

Washington State Auditor's Office
Financial Statements Audit Report

City of Cle Elum
Kittitas County

Audit Period
January 1, 2009 through December 31, 2009

Report No. 1003875

Issue Date
July 12, 2010



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

July 12, 2010

Council
City of Cle Elum
Cle Elum, Washington

Report on Financial Statements

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

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

Sincerely,

BRIAN SONNTAG, CGFM
STATE AUDITOR

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Kittitas County
January 1, 2009 through December 31, 2009**

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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*

City of Cle Elum
Kittitas County
January 1, 2009 through December 31, 2009

Council
City of Cle Elum
Cle Elum, Washington

We have audited the financial statements of the City of Cle Elum, Kittitas County, Washington, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 22, 2010.

We conducted our audit 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 audit, we considered the City'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 City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

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.

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 deficiencies, 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 City's financial statements are free of 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*.

This report is intended for the information and use of management and the 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, cursive script.

BRIAN SONNTAG, CGFM
STATE AUDITOR

June 22, 2010

Independent Auditor's Report on Financial Statements

**City of Cle Elum
Kittitas County
January 1, 2009 through December 31, 2009**

Council
City of Cle Elum
Cle Elum, Washington

We have audited the accompanying financial statements of the City of Cle Elum, Kittitas County, Washington, for the year ended December 31, 2009. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion 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 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 audit provides a reasonable basis for our opinion.

As described in Note 1 to the financial statements, the City 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 City of Cle Elum, for the year ended December 31, 2009, 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 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 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 audit.

Our audit was performed for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying Schedule of Long-Term Debt 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 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

June 22, 2010

Financial Section

**City of Cle Elum
Kittitas County
January 1, 2009 through December 31, 2009**

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2009
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SUPPLEMENTAL INFORMATION

Schedule of Long-Term Debt – 2009

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Total for All Funds	Fund Number and Title	Fund Number and Title
		Total Amount	001 Current Expense	101 Street
Beginning Cash and Investments:		\$3,610,507	\$796,335	\$218,779
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$1,611,986	\$1,258,395	\$257,578
320	Licenses and Permits	\$63,251	\$63,251	\$0
330	Intergovernmental	\$840,494	\$216,383	\$238,118
340	Charges for Goods and Services	\$2,154,732	\$38,956	\$0
350	Fines and Penalties	\$60,297	\$47,306	\$0
360	Miscellaneous	\$344,603	\$27,239	\$20,404
370	Capital Contributions	\$190,695	\$0	\$0
390	Other Financing Sources	\$712,727	\$146,492	\$3,500
Total Revenues and Other Financing Sources		\$5,978,786	\$1,798,023	\$519,600
Total Resources		\$9,589,294	\$2,594,358	\$738,379
Operating Expenditures:				
510	General Government	\$557,607	\$479,878	\$0
520	Public Safety	\$1,218,655	\$1,099,562	\$0
530	Physical Environment	\$1,898,977	\$35,723	\$0
540	Transportation	\$859,742	\$0	\$395,329
550	Economic Environment	\$209,140	\$117,685	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$232,708	\$18,733	\$0
Total Operating Expenditures		\$4,976,830	\$1,751,580	\$395,329
591-593	Debt Service	\$237,525	\$0	\$0
594-595	Capital Outlay	\$329,069	\$14,462	\$159,818
Total Expenditures		\$5,543,423	\$1,766,042	\$555,147
597-599	Other Financing Uses	\$680,531	\$314,685	\$66,059
Total Expenditures and Other Financing Uses		\$6,223,953	\$2,080,727	\$621,205
Excess (Deficit) of Resources Over Uses		\$3,365,340	\$513,631	\$117,173
380	Nonrevenues (Except 384)	\$75,000	\$0	\$0
580	Nonexpenditures (Except 584)	\$138,059	\$0	\$0
Ending Cash and Investments:		\$3,302,282	\$513,631	\$117,173
508.10	Reserved	\$2,422,559	\$432,684	\$48,538
508.80	Unreserved	\$879,723	\$80,947	\$68,635

