



Office of the Washington State Auditor
Pat McCarthy

Financial Statements Audit Report

City of Grand Coulee

For the period January 1, 2020 through December 31, 2021

Published August 3, 2023

Report No. 1033034



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**Office of the Washington State Auditor
Pat McCarthy**

August 3, 2023

Mayor and City Council
City of Grand Coulee
Grand Coulee, Washington

Report on Financial Statements

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

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

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

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SCHEDULE OF AUDIT FINDINGS AND RESPONSES

City of Grand Coulee January 1, 2020 through December 31, 2021

2021-001 The City's internal controls over financial statement preparation were inadequate for ensuring accurate reporting.

Background

City management, state and federal agencies, and the public rely on the information included in financial statements and reports to make decisions. City management is responsible for designing, implementing, and maintaining internal controls that provide reasonable assurance the City's financial statements, notes, and required schedules are reliable and prepared and presented fairly in accordance with the *Budgeting, Accounting and Reporting System (BARS) Manual*.

Our audit identified a significant deficiency in the City's internal controls that hindered its ability to produce accurate financial statements. *Government Auditing Standards* requires the State Auditor's Office to communicate significant deficiencies in internal controls, as defined in the Applicable Laws and Regulations section below, as a finding.

Description of Condition

The City received findings in the previous four audits for inadequate controls over financial statement preparation. Although some of the City's financial statement preparation processes have improved, the current audit identified that some concerns remain.

We found the following deficiencies in internal controls over the City's financial reporting that, when taken together, represent a significant deficiency.

- City staff responsible for preparing annual financial statements lacked technical knowledge and experience needed to accurately prepare the financial statements, notes, and supplementary schedules.
- The City lacked an effective review process to ensure amounts reported in the financial statements and schedules agreed to the underlying accounting records and followed BARS Manual guidance.

Cause of Condition

The City has not dedicated the necessary time and resources to establish effective internal controls over preparing its financial statements. Additionally, the City has not designated someone to perform an independent review of financial activity, including financial statements and related schedules.

Effect of Condition

Inaccurate financial reports limit access to information that City officials, the public, state, and federal agencies, and other interested parties use. Inaccurate financial reports also hinder the audit process and increase audit costs.

As a result of the internal control deficiencies, we found the City:

- Understated its pension liability on the Schedule of Liabilities by \$35,951 in 2020
- Understated the Other Postemployment Benefit (OPEB) liability on the Schedule of Liabilities by \$527,756 in 2021
- Overreported beginning and ending cash and investments balances on the Fund Resources and Uses Arising from Cash Transactions (C-4) statement in 2020 and 2021 by \$52,605, due to an unreconciled error from prior years
- Omitted the municipal court's bank account balances, resulting in an understatement of cash and investments totaling about \$21,000 on the Fiduciary Fund Resources and Uses Arising from Cash Transactions (C-5) statement in 2020 and 2021
- Incorrectly classified ending cash and investments between unassigned, committed, assigned or restricted in six funds, by amounts ranging from \$37,184 to \$555,950

We also identified less significant errors in the City's financial statements, notes and supplementary schedules.

The City corrected all errors described above except the unreconciled \$52,605 error in cash and investments, and the omission of the \$21,000 municipal court cash and investments.

Recommendation

We recommend the City:

- Dedicate the necessary time and resources to establishing effective internal controls over preparing financial statements to ensure accuracy
- Establish an effective technical review process for the financial statements, notes, and supplementary schedules to ensure they agree to the underlying accounting records, supporting documentation, and meet BARS Manual reporting standards

City's Response

The city has taken the steps to correct the error to the pension liability and Other Post Employment Benefit Liability moving forward.

Previously the city accounts were not being reconciled on a regular basis and the city had not submitted an annual report for five years. The unreconciled amount has been carried forward for the past five years. The city has been unable to reconcile this amount and will be discussing making a prior year adjustment to remove this amount.

The court bank account is separate from the city's bank accounts. The city has previously only reported the court funds that have been deposited into the city's bank account to be submitted to Washington State. Moving forward the court account will be included in the city's overall financials.

The city has reclassified it's beginning and ending fund balances after the State Auditor's office provided further clarification on the classifications.

Auditor's Remarks

We appreciate the City's commitment to resolving the issues noted and will follow up during the next audit.

Applicable Laws and Regulations

Government Auditing Standards, July 2018 Revision, paragraphs 6.40 and 6.41 establish reporting requirements related to significant deficiencies or material weaknesses in internal control, instances of fraud, and noncompliance with provisions of laws, regulations, contracts, or grant agreements.

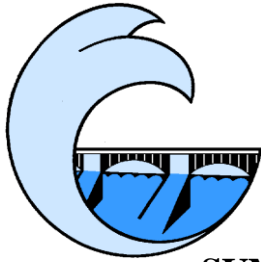
The American Institute of Certified Public Accountants defines significant deficiencies and material weaknesses in its *Codification of Statements on Auditing Standards*, section 265, Communicating Internal Control Related Matters Identified in an Audit, paragraph 7.

RCW 43.09.230, Local government accounting—Annual reports—Comparative statistics.

Budgeting, Accounting and Reporting System (BARS) Manual, 3.1.3, Internal Control

BARS Manual, 4.14.13, Liabilities (Schedule 09)

BARS Manual, 4.6, Notes to Financial Statements



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

City of Grand Coulee January 1, 2020 through December 31, 2021

This schedule presents the status of findings reported in prior audit periods.

Audit Period: 2018 – 2019	Report Ref. No.: 1028566	Finding Ref. No.: 2019-001				
Finding Caption: The City did not have adequate internal controls over financial statement preparation to identify new reporting requirements related to Other Post-Employment Benefits.						
Background: We identified a significant deficiency in internal controls over accounting and financial reporting. City staff responsible for compiling financial information did not have an adequate process to identify new reporting requirements related to OPEB. As a result of this control deficiency, the City did not properly implement required changes related to OPEB. This caused the following errors that management did not detect: <ul style="list-style-type: none">• The City did not report an OPEB liability of \$610,885 on its Schedule of Long-Term Liabilities.• The City omitted its OPEB liability disclosure in the Notes to the Financial Statements.						
Status of Corrective Action: <table><tr><td><input checked="" type="checkbox"/> Fully Corrected</td><td><input type="checkbox"/> Partially Corrected</td><td><input type="checkbox"/> Not Corrected</td><td><input type="checkbox"/> Finding is considered no longer valid</td></tr></table>			<input checked="" type="checkbox"/> Fully Corrected	<input type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid
<input checked="" type="checkbox"/> Fully Corrected	<input type="checkbox"/> Partially Corrected	<input type="checkbox"/> Not Corrected	<input type="checkbox"/> Finding is considered no longer valid			
Corrective Action Taken: <i>The clerk was new to the position at the time the annual report was completed and was unaware of the new requirement for OPEB reporting for cash basis entities. Since that time these liabilities have been reported annually.</i>						

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

City of Grand Coulee January 1, 2020 through December 31, 2021

Mayor and City Council
City of Grand Coulee
Grand Coulee, Washington

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the City of Grand Coulee, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated July 18, 2023.

