



City of Coeur d' Alene  
City of Post Falls  
City of Hayden  
City of Rathdrum  
Coeur d' Alene Tribe  
East Side Highway District  
Idaho Transportation Department  
Kootenai County, Idaho  
Lakes Highway District  
Post Falls Highway District  
Worley Highway District

Cooperatively Developing a Transportation System for all of Kootenai County, Idaho

**KMPO Board Meeting**

**February 13th, 2025 1:30 pm**

Post Falls City Council Chambers, Post Falls City Hall, 1st Floor  
408 N. Spokane Street, Post Falls, Idaho

**AGENDA**

1. **Call to Order – Graham Christensen, Chair**
2. **Changes to the Agenda and Declarations of Conflicts of Interest – Action Item**
3. **Approval of December 12th, 2024, Meeting Minutes – Action Item**
4. **Public Comments** (limited to 3 minutes per person)
5. **KCATT Recap & Recommendations – Robert Palus, KCATT Chair**
  - a. Recap of Activities –January 28th, 2025 meeting
  - b. STBG Scoring Recommendation
6. **Administrative Matters**
  - a. December 2024, January 2025 KMPO Expenditures -- **Action Item**
  - b. February 2025 Financial Snapshot
  - c. FY 2024 Financial Audit Reports For Acceptance- **Action Item**
  - d. Updated Engagement Letter Hawley-Troxell-**Action Item**
  - e. KMPO 2025-2031 Transportation Improvement Program (TIP) Amendment Requests: **Notification**
    - i. **Amendment # 3** :Request by the Local Highway Technical Assistance Council (LHTAC) to increase funding for KN 20378 and KN 22875
    - ii. **Amendment #4**: ITD modification to realign funding on two projects in FY 2025 in advance of bidding for KN 24305 and KN 24306, I-90, SH-41 to U.S. 95
    - iii. **Amendment #5**: Modification to KN 12310 Ramsey Road Extension – Wyoming to Lancaster increasing local participation on the project after bid award.
    - iv. **Amendment #6**: Modification to KN 23349 ALT ROUTE HUETTER BYPASS, NEPA STUDY, KOOTENAI CO.
7. **Other Business**
  - a. **STBG Scoring Results- Action Item**
  - b. 2025 Safety Performance Targets & Review-Informational
8. **Public Transportation (Informational Items Provided to KMPO) - Informational**

KMPO is not the Designated Recipient of FTA Funding for the provision of transit Service in Kootenai County. These presentations and informational items are provided as a service to the public and to local jurisdictions. Questions related to service, schedules, or concerns should be directed to Kootenai County or the Coeur d' Alene Tribe.

  - a. Kootenai County Transit Report – Kootenai County Public Transportation – Chad Ingle
  - b. Coeur d'Alene Tribe Rural Transit Report – Alan Eirls
9. **Director's Report** (written report included in Board packet)
10. **Board Member Comments**
11. **Next Meeting – March 13th, 2025**
12. **Adjournment**

For special accommodation/translation services, call 1.208-930-4164, 48 hours in advance. KMPO assures nondiscrimination in accordance with Title VI of the Civil Rights Act of 1964, and Civil Rights Restoration Act of 1987 (P.O. 100.259) and the Americans with Disabilities Act.

KOOTENAI METROPOLITAN PLANNING ORGANIZATION  
250 Northwest Blvd, Suite 209 Coeur d' Alene, ID 83814  
1-208-930-4164 Website: [www.kmpo.net](http://www.kmpo.net)

**MEETING MINUTES**

Kootenai Metropolitan Planning Organization  
 Regular Board Meeting  
 December 12, 2024  
 Post Falls City Council Chambers, Post Falls City Hall, 1<sup>st</sup> Floor  
 408 N. Spokane Street, Post Falls, Idaho

**Board Members in Attendance:**

Jeff Tyler	Post Falls Highway District
Thomas Shafer	City of Hayden
Phil Cooper	Worley Highway District
Bruce Mattare, Vice Chairman	Kootenai County
Graham Christensen, Chairman	East Side Highway District
Steve Adams	Lakes Highway District
Damon Allen	ITD, District 1
Jim Kackman	Coeur d'Alene Tribe
Randy Westlund	City of Post Falls
John Hodgkins	City of Rathdrum

**Board Members Absent:**

Dan Gookin	City of Coeur d'Alene
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**Staff Present:**

Glenn Miles	Executive Director
Ali Marienau	Transportation Planner
Kate Williams	Administrator

**Attendees:**

Rob Beachler	ITD
Terry Werner	LHTAC
Michael Lenz	Post Falls Highway District
Marvin Fenn	ITD
Donna Montgomery	Citizen
Monty Montgomery	Citizen
Chad Ingle	Kootenai County
Carrie Ann Hewitt	ITD
Zach Bentzler	HDR

**1. Call to Order – Graham Christensen, Chairman**

The regular meeting of the Kootenai Metropolitan Planning Organization Policy Board was called to order by Chairman Graham Christensen at 1:30 p.m.

**2. Changes to the Agenda and Declarations of Conflicts of Interest**

No conflicts of interest were declared. Mr. Christensen called to approve the agenda as is, which passed unanimously.

**3. Approval of November 21st, 2024, Meeting Minutes – Action Item**

Mr. Christensen called for a motion to approve the November 2024 meeting minutes as presented.

**Mr. Bruce Mattare motioned to approve the minutes as presented. Mr. Randy Westlund seconded the motion, which passed unanimously.**

**4. Public Comments (limited to non-agenda items 3 minutes)**

No public comments were made.

**5. KCATT Recap & Recommendations – Michael Lenz, Chairman**

**a. Recap of Activities from November 26th, 2024 meeting**

Mr. Michael Lenz reported on the various projects that were discussed during the KCATT meeting.

- Robert Beachler, ITD, reported I-90/SH 41 interchange is continuing work as weather allows. There is a new signal structure going in at Mullan Ave. and bridge pile driving planned for January. For SH 53, Latah St. to mile post 9.3, work is complete for the season. ITD is working on a change order to install a right-hand turn in front of the Les Schwab Tire center. I-90, Coeur d’Alene River Bridge work is finished for the season. SH 53/Pleasant View Road interchange is set for construction in March 2025. The I-90 widening from SH 41 to US 95 has finished PS&E and is set to go out to advertising this winter.
- Eric Shanley, Lakes Highway District, reported they have 3 subdivisions ongoing within their district with the developers continuing to work throughout the winter.
- Kevin Jump, City of Rathdrum, reported they have begun their annual suspension of right of way permits.
- Chris Bosley, City of Coeur d’Alene, reported the city is planning for a pre-construction meeting for the Government Way signal improvement project to take place in January.
- Robert Palus, City of Post Falls, reported the Chase BNSF rail crossing project is in the process of obtaining final signatures from the railroad, with plans for the project to go out to bid in early 2025 with construction to take place after school gets out. They are also working on an asphalt grind and replace plan for Seltice Way between Chase Road and McGuire Road.
- Kevin Howard, Worley Highway district, reported the Lake Creek fish passage project was completed. The McAvoy bridge project is in design, and the Cougar Gulch project has a few items to be assessed before the project is marked as complete, due to heavy rain fall.
- Michael Lenz, Post Falls Highway District, reported they are working on a new alignment and a potential signal at Carrington Lane and Prairie Ave.

Mr. Lenz reported that KCATT reviewed the 2025 KCATT meeting dates presented by KMPO. Mr. Robert Palus made a motion to approve the dates as presented. Mr. Eric Shanley seconded the motion, which was passed unanimously.

**6. Administrative Matters**

**a. November 2024 KMPO Expenditures and Financial Recap – Action Item**

Mr. Miles reported that KMPO is in good financial standing, and the report in the packet included all standard monthly expenditures. There was also a charge for the annual INRIX data subscription; this invoice is split evenly with ITD. KMPO also purchased a new computer workstation for transportation planning use.

**Mr. Bruce Mattare made the motion to approve the September 2024 expenditures as presented; Mr. Randy Westlund seconded the motion, which passed unanimously.**

**b. December 2024 Financial Snapshot**

Mr. Miles reported that KMPO is in good financial standing, and the annual audit is finishing up; the full review will be presented to the board in January. KMPO has approximately \$86,000 cash carry over in the new year.

**c. KMPO 2024-2030 Transportation Improvement Program (TIP) Amendment Requests: Notification**

There were two TIP amendments that were mentioned at the November 2024 KMPO board meeting. These amendments were to move the I-90/US-95 interchange into preliminary development, as there are no funds assigned to this project yet. The tentative plan is for this project to move to construction in 2027-2029.

## **7. Other Business**

### **a. Election of KMPO Board Officers for 2025- Action Item**

The board discussed the rotation of officers holding office for 2 years. This is Mr. Christensen and Mr. Mattare's first year.

**Mr. Pill Cooper motioned to keep Mr. Graham Christensen as Chair and Mr. Bruce Mattare as Vice Chair. Mr. Jim Kackman seconded the motion, which passed unanimously.**

### **b. Rathdrum Prairie PEL Study Update-HDR**

Zach Bentzler, HDR, and Carrie Ann Hewitt, ITD, presented the KMPO board with the latest information on the Rathdrum Prairie PEL Study Level 2 Alternatives.

Mr. Bentzler presented slides showing where HDR is at in the project development process, explaining they are still in the planning phase, and not into the environmental or preliminary design phase. This phase of the project is the high-level alternatives analysis (which is half done). He stated one of the functions of PEL studies is to establish the projects' purpose and need, look at existing conditions and do alternatives evaluations, while collecting community and stakeholder input. He explained that the alternatives presented to KMPO today are the top 13 that have been narrowed down from the original 50+. At this stage of the analysis, HDR is looking at things very high level and are asking local jurisdictions to weigh in on how they think these various alternatives would or would not work in terms of alignment with local plans.

The Level 2 Alternatives presentation included slides that depicted conceptual designs of each alternative with the number of lanes, a general corridor footprint, and where the intersections and interchanges could go for these alternatives. He suggested that there is probably not going to be one solution, but a combination of options put together to align with the purpose and need of the study. Ms. Hewitt handed out a visual sheet with the alternatives listed and a booklet that went more in-depth on each alternative to each member of the board. There was an open discussion over the alternatives; HDR and ITD provided context and information as needed to the board members.

More information about the Level 2 Alternatives and the Rathdrum Prairie PEL Study can be found by going to <https://itdprojects.idaho.gov/pages/rathdrum-prairie-pel> or <https://rathdrumprairiepel.com/PIM-2/>.

## **8. Public Transportation (Informational Items Provided to KMPO)**

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### **a. Kootenai County Transit Report – Kootenai County Public Transportation Staff**

Mr. Chad Ingle reported the fixed route saw a 2% increase over last year. This month, paratransit had a 21% decrease over this month and last year. Currently, they are still working on their annual update for the National Transit Database for FTA and revising their Disadvantaged Business Enterprise Program, in order to align with the new regulatory requirements. He reported they are in the process of updating the Title IV program for 2025 and reviewing and revising their ADA transition plan.

### **b. Coeur d'Alene Tribe Rural Transit Report**

Mr. Ingle gave this report on behalf of Mr. Alan Erlis, who was unable to attend. He reported they are working through a driver shortage. They are also addressing a scoping change for a grant to secure funding for two

buses. The original grant was written for two large buses, but the costs have increased, so they are now using the funding for one small and one large bus.

**9. Director’s Report (written report included in Board packet)**

Mr. Miles reported the city of Hayden received a competitive grant award for the Ramsey Road extension. The project came out about \$1.6 million below the engineers estimate. Mr. Miles reported the call for projects for the Surface Transportation Block Grant funds for the urban area closes December 13th. He reported the full financial audit was due back from the accountant’s office shortly and would be presented to the board. KMPO took part in the first annual memorandum of understanding meeting with ITD staff, held at ITD district 1. The group went over what we’ve been doing and what we could be doing and better and answered questions. There was a list of action items generated for both sides to work on moving into the new year.

**10. Board Member Comments**

Mr. Jeff Tyler, Post Falls Highway district, wished the board a Merry Christmas and a Happy New Year.

**11. Next Meeting – January 9th, 2025**

**Mr. Christensen motioned to adjourn the regular meeting of the Kootenai Metropolitan Planning Organization Policy Board on December 12th, 2024, and with no objections, the meeting was adjourned at 2:43 p.m.**

\_Kate Williams *Signature on file*\_\_\_\_\_

Recording Secretary



**KOOTENAI METROPOLITAN PLANNING ORGANIZATION**

**EXPENSES**

**December, 2024**

As of this date **February 13, 2024** the Kootenai Metropolitan Planning Organization Board approves reimbursements and payments made for expenses in **December, 2024** included in the following list, in the amount of **\$38,149.30**

Chair: \_\_\_\_\_

Kootenai Metropolitan Planning Organization					10:48 AM
Monthly Expense Report					01/29/2025
December 2024					
Num	Date	Name	Memo	Paid Amount	
Debit Card	12/02/2024	Staples Inc.	Staples: Computer Monitor Order Travel Model	143.09	
Debit Card	12/02/2024	Dell Inc.	Dell: 2nd Computer Monitor Travel Model Computer	233.19	
Debit Card	12/02/2024	Best Buy Store	Best Buy Inc. Extended Length Display Port Cable	21.19	
E-pay	12/04/2024	United States Treasury	Federal Payroll Withholding	2,793.52	
ACH	12/04/2024	Idaho State Tax Commission	November 2024 Idaho Payroll Withholding	602.00	
Debit Card	12/04/2024	Starbucks (Iron wood)	ITD/KMPO Annual Staff Review Meeting Coffee	29.65	
ACH	12/04/2024	Unum	December 2024 Premium	243.89	
ACH	12/05/2024	PERSI Choice Plan	PERSI Choice 401 K Contributions	1,285.00	
ACH	12/05/2024	Regence Blue Shield of Idaho	December 2024 Premium	5,198.48	
Debit Card	12/06/2024	Vision Service Plan	December 2024 Premium	34.73	
ACH	12/09/2024	PERSI	PERSI Contributions	2,157.35	
3695	12/09/2024	AVISTA	AVISTA Utilities December 2024 Utilities	68.49	
Debit Card	12/09/2024	Adobe Store North America	December 2024 Subscription	71.97	
ACH	12/10/2024	Delta Dental	December 2024 Premium	327.09	
Debit Card	12/12/2024	Saw mill Grille	Meeting with Chair and Vice Chair	66.13	
Debit Card	12/12/2024	Microsoft Store	Microsoft 365 Annual Subscription	69.99	
E-pay	12/17/2024	United States Treasury	Federal Payroll Withholding	2,776.00	
ACH	12/18/2024	TDS Telecom	TDS December 2024 Phone and ISP	135.40	
ACH	12/19/2024	PERSI	PERSI Contributions	2,137.92	
ACH	12/19/2024	PERSI Choice Plan	PERSI Choice Plan 401K Contributions	1,285.00	
Debit Card	12/19/2024	Zoom Video Communications	Zoom December 2024 Subscription	15.99	
Debit Card	12/20/2024	Intuit	Intuit 2024 Tax Forms	205.66	
			December Operating Expenses Subtotal	\$ 19,901.73	
			Salary and Wages Subtotal	\$ 18,247.57	
			<b>December Grand Total Expenses</b>	<b>\$ 38,149.30</b>	



**KOOTENAI METROPOLITAN PLANNING ORGANIZATION**

**EXPENSES**

**January, 2025**

As of this date **February 13, 2024** the Kootenai Metropolitan Planning Organization Board approves reimbursements and payments made for expenses in **January, 2025** included in the following list, in the amount of **\$47,884.51**

Chair: \_\_\_\_\_

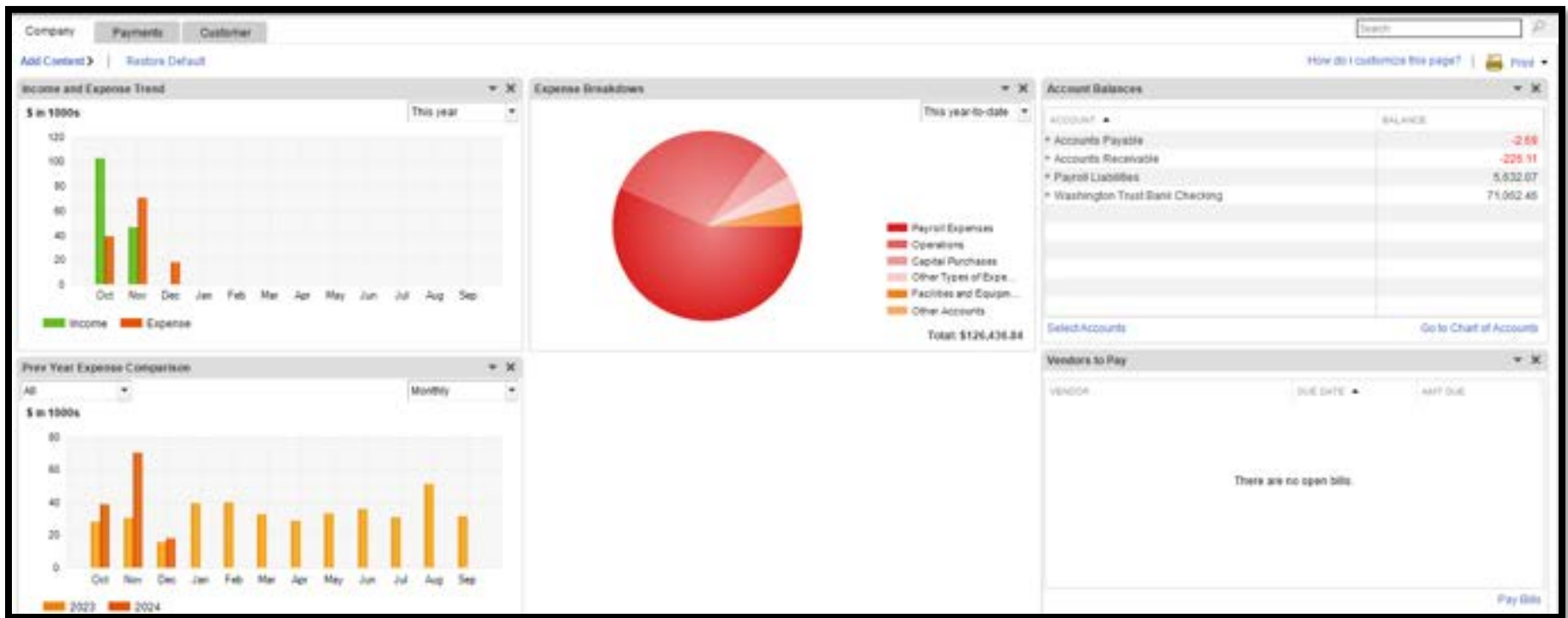
Kootenai Metropolitan Planning Organization					9:02 AM
Monthly Expense Report					02/05/2025
January 2025					
Num	Date	Name	Memo	Original Amount	
Debit Card	01/02/2025	Rackspace Inc	Email and Archive Hosting December 2024	61.86	
E-pay	01/02/2025	United States Treasury	Federal Payroll Withholding	3,039.98	
ACH	01/02/2025	PERSI	PERSI Contributions	2,150.41	
Debit Card	01/02/2025	Rackspace Inc	Rackspace Inc January 2025 Email and Archive Host	61.86	
ACH	01/02/2025	Unum	Unum January Premium	226.18	
3705	01/02/2025	Robert A. Gilles Family Trust	CdA North Suite 209 Jan-Mar 2025 Lease Payment	4,079.72	
Debit Card	01/03/2025	Microsoft Store	Microsoft 365 Subscription (Modeling Computer)	99.99	
Debit Card	01/11/2025	TDS Telecom	TDS January 2025 Phone, ISP	135.40	
3706	01/14/2025	Magnuson, McHugh & Dougherty, CPA	FY 2024 Annual Audit	8,600.00	
3707	01/14/2025	PTV America	PTV VISTRO Model Annual Subscription	2,300.00	
ACH	01/14/2025	Idaho State Tax Commission	Idaho State Employee Withholding December 2024	987.00	
3708	01/14/2025	AVISTA	AVISTA January 2025	95.73	
Debit Card	01/14/2025	Adobe Store North America	Adobe Acrobat Pro 3 Subscriptions January 2025	71.97	
ACH	01/14/2025	State of Idaho Dept of Labor	4th Quarter Department of Labor	51.65	
Debit Card	01/14/2025	Webcentral	Webcentral 12 Months Domain Name Subscription	18.43	
E-pay	01/16/2025	United States Treasury	Federal Payroll Withholding	2,732.54	
3712	01/16/2025	Glenn F. Miles	GFM Meet with FTA Region 10 & WSDOT	747.75	
ACH	01/20/2025	PERSI	PERSI Contributions	2,144.85	
ACH	01/20/2025	PERSI Choice Plan	PERSI Choice 401K Nexen Transfer	1,558.00	
3713	01/24/2025	Glenn F. Miles	GFM Lewiston Meeting with ITD	153.53	
Debit Card	01/24/2025	USPS	USPS 2024 Federal Filing's Certified Mail	17.78	
E-pay	01/28/2025	United States Treasury	Federal Payroll Withholding	2,732.44	
ACH	01/30/2025	PERSI	PERSI Contributions	2,143.47	
ACH	01/30/2025	PERSI Choice Plan	PERSI Choice 401K NEXEN Transfer	1,550.00	
			January Operating Expenses Subtotal	35,760.54	
			Salary and Wages Subtotal	12,123.97	
			<b>January Grand Total Expenses</b>	<b>\$ 47,884.51</b>	



