonds	Capital Leases	Compensated Absences	Total (Memo Only)
Unknown	$ -	$ -	$ -	$ -	$ 558,260	$ 558,260
2024	615,657	30,000	1,870,000	353,634	33,077	2,902,368
2025	618,821	1,995,000	-	-	-	2,613,821
2026	621,919	2,075,000	-	-	-	2,696,919
2027	625,033	2,160,000	-	-	-	2,785,033
2028	628,114	2,245,000	-	-	-	2,873,114
Thereafter	2,865,861	13,360,000	-	-	-	16,225,861
	5,975,405	21,865,000	1,870,000	353,634	591,337	30,655,376
Plus issuance premium- net	-	4,282,620	259,854	-	-	4,055,662
	$ 5,975,405	$ 26,147,620	$ 2,129,854	$ 353,634	$ 591,337	$ 34,711,038

See accompanying independent auditors' report.

NOTE 8 - INTERFUND TRANSACTIONS

Due to/from other funds as of September, 30 2023:

Receivable Fund	Payable Fund	Amount
General Fund	Non-major governmental funds	$ 94,283
Wastewater fund	General Fund	1,185,012
Wastewater fund	Capital projects fund	8,295,087
		$ 9,574,382

The interfund receivable between the general fund and debt service funds – LID 151 originated when the City financed the special assessments for improvements on Front Street through the general fund as opposed to selling bonds. The LID 151 receivable will be paid back by the end of fiscal year 2025. The benefitted property owners are billed annually each year in April. LID 151 is billed with an interest rate of 4%.

The interfund receivable between wastewater and the general fund and between wastewater and the capital projects fund, Atlas Waterfront Site, commenced when the City began the process of buying 47 acres of property along and near the Spokane River. The parcel is parallel to Seltice Way and has ingress at Seltice Way and Atlas Road. The general fund is accruing interest on this receivable on a quarterly basis at 1.5%. The projected payback period is approximately nine years with payments projected to come from ignite cda, the City's urban renewal district, as tax increment on the property becomes available. The City donated approximately 45.48 acres of this property to ignite cda, the City's urban renewal agency during fiscal year 2019-20 with the desire that the Agency facilitate the development of the property. Ignite cda intends to reimburse the City for the City's acquisition costs for the property to the extent that ignite's board determines its revenues from development of the property exceed ignite's costs of development.

Interfund transfers as of September 30, 2023:

Fund	Transfers In	Transfers Out
General fund	$ 3,538,813	$ 1,913,000
Capital projects fund	2,004,516	-
Non major governmental funds	338,447	888,814
Water fund		635,122
Wastewater fund	-	851,148
Sanitation fund		715,082
Non major enterprise funds	-	878,610
	$ 5,881,776	$ 5,881,776

The principal purposes for the transfer of funds from the enterprise funds to the general fund are to cover the administration costs of operating the City's utility division.

See accompanying independent auditors' report.

NOTE 9 - INSURANCE

The City of Coeur d'Alene participates in the Idaho Counties Reciprocal Management Program (ICRMP) for insurance. ICRMP is an insurance pool which serves all public entities in Idaho through provision of property, general liability (employee torts), auto liability and physical damages, and public officials' insurance (errors and omissions). ICRMP provides loss prevention training to enable its subscribers to minimize their exposure to loss through funds to pay premiums and settlements.

The City also participates in the Idaho State Insurance Fund. This statewide program provides coverage for workers' compensation claims. The City is charged premiums by a rating method the program uses. This rating method is based on a per employee job risk basis. After the end of every year, the City is audited, and based on their claims throughout the year, can be eligible for a refund. If the usage was excessive throughout the year, the Insurance Fund increases the employee ratings where the use was excessive, causing the rates to increase for the following year.

The premiums for this program are budgeted directly through each department.

Health Insurance

The City of Coeur d'Alene created the City of Coeur d'Alene Employee Benefits Trust, "The Plan", effective January 1, 2020 in order to provide healthcare coverage for its employees and dependents through a self-funded healthcare benefit plan. The Plan provides optional health care benefits to employees of the City who are full time regular employees who work at least 30 hours per week, their dependents, or COBRA eligible participants. Ignite cda, the City's urban renewal district employees are also eligible to participate in the Plan. Coverage commences on the first day of the month following a sixty-day waiting period.

There were no significant reductions in insurance coverage from coverage in the prior year.

NOTE 10 - CONTINGENCIES

Intergovernmental Grants – The City has received several federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant. Based upon prior experience, City management believes such disallowances, if any, will be immaterial.

Litigation – The City is a defendant in various legal proceedings arising in connection with its operations. Several legal matters exist at September 30, 2023, which are in various stages of discovery and proceedings. Certain of these matters involve claimed amounts, which are material to the City's basic financial statements. Claims subject to Idaho law are limited to a statutory maximum of $500,000. Claims subject to federal law are not limited. The City intends to vigorously defend itself in these pending actions. In accordance with the applicable accounting guidelines, management has recognized an estimated loss only for those matters which it has deemed an unfavorable outcome is probable and the amount of loss is reasonably estimable.

NOTE 11 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The government issued revenue bonds to finance its wastewater department. Investors in the revenue bonds rely solely on the revenue generated by the individual activities for repayment.

CONDENSED STATEMENT OF NET POSITION

	Wastewater Funds
Assets:	
Current assets	$ 39,625,549
Capital assets	117,427,243
Total assets	157,052,792
Deferred outflows of resources:	847,504
Liabilities:	
Current liabilities	3,966,026
Noncurrent liabilities	33,577,842
Total liabilities	37,543,868
Deferred inflows of resources:	19,900
Net position:	
Net investment in capital assets	83,414,380
Unrestricted	36,922,148
Total net position	$ 120,336,528

CONDENSED STATEMENT OF
REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Wastewater Funds
Charges for services	$ 14,830,252
Depreciation expense	(4,498,667)
Other operating expenses	(5,678,883)
Net pension expense (revenue)	(452,573)
Operating income	4,200,129
Non-operating revenues (expenses):	
Capitalization fees	1,365,851
Investment earnings	1,458,374
Interest expense	(1,094,796)
Amortization	486,812
Gain on sale of assets	3,392
Capital contributions	865,473
Operating transfer out	(851,148)
Change in net position	6,434,087
Beginning net position	113,902,441
Ending net position	$ 120,336,528

NOTE 11 - SEGMENT INFORMATION FOR ENTERPRISE FUNDS (CONCLUDED)

CONDENSED STATEMENT OF CASH FLOWS

	Wastewater Funds
Net cash provided (used) by:	
Operating activities	$ 8,908,747
Noncapital financing activities	(851,148)
Capital and related financing activities	(5,896,095)
Investing activities	1,458,374
Net increase (decrease)	3,619,878
Beginning cash and cash equivalents	24,541,466
Ending cash and cash equivalents	$ 28,161,344

NOTE 12 - FUND BALANCE CLASSIFICATIONS

The City has adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the City to classify and report amounts in the appropriate fund balance classifications. The City's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of non-spendable, restricted, committed, assigned, or unassigned.

The City reports the following classifications:

Restricted Fund Balance — Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances when legally enforceable legislation establishes a specific purpose for the funds. Legal enforceability means that the City can be compelled by an external party (e.g., citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed Fund Balance — Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the City Council. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the City Council. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance – Assigned fund balances are amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Assigned fund balances do not have to be made by the City Council, they are more easily imposed and removed and they may be assigned for specific purposes even after the City's year end.

NOTE 12 - FUND BALANCE CLASSIFICATIONS (CONCLUDED)

General Fund	
Restricted	
KCJA drug task force	$ 36,863
Coeur d'Alene Lake Drive - funds from Idaho Department of Transportation	808,392
Bellerive subdivision agreement	23,046
	$ 868,301
Committed	
Police training carryover per contract	16,000
Police Department Expansion / Remodel	967,000
Street Department Building remodel	440,756
Building Department carryover for Street Department building upgrades	57,612
Highway User Fees	1,325,000
Sick leave option 2	185,441
	$ 2,991,809
Assigned	
Recreation department reserve	10,255
City wide automation carryover from fiscal year 2022-23	166,715
City wide automation carryover from fiscal year 2022-23 - wage savings	170,028
Lake District URD remaining funds distribution	599,147
Carryover for overlay / chipseal program	396,106
	$ 1,342,251
Other Governmental Funds	
Restricted	
Special revenue funds - Impact fees	$ 6,027,890
Special revenue funds - Jewett House	155,926
Debt Service funds - General Obligation Bonds	133,812
	$ 6,317,628
Committed	
Special revenue funds - Library	$ 133,763
Special revenue funds - Cemetery	197,336
Special revenue funds - Parks capital improvements	947,254
Special revenue funds - Cemetery perpetual care	1,088,945
Special revenue funds - Reforestation	175,871
Special revenue funds - Public art	637,347
	$ 3,180,516
Assigned	
Special revenue funds - Annexation fees	$ 1,071,360

See accompanying independent auditors' report.

