

Washington State Auditor's Office
Financial Statements Audit Report

City of Colfax
Whitman County

Audit Period
January 1, 2009 through December 31, 2010

Report No. 1007314

Issue Date
April 16, 2012



WASHINGTON
BRIAN SONNTAG
STATE AUDITOR



**Washington State Auditor
Brian Sonntag**

April 16, 2012

Mayor and City Council
City of Colfax
Colfax, Washington

Report on Financial Statements

Please find attached our report on the City of Colfax'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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Whitman County
January 1, 2009 through December 31, 2010**

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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 Colfax
Whitman County
January 1, 2009 through December 31, 2010

Mayor and City Council
City of Colfax
Colfax, Washington

We have audited the financial statements of the City of Colfax, Whitman County, Washington, as of and for the years ended December 31, 2010 and 2009, and have issued our report thereon dated February 29, 2012.

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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits, 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 Mayor and City 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", is positioned above the printed name.

BRIAN SONNTAG, CGFM
STATE AUDITOR

February 29, 2012

Independent Auditor's Report on Financial Statements

**City of Colfax
Whitman County
January 1, 2009 through December 31, 2010**

Mayor and City Council
City of Colfax
Colfax, Washington

We have audited the accompanying financial statements of the City of Colfax, Whitman County, Washington, for the years ended December 31, 2010 and 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 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 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 Colfax, for the years ended December 31, 2010 and 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 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The report is intended for the information and use of the governing body and management of the City. 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

February 29, 2012

Financial Section

**City of Colfax
Whitman County
January 1, 2009 through December 31, 2010**

FINANCIAL STATEMENTS

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City of Colfax

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		Total for	001	104
		All Funds	General Fund	City ST Fund
		Total Amount	Actual Amount	Actual Amount
Beginning Cash and Investments				
308.10	Reserved	\$0.00	\$0.00	\$0.00
308.80	Unreserved	\$1,870,012.43	\$178,542.09	\$89,288.96
388.80 or 588.80	Prior Period Adjustments	\$0.00	\$0.00	\$0.00
Revenues and Other Sources				
310	Taxes	\$1,267,921.14	\$897,343.76	\$187,592.39
320	Licenses and Permits	\$20,277.54	\$20,277.54	\$0.00
330	Intergovernmental	\$301,666.42	\$122,260.60	\$63,029.92
340	Charges for Goods and Services	\$1,100,945.66	\$52.00	\$0.00
350	Fines and Penalties	\$29,837.36	\$29,837.36	\$0.00
360	Miscellaneous	\$19,467.27	\$10,479.49	\$352.23
370	Capital Contributions	\$0.00	\$0.00	\$0.00
390	Other Financing Sources	\$303,000.80	\$0.00	\$0.00
Total Revenues and Other Financing Sources		\$3,043,116.19	\$1,080,250.75	\$250,974.54
	Total Resources	\$4,913,128.62	\$1,258,792.84	\$340,263.50
Operating Expenditures:				
510	General Government	\$302,234.93	\$265,800.14	\$0.00
520	Public Safety	\$867,705.93	\$867,705.93	\$0.00
530	Physical Environment	\$809,334.21	\$0.00	\$0.00
540	Transportation	\$270,503.17	\$503.63	\$248,041.59
550	Economic Environment	\$0.00	\$0.00	\$0.00
560	Mental and Physical Health	\$727.05	\$727.05	\$0.00
570	Culture and Recreational	\$179,601.20	\$8,737.00	\$0.00
	Total Operating Expenditures	\$2,430,106.49	\$1,143,473.75	\$248,041.59
591-593	Debt Service	\$16,628.99	\$0.00	\$0.00
594-595	Capital Outlay	\$97,059.00	\$0.00	\$0.00
	Total Expenditures	\$2,543,794.48	\$1,143,473.75	\$248,041.59
597-599	Other Financing Uses	\$301,350.00	\$56,400.00	\$6,000.00
Total Expenditures and Other Financing Uses		\$2,845,144.48	\$1,199,873.75	\$254,041.59
Excess (Deficit) of Resources Over Uses		\$2,067,984.14	\$58,919.09	\$86,221.91
380	Nonrevenues (Except 384)	\$2,648,471.07	\$40,763.51	\$0.00
580	Nonexpenditures (Except 584)	\$2,685,082.10	\$39,920.86	\$0.00
Ending Cash and Investments:				
508.10	Reserved	\$0.00	\$0.00	\$0.00
508.80	Unreserved	\$2,031,373.11	\$59,761.74	\$86,221.91

1/ This column summarizes ALL reported funds, not just funds listed on this page

The Accompanying Notes Are An Integral Part Of This Statement.