# Kootenai Metropolitan Planning Organization

February 1, 2025

## Monthly Financial Snapshot







February 4, 2025

TO: KMPO Board Members  
FROM: Glenn F. Miles, Executive Director  
SUBJECT: FY 2024 KMPO Annual Audit Report

**Recommendation:**

FY 2024 KMPO Annual Audit and Financial Reports be accepted by the Board

**Background:**

Annually, KMPO has Magnuson, McHugh and Dougherty Co. conduct a financial audit. This typically occurs during late October and November. This year MMD & Co completed the audit in mid-December.

I have included KMPO's Final 2024 Financial Audit Report documents for your review and consideration for acceptance at the February KMPO Board meeting. I am sure most of you, have seen your organizations annual financial audit. This can seem confusing at times. This is especially true since the Generally Accepted Accounting Standards have required the inclusion of the Public Employees Retirement System of Idaho's (PERSI) financial position and each agencies portion of PERSI's unfunded liability.

The GASB 68 implementation has a significant implication on the financial position of KMPO. When going over the financial statements, the "government funds" statements, which focus on just the current economic activity of the Organization (pages 11 &13), provide a clearer picture of the year. The Management Discussion and Analysis (MD&A) also provides a concise explanation of how this GASB 68 pronouncement impacts the financials."

I am pleased to let you know that KMPO has received a clean audit for FY 2024, without findings or recommended changes to the way we account for our financial activities. I was reminded to post the adjusted journal entries and reclassification journal entries upon conclusion on the audit. This has already been completed for the FY 2024.

Should you have questions, please feel free to contact me. I would appreciate the KMPO Boards acceptance of the Financial Reports, which will then be transmitted to ITD.

KOOTENAI METROPOLITAN  
PLANNING ORGANIZATION

FINANCIAL STATEMENT  
SEPTEMBER 30, 2024

# KOOTENAI METROPOLITAN PLANNING ORGANIZATION

September 30, 2024

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT



## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Kootenai Metropolitan Planning Organization  
Coeur d'Alene, ID 83814

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities and each major fund of Kootenai Metropolitan Planning Organization, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Kootenai Metropolitan Planning Organization's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Kootenai Metropolitan Planning Organization, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 Kootenai Metropolitan Planning Organization 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 Kootenai Metropolitan Planning Organization'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.

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### ***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 GAAS [and GAS] 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 GAAS [and GAS], 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 Kootenai Metropolitan Planning Organization'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 Kootenai Metropolitan Planning Organization'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 budgetary comparison information, management's discussion and analysis, and GASB No. 68 pension 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.

## INDEPENDENT AUDITOR'S REPORT (CONCLUDED)

### Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024, on our consideration of Kootenai Metropolitan Planning Organization'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 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 Kootenai Metropolitan Planning Organization's internal control over financial reporting and compliance.

*Magnuson, McHugh, Dougherty CPAs*

Magnuson, McHugh, Dougherty CPAs

December 12, 2024

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS





## Kootenai Metropolitan Planning Organization

### MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended September 30, 2024

As management of Kootenai Metropolitan Planning Organization (KMPO), we offer readers of the Organization's financial statements this narrative overview and analysis of the financial activities of Kootenai Metropolitan Planning Organization for the fiscal year ended September 30, 2024.

KMPO generally adopts a budget in June for the subsequent year. The current year budget is updated as part of the subsequent year budget development process and approved by the KMPO Board.

#### FINANCIAL HIGHLIGHTS

At the end of the fiscal year, total net position was \$(108,945) which is a decrease of \$4,429 in the net position over 2023. A summary of KMPO's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position follows:

Assets	\$ 97,256
Deferred outflows resources	49,361
Liabilities	(240,229)
Deferred inflows of resources	<u>(15,333)</u>
Net position	<u>\$ (108,945)</u>

Fiscal year program revenues totaled \$452,782 and expenses totaled \$457,211 on the statement of activities.

A detailed statement of activities which includes all revenues and expenses can be found on page 10 of the financial section.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of not only this management's discussion and analysis, but two other kinds of statements that present different views of KMPO's financial activities.

- The statement of net position and statement of activities provide information on a government-wide basis. The statements present an aggregate view of KMPO's finances. Government-wide statements contain useful long-term information, as well as information for the just-completed fiscal year.
- The remaining statements are fund financial statements that focus on current financial resources. Since KMPO is a special organization with only governmental funds. There are two differences between the fund financial statements and the statement of net position and statement of activities. The first is the long-term information regarding compensated absences, which is not presented in the fund financial statements. Compensated absences are carried forward based on the KMPO Board's policy of allowing the annual carry forward of up to 240hrs into the new fiscal year, recognizing the compensated absences referred to as Paid Time Off (PTO) is the combination of what has previously referred to as vacation and sick leave. The second difference is the GASB 68 requirement to state the theoretical unfunded liability associated with the Public Employees Retirement System of Idaho (PERSI). This liability is outside the control of KMPO but is stated in the financials as required.



## Kootenai Metropolitan Planning Organization

### MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended September 30, 2024

#### OVERVIEW OF THE FINANCIAL STATEMENTS (CONCLUDED)

The notes to the financial statements provide further explanation of some of KMPO's information in the statements and provide additional disclosures so statement users have a complete picture of KMPO's financial activities and position. The notes provide additional information that is essential to fully understand the data provided in the government-wide financial statements. The notes to financial statements can be found beginning on page 15.

Required supplementary information and other supplementary information further explains and supports the financial statements by including a comparison of KMPO's budget data for the year and more detail of the expenditures.

#### Government-wide Statements

The government-wide statements report information about KMPO as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government assets and liabilities. All of the current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report KMPO's net position and how they have changed. Net position, the difference between the KMPO's assets and liabilities, is one way to evaluate KMPO's financial position.

- Over time, increases or decreases in KMPO's net position are one indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall financial condition of KMPO, additional non-financial factors, such as changes in the KMPO's member assessments and the condition of its equipment, building, and other facilities should be considered.

In the government-wide financial statements, KMPO's activities are all classified as governmental activities, as KMPO has only governmental activities, and the general fund. KMPO owns office related equipment and furniture that was acquired in 2011, 2012, 2013, 2017, 2023 and 2024; however, leases its office space on a multi-year contract, which expires in September 2025. The office space lease is expected to continue. KMPO's membership, which provides the annual local funding to support the Organization has been stable since 2003, when the organization was established through a Joint Powers Agreement.

#### Fund Financial Statements

Since KMPO has only governmental funds, the fund financial statements provide similar information about KMPO's operations and financial position for the year ended September 30, 2024, as the government-wide statements. Funds are accounting devices KMPO uses to keep track of sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements.

Governmental funds: All activities of KMPO are accounted for in one governmental fund, the general fund, which focus on: (1) how cash and other financial assets, which can readily be converted to cash, flow in and out, and (2) the balances left at year-end that are available for funding future basic services. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance KMPO's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide reconciliations with brief explanations to better identify the relationship between the government-wide statements and statements for governmental funds.



## Kootenai Metropolitan Planning Organization

### MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended September 30, 2024

#### FINANCIAL ANALYSIS

##### Net Position

Net position may serve over time as a useful indicator of a government's financial position. KMPO's calculated liabilities exceeded assets by \$108,945 as of September 30, 2024. This is due primarily to the GASB 68 reporting requirement for KMPO's future potential share of the Public Employee's Retirement System of Idaho (PERSI) unfunded liability or over funded asset being included in the annual financial statements. The potential unfunded liability risk of PERSI to KMPO will vary over time based on several factors, including performance of investments and participation levels in the retirement program. Therefore, KMPO's Net Position should be considered in context with and without the GASB 68 net pension liability and asset reporting requirements.

**TABLE 1  
STATEMENT OF NET POSITION  
September 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>ASSETS</b>		
Cash	\$ 23,144	\$ 24,254
Accounts receivable	58,246	36,660
Right-of-use lease asset, net of accumulated amortization	15,866	31,731
Total assets	97,256	92,645
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Proportionate share of collective deferred outflows of resources	49,361	105,600
Total deferred outflows of resources	49,361	105,600
<b>LIABILITIES</b>		
Accrued payroll liabilities	5,340	1,140
Lease liability, due within one year	16,632	15,482
Noncurrent liabilities:		
Compensated absences	13,463	12,244
Lease liability, due beyond one year	-	16,632
Net pension liability	204,794	257,263
Total liabilities	240,229	302,761
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Proportionate share of collective deferred inflows of resources	15,333	-
Total deferred inflows of resources	15,333	-
<b>NET POSITION</b>		
Unrestricted	(108,945)	(104,516)
Total net position	\$ (108,945)	\$ (104,516)



**Kootenai Metropolitan Planning Organization**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Year Ended September 30, 2024**

**FINANCIAL ANALYSIS (CONCLUDED)**

**Changes in Net Position**

KMPO's total revenues for the fiscal year ended September 30, 2024, were \$452,782. The total expenses were \$457,211. The following table presents a summary of the changes in net position for the fiscal years ended September 30, 2024 and 2023.

**Table 2  
CHANGES IN NET POSITION  
September 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>REVENUES</b>		
Program revenues:		
Operating grants and contributions	\$ 398,061	\$ 797,826
General revenues:		
Member assessments	54,721	54,721
Total revenues	<u>452,782</u>	<u>852,547</u>
<b>EXPENSES</b>		
Transportation planning services	436,661	843,216
Interest on lease liability	1,447	770
Unallocated actual PERSI contributions	(30,614)	(33,470)
Change in net pension liability	49,717	63,789
Total expenses	<u>457,211</u>	<u>874,305</u>
Change in net position	<u>\$ (4,429)</u>	<u>\$ (21,758)</u>

**Governmental Funds**

KMPO completed the year with a total governmental unassigned fund balance of \$76,050.

See page 28 for a detailed budget schedule.

As of September 30, 2024, revenues exceeded expenditures by \$16,276. KMPO generally adopts a budget in June for the subsequent year and account balances are based on previous budgets and expected expenses for the coming year. The budget was amended for the fiscal year ended September 30, 2024.



## **Kootenai Metropolitan Planning Organization**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended September 30, 2024**

#### **FACTORS BEARING ON KMPO'S FUTURE**

KMPO operates almost exclusively on grant funding provided through the U.S. Department of Transportation as authorized by Congress in Federal transportation legislation referred to as the Bi-Partisan Infrastructure Law (BIL). Annual appropriations are subsequently provided to both the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) to support ongoing transportation planning in urbanized areas over 50,000 population as required by U.S.C. Title 23, Section 134 and Title 49 Section 5303. FY 2022 was the first year of the BIL Act, which will extend from FY 2022 through FY 2027. It remains to be determined what impact a new multi-year bill will have on the organization as well as decisions on the federal funding allocations established by the Idaho Transportation Board (ITD Board). Local jurisdictions, highway districts, Idaho Transportation Department and the Coeur d'Alene Tribe participate in the Organization through annual assessments that are based on a KMPO Board approved formula, which was updated in July of 2022. The revised assessments, based on population took effect for FY 2023 and future fiscal years.

As with any organization that is established pursuant to Federal requirements and funded through annual Federal appropriations, funding levels can fluctuate based on the direction of Congress. In addition, the State of Idaho may have changes to the number of Federally Designated Urbanized Areas as a result the Bureau of the Census designation criteria. This may have an impact of the subsequent allocation of Federal Planning funds available to MPO areas. Continued Federal emphasis on the efficient and effective movement of people and goods through strategic transportation investments, is expected to result in maintained levels of funding in the near and midterm. The stability of KMPO and the continued active participation by member participants and the community, along with the increased local investment is expected to result in stable local revenues necessary to match the annual Federal funding provided by the U.S. Department of Transportation.

#### **CONTACTING THE ORGANIZATION'S FINANCIAL MANAGEMENT**

This financial overview and report are designed to provide our taxpayers with a general overview of the KMPO's finances and projected continued growth within the boundaries of the KMPO and to demonstrate the KMPO's accountability for the funds received and expenses incurred. If there are any questions about the report or more financial information is needed, please contact the KMPO Office located at 250 Northwest Boulevard, Suite 209, Coeur d'Alene, ID 83814 or contact by phone (208) 930-4164.

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

# Kootenai Metropolitan Planning Organization

## STATEMENT OF NET POSITION

September 30, 2024

### ASSETS

Cash	\$	23,144
Accounts receivable		58,246
Right-of-use lease asset, net of accumulated amortization		15,866
Total assets		<u>97,256</u>

### DEFERRED OUTFLOWS OF RESOURCES

Proportionate share of collective deferred outflows of resources		49,361
Total deferred outflows of resources		<u>49,361</u>

### LIABILITIES

Accrued payroll liabilities		5,340
Lease liability, due within one year		16,632
Long-term liabilities:		
Compensated absences		13,463
Net pension liability		204,794
Total liabilities		<u>240,229</u>

### DEFERRED INFLOWS OF RESOURCES

Proportionate share of collective deferred inflows of resources		15,333
Total deferred inflows of resources		<u>15,333</u>

### NET POSITION

Unrestricted		(108,945)
Total net position	\$	<u>(108,945)</u>

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

# Kootenai Metropolitan Planning Organization

## STATEMENT OF ACTIVITIES For the Year Ended September 30, 2024

	Expenses	Program Revenues Operating Grants and Contributions	Net Revenues and Change in Net Assets Government Activities Total
Governmental activities:			
General government:			
Transportation planning services	\$ 436,661	\$ 398,061	\$ (38,600)
Interest on lease liability	1,447	-	(1,447)
Unallocated actual PERSI contributions	(30,614)	-	30,614
Change in net pension liability	49,717	-	(49,717)
Total governmental activities	\$ 457,211	\$ 398,061	(59,150)
General revenues:			
Member assessments			54,721
Decrease in net position			(4,429)
Net position - beginning			(104,516)
Net position - ending			\$ (108,945)

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



# Kootenai Metropolitan Planning Organization

## GOVERNMENTAL FUNDS BALANCE SHEET September 30, 2024

### ASSETS

Cash	\$	23,144
Accounts receivable		58,246
Total assets	\$	<u>81,390</u>

### LIABILITIES AND FUND BALANCES

Accrued payroll liabilities	\$	5,340
Total liabilities		<u>5,340</u>

### Fund balance:

Unassigned		76,050
Total fund balances		<u>76,050</u>

Total liabilities and fund balances	\$	<u>81,390</u>
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The accompanying "Notes to the Financial Statements"  
are an integral part of this statement.

# Kootenai Metropolitan Planning Organization

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION September 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 76,050
Right-of-use lease asset	35,697
Less: Accumulated amortization	(19,831)
Pension liabilities and deferred outflows of resources and deferred inflows of resources related to pensions:	
Organization's proportionate share of the net pension liability	(204,794)
Proportionate share of collective deferred outflows of resources	49,361
Proportionate share of collective deferred inflows of resources	(15,333)
Compensated absences are not due and payable in the current period and, therefore, are not reported in the funds	(13,463)
Short-term liabilities at fiscal year end:	
Lease liability	<u>(16,632)</u>
Total net position	<u><u>\$ (108,945)</u></u>

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

# Kootenai Metropolitan Planning Organization

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Year Ended September 30, 2024

### REVENUES

Grants	\$ 398,061
Member assessments	54,721
Total revenues	<u>452,782</u>

### EXPENDITURES

Salaries and wages	273,942
Payroll expense	21,511
Retirement	30,614
Benefits	40,116
Utilities	108
Travel	4,821
Membership and dues	26,795
Staff development	1,917
Supplies	1,784
Telephone	1,515
Printing and copying	700
Property liability insurance	2,048
Business expenses	1,773
Books, subscriptions, reference	4,013
Professional fees	4,538
Advertising	175
Postage	56
Facilities and equipment	3,151
Debt service:	
Principal retirement	15,482
Interest	1,447
Total expenditures	<u>436,506</u>
Net change in fund balances	16,276
Fund balances - beginning	<u>59,774</u>
Fund balances - ending	<u>\$ 76,050</u>

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

## Kootenai Metropolitan Planning Organization

### 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, 2024

Amounts reported for governmental activities in the statement of activities  
are different because:

Net change in Fund Balances - total governmental funds	\$ 16,276
Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(1,219)
Lease liability principal retirement considered as an expenditure	15,482
Amortization expense	(15,865)
Net pension expense	<u>(19,103)</u>
Change in net position of governmental activities	<u>\$ (4,429)</u>

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

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

Kootenai Metropolitan Planning Organization (the "Organization") for the Coeur d'Alene Urbanized Area and for Kootenai County was created in 2003 as a separate Joint Powers Entity, separate and apart from any member political subdivision or public agency pursuant to the provisions of Idaho Code, Sections 67-2326 through 67-2333.

