

CITY OF RUPERT IDAHO

Financial Statements

Year Ended September 30, 2021

CITY OF RUPERT, IDAHO
Financial Statements
For the year ended September 30, 2021

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Management's Discussion and Analysis For the Year Ended September 30, 2021

The City of Rupert, Idaho's general purpose external financial statements are presented in this report. The components of the general purpose external financial statements include:

- Management's Discussion and Analysis (MD&A)
- Basic Financial Statements
- Other Required Supplementary Information (RSI).

FINANCIAL HIGHLIGHTS

- The total of all fund assets of the City of Rupert exceeded liabilities at the close of the most recent fiscal year by \$ 28,322,897. Of that amount, \$3,580,449 (unrestricted net position) may be used to meet future obligations and programs.
- Governmental Fund Revenues were \$5,437,953 and expenditures were \$5,011,924.
- Proprietary Fund Operating Revenues were \$10,709,555 and operating expenses were \$9,703,675.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the City's overall financial condition. Changes in the City's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information on how the City's net position changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

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

CITY OF RUPERT, IDAHO MANAGEMENT DISCUSSION AND ANALYSIS

Continued...

Table 1: Major Features of the Basic Financial Statements			
	Government-wide	Fund Financial Statements	
	Financial Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government and the City's component unit.	Activities of the City that are not proprietary.	Activities of the City that are operated similar to private businesses
Required financial statements	* Statement of net position * Statement of activities	* Balance sheet * Statement of revenues, expenditures, and changes in fund balances	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	* Revenues for which cash is received during or soon after the end of the year * Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Refer to Note 1 of the financial statements for more detailed information on the elements of the financial statements. Table 1 above summarizes the major features of the basic financial statements.

CONDENSED FINANCIAL INFORMATION

Condensed Statement of Net Position

The largest component of the City's net position, \$ 23,627,786, reflects its investment in capital assets (e.g. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The City uses these capital assets to provide services to the citizens and businesses in the City; consequently, these net assets are not eligible for future spending. Restricted net position totals \$1,114,662. Restricted net position represents resources that are subject to external restrictions, constitutional provisions, debt service requirements, or enabling

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

legislation on how they can be used. The remaining portion of net assets, \$3,580,449, is unrestricted and can be used to finance government operations.

Table 2 below presents the City's condensed statement of net position as of September 30, 2021, derived from the government-wide Statement of Net Position.

	Governmental Activities	Business type Activities	Total Primary Government
Current and other assets	\$ 2,286,117	\$ 3,295,667	\$ 5,581,784
Capital assets	11,147,303	27,072,701	38,220,004
Restricted assets	0	1,114,662	1,114,662
Total Assets	<u>13,433,420</u>	<u>31,483,030</u>	<u>44,916,450</u>
Deferred Outflows of Resources and Net Pension Asset	<u>436,537</u>	<u>450,554</u>	<u>887,091</u>
Current Liabilities	338,472	659,090	997,562
Long-term liabilities	<u>3,859,018</u>	<u>10,590,067</u>	<u>14,449,085</u>
Total Liabilities	<u>4,197,490</u>	<u>11,249,157</u>	<u>15,446,647</u>
Deferred Inflows of Res.	<u>1,000,930</u>	<u>1,003,067</u>	<u>2,003,997</u>
Net Position:			
Invested in capital assets- net of related debt	7,335,424	16,292,362	23,627,786
Restricted	0	1,114,662	1,114,662
Unrestricted	<u>1,336,113</u>	<u>2,244,336</u>	<u>3,580,449</u>
Total Net Position	<u>\$ 8,671,537</u>	<u>\$ 19,651,360</u>	<u>\$ 28,322,897</u>

The amount restricted in the Business-type Activities category is for various future water and wastewater projects along with funds restricted in accordance with debt requirements.

Condensed Statement of Activities

Table 3 below presents the City's condensed statement of activities for the fiscal year ended September 30, 2021 as derived from the government-wide Statement of Activities. Over time, increases and decreases in net position measure whether the City's financial position is improving or deteriorating. During the fiscal year, the net position of the governmental activities increased by \$1,950,924 and the net position of the business-type activities increased by \$1,203,553.

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

	<u>Governmental Activities</u>	<u>Business- type Activities</u>	<u>Total Primary Government</u>
Revenue:			
Program revenues			
Charges for services	\$ 1,353,174	\$ 10,601,376	\$ 11,954,550
Capital grants /contributions	1,194,896		1,194,896
	<u>2,548,070</u>	<u>10,601,376</u>	<u>13,149,446</u>
Total program revenues			
General revenues			
Taxes	1,283,423		1,283,423
Franchise, licenses, permits	66,095		66,095
State shared revenues	1,396,823		1,396,823
Penalties & interest on delinquencies	83,999		83,999
Gain on sale of assets			0
Earnings on investments	23,602	3,370	26,972
Transfers	733,902	(733,902)	0
Other revenues & Pension Loss	245,125	1,443,326	1,688,451
Total general revenues	<u>3,832,969</u>	<u>712,794</u>	<u>4,545,763</u>
Total revenues	<u>6,381,039</u>	<u>11,314,170</u>	<u>17,695,209</u>
Program expenses:			
General Government	1,651,447		1,651,447
Public Safety	1,271,630		1,271,630
Highways and Streets	542,792		542,792
Cultural and Recreation	459,235		459,235
Depreciation	355,725		355,725
Electric		5,472,249	5,472,249
Water		1,258,974	1,258,974
Wastewater		2,274,732	2,274,732
Sanitation		697,720	697,720
Interest, long-term debt	149,286	406,942	556,228
Total program expenses	<u>4,430,115</u>	<u>10,110,617</u>	<u>14,540,732</u>
Change in net position	1,950,924	1,203,553	3,154,477
Beginning net position	<u>6,720,613</u>	<u>18,447,807</u>	<u>25,168,420</u>
Ending net position	<u>\$ 8,671,537</u>	<u>\$ 19,651,360</u>	<u>\$ 28,322,897</u>

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

Program Expenses and Revenues for Governmental Activities

Table 4 below presents program expenses and revenues for governmental activities. Overall, program revenues were not sufficient to cover program expenses for governmental activities.

**Table 4: Program Expenses and Revenues
for Government Activities
For the Fiscal Year Ended September 30, 2021**

	Program Expenses	Program Revenues	Net Expense (Revenues) (a)
General Government	\$ 1,651,447	\$ 2,391,561	\$ 740,114
Public Safety	1,271,630	9,742	(1,261,888)
Highways and Streets	542,792		(542,792)
Cultural and Recreation	459,235	146,767	(312,468)
Interest Expense	149,286		(149,286)
Depreciation	355,725		(355,725)
Totals	\$ <u>4,430,115</u>	\$ <u>2,548,070</u>	\$ <u>(1,882,045)</u>

(a) Governmental activities are mainly supported by property taxes, State shared revenues and other general government revenue sources.

Program Expenses and Revenues for Business-type Activities

Table 5 below presents program expenses and revenues for business-type activities. Program revenues generated from business-type activities were sufficient to cover program expenses

**Table 5: Program Expenses and Revenues
for Business-type Activities
For the Fiscal Year Ended September 30, 2021**

City Programs	Program Expenses	Program Revenues	Net Program Expenses (Revenues)
Electric	\$ 5,472,249	\$ 5,584,983	\$ 112,734
Water	1,258,974	1,269,519	10,545
Wastewater	2,274,732	2,987,196	712,464
Sanitation	697,720	759,678	61,958
Interest on long-term debt	406,942		(406,942)
Totals	\$ <u>10,110,617</u>	\$ <u>10,601,376</u>	\$ <u>490,759</u>

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

The City of Rupert, Idaho adopts an annual budget. Table 6 below provides a budgetary comparison statement of Governmental Funds. In total, any negative variances are insignificant.