City of Colfax

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

BARS CODE		310	401	402
		Arterial Street Improv Fund	Water Fund	Sewer Fund
		Actual Amount	Actual Amount	Actual Amount
Beginning Cash and Investments				
308.10	Reserved	\$0.00	\$0.00	\$0.00
308.80	Unreserved	\$0.08	\$273,452.47	\$169,924.09
388.80 or 588.80	Prior Period Adjustments	\$0.00	\$0.00	\$0.00
Revenues and Other Sources				
310	Taxes	\$0.00	\$0.00	\$0.00
320	Licenses and Permits	\$0.00	\$0.00	\$0.00
330	Intergovernmental	\$116,375.90	\$0.00	\$0.00
340	Charges for Goods and Services	\$0.00	\$518,079.40	\$538,104.17
350	Fines and Penalties	\$0.00	\$0.00	\$0.00
360	Miscellaneous	\$86.87	\$965.81	\$790.85
370	Capital Contributions	\$0.00	\$0.00	\$0.00
390	Other Financing Sources	\$0.00	\$0.00	\$0.00
Total Revenues and Other Financing Sources		\$116,462.77	\$519,045.21	\$538,895.02
	Total Resources	\$116,462.85	\$792,497.68	\$708,819.11
Operating Expenditures:				
510	General Government	\$0.00	\$0.00	\$0.00
520	Public Safety	\$0.00	\$0.00	\$0.00
530	Physical Environment	\$0.00	\$357,333.42	\$410,290.29
540	Transportation	\$0.00	\$0.00	\$0.00
550	Economic Environment	\$0.00	\$0.00	\$0.00
560	Mental and Physical Health	\$0.00	\$0.00	\$0.00
570	Culture and Recreational	\$0.00	\$0.00	\$0.00
	Total Operating Expenditures	\$0.00	\$357,333.42	\$410,290.29
591-593	Debt Service	\$0.00	\$0.00	\$0.00
594-595	Capital Outlay	\$0.00	\$0.00	\$0.00
	Total Expenditures	\$0.00	\$357,333.42	\$410,290.29
597-599	Other Financing Uses	\$0.00	\$145,400.00	\$93,550.00
Total Expenditures and Other Financing Uses		\$0.00	\$502,733.42	\$503,840.29
Excess (Deficit) of Resources Over Uses		\$116,462.85	\$289,764.26	\$204,978.82
380	Nonrevenues (Except 384)	\$0.00	\$0.00	\$0.00
580	Nonexpenditures (Except 584)	\$0.00	\$0.00	\$0.00
Ending Cash and Investments:				
508.10	Reserved	\$0.00	\$0.00	\$0.00
508.80	Unreserved	\$116,462.85	\$289,764.26	\$204,978.82

1/ This column summarizes ALL reported funds, not just funds listed on this page

The Accompanying Notes Are An Integral Part Of This Statement.

City of Colfax
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

	Total for	102	105	201	210
	All Funds 1/	Park Fund	Flood Control Storm Drain Fund	Main Street Bond Fund	Vactor Capital Lease Fund
	Total Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and	\$1,870,012.43	\$6,331.45	\$66,068.48	\$0.00	\$31,925.53
Prior Period Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue and Other Financing	\$3,043,116.19	\$154,723.45	\$33,910.21	\$0.00	\$107.22
Total Resources	\$4,913,128.62	\$161,054.90	\$99,978.69	\$0.00	\$32,032.75
Expenditures And Other	\$2,845,144.48	\$161,048.14	\$40,413.68	\$0.00	\$0.00
Excess (Deficit) of Resources	\$2,067,984.14	\$6.76	\$59,565.01	\$0.00	\$32,032.75
Nonrevenues (Except 384)	\$2,648,471.07	\$0.00	\$0.00	\$0.00	\$0.00
Nonexpenditures (Except 584)	\$2,685,082.10	\$0.00	\$0.00	\$0.00	\$0.00
Ending Cash and Investments	\$2,031,373.11	\$6.76	\$59,565.01	\$0.00	\$32,032.75

1/ This column summarizes ALL reported funds, not just funds listed on this page
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City of Colfax

FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

For the Year Ended December 31, 2010

	301	302	403	404	405	411
	Main Street Construction Fund	Capital Outlay Fund	Water-Sewer Cap-Outlay Fund	Bond Reserve & Redemp Fund	Public Works Proj Redemtn Fund	Water Service
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and	\$0.00	\$145,183.07	\$422,104.07	\$13,113.76	\$58,483.40	\$198,621.94
Prior Period Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue and Other	\$0.00	\$62,876.11	\$104,393.99	\$52.40	\$128,699.50	\$3,468.45
Total Resources	\$0.00	\$208,059.18	\$526,498.06	\$13,166.16	\$187,182.90	\$202,090.39
Expenditures And	\$0.00	\$59,688.35	\$37,370.65	\$0.00	\$16,628.99	\$23,254.77
Excess (Deficit) of	\$0.00	\$148,370.83	\$489,127.41	\$13,166.16	\$170,553.91	\$178,835.62
Nonrevenues (Except	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Nonexpenditures	\$0.00	\$0.00	\$0.00	\$0.00	\$108,541.41	\$0.00
Ending Cash and	\$0.00	\$148,370.83	\$489,127.41	\$13,166.16	\$62,012.50	\$178,835.62

1/ This column summarizes ALL reported funds, not just funds listed on this page

The Accompanying Notes Are An Integral Part Of This Statement.