The accounting methods and procedures adopted by the Organization conform to generally accepted accounting principles as applied to governmental entities. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the Organization's basic financial statements.

Reporting Entity – A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the Organization consists of all funds, departments, boards, and agencies that are not legally separate from the Organization. There are no entities that would be considered component units of the Organization.

The financial statements of the Organization 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 Organization's accounting policies are described below:

#### B. Fund Accounting

The Organization uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Organization functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds – Governmental funds focus on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The Organization has one governmental fund, the general fund.

*General Fund* – The general fund is used to account for all financial resources except those required to be accounted for in another fund. The general fund is available for any purpose provided it is expended or transferred according to Idaho State law.

#### C. Basis of Presentation

Government-wide Financial Statements – The statement of net position and the statement of activities display information about the Organization as a whole. These statements include the financial activities of the primary government. The Organization has activities that are considered to be governmental as opposed to business-type activities.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Basis of Presentation (Concluded)

The government-wide statements are prepared using the economic resources measurement focus. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Organization's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and 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 are presented as general revenues of the Organization, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Organization.

Fund Financial Statements – Fund financial statements report detailed information about the Organization. The focus of governmental fund statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type. The Organization maintains only a governmental-type general fund.

The accounting and reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

#### D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-exchange Transactions – Revenues resulting from exchange transactions, in which each party receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenues are recorded in the fiscal year in which the resources are measurable and available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Organization, available means expected to be received within 60 days of the fiscal year end.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### D. Basis of Accounting (Concluded)

Non-exchange transactions, in which the Organization receives value without directly giving equal value in return, 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. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Organization must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Organization on a reimbursement basis. On a modified accrual basis, revenues from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at the fiscal year then ended: property taxes available in advance, interest, grants, and rentals.

Deferred Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation, are not recognized in governmental funds.

#### E. Cash

In the general fund, cash received by the Organization is kept in one checking account and is presented as “Cash” on the financial statements. The Organization had no cash equivalents as of September 30, 2024.

#### F. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments and the non-current portion of capital leases, which will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payments made within 60 days after year end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements until due.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### G. Fund Balance Reserves

The Organization has adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (required implementation date of June 2011). 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 Organization is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the Organization to classify, and report amounts in the appropriate fund balance classifications. The Organization's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

The Organization reports the following classifications:

*Non-spendable Fund Balance* – Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form – such as inventory or prepaid insurance, or (b) legally or contractually required to be maintained intact – such as a trust that must be retained in perpetuity.

*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 Organization 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 Board of Directors. Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board of Directors. 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 Organization's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by: (a) the Director of Finance, or (b) an appointed body (e.g., a budget or finance committee) or official to which the Board of Directors have delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. Assigned fund balance includes: (a) all remaining amounts that are reported in governmental funds (other than the general fund) that are not classified as non-spendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the Organization itself.

(Continued)



# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### G. Fund Balance Reserves (Concluded)

*Unassigned Fund Balance* – Unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the general fund.

The Organization's policy is first use restricted fund balance, then committed, then assigned, then unassigned when any of the above fund balance are available to use to satisfy an obligation.

#### H. 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 are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Organization or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Sometimes the Organization 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 Organization's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

#### I. Compensated Absences

The Organization reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Paid time off benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the Organization will compensate the employees for the benefits through paid time off or by other means. The Organization records a liability for accumulated unused paid time off when earned for all employees who qualify. The total liability of \$13,463 is included in the government-wide financial statements as a non-current liability due in more than one year.

#### J. 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.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONCLUDED)

#### K. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, 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 the 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.

#### L. Deferred Outflow/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 System only has one item that qualifies for reporting in this category. It is the deferred outflows relating to the accounting for the net pension obligation on the government-wide statement of net position, in accordance with GASB 68, Accounting and Financial Reporting for Pensions.

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 Organization has one type of item, which arises under full accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, proportionate share of collective deferred inflows of resources, is reported only on the government-wide statement of net position. The government-wide statement of net position reports proportionate share of collective deferred inflows of resources from one source: accounting for the net pension obligation, in accordance with GASB 68, Accounting and Financial Reporting for Pensions.

#### M. Operating Expenditures

The Organization is required to pay a local match of 7.34% of the operating expenditures. The member participants are charged annual assessments to cover the Organization's local match portion of the operating expenditures. The match portion of the expenditures is included in Membership and Dues category on the statement of revenues, expenditures, and changes in fund balances.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

#### Budgetary Information

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

- a) The Organization publishes a proposed budget for public review.
- b) Public hearings are set to obtain taxpayer comments.
- c) Prior to September 1, the budget is adopted by resolution of the Board of Directors 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 budget was amended during the fiscal year ended September 30, 2024.

### NOTE 3: CASH

Custodial credit risk is the risk that in the event of a bank failure, the Organization's deposits may not be returned to it. The Organization does not have a policy for custodial credit risk. The carrying amount of the Organization's deposits with financial institutions on September 30, 2024 was \$23,144, and the bank balance was \$23,391. The bank balance is on deposit with one financial institution and is recorded at cost. The bank balance is categorized as follows:

Amounts insured by the FDIC or other agencies	<u>\$23,391</u>
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Idaho State Code allows the Organization to invest idle monies in certain categories. No violations of those categories have occurred during the year.

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 4: DEFINED BENEFIT PENSION PLAN

#### *Plan Description*

The Organization 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](http://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. Amounts in parenthesis represent police/firefighters.

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.

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 4: DEFINED BENEFIT PENSION PLAN (CONTINUED)

#### *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 and earnings from investments. 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) if current rates are actuarially determined to be inadequate or in excess 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 public safety. As of June 30, 2024, it was 6.71% (9.83%) for public safety. The employer contribution rate is set by the Retirement Board and was 11.18% (13.26%) for police and firefighters. The Organization's contributions were \$30,614 for the year ended September 30, 2024.

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

At September 30, 2024, the Organization reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Organization's proportion of the net pension liability was based on the Organization'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, 2024, the Organization's proportion was 0.00547482 percent.

For the year ended September 30, 2024, the Organization recognized a pension expense of \$49,717. At September 30, 2024, the Organization 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	\$ -	\$ (3,717)
Changes of assumptions	8,113	-
Net difference between projected and actual earnings on pension plan investments	32,605	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	-	19,050
Kootenai Metropolitan Planning Organization's contributions subsequent to the measurement date	8,643	-
<b>Total</b>	<b>\$ 49,361</b>	<b>\$ 15,333</b>

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 4: DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

\$8,643 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, 2025.

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, 2022 the beginning of the measurement period ended June 30, 2023 is 4.6 and 4.4 for the measurement period June 30, 2024.

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:**

2025	10,108
2026	38,184
2027	(6,585)
2028	(4,707)

*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, 2024, 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	1.00%

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 4: DEFINED BENEFIT PENSION PLAN (CONTINUED)

*Actuarial Assumptions (Concluded)*

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 and police – Males Pub 2010 Safety Tables, increased 21%
- Fire and 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, 2024, is based on the results of an actuarial valuation date July 1, 2024.

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 2024.

	2024	
Asset Class	DB Plans	Sick Leave
Fixed Income	30.0%	50.0%
US/Global Equity	55.0%	39.3%
International Equity	15.0%	10.7%
Cash	0.0%	0.0%
Total	100%	100%

(Continued)

# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 4: DEFINED BENEFIT PENSION PLAN (CONCLUDED)

#### *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 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 percent, 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 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%)
KMPO's net pension liability (asset)	\$ 389,172	\$ 204,794	\$ 54,204

#### *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](http://www.persi.idaho.gov).

#### *Payables to the Pension Plan*

At September 30, 2024, the Organization reported no amount payable to the defined benefit pension plan for legally required employer contributions and no amount payable for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

### NOTE 5: LONG-TERM DEBT

	Beginning Balance	Adjustments	Additions	Deletions	Ending Balance
<i>Government-type activities:</i>					
Compensated absences	\$ 12,244	\$ -	\$ 1,219	\$ -	\$ 13,463

Compensated absences are paid from the general fund in the form of paid time off.

(Continued)



# Kootenai Metropolitan Planning Organization

## NOTES TO THE FINANCIAL STATEMENTS September 30, 2024

### NOTE 6: RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The Organization contracts with an insurance company for property insurance and general liability insurance.

### NOTE 7: LEASE OBLIGATIONS

During the year ended September 30, 2011, the Organization entered into a lease agreement for an office. The original lease expired in 2014 and has been extended multiple times.

During the year ended September 30, 2023, the Organization entered into an option to extend the lease through September 30, 2025. Monthly rent increased 5% from the monthly payment of \$1,295 in the previous agreement for the period of July to December 2023, and will increase an additional 5% for the remainder of the lease term. The right-of-use lease asset was recorded at the present value of future minimum lease payments of \$35,697, with accumulated amortization of \$15,865 during the year ended September 30, 2024.

Following is a recap of right-of-use lease assets for the fiscal year ended September 30, 2024:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental activities:</b>				
Right-of-use lease asset:				
Office	\$ 35,697	\$ -	\$ -	\$ 35,697
Total right-of-use lease asset	35,697	-	-	35,697
Less accumulated amortization for:				
Office	3,966	15,865	-	19,831
Total accumulated amortization	3,966	15,865	-	19,831
Total amortized right-of-use lease asset, net	\$ 31,731	\$ (15,865)	\$ -	\$ 15,866

The future minimum lease obligations and the net present value of these lease payments as of September 30, 2024, were as follows:

Year ending September 30,	Principal	Interest	Total
2025	16,632	523	17,155
	\$ 16,632	\$ 523	\$ 17,155

(Concluded)

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

**Kootenai Metropolitan Planning Organization**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended September 30, 2024**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Grants	\$ 566,506	\$ 600,187	\$ 398,061	\$ (202,126)
Member assessments	54,721	54,721	54,721	-
Total revenues	<u>621,227</u>	<u>654,908</u>	<u>452,782</u>	<u>(202,126)</u>
<b>EXPENDITURES</b>				
Salaries and wages	287,757	287,757	273,942	13,815
Payroll expense	22,013	22,013	21,511	502
Retirement	34,358	34,358	30,614	3,744
Benefits	52,796	52,796	40,116	12,680
Utilities	21,900	21,900	108	21,792
Software updates and maintenance	5,000	5,000	-	5,000
Supplies and postage	3,200	3,200	2,540	660
Professional services and business expenses	15,000	15,000	6,311	8,689
Outside contract services and membership and dues	200,000	200,000	26,795	173,205
Telephone	2,500	2,500	1,515	985
Travel	13,170	13,170	4,821	8,349
Advertising	2,100	2,100	175	1,925
Property liability insurance	3,617	3,617	2,048	1,569
Equipment maintenance	1,500	1,500	-	1,500
Books, subscriptions, reference	8,500	8,500	4,013	4,487
Office furniture and equipment	4,000	4,000	-	4,000
Facilities and equipment	-	-	3,151	(3,151)
Staff development	-	-	1,917	(1,917)
Debt service:				
Principal retirement	-	-	15,482	(15,482)
Interest	-	-	1,447	(1,447)
Total expenditures	<u>677,411</u>	<u>677,411</u>	<u>436,506</u>	<u>240,905</u>
Net change in fund balances	(56,184)	(22,503)	16,276	38,779
Fund balances - beginning	<u>108,999</u>	<u>208,996</u>	<u>59,774</u>	<u>(149,222)</u>
Fund balances - ending	<u>\$ 52,815</u>	<u>\$ 186,493</u>	<u>\$ 76,050</u>	<u>\$ (110,443)</u>

**Kootenai Metropolitan Planning Organization**

**GASB 68 Required Supplementary Information  
For the Year Ended September 30, 2024**

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

	<u>2024</u>	<u>2023</u>
Employer's portion of the net pension liability	0.00547482%	0.00644660%
Employer's proportionate share of the net pension liability	\$ 204,794	\$ 257,263
Employer's covered-employee payroll	\$ 273,942	\$ 286,205
Employer's proportional share of the net pension liability as a percentage of its covered employee payroll	74.76%	89.89%
Plan fiduciary net position as a percentage of the total pension liability	85.54%	83.09%

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

Data reported is measured as of June 30, 2024 (measurement date).

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

	<u>2024</u>	<u>2023</u>
Statutorily required contribution	\$ 30,614	\$ 33,470
Contributions in relation to the statutorily required contribution	30,614	33,470
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll of its covered employee payroll	\$ 273,942	\$ 286,205
Contributions as a percentage of covered-employee payroll	11.18%	11.69%

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

Data reported is reported as of September 30, 2024.

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
0.0061939%	0.0067597%	0.0066355%	0.0062111%	0.0066050%	0.0071799%	0.0079819%	0.0080913%
\$ 243,964	\$ (5,339)	\$ 154,085	\$ 70,898	\$ 97,425	\$ 112,856	\$ 161,805	\$ 106,549
\$ 251,362	\$ 257,014	\$ 253,099	\$ 222,219	\$ 205,016	\$ 207,633	\$ 235,162	\$ 228,804
97.06%	-2.08%	60.88%	31.90%	47.52%	54.35%	68.81%	46.57%
100.36%	88.22%	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 30,013	\$ 30,687	\$ 30,221	\$ 25,423	\$ 23,208	\$ 23,504	\$ 26,620	\$ 25,901
30,013	30,687	30,221	25,423	23,208	23,504	26,620	25,901
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 251,362	\$ 257,014	\$ 253,099	\$ 222,219	\$ 205,016	\$ 207,633	\$ 235,162	\$ 228,804
11.94%	11.94%	11.94%	11.44%	11.32%	11.32%	11.32%	11.32%

REPORT REQUIRED BY GAO



**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**

**Independent Auditor's Report**

To the Board of Directors  
Kootenai Metropolitan Planning Organization  
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 (*Government Auditing Standards*), the financial statements of the governmental activities and each major fund of Kootenai Metropolitan Planning Organization as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Kootenai Metropolitan Planning Organization's basic financial statements, and have issued our report thereon dated December 12, 2024.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Kootenai Metropolitan Planning Organization'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 Kootenai Metropolitan Planning Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of Kootenai Metropolitan Planning Organization'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 Kootenai Metropolitan Planning Organization'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 or significant deficiencies may exist that were not identified.

**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* (CONCLUDED)**

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Kootenai Metropolitan Planning Organization'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 Kootenai Metropolitan Planning Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kootenai Metropolitan Planning Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Magnuson, McHugh, Dougherty CPAs*

Magnuson, McHugh, Dougherty CPAs

December 12, 2024





**MAGNUSON • McHUGH • DOUGHERTY**  
CERTIFIED PUBLIC ACCOUNTANTS

December 16, 2024

Kootenai Metropolitan Planning Organization  
250 Northwest Boulevard, Suite 209  
Coeur d'Alene, ID 83814

We have audited the financial statements of Kootenai Metropolitan Planning Organization as of and for the year ended September 30, 2024, and have issued our report thereon dated December 12, 2024. Professional standards require that we advise you of the following matters relating to our audit.

### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated June 5, 2024, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of the system of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the system of internal control of Kootenai Metropolitan Planning Organization solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

### **Significant Risks Identified**

We have identified the following significant risks: improper revenue recognition, and management override of controls.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Kootenai Metropolitan Planning Organization is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2024. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates and Related Disclosures*

Accounting estimates and related disclosures are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is management's estimate of amortization. Management's estimate of the amortization is based on the present value of the right-of-use lease asset. We evaluated the key factors and assumptions used to develop this and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Kootenai Metropolitan Planning Organization's financial statements relate to the defined benefit pension plan in Note 4.

Management's estimate of the net pension liability was provided by the Public Employee Retirement System of Idaho (PERSI). An actuary assisted PERSI in calculating projected benefits and obligations associated with the liability. PERSI's financial statements have been audited by a certified public accounting firm as of the measurement date.

## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. None of the misstatements identified by us as a result of our audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. Audit adjustments however were proposed and accepted by management as a result of our role in the preparation of the financial statements as described in our engagement letter and are attached as Schedule A and Schedule B.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Kootenai Metropolitan Planning Organization's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the attached letter dated December 12, 2024.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Kootenai Metropolitan Planning Organization, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Kootenai Metropolitan Planning Organization's auditors.

This report is intended solely for the information and use of the Board of Directors, and management of Kootenai Metropolitan Planning Organization and is not intended to be and should not be used by anyone other than these specified parties.