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		102 Drug Fund	104 Public Safety	Fire Truck
Beginning Cash and Investments:		\$7,697	\$0	\$60,223
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$17,936	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$756	\$8	\$1,504
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$0	\$80,880	\$5,000
Total Revenues and Other Financing Sources		\$756	\$98,823	\$6,504
Total Resources		\$8,453	\$98,823	\$66,727
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$98,635	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$0	\$98,635	\$0
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$0	\$98,635	\$0
597-599	Other Financing Uses	\$0	\$0	\$0
Total Expenditures and Other Financing Uses		\$0	\$98,635	\$0
Excess (Deficit) of Resources Over Uses		\$8,453	\$188	\$66,727
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$8,453	\$188	\$66,727
508.10	Reserved	\$0	\$0	\$66,727
508.80	Unreserved	\$8,453	\$188	\$0

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		106 Tourist	108 RE Excise	109 Police Equipment
Beginning Cash and Investments:		\$174,664	\$48,829	\$39,614
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$65,090	\$12,987	
320	Licenses and Permits	\$0	\$0	
330	Intergovernmental	\$0	\$0	\$1,847
340	Charges for Goods and Services	\$0	\$0	\$1,640
350	Fines and Penalties	\$0	\$0	\$12,992
360	Miscellaneous	\$389	\$83	\$2,969
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$0	\$3,100	\$3,600
Total Revenues and Other Financing Sources		\$65,479	\$16,170	\$23,047
Total Resources		\$240,143	\$64,999	\$62,660
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$20,459
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$85,223	\$52,202	\$0
Total Operating Expenditures		\$85,223	\$52,202	\$20,459
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$85,223	\$52,202	\$20,459
597-599	Other Financing Uses	\$5,000	\$0	\$0
Total Expenditures and Other Financing Uses		\$90,223	\$52,202	\$20,459
Excess (Deficit) of Resources Over Uses		\$149,920	\$12,798	\$42,202
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$149,920	\$12,798	\$42,202
508.10	Reserved	\$123,590	\$0	\$0
508.80	Unreserved	\$26,330	\$12,798	\$42,202

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		110 CoalMine Trail	111 Street Equip	112 W/S Equipment
Beginning Cash and Investments:		\$12,204	\$1,792	\$35,835
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$3,000	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$61	\$0	\$11,725
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$3,000	\$30,000	\$20,000
Total Revenues and Other Financing Sources		\$6,061	\$30,000	\$31,725
Total Resources		\$18,265	\$31,792	\$67,561
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$10,392	\$0	\$0
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$10,392	\$0	\$0
591-593	Debt Service	\$0	\$9,657	\$1,903
594-595	Capital Outlay	\$0	\$0	\$23,760
Total Expenditures		\$10,392	\$9,657	\$25,663
597-599	Other Financing Uses	\$0	\$0	\$0
Total Expenditures and Other Financing Uses		\$10,392	\$9,657	\$25,663
Excess (Deficit) of Resources Over Uses		\$7,873	\$22,135	\$41,898
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$7,754
Ending Cash and Investments:		\$7,873	\$22,135	\$34,144
508.10	Reserved	\$0	\$0	\$33,001
508.80	Unreserved	\$7,873	\$22,135	\$1,143