City of Colfax
FUND RESOURCES AND USES ARISING FROM CASH TRANSACTIONS

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For the Year Ended December 31, 2010

	421	501	502	631	632
	Civic	Unemployment Comp Fund	Information Technology Fund	Payroll Fund	Claims Fund
	Actual Amount	Actual Amount	Actual Amount	Actual Amount	Actual Amount
Beginning Cash and	\$62,779.05	\$8,669.33	\$25,842.61	\$97,415.53	\$22,266.52
Prior Period Adjustments	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Revenue and Other Financing	\$18,514.88	\$29.66	\$30,712.03	\$0.00	\$0.00
Total Resources	\$81,293.93	\$8,698.99	\$56,554.64	\$97,415.53	\$22,266.52
Expenditures And Other	\$9,816.06	\$5,537.40	\$30,897.39	\$0.00	\$0.00
Excess (Deficit) of Resources	\$71,477.87	\$3,161.59	\$25,657.25	\$97,415.53	\$22,266.52
Nonrevenues (Except 384)	\$0.00	\$0.00	\$0.00	\$1,045,608.40	\$1,562,099.16
Nonexpenditures (Except 584)	\$0.00	\$0.00	\$0.00	\$1,032,237.33	\$1,504,382.50
Ending Cash and Investments	\$71,477.87	\$3,161.59	\$25,657.25	\$110,786.60	\$79,983.18

1/ This column summarizes ALL reported funds, not just funds listed on this page
The Accompanying Notes Are An Integral Part Of This Statement.

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

BAR CODES		Fund Number and Name		Fund Number and Name	
		001 General Fund		104 City Streets	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		278,540	278,540	155,223	155,223
Revenues and Other Sources					
310	Taxes	925,900	929,571	185,000	187,810
320	Licenses and Permits	50,600	31,660		
330	Intergovernmental	88,820	113,438	66,000	72,396
340	Charges for Goods and Services	500	851		
350	Fines and Forfeits	46,000	35,732		
360	Miscellaneous	19,200	8,359	3,600	983
390	Other Financing Sources				
<i>Total Revenues and Other Sources</i>		1,131,020	1,119,610	254,600	261,190
<i>Total Resources</i>		1,409,560	1,398,150	409,823	416,413
Operating Expenditures:					
510	General Government	269,168	249,580		
520	Security of Persons and Property	809,800	825,555		
530	Physical Environment	0	0		
540	Transportation	9,300	8,737	278,933	256,120
550	Economic Environment				
560	Mental and Physical Health	600	770		
570	Culture and Recreational	7,530	7,567		
<i>Total Operating Expenditures</i>		1,096,398	1,092,209	278,933	256,120
591-93	Debt Service				
594-96	Capital Outlay				
<i>Total Expenditures</i>		1,096,398	1,092,209	278,933	256,120
597-99	Other Financing Uses	62,400	62,400	6,000	6,000
<i>Total Expenditures and Other Uses</i>		1,158,798	1,154,609	284,933	262,120
Excess (Deficit) of Resources Over Uses		250,762	243,541	124,890	154,293
380	Nonrevenues (Except 384)	46,405	44,303		
580	Nonexpenditures (Except 584)	110,800	109,302	65,000	65,004
Ending Net Cash and Investments		186,367	178,542	59,890	89,289

The Accompanying Notes Are An Integral Part of This Statement

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

BAR CODES		Fund Number and Name	
		310 Arterial Street Fund	
		Budget	Actual
Beginning Net Cash and Investments		9,342	9,342
Revenues and Other Sources			
310	Taxes		
320	Licenses and Permits		
330	Intergovernmental	33,400	33,402
340	Charges for Goods and Services		
350	Fines and Forfeits		
360	Miscellaneous		31
390	Other Financing Sources		
Total Revenues and Other Sources		33,400	33,433
Total Resources		42,742	42,775
Operating Expenditures:			
510	General Government		
520	Security of Persons and Property		
530	Physical Environment		
540	Transportation		
550	Economic Environment		
560	Mental and Physical Health		
570	Culture and Recreational		
Total Operating Expenditures		0	0
591-93	Debt Service		
594-96	Capital Outlay	173,000	172,783
Total Expenditures		173,000	172,783
597-99	Other Financing Uses		
Total Expenditures and Other Uses		173,000	172,783
Excess (Deficit) of Resources Over Uses		-130,258	-130,008
380	Nonrevenues (Except 384)	130,008	130,008
580	Nonexpenditures (Except 584)		
Ending Net Cash and Investments		-250	0