Table 6: Analysis of Significant Budget Variances
for Government Activities
For the Fiscal Year Ended September 30, 2021

MD&A Budget/Actual 2021	Original Budget Amounts	Final Budget Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
Taxes	\$ 1,399,549	\$ 1,399,549	\$ 1,286,517	\$ (113,032)
Franchises, licenses, permits	64,500	64,500	66,095	1,595
State of Idaho Shared Revenue	729,237	729,237	1,388,046	658,809
Fees fines & charges for service	324,649	324,649	302,385	(22,264)
Grants and Contributions	2,231,129	2,231,129	1,194,896	(1,036,233)
Miscellaneous	<u>1,797,653</u>	<u>1,797,653</u>	<u>1,200,014</u>	<u>(597,639)</u>
Total Revenue	<u>6,546,717</u>	<u>6,546,717</u>	<u>5,437,953</u>	<u>(1,108,764)</u>
General Government	1,455,421	1,455,421	1,348,125	107,296
Public Safety	1,395,284	1,395,284	1,270,419	124,865
Streets	388,464	388,464	388,667	(203)
Debt Service	236,099	236,099	225,305	10,794
Capital outlay	2,298,000	2,298,000	1,016,049	1,281,951
Parks	155,380	155,380	147,954	7,426
Pool and Recreation	298,141	298,141	313,570	(15,429)
Library	199,450	199,450	193,958	5,492
Animal Control	<u>159,920</u>	<u>159,920</u>	<u>107,877</u>	<u>52,043</u>
Total Expenditures	<u>6,586,159</u>	<u>6,586,159</u>	<u>5,011,924</u>	<u>1,574,235</u>
Excess Revenues (Expenditures)	(39,442)	(39,442)	426,029	465,471

BUDGET VARIANCES IN THE GENERAL FUND

The changes made to the budget format have moved the City into compliance with the budget standards developed by the Government Finance Officers of America (GFOA). An analysis of budget variances this year shows that more assets were budgeted for expenditure than were expended during the current operating cycle.

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

**Table 7: Comparison of Statement of Net Position
As of September 30, 2021 and 2020**

	2021	2020	Percentage Change
Current Assets	\$ 5,581,784	4,091,782	26.69%
Capital Assets	38,220,004	38,814,872	-1.56%
Restricted Assets	1,114,662	1,082,268	2.91%
Total Assets	44,916,450	43,988,922	2.07%
Deferred Outflows of Res.	887,091	403,981	54.46%
Current Liabilities	997,562	1,484,913	-48.85%
Long Term Liabilities	14,449,085	17,676,658	-22.34%
Total Liabilities	15,446,647	19,161,571	-24.05%
Deferred Inflows of Res.	2,003,997	62,912	96.86%
Net Position:			
Invested in Capital Assets net of related debt	23,627,786	22,604,650	4.33%
Restricted	1,114,662	1,082,268	2.91%
Unrestricted	3,580,449	1,481,502	58.62%
Total Net Position	\$ 28,322,897	25,168,420	11.14%

CAPITAL ASSET AND LONG-TERM, ACTIVITY

Capital Asset Activity

At September 30, 2021, the City reported \$11,147,303 in capital assets for governmental activities and \$27,072,701 in capital assets for business-type activities, for a total of \$38,220,004 in capital assets.

Long-term Debt Activity

See Note 5 of the financial statements for information on the City's long-term debt.

**CITY OF RUPERT, IDAHO
MANAGEMENT DISCUSSION AND ANALYSIS**

Continued...

**Table 8: Changes in Fixed Assets
for All Funds
For the Fiscal Year Ended September 30, 2021**

	Beginning Balance	Additions	Deletions	Ending Balance
Land	\$ 786,448	0	0	\$ 786,448
Construction in Progress	0	0	0	0
Infrastructure	62,544,938	744,467	0	63,289,405
Buildings and improvements	5,833,852	182,479	0	6,016,331
Vehicles and equipment	6,298,061	209,710	0	6,507,771
 Totals	 75,463,299	 1,136,656	 0	 76,599,955
 Accumulated Depreciation	 36,648,427	 1,731,524	 0	 38,379,951
 Net Book Value	 \$ 38,814,872	 (594,868)	 0	 \$ 38,220,004

REQUESTS FOR INFORMATION

Requests for information regarding City finances should be directed to:

City Finance Officer
624 F Street, P.O. Box 426
Rupert, ID 83350
Telephone: (208) 436-9600

CITY OF RUPERT, IDAHO
Statement of Net Position
at September 30, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total Primary Government</u>	<u>Component Unit Urban Renewal Agency</u>
<u>ASSETS</u>				
Cash and Deposits	\$ 1,716,585	\$ 1,743,935	\$ 3,460,520	
Accounts Receivable		926,270	926,270	
Taxes Receivable	34,447		34,447	
Due From Other Governments	284,248		284,248	
Restricted and Assigned Cash		1,114,662	1,114,662	\$ 166,141
Due From Other Funds	236,692		236,692	
Other Assets and Inventory	14,145	625,462	639,607	
Totals	<u>2,286,117</u>	<u>4,410,329</u>	<u>6,696,446</u>	<u>166,141</u>
Capital Assets:				
Land	579,124	207,324	786,448	
Construction in Progress			0	
Infrastructure	7,848,142	55,441,263	63,289,405	
Buildings and Improvements	5,195,254	821,077	6,016,331	
Equipment and Vehicles	2,549,368	3,958,403	6,507,771	
Accumulated Deprecation	(5,024,585)	(33,355,366)	(38,379,951)	
Total Capital Assets	<u>11,147,303</u>	<u>27,072,701</u>	<u>38,220,004</u>	<u>0</u>
Total Assets	<u>13,433,420</u>	<u>31,483,030</u>	<u>44,916,450</u>	<u>166,141</u>
Deferred Outflows of Resources and Pension Assets:				
Pension Fund Net Asset	31,288	32,292	63,580	
Deferred Outflows from Pensions Activity	<u>405,249</u>	<u>418,262</u>	<u>823,511</u>	<u>0</u>
<u>LIABILITIES</u>				
Accounts and Payroll Liabilities Payable	253,472	128,743	382,215	
Refundable User Deposits		182,795	182,795	
Due To Other Funds		236,692	236,692	
Long-term Liabilities:				
Portion due or payable within one year:				
Loans Payable	85,000	110,860	195,860	
Portion due or payable after one year:				
Loans Payable	3,715,000	9,367,787	13,082,787	
Premium on Bond Refunding	11,879	1,065,000	1,076,879	
Compensated Absences	<u>132,139</u>	<u>157,280</u>	<u>289,419</u>	
Total Liabilities	<u>4,197,490</u>	<u>11,249,157</u>	<u>15,446,647</u>	<u>0</u>
Deferred Inflows of Resources:				
Deferred Inflows from Pensions Activity	<u>1,000,930</u>	<u>1,033,067</u>	<u>2,033,997</u>	<u>0</u>
<u>NET POSITION</u>				
Invested in Capital Assets - net of related debt	7,335,424	16,292,362	23,627,786	
Restricted For:				
Debt Service		1,114,662	1,114,662	
Other Purposes				166,141
Unrestricted	<u>1,336,113</u>	<u>2,244,336</u>	<u>3,580,449</u>	
Total Net Position	<u>\$ 8,671,537</u>	<u>\$ 19,651,360</u>	<u>\$ 28,322,897</u>	<u>\$ 166,141</u>

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Statement of Activities
For the Year Ended September 30, 2021

Activities:	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position			Component Unit - Urban Renewal Agency
		Fees, Fines, and Charges for Services	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total	
Governmental:							
Administrative	\$ 675,587	\$ 1,141,598	\$ 1,167,495	\$ 1,633,506		\$ 1,633,506	
Buildings	99,873			(99,873)		(99,873)	
City Hall Office	424,285			(424,285)		(424,285)	
Law Enforcement	1,085,755		9,742	(1,076,013)		(1,076,013)	
Streets	542,792			(542,792)		(542,792)	
Parks	146,975			(146,975)		(146,975)	
Pool and Recreation	312,260	146,767		(165,493)		(165,493)	
Fire Control	185,875			(185,875)		(185,875)	
Shop	147,789			(147,789)		(147,789)	
Library	195,508	8,461	11,712	(175,335)		(175,335)	
Animal Control	108,405	56,348	5,947	(46,110)		(46,110)	
Interest	149,286			(149,286)		(149,286)	
Unallocated Depreciation	355,725			(355,725)		(355,725)	
Total Governmental Activities	4,430,115	1,353,174	1,194,896	(1,882,045)		(1,882,045)	
Business Type:							
Electric	5,472,249	5,584,983			\$ 112,734	112,734	
Water	1,258,974	1,269,519			10,545	10,545	
Wastewater	2,274,732	2,987,196			712,464	712,464	
Sanitation	697,720	759,678			61,958	61,958	
Interest - on long-term debt	406,942				(406,942)	(406,942)	
Total Business-type Activities	10,110,617	10,601,376	0		490,759	490,759	
Total City of Rupert, Idaho	\$ 14,540,732	11,954,550	\$ 1,194,896	(1,882,045)	490,759	(1,391,286)	
Component Units:							
Urban Renewal Agency	\$ 391						\$ (391)
Total							(391)
General Revenues:							
				93,017		93,017	
				355,979		355,979	
				626,184		626,184	
				312,866		312,866	
				8,777		8,777	
				66,095		66,095	
				1,283,423		1,283,423	58,454
				83,999		83,999	
				23,602	3,370	26,972	
				27,565		27,565	
						0	
				5,282	108,179	113,461	
				234	1,108,341	1,108,575	
				212,044	226,806	438,850	
				733,902	(733,902)	0	
Total general revenues and transfers				3,832,969	712,794	4,545,763	58,454
Changes in net position				1,950,924	1,203,553	3,154,477	58,063
Net Position - Beginning				6,720,613	18,447,807	25,168,420	108,078
Net Position - Ending				\$ 8,671,537	\$ 19,651,360	\$ 28,322,897	\$ 166,141

