

**Washington State Auditor's Office**  
**Financial Statements Audit Report**

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**Town of Oakesdale**  
**Whitman County**

Audit Period  
**January 1, 2007 through December 31, 2008**

**Report No. 1002021**

Issue Date  
**September 8, 2009**



WASHINGTON  
**BRIAN SONNTAG**  
STATE AUDITOR



**Washington State Auditor  
Brian Sonntag**

September 8, 2009

Mayor and Town Council  
Town of Oakesdale  
Oakesdale, Washington

***Report on Financial Statements***

Please find attached our report on the Town of Oakesdale's financial statements.

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

Sincerely,

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

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Whitman County  
January 1, 2007 through December 31, 2008**

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# Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters in Accordance with *Government Auditing Standards*

**Town of Oakesdale  
Whitman County  
January 1, 2007 through December 31, 2008**

Mayor and Town Council  
Town of Oakesdale  
Oakesdale, Washington

We have audited the financial statements of the Town of Oakesdale, Whitman County, Washington, as of and for the years ended December 31, 2008 and 2007, and have issued our report thereon dated August 3, 2009

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## ***INTERNAL CONTROL OVER FINANCIAL REPORTING***

In planning and performing our audits, we considered the Town's internal control over financial reporting 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 Town's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Town's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Town's financial statements that is more than inconsequential will not be prevented or detected by the Town's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies

in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## **COMPLIANCE AND OTHER MATTERS**

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of the Town'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*.

This report is intended for the information and use of management and the Mayor and Town Council. 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, appearing to read "Brian Sonntag", with a stylized flourish at the end.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

August 3, 2009

# Independent Auditor's Report on Financial Statements

## **Town of Oakesdale Whitman County January 1, 2007 through December 31, 2008**

Mayor and Town Council  
Town of Oakesdale  
Oakesdale, Washington

We have audited the accompanying financial statements of the Town of Oakesdale, Whitman County, Washington, for the years ended December 31, 2008 and 2007. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the Town prepares its financial statements on the basis of accounting that demonstrates compliance with Washington State statutes and the *Budgeting, Accounting and Reporting System* (BARS) manual prescribed by the State Auditor, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Town of Oakesdale, for the years ended December 31, 2008 and 2007, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report on our consideration of the Town'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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedules of Long-Term Debt are presented for purposes of additional analysis as required by the prescribed BARS manual. These schedules are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Brian Sonntag", with a stylized, cursive script.

**BRIAN SONNTAG, CGFM**  
STATE AUDITOR

August 3, 2009

# Financial Section

**Town of Oakesdale  
Whitman County  
January 1, 2007 through December 31, 2008**

## ***FINANCIAL STATEMENTS***

Fund Resources and Uses Arising from Cash Transactions – 2008 and 2007  
Notes to Financial Statements – 2008 and 2007

## ***SUPPLEMENTAL INFORMATION***

Schedule of Long-Term Debt – 2008 and 2007



**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 001 Current Expense		Fund Number and Name 002 C.E.Reserve	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		161,459.00	171,455.26	131,016.00	131,047.97
Revenues and Other Sources					
310	Taxes	99,700.00	104,805.12	0.00	37.60
320	Licenses and Permits	1,975.00	2,575.00	0.00	0.00
330	Intergovernmental	27,350.00	23,665.03	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	20,861.00	21,366.76	0.00	0.00
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	2,000.00	2,000.00
Total Revenues and Other Sources		149,886.00	152,411.91	2,000.00	2,037.60
Total Resources		311,345.00	323,867.17	133,016.00	133,085.57
Operating Expenditures:					
510	General Government	58,798.00	47,629.97	0.00	0.00
520	Public Safety	80,662.00	74,389.50	0.00	0.00
530	Physical Environment	11,300.00	21,058.93	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	853.97	0.00	0.00
560	Mental and Physical Health	100.00	150.14	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		150,860.00	144,082.51	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	750.00	2,153.00	0.00	0.00
Total Expenditures		151,610.00	146,235.51	0.00	0.00
597-599	Other Financing Uses	2,000.00	2,000.00	0.00	0.00
Total Expenditures and Other Uses		153,610.00	148,235.51	0.00	0.00
Excess (Deficit) of Resources Over Uses		157,735.00	175,631.66	133,016.00	133,085.57
380	Nonrevenues (Except 384 and 388.80)	85.00	193.50	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	60.00	383.07	0.00	0.00
Ending Net Cash and Investments		157,760.00	175,442.09	133,016.00	133,085.57