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

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we identified certain deficiencies in internal control, described in the accompanying Schedule of Audit Findings and Responses as Finding 2021-001 that we consider to be significant deficiencies.

REPORT ON COMPLIANCE AND OTHER MATTERS

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

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

CITY'S RESPONSE TO FINDINGS

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying Schedule of Audit Findings and Responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

July 18, 2023

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

City of Grand Coulee January 1, 2020 through December 31, 2021

Mayor and City Council
City of Grand Coulee
Grand Coulee, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of the City of Grand Coulee, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, as listed in the financial section of our report.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of the City of Grand Coulee, and its changes in cash and investments, for the years ended December 31, 2021 and 2020, on the basis of accounting described in Note 1.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion, they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Grand Coulee, as of December 31, 2021 and 2020, or the changes in financial position or cash flows thereof for the years then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. As described in Note 1 of the financial statements, the financial statements are prepared by the City in accordance with state law using accounting practices prescribed by the BARS Manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the BARS Manual described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and

Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The Schedules of Liabilities 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 as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2023 on our consideration of the City's internal control over financial reporting and on the 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink, reading "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

July 18, 2023

FINANCIAL SECTION

City of Grand Coulee January 1, 2020 through December 31, 2021

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2021
Fund Resources and Uses Arising from Cash Transactions – 2020
Notes to Financial Statements – 2021
Notes to Financial Statements – 2020

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2021
Schedule of Liabilities – 2020

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		Total for All Funds (Memo Only)	001 Current Expense	101 Streets	108 Public Safety Tax
Beginning Cash and Investments					
308	Beginning Cash and Investments	3,076,666	674,703	32,132	33,125
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	874,982	691,643	-	58,088
320	Licenses and Permits	14,326	14,326	-	-
330	Intergovernmental Revenues	445,088	250,252	48,633	-
340	Charges for Goods and Services	2,531,027	1,054,792	-	-
350	Fines and Penalties	5,060	4,208	-	-
360	Miscellaneous Revenues	105,011	102,333	20	59
Total Revenues:		3,975,494	2,117,554	48,653	58,147
Expenditures					
510	General Government	178,747	178,747	-	-
520	Public Safety	1,375,939	1,375,939	-	-
530	Utilities	1,283,596	-	-	-
540	Transportation	138,294	-	138,294	-
550	Natural/Economic Environment	64,772	19,546	-	-
560	Social Services	5,006	5,006	-	-
570	Culture and Recreation	70,353	70,353	-	-
Total Expenditures:		3,116,707	1,649,591	138,294	-
Excess (Deficiency) Revenues over Expenditures:		858,787	467,963	(89,641)	58,147
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	93,578	-	90,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	13,393	6,592	-	-
Total Other Increases in Fund Resources:		106,971	6,592	90,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	212,600	67,296	-	-
591-593, 599	Debt Service	79,043	-	-	-
597	Transfers-Out	93,578	90,000	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	6,801	-	-	-
Total Other Decreases in Fund Resources:		392,022	157,296	-	-
Increase (Decrease) in Cash and Investments:		573,736	317,259	359	58,147
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	555,950	-	-	91,272
50841	Committed	2,364,165	298,853	17,781	-
50851	Assigned	37,184	-	14,711	-
50891	Unassigned	693,106	693,106	-	-
Total Ending Cash and Investments		3,650,405	991,959	32,492	91,272

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		109 Excise Tax	110 Stadium Reserve	198 Transportation Benefit District	301 Street Construction
Beginning Cash and Investments					
308	Beginning Cash and Investments	101,186	103,284	179,753	(2,865)
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	11,205	26,987	87,059	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	146,203
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	110	99	222	-
Total Revenues:		11,315	27,086	87,281	146,203
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	45,226	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	45,226	-	-
Excess (Deficiency) Revenues over Expenditures:		11,315	(18,140)	87,281	146,203
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	129,385
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	129,385
Increase (Decrease) in Cash and Investments:		11,315	(18,140)	87,281	16,818
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	112,501	85,143	267,034	-
50841	Committed	-	-	-	13,953
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		112,501	85,143	267,034	13,953

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		304 Capital Improvement Fund	311 Cumulative Reserve	410 Water	420 Sewer
Beginning Cash and Investments					
308	Beginning Cash and Investments	22,449	541,968	939,423	296,643
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	567,452	574,823
350	Fines and Penalties	-	-	852	-
360	Miscellaneous Revenues	23	-	1,151	805
Total Revenues:		23	-	569,455	575,628
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	480,802	463,226
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	480,802	463,226
Excess (Deficiency) Revenues over Expenditures:		23	-	88,653	112,402
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	3,578
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	6,801	-	-
Total Other Increases in Fund Resources:		-	6,801	-	3,578
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	15,919	-
591-593, 599	Debt Service	-	-	78,482	561
597	Transfers-Out	-	-	3,578	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	6,801
Total Other Decreases in Fund Resources:		-	-	97,979	7,362
Increase (Decrease) in Cash and Investments:		23	6,801	(9,326)	108,618
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	548,769	930,102	405,263
50851	Assigned	22,473	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		22,473	548,769	930,102	405,263

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		430 City Solid Waste
		<hr/>
Beginning Cash and Investments		
308	Beginning Cash and Investments	154,865
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	-
340	Charges for Goods and Services	333,960
350	Fines and Penalties	-
360	Miscellaneous Revenues	189
Total Revenues:		<hr/> 334,149
Expenditures		
510	General Government	-
520	Public Safety	-
530	Utilities	339,568
540	Transportation	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		<hr/> 339,568
Excess (Deficiency) Revenues over Expenditures:		<hr/> (5,419)
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		<hr/> -
Other Decreases in Fund Resources		
594-595	Capital Expenditures	-
591-593, 599	Debt Service	-
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	-
Total Other Decreases in Fund Resources:		<hr/> -
Increase (Decrease) in Cash and Investments:		<hr/> (5,419)
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	-
50841	Committed	149,444
50851	Assigned	-
50891	Unassigned	-
Total Ending Cash and Investments		<hr/> 149,444

