



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

City of Snoqualmie

King County

For the period January 1, 2016 through December 31, 2016

Published March 22, 2018

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Office of the Washington State Auditor

Pat McCarthy

March 22, 2018

Mayor and City Council
City of Snoqualmie
Snoqualmie, Washington

Report on Financial Statements

Please find attached our report on the City of Snoqualmie's financial statements.

We are issuing this report in order to provide information on the City's financial condition.

A handwritten signature in black ink that reads "Pat McCarthy".

Pat McCarthy
State Auditor
Olympia, WA

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

**City of Snoqualmie
King County
January 1, 2016 through December 31, 2016**

Mayor and City Council
City of Snoqualmie
Snoqualmie, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the City of Snoqualmie, King County, Washington, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated March 14, 2018.

We issued an unmodified opinion on the fair presentation of the City's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the City using accounting practices prescribed by Washington State statutes and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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 City's

internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of the City's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

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

this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy

State Auditor

Olympia, WA

March 14, 2018

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

City of Snoqualmie King County January 1, 2016 through December 31, 2016

Mayor and City Council
City of Snoqualmie
Snoqualmie, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the City of Snoqualmie, King County, Washington, for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's financial statements, as listed on page 10.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether

due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Unmodified Opinion on Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the City of Snoqualmie has prepared these financial statements to meet the financial reporting requirements of Washington State statutes using accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the City of Snoqualmie, for the year ended December 31, 2016, on the basis of accounting described in Note 1.

Basis for Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. The effects on the financial statements of the variances between GAAP and the accounting practices the City used, as described in Note 1, although not reasonably determinable, are presumed to be material. As a result, we are required to issue an adverse opinion on whether the financial statements are presented fairly, in all material respects, in accordance with GAAP.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Snoqualmie, as of December 31, 2016, or the changes in financial position or cash flows for the year then ended, due to the significance of the matter discussed in the above "Basis for Adverse Opinion on U.S. GAAP" paragraph.

Other Matters

Supplementary and Other Information

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The Schedule of Liabilities is presented for purposes of additional analysis, as required by the prescribed BARS manual. This schedule is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2018 on our consideration of the City'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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Pat McCarthy

State Auditor

Olympia, WA

March 14, 2018

FINANCIAL SECTION

**City of Snoqualmie
King County
January 1, 2016 through December 31, 2016**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2016
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2016
Notes to Financial Statements – 2016

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2016

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		Total for All Funds (Memo Only)	001 General	101 Street Maintenance	110 Hotel/Motel Tax
Beginning Cash and Investments					
30810	Reserved	17,591,374	3,972,251	-	19,284
30880	Unreserved	1,815,874	683,516	394,815	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	13,761,385	11,949,827	-	73,479
320	Licenses and Permits	799,969	48,655	225,518	1,110
330	Intergovernmental Revenues	2,829,090	210,607	290,451	-
340	Charges for Goods and Services	17,113,204	2,498,904	178	-
350	Fines and Penalties	66,100	66,100	-	-
360	Miscellaneous Revenues	1,050,494	410,912	2,777	117
Total Revenues:		35,620,242	15,185,005	518,924	74,706
Expenditures					
510	General Government	4,558,912	2,553,217	-	-
520	Public Safety	8,507,342	8,506,532	-	-
530	Utilities	5,999,326	-	-	-
540	Transportation	1,859,370	195,164	1,003,144	-
550	Natural and Economic Environment	2,621,114	418,233	-	48,949
560	Social Services	3,391	3,391	-	-
570	Culture and Recreation	2,425,764	2,400,343	-	25,421
Total Expenditures:		25,975,219	14,076,880	1,003,144	74,370
Excess (Deficiency) Revenues over Expenditures:		9,645,023	1,108,125	(484,220)	336
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	1,730,108	-	-	-
397	Transfers-In	6,660,856	100,000	364,332	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	1,401,945	(424)	-	-
381, 395, 398	Other Resources	1,064,018	986,993	9,193	-
Total Other Increases in Fund Resources:		10,856,927	1,086,569	373,525	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	6,279,637	5,022	26,322	-
591-593, 599	Debt Service	3,154,692	277,445	27	-
597	Transfers-Out	6,660,855	683,421	204,960	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	693	693	-	-
581	Other Uses	167,352	-	4,667	-
Total Other Decreases in Fund Resources:		16,263,229	966,581	235,976	-
Increase (Decrease) in Cash and Investments:		4,238,721	1,228,113	(346,671)	336
Ending Cash and Investments					
5081000	Reserved	21,588,258	4,369,652	-	19,619
5088000	Unreserved	2,057,704	1,514,229	48,144	-
Total Ending Cash and Investments		23,645,962	5,883,881	48,144	19,619

The accompanying notes are an integral part of this statement.

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		113 King County Trails Levy	115 Snoqualmie Ridge Capital Mitigation	116 Real Estate Excise Tax	117 Solid Waste/Recyclin g
Beginning Cash and Investments					
30810	Reserved	104,262	4,804	1,448,598	-
30880	Unreserved	-	-	-	2,882
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	1,281,624	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	32,799	-	-	4,526
340	Charges for Goods and Services	-	62,626	-	1,358
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	746	248	7,933	4
Total Revenues:		33,545	62,874	1,289,557	5,888
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	29,016
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	29,016
Excess (Deficiency) Revenues over Expenditures:		33,545	62,874	1,289,557	(23,128)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	20,246
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	20,246
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	6,269	-
597	Transfers-Out	-	-	1,550,003	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	66,508	-
Total Other Decreases in Fund Resources:		-	-	1,622,780	-
Increase (Decrease) in Cash and Investments:		33,545	62,874	(333,223)	(2,882)
Ending Cash and Investments					
5081000	Reserved	137,807	67,678	1,115,375	-
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		137,807	67,678	1,115,375	-