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Balance Sheet
Governmental Funds
at September 30, 2021

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>DeMary Library Fund</u>	<u>Animal Control Fund</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and Cash Deposits	\$ 1,497,143	\$ 87,741	\$ 166,882	\$	\$ 1,751,766
Taxes Receivable	30,924		3,523		34,447
Due From Other Governments	276,848		7,400		284,248
Due From Other Funds	236,692				236,692
Other Receivables	14,145				14,145
Total Assets	\$ 2,055,752	\$ 87,741	\$ 177,805	\$ 0	\$ 2,321,298
LIABILITIES:					
Cash Deficit	\$	\$	\$	35,181	\$ 35,181
Accounts Payable	190,825		1,341	2,788	194,954
Accrued Labor Payable	53,815		3,435	1,268	58,518
Total Liabilities	244,640	0	4,776	39,237	288,653
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - LID Assessment	11,281				11,281
Unavailable Revenue - Property Taxes	27,832		2,466		30,298
Total Deferred Inflows of Resources	39,113	0	2,466	0	41,579
FUND BALANCE:					
Non-spendable					0
Restricted					0
Committed					0
Assigned		87,741	170,563		258,304
Unassigned	1,771,999			(39,237)	1,732,762
Total Fund Balance	1,771,999	87,741	170,563	(39,237)	1,991,066
Total Liabilities and Fund Balance	\$ 2,055,752	\$ 87,741	\$ 177,805	\$ 0	

Amounts reported for governmental activities in the Statement of Net Position (page 11)
are different because:

Governmental fund capital assets are not financial resources and therefore are not reported in the funds. The cost of assets is \$ 16,171,888 and the accumulated depreciation is \$ 5,024,585	11,147,303
Long-term liabilities, including bonds and compensated absences are not payable in the current period and therefore are not reported in the governmental funds	(3,944,018)
Pension activity is not reported in the government funds	(522,814)
Net Position of Governmental Funds	\$ 8,671,537

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the year ended September 30, 2021

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>DeMary Library Fund</u>	<u>Animal Control Fund</u>	<u>Total Governmental Funds</u>
REVENUE:					
Property taxes	\$ 899,571	\$ 238,154	\$ 148,792	\$	\$ 1,286,517
Franchises, licenses, permits	64,420			1,675	66,095
State of Idaho shared revenue	626,184				626,184
State of Idaho sales tax	254,417		58,449		312,866
State of Idaho liquor receipts	93,017				93,017
State highway user collections	355,979				355,979
Penalty collection / delinquent notices	83,999				83,999
County court fines	27,565				27,565
Highway Road and Bridge tax	8,777				8,777
Fees, fines and charges for services	237,576		8,461	56,348	302,385
Grants and contributions	1,177,237		11,712	5,947	1,194,896
Interest earnings	22,506	1,096			23,602
Gain on Sale of Assets					0
Miscellaneous	5,274			8	5,282
Admin costs paid by Utility Funds	1,050,789				1,050,789
Total Revenue	<u>4,907,311</u>	<u>239,250</u>	<u>227,414</u>	<u>63,978</u>	<u>5,437,953</u>
EXPENDITURES:					
Administration	675,817				675,817
Buildings	100,774				100,774
City Hall Office	423,582				423,582
Law Enforcement	1,085,496				1,085,496
Streets	388,667				388,667
Parks	147,954				147,954
Pool and Recreation	313,570				313,570
Fire Control	184,923				184,923
Shop	147,952				147,952
Debt Service		225,305			225,305
Capital Outlay	1,016,049				1,016,049
Library			193,958		193,958
Animal Control				107,877	107,877
Total Expenditures	<u>4,484,784</u>	<u>225,305</u>	<u>193,958</u>	<u>107,877</u>	<u>5,011,924</u>
EXCESS REVENUE (EXPENDITURES)	422,527	13,945	33,456	(43,899)	426,029
OTHER FINANCING SOURCES (USES):					
Operating transfers from other funds	733,902			39,442	773,344
Operating transfers (to) other funds	(39,442)				(39,442)
NET CHANGE IN FUND BALANCES	1,116,987	13,945	33,456	(4,457)	1,159,931
FUND BALANCE - BEGINNING	<u>655,012</u>	<u>73,796</u>	<u>137,107</u>	<u>(34,780)</u>	<u>831,135</u>
FUND BALANCE - ENDING	<u>\$ 1,771,999</u>	<u>\$ 87,741</u>	<u>\$ 170,563</u>	<u>\$ (39,237)</u>	<u>\$ 1,991,066</u>

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, 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, 2021

Net Change in Fund Balance - Total Governmental Funds (Page 14) \$ 1,159,931

Governmental funds report capital outlays as current year expenditures.
 In the Statement of Activities the cost of these assets is allocated
 over their estimated useful lives as depreciation expense. This is
 the amount of current capital outlay for new fixed assets.

This is the amount of current year depreciation. 355,725

This is the amount of new assets paid in the Government Funds. (831,208)

This is the amount of disposed of Governmental Fund assets. 0

Long term liabilities are not recorded in the Governmental funds.
 Principle and interest paid on capital debt are recorded as
 expenditures in the Governmental Funds. Principle amounts
 paid are not recorded as expenditures in the Statement of Net
 Position.

This is the amount of current principal/premium adjustments on capital debt. 1,057,526

Gain (Loss) on Pension Activity 212,044

Some property taxes will not be collected for several months after the City's
 fiscal year end. They are not considered available revenues in the
 governmental funds, but are recorded as deferred tax revenues.
 However, they are recorded as revenues in the Statement of Activities.

This is the change in deferred revenue in the current year. (3,094)

Change in Net Position of Governmental Activities (Page 12) \$ 1,950,924

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Statement of Net Position
Proprietary Funds
at September 30, 2021

	Electric Fund	Water Fund	Wastewater Fund	Sanitation Fund	Totals
Assets:					
Current Assets:					
Cash and Deposits	\$	\$ 120,741	\$ 1,533,545	\$ 271,148	\$ 1,925,434
Accts receivable - customers	534,703	118,824	208,313	64,430	926,270
Inventory	451,625	95,460	78,377	0	625,462
	986,328	335,025	1,820,235	335,578	3,477,166
Restricted Current Assets:					
Cash and Deposits	198,334	126,577	789,751	0	1,114,662
	1,184,662	461,602	2,609,986	335,578	4,591,828
Capital Assets:					
Plant and equipment	10,341,285	8,060,296	40,849,119	1,177,367	60,428,067
Accumulated depreciation	(7,105,663)	(4,267,909)	(21,107,035)	(874,759)	(33,355,366)
	3,235,622	3,792,387	19,742,084	302,608	27,072,701
Total Assets	4,420,284	4,253,989	22,352,070	638,186	31,664,529
Deferred Outflows of Resources and Net Pension Asset:					
Net Pension Asset	13,046	5,392	7,710	6,144	32,292
Deferred Outflows from Pensions	168,979	69,839	99,867	79,577	418,262
Liabilities:					
Current Liabilities:					
Cash Deficit	181,499				181,499
Accounts and Other Accrued Payables	26,723	18,191	24,199	4,864	73,977
Accrued Payroll Payable	20,798	9,092	13,455	11,421	54,766
Due To Other Funds				236,692	236,692
Customer Deposits	182,795				182,795
Current portion long-term debt	0	0	110,860	0	110,860
	230,316	27,283	148,514	252,977	840,589
Noncurrent Liabilities:					
Bonds and Capital Leases Payable	0	645,000	8,722,787		9,367,787
Premium on Bond Refunding		140,000	925,000		1,065,000
Compensated Absences Payable	73,657	20,764	35,745	27,114	157,280
	73,657	805,764	9,683,532	27,114	10,590,067
Total Liabilities	303,973	833,047	9,832,046	280,091	11,430,656
Deferred Inflows of Resources:					
Deferred Inflows from Pensions	417,362	172,497	246,663	196,545	1,033,067
Net Position:					
Investment in capital assets net of related debt	3,235,622	3,007,387	9,983,437	65,916	16,292,362
Restricted	198,334	126,577	789,751	0	1,114,662
Unrestricted	265,519	189,712	1,607,750	181,355	2,244,336
Total Net Position	\$ 3,699,475	\$ 3,323,676	\$ 12,380,938	\$ 247,271	\$ 19,651,360