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		Total for All Funds (Memo Only)	001 Current Expense	101 Streets	108 Public Safety Tax
Beginning Cash and Investments					
308	Beginning Cash and Investments	2,668,557	479,644	33,077	-
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	793,552	649,731	-	33,116
320	Licenses and Permits	15,381	15,381	-	-
330	Intergovernmental Revenues	429,325	111,312	48,807	-
340	Charges for Goods and Services	2,355,624	1,005,776	-	-
350	Fines and Penalties	12,118	6,941	-	-
360	Miscellaneous Revenues	20,336	8,091	116	9
Total Revenues:		3,626,336	1,797,232	48,923	33,125
Expenditures					
510	General Government	174,957	174,957	-	-
520	Public Safety	1,206,754	1,206,754	-	-
530	Utilities	1,152,099	-	-	-
540	Transportation	134,869	-	134,869	-
550	Natural/Economic Environment	20,174	8,820	-	-
560	Social Services	4,778	4,778	-	-
570	Culture and Recreation	65,151	65,151	-	-
Total Expenditures:		2,758,782	1,460,460	134,869	-
Excess (Deficiency) Revenues over Expenditures:		867,554	336,772	(85,946)	33,125
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	126,042	-	100,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	43,868	-	-	-
Total Other Increases in Fund Resources:		169,910	-	100,000	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	383,080	34,710	-	-
591-593, 599	Debt Service	78,861	-	-	-
597	Transfers-Out	126,043	107,000	15,000	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	41,368	-	-	-
Total Other Decreases in Fund Resources:		629,352	141,710	15,000	-
Increase (Decrease) in Cash and Investments:		408,112	195,062	(946)	33,125
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	417,348	-	-	33,125
50841	Committed	2,195,116	249,317	15,765	-
50851	Assigned	38,816	-	16,367	-
50891	Unassigned	425,386	425,386	-	-
Total Ending Cash and Investments		3,076,666	674,703	32,132	33,125

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		109 Excise Tax	110 Stadium Reserve	198 Transportation Benefit District	301 Street Construction
Beginning Cash and Investments					
308	Beginning Cash and Investments	89,712	92,757	100,493	23,252
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	10,894	21,292	78,519	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	269,206
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	580	589	742	-
Total Revenues:		11,474	21,881	79,261	269,206
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	11,354	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	11,354	-	-
Excess (Deficiency) Revenues over Expenditures:		11,474	10,527	79,261	269,206
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	15,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	-	-	15,000
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	310,323
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	310,323
Increase (Decrease) in Cash and Investments:		11,474	10,527	79,261	(26,117)
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	101,186	103,284	179,753	-
50841	Committed	-	-	-	(2,865)
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		101,186	103,284	179,753	(2,865)

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		304 Capital Improvement Fund	311 Cumulative Reserve	410 Water	420 Sewer
Beginning Cash and Investments					
308	Beginning Cash and Investments	18,000	570,000	926,153	192,889
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	526,914	502,708
350	Fines and Penalties	-	-	5,177	-
360	Miscellaneous Revenues	111	-	7,332	1,817
Total Revenues:		111	-	539,423	504,525
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	443,250	399,960
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	443,250	399,960
Excess (Deficiency) Revenues over Expenditures:		111	-	96,173	104,565
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	7,000	-	-	4,042
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	6,668	-	37,200
Total Other Increases in Fund Resources:		7,000	6,668	-	41,242
Other Decreases in Fund Resources					
594-595	Capital Expenditures	2,661	-	-	35,386
591-593, 599	Debt Service	-	-	78,861	-
597	Transfers-Out	-	-	4,043	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	34,700	-	6,668
Total Other Decreases in Fund Resources:		2,661	34,700	82,904	42,054
Increase (Decrease) in Cash and Investments:		4,450	(28,032)	13,269	103,753
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	541,968	939,423	296,643
50851	Assigned	22,449	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		22,449	541,968	939,423	296,643

The accompanying notes are an integral part of this statement.

City of Grand Coulee
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2020

		430 City Solid Waste
		<hr/>
Beginning Cash and Investments		
308	Beginning Cash and Investments	142,580
388 / 588	Net Adjustments	-
Revenues		
310	Taxes	-
320	Licenses and Permits	-
330	Intergovernmental Revenues	-
340	Charges for Goods and Services	320,226
350	Fines and Penalties	-
360	Miscellaneous Revenues	949
Total Revenues:		<hr/> 321,175
Expenditures		
510	General Government	-
520	Public Safety	-
530	Utilities	308,889
540	Transportation	-
550	Natural/Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		<hr/> 308,889
Excess (Deficiency) Revenues over Expenditures:		<hr/> 12,286
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	-
397	Transfers-In	-
385	Special or Extraordinary Items	-
381, 382, 389, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		<hr/> -
Other Decreases in Fund Resources		
594-595	Capital Expenditures	-
591-593, 599	Debt Service	-
597	Transfers-Out	-
585	Special or Extraordinary Items	-
581, 582, 589	Other Uses	-
Total Other Decreases in Fund Resources:		<hr/> -
Increase (Decrease) in Cash and Investments:		<hr/> 12,286
Ending Cash and Investments		
50821	Nonspendable	-
50831	Restricted	-
50841	Committed	154,865
50851	Assigned	-
50891	Unassigned	-
Total Ending Cash and Investments		<hr/> 154,865

The accompanying notes are an integral part of this statement.

CITY OF GRAND COULEE
NOTES TO FINANCIAL STATEMENTS
JANUARY 1, 2021 – DECEMBER 31, 2021

Note 1 - Summary of Significant Accounting Policies

The City of Grand Coulee was incorporated on November 5, 1935 and operates under the laws of the state of Washington applicable to a non-charter code city. The city is a general purpose local government and provides police, municipal court, fire and ambulance services, street maintenance and improvements, parks and recreation, library and general administrative services. In addition, the city owns and operates a water, sewer and garbage utility.

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

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

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund (001)

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

Special Revenue Funds (100-199)

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

Capital Projects Funds (300-399)

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

PROPRIETARY FUND TYPES:

Enterprise Funds (400-499)

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

FIDUCIARY FUND TYPES:

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

Custodial Funds (631-699)

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

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

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

C. Cash and Investments

See Note 3, *Deposits and Investments*.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$1000 and an estimated useful life in excess of 2 years. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 30 days, plus the current years leave allowance, and is payable upon separation or retirement.