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2008

BARS CODE		Fund Number and Name 101 Street		Fund Number and Name 103 Street Reserve	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		150,759.00	148,217.44	40,167.00	40,105.67
Revenues and Other Sources					
310	Taxes	54,000.00	54,593.71	0.00	0.00
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	362,500.00	310,408.09	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Forfeits	0.00	0.00	0.00	0.00
360	Miscellaneous	6,369.00	8,187.89	0.00	0.00
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	5,000.50	0.00	0.00
Total Revenues and Other Sources		422,869.00	378,190.19	0.00	0.00
Total Resources		573,628.00	526,407.63	40,167.00	40,105.67
Operating Expenditures:					
510	General Government	4,381.00	5,194.34	0.00	0.00
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	421,756.00	404,878.57	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreation	0.00	0.00	0.00	0.00
Total Operating Expenditures		426,137.00	410,072.91	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	25,863.00	38,727.15	0.00	0.00
Total Expenditures		452,000.00	448,800.06	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		452,000.00	448,800.06	0.00	0.00
Excess (Deficit) of Resources Over Uses		121,628.00	77,607.57	40,167.00	40,105.67
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		121,628.00	77,607.57	40,167.00	40,105.67

*The Accompanying Notes Are An Integral Part Of This Statement.*

## Town of Oakesdale

## FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2008

	Fund Number and Name 401 Water/Sewer		Fund Number and Name 405 Water/Sewer Bond	
	Budget	Actual	Budget	Actual
<b>Fund Type: Special Revenue Funds</b>				
<b>Beginning Net Cash and Investments</b>	178,850.00	180,948.75	20,225.00	20,259.13
Revenue and Other Financing Sources	169,089.00	176,708.70	2,000.00	2,000.00
<b>Total Resources</b>	347,939.00	357,657.45	22,225.00	22,259.13
<b>Expenditures And Other Financing Uses</b>	187,000.00	221,496.79	0.00	0.00
<b>Excess (Deficit) of Resources Over Uses</b>	160,939.00	136,160.66	22,225.00	22,259.13
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
<b>Ending Net Cash and Investments</b>	160,939.00	136,160.66	22,225.00	22,259.13

	Fund Number and Name 406 Water Redemption		Fund Number and Name 409 Water/Sewer Replace.	
	Budget	Actual	Budget	Actual
<b>Fund Type:</b>				
<b>Beginning Net Cash and Investments</b>	12,951.00	12,932.37	47,762.00	47,688.01
Revenue and Other Financing Sources	18,000.00	18,000.00	0.00	0.00
<b>Total Resources</b>	30,951.00	30,932.37	47,762.00	47,688.01
<b>Expenditures And Other Financing Uses</b>	7,873.00	8,040.47	0.00	0.00
<b>Excess (Deficit) of Resources Over Uses</b>	23,078.00	22,891.90	47,762.00	47,688.01
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	9,793.00	9,625.53	0.00	0.00
<b>Ending Net Cash and Investments</b>	13,285.00	13,266.37	47,762.00	47,688.01

	Fund Number and Name 412 Capital Equip. Res.		Fund Number and Name 413 Sewer Replacement	
	Budget	Actual	Budget	Actual
<b>Fund Type:</b>				
<b>Beginning Net Cash and Investments</b>	75,486.00	75,370.04	132,168.00	131,962.85
Revenue and Other Financing Sources	0.00	0.00	29,000.00	28,475.40
<b>Total Resources</b>	75,486.00	75,370.04	161,168.00	160,438.25
<b>Expenditures And Other Financing Uses</b>	0.00	0.00	703.00	702.46
<b>Excess (Deficit) of Resources Over Uses</b>	75,486.00	75,370.04	160,465.00	159,735.79
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	0.00	0.00	23,415.00	23,415.45
<b>Ending Net Cash and Investments</b>	75,486.00	75,370.04	137,050.00	136,320.34

The Accompanying Notes Are An Integral Part Of This Statement.

## Town of Oakesdale

## FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2008

Fund Type:	Fund Number and Name 631 Claims/Payroll Clearing		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>	0.00	0.00		
Revenue and Other Financing Sources	0.00	0.00		
<b>Total Resources</b>	0.00	0.00	0.00	0.00
<b>Expenditures And Other Financing Uses</b>	0.00	0.00		
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	0.00	0.00	0.00
Nonrevenues (Except 384 and 388.80)	0.00	0.00		
Nonexpenditures (Except 584 and 588.80)	0.00	0.00		
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>				
Revenue and Other Financing Sources				
<b>Total Resources</b>	0.00	0.00	0.00	0.00
<b>Expenditures And Other Financing Uses</b>				
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	0.00	0.00	0.00
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>				
Revenue and Other Financing Sources				
<b>Total Resources</b>	0.00	0.00	0.00	0.00
<b>Expenditures And Other Financing Uses</b>				
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	0.00	0.00	0.00
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