NOTE 13 - PENSION PLANS

PERSI BASE PLAN

Plan Description

The City of Coeur d'Alene contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 74% for police and firefighters. As of July 1, 2022, it was 7.16% for general employees and 9.13% for police and firefighters. The percentages changed on July 1, 2023, to 6.71% for general employees and 9.83% for police and firefighters. The employer contribution as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees and 12.28% for police and firefighters, as of July 1, 2022. The percentages changed on July 1, 2023, to 11.18% for general employees and 13.26% for police and firefighters. The City's contributions were $3,191,823 for the year ended September 30, 2023.

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI BASE PLAN

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

At September 30, 2023, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2023, the City's proportion was .7505651 percent.

For the year ended September 30, 2023, the City recognized pension (revenue) expense of $7,951,250. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,134,486	$ -
Changes in assumptions or other inputs	2,966,159	-
Net difference between projected and actual earnings on pension plan investments	2,811,700	-
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	48,107	192,861
City's contributions subsequent to the measurement date	975,049	-
Total	$ 11,935,501	$ 192,861

$975,049 reported as deferred outflows of resources related to pensions resulting from City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2023.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2020 the beginning of the measurement period ended June 30, 2022 is 4.6 years and 4.6 years for the measurement period June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended June 30:	
2024	3,844,530
2025	1,760,833
2026	5,628,536
2027	(464,995)

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI BASE PLAN (continued)

Actuarial Assumptions

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

The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases**	3.05%
Investment rate of return*	6.35%
Cost-of-living (COLA) adjustments	1.00%

*net of pension plan investment expense
**there is an individual additional component of assumed salary grown (on top of the 3.05%) that varies for each individual member based on the years of service.

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries, as well as for the Judicial members. These rates were adopted for the valuation dated July 1, 2021.

Contributing Members, Service Retirement Members, and Beneficiaries

General Employees and All Beneficiaries - Males Pub-2010 General Tables, increased 11%.
General Employees and All Beneficiaries - Females Pub-2010 General Tables, increased 21%.
Teachers - Males Pub-2010 Teacher Tables, increased 12%.
Teachers - Females Pub-2010 Teacher Tables, increased 21%.
Fire & Police - Males Pub-2010 Safety Tables, increased 21%. Fire & Police - Females Pub-2010 Safety Tables, increased 26%. Disabled Members - Males Pub-2010 Disabled Tables, increased 38%. Disabled Members - Females Pub-2010 Disabled Tables, increased 36%.

An experience study was performed for the period July 1, 2015, through June 30, 2020 which reviewed all economic and demographic assumptions including mortality. The Total Pension Liability as of June 30, 2023, is based on the results of an actuarial valuation date of July 1, 2023.

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

NOTE 13 - PENSION PLANS (CONTINUED)

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

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

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI BASE PLAN (continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.35 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease 5.35%	Current Discount Rate 6.35%	1% Increase 7.35%
City's proportionate share of the net pension liability (asset)			
Total Plan	$ 53,875,004	$ 29,954,835	$ 10,404,583

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the pension plan

At September 30, 2023, the City reported payables to the defined benefit pension plan of $274,832 for which legally required employer contributions and $165,340 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI FRF PENSION PLAN

Plan Description

The City of Coeur d'Alene contributes to the FRF which is a cost-sharing multiple-employer defined benefit pension plan administered by Public Employee Retirement System of Idaho (PERSI or System) that covers a closed group of firefighters who were hired before October 1, 1980, and who received benefits in addition to those provided under the PERSI Base Plan. The cost to administer the plan is financed through the contributions and investment earnings of the FRF. Additional FRF funding is obtained from receipts from a state fire insurance premium tax. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Responsibility for administration of the FRF is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active System members with at least ten years of service and three members who are Idaho citizens not members of the System except by reason of having served on the Board.

Pension Benefits

The FRF provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service as well as the final average salary. A firefighter must have 5 years of service to be eligible for a lifetime retirement allowance at age 60. Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance is based on Idaho Code Title 72 Chapter 14.

The benefit payments for the FRF are calculated using a benefit formula adopted by the Idaho Legislature. The FRF cost of living increase is based on the increase in the statewide average firefighter's wage.

Member and Employer Contributions

Member and employer contributions paid to the FRF are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

As of June 30, 2023, the total FRF employer contribution rate was 12.28%. The FRF member rate for the year for class B is 11.45% which is 3.00% above the class 2 rate of 8.81%. The City's contributions were $-0- for the year ended September 30, 2023.

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

At September 30, 2023, the City reported a liability for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City share of contributions in the FRF pension plan relative to the total contributions of all participating FRF employers. At June 30, 2023, the City's proportion was 8.3827379 percent.

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI FRF PENSION PLAN (continued)

For the year ended September 30, 2023, the City recognized pension expense (revenue) of ($1,531,817). At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	755,817	-
Changes in the City's proportion and differences between the City's contributions and the City's proportionate contributions	-	-
City's contributions subsequent to the measurement date	-	-
Total	$ 755,817	$ -

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

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at July 1, 2020 the beginning of the measurement period ended June 30, 2022 is 1 year and 1 year for the measurement period June 30, 2023.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended June 30:	
2024	58,666
2025	(241,397)
2026	1,140,441
2027	(201,893)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. Unfunded actuarial accrued liability for FRF is the difference between the actuarial present value of the FRF benefits not provided by the Base Plan and the FRF assets. Currently FRF assets exceed this actuarial present value; therefore, there is not an unfunded liability to amortize at this time. The maximum amortization period for the FRF permitted under Section 59-1394, Idaho Code, is 50 years.

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI FRF PENSION PLAN (continued)

Actuarial Assumptions (continued)

The total pension asset in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

*3.05 percent COLA is assumed for rthe gross benefit paid to members of FRF. A 1.00 percent COLA is assumed for PERSI benefit offsets used to determine the benefits paid by FRF.
**there is an individual additional component of assumed salary grown (on top of the 3.05%) that varies for each individual member based on the years of service.

Mortality rates were based on the RP - 2000 combined table for healthy males or females as appropriate with the following offsets:

- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2015, through June 30, 2020 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2017 for the period from July 1, 2011 through June 30, 2017. The Total Pension Asset as of June 30, 2023, is based on the results of an actuarial valuation date of July 1, 2022.

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

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. These rates were adopted for the valuation dated July 1, 2022.

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI FRF PENSION PLAN (continued)

Actuarial Assumptions (continued)

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

Discount Rate

The discount rate used to measure the total pension liability was 6.35%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate

The following presents the Employer's proportionate share of the net pension asset calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension asset would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease 5.35%	Current Discount Rate 6.35%	1% Increase 7.35%
City's proportionate share of the net pension liability (asset)			
Total Plan	$ (18,126,791)	$ (19,817,023)	$ (21,290,138)

NOTE 13 - PENSION PLANS (CONTINUED)

PERSI FRF PENSION PLAN (continued)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

At September 30, 2023, the City reported payables to the defined benefit pension plan of $100,882 for which legally required employer contributions and $57,942 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

POLICE RETIREMENT FUND

Single-Employer Defined Benefit Pension Plan

Plan Description: The City of Coeur d'Alene maintains a single-employer defined benefit pension plan, the police retirement fund. Title 50, Chapter 15, of the Idaho Code allowed the City of Coeur d'Alene to create a policemen's retirement fund. Title 2, Chapter 2.80, of the City of Coeur d'Alene Code, created the police retirement fund. A Board of police retirement Commissioners consisting of the Council and three members of the Police Department is the administrator of the fund and has the authority to establish and amend benefits and contributions. The police retirement fund is responsible for the payment of benefits to police officers who were hired before April 12, 1967 and their eligible surviving spouses. Funding for these benefits come from two sources:

(1) Investment earnings on the fund

(2) Property taxes

The City's police retirement fund is a closed group. No new members are permitted and no active members remained in the fund as of May 31, 1991. All members have retired and all benefit obligations except for future cost-of-living increases have been determined. There are two members and three spouses currently receiving benefits. There are no terminated members entitled to but not yet receiving benefits. Separate financial statements are not issued for the police retirement fund.