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		114-Bullgrog UGA	115 Liabilities	116 Technology
Beginning Cash and Investments:		\$8,322	\$94,661	\$20,303
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes		\$0	\$0
320	Licenses and Permits		\$0	\$0
330	Intergovernmental		\$0	\$0
340	Charges for Goods and Services	\$3,425	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$133,177	\$1,860	\$402
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$145,834	\$0	\$0
Total Revenues and Other Financing Sources		\$282,436	\$1,860	\$402
Total Resources		\$290,758	\$96,521	\$20,706
Operating Expenditures:				
510	General Government	\$75,684	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$67,680	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$143,364	\$0	\$0
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$143,364	\$0	\$0
597-599	Other Financing Uses	\$147,394	\$5,000	\$0
Total Expenditures and Other Financing Uses		\$290,758	\$5,000	\$0
Excess (Deficit) of Resources Over Uses		\$0	\$91,521	\$20,706
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$0	\$91,521	\$20,706
508.10	Reserved	\$0	\$91,521	\$20,706
508.80	Unreserved	\$0	\$0	\$0

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		117 Firemans Park	120 Central Cascade	121 Pines West
Beginning Cash and Investments:		\$0	\$0	\$0
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$76	\$15,253	\$10,473
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$561	\$0	\$0
Total Revenues and Other Financing Sources		\$637	\$15,253	\$10,473
Total Resources		\$637	\$15,253	\$10,473
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$6,571	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$30	\$0	\$0
Total Operating Expenditures		\$30	\$6,571	\$0
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$30	\$6,571	\$0
597-599	Other Financing Uses	\$0	\$4,027	\$417
Total Expenditures and Other Financing Uses		\$30	\$10,598	\$417
Excess (Deficit) of Resources Over Uses		\$607	\$4,655	\$10,056
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$607	\$4,655	\$10,056
508.10	Reserved	\$0	\$0	\$0
508.80	Unreserved	\$607	\$4,655	\$10,056

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		122 Business Park	123 Ridge Entities	124 MVOLLC
Beginning Cash and Investments:		\$0	\$0	\$0
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$0	\$29,348	\$14
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$0	\$0	\$11,076
Total Revenues and Other Financing Sources		\$0	\$29,348	\$11,090
Total Resources		\$0	\$29,348	\$11,090
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$15,724	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$0	\$15,724	\$0
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$0	\$15,724	\$0
597-599	Other Financing Uses	\$0	\$11,985	\$424
Total Expenditures and Other Financing Uses		\$0	\$27,710	\$424
Excess (Deficit) of Resources Over Uses		\$0	\$1,638	\$10,666
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$0	\$1,638	\$10,666
508.10	Reserved	\$0	\$0	\$0
508.80	Unreserved	\$0	\$1,638	\$10,666

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		125 Whisp. Pines	126 Horse Park	201 Debt Service
Beginning Cash and Investments:		\$0	\$0	\$10,649
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$10,309	\$1,504	\$18,463
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$0	\$0	\$90,222
Total Revenues and Other Financing Sources		\$10,309	\$1,504	\$108,685
Total Resources		\$10,309	\$1,504	\$119,335
Operating Expenditures:				
510	General Government	\$0	\$0	\$2,045
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$315	\$1,165	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$315	\$1,165	\$2,045
591-593	Debt Service	\$0	\$0	\$114,083
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$315	\$1,165	\$116,127
597-599	Other Financing Uses	\$829	\$0	\$3,100
Total Expenditures and Other Financing Uses		\$1,144	\$1,165	\$119,227
Excess (Deficit) of Resources Over Uses		\$9,165	\$339	\$108
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$9,165	\$339	\$108
508.10	Reserved	\$0	\$0	\$0
508.80	Unreserved	\$9,165	\$339	\$108

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		302 Firemans Park	305 Consultants	307 Capital Projects
Beginning Cash and Investments:		\$830	\$49,920	\$234,478
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$0	\$0
340	Charges for Goods and Services	\$0	\$0	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$302	\$10,383	\$3,696
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$0	\$0	\$0
Total Revenues and Other Financing Sources		\$302	\$10,383	\$3,696
Total Resources		\$1,132	\$60,303	\$238,173
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$571	\$0	\$0
Total Operating Expenditures		\$571	\$0	\$0
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$21,523	\$101,672
Total Expenditures		\$571	\$21,523	\$101,672
597-599	Other Financing Uses	\$561	\$20,000	\$0
Total Expenditures and Other Financing Uses		\$1,132	\$41,523	\$101,672
Excess (Deficit) of Resources Over Uses		\$0	\$18,780	\$136,501
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$0	\$18,780	\$136,501
508.10	Reserved	\$0	\$0	\$43,752
508.80	Unreserved	\$0	\$18,780	\$92,749