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		118 Drug Enforcement	119 Tokul Roundabout Impact Fee	120 Riverfront Property Acquisition	121 King Conservation District Grants
Beginning Cash and Investments					
30810	Reserved	18,615	617	18,104	43,949
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	72,000	-
340	Charges for Goods and Services	-	9,772	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	5,078	33	(13)	283
Total Revenues:		5,078	9,805	71,987	283
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	810	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	81,636	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		810	-	81,636	-
Excess (Deficiency) Revenues over Expenditures:		4,268	9,805	(9,649)	283
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	-
Increase (Decrease) in Cash and Investments:		4,268	9,805	(9,649)	283
Ending Cash and Investments					
5081000	Reserved	22,883	10,421	8,455	44,232
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		22,883	10,421	8,455	44,232

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		122 J Hansen Fields Maintenance	130 Development Services	143 SRL Home Elevation Project	202 Voted 2002 GO Bond Debt Service
Beginning Cash and Investments					
30810	Reserved	66,016	302,814	2,247	7,949
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	7,453
320	Licenses and Permits	-	524,346	-	-
330	Intergovernmental Revenues	-	-	192,776	-
340	Charges for Goods and Services	-	1,021,130	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	627	10,071	21,557	21
Total Revenues:		627	1,555,547	214,333	7,474
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	1,856,450	215,846	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	1,856,450	215,846	-
Excess (Deficiency) Revenues over Expenditures:		627	(300,903)	(1,513)	7,474
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	1,633,752
397	Transfers-In	66,000	246,000	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	2,555	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		66,000	248,555	-	1,633,752
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	1,642,283
597	Transfers-Out	-	-	-	6,893
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	1,649,176
Increase (Decrease) in Cash and Investments:		66,627	(52,348)	(1,513)	(7,950)
Ending Cash and Investments					
5081000	Reserved	132,643	250,465	735	-
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		132,643	250,465	735	-

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		211 2011 LTGO Bond Debt Service	216 2016 UTGO Bond Debt Service	301 Meadowbrook Bridge	303 Parks Capital Improvement
Beginning Cash and Investments					
30810	Reserved	162,266	-	11,531	222,988
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	268,771	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,477	479	118	2,261
Total Revenues:		1,477	269,250	118	2,261
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		1,477	269,250	118	2,261
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	1	-	-
397	Transfers-In	352,850	6,893	16,000	300,000
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		352,850	6,894	16,000	300,000
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	54,609
591-593, 599	Debt Service	352,850	257,606	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		352,850	257,606	-	54,609
Increase (Decrease) in Cash and Investments:		1,477	18,538	16,118	247,652
Ending Cash and Investments					
5081000	Reserved	163,743	18,537	27,650	470,640
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		163,743	18,537	27,650	470,640

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		305 Flood Reduction & Improvement	309 Parkway Intersections Construction	310 Transportation Capital	313 Riverwalk Construction
Beginning Cash and Investments					
30810	Reserved	10,959	799	181,281	791,572
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	66,993	-	-
340	Charges for Goods and Services	-	-	6,789	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	71	98	1,258	4,676
Total Revenues:		71	67,091	8,047	4,676
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		71	67,091	8,047	4,676
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	60,741	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	60,741	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	44,472	109,705
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	67,889	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	67,889	44,472	109,705
Increase (Decrease) in Cash and Investments:		71	(798)	24,316	(105,029)
Ending Cash and Investments					
5081000	Reserved	11,029	-	205,597	686,543
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		11,029	-	205,597	686,543

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		316 SR202 Corridor Phase 2 Construction	318 "HAWK" Pedestrian Signal	319 Kimball Creek Box Culverts	320 Tokul Roundabout Construction
Beginning Cash and Investments					
30810	Reserved	10,377	129	22,262	679,315
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	353,336	-	5,418	1,600,184
340	Charges for Goods and Services	204,695	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	2,367	1	133	521,468
Total Revenues:		560,398	1	5,551	2,121,652
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		560,398	1	5,551	2,121,652
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	128,447	-	7,460	2,555,800
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		128,447	-	7,460	2,555,800
Increase (Decrease) in Cash and Investments:		431,951	1	(1,909)	(434,148)
Ending Cash and Investments					
5081000	Reserved	442,328	130	20,352	245,168
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		442,328	130	20,352	245,168

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		322 Jeanne Hansen Fields Construction	323 Tokul Public Parking Lot	324 Snoqualmie Parkway Reconstruction	326 Sidewalks Repair
Beginning Cash and Investments					
30810	Reserved	146,687	132	231,078	-
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	180,231	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	(51,153)	1	2,225	4,280
Total Revenues:		(51,153)	1	182,456	4,280
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		(51,153)	1	182,456	4,280
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	31,889	1,200,006
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	31,889	1,200,006
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	1,359	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	94,176	-	-	-
Total Other Decreases in Fund Resources:		95,535	-	-	-
Increase (Decrease) in Cash and Investments:		(146,688)	1	214,345	1,204,286
Ending Cash and Investments					
5081000	Reserved	-	133	445,423	1,204,286
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		-	133	445,423	1,204,286

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		401 Water Utility Operations	402 Sewer Utility Operations	403 Stormwater Utility Operations	404 Water Capital Improvement
Beginning Cash and Investments					
30810	Reserved	2,230,062	1,092,865	1,052,439	7,740
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	340	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	3,685,287	3,871,145	1,823,970	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	23,704	31,778	10,137	208
Total Revenues:		3,709,331	3,902,923	1,834,107	208
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	2,424,838	2,726,954	779,748	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		2,424,838	2,726,954	779,748	-
Excess (Deficiency) Revenues over Expenditures:		1,284,493	1,175,969	1,054,359	208
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	112,500	112,500	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		112,500	112,500	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	39,382	60,906	172	-
597	Transfers-Out	2,201,861	1,114,633	538,017	7,528
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	2,001	-
Total Other Decreases in Fund Resources:		2,241,243	1,175,539	540,190	7,528
Increase (Decrease) in Cash and Investments:		(844,250)	112,930	514,169	(7,320)
Ending Cash and Investments					
5081000	Reserved	1,385,810	1,205,794	1,566,607	420
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		1,385,810	1,205,794	1,566,607	420