Police officers may retire after 25 years of service or at attainment of age 60. The amount of annual pension is 50% of the average annual salary in the five highest salary years out of the ten years of service preceding retirement.

There is no age and service requirement for disability retirement. Disabled members are paid an annual pension equal to 50% of the annual salary attached to the rank held by the disabled member, payable if the disablement was wholly attributable to service. If the disablement was only partially attributable to service, the benefit is proportionately reduced.

If a retired member has been married for at least five years prior to death, a pension of 75% of the retirement benefit to which the member was entitled at the time of their death is payable to their widow(er) until their death or remarriage. This benefit is increased to the full retirement benefit if there are minor children.

NOTE 13 - PENSION PLANS (CONTINUED)

The police retirement fund is accounted for on a flow of economic resources measurements focus and uses the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The fair value of investments is determined by the trust department of the bank that administers the fund's investment portfolio. Publicly traded assets are valued in accordance with market quotations. Assets which are not publicly traded may reflect values from other external sources or special valuations prepared by the trust department.

Pension Liabilities, Pension Expense (Revenue) and deferred outflows of resources Related to Pensions

At September 30, 2023, the City reported a net pension liability of $933,558 for the police retirement trust fund. The City recognized $87,721 of pension expense related to the police retirement pension plan.

At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 239,594	$ 351,140
Changes in assumptions	316,034	166,321
Net difference between projected and actual earnings on pension plan investments	31,026	906
	$ 586,654	$ 518,367

Changes in the Net Pension Liability

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

Year ended June 30:	
2024	56,485
2025	57,387
2026	54,846
2027	(14,365)
2028	(32,704)
2029	(63,233)
2030	9,869

The investment return was .45% for 2022 as is projected to not be materially different for 2023.

NOTE 13 - PENSION PLANS (CONTINUED)

POLICE RETIREMENT FUND (continued)

Funding Policy: The funding policy and cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Board of police retirement fund Commissioners. The costs of administering the plan are financed by investment earnings. The City decided to not fund the plan for fiscal year 2016-17 and continued to not fund it through 2021-22. Funding began again fiscal year 2023-23. The City's latest actuarial valuation was dated September 30, 2023. The City's contributions to the fund are set to amortize the fund's benefit liabilities over the period ending September 30, 2027. This represents a 30-year amortization of the fund's unfunded actuarial liability. The actuary recommends a minimum yearly contribution of $152,000 to adequately satisfy future expected cash flow requirements. The fund's asset balance is not expected to decrease for at least the next ten years. These calculations are based on the actuarial assumptions, including annual post-retirement benefits increases of 0% and investment returns of 3.75%. Any adverse future experience of the fund will require an increase in the minimum recommended contribution of $152,000.

There are no long-term contracts for contributions to the plan or any legally required reserves. Investments at year end included cash equivalents of $155,357 and U.S. Government issues of $283,460. The actuarial value of assets is fair market value.

Discount Rate

The following presents the City's net pension liability calculated using the discount rate of 3.75, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

	1% Decrease (2.75%)	Current Discount Rate (3.75%)	1% Increase (4.75%)
City's proportionate share of the net pension liability (asset)	$ 1,060,907	$ 933,558	$ 827,065

See accompanying independent auditors' report.

NOTE 13 - PENSION PLANS (CONTINUED)

POLICE RETIREMENT FUND (continued)

Changes in the Net Pension Liability

The components of the change in the net pension liability are summarized as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 9/30/22	$ 1,381,123	$ 413,241	$ 967,882
Changes for the year:			
Interest cost	49,220	-	49,220
Experience (gain) loss	79,203	-	79,203
Changes of assumptions	-	-	-
Employer contributions	-	150,556	(150,556)
Net investment income	-	13,763	(13,763)
Benefit payments	(137,171)	(137,171)	-
Administrative Expenses	-	(1,571)	1,571
Net changes	(8,748)	25,577	(34,325)
Balances at 9/30/23	$ 1,372,375	$ 438,818	$ 933,557

Actuarial Assumptions

Actuaries must make assumptions as to what the expected experience of the Plan will be for future years. Plan experiences include investment return (interest rate), cost of living adjustments, mortality rates, turnover rates, disability rates, and retirement rates. Actuarial assumptions must be determined as reasonable both on an individual and aggregate basis and must represent a best estimate of costs to the Plan.

The actuarial assumptions were changed as of September 30, 2023 to better reflect past and projected future experience of the plan. As required under accounting standards, the mortality table was updated along with implementing and improvement rate. This resulted in a significant actuarial loss.

Actuarial Assumptions

The actuarial assumptions used to calculate the funding results are as follows:

- Long-Term Rate of Return: 3.80%
- 20-Year AAA Municipal Bond Rate: 4.87%
- Return on Assets: 3.75%
- Discount Rate - Pre- and post-retirement interest rates were assumed at 3.75% per year.
- Cost of Living Adjustments - Benefits has been assumed to increase at 3% per year.
- Expenses - No assumption of asset expenses were made.
- Mortality Rates – PUB-2010 Mortality with MP-2021 Improvement Table.
- Turnover Rates - T2 Turnover Table.
- Disability Rates - None assumed.
- Early Retirement Rates – None assumed.
- Actuarial Value of Assets - Same as market value of assets.

See accompanying independent auditors' report.

NOTE 13 - PENSION PLANS (CONCLUDED)

POLICE RETIREMENT FUND (continued)

Schedule of Amortizations

	Year	Experience (Gain)/Loss	Recognized Period	Amortized Amount	Amortization Balance	Deferred Outflows	Deferred Inflows
Experience (Gain)/Loss	2023	79,203	8	9,900	69,303	69,303	-
	2022	(411,666)	8	(51,458)	(308,750)	-	(308,750)
	2021	76,745	8	9,593	47,966	47,966	-
	2020	28,507	9	3,167	15,837	15,837	-
	2019	111,764	9	12,418	49,643	49,643	-
	2018	(63,527)	10	(6,353)	(25,411)	-	(25,411)
	2017	(56,597)	10	(5,660)	(16,979)	-	(16,979)
	2016	208,433	11	18,948	56,845	56,845	0
Assumption (Gain)/Loss	2023	-	8	-	-	-	-
	2022	(173,403)	8	(21,675)	(130,052)	-	(130,052)
	2021	(58,030)	8	(7,254)	(36,269)	-	(36,269)
	2020	225,197	9	25,022	125,109	125,109	-
	2019	104,074	9	11,564	46,255	46,255	-
	2018	-	10	-	-	-	-
	2017	39,502	10	3,950	11,851	11,851	
	2016	487,003	11	44,273	132,819	132,819	
Asset (Gain)/Loss	2023	3,555	5	711	2,844	2,844	-
	2022	38,491	5	7,698	23,095	23,095	0
	2021	12,718	5	2,544	5,087	5,087	-
	2020	(4,528)	5	(906)	(906)	-	(906)
	2019	(19,038)	5	(3,808)	-	-	-

NOTE 14 - COMPONENT UNIT DISCLOSURES

As disclosed in Note 1, ignite cda meets the criteria for discrete presentation in the City's financial statements as a component unit. The following paragraphs describe significant transactions between the two entities and provide relevant disclosures related to the Agency.

Agency Cash and Cash Equivalents

Custodial credit risk is the risk that in the event of a failure of a financial institution, the Agency's deposits and investments may not be returned to it. The Agency does not have a deposit policy for custodial credit risk. The carrying amount of the Agency's deposits is $12,256,843 and the bank balance is $12,309,081. At September 30, 2023, the Agency's deposits were exposed to custodial credit risk as follows:

Deposits without exposure to custodial credit risk:	
Amounts insured by FDIC	250,000
Deposits with exposure to custodial credit risk:	
Amount collateralized with securities held in trust, but not in ignite cda's name	12,059,081
Total Deposits	12,309,081
Cash and cash equivalents at September 30, 2023 consist of the following:	
Deposits	12,309,081
Total	12,309,081
Cash and cash equivalents are presented in the Financial Statements as follows:	
Cash and cash equivalents	12,256,843
Total	12,256,843

Capital Assets

Activity for ignite cda's capital assets for the fiscal year ending September 30, 2023, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Construction in Progess	19,070,470	2,015,823	812,469	20,273,824
Total Capital assets not being depreciated	19,070,470	2,015,823	812,469	$ 20,273,824
Governmental activities capital assets, net	$ 19,070,470	$ 2,015,823	$ 812,469	$ 20,273,824

On January 11, 2019, the Agency entered into a third Revenue Allocation Bond agreement with Washington Trust Bank (2019 Series). The Agency may borrow up to $7,000,000. This financing is intended to fund eligible strategic projects within the Agency's River District. Maturity was set for August 1, 2028 and the interest rate was set at the fixed rate of 3.3% per annum.