Sick leave may be accumulated indefinitely. Upon separation or retirement employees do receive payment for up to 60 days of unused sick leave. Payments are recognized as expenditures when paid.

F. Long-Term Debt

See Note 5, *Debt Service Requirements*.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by City Council. When expenditures that meet restrictions are incurred, the city intends to use the most restricted resources first.

Note 2 – Budget Compliance

A. Budgets

The city adopts annual appropriated budgets for all operating funds of the city and capital reserve funds as needed. 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 follow:

Fund/Department	Final Appropriated	Actual Expenditures	Variance
001 General Fund:	\$1,892,181.00	\$1,844,422.46	\$ 47,758.54
006 Fire Equip. Reserve	\$ 86,500.00	\$ 3,588.04	\$ 82,911.96
007 Police Equip. Reserve	\$ 65,000.00	\$ 62,307.63	\$ 2,692.37
008 Finance Equip. Reserve	\$ 2,100.00	\$ 1,399.98	\$ 700.02
101 Street Fund	\$ 146,704.00	\$ 140,292.23	\$ 6,411.77
110 Stadium Fund	\$ 46,000.00	\$ 45,225.98	\$ 774.02
301 Street Construction	\$ 491,085.00	\$ 129,384.51	\$ 361,700.49
304 Capital Improvement	\$ 15,000.00	\$ 0.00	\$ 15,000.00
410 Water Fund	\$ 756,667.00	\$ 599,382.40	\$ 157,284.60
414 Water Deposits	\$ 1,990.22	\$ 0.00	\$ 1,990.22
420 Sewer Fund	\$ 646,556.00	\$ 491,919.98	\$ 154,636.02
430 Solid Waste Fund	\$ 339,111.00	\$ 339,670.38	\$ -559.38
	\$4,488,894.22	\$3,657,593.59	\$ 831,300.63

Budgeted amounts are authorized to be transferred between object classes within a department of a fund and between departments within a 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's legislative body.

The city makes every effort to adopt budget amendments as needed throughout the year. In 2021 the city adopted one budget amendment for an increase in expenditures of \$ 44,000.00.

The negative amount in the Solid Waste Fund is due to expenditures in the open period that were more than expected and it was not realized until too late to request a budget amendment.

Note 3 – Deposits and Investments

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is pro-rated to the various funds. As of December 31, 2021 the City had a balance of \$33,750 on hand in a North Cascades checking account. This ending balance includes the City's petty cash in the amount of \$600.00

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

Investments are reported at cost.

Investments by type at December 31, 2021 are as follows:

Type of Investment

L.G.I.P. **\$3,617,714.42**

Note 4 - Property Tax

The county treasurer acts as an agent to collect property tax 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 City. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City's regular levy for the year 2021 was \$2.2310844717 per \$1,000 on an assessed valuation of \$59,503,202 for a total regular levy of \$ 132,756.67.

Note 5 – Long-Term Debt

Debt Service

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the City and summarizes the City's debt transactions for year ended December 31, 2021.

The debt service requirements for general obligation bonds, revenue bonds and other debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 75,856.32	\$2,275.69	\$ 78,132.01
2023	\$ 75,856.31	\$1,896.41	\$ 77,752.72
2024	\$ 75,856.32	\$1,517.13	\$ 77,373.45
2025	\$ 75,856.31	\$1,137.84	\$ 76,994.15
2026	\$ 75,856.32	\$ 758.56	\$ 76,614.88
2027	\$ 75,684.09	\$ 379.28	\$ 76,063.37
TOTALS	<u>\$ 454,965.67</u>	<u>\$ 7,964.91</u>	<u>\$ 462,930.58</u>

In June 2018 the City's Public Works Trust Fund loan for the construction of the water intertie between Grand Coulee and Electric City was assigned to the Department of Health.

Note 6 - Interfund Loans

In January 2020 the city council passed Ordinance 1063 authorizing an interfund loan from Fund 311 Cumulative Reserve to Fund 420 Sewer for the purchase of a sewer jet. The ordinance allowed for up to \$40,000.00 The actual loan amount is \$34,700.00 payable over a five-year period at 2% interest.

The following table displays interfund loan activity during 2021:

Borrowing Fund	Lending Fund	Balance 1/1/2021	New Loans	Payments	Balance 12/31/2021
420	311	\$ 28,032.10		\$ 6,801.26	\$ 21,230.84

Note 7 – OPEB Plans

The City of Grand Coulee has a commitment to pay for post-employment benefits for employees that belong to LEOFF 1. These benefits include medical, vision, dental and long-term care. One (1) retiree received benefits during the year, a total of \$6,804.63 was paid out for those benefits in 2021. The City has an OPEB liability for LEOFF1 in the amount of \$589,017.00 This figure was calculated using ASA's AMM online tool.

Note 8 – Pension Plans

A. State Sponsored Pension Plans

Substantially all City full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS) and the Board for Volunteer Firefighters, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans PERS, LEOFF and or the Volunteer Firefighters Relief and Pension Fund. Employees have the option of participating in the State of Washington Deferred Compensation Pension Plan, over and above the above listed pension plans.

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

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

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

LEOFF Plan 1

The City participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of

the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

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

As of June 30, 2021 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, were as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1 UALL	19,919	0.002674%	32,656
PERS 2/3	32551	0.003436%	(342,281)
LEOFF 1		0.006513%	(223,122)
LEOFF 2	33,158.23	0.016634%	(966,172)

The City also participates in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. The City pays \$30.00 per year per volunteer. The City currently has 29 Volunteer Firefighters. The City paid \$870.00 in 2021. The City had a net pension asset, per the State Board for Volunteer Fire Fighters and Reserve Officers website in the amount of \$74,662.25. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at www.ofm.wa.gov.

NOTE 9 – JOINT VENTURES (JV)

JV #1 – GRAND COULEE/ELECTRIC CITY WASTEWATER TREATMENT FACILITY

The Wastewater Treatment Facility (WWTF) is owned jointly by the two governments. The City of Grand Coulee owns sixty three percent (63%) of the facility and the City of Electric City owns the remaining thirty seven percent (37%). There has been no change in this percentage since the inception of the joint venture, June 26, 1984. A five-member advisory board, comprised of five members, two of whom shall be councilmembers from Electric City and two of whom shall be councilmembers from Grand Coulee. The fifth board member shall be selected from the staff of the Wastewater Treatment Facility, the staff appointee shall serve in a non-voting capacity. The term of office of each Board Member shall be as follows: Initially one member appointed from each municipality shall serve for a period of two years and the remaining member from each municipality shall serve for a period of three years, the staff member shall be appointed to serve for one year. Upon the expiration of each

member's term after the initial term, each member of the Board will serve terms of two years or until their successors have been appointed. Vacancies on the board shall be filled by appointment of the authority which appointed the member whose position has been vacated. The governments do exercise specific control over the budgeting and financing of the WWTF activities.