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		405 Sewer Capital Improvement	406 Stormwater Capital Improvement	407 Utility Bond Redemption	408 Utility Bond Reserve
Beginning Cash and Investments					
30810	Reserved	85,591	81,243	75,252	602,392
30880	Unreserved	-	-	-	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,789	477	1,282	3,899
Total Revenues:		1,789	477	1,282	3,899
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		1,789	477	1,282	3,899
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	46,354	-	-	-
397	Transfers-In	-	-	510,613	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	1,399,814	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		1,446,168	-	510,613	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	13,297	-	-
591-593, 599	Debt Service	-	-	510,613	-
597	Transfers-Out	-	3,807	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	17,104	510,613	-
Increase (Decrease) in Cash and Investments:		1,447,957	(16,627)	1,282	3,899
Ending Cash and Investments					
5081000	Reserved	1,533,548	64,617	76,535	606,291
5088000	Unreserved	-	-	-	-
Total Ending Cash and Investments		1,533,548	64,617	76,535	606,291

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		417 2017 Revenue Bond Construction	501 Equipment Rental & Revolving	502 Information Technology	503 Risk Management
Beginning Cash and Investments					
30810	Reserved	102,834	2,467,554	1,312,516	-
30880	Unreserved	-	488,973	(8,642)	135,232
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	1,618,152	1,142,141	302,575
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	(4,144)	22,370	8,067	138
Total Revenues:		(4,144)	1,640,522	1,150,208	302,713
Expenditures					
510	General Government	-	-	868,478	325,951
520	Public Safety	-	-	-	-
530	Utilities	38,770	-	-	-
540	Transportation	-	661,062	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		38,770	661,062	868,478	325,951
Excess (Deficiency) Revenues over Expenditures:		(42,914)	979,460	281,730	(23,238)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	50,001	-	-	-
397	Transfers-In	2,961,366	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	48,878	-	18,954
Total Other Increases in Fund Resources:		3,011,367	48,878	-	18,954
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,580,648	125,331	299,669	-
591-593, 599	Debt Service	5,780	-	-	-
597	Transfers-Out	225,000	56,843	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		2,811,428	182,174	299,669	-
Increase (Decrease) in Cash and Investments:		157,025	846,164	(17,939)	(4,284)
Ending Cash and Investments					
5081000	Reserved	259,859	3,481,319	1,285,934	-
5088000	Unreserved	-	321,371	-	130,948
Total Ending Cash and Investments		259,859	3,802,690	1,285,934	130,948

City of Snoqualmie
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		510 Facilities Maintenance	511 Shared Services
Beginning Cash and Investments			
30810	Reserved	-	-
30880	Unreserved	114,156	4,942
388 / 588	Prior Period Adjustments, Net	-	-
Revenues			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	405,002	459,480
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	780	(145)
Total Revenues:		405,782	459,335
Expenditures			
510	General Government	376,456	434,810
520	Public Safety	-	-
530	Utilities	-	-
540	Transportation	-	-
550	Natural and Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		376,456	434,810
Excess (Deficiency) Revenues over Expenditures:		29,326	24,525
Other Increases in Fund Resources			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	198,920	-
385	Special or Extraordinary Items	-	-
386 / 389	Custodial Activities	-	-
381, 395, 398	Other Resources	-	-
Total Other Increases in Fund Resources:		198,920	-
Other Decreases in Fund Resources			
594-595	Capital Expenditures	328,855	-
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
586 / 589	Custodial Activities	-	-
581	Other Uses	-	-
Total Other Decreases in Fund Resources:		328,855	-
Increase (Decrease) in Cash and Investments:		(100,609)	24,525
Ending Cash and Investments			
5081000	Reserved	-	-
5088000	Unreserved	13,546	29,466
Total Ending Cash and Investments		13,546	29,466

City of Snoqualmie
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2016

		Total for All Funds (Memo Only)	621 Sister Cities Delegate Trust	633 Treasurer's Deposits Control	634 Medical Flexible Spending Account
308	Beginning Cash and Investments	143,800	5,640	131,993	2,136
388 & 588	Prior Period Adjustments, Net	-	-	-	-
310-360	Revenues	-	-	-	-
380-390	Other Increases and Financing Sources	1,049,275	-	1,015,133	-
510-570	Expenditures	-	-	-	-
580-590	Other Decreases and Financing Uses	958,700	1,040	922,528	2,136
	Net Increase (Decrease) in Cash and Investments:	90,575	(1,040)	92,605	(2,136)
508	Ending Cash and Investments	234,377	4,601	224,598	-

		643 SRL Homeowner Deposits Trust
308	Beginning Cash and Investments	4,031
388 & 588	Prior Period Adjustments, Net	-
310-360	Revenues	-
380-390	Other Increases and Financing Sources	34,142
510-570	Expenditures	-
580-590	Other Decreases and Financing Uses	32,996
	Net Increase (Decrease) in Cash and Investments:	1,146
508	Ending Cash and Investments	5,178

The accompanying notes are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Snoqualmie was incorporated on May 18, 1903 and operates under the laws of the State of Washington applicable to a non-charter code city with a mayor/council form of government (RCW 35A). The City is a general purpose government and provides police, fire, parks, street improvement, water, wastewater, stormwater, planning, zoning, building inspection and general administrative services.

The City reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System (BARS) Manual* prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed, but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. Fund Accounting

Financial transactions of the City are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues, and expenditures. The City's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund - 001

This fund is the primary operating fund of the City. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds - Funds in the 100 series

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the City.

Debt Service Funds - Funds in the 200 series

These funds account for the financial resources that are restricted, committed or assigned to expenditures for principal, interest and related costs on certain general long-term debt.

Capital Projects Funds - Funds in the 300 series

These funds account for financial resources which are restricted, committed or assigned for the acquisition or construction of capital facilities or other capital assets.

PROPRIETARY FUND TYPES:

Enterprise Funds - Funds in the 400 series

These funds account for operations that provide goods or services to the general public and are supported primarily through user charges.