NOTE 14 - COMPONENT UNIT DISCLOSURES (CONCLUDED)

Payments on the Note are due in semi-annual installments based on the aggregate principal amount drawn, plus accrued interest, pursuant to an amortization schedule. The first amortized payment is payable on the first February or August 1 following draws totaling $1,000,000. As of September 30, 2023, the District has drawn a total of $357,000 on the Note. Accordingly, a schedule of future payments for the Note has not been presented, as the amounts and timing of the District's remaining draws are still unknown. The Bond is secured by the River District's pledge of the tax increment revenue allocation proceeds, subject to prior liens as described in the Note Purchase and Security Agreement.

The following is a summary of debt activity for the year ended September 30, 2023:

	Beginning Balance	Principal Additions	Principal Payments	Ending Balance	Due in One Year
Bond Payable- Washington Trust 2019 Series	$ 357,000		$ -	$ 357,000	$ -
	$ 357,000	$ -	$ -	$ 357,000	$ -

Financial Section

Required Supplementary Information

City of Coeur d’Alene, Idaho

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL GENERAL FUND For the year ended September 30, 2023

	Budget Amounts			
	Original	Final	Actual Amounts	Variance With Final Budget
REVENUES				
Taxes	$23,654,549	$23,654,549	$23,743,320	$ 88,771
Licenses and permits	6,145,000	6,204,380	6,459,674	255,294
Intergovernmental	21,881,940	21,304,148	18,839,829	(2,464,319)
Charges for services	284,000	284,000	352,874	68,874
Fines and forfeits	435,000	435,000	421,924	(13,076)
Investment (loss) earnings	45,000	750,111	848,531	98,420
Contributions	-	-		-
Miscellaneous	248,322	248,322	105,726	(142,596)
Total revenues	52,693,811	52,880,510	50,771,878	(2,108,632)
EXPENDITURES				
Current:				
General government	8,937,733	9,035,886	7,984,243	1,051,643
Public safety	31,170,674	31,346,671	30,439,735	906,936
Public works	7,368,940	7,587,237	6,764,010	823,227
Culture and recreation	3,627,591	3,657,591	3,480,621	176,970
Capital outlay	6,099,610	7,822,910	3,785,350	4,037,560
Debt service:				
Principal payments	75,158	75,158	75,158	-
Interest and fiscal agent fees	41,476	41,476	41,489	(13)
Total expenditures	57,321,182	59,566,929	52,570,606	6,996,323
(Deficiency) excess of revenues (under) over expenditures	(4,627,371)	(6,686,419)	(1,798,728)	4,887,691
	-	-		
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	18,000	18,000	28,810	10,810
Debt Issuance	-	-	-	-
Operating transfers in	3,218,746	3,522,597	3,538,813	16,216
Operating transfers out	(608,000)	(1,913,000)	(1,913,000)	-
Total other financing sources (uses)	2,628,746	1,627,597	1,654,623	27,026
Net change in fund balances	(1,998,625)	(5,058,822)	(144,105)	4,914,717
Fund balances - beginning of year	1,998,625	5,058,822	18,290,397	13,231,575
Fund balances - end of year	$ -	$ -	$18,146,292	$ 18,146,292

See the accompanying “Note to Required Supplementary Information””

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
September 30, 2023

NOTE 1: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Data
Budgets are adopted on a basis consistent with generally accepted accounting principles. An annual budget is adopted for the general fund. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the general fund.

This is in conformance with Idaho State Statutes, which require that appropriations lapse at the end of a fiscal year and are not available to be carried forward to be used in addition to the succeeding year's appropriation. The budget was amended in the current fiscal year.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

a) The City publishes a proposed budget for public review.

b) Public hearings are set to obtain taxpayer comments.

c) Prior to October 1, the budget is adopted by resolution of the City Council and published.

Lapsing of Appropriations – At the close of each year, all unspent appropriations revert to the respective funds from which they were appropriated and become subject to future appropriation.

The City properly prepared and published its budget for the year, as required by US generally accepted accounting principles and Idaho Code 33-2713A. The budget is adopted on a modified accrual basis, consistent with the fund financial statements and was amended during the year ended September 30, 2023.

City of Coeur d'Alene, Idaho

SCHEDULE OF CITY'S SHARE OF NET PENSION LIABILITY
Police Retirement Pension Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
City of Coeur d Alene's net pension liability percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%
City of Coeur d'Alene's net pension liability	$ 933,558	$ 967,882	$ 1,481,135	$ 1,423,004	$ 1,142,378	$ 913,577	$ 903,304	$ 852,633	$ 273,211
City of Coeur d'Alene's total pension liability	$ 1,372,375	$ 1,381,123	$ 2,097,243	$ 2,220,099	$ 2,088,884	$ 1,981,905	$ 2,150,043	$ 2,265,698	$ 1,671,680
City of Coeur d'Alene's fiduciary net position	$ 438,818	$ 413,241	$ 616,108	$ 797,095	$ 946,506	$ 1,068,328	$ 1,246,739	$ 1,413,065	$ 1,398,468
City of Coeur d'Alene's covered-employee payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City of Coeur d'Alene's net pension liability as a percentage of it's covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	31.98%	29.92%	29.38%	35.90%	45.31%	53.90%	57.99%	62.37%	83.66%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of September 30, 2023 (measurement date)

SCHEDULE OF CITY OF COEUR D'ALENE'S CONTRIBUTIONS
Police Retirement Pension Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
City contributions	$ 150,556	$ -	$ -	$ -	$ 74	$ 539	$ 2,133	$ 154,962	$ 155,893
City's actuarially determined contributions	$ 152,000	$ 152,000	$ 152,000	$ 152,000	$ 152,000	$ 152,000	$ 152,000	$ 151,999	$ 152,000
Difference between the actuarially determined contribution and the actual contribution	$ (1,444)	$ (152,000)	$ (152,000)	$ (152,000)	$ (151,926)	$ (151,461)	$ (149,867)	$ 2,963	$ 3,893
City's covered-employee payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of September 30, 2023 (measurement date)

City of Coeur d’Alene, Idaho

Police Retirement Pension Plan
Schedule of Changes in Net Pension Liability and Related Ratios

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest cost	49,220	45,205	42,561	57,152	66,401	66,374	69,072	62,928	59,255
Changes in benefit terms	-	-	-	-	-	-	-	-	-
Experience (gain) loss	79,203	(411,666)	76,745	28,507	111,764	(63,527)	(56,597)	208,433	-
Changes of assumptions	-	(173,403)	(58,030)	225,197	104,074	-	39,502	487,003	-
Benefit payments	(137,171)	(176,256)	(184,132)	(179,641)	(175,260)	(170,985)	(167,632)	(164,346)	(161,123)
Net change in total pension liability	(8,748)	(716,120)	(122,856)	131,215	106,979	(168,138)	(115,655)	594,018	(101,868)
Total pension liability - beginning of year	1,381,123	2,097,243	2,220,099	2,088,884	1,981,905	2,150,043	2,265,698	1,671,680	1,773,548
Total pension liability - end of year (a)	$ 1,372,375	$ 1,381,123	$ 2,097,243	$ 2,220,099	$ 2,088,884	$ 1,981,905	$ 2,150,043	$ 2,265,698	$ 1,671,680
Plan fiduciary net position									
Contributions - employer	$ 150,556	$ -	$ -	$ -	$ 74	$ 539	$ 2,133	$ 154,962	$ 155,892
Net investment income	13,763	(24,538)	5,975	33,688	57,352	(3,394)	4,419	29,411	30,210
Benefit payments	(137,171)	(176,256)	(184,132)	(179,641)	(175,260)	(170,985)	(167,632)	(164,346)	(161,123)
Administrative expense	(1,571)	(2,073)	(2,830)	(3,458)	(3,988)	(4,571)	(5,246)	(5,430)	(5,448)
Net change in fiduciary net position	25,577	(202,867)	(180,987)	(149,411)	(121,822)	(178,411)	(166,326)	14,597	19,531
Plan fiduciary net position - beginning of year	413,241	616,108	797,095	946,506	1,068,328	1,246,739	1,413,065	1,398,468	1,378,937
Plan fiduciary net position - end of year (b)	$ 438,818	$ 413,241	$ 616,108	$ 797,095	$ 946,506	1,068,328	1,246,739	1,413,065	1,398,468
Net pension liability (a) - (b)	$ 933,557	$ 967,882	$ 1,481,135	$ 1,423,004	$ 1,142,378	$ 913,577	$ 903,304	$ 852,633	$ 273,212