**For the Year Ended December 31, 2007**

BARS CODE		Fund Number and Name 001 Current Expense		Fund Number and Name 002 C.E. Reserve	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		163,818.00	156,734.02	129,397.00	129,510.45
Revenues and Other Sources					
310	Taxes	107,500.00	112,648.98	0.00	63.60
320	Licenses and Permits	3,500.00	5,477.70	0.00	0.00
330	Intergovernmental	21,270.00	62,544.93	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	8,225.00	7,964.85	5,506.00	5,473.92
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	4,000.00	5,500.00	0.00	0.00
Total Revenues and Other Sources		144,495.00	194,136.46	5,506.00	5,537.52
Total Resources		308,313.00	350,870.48	134,903.00	135,047.97
Operating Expenditures:					
510	General Government	56,522.00	47,427.68	0.00	0.00
520	Public Safety	80,519.00	72,056.67	0.00	0.00
530	Physical Environment	42,799.00	54,524.85	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	100.00	67.36	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		179,940.00	174,076.56	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	5,331.16	0.00	0.00
Total Expenditures		179,940.00	179,407.72	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	4,000.00	4,000.00
Total Expenditures and Other Uses		179,940.00	179,407.72	4,000.00	4,000.00
Excess (Deficit) of Resources Over Uses		128,373.00	171,462.76	130,903.00	131,047.97
380	Nonrevenues (Except 384 and 388.80)	110.00	67.50	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	60.00	75.00	0.00	0.00
Ending Net Cash and Investments		128,423.00	171,455.26	130,903.00	131,047.97

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2007

BARS CODE		Fund Number and Name 003 C.E. Insurance Res.		Fund Number and Name 004 C.E. Employee Res.	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		0.00	0.00	0.00	0.00
Revenues and Other Sources					
310	Taxes	0.00	0.00	0.00	0.00
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	0.00	0.00	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Forfeits	0.00	0.00	0.00	0.00
360	Miscellaneous	0.00	0.00	0.00	0.00
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	0.00	0.00
Total Revenues and Other Sources		0.00	0.00	0.00	0.00
Total Resources		0.00	0.00	0.00	0.00
Operating Expenditures:					
510	General Government	0.00	0.00	0.00	0.00
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreation	0.00	0.00	0.00	0.00
Total Operating Expenditures		0.00	0.00	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	0.00	0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		0.00	0.00	0.00	0.00
Excess (Deficit) of Resources Over Uses		0.00	0.00	0.00	0.00
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		0.00	0.00	0.00	0.00

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2007

BARS CODE		Fund Number and Name 005 C.E. Bldg Res.		Fund Number and Name 006 2001 G.O. Fire Bond	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		0.00	0.00	0.00	0.00
Revenues and Other Sources					
310	Taxes	0.00	0.00	0.00	0.00
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	0.00	0.00	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	0.00	0.00	0.00	0.00
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	0.00	0.00
Total Revenues and Other Sources		0.00	0.00	0.00	0.00
Total Resources		0.00	0.00	0.00	0.00
Operating Expenditures:					
510	General Government	0.00	0.00	0.00	0.00
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		0.00	0.00	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	0.00	0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		0.00	0.00	0.00	0.00
Excess (Deficit) of Resources Over Uses		0.00	0.00	0.00	0.00
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		0.00	0.00	0.00	0.00

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

**For the Year Ended December 31, 2007**

BARS CODE		Fund Number and Name 007 FEMA Fire Grant		Fund Number and Name 101 Street	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		0.00	0.00	156,452.00	155,036.94
Revenues and Other Sources					
310	Taxes	0.00	0.00	52,500.00	51,310.94
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	0.00	0.00	10,000.00	28,732.02
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	0.00	0.00	6,869.00	6,618.43
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	0.00	2,000.00
Total Revenues and Other Sources		0.00	0.00	69,369.00	88,661.39
Total Resources		0.00	0.00	225,821.00	243,698.33
Operating Expenditures:					
510	General Government	0.00	0.00	3,475.00	4,518.51
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	0.00	0.00	93,525.00	90,962.38
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		0.00	0.00	97,000.00	95,480.89
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	0.00	0.00	0.00
Total Expenditures		0.00	0.00	97,000.00	95,480.89
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		0.00	0.00	97,000.00	95,480.89
Excess (Deficit) of Resources Over Uses		0.00	0.00	128,821.00	148,217.44
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		0.00	0.00	128,821.00	148,217.44