Internal Service Funds – Funds in the 500 series

These funds account for operations that provide goods or services to other departments or funds of the City on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent on behalf of others.

Private-Purpose Trust Funds – Funds in the 620 series

These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

Agency Funds – Funds in the 630 & 640 series

These funds are used to account for assets that the City holds on behalf of others in a custodial capacity.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid. In accordance with state law the City also recognizes expenditures paid during the first twenty days after the close of the fiscal year for claims incurred during the previous period.

C. Budgets

The City biennially adopts annual appropriated budgets for the General Fund and for all Special Revenue, Debt Service and Proprietary Funds. Continuing appropriation budgets are adopted for Capital Projects Funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for all funds lapse at the fiscal year end.

Annual and continuing appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriations and actual expenditures for the legally adopted budgets were as follows:

<u>Fund</u>	<u>Final Appropriated Amounts</u>	<u>Actual Expenditures</u>	<u>Variance</u>
GENERAL FUND 001	\$20,229,522	\$15,043,459	\$5,186,063
SPECIAL REVENUE FUNDS			
Street Maintenance Fund 101	1,556,600	1,239,120	317,480
Hotel/Motel Tax Fund 110	86,991	74,371	12,620
King County Trails Levy Fund 113	232,560	-	232,560
Snoqualmie Ridge Capital Mitigation 115	61,541	-	61,541
Real Estate Excise Tax Fund 116	2,556,996	1,662,780	894,216
Solid Waste/Recycling Fund 117	32,659	29,015	3,644
Drug Enforcement Fund 118	21,237	810	20,427
Tokul Roundabout Impact Fee Fund 119	7,691	-	7,691
Riverfront Land Acquisition Fund 120	136,088	81,636	54,452
King Conservation Dist. Grants Fund 121	109	-	109
Jeanne Hansen Fields Maintenance 122	132,000	-	132,000
Development Services Fund 130	1,992,356	1,856,450	135,906
SRL Home Elevation Project Fund 143	268,000	215,846	52,154
DEBT SERVICE FUNDS			
2002 UTGO Bond Debt Service Fund 202	1,649,861	1,649,176	685
2011 LTGO Bond Debt Service Fund 211	514,068	352,850	161,218
2016 UTGO Bond Debt Service Fund 216	275,029	257,606	17,423
CAPITAL PROJECTS FUNDS			
Meadowbrook Bridge Maint Fund 301	32,100	-	32,100
Parks Improvement Fund 303	884,137	54,609	829,528
Flood Reduction Fund 305	11,073	-	11,073
Parkway Intersections Const Fund 309	67,890	67,889	1
Transportation Improvement Fund 310	248,895	44,472	204,423
Riverwalk Construction Fund 313	792,000	109,705	682,295
SR 202 Corridor Phase 2A Construction 316	130,000	128,446	1,554
Kimball Creek Box Culverts Const Fund 319	77,556	7,460	70,096
Tokul Roundabout Construction Fund 320	3,237,400	2,555,800	681,600
Jeanne Hansen Fields Const Fund 322	146,837	95,535	51,302
Tokul Parking Lot Construction Fund 323	432,655	-	432,655
Snoqualmie Parkway Reconstruction 324	405,250	-	405,250
Sidewalk Repair Fund 326	1,600,000	-	1,600,000
ENTERPRISE FUNDS			
Water Utility Operations Fund 401	5,751,194	4,666,083	1,085,111
Sewer Utility Operations Fund 402	3,903,463	3,902,493	970
Stormwater Utility Operations Fund 403	2,489,952	1,319,938	1,170,014
Water Utility Capital Improvement Fund 404	8,036	7,528	508
Sewer Utility Capital Improvement Fund 405	130,625	-	130,625
Stormwater Utility Capital Imprvmt Fund 406	59,882	17,104	42,778
Utility Bond Redemption Fund 407	584,859	510,613	74,246
Utility Bond Reserve Fund 408	601,256	-	601,256
2017 Revenue Bond Construction Fund 417	16,611,278	2,850,198	13,761,080

<u>Fund</u>	<u>Final Appropriated Amounts</u>	<u>Actual Expenditures</u>	<u>Variance</u>
INTERNAL SERVICE FUNDS			
Equipment Replace & Repair Fund 501	4,329,180	843,237	3,485,943
Information Technology Fund 502	2,424,867	1,168,148	1,256,719
Risk Management Fund 503	376,408	325,951	50,457
Facilities Maintenance Fund 510	737,478	705,312	32,166
Shared Services Fund 511	<u>464,380</u>	<u>434,810</u>	<u>29,570</u>
TOTAL BUDGET	<u>\$76,161,959</u>	<u>\$42,278,450</u>	<u>\$34,013,509</u>

Budgeted amounts are authorized to be transferred between departments within any fund; however any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the City Council.

Budget amendments during 2016 altered the total appropriations for a number of funds.

The General Fund budget was increased by a net total of \$400,341. The largest portion of this change was made up of various employee-related wage and benefit costs totaling \$351,495, and included: recruiting a new Police Chief, contracting for the services of an Interim Police Chief, additional costs of new collective bargaining agreements with the City's police and fire unions, unbudgeted costs of employing a Local Government Management Fellow and re-classifying two other Finance Department employees due to added responsibilities, larger than anticipated overtime costs in the Fire Department, enrolling volunteer firefighters in the Volunteer Fire Fighters and Reserve Officers Relief and Pension Fund (VFFRPF) for the first time, larger than anticipated costs of medical benefits for retired police officers who are members of the LEOFF I pension system and human resources-related legal fees. The Management Fellow position is partially offset by a \$40,000 cost-sharing arrangement with the City of Issaquah. Another group of expenditures, totaling \$71,000, was appropriated, that included: higher than estimated Public Defender fees, a Legal Case Management Software system, legal fees related to a contractor dispute and an appeal of court decisions related to HB 1287, a tax-related measure. Previously unbudgeted transfers of \$104,502 were made to the Facilities Maintenance Fund to partially fund the purchase and installation of an emergency backup generator system at the Public Works Maintenance Facility. A \$100,000 expansion of privately contracted landscape maintenance services in City parks was appropriated. \$71,416 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. \$45,000 was re-budgeted from 2015 to pay for a security fence enclosing the police station and grounds. A FEMA grant fully funded a \$10,341 Comprehensive Emergency Management Plan, and \$5,000 was appropriated to pay for membership dues in the Economic Development Commission of Seattle & King County. A \$4,500 Sustained Arts grant from 4Culture funded purchases of arts supplies & services. Together with all of the items listed above, an increase in estimated Beginning Fund Balance of \$350,000 resulted in a net decrease of estimated Ending Fund Balance of \$358,413.