*Magnuson, McHugh, Dougherty CPAs*

Magnuson, McHugh, Dougherty CPAs

## SCHEDULE A

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 2001</b>		<b>PY FS</b>		
To tie out fund balance to the prior year report.				
2001	Accounts Payable		3,605.00	
2002	Payroll Liabilities		1,175.00	
3001	Unrestricted Net Assets		54,721.00	
5010	Operations:Supplies		1.00	
3001	Unrestricted Net Assets			1.00
3001	Unrestricted Net Assets			1,175.00
3001	Unrestricted Net Assets			3,605.00
4002	Program Income:Member Assessments			54,721.00
<b>Total</b>			<b><u>59,502.00</u></b>	<b><u>59,502.00</u></b>
<b>Adjusting Journal Entries JE # 2002</b>		<b>D-02</b>		
To accrue September billing reimbursement accrued in October 2024.				
1010	Accounts Receivable		27,728.00	
4001	Government Grants:Federal Grants			27,728.00
<b>Total</b>			<b><u>27,728.00</u></b>	<b><u>27,728.00</u></b>
<b>Adjusting Journal Entries JE # 2004</b>		<b>PY FS</b>		
To true up accounts payable and liability insurance as of 9/30/2024.				
5013	Other Types of Expenses:Insurance - Liability, D and O		3,608.00	
2001	Accounts Payable			3,608.00
<b>Total</b>			<b><u>3,608.00</u></b>	<b><u>3,608.00</u></b>
<b>Adjusting Journal Entries JE # 2005</b>		<b>K-01</b>		
To remove ICRIMP payable from FY24 AP as it applies to FY25.				
2001	Accounts Payable		4,687.00	
5006a	Facilities and Equipment:Real Estate, Personal Prop Tax			4,687.00
<b>Total</b>			<b><u>4,687.00</u></b>	<b><u>4,687.00</u></b>

## SCHEDULE B

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 3001</b>		<b>O-03</b>		
To reclassify expenses reimbursed by ITD.				
4001	Government Grants:Federal Grants		31,594.00	
5003	Contract Services:Accounting Fees		4,538.00	
5005a	Facilities and Equipment:Other		28.00	
5005b	Facilities and Equipment:Equip Rental and Maintenance		43.00	
5006	Facilities and Equipment:Rent, Parking, Utilities		9,711.00	
5007	Operations:Books, Subscriptions, Reference		4,013.00	
5008	Operations:Postage, Mailing Service		56.00	
5009	Operations:Printing and Copying		700.00	
5010	Operations:Supplies		1,918.00	
5010a	Operations:Other		1,392.00	
5011	Operations:Telephone, Telecommunications		1,345.00	
5012	Other Types of Expenses:Advertising Expenses		175.00	
5013	Other Types of Expenses:Insurance - Liability, D and O		2,045.00	
5014	Other Types of Expenses:Memberships and Dues		4,424.00	
5014b	Other Types of Expenses:Staff Development		1,917.00	
5016	Payroll Expenses		147.00	
5016c	Payroll Taxes		495.00	
5018	Travel and Meetings:Conference, Convention, Meeting		215.00	
5019	Travel and Meetings:Travel		4,396.00	
5022	Capital Purchases:Grant Capital Purchase - Equip		3,858.00	
4001	Government Grants:Federal Grants			73,010.00
<b>Total</b>			<b>73,010.00</b>	<b>73,010.00</b>
<b>Reclassifying Journal Entries JE # 3002</b>		<b>O-04</b>		
To reclassify employee benefits (Unum & VSP) and taxes.				
5016b	Benefits		3,056.00	
5016b	Benefits		32,206.00	
5016c	Payroll Taxes		21,016.00	
5016	Payroll Expenses			53,222.00
5016a	Payroll Expenses:Company Contribution			3,056.00
<b>Total</b>			<b>56,278.00</b>	<b>56,278.00</b>
<b>Reclassifying Journal Entries JE # 3003</b>				
To reclassify Blue Cross invoice to benefits.				
5016b	Benefits		4,854.00	
5016	Payroll Expenses			4,854.00
<b>Total</b>			<b>4,854.00</b>	<b>4,854.00</b>

*Kootenai Metropolitan Planning Organization*  
*250 Northwest Boulevard*  
*Suite 209*  
*Coeur d'Alene, ID 83814*

December 12, 2024

Magnuson, McHugh, Dougherty CPAs  
P.O. Box 1379  
Coeur d'Alene, ID 83816

This representation letter is provided in connection with your audit of the basic financial statements of the Kootenai Metropolitan Planning Organization as of September 30, 2024, and for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the basic financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows, where applicable, of the various opinion units of the Kootenai Metropolitan Planning Organization in accordance with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, 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.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the signature date of this letter:

**Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 5, 2024, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of the system 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.

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- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- We approve all the journal entries in the attached Schedules A and B for our financial statements referred to above.
- The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
- All component units, as well as joint ventures with an equity interest, are included and other joint ventures and related organizations are properly disclosed.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*, GASB Statement No. 37, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments: Omnibus* as amended, and GASB Statement No. 85, *Items Previously Reported as Assets and Liabilities*, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:
  - The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.
  - The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
  - The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.
  - There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

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- With respect to the nonattest services provided, we have performed the following:
  - Made all management decisions and performed all management functions;
  - Assigned a competent individual to oversee the services;
  - Evaluated the adequacy of the services performed;
  - Evaluated and accepted responsibility for the result of the service performed; and
  - Established and maintained controls, including a process to monitor the system of internal control.

#### Information Provided

- We have provided you with:
  - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
  - Additional information that you have requested from us for the purpose of the audit;
  - Unrestricted access to persons within the entity and others from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our evaluation of the entity's ability to continue as a going concern, including significant conditions and events present, and we believe that our use of the going concern basis of accounting is appropriate.
- We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - Management;
  - Employees who have significant roles in internal control; or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- We have disclosed to you the identity of all the entity's related parties and the nature of all the related party relationships and transactions of which we are aware.
- There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in accounting, internal control, or financial reporting practices.
- Kootenai Metropolitan Planning Organization has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Kootenai Metropolitan Planning Organization is contingently liable.
- We have disclosed to you all nonexchange financial guarantees, under which we are obligated and have declared liabilities and disclosed property in accordance with GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, for those guarantees where it is more likely than not that the entity will make a payment on any guarantee.



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December 12, 2024  
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- For nonexchange financial guarantees where we have declared liabilities, the amount of the liability recognized is the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. Where there was no best estimate but a range of estimated future outflows has been established, we have recognized the minimum amount within the range.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 82 (GASB-82), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
  - a. Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
  - b. Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-82.
  - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-82
  - d. Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- Kootenai Metropolitan Planning Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

*Glenn F. Miles*

Executive Director

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Signature and Title

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 December 12, 2024  
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**SCHEDULE A**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 2001</b>		<b>PYFS</b>		
To tie out fund balance to the prior year report.				
2001	Accounts Payable		3,605.00	
2002	Payroll Liabilities		1,175.00	
3001	Unrestricted Net Assets		54,721.00	
5010	Operations:Supplies		1.00	
3001	Unrestricted Net Assets			1.00
3001	Unrestricted Net Assets			1,175.00
3001	Unrestricted Net Assets			3,605.00
4002	Program Income:Member Assessments			54,721.00
<b>Total</b>			<b>59,502.00</b>	<b>59,502.00</b>
<b>Adjusting Journal Entries JE # 2002</b>		<b>D-02</b>		
To accrue September billing reimbursement accrued in October 2024.				
1010	Accounts Receivable		27,728.00	
4001	Government Grants:Federal Grants			27,728.00
<b>Total</b>			<b>27,728.00</b>	<b>27,728.00</b>
<b>Adjusting Journal Entries JE # 2004</b>		<b>PYFS</b>		
To true up accounts payable and liability insurance as of 9/30/2024.				
5013	Other Types of Expenses:Insurance - Liability, D and O		3,608.00	
2001	Accounts Payable			3,608.00
<b>Total</b>			<b>3,608.00</b>	<b>3,608.00</b>
<b>Adjusting Journal Entries JE # 2005</b>		<b>K-01</b>		
To remove ICRIMP payable from FY24 AP as it applies to FY25.				
2001	Accounts Payable		4,687.00	
5006a	Facilities and Equipment:Real Estate, Personal Prop Tax			4,687.00
<b>Total</b>			<b>4,687.00</b>	<b>4,687.00</b>

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**SCHEDULE B**

Account	Description	W/P Ref	Debit	Credit
<b>Reclassifying Journal Entries JE # 3001</b>		<b>0-03</b>		
To reclassify expenses reimbursed by ITD.				
4001	Government Grants:Federal Grants		31,594.00	
5003	Contract Services:Accounting Fees		4,538.00	
5005a	Facilities and Equipment:Other		28.00	
5005b	Facilities and Equipment:Equip Rental and Maintenance		43.00	
5006	Facilities and Equipment:Rent, Parking, Utilities		9,711.00	
5007	Operations:Books, Subscriptions, Reference		4,013.00	
5008	Operations:Postage, Mailing Service		56.00	
5009	Operations:Printing and Copying		700.00	
5010	Operations:Supplies		1,918.00	
5010a	Operations:Other		1,392.00	
5011	Operations:Telephone, Telecommunications		1,345.00	
5012	Other Types of Expenses:Advertising Expenses		175.00	
5013	Other Types of Expenses:Insurance - Liability, D and O		2,045.00	
5014	Other Types of Expenses:Memberships and Dues		4,424.00	
5014b	Other Types of Expenses:Staff Development		1,917.00	
5016	Payroll Expenses		147.00	
5016c	Payroll Taxes		495.00	
5018	Travel and Meetings:Conference, Convention, Meeting		215.00	
5019	Travel and Meetings:Travel		4,396.00	
5022	Capital Purchases:Grant Capital Purchase - Equip		3,858.00	
4001	Government Grants:Federal Grants			73,010.00
<b>Total</b>			<b>73,010.00</b>	<b>73,010.00</b>
<b>Reclassifying Journal Entries JE # 3002</b>		<b>0-04</b>		
To reclassify employee benefits (Unum & VSP) and taxes.				
5016b	Benefits		3,056.00	
5016b	Benefits		32,206.00	
5016c	Payroll Taxes		21,016.00	
5016	Payroll Expenses			53,222.00
5016a	Payroll Expenses:Company Contribution			3,056.00
<b>Total</b>			<b>68,278.00</b>	<b>68,278.00</b>
<b>Reclassifying Journal Entries JE # 3003</b>				
To reclassify Blue Cross Invoice to benefits.				
5016b	Benefits		4,854.00	
5016	Payroll Expenses			4,854.00
<b>Total</b>			<b>4,854.00</b>	<b>4,854.00</b>



December 16, 2024

Kootenai Metropolitan Planning Organization  
250 Northwest Boulevard, Suite 209  
Coeur d'Alene, ID 83814

To management and the board of directors:

In planning and performing our audit of the financial statements of Kootenai Metropolitan Planning Organization (the Organization) as of and for the year ended September 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Kootenai Metropolitan Planning Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of Kootenai Metropolitan Planning Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, as discussed below, we identified certain matters involving the internal control and other operational matters that are presented for your consideration. This letter does not affect our report dated December 12, 2024, on the financial statements of Kootenai Metropolitan Planning Organization. We will review the status of these comments during our next audit engagement. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control or result in other operating efficiencies. Our comments are summarized as follows:

- We recommend that management post adjusting journal entries provided during the audit to ensure the accuracy of beginning balances provided to the auditor.
- We recommend any September reimbursement billings that are sent out during October be accrued back to the appropriate period.

We believe that the implementation of these recommendations will provide Kootenai Metropolitan Planning Organization with a stronger system of internal control while also making its operations more efficient. We will be happy to discuss the details of these recommendations with you at your convenience.

This communication is intended solely for the information and use of management and the board of directors, and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

*Magnuson, McHugh, Dougherty CPAs*

Magnuson, McHugh, Dougherty CPAs



February 4, 2025

TO: KMPO Board Members  
FROM: Glenn F. Miles, Executive Director  
SUBJECT: Engagement Letter –Hawley-Troxell

**Recommendation:**

Authorize the Executive Director to accept the updated Engagement Letter reflecting revisions in legal counsel and change in company name with the merger of Witherspoon-Kelly into Hawley-Troxell

**Background:**

Witherspoon-Kelly Law Firm has been representing KMPO for over 15 years, with Stanley Schwartz providing general legal counsel. Mr. Schwartz and a number of Witherspoon Kelly lawyers joined Hawley-Troxell several years ago and continued to provide general legal counsel during that time. Mr. Schwartz has now left the firm, and therefore an updated engagement letter, with the designation of new legal counsel is appropriate. The firm would provide the same general legal counsel as before.

The Engagement Letter has identified two lawyers for rendering primary legal services to KMPO, Michael Stoddard and Danielle Quade. Michael Stoddard is based in Boise, ID and has worked with COMPASS (MPO in Boise area) for a number of years. Mr. Stoddard most recently assisted the five Idaho MPO's in the development and review of the Idaho Transportation Department Memorandum of Understanding (MOU) and each MPO. His work experience in the MPO environment would be very similar to our previous lawyer Stanley Schwartz. Mr. Stoddard's inclusion provides for a smooth transition in legal representation on MPO matters. Danielle Quade is based in Coeur d' Alene, ID and would provide general legal counsel on routine matters that may arise.

As a member of ICRMP, KMPO also has legal counsel provided as part of the insurance coverage should a claim arise. This has occurred once in 22 years.

I have attached the proposed Engagement Letter for your review, and would request authorization to continue legal representation with Hawley-Troxel and the identified lawyers Michael Stoddard and Danielle Quade.



**HAWLEY  
TROXELL**  
Attorneys & Counselors

IDAHO | NEVADA | WASHINGTON

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P.O. Box 1617  
Boise, Idaho 83701-1617  
T 208.344.6000  
HAWLEYTROXELL.COM

MICHAEL M. STODDARD  
ADMITTED TO PRACTICE LAW IN IDAHO  
EMAIL: MSTODDARD@HAWLEYTROXELL.COM  
DIRECT DIAL: 208.388.4892

## ENGAGEMENT LETTER

January 15, 2025

Glenn Miles  
Kootenai Metropolitan Planning Organization  
250 Northwest Blvd., Suite 209  
Coeur d'Alene, Idaho 83814

Re: *General Legal Representation*

Dear Glenn:

This letter will confirm the understanding of the representation that Hawley Troxell Ennis & Hawley LLP (the "Firm") has agreed to undertake on behalf of Kootenai Metropolitan Planning Organization (the "Client or KMPO"), and to set forth the scope and the terms of our engagement.

Please review this letter carefully. If it meets with your approval and reflects your understanding of our respective responsibilities, please sign and return the letter.

### **1. Scope of the Engagement**

As you are aware, Stanley Schwartz and the Witherspoon Kelly Law Firm provided legal counsel to KMPO for a number of years. Mr. Schwartz and a number of Witherspoon Kelly lawyers joined Hawley Troxell several years ago. While Mr. Schwartz has subsequently left the Firm, pursuant to this Engagement Letter, Hawley Troxell would represent KMPO using attorneys with experience representing Idaho public entities, including other planning organizations such as KMPO. The Firm would provide general legal representation, and specialized legal services as the Client may direct.

## **2. Progress and Reporting**

The status of the matter as well as any significant developments will be regularly reported to you as they occur. Furthermore, copies of all significant documents and communications will be forwarded to you as this matter progresses.

Please remain in close contact with the individuals in the firm you will be working with to ensure meaningful consultations regarding instructions and authority occur. As this matter progresses, please bring any questions or concerns immediately to our attention so that they can be promptly and effectively addressed and resolved.

Cell phones and email are common methods of communications employed by this firm. As you are no doubt aware these forms of communication are not secure against unauthorized access. These forms of communication do not ensure the confidentiality of their contents and there is potential risk of disclosure and loss of attorney-client privilege in using these forms of communications. If you object to our using any one or more of these forms of communication, please let us know immediately and we will attempt to honor that request.

## **3. Staffing**

The attorneys primarily responsible for rendering legal services in this matter are Michael Stoddard and Danielle Quade. Where it is to your advantage to do so, we may utilize the services of other lawyers, paralegals, and law clerks in the Firm. We will attempt wherever possible to assign work assignments in a way that maximizes legal effectiveness and time efficiency, while minimizing your legal expenses. The Firm's goal is to provide cost effective, high quality legal services. The Firm agrees to represent you in this matter on an hourly fee basis. The time spent by various lawyer and non-lawyer persons in this office will be charged at the applicable hourly rate for each person.

## **4. Basis for Fees and Costs**

The Firm has established hourly rates for each attorney, paralegal, and law clerk in the Firm. These hourly rates are based on a variety of factors including the experience and expertise of each individual and the nature of the legal work being performed. Currently, my hourly rate for 2025 for this matter is \$450. However, as we often do for public entities, the Firm would cap the maximum hourly rate at \$400 for attorneys representing the Client.

## **5. Billing Procedures**

As a general business practice the Firm's billing rates and fixed fees are reviewed as of January 1st of each year. Any rate adjustments are reflected on the monthly invoice. The specific basis on which fees, costs and expenses are computed, as well as billing procedures including the handling of past due accounts are set forth in greater detail in the enclosed sheet entitled "Client Services Policy," which is incorporated into this letter.

January 15, 2025

Page 3

It is the Firm's practice to serve clients with the most effective support systems available, while at the same time allocating costs of such systems to the clients who use them. Therefore, in addition to fees for legal services, you may also be charged for courier, photocopy duplication, document preparation, court reporter services, and other out-of-pocket costs incurred on your behalf. We are pleased to inform you that you will not be charged for postage (general US mail services), facsimile transmissions, or computer assisted legal research (conducted via Westlaw).

In most matters, billing statements will be generated on a monthly basis. Substantial transactions or matters may be billed once upon conclusion of the matter. In those cases, upon your request, we will prepare periodic informational statements setting forth the approximate level of fees incurred to date.

Every effort is made to include expenses in the statement for the month in which the expenses are incurred. However, some expenses such as courier charges are not available until the following month, in which case a supplemental statement will be sent to you for these additional charges.

Statements are due and payable upon receipt, but in any event no later than thirty (30) days after they are received by you. As our statements reflect time expended anywhere from 15 to 45 days prior to the statement date, we would appreciate receiving payment for our services upon presentation.

#### **6. Record Retention/Destruction Policy**

At the conclusion of this matter, the Firm will return any valuable property you have entrusted to us. The Firm will also dispose of any and all superfluous documents consistent with maintaining the confidentiality of the contents of those documents. The Firm will store the balance of the file, at the Firm's expense, for at least five (5) years. Unless you have made other arrangements, the file will be disposed of at the Firm's expense after the five (5) year retention period without further notice to you.

#### **7. Independent Legal Review**

The Firm has written this engagement letter on its own behalf. Please feel free to seek independent legal advice from legal counsel of your choosing in order to review this engagement letter. As we wish to provide you ample opportunity to consult with independent counsel, we do not require that you return this letter immediately. If you wish, we will be glad to provide you with names of counsel for your interview and selection and to discuss with such counsel any issues arising under this engagement letter.

We look forward to representing you and thank you for looking to us to assist you. If you have any questions concerning the contents of this letter, or any matter relating to our legal



January 15, 2025  
Page 4

representation, please do not hesitate to call me directly. We appreciate the opportunity to represent you.

Sincerely,

HAWLEY TROXELL ENNIS & HAWLEY LLP



Michael M. Stoddard

MMS/LWAL  
Encl.: Client Service Policies

I have read and understand the terms of our engagement as stated above and agree to be bound thereby.

DATED this \_\_\_\_ day of January, 2025.

Kootenai Metropolitan Planning Organization

:

By: \_\_\_\_\_

## CLIENT SERVICE POLICIES

### A) CLIENT SERVICE

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At Hawley Troxell Ennis & Hawley LLP, we maintain the firm's century-old tradition of professional excellence and integrity by providing every client with the highest quality legal service. Regardless of a client's size, business, or location, the services we provide are individually fashioned to meet each client's specific needs and wishes. We are aware of our clients' concerns for efficiency and economy and make every effort to keep costs down, consistent with proper representation.

The ideal client-attorney relationship requires a mutual understanding of expectations and an open line of communication. The following policies were developed with that objective in mind and with a commitment to hold the line on escalating legal costs.

### B) INITIAL CONFERENCE

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The client-attorney relationship generally begins with an initial conference. When scheduling this conference, you will be asked to provide information regarding potential parties involved in your situation so that we can ensure we have no conflict of interest with other clients or firm members. The purpose of this initial meeting is for your attorney to learn about your situation, and then to discuss with you the scope and amount of services that will need to be provided, who will provide those services, and the fees and costs involved.

A fundamental principle in the client-attorney relationship is that the attorney maintains confidentiality of information relating to the representation. We encourage you to communicate fully and frankly with your attorney.

### C) ENGAGEMENT LETTER OR REPRESENTATION AGREEMENT

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The initial meeting will be followed by an engagement letter from your attorney that will outline the pertinent facts of the case, the scope of the representation, the fees to be charged, and the possible expenses to be incurred.