*The Accompanying Notes Are An Integral Part Of This Statement.*



**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2007

BARS CODE		Fund Number and Name 102 Arterial Street		Fund Number and Name 103 Street Reserve	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		0.00	0.00	38,295.00	38,485.65
Revenues and Other Sources					
310	Taxes	0.00	0.00	0.00	0.00
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	0.00	0.00	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	0.00	0.00	1,681.00	1,620.02
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	0.00	0.00
Total Revenues and Other Sources		0.00	0.00	1,681.00	1,620.02
Total Resources		0.00	0.00	39,976.00	40,105.67
Operating Expenditures:					
510	General Government	0.00	0.00	0.00	0.00
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		0.00	0.00	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	0.00	0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		0.00	0.00	0.00	0.00
Excess (Deficit) of Resources Over Uses		0.00	0.00	39,976.00	40,105.67
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		0.00	0.00	39,976.00	40,105.67

*The Accompanying Notes Are An Integral Part Of This Statement.*

**Town of Oakesdale**  
**FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS**

For the Year Ended December 31, 2007

BARS CODE		Fund Number and Name 999 Combined Invest.		Fund Number and Name	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		0.00	0.00	0.00	0.00
Revenues and Other Sources					
310	Taxes	0.00	0.00	0.00	0.00
320	Licenses and Permits	0.00	0.00	0.00	0.00
330	Intergovernmental	0.00	0.00	0.00	0.00
340	Charges for Goods and Services	0.00	0.00	0.00	0.00
350	Fines and Penalties	0.00	0.00	0.00	0.00
360	Miscellaneous	0.00	0.00	0.00	0.00
370	Capital Contributions	0.00	0.00	0.00	0.00
390	Other Financing Sources	0.00	0.00	0.00	0.00
Total Revenues and Other Sources		0.00	0.00	0.00	0.00
Total Resources		0.00	0.00	0.00	0.00
Operating Expenditures:					
510	General Government	0.00	0.00	0.00	0.00
520	Public Safety	0.00	0.00	0.00	0.00
530	Physical Environment	0.00	0.00	0.00	0.00
540	Transportation	0.00	0.00	0.00	0.00
550	Economic Environment	0.00	0.00	0.00	0.00
560	Mental and Physical Health	0.00	0.00	0.00	0.00
570	Culture and Recreational	0.00	0.00	0.00	0.00
Total Operating Expenditures		0.00	0.00	0.00	0.00
591-593	Debt Service	0.00	0.00	0.00	0.00
594-595	Capital Outlay	0.00	0.00	0.00	0.00
Total Expenditures		0.00	0.00	0.00	0.00
597-599	Other Financing Uses	0.00	0.00	0.00	0.00
Total Expenditures and Other Uses		0.00	0.00	0.00	0.00
Excess (Deficit) of Resources Over Uses		0.00	0.00	0.00	0.00
380	Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
580	Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
Ending Net Cash and Investments		0.00	0.00	0.00	0.00

*The Accompanying Notes Are An Integral Part Of This Statement.*

## Town of Oakesdale

## FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2007

Fund Type: Special Revenue Funds	Fund Number and Name 401 Water/Sewer		Fund Number and Name 405 Water/Sewer Bond Res	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>	158,406.00	164,478.86	23,264.00	23,274.99
Revenue and Other Financing Sources	163,957.00	172,571.31	845.00	984.14
<b>Total Resources</b>	322,363.00	337,050.17	24,109.00	24,259.13
<b>Expenditures And Other Financing Uses</b>	158,630.00	156,101.42	4,000.00	4,000.00
<b>Excess (Deficit) of Resources Over Uses</b>	163,733.00	180,948.75	20,109.00	20,259.13
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	0.00	0.00	0.00	0.00
<b>Ending Net Cash and Investments</b>	163,733.00	180,948.75	20,109.00	20,259.13

Fund Type:	Fund Number and Name 406 Water Redemption		Fund Number and Name 409 Water/Sewer Replace	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>	12,091.00	12,086.88	45,728.00	45,753.55
Revenue and Other Financing Sources	18,530.00	18,511.49	2,008.00	1,934.46
<b>Total Resources</b>	30,621.00	30,598.37	47,736.00	47,688.01
<b>Expenditures And Other Financing Uses</b>	7,870.00	8,097.40	0.00	0.00
<b>Excess (Deficit) of Resources Over Uses</b>	22,751.00	22,500.97	47,736.00	47,688.01
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	9,796.00	9,568.60	0.00	0.00
<b>Ending Net Cash and Investments</b>	12,955.00	12,932.37	47,736.00	47,688.01