The Street Maintenance Fund budget was increased by a total of \$384,355. The largest portion of this increase was to fund the purchase of new street signage in the amount of \$40,000. Transfers of \$21,068 to the Facilities Maintenance Fund were appropriated to partially fund the cost of an emergency backup generator system for the Public Works Maintenance Facility and audible crossing signals at 5 intersections. \$7,200 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Estimated Revenues were provided by \$40,000 of added Street Maintenance & Repair Fees and a \$344,355 increase in estimated Beginning Fund Balance. This resulted in a net increase in estimated Ending Fund Balance of \$316,087.

The Hotel/Motel Tax Fund budget was increased by a total of \$24,230. \$10,000 was appropriated toward the cost of printing trails maps and tourism brochures. These expenses were funded by higher than anticipated amounts of hotel/motel tax revenue and beginning fund balance, and ending fund balance was increased by \$14,230.

The King County Trails Levy Fund budget was increased by \$93,000, due to higher-than-expected amounts of beginning fund balance and King County Parks/Trails Levy Proceeds, resulting in increased ending fund balance.

The Solid Waste/Recycling Fund budget was decreased by a total of \$4,500 to provide for higher than expected costs of operating the City's annual special recycling collection event, and receipt of the prior year's amount of Washington State Department of Ecology Coordinated Prevention Grant proceeds. As a result of these changes, ending fund balance was increased by \$4,500.

The Development Services Fund appropriated \$11,627 to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs, resulting in a corresponding reduction in estimated ending fund balance.

The City uses a special revenue fund to account for a federal FEMA grant used to elevate the ground floor of private residences to above the 100-year flood level; additional funding is provided by the homeowners themselves. Appropriations for this purpose were increased in the amount of \$140,000 for the SRL Home Elevation Project Fund. These projects, begun in 2012, made less progress than expected during 2013, and then experienced considerably more overall activity in 2014-2015, and were completed in 2016, although grant closeout will continue into 2017.

The 2002 Voter-Approved Unlimited Tax G. O. Bond Debt Service Fund's budget was amended to provide for the advance refunding of this bond issue using proceeds of a new 2016 Voter-Approved Unlimited Tax G. O. Bond together with property taxes levied for the servicing of this debt. (See Note 9.)

The 2016 Voter-Approved Unlimited Tax G. O. Bond Debt Service Fund was appropriated to pay 2016 debt service on these new bonds issued to refund the 2002 Voter-Approved Unlimited Tax G. O. Bonds using property taxes levied for the servicing of this debt. (See Note 9.)

The previously unbudgeted Parkway Intersections Construction Fund received late proceeds from a USDOT/FHWA grant, which, together with interest earnings and beginning fund balance were appropriated for transfer to the Street Maintenance Fund and the Snoqualmie Parkway Reconstruction Fund in the total amount of \$67,890. The Parkway Intersections project was completed in 2015 and this fund has now been closed.

Appropriations for the Transportation Improvement Fund were increased by \$8,000. Appropriations of \$15,000 for design work on a pedestrian crossing signal project were approved and estimated ending fund balance reduced in a like amount. The higher than anticipated cost of new audible crossing signals installed at five intersections were appropriated in the amount of \$8,000, supported by a transfer from the Street maintenance Fund.

The previously unbudgeted Jeanne Hansen Fields Construction Fund was appropriated for a total amount of \$146,837; surplus construction moneys were applied as an extra re-payment on the interfund loan provided to partially fund this project, closing this fund.

Water Utility Operating Fund appropriations were increased by a total of \$44,230. The largest item was \$36,574 for a transfer to the Facilities Maintenance Fund to partially fund the cost of an emergency backup generator system for the Public Works Maintenance Facility. \$12,854 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Together with a \$44,230 increase in estimated Beginning Fund Balance, these changes resulted in a net reduction of \$5,198 in Ending Fund Balance.

Sewer Utility Operating Fund appropriations were increased by a total of \$23,259. The largest item was \$18,287 for a transfer to the Facilities Maintenance Fund to partially fund the cost of an emergency backup generator system for the Public Works Maintenance Facility. \$8,875 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Together with a \$23,259 increase in estimated Beginning Fund Balance, these changes resulted in a net reduction of \$3,903 in Ending Fund Balance.

Stormwater Utility Operating Fund appropriations were increased by a total of \$4,040 to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Together with a \$2,182 increase in estimated Beginning Fund Balance, these changes resulted in a net reduction of \$1,858 in Ending Fund Balance.

Water Utility Capital Improvement Fund appropriations were increased by a total of \$6,920 for a transfer to the Facilities Maintenance Fund to partially fund the cost of an emergency backup generator system for the Public Works Maintenance Facility, resulting in a corresponding reduction in estimated ending fund balance.

Sewer Utility Capital Improvement Fund appropriations were increased by a total of \$3,499 for a transfer to the Facilities Maintenance Fund to partially fund the cost of

an emergency backup generator system for the Public Works Maintenance Facility, resulting in a corresponding reduction in estimated ending fund balance.

Appropriations for the Equipment Repair & Replacement Fund were increased by a total of \$58,763. The largest item was \$52,251 for a transfer to the Facilities Maintenance Fund to partially fund the cost of an emergency backup generator system for the Public Works Maintenance Facility. \$10,519 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Together with a \$4,007 increase in estimated Beginning Fund Balance, these changes resulted in a net reduction of \$58,763 in Ending Fund Balance.