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		310 MVOLLC	401 Water/Sewer	402 Sanitary
Beginning Cash and Investments:		\$11,040	\$1,584,083	\$70,533
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$0	\$23,257	\$1,309
340	Charges for Goods and Services	\$0	\$1,699,874	\$410,660
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$36	\$40,582	\$296
370	Capital Contributions	\$0	\$190,695	\$0
390	Other Financing Sources	\$0	\$1,225	\$0
Total Revenues and Other Financing Sources		\$36	\$1,955,633	\$412,266
Total Resources		\$11,076	\$3,539,716	\$482,799
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$1,464,722	\$398,533
540	Transportation	\$0	\$0	\$0
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$0	\$0
Total Operating Expenditures		\$0	\$1,464,722	\$398,533
591-593	Debt Service	\$0	\$111,882	\$0
594-595	Capital Outlay	\$0	\$7,834	\$0
Total Expenditures		\$0	\$1,584,438	\$398,533
597-599	Other Financing Uses	\$11,076	\$79,375	\$10,600
Total Expenditures and Other Financing Uses		\$11,076	\$1,663,813	\$409,133
Excess (Deficit) of Resources Over Uses		\$0	\$1,875,903	\$73,666
380	Nonrevenues (Except 384)	\$0	\$75,000	\$0
580	Nonexpenditures (Except 584)	\$0	\$130,305	\$0
Ending Cash and Investments:		\$0	\$1,820,599	\$73,666
508.10	Reserved	\$0	\$1,446,295	\$50,027
508.80	Unreserved	\$0	\$374,304	\$23,639

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For The Year Ended December 31, 2009

BARS CODE		Fund Number and Title	Fund Number and Title	Fund Number and Title
		403 Airport	405 Library	500 City Shop
Beginning Cash and Investments:		\$57,660	\$31,633	\$40,423
	Prior Period Adjustments (388.80 and 588.80)	\$0	\$0	\$0
Revenues and Other Sources:				
310	Taxes	\$0	\$0	\$0
320	Licenses and Permits	\$0	\$0	\$0
330	Intergovernmental	\$339,579	\$17,000	\$0
340	Charges for Goods and Services	\$0	\$177	\$0
350	Fines and Penalties	\$0	\$0	\$0
360	Miscellaneous	\$2,367	\$527	\$400
370	Capital Contributions	\$0	\$0	\$0
390	Other Financing Sources	\$2,100	\$46,425	\$119,713
Total Revenues and Other Financing Sources		\$344,046	\$64,128	\$120,113
Total Resources		\$401,706	\$95,761	\$160,536
Operating Expenditures:				
510	General Government	\$0	\$0	\$0
520	Public Safety	\$0	\$0	\$0
530	Physical Environment	\$0	\$0	\$0
540	Transportation	\$316,121	\$0	\$137,901
550	Economic Environment	\$0	\$0	\$0
560	Mental and Physical Health	\$0	\$0	\$0
570	Culture and Recreation	\$0	\$75,949	\$0
Total Operating Expenditures		\$316,121	\$75,949	\$137,901
591-593	Debt Service	\$0	\$0	\$0
594-595	Capital Outlay	\$0	\$0	\$0
Total Expenditures		\$316,121	\$75,949	\$137,901
597-599	Other Financing Uses	\$0	\$0	\$0
Total Expenditures and Other Financing Uses		\$316,121	\$75,949	\$137,901
Excess (Deficit) of Resources Over Uses		\$85,585	\$19,812	\$22,635
380	Nonrevenues (Except 384)	\$0	\$0	\$0
580	Nonexpenditures (Except 584)	\$0	\$0	\$0
Ending Cash and Investments:		\$85,585	\$19,812	\$22,635
508.10	Reserved	\$25,014	\$18,464	\$22,240
508.80	Unreserved	\$60,571	\$1,348	\$395

Disclosure of reserved/unreserved fund balances is optional

The accompanying notes are an integral part of this Statement.