### D) RETAINER

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A retainer may be requested at the beginning or during the course of representation. Depending on our arrangement with you, this retainer may be used throughout the representation to pay for out-of-pocket costs and our fees. At the conclusion of the representation the retainer will be used to pay our final invoice for costs and legal services. If a balance remains, it will be refunded to you. If the retainer is exhausted, you are responsible for payment of fees and out-of-pocket costs not covered by the retainer. Payment of a retainer does not relieve you of your obligation to make prompt payment of our monthly invoices.

Unless otherwise directed, all retainer funds are placed in an interest-bearing client trust account. The interest on this account is donated, by law, to support public interest objectives of the Idaho Law Foundation.

### E) FEES AND EXPENSES

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We usually compute our fees on an hourly basis. These standard hourly rates are subject to modification at any time. Time charges may, if applicable, include waiting time in court or elsewhere and time spent in travel. Other fee arrangements include setting a reasonable fixed fee for services, and occasionally the firm represents a client on a contingent fee basis. Premium rates may also be charged for work involving greater complexity, intensity of effort, specialized services, or additional liability potential.

We believe in providing the most efficient and cost-effective services to our clients. As a commitment to this philosophy, you will not be charged for long-distance phone calls, regular USPS postage, facsimile

## CLIENT SERVICE POLICIES

transmissions or computer assisted legal research. There will be times when other out-of-pocket expenses are incurred as a necessary part of your representation, and these will be billed to you accordingly. These can include photocopies, deliveries, travel, document production, court reporter services, expert witness fees, and court fees.

Unless arrangements are made, the firm does not advance costs of more than \$300. Necessary costs above that amount may be billed directly to you by the service provider.

### F) BILLING STATEMENTS

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Unless otherwise agreed, you will receive monthly statements. These statements provide you with chronological information about the services provided and the cost of such services. We can, however, provide you with as much—or as little—detail as you wish, regarding the services we provide. You should discuss your billing preferences with your primary attorney. All invoices are due and payable in full upon receipt. If your account becomes delinquent:

- You will be subject to an interest charge of 12% per annum for invoices delinquent for more than 30 days.
- You will be subject to attorney fees and expenses allowed by law if your account is referred for collection.
- The firm may find it necessary to terminate services and withdraw from representation.

Problems or questions about bills should be promptly directed to your primary attorney or the Executive Director at (208) 344-6000.

### G) WORKING RELATIONSHIP

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You convey to the firm, as your legal representative, the power of attorney to execute all pleadings and take such other actions as may be necessary or advisable on your behalf. Any settlement affecting your interests will, however, require your prior consent.

Your satisfaction with our law firm depends on your relationship with the individuals who are helping you solve your problem. If you have concerns about which attorneys work on your matter, please discuss these concerns with your primary attorney. If, at any time during our representation, you become unhappy or dissatisfied with our work, we encourage you to contact your primary attorney and discuss your concerns. If you are unable to resolve these issues with your primary attorney, please contact Brad Miller or Tom Mortell, our Managing Partners at (208) 344-6000.



December 11, 2024

TO: Noah Ipaye, Senior Research Analyst

FROM: Glenn F. Miles, Executive Director

SUBJECT: KMPO 2024-2030 KMPO TIP **Amendment # 23** and KMPO 2025-2031 KMPO TIP **Amendment #3** Request by the Local Highway Technical Assistance Council (LHTAC) to increase funding for KN 20378 and KN 22875

The Idaho Transportation Department (ITD) has notified KMPO of amendment requests by the Local Highway Technical Assistance Council (LHTAC) to increase funding for two currently programmed projects. Amendment to KN 20378 Huetter Rd UP Railroad Crossing, increases the PE/Utility phase cost of the project by \$400,000 with a life time project cost now estimated at \$420,000. The second amendment modifies KN 22875 Lancaster-Huetter Road Roundabout increasing the Utilities cost of the project by \$266,852 with a life time project cost now estimated at \$2,765,812.

**KMPO Amendment # 22 FY 2024-2030 and Amendment #3 2025-2031**

Route, Location				District	Scheduled Costs (Dollars in Thousands with Match)										Lifetime Direct Costs All Programs			
Key No.	Mileposts	Work, Detail		Ph	Year-Of-Expenditure Dollars (Not Current Prices)										Total	Federal	Match	
Sponsor		Program	Fund		2025	2026	2027	2028	2029	2030	2031	PREL						
<b>20378</b>	STC-7219, N HUETTER RD, UPRR RRR 662627N, POST FALLS	1	CN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	MP 105.916 - 105.916 SAFTY/TRAF OPER, Railroad Gates		PE/UT	400	-	-	-	-	-	-	-	-	-	-	-	420	418	2
	POST FALLS RAIL FED Rail Crossing		RW	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
This project will add gates and signals.																		
<b>22875</b>	SMA-7218, LANCASTER & HUETTER ROUNDABOUT, LAKES H	1	CN	1,814	-	-	-	-	-	-	-	-	-	-	1,814	1,681	133	
	MP 103.630 - 103.820 SAFTY/TRAF OPER, Traffic Roundabout		PE	267	-	-	-	-	-	-	-	-	-	-	394	366	287	
	LAKES HD SAFETY (L) Hazard Removal		RW	-	-	-	-	-	-	-	-	-	-	-	80	-	-	
This project will install a roundabout at the intersection of Lancaster Ave and Huetter Rd to reduce/eliminate fatal and serious injury crashes for all roadway users.																		

This amendment provides for the modification of the FY 2025 program year of two existing projects that are within both the 2024 and 2025 TIP's. These projects are currently within the program and the modifications do not material change the intent of the projects. The budget modification is based on decisions of the LHTAC Board and the Idaho Transportation Department. These projects have been through the required and concluded public involvement processes prior to the original programming and support the modifications. Based on the representations by ITD Headquarters, the Kootenai Metropolitan Planning Organization incorporates **Amendment #23 and Amendment #3** effective December 11, 2024.



January 8, 2025

TO: Noah Ipaye, Senior Research Analyst

FROM: Glenn F. Miles, Executive Director

SUBJECT: 2025-2031 KMPO TIP **Amendment # 4** ITD modification to realign funding on two projects in FY 2025 in advance of bidding for KN 24305 and KN 24306, I-90, SH-41 to U.S. 95

The Idaho Transportation Department (ITD) has notified KMPO of a recent decision to re-align funding for two projects in FY 2025 in advance of project bidding. Both projects are currently within the approved 2025-2031 Transportation Improvement Program (TIP) KN 24305 and KN 24306 I-90, SH-41 to U.S. 95 Interchange.

District	KeyNo	Location	MPO	Program	Funding Source	Work	Phases	FY 2025		Lifetime Costs
								Action	Costs	
1	24305	I 90, SH 41 TO US 95 - WEST, KOOTENAI CO	KMPO	Early Development	Other State Categories	RECONST/REALIGN	CE	Decrease	34,000,000	105,100,000
1	24305	I 90, SH 41 TO US 95 - WEST, KOOTENAI CO	KMPO	Leading Idaho	State Leading Idaho	RECONST/REALIGN	CN/CE/CC	Increase	8,200,000	105,100,000
1	24305	I 90, SH 41 TO US 95 - WEST, KOOTENAI CO	KMPO	TECM Bonding	TECM Bonding	RECONST/REALIGN	CC/CN	Increase	83,800,000	105,100,000
District	KeyNo	Location	MPO	Program	Funding Source	Work	Phases	Action	Costs	Lifetime Costs
1	24306	I 90, SH 41 TO US 95 - EAST, KOOTENAI CO	KMPO	Early Development	Other State Categories	RECONST/REALIGN	CE	Decrease	23,400,000	85,900,000
1	24306	I 90, SH 41 TO US 95 - EAST, KOOTENAI CO	KMPO	Leading Idaho	State Leading Idaho	RECONST/REALIGN	CN/CE/CC	Increase	7,600,000	85,900,000
1	24306	I 90, SH 41 TO US 95 - EAST, KOOTENAI CO	KMPO	TECM Bonding	TECM Bonding	RECONST/REALIGN	CC/CN	Increase	68,500,000	85,900,000

**KMPO Amendment #4 FY 2025-2031** provides for the modification of the FY 2025 program year of two existing project within the TIP. These projects are currently within the program and the modifications do not material change the intent of the project, which is to improve the Interstate 90 to meet existing and future development. The modification is based on decisions of the Idaho Transportation Department to realign funding in preparation for bidding to ensure funding is available to support the project award. This project has been through the required and concluded public involvement processes as part of the original programming to support the modifications. Based on the representations by ITD Headquarters, the Kootenai Metropolitan Planning Organization incorporates **Amendment #4** effective January 8, 2025.



January 31, 2025

TO: Noah Ipaye, Senior Research Analyst

FROM: Glenn F. Miles, Executive Director

SUBJECT: 2025-2031 KMPO TIP **Amendment # 5** Modification to KN 12310 Ramsey Road Extension – Wyoming to Lancaster increasing local participation on the project after bid award.

The Idaho Transportation Department (ITD) has notified KMPO of a request to add \$746,541.00 in local participation to KN 12310 Ramsey Road Extension – Wyoming to Lancaster. This will increase the lifetime costs of the project to \$14,986,517 to match the bid awarded project costs.

District	Key No	Location	MPO	Program	Funding Source	Work	Phases	FY 2025		Lifetime Costs
								Action	Costs	
1	12310	SMA-7905, RAMSEY RD; WYOMING AVE TO LANCASTER RD	KMPO	Local Participation	Local Participating	NEW RTE	CN	Increase	746,541	14,986,517

**KMPO Amendment #5 FY 2025-2031** provides for the modification of the FY 2025 program year for a carry-over project awarded in FY 2024 to increase the local participation amount after the construction bid award. This project is currently within the funded program and the modification does not material change the project. This project has been through the required and concluded public involvement processes as part of the original programming to support the modifications. Based on the representations by ITD Headquarters, the Kootenai Metropolitan Planning Organization incorporates **Amendment #5** effective January 31, 2025.



January 31, 2025

TO: Noah Ipaye, Senior Research Analyst

FROM: Glenn F. Miles, Executive Director

SUBJECT: 2025-2031 KMPO TIP **Amendment # 6** Modification to KN 23349 ALT ROUTE HUETTER BYPASS, NEPA STUDY, KOOTENAI CO.

The Idaho Transportation Department (ITD) has notified KMPO of a request modify KN 23349 Alt Route Huetter Bypass, NEPA Study, revising the name and the scope of work. The project name and scope is being revised to reflect conducting a Planning and Environmental Linkage (PEL) Study prior to entering into NEPA process. The revised name is RATHDRUM PRAIRIE PEL STUDY, KOOTENAI CO, with no Beginning or ending milepost as it covers multiple roads in the study area.

District	Key No	Location	MPO	Program	Funding Source	Work	Phases	FY 2025		Lifetime Costs
								Action	Costs	
1	23349	Rathdrum Prairie PEL Study, Kootenai County	KMPO	State Program	State	Study	Planning	Modify	0	0

This study is studying the region stretching from Interstate 90 (I 90) north to State Highway 53 (SH53) and from Washington state line east to US Highway 95 (US 95). This project is to evaluate the state highway and local roadway system within the Rathdrum Prairie utilizing a Preliminary Environmental Linkage (PEL) process to recommend transportation alternatives to be carried forward in to a NEPA document. The purpose and need provide for improved safety, mobility, as well as system reliability and resiliency for the current and future movement of both people and goods in the study area and north Idaho.

**KMPO Amendment #6 FY 2025-2031** provides for the modification of the FY 2025 program year for a carry-over project funded in FY 2022 to further develop transportation solutions on the Rathdrum Prairie in Kootenai County. This project is currently within the funded program and the modification expands the original scope of the study to conduct a comprehensive assessment of investments that meet the purpose and need for the study. This project has been through the required and concluded public involvement processes as part of the original programming, which supports the modifications. Based on the representations by ITD Headquarters, the Kootenai Metropolitan Planning Organization incorporates **Amendment #6** effective January 31, 2025.



City of Coeur d' Alene  
 City of Post Falls  
 City of Hayden  
 City of Rathdrum  
 Coeur d' Alene Tribe  
 East Side Highway District  
 Idaho Transportation Department  
 Kootenai County, Idaho  
 Lakes Highway District  
 Post Falls Highway District  
 Worley Highway District

Cooperatively Developing a Transportation System for all of Kootenai County, Idaho

DATE: February 6, 2025  
 TO: KMPO Board  
 FROM: Ali Marienau, Transportation Planner  
 SUBJECT: 2025 STBG Application Scoring Results

**Recommendation:**

At the January 2025 KCATT meeting, KCATT unanimously recommended the KMPO Board adopt the STBG Scoring Results, as presented by KMPO staff.

**Background:**

In September, KMPO released a call for projects for the Surface Transportation Block Grant (STBG) Urban Program Funds. KCATT members were urged to submit applications for their eligible projects; applications were due December 13, 2024. KMPO received two applications. KCATT was sent a scoring packet and encouraged to review and score the applications and return their scores to KMPO by Monday, January 13.

**Overview:**

KMPO received completed scoring packets from five KCATT agencies. All scores were tallied and adjustments were made to ensure scores did not exceed the maximum points allowed for each category. To eliminate outliers, the standard deviation was then calculated for each application and scores outside of one standard deviation were removed. A revised average score for each application was calculated.

The final ranking results for KCATT's consideration are as follows:

1	15 <sup>th</sup> St. – Harrison Ave. to Best Ave.
2	Prairie Ave. – 5 lane from Cecil Ave. to Greensferry Rd.

A full review of the final results is attached. For detailed information about application scores, please contact KMPO.



**Surface Transportation Block Grant Program**  
**2025-2031 URBAN Program Funds**  
 FINAL APPLICATION SCORING RESULTS

<b>Project</b>	<b>Average Score</b>	<b>Standard Deviation</b>	<b>Adjusted Average Score within One Standard Deviation</b>
Prairie Ave - 5 Lanes from Cecil Ave. to Greensferry Rd.	91.8	4.97	87.3
15th St. - Harrison Ave. to Best Ave.	103.6	2.04	102.0

<b>Rank</b>	<b>Project</b>	<b>Sponsor</b>	<b>Amount Requested</b>	<b>Estimated 2025 Cost</b>	<b>Estimated 2031 Cost</b>	<b>Score</b>
<b>1</b>	<b>15th St. - Harrison Ave. to Best Ave.</b>	<b>Coeur d'Alene</b>	<b>\$5,000,000</b>	<b>\$8,335,000</b>	<b>\$10,628,000</b>	<b>102</b>
<b>2</b>	Prairie Ave - 5 Lanes from Cecil Ave. to Greensferry Rd.	Post Falls	\$4,092,000	\$4,400,000	\$5,300,000	87.3



City of Coeur d' Alene  
 City of Post Falls  
 City of Hayden  
 City of Rathdrum  
 Coeur d' Alene Tribe  
 East Side Highway District  
 Idaho Transportation Department  
 Kootenai County, Idaho  
 Lakes Highway District  
 Post Falls Highway District  
 Worley Highway District

Item 7b

Cooperatively Developing a Transportation System for all of Kootenai County, Idaho

DATE: February 6, 2025  
 TO: KMPO Board  
 FROM: Ali Marienau, Transportation Planner  
 SUBJECT: 2025 Safety Performance Targets & Review

**Background:**

In 2018, the KMPO Board approved the decision to support ITD's performance targets for safety rather than adopt separate targets for Kootenai County. KMPO will continue to monitor Kootenai County's progress annually to ensure the MPO area continues to meet the state's safety targets. ITD has set its new safety targets for 2025.

**Overview:**

KMPO staff has reviewed the crash data for Kootenai County from 2020-2024 using Numetric's AASHTOWare Safety platform, available through ITD. Attachment A includes a full year-to-year comparison of crash statistics for the KMPO area.

The 2024 data shows that fatal and serious crash rates in Kootenai County remain below ITD's safety targets and that the County continued to see a decrease in the five-year average number of fatalities and serious injuries, as well as the rates of those crash types per 100 million vehicle miles traveled (VMT), over the period. The average number of non-motorized fatalities and serious injuries decreased slightly, as well, compared the previous 5-year period. 38% of fatal and serious injury crashes in Kootenai County occurred on the state highway system.

	2025 ITD Safety Targets	2020-2024 Performance	
		2024 ITD Targets	Kootenai County
5-Year Avg. Number of Fatalities	238	238	14
5-Year Avg. Fatality Rate per 100 million VMT	1.32	1.33	0.97
5-Year Avg. Number of Serious Injuries	1,224	1,224	84
5-Year Serious Injury Rate per 100 million VMT	6.82	6.82	5.8
5-Year Avg. Number of Non-motorized Fatalities & Serious Injuries	116	116	8.6

In 2020, KCATT requested an analysis of fatal crashes in the county to determine if there may be any measures agencies could take to prevent future crashes. 11 fatal crashes occurred in Kootenai County in 2024.

The most common factors contributing to fatal crashes in 2024 were similar to those reported in previous crashes from 2012 to 2023. Those include: Failed to Maintain Lane (5); Alcohol Impaired (4); Inattention (2); Speed too fast for conditions (2); and Drove left of center (2) (Note: Up to three contributing factors are identified per crash). Failed to Obey Signal (1) is a factor that has only contributed to fatal crashes over the last four years, but is now a top 10 contributing factor.

The highest number of “Most Harmful Events” reported in crashes continue to be Overturns (4), followed by head-on collisions (2). Collisions with pedestrians and pedacycles (resulting in a fatality) continue to be an issue. Though there were none reported in 2024, 1 in 9 fatal crashes over the 12-year period involve a pedestrian or bicyclist.

SH-58 was the only corridor with more than one fatal crash in 2024, resulting in a very high fatal crash-to-VMT ratio for the 3-mile section. A full analysis of fatal crashes from 2012-2024 data is included in Attachment A, including a summary of high crash corridors.

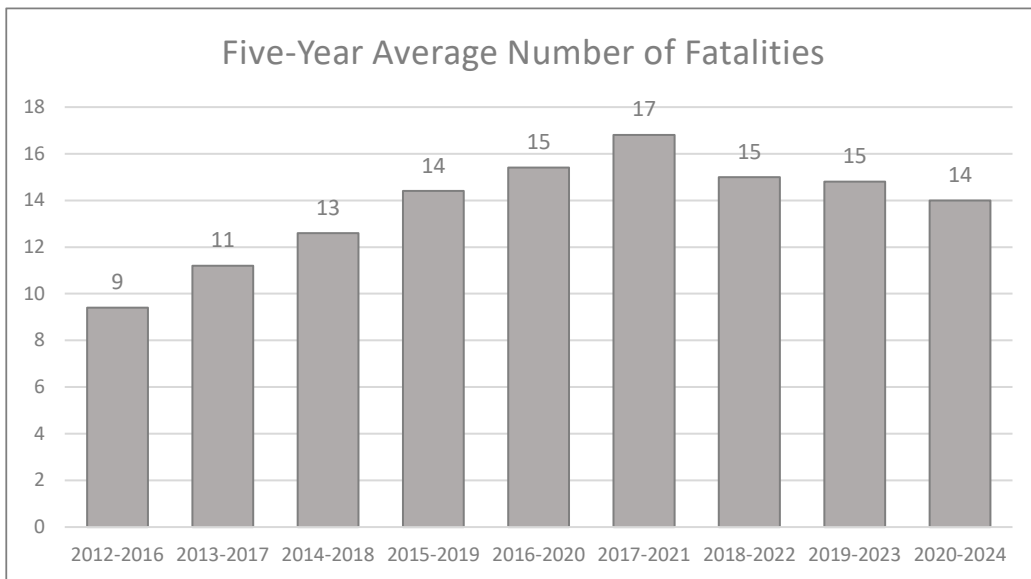
Most fatal crashes in 2024, again, appear to be the result of driver behavior rather the result of issues with the roadway or intersection. Some locations may be good candidates for additional safety countermeasures to prevent future crashes.