Wastewater Treatment Facility revenues are derived from user fees, federal and state grants, and interest from investments. Non-routine expenditures over \$10,000 require board approval before submittal to municipalities. Participants in operating deficits are shared based on the joint agreement of Grand Coulee 63% and Electric City 37%. Contingent liability exists in the event of a revenue shortfall to be shared based on the joint agreement.

The Joint Board of Operation is responsible for overseeing the operation and maintenance of the facility. Each municipality approves the proposed annual budget. The approved proposal is then incorporated within the annual budget of the City of Grand Coulee.

Each municipality establishes sewage disposal charges sufficient to meet the treatment costs. The City of Grand Coulee manages disbursements. The City of Electric City pays each month to Grand Coulee a disposal charge of their share of the operation and maintenance costs and administration.

The WWTF is located on U. S. Bureau of Reclamation property.

The Wastewater Treatment Facility is a component unit of Grand Coulee and is classified as an enterprise fund within Grand Coulee, the reporting entity.

JV #2 – DELANO LANDFILL/TRANSFER STATION

DELANO LANDFILL/TRANSFER STATION

The Delano Landfill/Transfer Station is located between Electric City and Grand Coulee near the northern margin of Grant County and the Columbia Plateau in Central Washington. Delano Landfill/Regional Transfer Station is located on Grant County property within the City limits of Grand Coulee. The existing site is approximately 34.7 acres. The Landfill/Transfer Station currently receives waste from Grand Coulee, Electric City, Coulee Dam, Elmer City, the unincorporated areas surrounding the four cities, and the US Bureau of Reclamation.

The Delano Landfill history began October 1, 1968 when the Cities of Electric City, Grand Coulee, Coulee Dam and the Town of Elmer City ("the parties") joined a cooperative agreement for licensing and operating a sanitary landfill. On November 15, 1974 Grant County was designated as the lead agency for County Wide Solid Waste Disposal System. On January 1, 1984, the municipalities of Electric City, Grand Coulee, Coulee Dam and Elmer City formed the Regional Board of Mayors (RBOM'S) and entered into an agreement to lease the sanitary landfill from Grant County. On January 1, 1989 and May 8, 1995, the municipalities entered into agreements with Grant County to continue the sanitary landfill lease agreement. On January 10, 1984 the municipalities entered into an agreement assigning Coulee Dam as administrator of the trust fund,

and the Town of Coulee Dam established a fund of \$7,500.00 for closure costs of the landfill. On October 12, 1989, a new interlocal agreement was entered into and a 15% contribution from each community was established to pay for the future closure costs of the Landfill.

Currently, the Regional Board of Mayors oversees the operation of the Delano Landfill/Regional Transfer Station, along with recommending the user fees for the Landfill/Regional Transfer Station, for approval of each respective council. The City of Electric City prepares and submits the proposed annual budget for approval from the Regional Board, and then the approved proposal is incorporated within the budget ordinance for Electric City.

On August 13, 2007, the parties entered a new Interlocal Cooperative Agreement for the continued operation of the Regional Board of Mayors. The new Interlocal Cooperative Agreement outlines the working rules of the operation of the board. This agreement also established that the City of Grand Coulee shall maintain the books, records, documents, and other evidence and accounting procedures and practices, which sufficiently and accurately reflect all revenues and direct and indirect costs and shall be compensated a monthly 15% operational administrative fee.

All funds of the joint operations of all parties known as the “Regional Board of Mayors” shall be deposited in the public treasury of the City of Grand Coulee. On December 31, 2007, the Town of Coulee Dam submitted to the City of Grand Coulee the following fund balances.

• Regional Board Landfill Fund	\$ 294,501.05
• Regional Board Post Closure Fund	\$ 160,330.49
• Regional Board Closure Fund	<u>\$ 320,811.84</u>
Total	\$ 775,643.38

In 2008 the City of Grand Coulee established the Solid Waste Handling Fund and combined the Landfill Closure and Post Closure Funds together within their public treasury accounting.

In 2009, the RBOM’s authorized the purchase of \$35,000 for walking floor trailers from the Solid Waste Handling Fund. The RBOM’s determined the Solid Waste Handling Fund was not needed and transferred \$123,174.49 from the Solid Waste Handling Fund to the Landfill Closure & Post Closure to meet the 2009 Financial Assurance Plan Balance. Remaining Funds were returned to the Operation & Maintenance Landfill Fund, resulting in a zero balance in the Solid Waste Handling Fund. The 441 Solid Waste Handling Fund was closed.

On December 19, 2011 the parties entered into a 4th Addendum to the Interlocal Cooperative Agreement for the continued operation of the Regional Board of Mayors. The new Addendum transferred the administrative responsibilities from the City of Grand Coulee to the City of Electric City, effective January 1, 2012. This 4th Addendum also established an Audit Committee which shall be responsible for review and oversight of the books and records maintained by the Administrative City.

All funds of the joint operations of all parties known as the “Regional Board of Mayors” shall be deposited in the public treasury of the City of Electric City. On May 19, 2012, the City of Grand Coulee submitted to the City of Electric City \$171,625.20 and on April 9, 2013 submitted

\$333,606.83 for the Transfer Station Fund balance of \$505,232.03. On August 27, 2013 The City of Grand Coulee submitted \$985,715.00 to be deposited to the Post Closure Fund. Total fund balances submitted below:

• Regional Board Transfer Station Fund	\$ 505,232.03
• Regional Board Post Closure Fund	<u>\$ 985,715.00</u>
Total	\$1,490,947.03

The City of Electric City reported the 2021 ending fund balance for RBOM's funds within their public treasury as follows.

• Transfer Station Fund	\$ 235,244.71
• Transfer Station Post Closure Reserve Fund	<u>\$ 782,293.56</u>
Total	\$1,017,538.27

Complete financial statements may be obtained from the Electric City City Clerk, PO Box 130, Electric City, WA 99123 and the Grand Coulee City Clerk, PO Box 180, Grand Coulee, WA 99133. A member of the City of Electric City administrative staff is assigned to act as secretary for the Regional Board of Mayors.