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
for the year ended September 30, 2021

	<u>Electric Fund</u>	<u>Water Fund</u>	<u>Wastewater Fund</u>	<u>Sanitation Fund</u>	<u>Totals</u>
Operating Revenues:					
Charges for services	\$ 5,584,983	\$ 1,269,519	\$ 2,987,196	\$ 759,678	\$ 10,601,376
Miscellaneous	47,493	21,019	12,599	27,068	108,179
Total Operating Revenue	<u>5,632,476</u>	<u>1,290,538</u>	<u>2,999,795</u>	<u>786,746</u>	<u>10,709,555</u>
Operating Expenses:					
Salaries and benefits	878,169	386,478	542,190	465,486	2,272,323
Administrative and supplies	5,053	37,810	28,528		71,391
Operations and maintenance	3,806,576	484,356	558,649	84,868	4,934,449
Administrative fees to General Fund	556,344	125,965	283,421	83,983	1,049,713
Depreciation	226,107	224,365	861,944	63,383	1,375,799
Total Operating Expenses	<u>5,472,249</u>	<u>1,258,974</u>	<u>2,274,732</u>	<u>697,720</u>	<u>9,703,675</u>
Net Operating Income	<u>160,227</u>	<u>31,564</u>	<u>725,063</u>	<u>89,026</u>	<u>1,005,880</u>
Nonoperating Revenues (Expenses):					
Interest Income	600	383	2,387	0	3,370
Interest Expense		(36,395)	(365,391)	(5,156)	(406,942)
Grants					0
Premium Earned on refinancing		126,372	981,969		1,108,341
Gain on Sale of Assets					
Gain (Loss) on Pension Activity	84,562	37,646	53,264	51,334	226,806
Total Nonoperating	<u>85,162</u>	<u>128,006</u>	<u>672,229</u>	<u>46,178</u>	<u>931,575</u>
Income before transfers	<u>245,389</u>	<u>159,570</u>	<u>1,397,292</u>	<u>135,204</u>	<u>1,937,455</u>
Transfers in					0
Transfers out	(502,736)	(59,745)	(121,688)	(49,733)	(733,902)
Net Income	<u>(257,347)</u>	<u>99,825</u>	<u>1,275,604</u>	<u>85,471</u>	<u>1,203,553</u>
Total Net Position - Beginning	<u>3,956,822</u>	<u>3,223,851</u>	<u>11,105,334</u>	<u>161,800</u>	<u>18,447,807</u>
Total Net Position - Ending	<u>\$ 3,699,475</u>	<u>\$ 3,323,676</u>	<u>12,380,938</u>	<u>\$ 247,271</u>	<u>\$ 19,651,360</u>

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Statement of Cash Flows
Proprietary Funds
for the year ended September 30, 2021

	Electric Fund	Water Fund	Wastewater Fund	Sanitation Fund	Total
Cash Flows From Operating Activities:					
Receipts from customers	\$ 5,577,661	\$ 1,263,690	\$ 2,982,535	\$ 756,692	\$ 10,580,578
Payments to suppliers	(4,082,675)	(520,762)	(595,430)	(82,175)	(5,281,042)
Payments to employees	(878,168)	(386,478)	(542,190)	(465,486)	(2,272,322)
Payments to General Fund for Administration	(556,344)	(125,965)	(283,421)	(83,983)	(1,049,713)
Other receipts	47,493	21,019	12,599	27,068	108,179
Net cash provided (used) by operations	<u>107,967</u>	<u>251,504</u>	<u>1,574,093</u>	<u>152,116</u>	<u>2,085,680</u>
Cash Flows From Capital and Related Financing Activities:					
Purchase and construction of capital assets	0	(95,738)	0	(209,710)	(305,448)
Principal paid on capital debt	0	(55,000)	(518,761)	0	(573,761)
Interest paid on capital debt	<u>0</u>	<u>(36,395)</u>	<u>(365,391)</u>	<u>(5,156)</u>	<u>(406,942)</u>
Net cash provided (used) by capital and related financing activities	<u>0</u>	<u>(187,133)</u>	<u>(884,152)</u>	<u>(214,866)</u>	<u>(1,286,151)</u>
Cash Flows From Investing Activities:					
Due to other funds				169,339	169,339
Transfers In/(Out)	(502,736)	(59,745)	(121,688)	(49,733)	(733,902)
Interest Income	600	383	2,387	0	3,370
Net cash provided (used) by investing	<u>(502,136)</u>	<u>(59,362)</u>	<u>(119,301)</u>	<u>119,606</u>	<u>(561,193)</u>
Net Increase (Decrease) in Cash and Deposits	(394,169)	5,009	570,640	56,856	238,336
Balances - Beginning of the year	<u>411,004</u>	<u>242,309</u>	<u>1,752,656</u>	<u>214,292</u>	<u>2,620,261</u>
Balances - Ending of the year	<u><u>\$ 16,835</u></u>	<u><u>247,318</u></u>	<u><u>\$ 2,323,296</u></u>	<u><u>\$ 271,148</u></u>	<u><u>\$ 2,858,597</u></u>
Displayed as:					
Pooled Cash and Investments	(181,499)	120,741	1,533,545	271,148	1,743,935
Restricted Assets	<u>198,334</u>	<u>126,577</u>	<u>789,751</u>		<u>1,114,662</u>
Balances - Ending of the year	<u><u>\$ 16,835</u></u>	<u><u>247,318</u></u>	<u><u>\$ 2,323,296</u></u>	<u><u>\$ 271,148</u></u>	<u><u>\$ 2,858,597</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating Income	160,227	31,564	725,063	89,026	1,005,880
Adjustments to reconcile operating income to net cash provided (used) by operating activities:					
Depreciation expense	226,107	224,365	861,944	63,383	1,375,799
Changes in assets and liabilities:					
Receivables, net	(7,322)	(5,829)	(4,661)	(2,986)	(20,798)
Accounts and other payables	(244,505)	1,825	(6,839)	2,693	(246,826)
Transfers in (out)					0
Change in inventory and customer deposits	<u>(26,540)</u>	<u>(421)</u>	<u>(1,414)</u>		<u>(28,375)</u>
Net Cash Provided (Used) by Operating Activity	<u><u>\$ 107,967</u></u>	<u><u>251,504</u></u>	<u><u>\$ 1,574,093</u></u>	<u><u>\$ 152,116</u></u>	<u><u>\$ 2,085,680</u></u>

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rupert, Idaho became an incorporated city under the laws of the State of Idaho on April 12, 1906. The accounting policies of the City of Rupert, Idaho conform to generally accepted accounting principles as applicable to governmental units. The financial statements of the City of Rupert, Idaho have been prepared in conformity with the 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 City also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities (enterprise funds) provided they do not conflict with or contradict GASB pronouncements. The following is a summary of the more significant policies:

(A) Basis of Presentation – Basis of Accounting

Basis of Presentation:

For this reporting period, the City has conformed its financial statement model to *Governmental Auditing Standards Board (GASB) Statement No. 34*. This model presents the financial statements as follows:

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the City). These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category—*governmental* and *proprietary*—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-Continued

The City reports the following governmental funds:

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

The City reports the following enterprise funds:

Electric, Water, Wastewater, and Sanitation Funds. These funds account for the operation, maintenance, and development of the City's electrical distribution system, water and waste-water facilities, and sanitation collection.

Discretely Presented Component Unit

The Component unit column in the financial statements includes the financial data of the City's only discretely presented component unit, the Rupert Urban Renewal Agency. It is reported in a separate column to emphasize that it is separate from the City's operations. Complete financial statements of the Rupert Urban Renewal Agency can be requested.

Measurement Focus, Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Budgets and Budgetary Accounting. The City adheres to City budget requirements in Title 50, Chapter 10 of the Idaho Code. The provisions of this chapter include the following procedures to establish budgetary data which is reflected in these financial statements:

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-continued

- A. Prior to certifying the tax levy to the County Commissioners, and prior to passing the annual appropriation ordinance, a public meeting shall be held to adopt a budget by a favorable vote of a majority of the members of the council.
- B. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles. Uncommitted appropriations lapse at year end.
- C. There are no provisions in Title 50, Chapter 10 for budget augmentations.