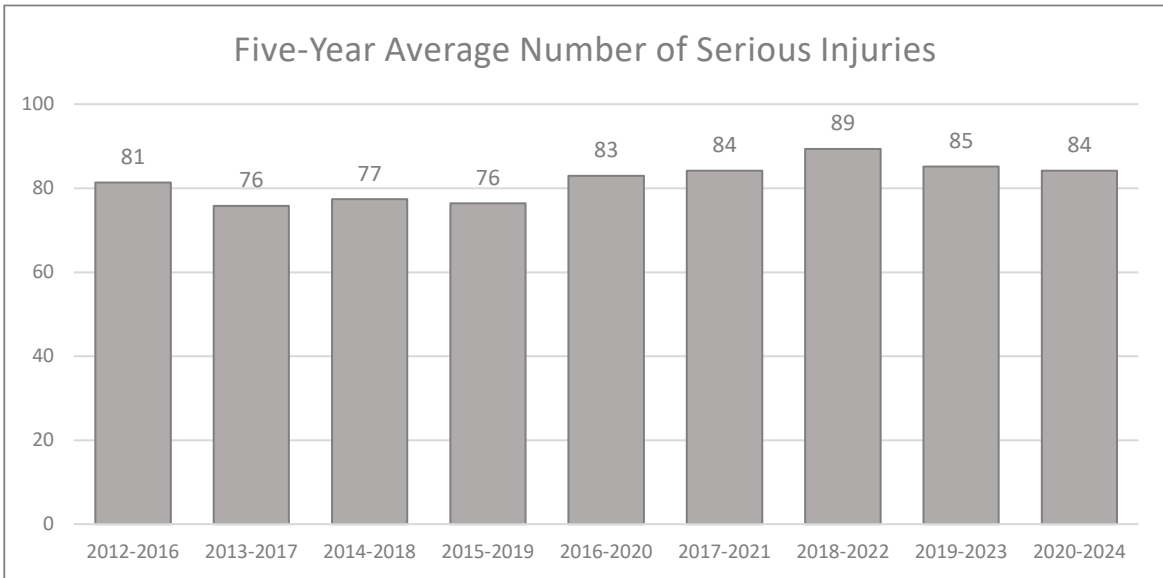
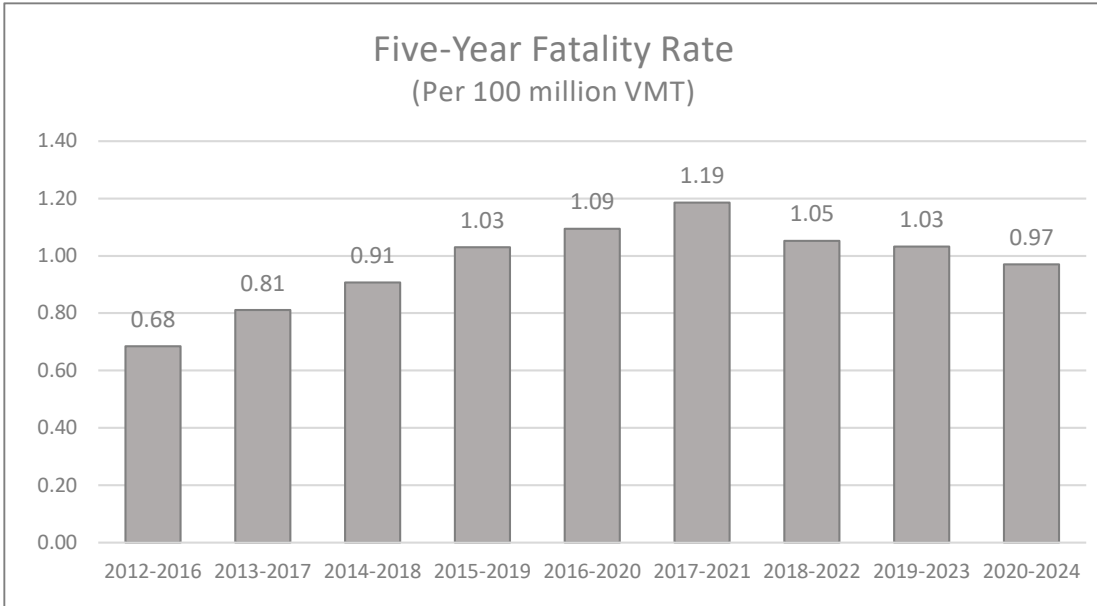
**Attachments:**

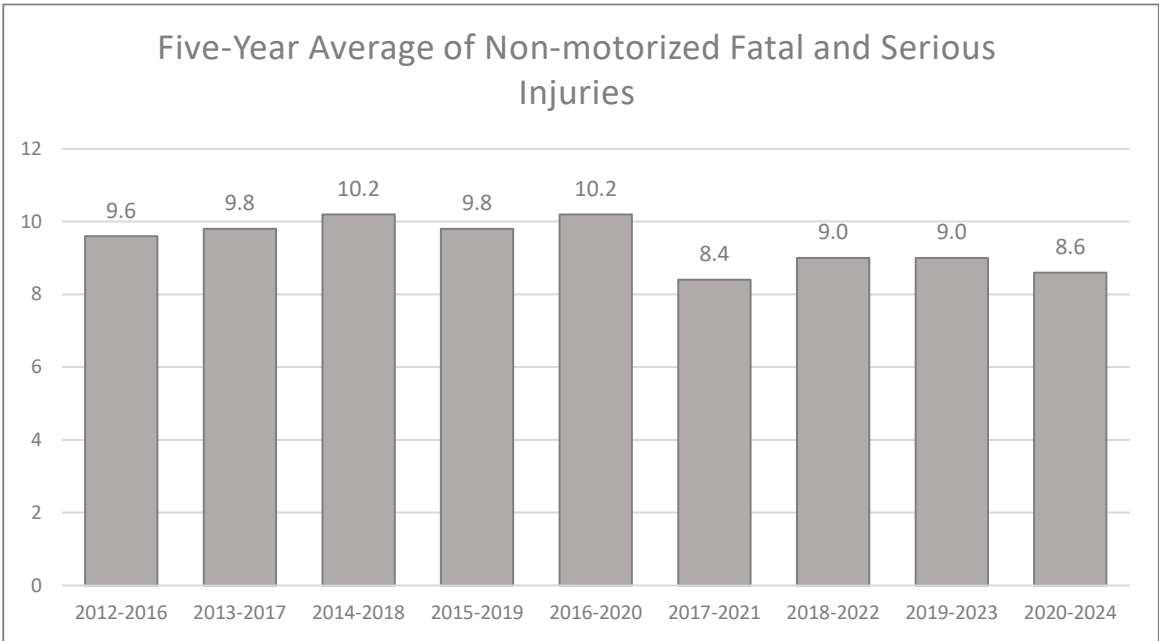
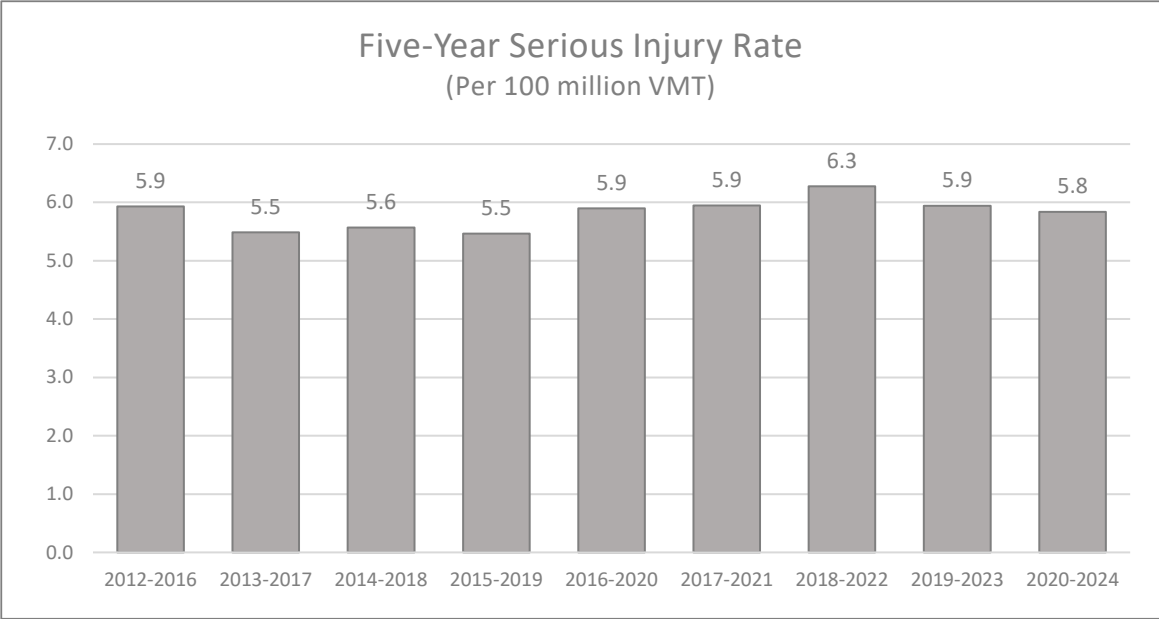
- A- Kootenai County Safety Performance 2012-2024
- B- 2024 Fatal Crash and Serious Injury Locations

### Kootenai County 2024 Safety Performance

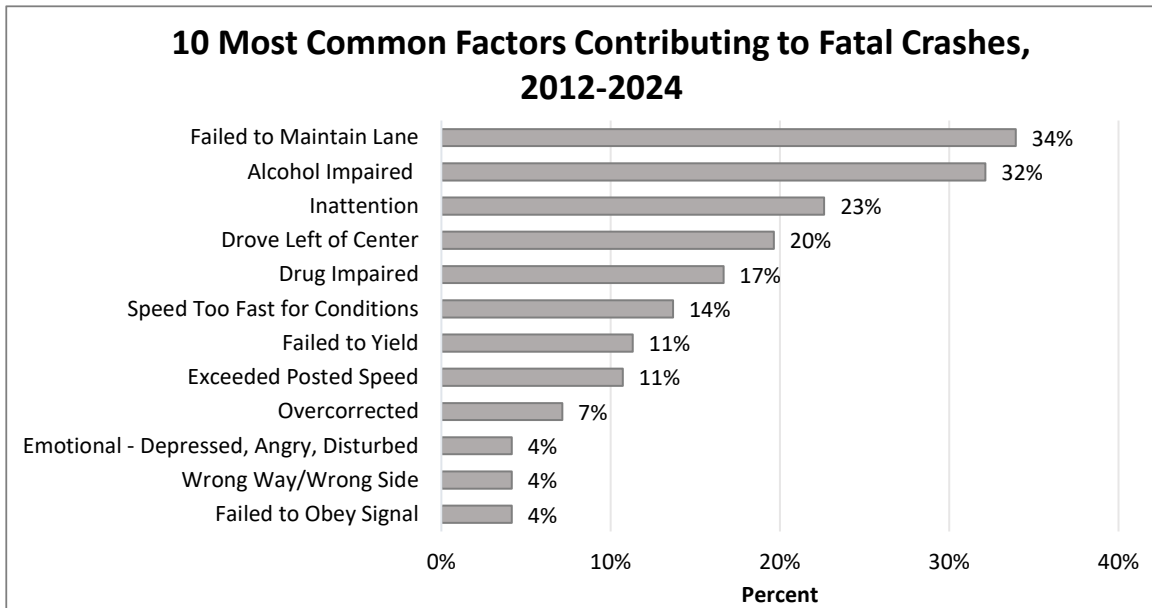
	ITD 2024 Targets	Kootenai County Comparison		
		2020-2024	2019-2023	Δ
5-Year Avg. Number of Fatalities	238	14	15	-1
5-Year Avg. Fatality Rate per 100 million VMT	1.33	0.97	1.03	-0.06
5-Year Avg. Number of Serious Injuries	1224	84	85	-1
5-Year Serious Injury Rate per 100 million VMT	6.82	5.8	5.9	-0.1
5-Year Avg. Number of Non-motorized Fatalities & Serious Injuries	116	8.6	9	-0.4



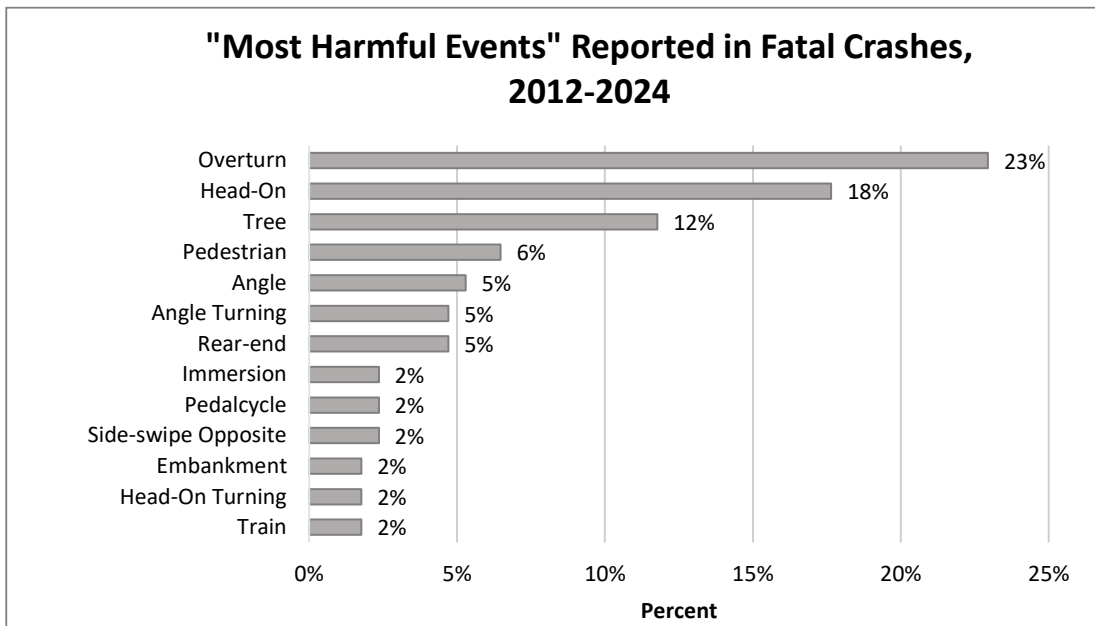




## Crash Fatality Analysis, 2012-2024



Note: Up to three factors may be reported as contributing to a crash



#### Intersection Related?

Yes	24% (40)
No	76% (128)

### Number of Fatal Crashes by Corridor, 2024

Corridor	Number of Crashes	Estimated Annual VMT	Crashes/100 million VMT	Most Harmful Event
SH-58	2	1,487,929	134.4	Head-on, Overturn
FSR 437*	1	-	-	Tree
Hayden Lake Rd.	1	3,183,189	31.4	Tree
I-90	1	416,773,034	0.24	Concrete traffic barrier
Prairie Ave.	1	56,315,903	1.8	Angle Turning
Ramsey Rd.	1	41,136,073	2.4	Overturn
SH-3	1	18,778,299	5.3	Overturn
SH-41	1	78,005,423	1.3	Rear-end
SH-53	1	54,435,379	1.8	Head-on
US 95	1	258,790,935	0.39	Overturn

\*No model data available

### All Fatal Crashes by Corridor, 2012-2024

Corridor	Number of Crashes	Estimated Annual VMT	Crash Rate/100 million VMT	Most Harmful Events (2012-2024)
1. US 95	42	258,790,935	16.2	Head-on(11), Overturn(9), Guardrail(2), Angle(4), Same direction turning (2), Pedestrian(2), Rear-end(2), Traffic signal support, Side swipe same (2), Side Swipe opposite(4), Embankment, Cargo Loss, Angle Turning, Traffic Barrier, Other object, Rear-end turning, Tree
2. I90	25	416,773,034	6.0	Guardrail end, Overturn(4), Rear-end(2), Pedestrian, Angle(2), Fixed object, Fire/Explosion, Head-on(5), Pedacycle, Embankment, Tree, Side Swipe same, Bridge/Pier/Abutment, Traffic Barrier(2), Parked car, Side swipe opposite
3. SH-53	15	54,435,379	27.6	Non-collision injury, Head-on(6), Guardrail Face, Side Swipe Opposite, Overturn, Angle turning(2), Tree, Rear-end, Pedestrian (2), Head-on Turning, Parked car
4. SH-41	8	78,005,423	10.3	Head-on, Angle(2), Tree(2), Head-on Turning, Fire/Explosion, Pedestrian, Side-swipe Opposite, Rear-end
5. Seltice Way	6	63,354,856	9.5	Head-on (2), Angle, Tree, Traffic Signal Support, Fell/Pushed/Jumped
5. SH-3	6	18,778,299	26.6	Tree, Overturn(2), Head-on
Pleasant View Rd.	5	14,198,959	35.2	Angle, Non-contact Unit, Side Swipe Opposite