The Accompanying Notes Are An Integral Part of This Statement

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

BARS CODE		Fund Number and Name		Fund Number and Name	
		401 WATER		402 SEWER	
		Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		255,823.99	255,823.99	121,245	121,245
Revenues and Other Sources					
310	Taxes				
320	Licenses and Permits				
330	Intergovernmental				
340	Charges for Goods and Services	493,600	513,250	496,300	535,930
350	Fines and Forfeits				
360	Miscellaneous	5,200	2,077	2,400	1,231
390	Other Financing Sources				
<i>Total Revenues and Other Sources</i>		498,800	515,327	498,700	537,161
<i>Total Resources</i>		754,624	771,151	619,945	658,406
Operating Expenditures:					
510	General Government				
520	Security of Persons and Property				
530	Physical Environment	352,392	352,799	394,225	387,121
540	Transportation				
550	Economic Environment				
560	Mental and Physical Health				
570	Culture and Recreational				
<i>Total Operating Expenditures</i>		352,392	352,799	394,225	387,121
591-93	Debt Service				
594-96	Capital Outlay				
<i>Total Expenditures</i>		352,392	352,799	394,225	387,121
597-99	Other Financing Uses	145,400	144,900	101,400	101,400
<i>Total Expenditures and Other Uses</i>		497,792	497,699	495,625	488,521
Excess (Deficit) of Resources Over Uses		256,832	273,452	124,320	169,885
380	Nonrevenues (Except 384)				39
580	Nonexpenditures (Except 584)				
Ending Net Cash and Investments		256,832	273,452	124,320	169,924

The Accompanying Notes Are An Integral Part of This Statement

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

Fund Type:	Fund Number and Name		Fund Number and Name	
	102 PARK		105 FLOOD/STORM DRAIN	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investment	50,685	50,685	49,631	49,631
Revenues and Other Financing Sources	147,096	149,385	40,200	39,298
Total Resources	197,781	200,070	89,831	88,929
Expenditures and Other Financing Uses	193,773	193,738	55,524	22,861
Excess (Deficit) of Resources Over Uses	4,008	6,332	34,307	66,068
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)				
Ending Net Cash and Investments	4,008	6,332	34,307	66,068

Fund Type:	Fund Number and Name		Fund Number and Name	
			210 VACTOR CAPITAL LEASE	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments			31,699	31,699
Revenues and Other Financing Sources	-		-	226
Total Resources	-	-	31,699	31,925
Expenditures And Other Financing Uses			-	-
Excess (Deficit) of Resources Over Uses	-	-	31,699	31,925
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)				
ending Net Cash and Investments	-	-	31,699	31,925

Fund Type:	Fund Number and Name		Fund Number and Name	
	301 MAIN ST CONSTR		302 CAPITAL OUTLAY	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments	-	-	129,138	129,138
Revenues and Other Financing Sources	-	-	75,000	60,824
Total Resources	-	-	204,138	189,962
Expenditures And Other Financing Uses	-	-	49,900	44,779
Excess (Deficit) of Resources Over Uses	-	-	154,238	145,183
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)				
Ending Net Cash and Investments	-	-	154,238	145,183

The Accompanying Notes Are An Integral Part of This Statement.

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	403 WA/SW CAPITAL Budget	Actual
Beginning Net Cash and Investment			367,773	367,773
Revenues and Other Financing Sources			117,000	109,477
Total Resources	-	-	484,773	477,250
Expenditures and Other Financing Uses			128,800	126,396
Excess (Deficit) of Resources Over Uses			355,973	350,854
Nonrevenues (Except 384)			80,000	71,250
Nonexpenditures (Except 584)				
Ending Net Cash and Investments	-	-	435,973	422,104

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
	404 WA/SW BOND		405 PUB WKS PROJECT RED	
Beginning Net Cash and Investments	13,021	13,021	45,084	45,084
Revenues and Other Financing Sources	1,100	93	131,750	130,664
Total Resources	14,121	13,114	176,834	175,748
Expenditures And Other Financing Uses			19,000	18,240
Excess (Deficit) of Resources Over Uses	14,121	13,114	157,834	157,508
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)			99,300	99,024
Ending Net Cash and Investments	14,121	13,114	58,534	58,484

Fund Type:	Fund Number and Name		Fund Number and Name	
	Budget	Actual	Budget	Actual
	411 WATER SERVICE LINE		421 CIVIC IMPROVEMENT	
Beginning Net Cash and Investments	214,251	214,251	52,354	52,354
Revenues and Other Financing Sources	21,000	8,066	17,500	18,064
Total Resources	235,251	222,317	69,854	70,418
Expenditures And Other Financing Uses	50,185	23,695	10,000	7,639
Excess (Deficit) of Resources Over Uses	185,066	198,622	59,854	62,779
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)				
Ending Net Cash and Investments	185,066	198,622	59,854	62,779

The Accompanying Notes Are An Integral Part of This Statement.