Entity Classifications.

- A. City-Wide Financial Statements – The City reports net position in three categories -- invested in capital assets, restricted and unrestricted.
- B. Fund Financial Statements – The City has adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" (GASB 54) which defines how fund balances of the governmental funds are presented in the financial statements. There are five classifications of fund balances as presented below:

Non-spendable – These funds are not available for expenditures based on legal or contractual requirements. In this category, one would see inventory, long-term receivables, unless proceeds are restricted, committed, or assigned and legally or contractually required to be maintained intact (corpus or a permanent fund).

Restricted – These funds are governed by externally enforceable restrictions. In this category, one would see restricted purpose grant funds, debt service or capital projects.

Committed – Fund balances in this category are limited by the governments' highest level of decision making. Any changes of designation must be done in the same manner that it was implemented and should occur prior to end of the fiscal year, though the exact amount may be determined subsequently.

Assigned – These funds are intended to be used for specific purposes, intent is expressed by governing body or an official delegated by the governing body.

Unassigned – This classification is the default for all funds that do not fit into the other categories. This, however, should not be a negative number for the general fund. If it is, the assigned fund balance must be adjusted.

Order of Use of Fund Balance – The City's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-Continued

Allocation of Indirect Expenses. The City allocates indirect expense, primarily comprised of central governmental services, to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies. As a matter of policy, certain functions that use significant central services are not charged for the use of these services. These functions or programs include police, fire, and certain divisions with public services and parks.

(B) Assets, Liabilities, and Equity

Deposits and Investments

The cash balances of substantially all funds are pooled and deposited in either US Bank or the funds individually invest in the State of Idaho Treasurer's Office for the purpose of increasing earnings through investment activities. The State Investment Pool amounts are reported at fair value at September 30 of each year based on market prices. The individual funds' portions of the bank balance and fair value of the State Investment Pool are presented as "Cash and Deposits". Earnings from the State Investments Pool are credited each month in the individual funds where the account is reported.

Cash and Deposits

The City considers cash and deposits in proprietary funds to be cash on hand. In addition, because the State Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a deposit.

Receivables and Payable

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

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 Minidoka 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.

Budgetary Data

Prior to September 1, the City Administrator submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. After reviewing the preliminary budget, the Council sets a public budget hearing to obtain taxpayer comments. Prior to October 1, the budget is legally enacted through passage of an ordinance.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-Continued

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department. Budget revisions at this level are subject to final review by the City Council. The legal level of control is by department within a fund. Expenditures may not exceed appropriations at this level. Within these control levels, management may transfer appropriations without Council approval. All annual appropriations lapse at year end. Budgetary data is prepared on the basis of accounting used by a particular fund as explained above. However, only current period payments on capital leases are budgeted, not the full capitalized lease amounts. Depreciation for the proprietary funds is not budgeted; however, an allowance for capital outlay is included in budgeted expenditures.

Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Inventory

Inventories in governmental funds are considered to be immaterial and are not reported. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis.

Capital Assets

Purchased or constructed capital assets used in operations with an initial useful life that extends beyond one year are capitalized. Infrastructure assets such as roads and bridges are also capitalized. They are reported net of accumulated depreciation on the Statement of Net Assets. The City capitalizes assets in excess of \$5,000.

Under the requirements of *GASB Statement No. 34*, the City is considered a Phase 3 government, as its total annual revenues are less than \$10 million. Such governments are not required to report major general infrastructure assets retroactively. Accordingly, the City has determined not to retroactively report this type of capital asset.

Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	5-15
Office and Other Equipment	3-15
Computer Equipment	3-15

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

Continued

Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

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.

Deferred Outflows/Inflows of Resources

In 2007, the Governmental Accounting Standards Board (GASB) released Concepts Statement No. 4 *Elements of Financial Statements* which provides a framework for determining the nature of financial accounting or reporting issues. Since the release of the framework, GASB has been looking at the assets and liabilities on the balance sheet to determine if they should continue to be reflected as such. GASB has concluded that, in order to improve financial reporting, there are assets and liabilities that no longer should be reflected as assets and liabilities. These changes are included in the recently-issued GASB Statement No. 65, *Items Previously Reported as Asset and Liabilities*.

These changes include two new items that are reflected on the Statement of Net Position.

- Deferred outflow of resources – the current *consumption* of net assets that is applicable to a *future* reporting period.
- Deferred inflows of resources – the current *acquisition* of net assets that is applicable to a *future* reporting period.

The City's financial statements may report a separate section for deferred inflows of resources which reflects an increase in resources that applies to a future period.

NOTE 2 – CASH AND DEPOSITS

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City has no deposit policy for custodial credit risk. At year end, \$ 1,887,878 of the City's bank balances were exposed to custodial credit risk because it was not covered by the FDIC.

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the City held the following investments:

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-Continued

Investment Type

Idaho State Local Government Investment Pool \$ 2,756,099

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the City voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body. Oversight of the Pool is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. The fair value of the City's position in the external investment Pool is the same as the value of the Pool shares.

Credit Risk: The City's policy is to comply with Idaho State statutes which authorize the City to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

Interest rate risk and concentration of credit risk: The City has no policy regarding these two investment risk categories.

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is presented on the combined balance sheet as "Cash and Deposits".

Cash and Deposits are comprised of the following at the financial statement date:

Cash on Hand	\$ 2,545
Deposits with financial institutions:	
Demand deposits	1,795,094
Timed Certificates of deposit	21,841
State of Idaho Investment Pool	<u>2,756,100</u>
Total	<u>\$ 4,575,580</u>

NOTE 3 – DELINQUENT TAXES RECEIVABLE

Property taxes are levied in November of each year and due in two equal installments at December 20 and June 20 following the levy date. If payment is not received upon the due dates, a 2% penalty is charged, and taxes are classified as past due subject to 12% interest.

Delinquent taxes not paid within 60 days of year-end are recorded as deferred revenue in the governmental fund financial statements. In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the City regardless of when cash is received. Over time, substantially all property taxes are collected. Although small amounts of delinquent taxes

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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are collected within 60 days following the close of the City's fiscal year, the City feels secure in the right of the County to take tax deeds on property for the collection of real property taxes. Therefore, an allowance for uncollectible taxes receivable has not been established and would be immaterial.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the current year ended was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
<i>Capital Assets not being depreciated:</i>				
Land	\$ 579,124	\$	\$	\$ 579,124
Construction in Progress	0			0
Total	<u>579,124</u>	<u>0</u>	<u>0</u>	<u>579,124</u>
<i>Capital Assets being depreciated:</i>				
Buildings & Improvements	5,012,775	182,479		5,195,254
Infrastructure	7,199,413	648,729		7,848,142
Vehicles and Equipment	2,549,368			2,549,368
Total	<u>14,761,556</u>	<u>831,208</u>	<u>0</u>	<u>15,592,764</u>
Less: Accumulated Depreciation:	<u>4,668,860</u>	<u>355,725</u>	<u>0</u>	<u>5,024,585</u>
Total Net Depreciated Assets	<u>10,092,696</u>	<u>475,483</u>	<u>0</u>	<u>10,568,179</u>
Governmental capital assets, net	\$ <u>10,671,820</u>	\$ <u>475,483</u>	\$ <u>0</u>	\$ <u>11,147,303</u>
Business-type activities:				
<i>Capital Assets not being depreciated:</i>				
Land	\$ 207,324	\$	\$	\$ 207,324
Construction in Progress	0			0
Total	<u>207,324</u>	<u>0</u>	<u>0</u>	<u>207,324</u>
<i>Capital Assets being depreciated:</i>				
Buildings & Improvements	821,077			821,077
Infrastructure	55,345,525	95,738		55,441,263
Vehicles and Equipment	3,748,693	209,710		3,958,403
Total	<u>59,915,295</u>	<u>305,448</u>	<u>0</u>	<u>60,220,743</u>
Less: Accumulated Depreciation	<u>31,979,567</u>	<u>1,375,799</u>	<u>0</u>	<u>33,355,366</u>
Total Net Depreciated Assets	<u>27,935,728</u>	<u>(1,070,351)</u>	<u>0</u>	<u>26,865,377</u>
Business-type capital assets, net	\$ <u>28,143,052</u>	\$ <u>(1,070,351)</u>	\$ <u>0</u>	\$ <u>27,072,701</u>

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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NOTE 5 - BONDS PAYABLE

In December 2012 the City signed documents to refinance the Sewer Bond Series 1088, 2001, 2008A, 2008B, 2008C, and 2009 by using Idaho Bond Bank Authority Revenue Bonds, Series 2012.