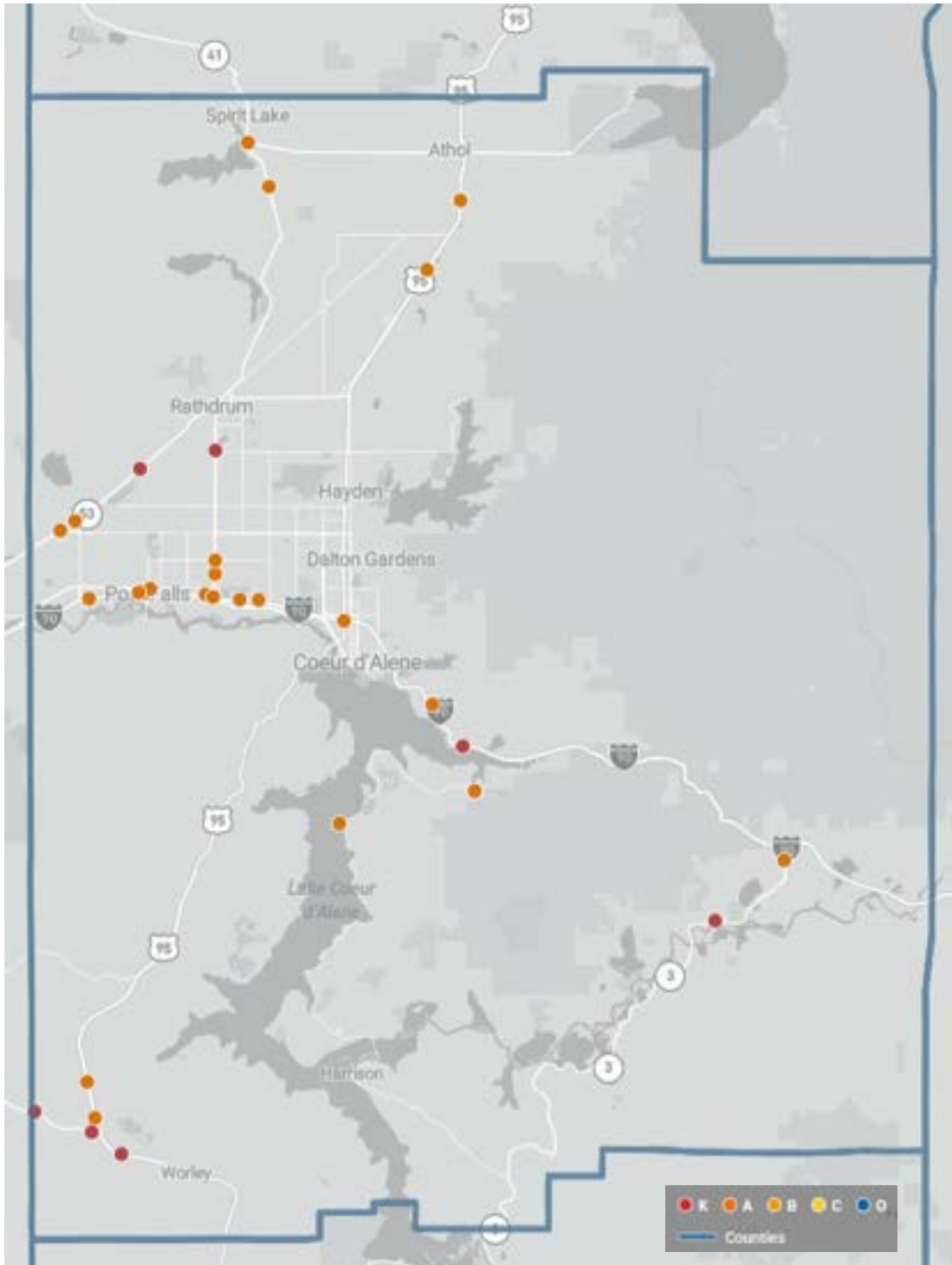


SH-58	4	1,487,929	268.8	Head-on(2), Overturn (2)
SH-97	4	19,812,523	20.2	Tree(3), Overturn
Prairie Ave.	4	56,315,903	7.1	Angle-turning(2), Angle
Ramsey Rd.	4	41,136,073	9.7	Train(2), Overturn
Government Way	3	34,766,063	8.6	Angle, Head-on Turning, Pedestrian
Huetter Rd.	3	14,945,872	20.1	Overturn, Rear-end, Side-swipe same, Traffic Signal support
Lancaster Rd.	3	11,918,730	25.2	Pedacycle(2)
4 <sup>th</sup> St.	2	14,010,858	14.3	Overturn, Tree
Appleway Ave.	2	7,803,430	25.6	Pedestrian, Rear-end, Side-swipe same
Beck Rd.	2	4,851,208	41.2	Head-on
Fernan Lake Rd.	2	208,669	958.5	Immersion(2)
Hayden Ave.	2	22,874,129	8.74	Side-swipe opposite, Tree
Honeysuckle Ave.	2	3,118,164	64.1	Alcohol Impaired, Other
SH-54	2	12,890,989	15.5	Head-on, Overturn