City of Colfax
Fund Resources and Uses Arising From Cash Transactions
For The Year Ended December 31, 2009

Fund Type:	Fund Number and Name		Fund Number and Name	
	501 UNEMPLOYMNT FUND		502 INFORMATION TECH FUND	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investment	8,608	8,608	15,787	15,787
Revenues and Other Financing Sources		61	38,000	39,292
Total Resources	8,608	8,669	53,787	55,079
Expenditures and Other Financing Uses	500		38,404	29,236
Excess (Deficit) of Resources Over Uses	8,108	8,669	15,382.84	25,843
Nonrevenues (Except 384)				
Nonexpenditures (Except 584)				
Ending Net Cash and Investments	8,108	8,669	15,382.84	25,843

Fund Type:	Fund Number and Name		Fund Number and Name	
	631 PAYROLL		632 CLAIMS	
	Budget	Actual	Budget	Actual
Beginning Net Cash and Investments		123,174		17,405
Revenues and Other Financing Sources				
Total Resources		123,174		17,405
Expenditures And Other Financing Uses				
Excess (Deficit) of Resources Over Uses		123,174		17,405
Nonrevenues (Except 384)		1,374,347		1,426,728
Nonexpenditures (Except 584)		1,400,106		1,421,866
ending Net Cash and Investments		97,416		22,267

The Accompanying Notes Are An Integral Part of This Statement.

CITY OF COLFAX
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Colfax uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual (Category 2). The manual is prescribed by the State Auditor's Office under the authority of the Washington State law, chapter 43.09 RCW.

The City of Colfax was incorporated in 1873 and operates under the laws of the State of Washington applicable to a second class city with a mayor-council form of government. The City is a general purpose government and provides water and sewer utility services, street maintenance, public safety with police, fire and building inspection services, parks for quality of life and general administrative services. The City uses 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, investments, revenues and expenditures as appropriate. The city's 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 Fund (Current Expense)

This fund is the primary operating fund of the city. It accounts for all financial resources and transactions except those required or elected 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 City. These revenues are derived from specific taxes, grants, or other sources. Special Revenue Funds of the City include the Park Fund, Flood Control/Storm Drain Fund, Capital Improvement Fund and City Street Fund.

Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt. City Debt Service Funds consist of the Public Works Project Redemption Fund.

Capital Projects Funds

These funds account for the financial resources which are designated for the acquisition and construction of general government capital improvements. Capital Project Funds of the City include the Capital Outlay Fund and the Water/Sewer Capital Outlay Fund.

Enterprise Funds:

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

Internal Service Funds:

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

Agency Funds:

These funds are used to account assets that the City holds for others in an agency capacity.

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

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 principals 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 the legal authority for expenditures at the level. Annual appropriations for all funds lapse at the fiscal period end.

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

Fund	Final Appropriated Amounts	Actual Expenditures	Variance
General Fund	\$1,245,098.00	\$1,244,544.62	\$(553.38)
Park Fund	\$162,807.00	\$161,048.14	\$(1,758.86)
Street Fund	\$259,406.00	\$254,041.59	\$(5,364.41)
Storm/Flood Fund	\$54,888.00	\$40,413.68	\$(14,474.32)
Vactor Capital Fund	\$ -	\$-	\$ -
Capital Fund	\$59,700.00	\$59,688.35	\$(11.65)
Arterial Street Fund			\$ -
Water Fund	\$507,440.00	\$502,733.42	\$(4,706.58)
Sewer Fund	\$505,013.00	\$503,840.29	\$(1,172.71)
Wa/Sw Capital Fund	\$37,681.00	\$37,370.65	\$(310.35)
Bond Reserve Fund	\$-	\$-	\$ -
PWPR Fund	\$127,000.00	\$125,170.40	\$(1,829.60)
Water Svc Line	\$50,185.00	\$23,254.77	\$(26,930.23)
Civic Imp Fund	\$10,000.00	\$9,816.06	\$(183.94)
Unemployment Fund	\$5,540.00	\$5,537.40	\$(2.60)
Information Tech Fund	\$38,404.00	\$30,897.39	\$(7,506.61)
	\$3,063,162.00	\$2,998,356.76	\$(64,805.24)

The City Treasurer is authorized to transfer budget amounts between departments with in 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 of Colfax's legislative body.

D. Cash

It is the policy of the City of Colfax 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. The interest on these investments is prorated to all funds.

At December 31, 2010, the city cash holdings consisted of cash in the city checking accounts for outstanding claims, and payroll.

Checking Account:	Outstanding Claims	79,983.18
	Outstanding Payroll	110,786.60
	General Fund	(94,379.10)
	Total Checking Account	<u>\$96,390.68</u>
	Petty Cash/Change Funds	550.00
	TOTAL CASH	\$96,940.68

There were uncleared checks totaling \$673.63 at year end bringing the actual Total Cash to \$97,267.05. See Schedule 11-2.

E. Deposits

City of Colfax deposits at year-end were entirely covered by the Federal Depository Insurance Corporation (FDIC) and the Washington State Public Deposit Protection Commission.

F. Investments

See note 3-Investments

H. Capital Assets

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

I. Compensated Absences

Vacation leave may be accumulated up to 240 hours (as of June 30) for all employees except the Fire Department. Fire Department employees can accumulate up to 360 hours. Vacation hours are payable upon separation or retirement.

Sick leave may be accumulated indefinitely. Upon separation or retirement employees do not receive payment for unused sick leave.

J. Long Term Debt

See Note 6 - Long Term Debt

K. Other Financing sources or uses

The City's other financing sources or uses consist of transfers In and Out to generate revenue in Capital and Debt Funds.