The Wastewater Parity Lien Revenue Refunding Bond is at the par amount of \$10,570,000 plus a premium of \$1,390,324 less underwriter discount of \$40,070, for a net purchase price of \$11,920,254. Proceeds from the municipal bond were used to pay off the prior bonds in the amount of \$11,804,674, plus fees and costs of \$114,315. The City was to transfer \$408,100 of funds held in the reserve funds for the prior bonds, for a total reserve of \$732,369. Bond repayment is scheduled to be complete in September 2038, with total interest expense of \$5,316,977 over the full term of repayment. Interest rates vary from 2% to 5%. The bond premium will be amortized over the life of the bonds.

Repayment of the bonds is scheduled in a later section of these financial statements.

In September 2013, the City issued the Wastewater Parity Lien Revenue Bond for the purpose of financing improvements to the wastewater system. At that time interim financing in the amount of \$3,351,000 plus interest was paid off. Interest in the amount of \$41,173 was capitalized and added to the project cost. The interim financing was paid upon completion of the sewer improvement project with funds provided by a USDA Rural Development Bond in the amount of \$3,452,000 at an interest rate of 2.125%.

Repayment of the bond is scheduled in a later section of these financial statements.

In December of 2012 the City signed documents to refinance the Water Revenue Bond Series 2002 by issuing Idaho Bond Bank Authority Revenue Bonds, Series 2012.

The Water Revenue Refunding Bond is at the par amount of \$1,225,000 plus a premium of \$191,149 less underwriter discount of \$4,614, for a net purchase price of \$1,411,535. Proceeds from the municipal bond were used to pay off the prior bond in the amount of \$1,387,421, plus fees and costs of \$21,001. Of the \$117,423 held in the reserve fund for the prior bond, \$92,700 was applied to fund the new Reserve Fund, with the balance to be used in part to pay the prior bond. Bond repayment is scheduled to be complete in September of 2032 with total interest expense of \$579,652 over the full term of repayment. Interest rates vary from 2% to 5%. The bond premium will be amortized over the life of the bonds.

In March of 2018 the City sold \$ 3,950,000 Series 2018A Revenue Bonds in order to fund certain City infrastructure projects, including road repaving and repair, storm water and water system repairs and improvements, repair of underground utilities and renovations to certain parks. This revenue bond series was sold at a premium of \$ 12,348. Bond repayment is scheduled to be complete in September of 2047 with total interest expense of \$ 2,708,274 over the full term of repayment. Interest rates vary from 3.375% to 5%. The bond premium will be amortized over the life of the bonds.

Repayment of the bond is scheduled in a later section of these financial statements.

In June of 2021 the City signed documents to refinance the Water Refunding Bond Series 2012 and the Wastewater Refunding Bond Series 2012 by issuing Idaho Bond Bank Authority Revenues Bonds, series 2021.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

– Continued

The Water Revenue Refunding Bond , series 2021 is at the par amount of \$ 645,000 plus a premium of \$140,000. Proceeds from the municipal bond were used to pay off the prior bond in the amount of \$ 785,000. Bond repayment is scheduled to be complete in September of 2032 with total interest expense of \$203,084 over the full term of repayment. Interest rates vary from 1.97% to 5%. The bond premium will be amortized over the life of the bonds.

The Wastewater Revenue Refunding Bond , series 2021 is at the par amount of \$ 6,200,000 plus a premium of \$925,000. Proceeds from the municipal bond were used to pay off the prior bond in the amount of \$7,125,000. Bond repayment is scheduled to be complete in September of 2032 with total interest expense of \$1,805,838 over the full term of repayment. Interest rates vary from 1.97% to 5%. The bond premium will be amortized over the life of the bonds.

Repayment of these bonds is scheduled in a later section of these financial statements.

NOTE 6 – CAPITAL LEASES

The City has entered into a municipal lease agreement for the purchase of a 2014 Elgin Pelican Street Sweeper to be used by the General Fund of the City. The obligation is recorded in the respective fund. Annual lease payments are paid in advance. Unless sooner terminated as set forth in the lease, ownership will transfer to the City upon expiration of the lease. Depreciation expense has been computed on assets acquired under municipal lease agreements. The last payment of this lease was made in 2021.

NOTE 7 – OPERATING LEASES

The City is obligated under several operating leases for vehicles and equipment. Operating leases do not give rise to property rights or purchase obligations, and therefore the results of the lease agreements are not reflected in the City's capital assets.

NOTE 8 – LITIGATION

The City, at the financial statement date, is not involved in any material litigation as either defendant or plaintiff.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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NOTE 9 – RESTRICTED NET ASSETS

The ordinance authorizing the Enterprise Fund revenue bonds requires that the City establish certain restricted cash accounts to be used in the retirement of the bonds and improvements to the water and waste-water systems. In addition, certain cash amounts are restricted for use in law enforcement, zoning ordinance enforcement, and for other restrictions imposed by the City Council in the general fund; and for debt retirement in the long-term debt group of accounts. The City's policy is to first apply unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. These restricted amounts are as follows:

	<u>General Fund</u>	<u>Enterprise Funds</u>
Electric Fund		\$ 198,334
Water Revenue Bond Debt Service		126,577
Wastewater Bonds Debt Service		<u>789,751</u>
Totals	<u>\$ 0</u>	<u>\$ 1,114,662</u>

NOTE 10 – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; injuries to the general public; and natural disasters. The City carries commercial insurance coverage for these risks to the extent deemed prudent by the City Council. The City is also protected by the Idaho Tort Claims Act, which limits exposure to tort claims against the City.

NOTE 11 – RUPERT URBAN RENEWAL AGENCY

The component unit column in the combined financial statements includes the financial data of the Rupert Urban Renewal Agency, the City's only discretely presented component unit. It is reported in a separate column to emphasize that it is legally separate from the City in accordance with State Urban Renewal law. The Agency has authority to construct public improvements including the acquisition of public right-of-way within the blighted area legally designated as the redevelopment district. The City appoints the governing board of the Agency. The Agency derives its funding from tax increment financing.

NOTE 12 – ANIMAL CONTROL FACILITY JOINT VENTURE

Effective October 1, 2013, the City has agreed to accept the responsibility of handling operation of the animal control facility, including hiring of personnel and administration of financial and operational activities. Cash and capital assets were transferred to the City at that time. The City has a 29.1% ownership interest in the animal control facility improvements located on real property owned by the City of Paul, Idaho. The City of Rupert's current contribution to the operating costs under this agreement is \$39,442. In the event of terminating its participation in the agreement, the City would retain an ownership interest in the animal control facility, but all personal property acquired would remain in place for use by the remaining parties. In the event of complete termination, all joint property would be sold, with the proceeds to be distributed in proportion to each entity's contribution.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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NOTE 13 – INTERFUND TRANSFERS

The City transfers monies between funds with budgetary constraints as listed in the following table.

Transfers From:	Transfers To:			
	General Fund	Electric Fund	Animal Control	Totals Out
General Fund	\$	\$	\$ 39,442	\$ 39,442
Animal Control				
Water Fund	59,745			59,745
Wastewater Fund	121,688			121,688
Electric Fund	502,736			502,736
Sanitation Fund	49,733			49,733
Totals in	\$ 733,902	\$ 0	\$ 39,442	\$ 773,344

NOTE 13 – EMPLOYEE RETIREMENT PLAN

Plan Description

The City of Rupert 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.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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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 services (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 employer rate for general employees and 74% for police and firefighters. As of June 30, 2021, it was 7.16% for general employees and 9.13% for police and firefighters. The employer contribution rate, 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. The City's contributions were \$ 358,719 for the year ended September 30, 2021.

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

At September 30, 2021, the City reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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, 2021, the City's proportion was 0.0805052 percent.

For the year ended September 30, 2021, the City recognized pension expense (revenue) of (\$63,581). At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

-Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 93,678	\$ 36,958
Changes in assumptions or other inputs	\$ 729,833	
Net difference between projected and actual earnings on pension plan investments		\$ 1,997,042
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	\$ (86,680)	
City's contributions subsequent to the measurement date	\$ 86,680	
Total	\$ 823,511	\$ 2,034,000

\$ 86,680 reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2022.

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, 2021, the beginning of the measurement period ended June 30, 2020 is 4.7 and 4.6 for the measurement period June 30, 2021.

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 September 30, 2021:

2022	\$ (284,748)
2023	\$ (256,616)
2024	\$ (224,253)
2025	\$ (444,873)

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.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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The total pension liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30%
Salary increases	3.05%
Salary inflation	3.05%
Investment rate of return	6.35%, net of investment expenses
Cost-of-living adjustments	1%

Contributing Members, Service Retirement Members, and Beneficiaries

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

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, 2021, is based on the results of an actuarial valuation date of July 1, 2021.