FIDUCIARY FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2009

	Total for All Funds	Fund Number and Title 630 Pangrazi Memorial	Fund Number and Title 631 Claims/Payroll	Fund Number and Title 699 Agency Fund
	Total Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments	\$266,523	\$31,318	\$217,206	\$17,999
Prior Period Adjustments	\$0	\$0	\$0	\$0
Revenues and Other Financing Sources	\$1,172	\$1,172	\$0	\$0
Total Resources	\$267,696	\$32,490	\$217,206	\$17,999
Expenditures and Other Financing Uses	\$38	\$38	\$0	\$0
Excess (Deficit) of Resources Over Uses	\$267,658	\$32,452	\$217,206	\$17,999
Nonrevenues (Except 384)	\$2,183,379	\$0	\$1,736,181	\$447,198
Nonexpenditures (Except 584)	\$2,398,614	\$1,016	\$1,953,387	\$444,211
Ending Cash and Investments	\$52,423	\$31,436	\$0	\$20,986
Reserved	\$30,965	\$30,965	\$0	\$0
Unreserved	\$21,457	\$471	\$0	\$20,986

The accompanying notes are an integral part of this Statement.

CITY OF CLE ELUM
NOTES TO FINANCIAL STATEMENTS
January 1, 2009 through December 31, 2009

NOTE 1 – SUMMARY OF ACCOUNTING POLICIES

The City of Cle Elum uses the revenue and expenditure classifications, statements, and schedules contained in the Cash Basis *Budgeting, Accounting and Reporting System* (BARS) manual. This basis of accounting and reporting is another comprehensive basis of accounting (OCBOA) that is prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW.

The City of Cle Elum was incorporated on February 12, 1902 and operates under the laws of the State of Washington applicable to a Second Class City. The City is a general purpose government and provides public safety, fire prevention, street improvements, parks and recreation and general administrative services. In addition, the City owns and operates a water system and water treatment plant, and owns and operates a sewer system and sewer treatment plant, with the exception of the sewer treatment plant operation being contracted with Veolia. The City uses a single-entry, cash basis accounting which is a departure from generally accepted accounting principles (GAAP).

a. Fund Accounting

The accounts of the City 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 comprises its cash, investment, revenues and expenditures, as appropriate. The City resources are allocated to and accounted for in individual funds depending on their intended purpose. The following are the fund types used by the City:

GOVERNMENTAL FUND TYPES:

General (Current Expense) Funds - 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 - 100

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

Debt Service Funds - 200

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt.

Capital Project Funds - 300

These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.

PROPRIETARY FUND TYPES:

Enterprise Funds - 400

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

Internal Service Funds - 500

This fund accounts for the financing of goods or services provided by one department to other departments of the governmental unit on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

Agency Funds – 600

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

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 City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous year.