Fund Type:	Fund Number and Name 412 Capital Equip. Res.		Fund Number and Name 413 Sewer Replace. Res.	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>	72,205.00	72,315.51	122,581.00	122,605.77
Revenue and Other Financing Sources	3,170.00	3,054.53	34,382.00	34,177.50
<b>Total Resources</b>	75,375.00	75,370.04	156,963.00	156,783.27
<b>Expenditures And Other Financing Uses</b>	0.00	0.00	1,405.00	1,404.93
<b>Excess (Deficit) of Resources Over Uses</b>	75,375.00	75,370.04	155,558.00	155,378.34
Nonrevenues (Except 384 and 388.80)	0.00	0.00	0.00	0.00
Nonexpenditures (Except 584 and 588.80)	0.00	0.00	23,415.00	23,415.49
<b>Ending Net Cash and Investments</b>	75,375.00	75,370.04	132,143.00	131,962.85

The Accompanying Notes Are An Integral Part Of This Statement.

## Town of Oakesdale

## FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2007

Fund Type:	Fund Number and Name 631 Claims/Payroll Clearing		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>	0.00	20,143.64		
Revenue and Other Financing Sources	0.00	0.00		
<b>Total Resources</b>	0.00	20,143.64	0.00	0.00
<b>Expenditures And Other Financing Uses</b>	0.00	0.00		
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	20,143.64	0.00	0.00
Nonrevenues (Except 384 and 388.80)	0.00	281,185.13		
Nonexpenditures (Except 584 and 588.80)	0.00	301,328.77		
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>				
Revenue and Other Financing Sources				
<b>Total Resources</b>	0.00	0.00	0.00	0.00
<b>Expenditures And Other Financing Uses</b>				
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	0.00	0.00	0.00
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
<b>Beginning Net Cash and Investments</b>				
Revenue and Other Financing Sources				
<b>Total Resources</b>	0.00	0.00	0.00	0.00
<b>Expenditures And Other Financing Uses</b>				
<b>Excess (Deficit) of Resources Over Uses</b>	0.00	0.00	0.00	0.00
Nonrevenues (Except 384 and 388.80)				
Nonexpenditures (Except 584 and 588.80)				
<b>Ending Net Cash and Investments</b>	0.00	0.00	0.00	0.00

*The Accompanying Notes Are An Integral Part Of This Statement.*

**TOWN OF OAKESDALE  
NOTES TO FINANCIAL STATEMENTS  
JANUARY 1, 2008 THROUGH DECEMBER 31, 2008**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Oakesdale uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual. The manual is prescribed by the State Auditor's Office under the authority of Washington State Law, Chapter 43.09 RCW.

The Town of Oakesdale was incorporated in 1888 and operates under the laws of the State of Washington applicable to a Fourth-Class Town with a Mayor-Council form of government. The Town is a general-purpose government and provides for public safety, fire prevention, street improvements, and general administration. The Town uses single entry, cash basis accounting, which is a departure from generally accepted accounting principles (GAAP).

**A. Fund Accounting**

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprise its cash, investments, revenues, and expenditures or expenses, as appropriate. The Town's resources are allocated to and accounted for individual funds depending on their intended purpose. The following are the fund types used by the Town.

**GOVERNMENTAL FUND TYPES:**

**Current Expense Fund**

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

**Special Revenue Funds**

These funds account for revenues that are legally restricted or designated to finance particular activities of the Town.

**Enterprise Funds**

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

**B. Basis of Accounting**

Basis of Accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year(s) budget appropriations as required by state law.

In accordance with state law the Town of Oakesdale also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

Purchases of fixed assets are expensed during the year of acquisition. There is no capitalization of fixed assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

C. **Budgets**

Annual appropriated budgets are adopted for all funds. The financial statements include budgetary comparisons for those funds.

Annual appropriated budgets are adopted at the fund level. The budgets constitute legal authority for expenditures at that level. Annual appropriations for funds lapse at the fiscal period end.

The Town Clerk/Treasurer is authorized to transfer budgeted amounts 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 Town's legislative body.

D. **Cash**

It is the Town's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and used arising from cash transactions. The interest on these investments is prorated to the various funds.

E. **Deposits**

The Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protections Commission cover the Town's deposits and certificates of deposit.

F. **Investments** – See Note No. 3

G. **Fixed Assets**

Fixed assets are long-lived assets of the Town and are recorded as expenditures when purchased.

H. **Compensated Absences**

Vacation leave accrues up to four weeks per year. Vacation leave may be carried over for one year with the Mayor's approval. Vacation hours not used will be paid upon separation from Town.

Sick leave is accumulated at four hours per bi-monthly pay period. Employees may accrue up to 240 hours that can carry over from year to year not to exceed the 240 hours. Employees will not be paid for unused sick leave upon separation from the Town.