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. The capital market assumptions are as of 2021.

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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Capital Market Assumptions from Callan 2021

Asset Class	Target Allocation	Long-Term Expected Nominal Rate of Return (Arithmetic)	Long-Term Expected Real Rate of Return (Arithmetic)
Core Fixed Income	30.00%	1.80%	0.20%
Broad US Equities	55.00%	8.00%	6.00%
Developed Foreign Equities	15.00%	8.25%	6.25%
Assumed Inflation - Mean		2.00%	2.00%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.18%	4.18%
Portfolio Standard Deviation		12.29%	12.29%
Portfolio Long-Term (Geometric) Expected Rate of Return		5.55%	3.46%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.15%	3.06%

CITY OF RUPERT, IDAHO
Notes to the Financial Statements
September 30, 2021

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Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 6.35%, as well as what the Employer'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%) or 1-percentage-point higher (7.35%) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$(62,945)	\$(63,581)	\$(64,217)

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, 2021, the City reported payables to the defined benefit pension plan of \$ 0 for legally required employer contributions and \$ 0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

NOTE 14 – SUBSEQUENT EVENTS

Subsequent events were evaluated through the audit report date.

**REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF RUPERT, IDAHO
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -- General Fund
for the year ended September 30, 2021

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 1,015,950	\$ 1,015,950	\$ 899,571	\$ (116,379)
Franchises, licenses, permits	62,900	62,900	64,420	1,520
State of Idaho shared revenue	228,880	228,880	626,184	397,304
State of Idaho sales tax	172,945	172,945	254,417	81,472
State of Idaho liquor receipts	73,605	73,605	93,017	19,412
State highway user collections	224,807	224,807	355,979	131,172
Penalty collection and delinquent notices	54,250	54,250	83,999	29,749
County court fines	18,000	18,000	27,565	9,565
Highway Road and Bridge tax	16,500	16,500	8,777	(7,723)
Fees, fines, and charges for services	260,473	260,473	237,576	(22,897)
Grants and contributions	2,168,854	2,168,854	1,177,237	(991,617)
Earnings on investments			22,506	22,506
Gain on Sale of Assets			0	0
Miscellaneous			5,274	5,274
Administrative costs paid by Utility Funds	1,693,526	1,693,526	1,050,789	(642,737)
Total Revenue	<u>5,990,690</u>	<u>5,990,690</u>	<u>4,907,311</u>	<u>(1,083,379)</u>
EXPENDITURES:				
Administration	820,232	820,232	675,817	144,415
Buildings	96,237	96,237	100,774	(4,537)
City Hall Office	430,664	430,664	423,582	7,082
Law Enforcement	1,139,025	1,139,025	1,085,496	53,529
Streets	388,464	388,464	388,667	(203)
Parks	155,380	155,380	147,954	7,426
Pool and Recreation	298,141	298,141	313,570	(15,429)
Fire Control	256,259	256,259	184,923	71,336
Shop	108,288	108,288	147,952	(39,664)
Capital outlay	2,298,000	2,298,000	1,016,049	1,281,951
Total Expenditures	<u>5,990,690</u>	<u>5,990,690</u>	<u>4,484,784</u>	<u>1,505,906</u>
EXCESS REVENUE (EXPENDITURES)	0	0	422,527	422,527
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds			733,902	733,902
Operating transfers (to) other funds			(39,442)	(39,442)
NET CHANGE IN FUND BALANCES	0	0	1,116,987	1,116,987
FUND BALANCE - BEGINNING	<u>655,012</u>	<u>655,012</u>	<u>655,012</u>	<u>0</u>
FUND BALANCE - ENDING	<u>\$ 655,012</u>	<u>\$ 655,012</u>	<u>\$ 1,771,999</u>	<u>\$ 1,116,987</u>

CITY OF RUPERT, IDAHO
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -- DeMary Memorial Library
for the year ended September 30, 2021

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 147,500	\$ 147,500	\$ 148,792	\$ 1,292
County Sales tax	29,000	29,000	58,449	29,449
County membership	5,100	5,100	5,426	326
Fees, fines, and charges for services	5,050	5,050	3,035	(2,015)
Grants and contributions	12,275	12,275	11,712	(563)
Earnings on investments	525	525		(525)
Miscellaneous				0
Total Revenue	<u>199,450</u>	<u>199,450</u>	<u>227,414</u>	<u>27,964</u>
EXPENDITURES:				
Personnel expense	125,166	125,166	118,397	6,769
Operations and Maintenance	74,284	74,284	75,561	(1,277)
Capital outlay				0
Contingency				0
Total Expenditures	<u>199,450</u>	<u>199,450</u>	<u>193,958</u>	<u>5,492</u>
EXCESS REVENUE (EXPENDITURES)	0	0	33,456	33,456
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds				0
Operating transfers (to) other funds				0
NET CHANGE IN FUND BALANCES	0	0	33,456	33,456
FUND BALANCE - BEGINNING	<u>137,107</u>	<u>137,107</u>	<u>137,107</u>	<u>0</u>
FUND BALANCE - ENDING	<u>\$ 137,107</u>	<u>\$ 137,107</u>	<u>\$ 170,563</u>	<u>\$ 33,456</u>

CITY OF RUPERT, IDAHO
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -- Animal Control Fund
for the year ended September 30, 2021

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Franchises, licenses, permits	1,600	1,600	1,675	75
City Joint Power Agreements	14,026	14,026	13,371	(655)
Minidoka County fees	20,000	20,000	24,375	4,375
Fees, fines, and charges for services	20,000	20,000	18,602	(1,398)
Grants and contributions	50,000	50,000	5,947	(44,053)
Miscellaneous	14,852	14,852	8	(14,844)
Total Revenue	<u>120,478</u>	<u>120,478</u>	<u>63,978</u>	<u>(56,500)</u>
EXPENDITURES:				
Personnel expense	68,070	68,070	80,875	(12,805)
Operations and Maintenance	91,850	91,850	27,002	64,848
Capital outlay				0
Contingency				0
Total Expenditures	<u>159,920</u>	<u>159,920</u>	<u>107,877</u>	<u>52,043</u>
EXCESS REVENUE (EXPENDITURES)	(39,442)	(39,442)	(43,899)	(4,457)
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds	39,442	39,442	39,442	0
Operating transfers (to) other funds				0
NET CHANGE IN FUND BALANCES	0	0	(4,457)	(4,457)
FUND BALANCE - BEGINNING	<u>(34,780)</u>	<u>(34,780)</u>	<u>(34,780)</u>	<u>0</u>
FUND BALANCE - ENDING	<u>\$ (34,780)</u>	<u>\$ (34,780)</u>	<u>\$ (39,237)</u>	<u>\$ (4,457)</u>

CITY OF RUPERT, IDAHO
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual -- Debt Service Fund
for the year ended September 30, 2021

	<u>Original Budget Amounts</u>	<u>Final Budget Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUE:				
Property Taxes	\$ 236,099	\$ 236,099	\$ 238,154	\$ 2,055
Earnings on investments			1,096	1,096
Miscellaneous				0
Total Revenue	<u>236,099</u>	<u>236,099</u>	<u>239,250</u>	<u>3,151</u>
EXPENDITURES:				
Rupert Square				0
Water construction				0
Wastewater construction				0
Street construction				0
Senior Center				0
Debt Service	<u>236,099</u>	<u>236,099</u>	<u>225,305</u>	<u>10,794</u>
Total Expenditures	<u>236,099</u>	<u>236,099</u>	<u>225,305</u>	<u>10,794</u>
EXCESS REVENUE (EXPENDITURES)	0	0	13,945	13,945
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds	0	0	0	0
Operating transfers (to) other funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET CHANGE IN FUND BALANCES	0	0	13,945	13,945
FUND BALANCE - BEGINNING	<u>73,796</u>	<u>73,796</u>	<u>73,796</u>	<u>0</u>
FUND BALANCE - ENDING	<u>\$ 73,796</u>	<u>\$ 73,796</u>	<u>\$ 87,741</u>	<u>\$ 13,945</u>

CITY OF RUPERT, IDAHO
PUBLIC EMPLOYEE PENSION INFORMATION
For the year ended September 30, 2021