The City of Electric City employs and supervises the transfer station personnel. Electric City is reimbursed for the actual costs of employment from the RBOM's funds held by the City of Electric City. Complete financial statements can be obtained from the City of Electric City, PO Box 130, Electric City, WA 99123.

In November 2007, a Final Closure, Post Closure and Financial Assurance Plans were prepared for the Delano Landfill Site. In November 2014 the Financial Assurance Plan was updated for current data information. Although the Plan states that an annual contribution to the Trust Fund would be \$13,248.00 the Regional Board of Mayors decided to keep that amount to \$15,000.00 to better meet future costs. In October 2015 the Financial Assurance Plan was updated for the current data information. The amount of needed funds for post-closure was raised by \$80,634.00 and the annual contribution of \$15,000.00 remained the same. A complete copy of these plans may be obtained from the Clerk's office of the City of Electric City.

In December 2007 the parties entered into an addendum to the Interlocal Cooperative Agreement for the financing and administration of Closure and Post Closure activities at the Delano Landfill. The Statement of Purpose for this addendum is for the parties to take all necessary action in cooperation with each other to meet their obligation to fulfill all landfill closure and post closure requirements and to be jointly responsible for funding all costs and expenses, including, but not limited to, the obligation to repay loan proceeds of \$856,900.00 obtained from the Public Works Trust Fund Loan Program of the State of Washington. A complete copy of the addendum may be obtained from the Clerk's office of the City of Grand Coulee.

DELANO REGIONAL TRANSFER STATION

In December 2007 the parties entered into an addendum to the Interlocal Cooperative Agreement for the financing and administration of Construction, Funding, and Operation of a Transfer Station.

The Statement of Purpose for this addendum is for the parties to take all necessary action in cooperation with each other to finance, construct, operate, and seek all necessary approvals from state, county, and local entities required for the construction and operation of a transfer station and for the transfer of waste from the transfer station to the Ephrata Landfill.

This addendum remains in effect for the term of the loans obtained to fund the construction of the transfer station, or so long as the transfer station is sufficient and adequate to serve the parties and they agree to continue its use, whichever period is longer.

During the term of this addendum, the parties agree to deliver all solid waste generated within each respective city, to the Transfer Station. Any contracts for solid waste collection within the four Cities must include a requirement that all collected solid waste be exclusively delivered to the transfer station. This exclusive utilization is necessary to meet the terms of repayment of the underlying loans from the Public Works Trust Fund Loan Program of the State of Washington in the amount of \$1,540,900.00 for the construction of the transfer station and continued maintenance and operation of the transfer station.

The parties may only terminate their participation prior to the full repayment of the underlying loans from the Public Works Trust Fund of the State of Washington, by paying, in advance, an early termination penalty in the amount of \$10,000.00 and its equitable share of the underlying loans and other expenses for the transfer station, which amounts shall be determined as follows:

$$D = \frac{a}{b} \times C$$

“D” represents equitable share of underlying loans and other expenses for Transfer Station

“a” represents average number of customers of withdrawing city for past 3 years

“b” represents average number of customers of all cities for past 3 years

“C” represents outstanding loan balances for construction of transfer station and closure and post closure of the Delano Landfill, plus each future year’s O & M costs and expenses for the transfer station based on the actual total O & M for the year preceding early termination adjusted by the change in Consumer Price Index using “West Urban-All Urban Consumers-All Items.

Note: If termination occurs prior to end of the first 3 years of transfer station operation, the ratio would be based upon the number of customers for the months of operation of the transfer station preceding termination.

A complete copy of the addendum may be obtained from the Clerk’s office of the City of Electric City.

During the period of January 1, 2021 through December 31, 2021 the parties jointly have the following outstanding loans and pending loans from State of Washington Public Works Trust Fund, for the construction of the Delano Regional Transfer Station, and the Closure of the Landfill.

Loan Agency	Date of Issue	Date of Maturity	Future Pending Loans	Beginning Outstanding Debt 1/1/2021	Amount Issued Current Year	Amount Redeemed Current Year	Ending Outstanding Debt 12/31/2021
PWTF 036 Transfer Station Loan	06/2008	06/2028	\$ -	\$ 654,875.00	\$ -	\$ 81,859.38	\$ 573,015.62
PWTF 035 Cell 1 Closure Loan	08/2008	08/2028	\$ -	\$ 295,699.53	\$ -	\$ 36,962.44	\$ 258,737.09
Totals			\$ -	\$ 950,574.53	\$ -	\$ 118,821.82	\$ 831,752.71

The debt service requirements for current outstanding loans, including interest, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u>
<u>2022</u>	<u>\$ 118,821.81</u>	<u>\$ 4,158.77</u>	<u>\$ 122,980.58</u>
<u>2023</u>	<u>\$ 118,821.82</u>	<u>\$ 3,564.65</u>	<u>\$ 122,386.47</u>
<u>2024</u>	<u>\$ 118,821.82</u>	<u>\$ 2,970.54</u>	<u>\$ 121,792.36</u>
<u>2025-2028</u>	<u>\$ 475,287.27</u>	<u>\$ 5,941.09</u>	<u>\$ 481,228.36</u>
<u>Total</u>	<u>\$ 831,752.72</u>	<u>\$ 16,635.05</u>	<u>\$ 848,387.77</u>

The parties have jointly agreed for financial reporting purposes that the outstanding loans since jointly owned by each entity will report their percentage of the outstanding loans and liabilities for landfill closure and post-closure on The Schedule of Liabilities, using the following formula: The amount billed to each entity from the contracted solid waste collection contractor (currently Sunrise Disposal) divided by the total statement of billings from the contracted solid waste collection contractor for the four entities.

For the period of January 1, 2021 to December 31, 2021 the total amount billed is as follows:

City of Electric City	\$ 143,018.30	0.244704716%
City of Grand Coulee	\$ 219,446.37	0.37547336%
Town of Coulee Dam	\$ 189,821.56	0.324785226%
Town of Elmer City	\$ <u>32,166.34</u>	0.055036699%
TOTAL	\$ 584,452.57	100%

NOTE 10 – GRAND COULEE MUNICIPAL COURT

The City of Grand Coulee has a municipal court as authorized under RCW. The municipal court maintains a separate bank account from the City's general government operations. The Municipal Court bank account is held at North Cascades National Bank in Grand Coulee. All revenues from both traffic and non-traffic citations are receipted in to the municipal court and deposited into the court's checking account. Each month the municipal court clerk is to reconcile the court's transactions, prepare the required remittance reports using the State Judicial Information System(JIS) and remit the collections to the City Treasurer of the City of Grand Coulee. The remittance reflects the distribution of court collections between city revenues and those to be

remitted to the State of Washington and/or Grant County. The City of Grand Coulee is a cash basis entity and records revenues when received, therefore the proceeds are recorded, then remitted from the Municipal Court Clerk to the City Treasurer. The recording of court proceeds are distributed to the City General fund for revenues classified as fines and penalties belonging to the city and for those proceeds that are required to be shared and remitted to the State and County Treasurer into a fiduciary fund titled "Treasurer's Suspense" fund. All court proceeds are held in a fiduciary capacity until the funds are remitted to the City Treasurer at the end of each month.