I. **Long Term Debt** – See Note No. 6

J. **Risk Management** – See Note No. 8

## **NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

There have been no material violations of finance-related legal or contractual provisions. There was one fund where expenditures exceeded legal appropriations. Our 401 Water/Sewer Operating Fund exceeded the budget by \$34,497 due to the necessity of purchasing a new backhoe/loader.

## **NOTE 3 – INVESTMENTS**

The Town of Oakesdale's investments are insured, registered or held by the Town or its agent in the Town's name.

The investment on December 31, 2008, was in a time certificate of deposit with AmericanWest Bank in Oakesdale in the amount of \$650,000.00 and a money market account in the amount of \$177,958.99 totaling \$827,958.99.

## **NOTE 4 – PROPERTY TAXES**

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed monthly, usually mid-month. During the two collection periods each year, the County Treasurer does make the effort of paying the Town its funds twice per month, per our request, so that we have full use of our funds.

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

The Town's regular levy for 2008 was \$2.93 per \$1,000 on assessed valuation of \$14,318,564.00 for a total regular levy of \$41,898.98. The Town also ran special levies for 2008 for a total of \$ 50,000.00 – a Current Expense levy of \$30,000 and a Street levy of \$20,000. In 2008 the Town levied \$2.37 per \$1,000 for current expense for public safety to fund law enforcement and fire protection for a levy total of \$30,000. In 2008 the Town levied \$1.58 per \$1,000 for street maintenance for a levy total of \$20,000.

## **NOTE 5 – INTERFUND LOANS AND ADVANCES**

On 02/03/03 the Town of Oakesdale, by Resolution No. 2003-237 borrowed \$50,000.00 from the Sewer Reserve Fund No. 413 which was transferred to the Water/Sewer Fund No. 401 to provide financing for repairs to well #5. This sum together with 2% per annum is being repaid in 58 monthly payments of \$900.00 and one final payment of \$383.40. The last payment was made on December 16, 2008.

## **NOTE 6 – LONG-TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides a listing of outstanding debt of the Town and summarizes the Town's debt transactions for 2008. The debt service requirements, including interest, are as follows:

<u>Gen. Fire Bond</u>	<u>1980 W Red.</u>	<u>S. Repl. Res.</u>	<u>Total Debt</u>
2008	17,666.00	24,117.00	41,783.00
2009	17,666.00		17,666.00
2010	17,666.00		17,666.00
2011	17,666.00		17,666.00
2012	17,666.00		17,666.00
2013-2017	88,330.00		88,330.00
2018-2020	35,332.00		35,332.00
	<u>229,658.00</u>	<u>24,117.00</u>	<u>253,775.00</u>

## **NOTE 7 – PENSION PLANS**

Substantially all of the Town of Oakesdale's full-time and qualifying part-time employees participate in the Public Employees Retirement System (PERS) and Law Enforcement Officers and Firefighters (LEOFF) administered by the Department of Retirement Systems, under cost-sharing multiple-employer public employee retirement systems. Actuarial information is on a system-wide basis and is not considered pertinent to the Town's financial statements. Contributions to the system by both employee and employer are based upon gross wages covered by the plan.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

## **Note 8 – Risk Management**

The Town of Oakesdale is a member of the Association of Washington Cities Risk Management Service Agency (AWC RMSA). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC RMSA was formed on January 1, 1989 when 32 municipalities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, 86 municipalities/entities participate in the RMSA Pool.



The AWC RMSA allows members to establish a program of joint insurance and provides risk management services to all members. All coverages are on an occurrence basis. The AWC RMSA provides all risk property, comprehensive crime, general liability, automobile liability, police liability, public officials liability, employee fidelity and faithful performance, and boiler and machinery insurance coverage. Boiler and machinery is included with the property reinsurance carrier and employee fidelity coverage is a stand-alone policy that the AWC RMSA arranges for its members. The AWC RMSA also allows members to group purchase airport liability coverage.

Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. AWC RMSA, itself, pays out of its own funds all claims up to \$400,000 for liability and \$50,000 for property, and thereafter purchases excess liability insurance through ACE Insurance Company up to \$1 million, and CV Starr, from \$1 million to \$5 million. The excess property coverage is purchased through Allianz, using the Pool's broker, Arthur J. Gallagher Risk Management Services. AWC RMSA is a cooperative program; the members of the AWC RMSA are jointly liable.

Members contract to remain in the RMSA Pool a minimum of three years and must give an one-year notice before terminating participation. The Interlocal Governmental Agreement is renewed automatically each year. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period they were signatory to the Interlocal Governmental Agreement. The Pool is governed by a board of directors serving ex-officio as the AWC Board of Directors. The AWC RMSA establishes a loss fund for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

The specific financials of the AWC RMSA can be seen in the Annual Report on file with the Town of Oakesdale.