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

City of Coeur d’Alene, Idaho

Police Retirement Pension Plan
Schedule of the Investment Returns Over Last 10 Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual Money-Weighted Rate of Return, Net of Investment Experience	2.90%	-5.04%	0.45%	3.53%	5.44%	-0.69%	-0.06%	1.72%	1.80%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

City of Coeur d'Alene, Idaho

SCHEDULE OF CITY'S SHARE OF NET PENSION LIABILITY
PERSI – Base Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
City of Coeur d Alene's portion of the net pension liability	0.7506216%	0.7506510%	0.7745166%	0.7699514%	0.7627450%	0.7816001%	0.7684929%	0.7700966%	0.7758284%
City of Coeur d'Alene's proportionate share of the net pension liability (asset)	$ 29,954,835	$ 29,562,945	$ (611,698)	$ 17,879,292	$ 8,706,522	$ 11,528,738	$ 12,079,388	$ 15,611,041	$ 10,216,398
City of Coeur d'Alene's covered-employee payroll	$ 31,955,212	$ 29,542,150	$ 28,821,099	$ 27,551,112	$ 25,516,046	$ 24,756,509	$ 23,500,332	$ 22,186,905	$ 21,318,402
City of Coeur d'Alene's proportional share of the net pension liability as a percentage of its covered-employee payroll	93.74%	100.07%	-2.12%	64.89%	34.12%	46.57%	51.40%	70.36%	47.92%
Plan fiduciary net position as a percentage of the total pension liability	83.83%	83.09%	100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of June 30, 2023 (measurement date)

SCHEDULE OF CITY OF COEUR D'ALENE'S CONTRIBUTIONS
PERSI – Base Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
Statutorily required contribution	$ 3,278,399	$ 3,476,014	$ 3,058,016	$ 3,020,835	$ 2,918,570	$ 3,035,277	$ 2,591,451	$ 2,289,207	$ 2,537,750
Contributions in relation to the statutorily required contribution	$ 3,856,906	$ 3,576,227	$ 3,492,695	$ 3,315,704	$ 2,975,323	$ 2,885,192	$ 2,738,658	$ 2,572,387	$ 2,603,758
Contribution (deficiency) excess	$ 578,507	$ 100,214	$ 434,679	$ 294,869	$ 56,752	$ (150,086)	$ 147,207	$ 283,180	$ 66,009
City's covered-employee payroll	$ 31,955,212	$ 29,542,150	$ 28,821,099	$ 27,551,112	$ 25,516,046	$ 24,756,509	$ 23,500,332	$ 22,186,905	$ 21,318,402
Contributions as a percentage of covered-employee payroll	12.07%	12.11%	12.12%	12.03%	11.66%	11.65%	11.65%	11.59%	12.21%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of June 30, 2023 (measurement date)

City of Coeur d'Alene, Idaho

SCHEDULE OF CITY'S SHARE OF NET PENSION LIABILITY
PERSI – FRF Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
City of Coeur d Alene's portion of the net pension asset	8.3827379%	8.3827379%	8.3827379%	8.3827379%	7.7156242%	7.9375918%	7.5070873%	7.3277629%	7.3707911%
City of Coeur d'Alene's proportionate share of the net pension asset	$ 19,817,023	$ 17,209,002	$ 22,652,408	$ 12,481,826	$ 11,091,489	$ 8,982,985	$ 6,440,753	$ 3,938,556	$ 3,981,015
City of Coeur d'Alene's covered-employee payroll	$ 8,364,953	$ 7,202,076	$ 7,049,344	$ 6,636,100	$ 6,059,963	$ 5,942,693	$ 5,480,973	$ 5,010,150	$ 4,738,865
City of Coeur d'Alene's proportional share of the net pension asset as a percentage of its covered-employee payroll	236.91%	238.95%	321.34%	188.09%	183.03%	151.16%	117.51%	78.61%	84.01%
Plan fiduciary net position as a percentage of the total pension asset	200.58%	184.72%	211.83%	155.55%	152.74%	140.15%	129.65%	118.42%	118.08%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of June 30, 2023 (measurement date)

SCHEDULE OF CITY OF COEUR D'ALENE'S CONTRIBUTIONS
PERSI – FRF Plan
Last 10 – Fiscal Years*

	9/30/23	9/30/22	9/30/21	9/30/20	9/30/19	9/30/18	9/30/17	9/30/16	9/30/15
Statutorily required contribution	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the statutorily required contribution	$ (280,529)	$ (243,260)	$ (213,715)	$ (725,978)	$ (636,371)	$ (611,689)	$ (559,502)	$ (527,496)	$ (833,303)
Contribution (deficiency) excess	$ (280,529)	$ (243,260)	$ (213,715)	$ (725,978)	$ (636,371)	$ (611,689)	$ (559,502)	$ (527,496)	$ (833,303)
City's covered-employee payroll	$ 8,364,953	$ 7,202,076	$ 7,049,344	$ 6,636,100	$ 6,059,963	$ 5,942,693	$ 5,480,973	$ 5,010,150	$ 4,738,865
Contributions as a percentage of covered-employee payroll	-3.35%	-3.38%	-3.03%	-10.94%	-10.50%	-10.29%	-10.21%	-10.53%	-17.58%

* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, City of Coeur d'Alene will present information for those to use for which information is available.

Data reported is measured as of June 30, 2023 (measurement date)

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

City of Coeur d'Alene, Idaho

COMBINING BALANCE SHEET – BY FUND TYPE
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 9,625,530	$ 130,396	$ 9,755,926
Investments	1,045,295	-	1,045,295
Receivables:			
Taxes delinquent	38,959	36,295	75,254
Accounts receivable	29,372	-	29,372
Assessments:			
Delinquent	-	-	-
Deferred	-	94,283	94,283
Lease receivables	292,308	-	292,308
Due from other governments	6,756	3,416	10,172
Due from other funds	-	-	-
Total assets	$ 11,038,220	$ 264,390	$ 11,302,610
LIABILITIES			
Accounts payable	$ 228,312	$ -	$ 228,312
Due to other funds	-	94,283	94,283
Total liabilities	228,312	94,283	322,595
DEFERRED INFLOWS OF RESOURCES			
Unearned grant revenue	40,062		40,062
Unearned lease contract revenue	295,195		295,195
Unavailable revenue- property taxes	38,959	36,295	75,254
Total deferred inflows of resources	374,216	36,295	410,511
FUND BALANCES (DEFICITS)			
Restricted	6,183,816	133,812	6,317,628
Committed	3,180,516	-	3,180,516
Assigned	1,071,360	-	1,071,360
Unassigned	-		-
Total fund balances (deficits)	10,435,692	133,812	10,569,504
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 11,038,220	$ 264,390	$ 11,302,610

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the year ended September 30, 2023

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 1,784,432	$ 884,483	$ 2,668,915
Intergovernmental	222,044	-	222,044
Charges for services	1,957,478	-	1,957,478
Fines and forfeits	99	-	99
Assessments collected	-	-	
Investment (loss) earnings	512,661	-	512,661
Miscellaneous	194,619	-	194,619
Penalty and interest	-	22,088	22,088
Total revenues	4,671,333	906,571	5,577,904
EXPENDITURES			
Current:			
General government	554,765	-	554,765
Culture and recreation	1,946,214	-	1,946,214
Administrative expenses	-	-	-
Capital outlay	1,448,036	-	1,448,036
Debt service:			
Principal payments	-	828,230	828,230
Interest, fees and other	-	51,851	51,851
Total expenditures	3,949,015	880,081	4,829,096
Excess (deficiency) of revenues over (under) expenditures	722,318	26,490	748,808
OTHER FINANCING SOURCES (USES)			
Operating transfers in	338,447	-	338,447
Operating transfers out	(888,814)	-	(888,814)
Total other financing sources (uses)	(550,367)	-	(550,367)
Net change in fund balances	171,951	26,490	198,441
Fund balances (deficits) - beginning of year	10,263,741	107,322	10,371,063
Fund balances (deficits) - end of year	$ 10,435,692	$ 133,812	$ 10,569,504

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The following are the City's special revenue funds:

Library Fund: To administer expenditures for the purpose of providing a library for the citizens of the City of Coeur d'Alene. The primary revenue source for this fund is property taxes.