Appropriations in the Information Technology Fund were increased by a total of \$368,118. A new planning & building permit management system was budgeted, along with various system-wide network upgrades and improvements, for a total of \$364,000. \$5,709 was appropriated to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. All of these expenditures were mostly financed by a larger-than-estimated beginning fund balance, which was increased by \$368,118 carried over from the prior year, and resulting in a net increase in the estimated ending fund balance of \$366,527.

Risk Management Fund appropriations were increased by a total of \$760 to cover higher than anticipated amounts of commonly shared goods & services such as office supplies, telephone and utilities costs, State Auditor services, and other overhead costs. Together with a \$440 increase in estimated Beginning Fund Balance, these changes resulted in a net reduction of \$320 in Ending Fund Balance.

Appropriations in the Facilities Management Fund budget were increased by \$182,850 to fund the cost of an emergency backup generator system for the Public Works Maintenance Facility. Full funding of this project was provided by transfers from a number of other city funds.

Appropriations in the Shared Services Fund were increased by \$132,926 for higher than anticipated costs of office supplies, telephone and other utilities, landscaping & custodial services, State Auditor services, and other basic items of general City expenses. These increased costs, together with \$133,000 in increases to interfund user charges, combined with a \$9,190 lower-than-estimated beginning fund balance, resulted in a net estimated ending fund balance decrease of \$9,116.

D. Cash and Investments
See Note #2, *Deposits and Investments*.

E. Capital Assets
Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets of the City are recorded as expenditures when purchased.

F. Compensated Absences

Management and Teamster employees may accumulate and carry over up to two times their annual vacation leave. Firefighter employees may accumulate and carry over up to 264 hours of vacation leave, and the Fire Captain of Training, Health & Safety may accumulate and carry over up to 250 hours of vacation leave. Police officers may accumulate and carry over up to 320 hours of vacation leave. Accumulated vacation is payable upon separation or retirement. Carryover dates are based on employee anniversary dates.

Management, Teamster and Police employees may accumulate and carry over up to 720 hours of sick leave into the following year. Firefighter employees may accumulate and carry over up to 1,080 hours of sick leave. Police employees receive a 33% payment for any sick leave hours over their maximum carryover limit at year-end. By December of each year, Firefighter and Teamster employees may elect to receive a percentage of their accumulated sick leave over and above their maximum carryover limit at year-end. Firefighter employees can receive a 33% payment, while Teamster employees can receive a 25% payment. In addition, Teamster employees, after accumulating more than 240 hours of sick leave, and in a year in which they have used less than 16 hours of sick leave, may elect to receive a cash payment of one hour for each three hours, up to the 96 hours that were accrued that year, provided that their accumulated sick leave will not be allowed to go below 240 hours. Employees do not receive payment for unused sick leave upon separation or retirement.

Management, Teamster and Police employees may accumulate compensatory time, and employees may carry up to 24 hours over into the following year. Teamster and Police employees receive payment for all unused compensatory time upon separation or retirement.

G. Long-Term Debt

See Note #5, *Debt Service Requirements*.

H. Other Financing Sources or Uses

The City's *Other Financing Sources or Uses* consist of interfund transfers in and out, long-term debt proceeds, proceeds from dispositions of capital assets and insurance proceeds.

I. Risk Management

The City of Snoqualmie is a member of the Washington Cities Insurance Authority (WCIA).

Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and/or jointly contracting for risk management services. WCIA has a total of 168 Members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$300 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, and administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

J. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by ordinance. When expenditures that meet these restrictions are incurred, the City intends to use reserved resources first before using unreserved amounts.

Reservations of Ending Cash and Investments consist of:

General Fund 001	Various Reserves established by City Council
Hotel/Motel Tax 110	Legislative Restriction - Tax
King County Trails Levy 113	Legislative Restriction - Tax
SR Capital Mitigation 115	Developer Agreements
Real Estate Excise Tax 116	Legislative Restriction - Tax
Drug Enforcement Fund 118	Legislative Restriction – Confiscated Property
Tokul Roundabout Impact Fee 119	Developer Agreements
Riverfront Property Acquisition 120	Grantor Restrictions
King Conservation Dist Grants 121	Grantor Restrictions
J Hansen Fields Maintenance 122	Reserve established by City Council
Development Services 130	Legislative Restrictions – Building Permit Fees
SRL Home Elevations Project 143	Grantor Restrictions
2011 LTGO Bond Debt Service 211	Bond Covenant Restrictions
Voted 2016 GO Bond Debt Service 216	Voter Restriction – Tax
Capital Improvement Funds 300s	Developer Agreements, Grantor Restrictions
Utilities Funds 400s	Bond Covenant & Legislative Restrictions
Equipment Replacement & Repair 501	Equipment Reserve by City Council
Information Technology Fund 502	Equipment Reserve by City Council
Sister Cities Delegate Trust 621	Trust Restriction
Treasurer’s Deposits Control 633	Trust/Agency Restriction
Medical Flexible Spending Account 634	Trust/Agency Restriction
SRL Homeowner Deposits Trust 643	Trust/Agency Restriction

NOTE 2 – DEPOSITS AND INVESTMENTS

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds, according to the City’s Investment Policy.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation or the Washington Public Deposit Protection Commission. All investments are insured, registered or held by the City or its agent in the City’s name.

Investments are presented at original cost. Investments by type at December 31, 2016 are as follows:

<u>Type of Investment</u>	<u>Balance</u>
Local Government Investment Pool (LGIP)	\$ 7,380,747
US Government Agency Bonds	12,721,412
Certificates of Deposit	<u>1,000,000</u>
Total	<u>\$ 21,102,159</u>

NOTE 3 - PROPERTY TAXES

The King County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed within two days of receipt by the County.

Property tax revenues are recognized when cash is received by the City. Delinquent taxes are considered fully collectible because a lien affixes to the property after taxes are levied.