Purchases of capital assets are expensed during the year of acquisition. There is no capitalization of capital 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

The City adopts annual appropriated budgets for all funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting. The appropriated and actual expenditures for the legally adopted budgets were as follows:

Fund Department	Final Appropriated	Actual Expenditures	Variance
Current Expense	\$2,441,590.00	\$2,080,726.47	\$360,863.53
Street	\$1,150,170.00	\$621,205.48	\$528,964.52
Drug Enforcement	\$5,100.00	\$0.00	\$5,100.00
Public Safety	\$103,330.00	\$98,634.83	\$4,695.17
Fire Equipment	\$300.00	\$0.00	\$300.00
Tourist Support	\$99,550.00	\$90,223.03	\$9,326.97
Real Estate Excise	\$69,100.00	\$52,201.58	\$16,898.42
Police Equipment	\$30,425.00	\$20,458.61	\$9,966.39
Coal Mine Trail	\$11,050.00	\$10,391.98	\$658.02
Street Equipment	\$15,000.00	\$9,656.54	\$5,343.46
Water/Sewer Equipment	\$33,775.00	\$33,416.65	\$358.35
Bullfrog Shortfall	\$356,180.00	\$290,757.76	\$65,422.24
Liabilities	\$5,000.00	\$5,000.00	\$0.00
Technology	\$0.00	\$0.00	\$0.00
Firemans Park	\$500.00	\$30.20	\$469.80
Cascade Land	\$17,750.00	\$10,597.88	\$7,152.12
Cle Elum Pines West	\$14,100.00	\$417.00	\$13,683.00
East Business Park	\$5,100.00	\$0.00	\$5,100.00
Ridge Entities	\$38,260.00	\$27,709.56	\$10,550.44
MVOLLCC	\$5,480.00	\$424.00	\$5,056.00
Whispering Pines	\$23,500.00	\$1,144.00	\$22,356.00
Horse Park	\$10,000.00	\$1,165.00	\$8,835.00
GO Debt Service	\$134,800.00	\$119,227.00	\$15,573.00
Firemans Park	\$1,845.00	\$1,131.89	\$713.11
Consultants	\$370,550.00	\$41,522.96	\$329,027.04
Capital Projects	\$240,000.00	\$101,672.38	\$138,327.62
MVOLLCC	\$30,350.00	\$11,075.68	\$19,274.32
Water/Sewer Fund	\$1,961,875.00	\$1,578,380.86	\$383,494.14
Sanitary	\$451,150.00	\$409,132.53	\$42,017.47
Airport	\$410,350.00	\$316,121.04	\$94,228.96
Library	\$84,150.00	\$75,948.93	\$8,201.07
Water/Sewer Reserve	\$63,500.00	\$42,000.00	\$21,500.00
Water/Sewer Bond	\$7,015.00	\$7,012.43	\$2.57
Water/Sewer Debt	\$243,548.00	\$242,186.55	\$1,361.45
Sewer Treatment	\$505,995.00	\$492,848.62	\$13,146.38
City Shop	\$162,700.00	\$137,900.56	\$24,799.44
Pangrazi Memorial	\$1,100.00	\$1,054.00	\$46.00
Agency Fund	\$522,600.00	\$444,211.14	\$78,388.86
Totals	\$9,626,788.00	\$7,375,587.14	\$2,251,200.86

The City Clerk or 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 city council.

d. Cash

It is the City'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 uses arising from cash transactions. At December 31, 2009, the Treasurer was holding \$45,744.90 on short term residual investments or surplus. The interest on these investments is credited to the Current Expense Fund.

e. Deposits

The City deposits and certificates of deposits are covered by the Federal Deposit Insurance Corporation (FDIC) and/or the Washington Public Deposit Protection Commission (PDPC).

f. Investments See Investment Note #3

g. Capital Assets

Capital assets are long-lived assets of the City and are recorded as expenditures when purchased.

h. Compensated Absences

Vacation leave may be accumulated to the amount of vacation an employee could have earned in two years and is payable upon separation or retirement.

Sick leave may be accumulated up to 1280 hours. Upon separation or retirement employees receive payment for unused sick leave not to exceed 25% of amount accumulated.

i. Long Term Debt See Long-Term Debt Note #6

j. Other Financing Sources or Uses

The City's "Other Financing Sources or Uses" include financial outflows to other funds without equivalent flows of assets in return or without a requirement for repayment.

k. Risk Management

The City of Cle Elum 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 136 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, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$500,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

In-house services include risk management consultation, loss control field services, claims and litigation administration, and loss analyses. WCIA contracts for the claims investigation consultants for personnel issues and land use problems, insurance brokerage, 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. These revenues directly offset portions of the membership's annual assessment.