Cemetery Fund: To administer expenditures for the purpose of providing cemetery lots, niches, and openings and closings. The primary revenue sources for this fund are sales of cemetery lots and niches, and a transfer of interest from the cemetery perpetual care trust fund.

Annexation Fees Fund: Annexation fees are charged when a new subdivision is annexed into the City. These funds are then transferred to the General Fund and used for one-time capital purchases.

Impact Fees Fund: Developmental impact fees are charged on new construction. The revenue generated from these fees will be used for capital improvements for Parks, Police, Fire and Streets.

Parks Capital Improvements Fund: To administer expenditures for the purpose of developing new parkland for the citizens of the City of Coeur d'Alene. The primary revenue source for this fund is grants, impact fees, park fees, parking and boat launch user fees.

Cemetery Perpetual Care Fund: To account for funds set aside to be used to maintain the City's cemeteries into perpetuity. Funding for this fund comes from interest earnings and 30% of the funds generated from cemetery lot sales.

Reforestation Fund: To account for funds collected for the purpose of replacing trees in the right of ways and planting trees in the right of ways of new subdivisions or new construction.

Jewett House Fund: To account for donations received for the operation and maintenance of the Jewett House, an estate donated to the City to be used for senior citizen activities.

Public Art Fund: To account for funds received from construction projects of the City of Coeur d'Alene and contributions from ignitecda (urban renewal district) to be used for the purchase and maintenance of public art.

City of Coeur d'Alene, Idaho

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
September 30, 2023

	Library	Cemetery	Annexation Fees	Impact Fees
ASSETS				
Cash and cash equivalents	$ 169,661	$ 198,972	$ 1,071,360	$ 6,027,890
Investments	-	-	-	-
Receivables:				
Taxes delinquent	38,959	-	-	-
Accounts receivable	1,404	4,906	-	-
Lease receivables	-		-	-
Due from other governments	6,756	-	-	-
Due from other funds	-	-	-	-
Total assets	$ 216,780	$ 203,878	$ 1,071,360	$ 6,027,890
LIABILITIES				
Accounts payable	$ 44,058	$ 6,542	$ -	$ -
Total liabilities	44,058	6,542	-	-
DEFERRED INFLOWS OF RESOURCES				
Unearned grant revenue	-	-	-	-
Unearned lease contract revenue	-	-	-	-
Unavailable revenue- property taxes	38,959	-	-	-
Total deferred inflows of resources	38,959	-	-	-
FUND BALANCES (DEFICITS)				
Restricted	-	-	-	6,027,890
Committed	133,763	197,336	-	-
Assigned	-	-	1,071,360	-
Total fund balances (deficits)	133,763	197,336	1,071,360	6,027,890
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 216,780	$ 203,878	$ 1,071,360	$ 6,027,890

Parks Capital Improvements	Cemetery Perpetual Care	Reforestation	Jewett House	Public Art	Total Nonmajor Special Revenue Funds
$ 1,120,693	$ 43,650	$ 175,871	$ 170,224	$ 647,209	$ 9,625,530
-	1,045,295	-	-	-	1,045,295
-	-	-	-	-	38,959
23,062	-	-	-	-	29,372
292,308	-	-	-	-	292,308
	-	-	-	-	6,756
-	-		-	-	-
$ 1,436,063	$ 1,088,945	$ 175,871	$ 170,224	$ 647,209	$ 11,038,220
$ 153,552			$ 14,298	$ 9,862	$ 228,312
153,552	-	-	14,298	9,862	228,312
40,062	-	-	-	-	40,062
295,195	-	-	-	-	295,195
-	-	-	-	-	38,959
335,257	-	-	-	-	374,216
-	-	-	155,926	-	6,183,816
947,254	1,088,945	175,871	-	637,347	3,180,516
-	-	-	-	-	1,071,360
947,254	1,088,945	175,871	155,926	637,347	10,435,692
$ 1,436,063	$ 1,088,945	$ 175,871	$ 170,224	$ 647,209	$ 11,038,220

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For the year ended September 30, 2023

	Library	Cemetery	Annexation Fees	Impact Fees	Parks Capital Improvements
REVENUES					
Taxes	$ 1,784,432	$ -	$ -	$ -	$ -
Intergovernmental	12,106	-	-	-	209,938
Charges for services	2,784	200,893	1,000,000	396,122	319,279
Fines and forfeits	99	-	-	-	-
Investment (loss) earnings	13,987	10,748	31,488	278,719	97,253
Miscellaneous	19,922	16,225	-	-	-
Total revenues	1,833,330	227,866	1,031,488	674,841	626,470
EXPENDITURES					
Current:					
General government	-	294,887	-	119,510	-
Culture and recreation	1,658,612	-	-	-	229,987
Capital outlay	208,638		-	-	1,171,726
Total expenditures	1,867,250	294,887	-	119,510	1,401,713
Excess (deficiency) of revenues over (under) expenditures	(33,920)	(67,021)	1,031,488	555,331	(775,243)
OTHER FINANCING SOURCES (USES)					
Operating transfers in	-	80,040	-	-	200,000
Operating transfers out	-	(38,407)	(355,000)	(415,367)	-
Total other financing sources (uses)	-	41,633	(355,000)	(415,367)	200,000
Net change in fund balances	(33,920)	(25,388)	676,488	139,964	(575,243)
Fund balances - beginning of year	167,683	222,724	394,872	5,887,926	1,522,497
Fund balances (deficits) - end of year	$ 133,763	$ 197,336	$ 1,071,360	$ 6,027,890	$ 947,254

Cemetery Perpetual Care	Reforestation	Jewett House	Public Art	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ 1,784,432
-	-	-	-	222,044
-	38,400	-	-	1,957,478
-	-	-	-	99
35,391	8,707	6,879	29,489	512,661
-	-	54,476	103,996	194,619
35,391	47,107	61,355	133,485	4,671,333
4,359	-	54,140	81,869	554,765
-	57,615	-	-	1,946,214
-	-	7,672	60,000	1,448,036
4,359	57,615	61,812	141,869	3,949,015
31,032	(10,508)	(457)	(8,384)	722,318
58,407	-	-	-	338,447
(80,040)	-	-	-	(888,814)
(21,633)	-	-	-	(550,367)
9,399	(10,508)	(457)	(8,384)	171,951
1,079,546	186,379	156,383	645,731	10,263,741
$ 1,088,945	$ 175,871	$ 155,926	$ 637,347	$ 10,435,692

Debt service funds are established to account for the invoicing and collecting of special assessment payments owed to the City from property owners included in specific local improvement City projects:

LID #151: Accounts for the accumulation of resources from special assessment levies created for the purpose of paving, installing curbs, sidewalks and for beautification of Front Avenue.

General Obligation Bonds: Accounts for the accumulation of resources from property taxes for the purpose of paying bonds and interest when due for the 2015 General Obligation Bond Issue.

City of Coeur d'Alene, Idaho

COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
September 30, 2023

	LID #151	General Obligation Bonds	Total Nonmajor Debt Service Funds
ASSETS			
Cash and cash equivalents	$ -	$ 130,396	$ 130,396
Receivables:			
Taxes Delinquent	-	36,295	36,295
Assessments			
Delinquent	-	-	-
Deferred	94,283	-	94,283
Due from other governments	-	3,416	3,416
Total assets	$ 94,283	$ 170,107	$ 264,390
LIABILITIES AND FUND BALANCE			
Liabilities:			
Deposits	$ -	$ -	$ -
Due to other funds	94,283	-	94,283
Total liabilities	94,283	-	94,283
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	36,295	36,295
Unavailable revenue-special assessments	-	-	-
Total deferred inflows of resources	-	36,295	36,295
FUND BALANCES (DEFICITS)			
Restricted	-	133,812	133,812
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances (deficits)	-	133,812	133,812
Total liabilities, deferred inflows of resources and fund balances (deficits)	$ 94,283	$ 170,107	$ 264,390

City of Coeur d’Alene, Idaho

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
For the year ended September 30, 2023

	General Obligation Bonds	Total Nonmajor Debt Service Funds
REVENUES		
Taxes	$ 884,483	$ 884,483
Assessments collected	-	-
Penalty and interest	22,088	22,088
Total revenues	906,571	906,571
EXPENDITURES		
Bond principal	828,230	828,230
Interest, fees and other	51,851	51,851
Total expenditures	880,081	880,081
Excess (deficiency) of revenues over (under) expenditures	26,490	26,490
OTHER FINANCING SOURCES (USES)		
Operating transfers in	-	-
Operating transfers out	-	-
Total other financing sources (uses)	-	-
Net change in fund balances	26,490	26,490
Fund balances (deficits)-beginning of year	107,322	107,322
Fund balances (deficits) - end of year	$ 133,812	$ 133,812

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

LaCrosse Project: To administer expenditures for the purpose of constructing an extension of LaCrosse Ave from Northwest Boulevard to Lakewood Drive and installing a traffic signal at Northwest Boulevard

Government Way – Hanley to Prairie: To administer expenditures for the purpose of reconstructing and widening of Government Way from Hanley Avenue to Prairie Avenue.