The City's regular levy for the year 2016 was \$2.54669 per \$1,000 on an assessed valuation of \$2,614,769,484 for a total regular levy of \$6,714,401. In 2016 the City also levied \$0.10514 per \$1,000 for a total additional levy of \$274,905 for the purpose of paying principal and interest on the City's voter-approved 2002/2016 General Obligation Bonds.

NOTE 4 - INTERFUND LOANS AND ADVANCES

The following table displays interfund loan activity during 2016:

<u>Borrowing Fund</u>	<u>Lending Fund</u>	<u>Balance 1/1/2016</u>	<u>New Loans</u>	<u>Repayments</u>	<u>Balance 12/31/2016</u>
101	501	\$ 4,667.44	\$ -0-	\$ 4,667.44	\$ -0-
403	501	2,000.72	-0-	2,000.72	-0-
322	001	407,656.02	-0-	160,684.08	246,971.94
TOTALS		<u>\$414,324.18</u>	<u>-0-</u>	<u>\$167,352.24</u>	<u>\$246,971.94</u>

NOTE 5 – DEBT SERVICE REQUIREMENTS

The accompanying Schedule of Liabilities (Schedule 09) provides more details about the outstanding debt of the City and summarizes the City's debt transactions for the year ended December 31, 2016. Debt service requirements, including both principal and interest, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u>
2017	\$1,594,363	\$462,972	\$2,021,334
2018	1,106,137	385,698	1,491,834
2019	1,098,980	349,271	1,448,250
2020	1,132,535	312,597	1,445,132
2021	1,050,678	274,656	1,325,333
2022-2026	3,806,600	893,335	4,699,935
2027-2031	<u>1,834,141</u>	<u>169,212</u>	<u>2,003,354</u>
Totals	<u>\$11,623,433</u>	<u>\$2,811,740</u>	<u>\$14,435,172</u>

See Note 9 for information regarding new debt.

NOTE 6 - PENSION PLANS

Substantially all City full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans.

Public Employees Retirement System (PERS)
Public Safety Employees Retirement System (PSERS)
Law Enforcement & Fire Fighters Retirement System (LEOFF)

The State Legislature establishes and amends laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available Comprehensive Annual Financial Report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98504-8380

The DRS CAFR may also be downloaded from the DRS website at www.drs.wa.gov.

During 2016 the City began participating in the Volunteer Fire Fighters and Reserve Officers Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR, available from the Office of Financial Management website at www.ofm.wa.gov.

At June 30, 2016 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, as reported on Schedule 09, was as follows:

	<u>Allocation %</u>	<u>Liability (Asset)</u>
PERS 1	0.0444480%	\$2,316,123
PERS 2/3	0.0518620%	\$2,678,679
PSERS 2	0.0258780%	\$ 10,660
LEOFF 1	0.0054040%	(\$49,186)
LEOFF 2	0.1117190%	(\$670,614)
VFFRPF	0.2100000%	\$36,178

LEOFF PLAN 1

The City also participates in LEOFF Plan 1. LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent. The City does not have any active employees who are members of LEOFF Plan 1. There are two retired City of Snoqualmie employees who are currently receiving benefits from LEOFF Plan 1.

LEOFF PLAN 2

The City also participates in LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

NOTE 7- DEFERRED COMPENSATION PLANS

The City of Snoqualmie offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 457. Plans are available with ICMA Retirement Systems, the Washington State Department of Retirement Systems Deferred Compensation Plan, and the ING Deferred Compensation Plan. The plans are available to all employees, and permit them to defer a portion of their salary until future years. Compensation deferred is not available to employees until termination, retirement, death, or unforeseeable emergency. The City matches employee contributions to these plans up to certain monthly limits. Total City contributions to all three deferred compensation plans in 2016 were \$227,971.

NOTE 8 - CONTINGENCIES AND LITIGATION

In 2016 and prior years, the City has advance refunded various bond issues in order to take advantage of reduced interest rates and lowered annual debt service payments. The refunded bonds are considered to be extinguished for financial reporting purposes even though the City has not met the legal requirements for a defeasance and so legally remains the primary obligor on the indebtedness. The proceeds from the sale of refunding (new) debt, together with any other funds the City may set aside for payment of refunded debt, is irrevocably placed with an escrow agent in a trust. The escrow agent invests the proceeds so that the cash realized from the maturing investments, together with interest earned, will meet the debt service requirements of the refunded (old) debt and redeem the balance of the old debt when it becomes callable or matures. Cash or other assets used for refunding must qualify as "essentially risk-free as to amount, timing and collection of principal and interest" and they must provide cash flows that are sufficient and timed to match the scheduled interest and principal payments on the debt that is being extinguished. This then constitutes an in-substance defeasance. Also, the chance of the City being required to make any additional future payments must be remote. The following bond issues have been in-substance defeased through advance refunding transactions, and the principal amounts that remain outstanding as of December 31, 2016 are as follows:

<u>Bond Issue</u>	<u>Original Purpose</u>	<u>Principal Balance</u>
2002 UTGO	Fire Station Construction	\$1,390,000
2011A LTGO	City Hall Construction	<u>970,577</u>
TOTALS		<u>\$2,360,577</u>

The City participates in a number of federal and state financial assistance programs. These grants are subject to audit by the grantor agencies or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed

under the terms of the grants. City management believes that such disallowances, if any, will be immaterial.

NOTE 9 - OTHER DISCLOSURES

NEW DEBT ISSUED

During 2013-2016 the City borrowed \$305,078 from a Public Works Trust Fund loan. The proceeds of the loan, together with \$181,000 from private developer mitigation fees and \$36,531 in other Sewer Utility moneys, have been used to purchase and install a 3,475 gpm pump and related air-vac improvements at Kimball Creek Sewer Lift Station. This project was completed late in 2014. The loan has been closed out, and the final loan proceeds (\$46,354) were drawn in 2016. The loan bears an interest rate of 0.25% and will be redeemed over a period of twenty years, using Sewer Utility rate revenues.