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.

I. Reserved Fund Balance

The long term goal for the City is to obtain a rolling beginning fund balance in the Current Expense, Street, Water and Sewer, and Sanitary funds equal to twelve percent of the fund's operating budget, excluding the beginning fund balance and any significant one-time revenue. Any excess cash is to be either spent on one time purchases or transferred to reserves.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

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

There have been no expenditures exceeding legal appropriations in any of the funds of the City.

NOTE 3 - INVESTMENTS

The City's investments are insured, registered or held by the City or its agent in the City's name. Investments by type at December 31, 2009 are as follows:

<u>Type of Investment</u>	<u>City's Investments</u>	<u>Other Investments</u>	<u>Total</u>
Certificates of Deposit			
Sterling Savings	\$1,953,252	\$.00	\$1,953,252
Wells Fargo	\$ 500,271	\$.00	\$ 500,271
Treasurer's Surplus	\$ 45,775	\$.00	\$ 45,775
TOTAL INVESTMENTS			\$2,499,298

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 after the end of each month.

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 2009 was \$1.297042 per \$1,000 on an assessed valuation of \$350,637,268 for a total regular levy of \$454,791.26

NOTE 5 – INTERFUND LOANS AND ADVANCES

The Current Expense fund loaned the UGA Shortfall fund \$106,900. The city is in a mediation process with Suncadia regarding the funding for the City Administrator and the City Planner. Suncadia agreed to pay \$80,000 plus 10% of the Administrator and Planner salaries through the mediation process. As of December 31, 2010, the UGA fund transferred \$92,951.23 back to the Current Expense fund.

NOTE 6 – LONG TERM DEBT

The accompanying Schedule of Long-Term Debt (09) provides a listing of the outstanding debt of the City and summarizes the City's debt transactions for 2009. The debt service requirements, for the year 2009, including interest, are as follows:

	<u>Revenue Bonds</u>	<u>GO Debt</u>	<u>Short-Term Loan</u>
2009	\$ 242,186.53	\$ 112,265.00	\$ 19,313.19
2010	\$ 245,435.64	\$ 114,160.00	\$ 17,827.76
2011	\$ 245,171.76	\$ 95,870.00	\$ 16,341.93
2012	\$ 244,907.87	\$ 93,758.75	\$
2013	\$ 244,643.98	\$ 101,485.00	\$
2014-2018	\$1,219,261.63	\$ 436,437.50	\$
2019-2023	\$1,025,003.71	\$ 433,997.50	\$
2024-2028	\$ 736,305.00	\$ 125,575.00	\$
2029-2033	\$ 736,305.00	\$	\$
2034-2038	\$ 736,305.00	\$	\$
2039-2043	\$ 227,960.08	\$	\$
2044-2048	\$ 17,565.00	\$	\$
2049-2053	\$ 3,513.00	\$	\$
TOTALS	\$5,924,564.20	\$1,513,548.75	\$ 53,482.88

The Revenue Bond debt consists of the Department of Ecology Loan, the USDA Loan, and the PWTF Loan. The General Obligation Bond debt consists of Bonds to purchase the city hall building, Bonds to build the new fire station, and bonds to purchase property for a new city hall. The Short term loan was to purchase a grader. The City added new debt in 2009 through a 40 year loan with USDA and a \$60,000 grant to finish the Well Field Project.