L. Risk Management

The City maintains insurance against most normal hazards except for unemployment insurance. The Unemployment Compensation Fund is responsible for collecting inter-fund transfers from the city funds and departments, if needed, for paying claim settlements. At December 31, 2010, the Unemployment Compensation Fund had \$3,161.59 available for unemployment claims.

The City of Colfax is a member of the Cities Insurance Association of Washington as of January 1, 1990. 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 Inter-local Cooperation Act. The pool was formed on September 1, 1988, when 34 cities in the State of Washington joined together by signing an: Inter-local Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Currently, the CIAW has 97 member cities and 162 associate members.

The insurance pool allows members to jointly purchase insurance coverage and provide related services such as administration, risk management, claims administration etc. Coverage for Public Officials Liability is on a "claims made basis." All other coverages are on an "occurrence basis." The pool provides the following forms of group purchased insurance coverage for its members: property, general liability, law enforcement liability, automobile liability, employment practices liability, boiler and machinery, bonds of various types, and public official's liability.

The insurance pool acquires liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is a joint liability among the participating members towards the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a Stop Loss Policy in the amount of \$5,500,000 to eliminate any risk to members and, in addition, fully funds the Stop Loss in the Budget.

Property insurance is subject to a per-occurrence deductible of \$10,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$9,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool the admittance fee. This amount covers the member's share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice before August 31, before terminating participation the following September 1. The Inter-local 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 Inter-local Governmental Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, Inc. which has been contracted to perform pool administration, claims adjustments and administration and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ended August 31, 2008 and 2009 were \$1,242,382 and \$1,321,289 respectively.

A governing board is selected by the membership and is responsible for conducting the business affairs of the pool. The Board of Directors has contracted with Canfield & Associates, Inc. to perform day-to-day administration of the pool. This pool has no employees. Copies of the pool's annual report may be obtained by writing to 451 Diamond Drive, Ephrata, WA 98823.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions. There have been no expenditures exceeding legal appropriations in any of the funds of the City of Colfax.

NOTE 3 - INVESTMENTS

The City investments are either insured, registered or held by the city or its agent in the Cities name.

Investments by type at December 31, 2010 are as follows:

Savings – Bank of Whitman	594,430.92
State of Washington Investment Pool	1,340,675.14
TOTAL INVESTMENTS	\$1,935,106.06

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 of Colfax. Delinquent taxes are considered fully collectible because a lien affixes to the property when taxes are levied.

The regular levy for the City of Colfax for 2010 was \$2.554764 per \$1,000 on an assessed valuation of \$144,283,478.00 for a total levy of \$368,610.29. In addition the city levied \$.7096 per thousand on an assessed valuation of \$105,688,817 to generate \$75,000 for a Park Levy approved by voters November 6, 2001. The Levy was payable in 2002. \$.73 cents is still outstanding as of Dec 31, 2010

NOTE 5 - INTERFUND ACTIVITY

There was not any interfund loan activity done in 2010.

NOTE 6 - LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt provides a listing of the outstanding debt of the City and summarizes the city's debt transactions for 2010. The annual requirements to amortize outstanding debt, including interest and capital lease payments, are as follows:

Year	Dept of Ecology	PWTF Improvements	Total Debt
2010	46,810	78,360	125,170
2011	46,810	77,222	124,032
2012	46,810	42,649	89,459
2013	46,810	41,843	88,653
2014	46,810	23,227	70,037
2015-19	234,052	91,718	325,770
2020-24	210,646	29,322	239,968
2025-29			
TOTAL	678,748	384,341	1,063,089

NOTE 7 - PENSION PLANS

Substantially all city full-time and qualifying part-time employees participate in Public Employees' Retirement System (PERS) or Law Enforcement Officers and Fire Fighters (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 City of Colfax financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits. The City of Colfax also makes payments to the Volunteer Firemen Relief and Pension Fund.

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 - OTHER DISCLOSURES

There are no other disclosures for 2010

CITY OF COLFAX
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Colfax uses the revenue and expenditure classifications contained in the Budgeting, Accounting and Reporting System (BARS) manual (Category 2). The manual is prescribed by the State Auditor's Office under the authority of the Washington State law, chapter 43.09 RCW.

The City of Colfax was incorporated in 1873 and operates under the laws of the State of Washington applicable to a second class city with a mayor-council form of government. The City is a general purpose government and provides water and sewer utility services, street maintenance, public safety with police, fire and building inspection services, parks for quality of life and general administrative services. The City uses 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, investments, revenues and expenditures as appropriate. The city's 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 Fund (Current Expense)

This fund is the primary operating fund of the city. It accounts for all financial resources and transactions except those required or elected 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 City. These revenues are derived from specific taxes, grants, or other sources. Special Revenue Funds of the City include the Park Fund, Flood Control/Storm Drain Fund, Capital Improvement Fund and City Street Fund.

Debt Service Funds

These funds account for the accumulation of resources to pay principal, interest and related costs on general long-term debt. City Debt Service Funds consist of the Public Works Project Redemption Fund.