Required Supplementary Information

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's portion of the net pension liability	0.0875161%	0.0883808%	0.0881495%	0.0938767%	0.0941238%
Employer's proportionate share of the net pension liability	\$ 998,972	\$ 1,303,632	\$ 1,385,559	\$ 1,890,630	\$ 1,227,063
Employer's covered-employee payroll	\$ 2,991,624	\$ 2,753,812	\$ 2,754,510	\$ 2,619,948	\$ 2,651,290
Employer's proportional share of the net pension liability as a percentage of its covered-employee payroll	33.39%	47.34%	50.30%	72.16%	46.28%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	91.38%
				<u>2021</u>	<u>2020</u>
Employer's portion of the net pension liability				0.0805052%	0.0829766%
Employer's proportionate share of the net pension liability (Asset)				\$ (63,581)	\$ 1,926,826
Employer's covered-employee payroll				\$ 3,004,347	\$ 3,096,528
Employer's proportional share of the net pension liability (Asset) as a percentage of its covered-employee payroll				-2.12%	62.23%
Plan fiduciary net position as a percentage of the total pension liability				100.36%	88.22%

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

Data reported is measured as of June 30, 2021

Schedule of Employer's Contributions
PERSI - Base Plan
Last 10 - Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contributions	\$ 340,876	\$ 313,724	\$ 313,776	\$ 298,283	\$ 301,861
Contributions in relation to the statutorily required contribution	\$ (340,876)	\$ (313,724)	\$ (313,776)	\$ (298,283)	\$ (301,861)
Contribution (deficiency) excess	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Employer's covered-employee payroll	\$ 2,991,624	\$ 2,753,812	\$ 2,754,510	\$ 2,619,948	\$ 2,651,290
Contributions as a percentage of covered-employee payroll	11.39%	11.39%	11.39%	11.39%	11.39%
				<u>2021</u>	<u>2020</u>
Statutorily required contributions				\$ 358,719	\$ 352,791
Contributions in relation to the statutorily required contribution				\$ (358,719)	\$ (352,791)
Contribution (deficiency) excess				\$ 0	\$ 0
Employer's covered-employee payroll				\$ 3,004,347	\$ 3,096,528
Contributions as a percentage of covered-employee payroll				11.94%	11.39%

**OTHER
SUPPLEMENTARY INFORMATION**

CITY OF RUPERT, IDAHO
Note and Bond-Future Principal and Interest Requirements
at September 30, 2021

	Annual Payment			Balance
	Date	Interest Payment	Principal Payment	
Revenue Bond:				
Water Revenue Refunding Bonds, Series 2021				
\$ 645,000 June 2021				
				\$ 645,000
3/15/2022	16,049			645,000
9/15/2022	16,049			645,000
3/15/2023	16,049			645,000
9/15/2023	16,050	60,000		585,000
3/15/2024	14,549			585,000
9/15/2024	14,549	60,000		525,000
3/15/2025	13,049			525,000
9/15/2025	13,050	65,000		460,000
3/15/2026	11,424			460,000
9/15/2026	11,424	65,000		395,000
3/15/2027	9,799			395,000
9/15/2027	9,800	70,000		325,000
3/15/2028	8,049			325,000
9/15/2028	8,049	75,000		250,000
3/15/2029	6,174			250,000
9/15/2029	6,175	80,000		170,000
3/15/2030	4,174			170,000
9/15/2030	4,174	80,000		90,000
3/15/2031	2,174			90,000
9/15/2031	2,175	85,000		5,000
3/15/2032	49			5,000
9/15/2032	50	5,000		0
	\$ 203,084	\$ 645,000		

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Note and Bond-Future Principal and Interest Requirements
at September 30, 2021

Annual Payment

	<u>Date</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Balance</u>
Revenue Bond:				
Wastewater Revenue Refunding				
Bonds Series 2021				
\$ 6,200,000 issued June 2021				
1.97% - 5.00%				
				\$ 6,200,000
	3/15/2022	131,371		6,200,000
	9/15/2022	131,371	10,000	6,190,000
	3/15/2023	131,121		6,190,000
	9/15/2023	131,121	470,000	5,720,000
	3/15/2024	119,371		5,720,000
	9/15/2024	119,371	490,000	5,230,000
	3/15/2025	107,121		5,230,000
	9/15/2025	107,121	515,000	4,715,000
	3/15/2026	94,246		4,715,000
	9/15/2026	94,246	540,000	4,175,000
	3/15/2027	80,746		4,175,000
	9/15/2027	80,746	565,000	3,610,000
	3/15/2028	66,621		3,610,000
	9/15/2028	66,621	590,000	3,020,000
	3/15/2029	51,871		3,020,000
	9/15/2029	51,871	575,000	2,445,000
	3/15/2030	37,496		2,445,000
	9/15/2030	37,496	380,000	2,065,000
	3/15/2031	27,996		2,065,000
	9/15/2031	27,996	395,000	1,670,000
	3/15/2032	18,121		1,670,000
	9/15/2032	18,121	340,000	1,330,000
	3/15/2033	14,772		1,330,000
	9/15/2033	14,772	340,000	990,000
	3/15/2034	11,236		990,000
	9/15/2034	11,236	350,000	640,000
	3/15/2035	7,438		640,000
	9/15/2035	7,439	355,000	285,000
	3/15/2036	3,391		285,000
	9/15/2036	3,392	285,000	0
		\$ 1,805,838	\$ 6,200,000	

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Note and Bond-Future Principal and Interest Requirements
at September 30, 2021

Annual Payment			
<u>Date</u>	<u>Interest Payment</u>	<u>Principal Payment</u>	<u>Balance</u>
Revenue Bond:			
Wastewater Parity Lien Revenue Bond 2012			
\$ 3,452,000 September 17, 2012			
2.125%			
			\$ 2,633,647
9/17/2022	55,965	100,860	2,532,787
9/17/2023	53,822	103,003	2,429,784
9/17/2024	51,633	105,192	2,324,592
9/17/2025	49,398	107,427	2,217,165
9/17/2026	47,115	109,710	2,107,455
9/17/2027	44,783	112,042	1,995,413
9/17/2028	42,402	114,423	1,880,990
9/17/2029	39,971	116,854	1,764,136
9/17/2030	37,488	119,337	1,644,799
9/17/2031	34,952	121,873	1,522,926
9/17/2032	32,362	124,463	1,398,463
9/17/2033	29,717	127,108	1,271,355
9/17/2034	27,016	129,809	1,141,546
9/17/2035	24,258	132,567	1,008,979
9/17/2036	21,441	135,384	873,595
9/17/2037	18,564	138,261	735,334
9/17/2038	15,626	141,199	594,135
9/17/2039	12,625	144,200	449,935
9/17/2040	9,561	147,264	302,671
9/17/2041	6,432	150,393	152,278
9/17/2042	3,236	152,278	0
	<u>\$ 658,367</u>	<u>\$ 2,633,647</u>	

The accompanying notes are a part of these financial statements.

CITY OF RUPERT, IDAHO
Note and Bond-Future Principal and Interest Requirements
at September 30, 2021

Annual Payment			
Date	Interest Payment	Principal Payment	Balance
General Obligation Revenue Bond:			
Revenue Bonds, Series 2018A			
\$ 3,950,000 March 21, 2018			
5.000% - 3.625%			
			\$ 3,800,000
9/15/2022	146,107	85,000	3,715,000
9/15/2023	141,856	90,000	3,625,000
9/15/2024	139,156	90,000	3,535,000
9/15/2025	136,456	95,000	3,440,000
9/15/2026	131,707	100,000	3,340,000
9/15/2027	126,706	105,000	3,235,000
9/15/2028	121,456	110,000	3,125,000
9/15/2029	115,957	115,000	3,010,000
9/15/2030	110,206	120,000	2,890,000
9/15/2031	104,207	125,000	2,765,000
9/15/2032	97,956	130,000	2,635,000
9/15/2033	92,756	135,000	2,500,000
9/15/2034	87,357	145,000	2,355,000
9/15/2035	82,462	145,000	2,210,000
9/15/2036	77,569	150,000	2,060,000
9/15/2037	72,506	155,000	1,905,000
9/15/2038	67,275	160,000	1,745,000
9/15/2039	61,875	170,000	1,575,000
9/15/2040	55,925	175,000	1,400,000
9/15/2041	49,800	180,000	1,220,000
9/15/2042	43,500	185,000	1,035,000
9/15/2043	37,025	195,000	840,000
9/14/2044	30,200	200,000	640,000
9/14/2045	23,200	205,000	435,000
9/14/2046	15,769	215,000	220,000
9/14/2047	7,975	220,000	0
	<u>\$ 2,176,964</u>	<u>\$ 3,800,000</u>	

The accompanying notes are a part of these financial statements.