NOTE 7 – PENSION PLANS

Substantially all City full-time and qualifying part-time employees participate in the PERS I, PERS 2 and LEOFF 2 retirement plans 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 City'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 Retirement Systems annual financial report. A copy of this report may be obtained by writing to:

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

OTHER DISCLOSURES

IN 2000 THE City of Cle Elum entered into an Inter local Agreement for Law Enforcement Services with South Cle Elum and Roslyn, which is administered and managed by the City of Cle Elum. There is also an oversight committee consisting of the respective Mayors of Cle Elum, South Cle Elum, and Roslyn. They are responsible for establishing law enforcement goals and objectives of the Police Department and address issues that may arise regarding this agreement. In the year 2009, South Cle Elum paid the City of Cle Elum \$39,211.12 and Roslyn paid the City of Cle Elum \$124,131.84.

In 2007, the City of Cle Elum, the City of Roslyn, and the Town of South Cle Elum passes a 3/10ths sales tax for public safety use, to go into effect January 1, 2008. The intent was to provide extra police officers and animal control. Roslyn and S. Cle Elum sent their funds to the City of Cle Elum, but on the advice of the State Auditor, the money was refunded until a determination was made by the State Attorney General Office regarding the use of the funds. In 2009, the City refunded to Roslyn \$46,914.17 and \$8,105.31 to S.Cle Elum. The City of Cle Elum expended their 3/10ths funds through the Current Expense fund until the State Auditor's office required it to be placed in a separate fund. A new Police Sales Tax Fund was created by Ordinance No. 1318 and funds for the remainder of the year were expended through the 104 Fund.

Schedule of Federal Awards for 2008 was changed to add the Historical Grant for \$7,000.00. It was originally placed on the state schedule but funds were passed through the WA State Department of Archaeology and Historic Preservation from the Department of the Interior National Park Service.

Schedule of State Awards for 2008 was changed to remove the Historical Grant, and to change the award amounts on the Oak Street Project and the Pine Davis Street Project. The Oak Street Project funded by TIB was lowered by \$103,815.33 to reflect the city share of the project. The Pine Davis Street Project funded by Distressed Sales Tax was lowered by \$180,053.00 to reflect the city share of the project.

MCAG#0463

CITY OF CLE ELUM

SCHEDULE 09

Page 1 of 2

X -G.O. Debt

SCHEDULE OF LONG TERM DEBT

For the Year Ending December 31, 2009

ID NO.	Date of Original Issue	Date of Maturity	Beginning Outstanding Debt 1/1/2009	Amount Issued in Current Yr	BARS Code for Receipt	Receiving Fund Number	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/2009
City Hall 251.11	2000	2010	\$70,000	\$0			\$35,000	591.71.19	201	\$35,000
Fire Hall 251.11	2003	2023	\$535,000	\$0			\$30,000	591.71.22	201	\$505,000
Grader 263.53	2008	2011	\$24,721	\$0			\$7,754	594.48.65	111	\$16,967
263.53	2008	2011	\$24,721	\$0			\$7,754	594.48.65	112	\$16,967
City Hall Property 251.11	2007	2026	\$470,000	\$0			\$0			\$470,000

TOTALS

\$1,124,441

\$0

\$80,507

\$1,043,934

**SCHEDULE OF LONG TERM DEBT
For the Year Ending December 31, 2009**

X -REVENUE DEBT

ID NO.	Date of Original Issue	Date of Maturity	Beginning Outstanding Debt 1/1/2009	Amount Issued in Current Yr	BARS Code for Receipt	Receiving Fund Number	Amount Redeemed Current Yr	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/2009
USDA 252.11	2000	2040	\$2,407,161	\$0			\$35,824	582.34.72	408	\$2,371,337
PWTF 252.11	2003	2023	\$791,666	\$0			\$52,778	582.35.72	408	\$738,888
DOE 252.11	1999	2019	\$437,876	\$0			\$41,702	582.35.72	408	\$396,174
USDA 252.11	2009	2049	\$0	\$75,000	382.2	401	\$0			\$75,000
TOTALS			\$3,636,703	\$75,000			\$130,305			\$3,581,398



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.

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.

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