Capital Projects Funds

These funds account for the financial resources which are designated for the acquisition and construction of general government capital improvements. Capital Project Funds of the City include the Capital Outlay Fund and the Water/Sewer Capital Outlay Fund.

Enterprise Funds:

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

Internal Service Funds:

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

Agency Funds:

These funds are used to account assets that the City holds for others in an agency capacity.

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

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 principals 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 the legal authority for expenditures at the level. Annual appropriations for all funds lapse at the fiscal period end.

The City Treasurer is authorized to transfer budget amounts between departments with in 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 of Colfax's legislative body.

D. Cash

It is the policy of the City of Colfax 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. The interest on these investments is prorated to all funds.

At December 31, 2009, the city cash holdings consisted of cash in the city checking accounts for outstanding claims, and payroll.

Checking Account:	Outstanding Claims	22,266.52
	Outstanding Payroll	97,415.53
	General Fund	53,090.78
	Total Checking Account	\$172,772.83
	Petty Cash/Change Funds	550.00
	TOTAL CASH	\$173,322.83

There were uncleared checks totaling \$48.27 at year end bringing the actual Total Cash to \$172,274.56. See Schedule 11-2.

E. Deposits

City of Colfax deposits at year-end were entirely covered by the Federal Depository Insurance Corporation (FDIC) and the Washington State Public Deposit Protection Commission.

F. Investments

See note 3-Investments

H. Fixed Assets

Fixed assets are long lived assets of the City of Colfax and are recorded as expenditures when purchased.

I. Compensated Absences

Vacation leave may be accumulated up to 240 hours (as of June 30) for all employees except the Fire Department. Fire Department employees can accumulate up to 360 hours. Vacation hours are payable upon separation or retirement.

Sick leave may be accumulated indefinitely. Upon separation or retirement employees do not receive payment for unused sick leave.

J. Long Term Debt

See Note 6 - Long Term Debt

K. Other Financing sources or uses

The City's other financing sources or uses consist of transfers In and Out to generate revenue in Capital and Debt Funds.

L. Risk Management

The City maintains insurance against most normal hazards except for unemployment insurance. The Unemployment Compensation Fund is responsible for collecting inter-fund transfers from the city funds and departments, if needed, for paying claim settlements. At December 31, 2008, the Unemployment Compensation Fund had \$8,252.44 available for unemployment claims.

The City of Colfax is a member of the Cities Insurance Association of Washington as of January 1, 1990. 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 Inter-local Cooperation Act. The pool was formed on September 1, 1988, when 34 cities in the State of Washington joined together by signing an: Inter-local Governmental Agreement to pool their self-insured losses and jointly

purchase insurance and administrative services. Currently, the CIAW has 97 member cities and 162 associate members.

The insurance pool allows members to jointly purchase insurance coverage and provide related services such as administration, risk management, claims administration etc. Coverage for Public Officials Liability is on a “claims made basis.” All other coverages are on an “occurrence basis.” The pool provides the following forms of group purchased insurance coverage for its members: property, general liability, law enforcement liability, automobile liability, employment practices liability, boiler and machinery, bonds of various types, and public officials liability.

The insurance pool acquires liability insurance from unrelated underwriters that are subject to a per-occurrence deductible of \$100,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$99,000. Insurance carriers cover insured losses over \$100,000 to the limits of each policy. Since the pool is a cooperative program, there is a joint liability among the participating members towards the sharing of the \$99,000 portion of the deductible. The pool, however, purchases a Stop Loss Policy in the amount of \$5,500,000 to eliminate any risk to members and, in addition, fully funds the Stop Loss in the Budget.

Property insurance is subject to a per-occurrence deductible of \$10,000. Members are responsible for the first \$1,000 of the deductible amount of each claim, while the pool is responsible for the remaining \$9,000.

Boiler and machinery insurance is subject to a per-occurrence deductible of \$2,500. Members are responsible for the deductible amount of each claim.

Each new member now pays the pool the admittance fee. This amount covers the member’s share of unrestricted reserves. Members contract to remain in the pool for a minimum of one year, and must give notice before August 31, before terminating participation the following September 1. The Inter-local 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 Inter-local Governmental Agreement.

The pool is fully funded by its member participants. Claims are filed by members with Canfield & Associates, Inc. which has been contracted to perform pool administration, claims adjustments and administration and loss prevention for the pool. Fees paid to the third party administrator under this arrangement for the year ended August 31, 2008 and 2009 were \$1,242,382 and \$1,321,289 respectively.

A governing board is selected by the membership and is responsible for conducting the business affairs of the pool. The Board of Directors has contracted with Canfield & Associates, Inc. to perform day-to-day administration of the pool. This pool has no employees. Copies of the pool’s annual report may be obtained by writing to 451 Diamond Drive, Ephrata, WA 98823.

NOTE 2 – COMPLIANCE AND ACCOUNTABILITY

There have been no material violations of finance-related legal or contractual provisions. There have been no expenditures exceeding legal appropriations in any of the funds of the City of Colfax.