**TOWN OF OAKESDALE  
NOTES TO FINANCIAL STATEMENTS  
JANUARY 1, 2007 THROUGH DECEMBER 31, 2007**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**A. Fund Accounting**

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Each fund is accounted for with a separate set of single-entry accounts that comprise its cash, investments, revenues, and expenditures or expenses, as appropriate. The Town's resources are allocated to and accounted for individual funds depending on their intended purpose. The following are the fund types used by the Town.

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**Current Expense Fund**

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

**Special Revenue Funds**

These funds account for revenues that are legally restricted or designated to finance particular activities of the Town.

**Enterprise Funds**

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

**B. Basis of Accounting**

Basis of Accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Revenues are recognized only when cash is received and expenditures are recognized when paid, including those properly chargeable against the report year(s) budget appropriations as required by state law.

Purchases of fixed assets are expensed during the year of acquisition. There is no capitalization of fixed assets, nor allocation of depreciation expense. Inventory is expensed when purchased.

The basis of accounting described above represents a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

C. **Budgets**

Annual appropriated budgets are adopted for all funds. The financial statements include budgetary comparisons for those funds.

Annual appropriated budgets are adopted at the fund level. The budgets constitute legal authority for expenditures at that level. Annual appropriations for funds lapse at the fiscal period end.

The Town Clerk/Treasurer is authorized to transfer budgeted amounts 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 Town's legislative body.

D. **Cash**

It is the Town's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statements of fund resources and used arising from cash transactions. The interest on these investments is prorated to the various funds.

E. **Deposits**

The Federal Deposit Insurance Corporation and/or the Washington Public Deposit Protections Commission cover the Town's deposits and certificates of deposit.

F. **Investments** – See Note No. 3

G. **Fixed Assets**

Fixed assets are long-lived assets of the Town and are recorded as expenditures when purchased.

H. **Compensated Absences**

Vacation leave accrues up to four weeks per year. Vacation leave may be carried over for one year with the Mayor's approval. Vacation hours not used will be paid upon separation from Town.

Sick leave is accumulated at four hours per bi-monthly pay period. Employees may accrue up to 240 hours that can carry over from year to year not to exceed the 240 hours. Employees will not be paid for unused sick leave upon separation from the Town.

I. **Long Term Debt** – See Note No. 6

J. **Risk Management** – See Note No. 8

## **NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

There have been no material violations of finance-related legal or contractual provisions.

The Sewer Replacement Reserve Fund #413 exceeded appropriations by \$.42.

## **NOTE 3 – INVESTMENTS**

The Town of Oakesdale's investments are insured, registered or held by the Town or its agent in the Town's name.

The investment on December 31, 2007, was in a time certificate of deposit with AmericanWest Bank in Oakesdale in the amount of \$657,017.35 and a money market account in the amount of \$253,957.41 totaling \$910,974.76.

## **NOTE 4 – PROPERTY TAXES**

The County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed monthly, usually mid-month. During the two collection periods each year, the County Treasurer does make the effort of paying the Town its funds twice per month, per our request, so that we have full use of our funds.

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

The Town's regular levy for 2007 was \$3.10 per \$1,000 on assessed valuation of \$13,103,797.00 for a total regular levy of \$40,621.77. The Town also ran special levies for 2007 for a total of \$ 50,000.00 – a Current Expense levy of \$30,000 and a Street levy of \$20,000. In 2007 the Town levied \$2.37 per \$1,000 for current expense for public safety to fund law enforcement and fire protection for a levy total of \$30,000. In 2007 the Town levied \$1.58 per \$1,000 for street maintenance for a levy total of \$20,000.

## **NOTE 5 – INTERFUND LOANS AND ADVANCES**

On 02/03/03 the Town of Oakesdale, by Resolution No. 2003-237 borrowed \$50,000.00 from the Sewer Reserve Fund No. 413 which was transferred to the Water/Sewer Fund No. 401 to provide financing for repairs to well #5. This sum together with 2% per annum is being repaid in 58 monthly payments of \$900.00 and one final payment of \$383.40. The last payment will be made on December 28, 2008.