In February of 2013 the City of Grand Coulee hired a part time court clerk, since that time the Municipal Court bank account has been being reconciled on a monthly basis. The funds have been being remitted each month to the City, County and the State Treasurer. The funds held in the Municipal Court bank account are not recognized as revenues by the city, and therefore do not appear on the city's financial statements. The court clerk was able to reconcile all but \$21,178.46. The City will be contacting the Administrator of the Courts to see what steps can be taken to segregate these funds between the City, State Treasurer and the County. These funds have remained in the municipal court bank account in a fiduciary capacity.

In June of 2021 the City was notified by Grant County District Court that the agreement the City had with Grant County to provide a judge to service the municipal court was invalid due to a violation of judicial code of ethics. In January 2022 a new agreement was signed with Grant County. New citations issued after January 2022 will be issued into Grant County District Court naming the City of Grand Coulee as the plaintiff. The City will pay Grant County District Court \$30.00 per citation administrative fee. Grant County will distribute any collected moneys per the JIS report.

The City is working with Administrator of Courts on closing out Grand Coulee municipal court and transferring any eligible citations to Grant County District Court for further action.

The Grand Coulee Municipal Court bank account balance as of December 31, 2021 was \$21,178.46. This balance consists of \$21,178.46 still to be reconciled. The City is working with the Administrator of Courts to get this resolved.

Note 11– Risk Management

The City of Grand Coulee is a member of Cities Insurance Association of Washington (CIAW). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a program or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The program was formed on September 1, 1988, when 34 cities in the state of Washington joined together by signing an

Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of November 30, 2021, there are 192 members in the program.

The program provides the following forms of joint self-insurance and reinsurance coverage for its members: Property; including Automobile Comprehensive and Collision, Equipment Breakdown, and Crime Protection and Liability; including General, Automobile, Wrongful Acts and Cyber which are included to fit member's various needs.

The program acquires liability insurance through their administrator, Clear Risk Solutions, which is subject to a per-occurrence self-insured retention (SIR) of \$100,000. Members are responsible for a \$1,000 to \$10,000 deductible for each claim (can vary by member), while the program is responsible for the \$100,000 SIR. Since the program is a cooperative program, there is a joint liability among the participating members toward the sharing of the \$100,000 SIR, in addition to the deductible. The program also purchases a Stop Loss Policy as another layer of protection to its membership, with an attachment point of \$3,505,566, which is fully funded in its annual budget.

Property insurance is subject to a per-occurrence SIR of \$100,000. Members are responsible for a \$1,000 deductible for each claim (some members deductibles vary). The program bears the \$100,000 SIR, in addition to the deductible.

Crime insurance is subject to a per occurrence self-insured retention of \$25,000. Members are responsible for a \$1,000 deductible for each claim (some member deductibles vary). The program bears the \$25,000 SIR, in addition to the deductible.

Equipment Breakdown insurance is subject to a per-occurrence deductible of \$2,500 (cities and special districts) and \$500 (fire districts), which may vary per member, with the exception of Pumps & Motors, which is \$10,000. Members are responsible for the deductible amount of each claim. There is no program SIR on this coverage, with the exception of Pumps & Motors, which is \$15,000 and is covered by CIAW.

Cyber liability insurance is subject to a per-occurrence SIR of \$50,000. Members are responsible for a \$10,000 deductible for each claim, while the program is responsible for the remaining \$40,000 SIR.

Members contract to remain in the program for a minimum of one year and must give notice before December 1 to terminate participation the following December 1. The Interlocal Agreement is renewed automatically each year. In the event of termination, a member is still responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The program has no employees. Claims are filed by members/brokers with Clear Risk Solutions, who has been contracted to perform program administration, underwriting, claims adjustment, and loss prevention for the program. Fees paid to the third-party administrator under this arrangement for the year ending December 1, 2021, were \$2,772,986.77.

A board of ten members is selected by the membership from three geographic areas of the state on a staggered term basis and is responsible for conducting the business affairs of the program.

Note 12 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel and non-essential activities.

The city continued to provide services to the community during the COVID-19 Pandemic. Although the doors to the city offices were closed to the public, and remain so, staff remained on site and carried on daily routines. The community had several businesses that went out of business due to COVID, it is unknown at this time if these businesses will be re-established. The city continues to have outstanding utility accounts in the amount of \$ 54,704.22 as of December 31, 2020. As of, December 2021 the delinquent utility accounts have been reduced to approximately \$23,000.00. Utility customers were provided with the option to enter into a deferred pay agreement with the City for the delinquent amounts allowing them one year to pay the delinquent amounts.

In 2020 the city was eligible to receive \$32,660.00 in CARES funding. The city utilized \$ 28,484.55 to purchase laptops and computer equipment to allow city council to conduct online council meetings and to purchase cleaning supplies and PPE. The city offered the remaining \$6,215.45 to local businesses affected by the pandemic through a grant process. The city received only three grant applications and distributed a total of \$ 4,175.00 to those businesses.

In 2021 the City received the first of two tranches of SLFRF funds in the amount of \$146,417.00. In October 2021 council approved an expenditure of \$13,051.39 of the SLFRF funds for hazard mitigation at the wastewater treatment facility. Remaining funds will be utilized to re-chassis one of the city's ambulances and to replace a water main line.

Note 13 - Other Disclosures

October 31, 2017 the City of Grand Coulee created a Transportation Benefit District. June 19, 2018 the City of Grand Coulee assumed the Transportation Benefit District. The Transportation Benefit District is funded by a voter approved .01% sales tax that was implemented July 2018. These funds are to be used for street repairs and pedestrian/bicycle paths as approved. These funds are accounted for in Fund 198. As of December 31, 2021 there was \$ 267,034.24. There have been no expenditures to date.