NOTE 3 - INVESTMENTS

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

Savings – Bank of Whitman	359,980.85
State of Washington Investment Pool	<u>1,336,757.02</u>
TOTAL INVESTMENTS	\$1,696,737.87

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 of Colfax. Delinquent taxes are considered fully collectible because a lien affixes to the property when taxes are levied.

The regular levy for the City of Colfax for 2009 was \$2.5002 per \$1,000 on an assessed valuation of \$144,571,157 for a total levy of \$361,456.81. In addition the city levied \$.7096 per thousand on an assessed valuation of \$105,688,817 to generate \$75,000 for a Park Levy approved by voters November 6, 2001. The Levy was payable in 2002. \$.74 cents is still outstanding as of Dec 31, 2009.

NOTE 5 - INTERFUND ACTIVITY

There was an Interfund Loan from the General Fund and the Street Fund to the Arterial Street Improvement Fund in December of 2009 of \$130,008, with \$65,004 coming from each Fund.

Borrowing Fund	Lending Funds	Balance
310 Arterial Street	001 General Fund	\$65,004.00
	104 Street Fund	<u>\$65,004.00</u>
		\$130,008.00

NOTE 6 - LONG-TERM DEBT

The accompanying Schedule of Long-Term Debt provides a listing of the outstanding debt of the City and summarizes the city's debt transactions for 2009. The annual requirements to amortize outstanding debt, including interest and capital lease payments, are as follows:

Year	Dept Of Ecology	PWTF Improvements	Total Debt
2009	55,902	61,240	117,142
2010	46,810	60,191	107,001
2011	46,810	59,143	105,953
2012	46,810	24,655	71,465
2013	46,810	23,941	70,751
2014-18	234,052	108,994	343,046
2019-23	234,052	29,467	263,519
2024-28	23,405	5,807	29,212
TOTAL	734,651	373,437	1,108,088

The City received a Public Works Trust Fund Loan in 2009 of \$71,250. As of the end of 2009 no payment has been made and the City has not received a repayment schedule do to the project not being complete.. When completed this will be added to Note 6.

NOTE 7 - PENSION PLANS

Substantially all city full-time and qualifying part-time employees participate in Public Employees' Retirement System (PERS) or Law Enforcement Officers and Fire Fighters (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 City of Colfax financial statements. Contributions to the systems by both employee and employer are based upon gross wages covered by plan benefits. The City of Colfax also makes payments to the Volunteer Firemen Relief and Pension Fund.

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 - OTHER DISCLOSURES

There are no other disclosures for 2009

CITY OF COLFAX
SCHEDULE OF LONG TERM DEBT
For the Year Ended December 31, 2010

☐ G.O. Debt
☒ Revenue Debt
☐ Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/10	Amount Issued in Current Year	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/10
263.82 - Water System Improvements - East Hill Reservoir	6/91	7/11	\$66,878	\$0	\$33,439	582.34.78	405	\$33,439
263.82 - Fairview Booster West Hill Looping Project	10/01	10/19	\$137,051	\$0	\$13,705	582.34.70	405	\$123,346
263.82 WWTP Headworks -Replacement	06/04	06/24	\$607,765	\$0	\$37,807	582.35.70	405	\$569,958
263.82 Water Fairview Well House	07/04	07/24	\$86,667	\$0	\$5,778	582.34.70	405	\$80,889
263.82 Glenwood Land Purchase	03/09	03/29	\$71,250	\$0	\$17,813	582.34.70	405	\$53,438
Totals			\$969,611	\$0	\$108,541			\$861,070

CITY OF COLFAX
SCHEDULE OF LONG TERM DEBT
For the Year Ended December 31, 2009

☐ G.O. Debt
☒ Revenue Debt
☐ Assessment Debt

ID No.	Date of Original Issuance	Date of Maturity	Beginning Outstanding Debt 01/01/09	Amount Issued in Current Year	Amount Redeemed in Current Year	BARS Code for Redemption	Redeeming Fund Number	Ending Outstanding Debt 12/31/09
263.82 - Water System Improvements - East Hill Reservoir	6/91	7/11	\$100,317	\$0	\$33,439	582.34.78	405	\$66,878
263.90 - Hydrologic Study Loan	10/99	10/09	\$8,858	\$0	\$8,858	582.35.70	405	\$0
263.82 - Fairview Booster West Hill Looping Project	10/01	10/19	\$150,756	\$0	\$13,705	582.34.70	405	\$137,051
263.82 WWTP Headworks -Replacement	06/04	06/24	\$645,009	\$0	\$37,244	582.35.70	405	\$607,765
263.82 Water Fairview Well House	07/04	07/24	\$92,444	\$0	\$5,778	582.34.70	405	\$86,667
263.82 Glenwood Land Purchase	03/09	03/29	\$0	\$71,250	\$0	582.34.70	405	\$71,250
Totals			\$997,385	\$71,250	\$99,024			\$969,610



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 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 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 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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Deputy Chief of Staff
Chief Policy Advisor
Director of Audit
Director of Performance Audit
Director of Special Investigations
Director for Legal Affairs
Director of Quality Assurance
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Larisa Benson
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