On February 29, 2016 the City borrowed \$50,001 against Water and Sewer Revenue Bond Anticipation Note, 2016, pursuant to Ordinance No. 1157, which authorized issuance of revenue bond anticipation notes in the respective amounts of up to \$8,000,000 (2015 Note) and \$7,500,000 (2016 Note). These notes provide interim financing for the City's Utility Capital Improvement Plan in those two years. No additional borrowing against these authorized amounts is anticipated. The Notes are secured by utility rate revenue and mature on December 1, 2017. The Notes will be redeemed with the proceeds from revenue bonds to be issued in late 2017.

On March 2, 2016, the City issued \$1,633,753 in Unlimited Tax General Obligation Refunding Bonds, Series 2016. The proceeds of the bonds were used to refund \$1,590,000 of existing Unlimited Tax General Obligation Bonds, Series 2002 by the defeasance method. This refunding was undertaken in order to obtain a lower interest rate that will reduce total debt service payments over the next 7 years by \$156,212. The financial statements reflect other financing sources of \$1,633,753 and other financing uses of \$1,642,283 pertaining to this transaction. The new bonds will be redeemed over a period of 7 years using proceeds of special voter-approved property tax levies.

SUBSEQUENT EVENTS

On October 13, 2017, the City borrowed \$1,559,501 against Water and Sewer Utility Revenue Bond Anticipation Note, 2017, pursuant to Ordinance No. 1193, which authorized issuance of revenue bond anticipation notes of up to \$10,000,000. This note provides interim financing for the City's Utility Capital Improvement Plan during 2017 and 2018. Additional borrowing against this authorized amount is anticipated as work on Utility CIP projects proceeds. The Note is secured by utility rate revenue and matures on December 1, 2018. The Note will be redeemed with the proceeds from revenue bonds to be issued in late 2018. The 2015 Note and the 2016 Note were both repaid in full using proceeds of the 2017 Note.

On October 31, 2017, the City issued \$3,571,532 in Utility Revenue Refunding Bonds, Series 2017, pursuant to Ordinance No. 1194. The proceeds of the bonds, together with \$981,774 in other City funds, were used to advance refund \$4,430,000 in existing Utility Revenue Bonds, series 2008 by the defeasance method. This refunding was undertaken in order to obtain a lower interest rate and to reduce total debt service payments over the next 11 years by \$1,532,151. The new bonds will be redeemed over a period of 11 years using utility revenues.

OTHER POST-EMPLOYMENT BENEFITS

The City has a commitment to pay for post-employment benefits for employees that belong to the LEOFF 1 retirement system. These benefits include medical, vision, nursing care, etc. Two retirees received benefits during 2016, and \$41,141 was paid out for those benefits during the year.

City of Snoqualmie
Schedule of Liabilities
For the Year Ended December 31, 2016

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.22	2016 UTGO Refunding Bond	12/1/2022	-	1,633,753	234,533	1,399,220
251.22	2002 G.O. Bond	12/2/2022	1,590,000	-	1,590,000	-
251.11	2011 G.O. Bond - City Hall Portion	12/1/2021	1,135,000	-	190,000	945,000
251.11	2011 G.O. Bond - Streets Infrastructure Portion	12/1/2030	2,662,500	-	131,350	2,531,150
251.11	2011 G.O. Bond - Utilities Infrastructure Portion	12/1/2030	1,087,500	-	53,650	1,033,850
263.96	LOCAL Program - Police Vehicles & Equipment	6/1/2018	132,260	-	37,948	94,312
Total General Obligation Debt/Liabilities:			6,607,260	1,633,753	2,237,481	6,003,532
Revenue and Other (non G.O.) Debt/Liabilities						
263.82	PWTF Loan #PW-02-691-050	4/1/2022	299,290	-	42,756	256,534
263.82	PWB/DWSRF Loan #00-65120-029	10/1/2021	203,801	-	33,966	169,835
252.11	2008 Revenue Bonds - Water Portion	12/1/2027	1,898,000	-	126,000	1,772,000
252.11	2008 Revenue Bonds - Sewer Portion	12/1/2027	1,898,000	-	126,000	1,772,000
252.11	2008 Revenue Bonds - Stormwater Portion	12/1/2027	949,000	-	63,000	886,000
263.62	2016 Utilities CIP Bond Anticipation Note	12/1/2017	-	50,001	-	50,001
263.62	2015 Utilities CIP Bond Anticipation Note	12/1/2017	475,000	-	-	475,000
263.82	PWTF Loan #PW-12-951-083	6/1/1931	219,808	46,354	13,738	252,424
259.12	Compensated Absences		590,119	651,466	596,411	645,174
263.99	Refundable Deposits Payable		131,993	2,414,947	922,528	1,624,412
264.30	Pension Liability		4,182,826	822,635	-	5,005,461
Total Revenue and Other (non G.O.) Debt/Liabilities:			10,847,837	3,985,403	1,924,399	12,908,841
Total Liabilities:			17,455,097	5,619,156	4,161,880	18,912,373

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the state's Constitution and is part of the executive branch of state government. The State Auditor is elected by the citizens of Washington and serves four-year terms.

We work with our audit clients and citizens to achieve our vision of government that works for citizens, by helping governments work better, cost less, deliver higher value, and earn greater public trust.

In fulfilling our mission to hold state and local governments accountable for the use of public resources, we also hold ourselves accountable by continually improving our audit quality and operational efficiency and developing highly engaged and committed employees.

As an elected agency, the State Auditor's Office has the independence necessary to objectively perform audits and investigations. Our audits are designed to comply with professional standards as well as to satisfy the requirements of federal, state, and local laws.

Our audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits of state agencies and local governments as well as [fraud](#), state [whistleblower](#) and [citizen hotline](#) investigations.

The results of our work are widely distributed through a variety of reports, which are available on our [website](#) and through our free, electronic [subscription](#) service.

We take our role as partners in accountability seriously, and provide training and technical assistance to governments, and have an extensive quality assurance program.

Contact information for the State Auditor's Office	
Public Records requests	PublicRecords@sao.wa.gov
Main telephone	(360) 902-0370
Toll-free Citizen Hotline	(866) 902-3900
Website	www.sao.wa.gov