Government Way Signal Improvements: To administer expenditures for the purpose of improving traffic signal lighting on Government Way.

15th Harrison to Best: To administer expenditures for the purpose of reconstruction and widening of 15th Street from Harrison Avenue to Best Avenue.

Kathleen Avenue Widening: To administer expenditures for the purpose of property acquisition and widening Kathleen Avenue to 5 lanes from Government Way to Highway 95.

Ramsey Road/Northwest Boulevard - Lakewood to Appleway: To administer expenditures for the purpose of reconstruction and overlaying of Ramsey Road/Northwest Boulevard from Lakewood to Appleway.

LHTAC Pedestrian Safety Improvements: To administer expenditures for the purpose of installing seven rectangular rapid flashing beacon crossings and improve the crossing at multiple locations.

Traffic Calming: To administer expenditures for various equipment and construction to reduce traffic speeds throughout the City.

Atlas Waterfront Site: to administer expenditures for the purchase of land and improvements to the Atlas Waterfront Site.

City of Coeur d'Alene, Idaho

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
September 30, 2023

	Misc. Capital Projects	LaCrosse Project	Govt Way Signal Improve-ments
ASSETS			
Cash and cash equivalents	$ 15,388	$ 30,458	$ -
Accounts Receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	
Total assets	$ 15,388	$ 30,458	$ -
LIABILITIES			
Accounts payable	$ -	$ -	$ 37,000
Due to other funds	-		-
Total liabilities	-	-	37,000
FUND BALANCES (DEFICITS)			
Unassigned	15,388	30,458	(37,000)
Total fund balances (deficits)	15,388	30,458	(37,000)
Total liabilities and fund balances (deficits)	$ 15,388	$ 30,458	$ -

LHTAC Pedestrian Safety mprovements	15th St Harrison to Best	Ramsey Rd NW Blvd Lakewood to Appleway	Traffic Calming	Atlas Waterfront Site	Total Capital Projects Funds
$ 7,237	$ 669,246	$ 160,687	$ -	$ -	$ 883,016
-	-	-	-	-	-
	-	-	-	-	-
-	-	-	-	-	-
$ 7,237	$ 669,246	$ 160,687	$ -	$ -	$ 883,016
$ -	$ -	$ -	$ -	$ -	$ 37,000
	-	-	-	8,295,087	8,295,087
-	-	-	-	8,295,087	8,332,087
7,237	669,246	160,687	-	(8,295,087)	(7,449,071)
7,237	669,246	160,687	-	(8,295,087)	(7,449,071)
$ 7,237	$ 669,246	$ 160,687	$ -	$ -	$ 883,016

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR CAPITAL PROJECTS FUNDS For the year ended September 30, 2023

	Misc. Capital Projects	LaCrosse Project	Govt Way Hanley to Prairie	Govt Way Signal Improve-ments
REVENUES				
Contributions	$ -	$ 50,000	$ -	$ -
Intergovernmental	-	-		
Investment income	-	-	-	-
Total revenues	-	50,000	-	-
EXPENDITURES				
Services and supplies	-	-	-	
Interest and fiscal agent fees	-	-	-	-
Capital outlay	-	71,763	217,908	37,000
Total expenditures	-	71,763	217,908	37,000
Excess (deficiency) of revenues over (under) expenditures	-	(21,763)	(217,908)	(37,000)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	-	26,307	
Operating transfers out	-	-		
Total other financing sources (uses)	-	-	26,307	-
Net change in fund balances	-	(21,763)	(191,601)	(37,000)
Fund balance (deficit) - beginning of year	15,388	52,221	191,601	-
Fund balance (deficit) - end of year	$ 15,388	$ 30,458	$ -	$ (37,000)

15th St Harrison to Best	Kathleen Avenue Widening	Ramsey Rd NW Blvd Lakewood to Appleway	LHTAC Pedestrian Safety Improvements	Traffic Calming	Atlas Waterfront Site	Total Nonmajor Capital Projects Funds
$ -	$ -		$ -	$ 16,016	$ -	$ 66,016
	-	400,000	34,611	-	-	434,611
16,448	14,995			3,304	-	34,747
16,448	14,995	400,000	34,611	19,320	-	$ 535,374
			-		-	-
	-		-	-	122,588	122,588
49,813	14,265	1,427,313	100,917	15,807	-	1,934,786
49,813	14,265	1,427,313	100,917	15,807	122,588	2,057,374
(33,365)	730	(1,027,313)	(66,306)	3,513	(122,588)	(1,522,000)
662,171	50,000	1,188,000	78,038	-	-	2,004,516
	-		-	-	-	-
662,171	50,000	1,188,000	78,038	-	-	2,004,516
628,806	50,730	160,687	11,732	3,513	(122,588)	482,516
40,440	(50,730)		(4,495)	(3,513)	(8,172,499)	(7,931,587)
$ 669,246	$ -	$ 160,687	$ 7,237	$ -	$(8,295,087)	$(7,449,071)

The enterprise funds are used to account for the City's wastewater property management, street lighting, public parking operations and stormwater management. These operations are financed and operated in a manner similar to a private business enterprise. The intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The following are descriptions of each nonmajor enterprise fund.

Wastewater Property Management Fund: To account for funds being held for building maintenance expenses for the Harbor Center building, which is currently being leased by the University of Idaho.

Street Lighting Utility Fund: To account for the provision of street lighting services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including (but not limited to) administration, operations and maintenance.

Public Parking Lot Fund: To account for the provision of downtown parking to the residents and visitors of the City. All activities necessary to provide such services are accounted for in this fund, including (but not limited to) operations and maintenance.

Drainage: To account for the provision of drainage management. All activities necessary to provide such services are accounted for in this fund including (but not limited to) administration, operations and maintenance.

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
September 30, 2023

	Business-type Activities - Nonmajor Enterprise Funds				
	Wastewater Property Management	Street Lighting	Public Parking Lot	Drainage	Total Nonmajor Enterprise Funds
ASSETS					
Current assets:					
Cash and cash equivalents	$ 59,973	$ 131,022	$ 993,132	$ 1,020,700	$ 2,204,827
Receivables:					
Accounts, net of allowance for uncollectible accounts	-	63,368	350,764	99,539	513,671
Due from other governments	-	-		357,258	357,258
Total current assets	59,973	194,390	1,343,896	1,477,497	3,075,756
Non-current assets:					
Capital assets:					
Land	-	-	2,572,672	-	2,572,672
Construction in Progress	-	-	-		-
Other capital assets, net of accumulated depreciation	-	51,208	10,788,470	5,227,698	16,067,376
Total non-current assets	-	51,208	13,361,142	5,227,698	18,640,048
Total assets	59,973	245,598	14,705,038	6,705,195	21,715,804
DEFERRED OUTFLOWS OF RESOURCES					
Deferred pension outflows	-	-	-	58,084	58,084
LIABILITIES					
Current liabilities:					
Accounts payable	-	72,859	3,222	94,521	170,602
Total current liabilities	-	72,859	3,222	94,521	170,602
Non-current liabilities:					
Compensated absences	-	-	-	52,210	52,210
Net pension liability	-	-	-	159,656	159,656
Total non-current liabilities	-	-	-	211,866	211,866
Total liabilities	-	72,859	3,222	306,387	382,468
DEFERRED INFLOWS OF RESOURCES					
Deferred pension inflows	-	-	-	1,602	1,602
NET POSITION					
Net investment in capital assets	-	51,208	13,361,142	5,227,698	18,640,048
Unrestricted	59,973	121,531	1,340,674	1,227,592	2,749,770
Total net position	$ 59,973	$ 172,739	$ 14,701,816	$ 6,455,290	$ 21,389,818

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION NONMAJOR PROPRIETARY FUNDS For the year ended September 30, 2023