## **NOTE 6 – LONG-TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides a listing of outstanding debt of the Town and summarizes the Town's debt transactions for 2007. The debt service requirements, including interest, are as follows:

<u>Gen. Fire Bond</u>	<u>1980 W Red.</u>	<u>S. Repl. Res.</u>	<u>Total Debt</u>
2007	17,666.00	25,820.00	43,486.00
2008	17,666.00	24,117.00	41,783.00
2009	17,666.00		17,666.00
2010	17,666.00		17,666.00
2011	17,666.00		17,666.00
2012-2016	88,330.00		88,330.00
2017-2020	70,664.00		70,664.00
	<u>247,324.00</u>	<u>49,937.00</u>	<u>297,261.00</u>

## **NOTE 7 – PENSION PLANS**

Substantially all the town's full-time and qualifying part-time employees participate in Public Employees Retirement System (PERS) and Law Enforcement Officers and Firefighters (LEOFF) administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit and defined contribution retirement plans. Actuarial information is on a system-wide basis and is not considered pertinent to the town's financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits.

Historical trend or other information regarding each plan is presented in the Washington State Department of Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
PO Box 48380  
Olympia, WA 98504-8380

## **Note 8 – Risk Management**

The Town of Oakesdale is a member of the Association of Washington Cities Risk Management Service Agency (AWC RMSA). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC RMSA was formed on January 1, 1989, when 32 municipalities in the State of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, 84 municipalities/entities participate in the pool (as of 12/31/07).

The AWC RMSA allows members to establish a program of joint insurance and provides risk management services to all members. All coverages are on an occurrence basis. The AWC RMSA provides all risk property, comprehensive crime, general liability, automobile liability, police liability, public officials liability, employee fidelity and faithful performance, and boiler and machinery insurance coverage. Boiler and machinery is included with the property reinsurance carrier, as of June 1, 2005, and employee fidelity coverage is a stand-alone policy that the AWC RMSA arranges for its members. The AWC RMSA also allows members to group purchase airport liability coverage.

Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. AWC RMSA, itself, pays out of its own funds all claims up to \$400,000 for liability and \$25,000 for property, and thereafter purchases excess liability insurance through NLC Mutual Insurance Company up to \$1 million, and CV Starr, from \$1 million to \$5 million, with an additional \$5 million available for an additional cost. The excess property coverage is purchased through Affiliated FM, using the Pool's broker, Willis of Seattle, Inc. Since the AWC RMSA is a cooperative program, the members of the AWC RMSA are jointly liable.

Members contract to remain in the pool a minimum of one year and must give one-year notice before terminating participation. The Town of Oakesdale became a member on September 1, 1992. The Interlocal Governmental Agreement is renewed automatically each year. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Governmental Agreement. The Pool is governed by a board of directors serving ex-officio as the AWC Board of Directors.

The AWC RMSA establishes a loss fund for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

The specific financials of the AWC RMSA can be seen in the Annual Report on file with the Town of Oakesdale.

**G.O. Debt**  
**X Revenue Debt**  
**Assessment Debt**

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/08	Amount Issued in Current Year	BARS Code for Receipt	Receiving Fund Number	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/08
252.11	3/19/1980	3/19/2020	\$164,663.74	\$0.00			\$9,670.65	591.00.34	406	\$154,993.09
252.11	1989	7/1/2009	\$23,415.49	\$0.00			\$23,415.49	582.35.70	413	\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
										\$0.00
Total			\$188,079.23	\$0.00			\$33,086.14			\$154,993.09

**G.O. Debt**  
**X Revenue Debt**  
**Assessment Debt**

	221,114.69	0.00	33,035.48	188,079.21
<b>Total</b>				





## **ABOUT THE STATE AUDITOR'S OFFICE**

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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.

Our mission is to work in cooperation with our audit clients and citizens as an advocate for government accountability. 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.

The State Auditor's Office employees are located around the state to deliver our services effectively and efficiently.

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 and fraud, whistleblower and citizen hotline investigations.

The results of our work are widely distributed through a variety of reports, which are available on our Web site and through our free, electronic subscription service. We continue to refine our reporting efforts to ensure the results of our audits are useful and understandable.

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

**State Auditor**  
**Chief of Staff**  
**Deputy Chief of Staff**  
**Chief Policy Advisor**  
**Director of Audit**  
**Director of Special Investigations**  
**Director for Legal Affairs**  
**Director of Quality Assurance**  
**Local Government Liaison**  
**Communications Director**  
**Public Records Officer**  
**Main number**  
**Toll-free Citizen Hotline**

**Brian Sonntag, CGFM**  
**Ted Rutt**  
**Doug Cochran**  
**Jerry Pugnetti**  
**Chuck Pfeil, CPA**  
**Jim Brittain, CPA**  
**Jan Jutte, CPA, CGFM**  
**Ivan Dansereau**  
**Mike Murphy**  
**Mindy Chambers**  
**Mary Leider**  
**(360) 902-0370**  
**(866) 902-3900**

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