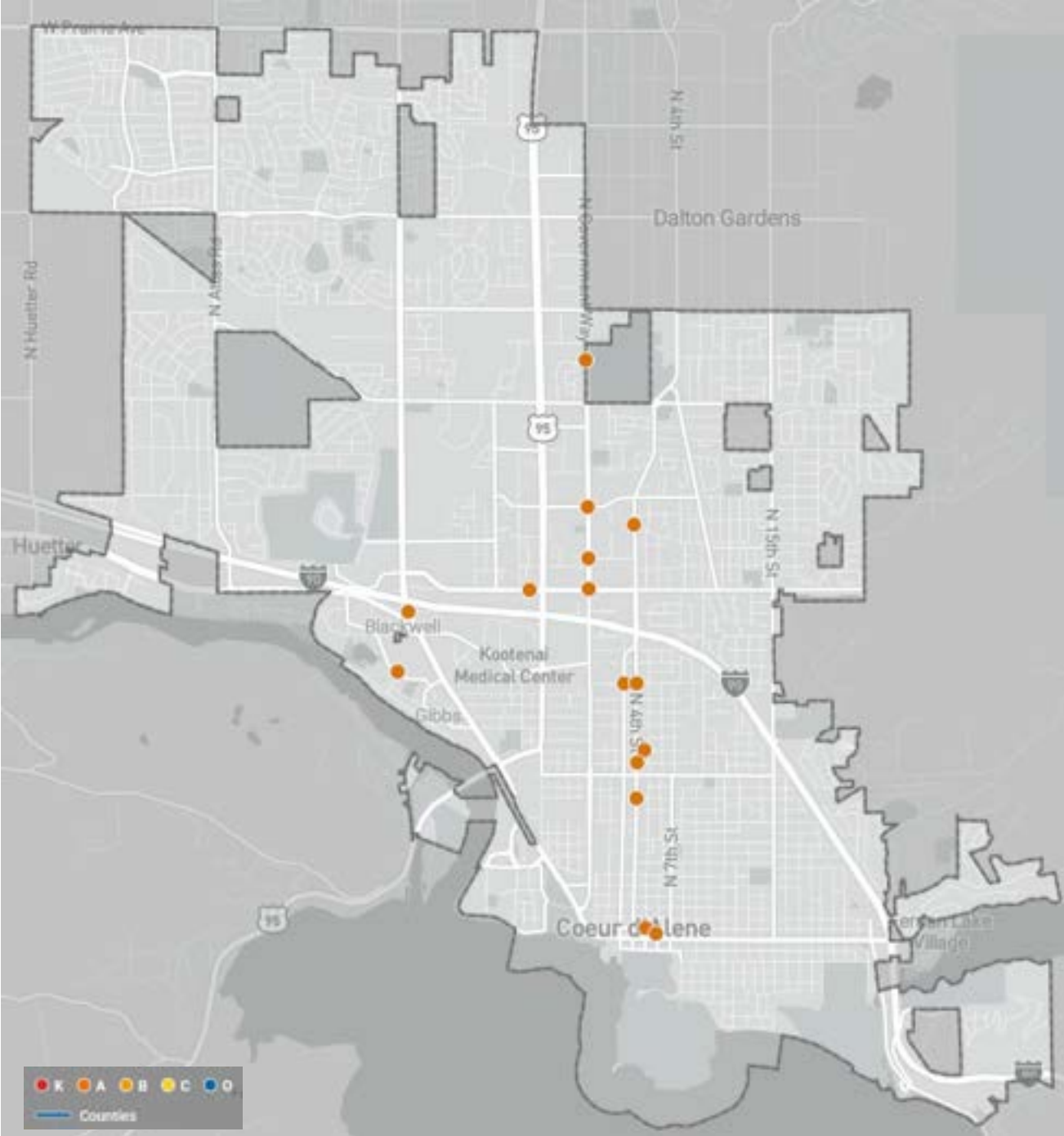
Attachment B

**2024 Fatal Crash and Serious Injury Locations**

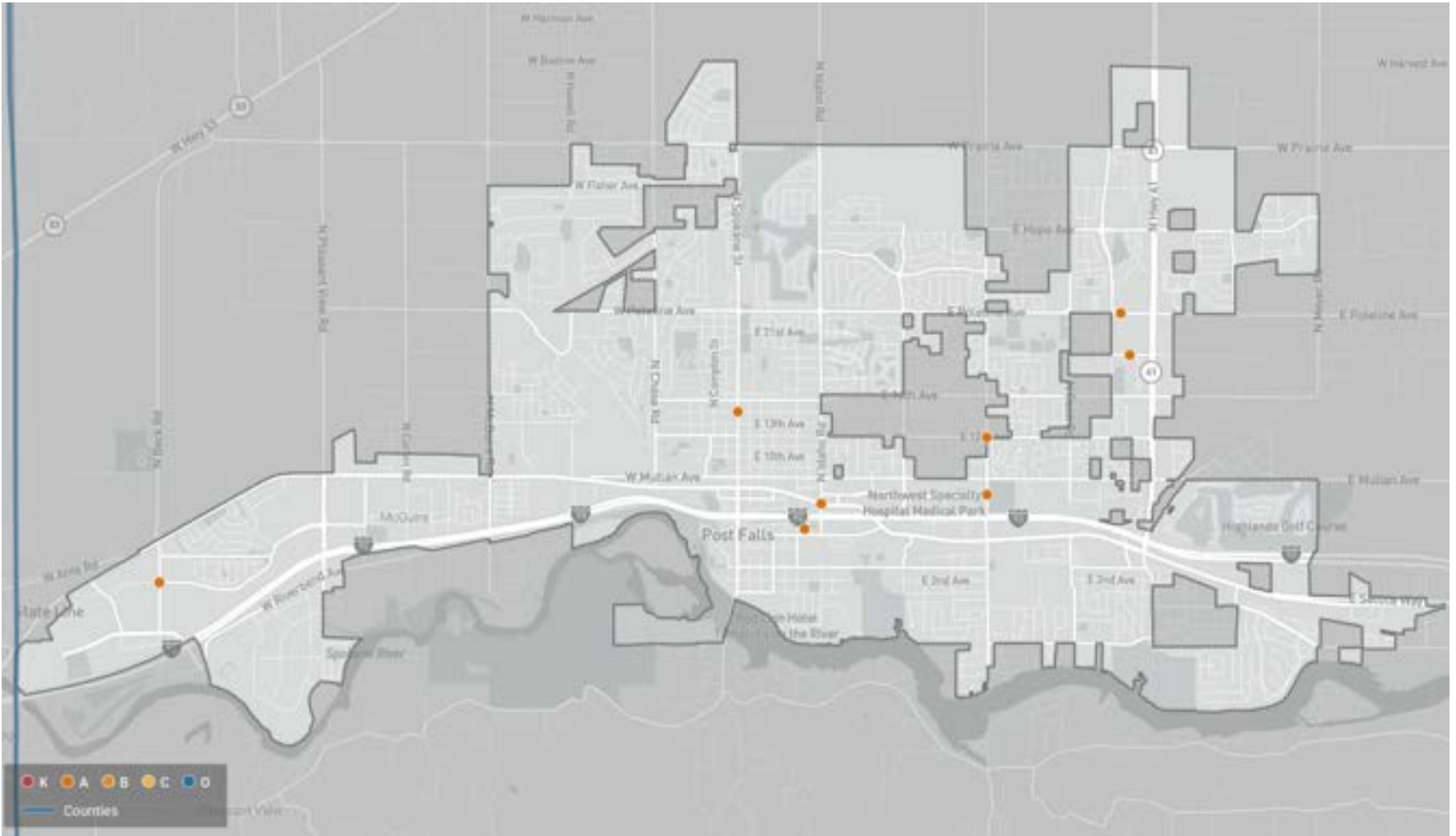
**ITD State Routes**



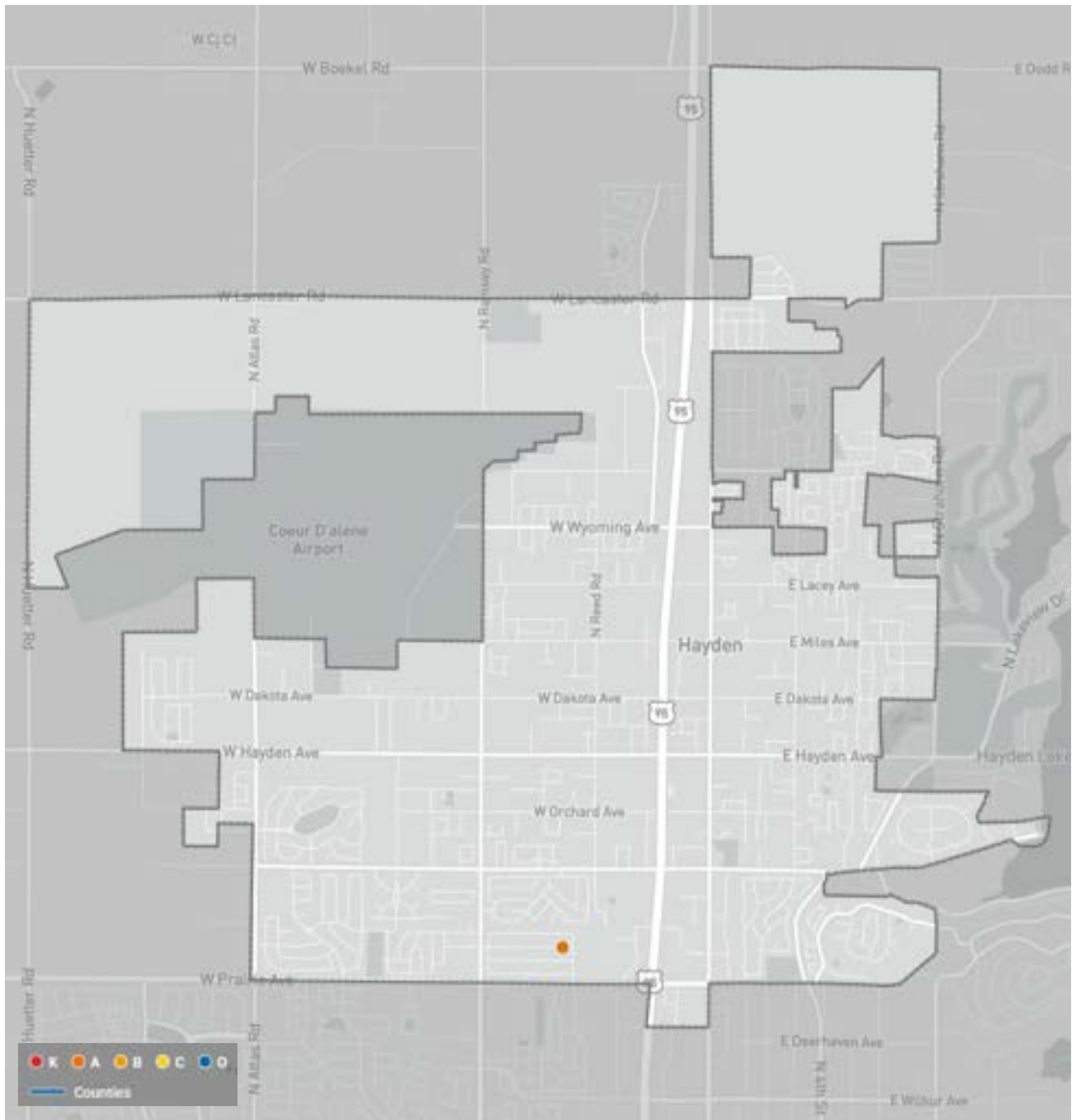
City of Coeur d'Alene



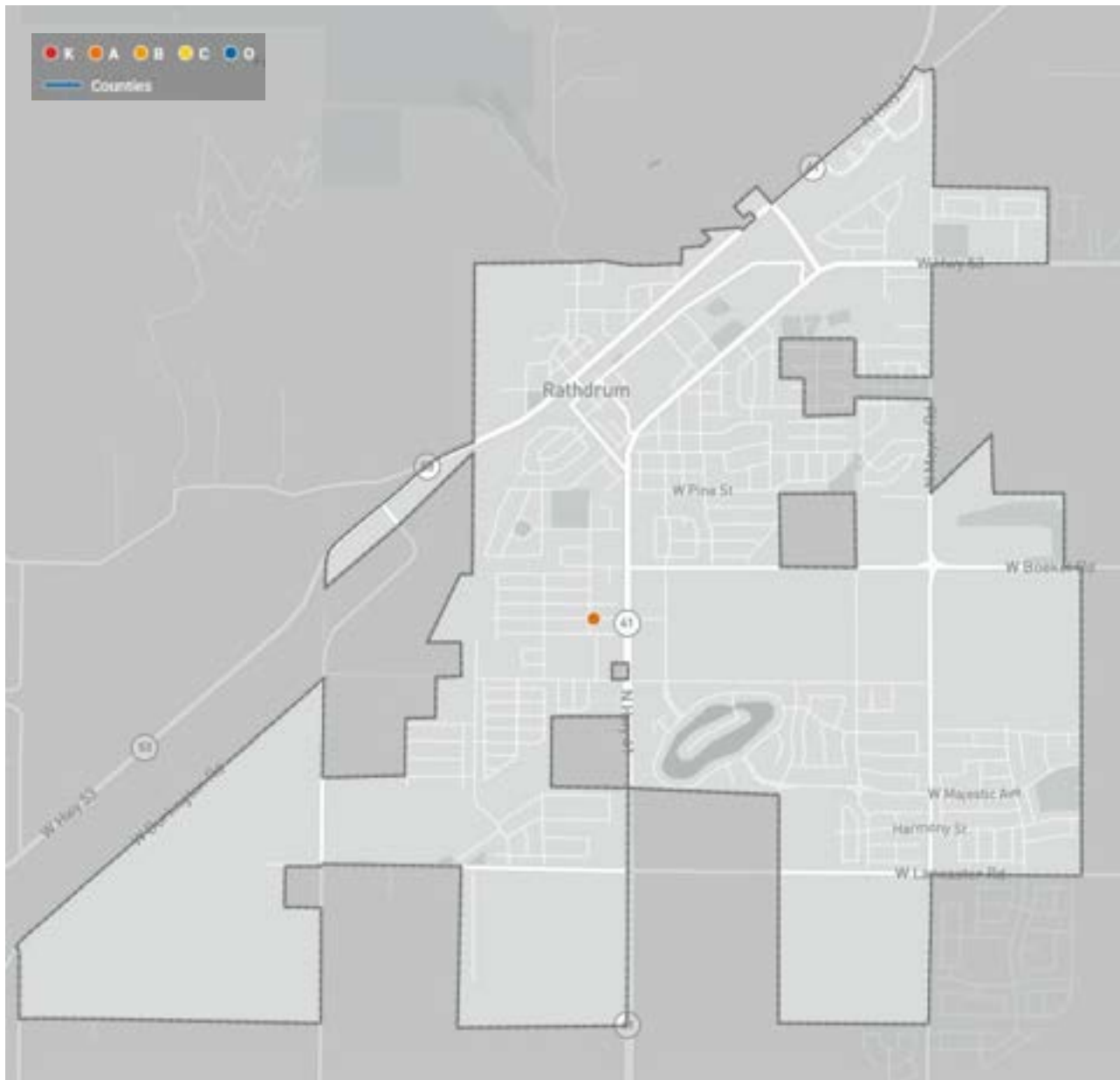
# City of Post Falls



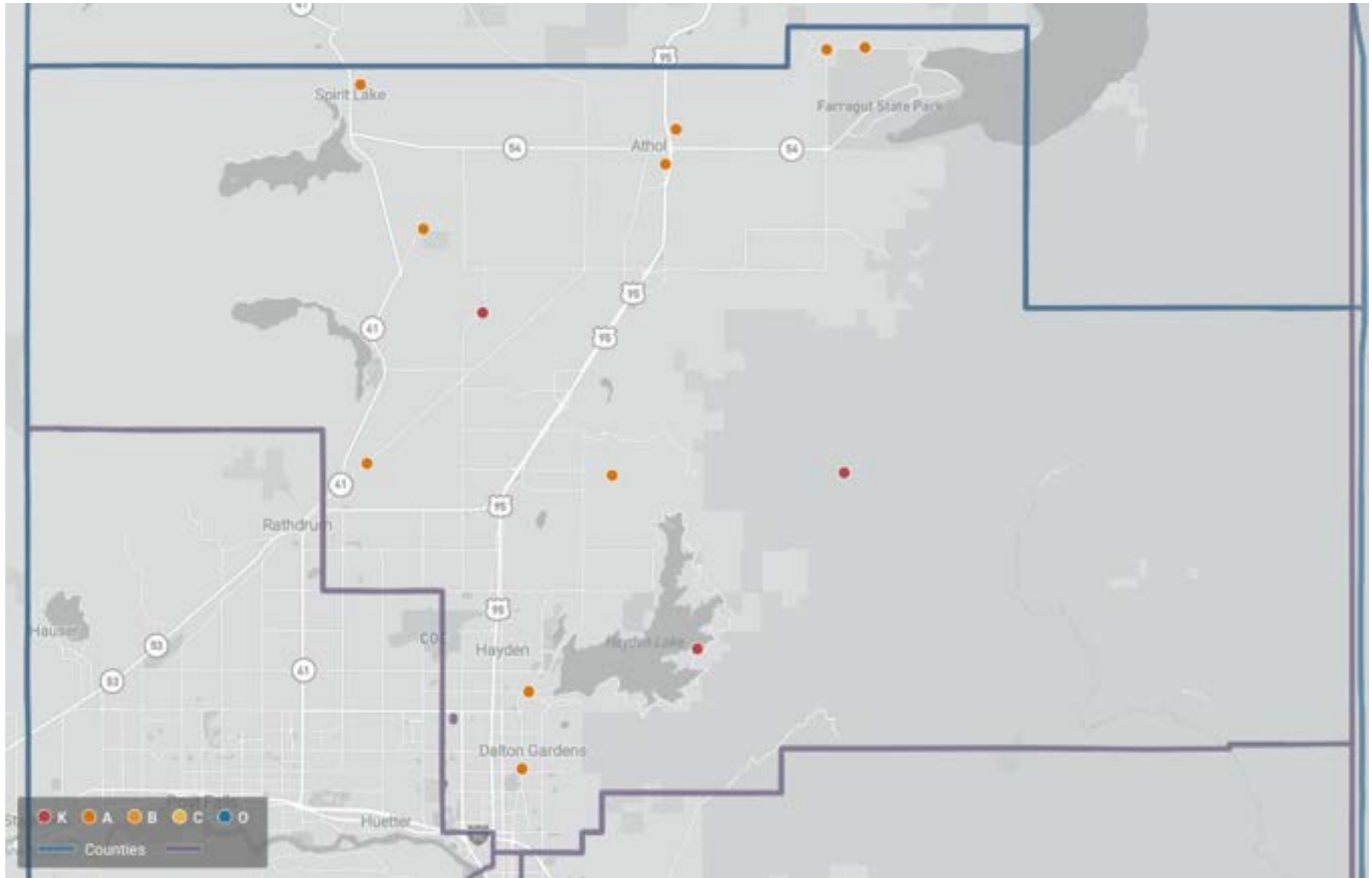
# City of Hayden



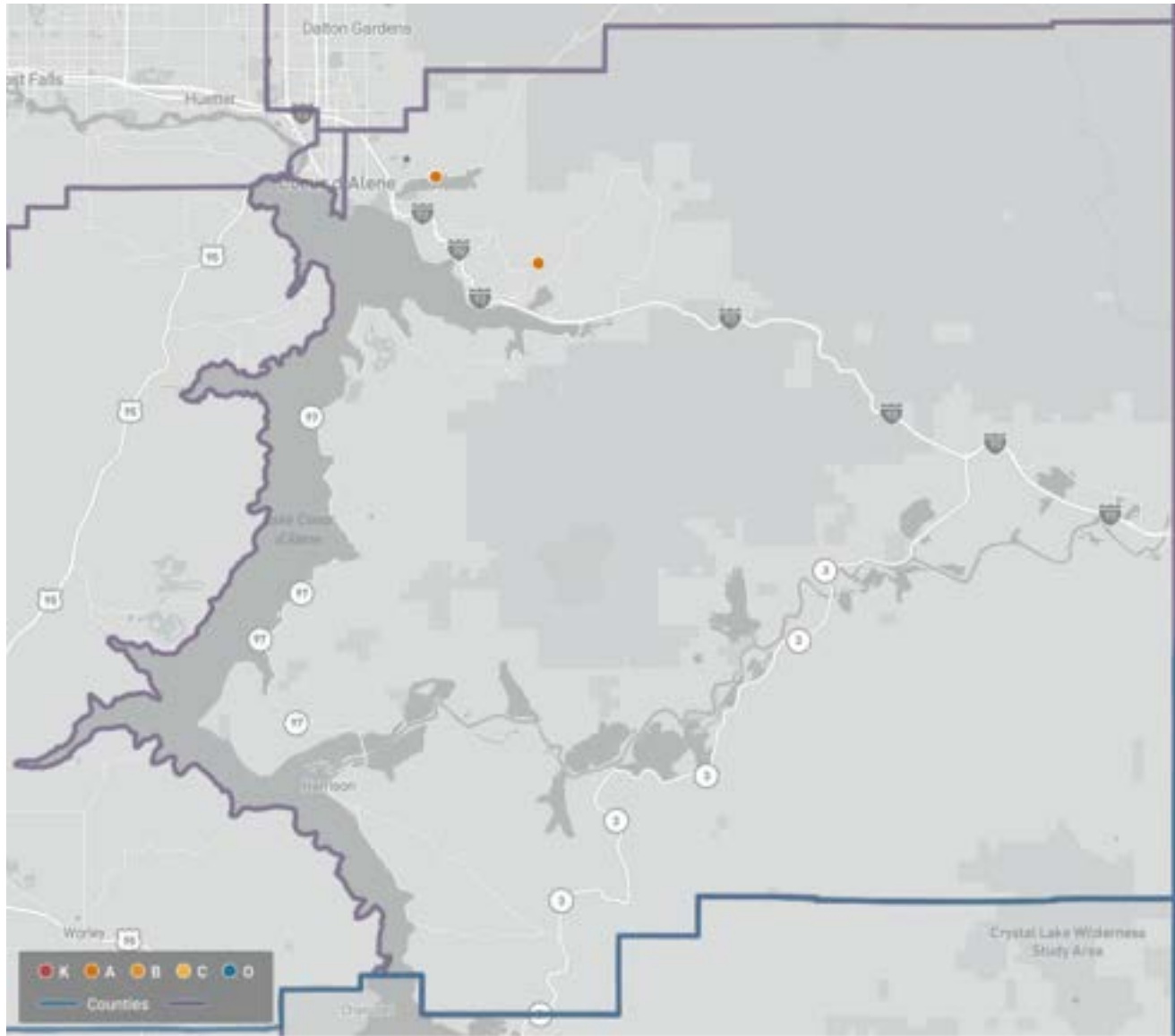
# City of Rathdrum



# Lakes Highway District

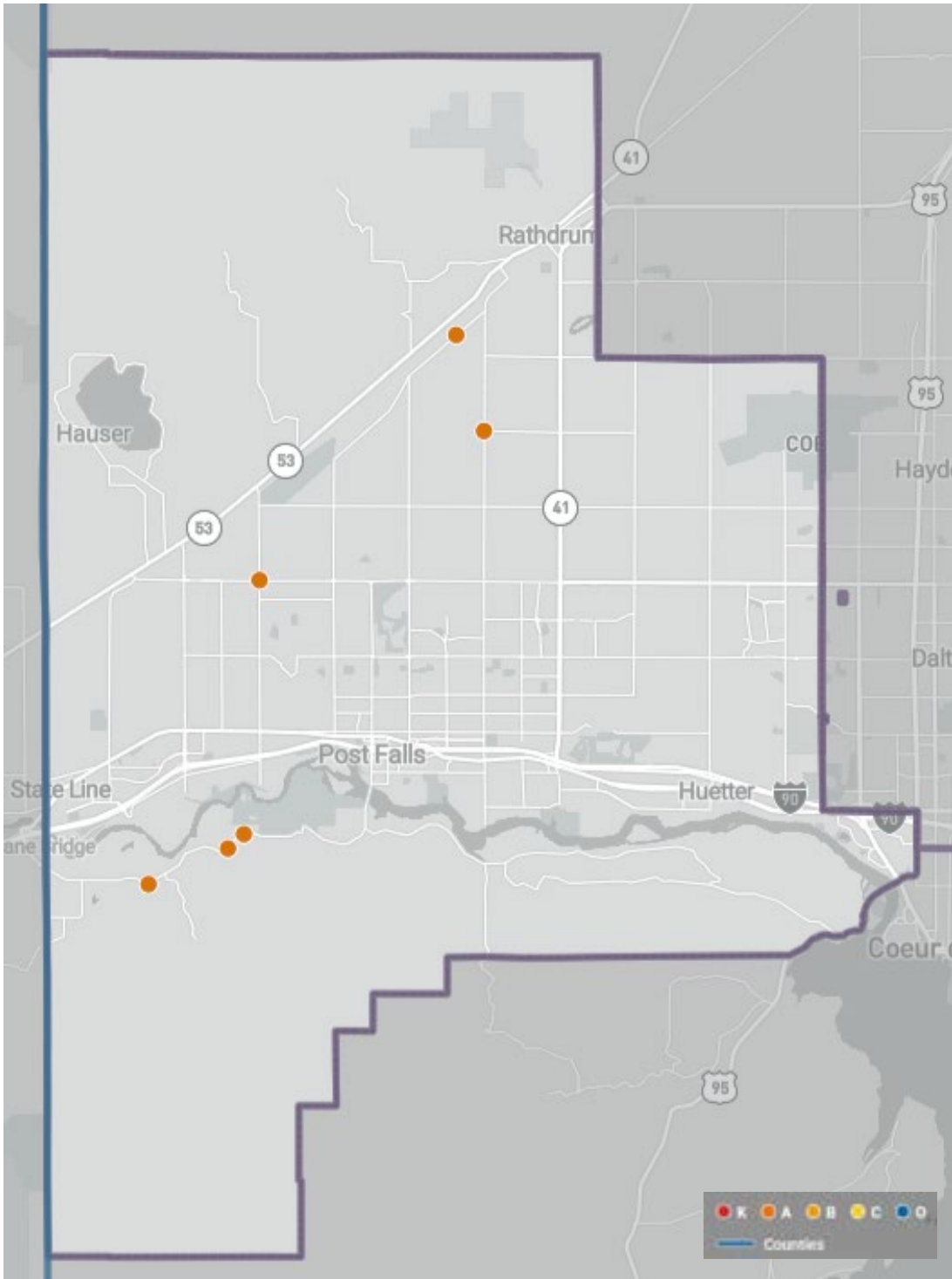


# East Side Highway District

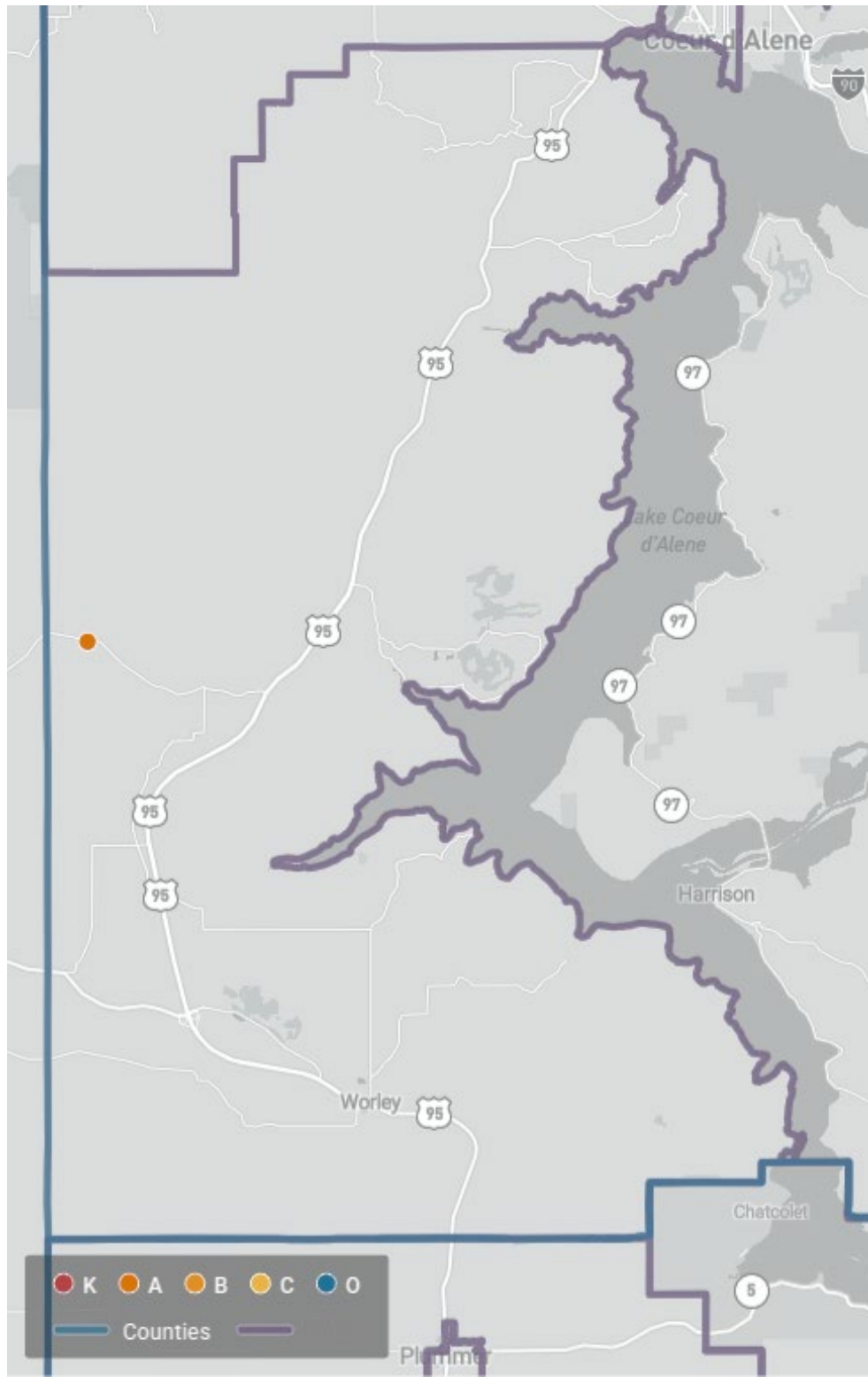




# Post Falls Highway District



## Worley Highway District



**Notes:**

- **Legend:** K=Fatality, A=Serious Injury, B= Minor Injury, C=Possible Injury, O=Property Damage



DATE: February 4, 2025  
TO: KMPO Board Members  
FROM: Glenn F. Miles, Executive Director  
SUBJECT: Director's Report

Here is a recap of KMPO's activities through February 4, 2025

## **WE WILL MEET AT THE CITY OF POST FALLS CITY COUNCIL CHAMBERS**

### **Planning Activities:**

#### **KMPO Update of the Metropolitan Transportation Plan:**

The Rathdrum Prairie PEL Study presented in December is currently working to narrow down the alternatives based on comments received during the public comment period. Further screening and analysis is underway to narrow the alternatives based on commonly used transportation related metrics. It is anticipated the next round of public comments on the narrowed down alternatives will in late March or early April.

### **Fiscal Year 2025 Projects and Program Update:**

For Fiscal Year 2025, which began on October 1<sup>st</sup>, there are several major projects that currently underway or are expected to be under construction. These are some of the major projects.

- Ramsey Road Extension from Wyoming to Lancaster has been in the making since 2012, will have ground breaking on February 10<sup>th</sup> at 2:00 p.m. Construction is expected to be completed by this fall.
- SH-41, I-90 Single Point Urban Interchange. This project will continue through 2025. Expect significant delays as the Interstate mainline will have several temporary moves as the permanent alignment is constructed and the interchange is offset to the north of its previous location. SH-41 is expected to be completed, with completion of the interchange.
- Pleasant View Interchange at SH-53 and the BNSF rail crossing is currently under construction. Expect construction related delays throughout 2025 and into 2026, as the new interchange is constructed along with the BNSF rail overpass.
- I-90 Widening from SH-41 to U.S. 95 is expected to go to bid in March and construction starting in late April or May. This will be a multi-year project, constructing new bridges at the Prairie Trail, Atlas Road and Huetter Road, as well as widening I-90 to four lanes in each direction. Expect delays as lanes are shifted to accommodate construction activities.
- Prairie Trail Underpass is currently finishing final design and anticipated to be ready for bid. There is currently a funding short-fall of approximately \$1,000,000 on the project and additional funds are currently being sought. Unless additional funds are found, the project may be delayed to FY 2027 and incorporated into the final construction of Prairie Avenue from Meyer Road to SH-41.

**Fiscal Year 2025 Call for Projects Update:** The KMPO Board authorized the call for projects this past summer. KMPO received two applications, which were scored by KCATT with a recommendation provided in

## **KMPO Board Packet Agenda Item**

## **Item 9**

you Board packet. With the Boards approval, the two projects will be used to continue programming as funding becomes available.

**FY 2024 Financials Update:** Magnuson, McHugh and Dougherty completed the FY 2024 annual financial audit on December 16<sup>th</sup>. The results are contained in your packet and hard copies will be provided at the February Board meeting. There was no audit findings contained in the report.

Idaho Urban Balancing Committee Meeting will be held February 6<sup>th</sup> in Meridian, ID. KMPO will be seeking additional funding to support two projects and seek modification of a construction start date on another.

Should have any questions, please feel free to contact the office. If your agency would like a presentation on what KMPO does, we would be more than happy to schedule a time for a workshop.