	Business-type Activities - Nonmajor Enterprise Funds				
	Wastewater Property Management	Street Lighting	Public Parking Lot	Drainage	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Services	$ -	$ 711,868	$ 1,014,528	$ 1,074,598	$ 2,800,994
OPERATING EXPENSES					
Administration	-	-	-	226,788	226,788
Maintenance	30,000	2,232	49,801	265,468	347,501
Supplies	-	-	-	57,483	57,483
Contracted services	-	696,130	96,656	4,417	797,203
Depreciation	-	6,357	876,829	450,371	1,333,557
Bad debt expense	-	26	-	11	37
Net pension expense (revenue)	-	-	-	37,651	37,651
Total operating expenses	30,000	704,745	1,023,286	1,042,189	2,800,220
Operating income (loss)	(30,000)	7,123	(8,758)	32,409	774
NONOPERATING REVENUES					
Investment income	-	5,653	36,437	58,729	100,819
Insurance Proceeds	34,570	-	-	-	34,570
Grant income	-	-	-	392,704	392,704
Total nonoperating revenues	34,570	5,653	36,437	451,433	528,093
Income (loss) before contributions and transfers	4,570	12,776	27,679	483,842	528,867
Capital contributions	-	-			-
Operating transfers in	-		-	-	-
Operating transfers out		-	(682,464)	(196,146)	(878,610)
Change in net position	4,570	12,776	(654,785)	287,696	(349,743)
Total net position - beginning	55,403	159,963	15,356,601	6,167,594	21,739,561
Total net position - ending	$ 59,973	$ 172,739	$ 14,701,816	$ 6,455,290	$ 21,389,818

City of Coeur d'Alene, Idaho

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUND TYPES
For the year ended September 30, 2023

	Business-type Activities - Enterprise Funds				
	Waste-water Property Mgmt	Street Lighting	Public Parking Lot	Drainage	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	$ -	$ 710,456	$ 987,764	$ 735,295	$ 2,433,515
Payments to suppliers	(30,000)	(693,218)	(153,205)	(761,010)	(1,637,433)
Payments to employees	-	-	-	248,385	248,385
Net cash provided (used) by operating activities	(30,000)	17,238	834,559	222,670	1,044,467
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating transfers in	-	-	-	-	
Operating transfers out	-	-	(682,464)	(196,146)	(878,610)
Net cash provided (used) by noncapital financing activities	-	-	(682,464)	(196,146)	(878,610)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital asset purchases	-	-	-	(486,816)	(486,816)
Contributions	34,570	-		-	34,570
Proceeds from the sale of assets	-	-		-	
Net cash provided (used) by financing activities	34,570	-	-	(486,816)	(452,246)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	-	5,653	36,437	58,729	100,819
Net cash provided (used) by investing activities	-	5,653	36,437	58,729	100,819
Net increase (decrease) in cash and cash equivalents	4,570	22,891	188,532	(401,563)	(185,570)
Cash and cash equivalents, beginning of year	55,403	108,131	804,600	1,422,263	2,390,397
Cash and cash equivalents, end of year	$ 59,973	$ 131,022	$ 993,132	$ 1,020,700	$ 2,204,827
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating income (loss)	$ (30,000)	$ 7,123	$ (8,758)	$ 32,409	$ 774
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
(Increase) decrease in assets:					
Depreciation	-	6,357	876,829	450,371	1,333,557
Accounts receivable	-	(1,412)	(26,764)	1,342	(26,834)
Due from other governments	-	-	-	(340,645)	(340,645)
Net pension asset	-	-	-	-	-
Deferred outflows of resources	-	-	-	18,393	18,393
Increase (decrease) in liabilities:					
Accounts payable	-	5,170	(6,748)	57,596	56,018
Due to other funds	-	-	-	-	-
Compensated absences	-	-	-	2,546	2,546
(Decrease) increase in net pension liability	-	-	-	1,856	1,856
(Decrease) increase in deferred inflows of resources	-	-	-	(1,198)	(1,198)
Net cash provided by operating activities	$ (30,000)	$ 17,238	$ 834,559	$ 222,670	$ 1,044,467

$358,000 of public parking space was donated to the publice parking fund by developers.

REPORT REQUIRED BY THE GAO

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY

Office (208) 777-1099 Fax (202) 773-5108
1810 E. Schneidmiller Ave, Ste 310
Post Falls, ID 83854

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

To the Honorable Mayor and City Council
City of Coeur d'Alene
Coeur d'Alene, ID 83814

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The City of Coeur d'Alene, Idaho, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Coeur d'Alene, Idaho's basic financial statements and have issued our report thereon dated June 11, 2024. Our report includes a reference to other auditors who audited the financial statements of ignite cda, as described in our report on the City of Coeur d'Alene, Idaho's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
June 11, 2024

SINGLE AUDIT REPORT

ALPINE SUMMIT CPAs

TAX, ASSURANCE, ACCOUNTING, ADVISORY
Office (208) 777-1099 Fax (202) 773-5108
1810 E. Schneidmiller Ave, Ste 310
Post Falls, ID 83854

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Honorable Mayor and City Council
City of Coeur d'Alene
Coeur d'Alene, ID 83814

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Coeur d'Alene, Idaho's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Coeur d'Alene, Idaho's major federal programs for the year ended September 30, 2023. The City of Coeur d'Alene, Idaho's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Coeur d'Alene, Idaho complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control over Compliance

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

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

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

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

Alpine Summit CPAs

Alpine Summit CPAs
Post Falls, Idaho
June 11, 2024

City of Coeur d'Alene, Idaho

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended September 30, 2023

Program Title	Federal CFDA Number	Pass Through Number	Federal Expenditures
U.S. Department of Housing and Urban Development:			
Direct programs:			
CDBG Block Grants / Entitlement Grants	14.218		$ 463,465
U.S. National Park Service			
Passed through the State of Idaho:			
Historic Preservation Fund Grants-in-Aid to State Historic Preservation Offices	15.904	826000176	513
U.S. Department of Justice			
Direct programs:			
Bulletproof Vest Partnership Program	16.607		14,987
Edward Byrne Memorial Justice Assistance Grant Program	16.738		104,443
Subtotal direct			119,430
Passed through the State of Idaho:			
Coronavirus Emergency Supplemental Funding Program	16.034		5,003
STOP Violence Against Women	16.588	826000176	76,793
Subtotal passed through the State of Idaho			81,796
Total U.S. Department of Justice			201,226
U.S. Department of Transportation			
Passed through the State of Idaho:			
Highway Planning and Construction Cluster:			
Highway Planning and Construction-FAHP	20.205	826000176	226,212
			226,212
Passed through the State of Idaho:			
Transportation Cluster:			
State and Community Highway Safety	20.600	826000176	9,195
Total Transportation Cluster			9,195
Total U.S. Department of Transportation			235,407
Department of the Treasury			
Direct programs:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		2,789,067
Total U.S. Department of the Treasury			2,789,067
Institute of Museum and Library Services			
Passed through the State of Idaho:			
Grants to States	45.310	826000176	12,107
U.S. Department of Homeland Security			
Passed through the State of Idaho:			
Disaster Grants - Public Assistance	97.036	826000176	
Homeland Security Grant Program	97.067	826000176	3,183
Total U.S. Department of Homeland Security			3,183
			$ 3,704,968

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
September 30, 2023

NOTE 1: - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Coeur d’Alene (the Government’s) under programs of the federal government for the year ended September 30, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Government, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Government.

NOTE 2: - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

The Government has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Pass-through entity identifying numbers are presented where available.

NOTE 3: - MATCHING REQUIREMENTS

Certain Federal programs require the Government to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The Government has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

City of Coeur d'Alene, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2023

<u>Section I - Summary of Auditor's Results</u>

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	_____ Yes	__X__ No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)	_____ Yes	__X__ None reported
Noncompliance material to financial statements noted	_____ Yes	__X__ No

Federal Awards

Internal control over major programs:

• Material weakness(es) identified	_____ Yes	__X__ No
• Significant deficiency(ies) identified that are not considered to be material weakness(es)	_____ Yes	__X__ None reported

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

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR-200.516(a)	_____ Yes	__X__ No

Identification of major programs:

CFDA Number(s)	*Name of Federal Program or Cluster*
21.027	Coronavirus State and Local Fiscal Recovery Funds

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

City of Coeur d'Alene, Idaho

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
September 30, 2023

Section II - Findings – Financial Statement Audit

We noted no findings relating to the Financial Statement Audit which are required to be reported in accordance with generally accepted *Government Auditing Standards*.

Section III - Findings and Questioned Costs – Major Federal Award Programs Audit

We noted no findings relating to the Federal Awards Programs, which are required to be reported in accordance with generally accepted *Government Auditing Standards.*

Section IV – Summary of Prior Year Audit Findings Relating to Federal Awards

No prior year audit findings relating to Federal Awards.