CITY OF GRAND COULEE
NOTES TO FINANCIAL STATEMENTS
JANUARY 1, 2020 – DECEMBER 31, 2020

Note 1 - Summary of Significant Accounting Policies

The City of Grand Coulee was incorporated on November 5, 1935 and operates under the laws of the state of Washington applicable to a non-charter code city. The city is a general purpose local government and provides police, municipal court, fire and ambulance services, street maintenance and improvements, parks and recreation, library and general administrative services. In addition, the city owns and operates a water, sewer and garbage utility.

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

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

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund (001)

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

Special Revenue Funds (100-199)

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

Capital Projects Funds (300-399)

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

PROPRIETARY FUND TYPES:

Enterprise Funds (400-499)

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

FIDUCIARY FUND TYPES:

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

Custodial Funds (631-699)

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

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received and expenditures are recognized when paid.

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

C. Cash and Investments

See Note 3, *Deposits and Investments*.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$1000 and an estimated useful life in excess of 2 years. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 30 days, plus the current years leave allowance, and is payable upon separation or retirement.

Sick leave may be accumulated indefinitely. Upon separation or retirement employees do receive payment for up to 60 days of unused sick leave. Payments are recognized as expenditures when paid.

F. Long-Term Debt

See Note 5, *Debt Service Requirements*.

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments are reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by City Council. When expenditures that meet restrictions are incurred, the city intends to use the most restricted resources first.

Note 2 – Budget Compliance

A. Budgets

The city adopts annual appropriated budgets for all operating funds of the city and capital reserve funds as needed. 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 follow:

Fund/Department	Final Appropriated	Actual Expenditures	Variance
001 General Fund:	\$1,798,886.00	\$1,644,150.97	\$ 154,735.03
006 Fire Equip. Reserve	\$ 75,000.00	\$ 12,821.58	\$ 62,178.42
007 Police Equip. Reserve	\$ 50,000.00	\$ 10,500.00	\$ 39,500.00
101 Street Fund	\$ 155,265.00	\$ 154,867.70	\$ 397.30
110 Stadium Fund	\$ 19,000.00	\$ 11,323.88	\$ 7,646.12
301 Street Construction	\$ 1,052,694.00	\$ 310,323.28	\$ 742,370.72
304 Capital Improvement	\$ 12,000.00	\$ 2,661.22	\$ 10,047.81
311 Cumulative Reserve	\$ 34,700.00	\$ 34,700.00	\$ 0.0
410 Water Fund	\$ 630,614.00	\$ 595,567.19	\$ 10,047.81

414 Water Deposits	\$ 1,990.22	\$ 0.0	\$ 1,990.22
420 Sewer Fund	\$ 669,648.00	\$ 512,611.76	\$ 157,036.24
430 Solid Waste Fund	\$ 324,964.00	\$ 308,889.69	\$ 16,074.31
	\$4,799,762.22	\$3,606,790.71	\$1,192,971.51

Budgeted amounts are authorized to be transferred between object classes within a department of a fund and between departments within a 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's legislative body.

The city makes every effort to adopt budget amendments as needed throughout the year. In 2020 the city adopted four budget amendments for an increase in expenditures of \$ 156,423.00.

Note 3 – Deposits and Investments

It is the City's policy to invest all temporary cash surpluses. The interest on these investments was pro-rated to the various funds. As of December 31, 2020 the City had a balance of \$103,218.38 on hand in a North Cascades checking account. This ending balance includes the City's petty cash in the amount of \$600.00

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

Investments are reported at cost.

Investments by type at December 31, 2020 are as follows:

Type of Investment

L.G.I.P. \$2,974,242.62

Note 4 - Property Tax

The county treasurer acts as an agent to collect property tax 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 City. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City's regular levy for the year 2020 was \$2.3005214671 per \$1,000 on an assessed valuation of \$56,729,751 for a total regular levy of \$130,508.01.

Note 5 – Long-Term Debt

Debt Service

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the City and summarizes the City's debt transactions for year ended December 31, 2020.

The debt service requirements for general obligation bonds, revenue bonds and other debt are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 75,856.31	\$2,654.97	\$ 78,511.28
2022	\$ 75,856.32	\$2,275.69	\$ 78,132.01
2023	\$ 75,856.31	\$1,896.41	\$ 77,752.72
2024	\$ 75,856.32	\$1,517.13	\$ 77,373.45
2025	\$ 75,856.31	\$1,137.84	\$ 76,994.15
2026 – 2027	\$151,511.71	\$1,137.84	\$152,649.55
TOTALS	<u>\$ 530,793.28</u>	<u>\$ 10,619.88</u>	<u>\$ 541,413.16</u>

In June 2018 the City's Public Works Trust Fund loan for the construction of the water intertie between Grand Coulee and Electric City was assigned to the Department of Health.

Note 6 - Interfund Loans

In January 2020 the city council passed Ordinance 1063 authorizing an interfund loan from Fund 311 Cumulative Reserve to Fund 420 Sewer for the purchase of a sewer jet. The ordinance allowed for up to \$40,000.00 The actual loan amount is \$34,700.00 payable over a five year period at 2% interest.

The following table displays interfund loan activity during 2020:

Borrowing Fund	Lending Fund	Balance 1/1/2020	New Loans	Payments	Balance 12/31/2020
420	311	\$ 0.0	\$ 34,700.00	\$ 6,667.90	\$ 28,032.10

Note 7 – OPEB Plans

The City of Grand Coulee has a commitment to pay for post-employment benefits for employees that belong to LEOFF 1. These benefits include medical, vision, dental and long term care. One (1) retiree received benefits during the year a total of \$5,731.71 was paid out for those benefits in 2020. The City has an OPEB liability for LEOFF1 in the amount of \$663,359.00. This figure was calculated using ASA's AMM online tool.

Note 8 – Pension Plans

A. State Sponsored Pension Plans

Substantially all City full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS) and the Board for Volunteer Firefighters, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans PERS, LEOFF and or the Volunteer Firefighters Relief and Pension Fund. Employees have the option of participating in the State of Washington Deferred Compensation Pension Plan, over and above the above listed pension plans.

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

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

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Also, the DRS CAFR may be downloaded from the DRS website at www.drs.wa.gov.

LEOFF Plan 1

The City participates in LEOFF Plan 1. The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

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

As of June 30, 2020 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, were as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1 UALL	22,687	0.003130	110,506
PERS 2/3	37386	0.004058%	51,900
LEOFF 1		0.006362%	(120,147)
LEOFF 2	35758	0.018279%	(372,865)

The City also participates in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. The City pays \$30.00 per year per volunteer. The City currently has 19 Volunteer Firefighters. The City paid \$570.00 in 2020. The City had a net pension asset, per the State Board for Volunteer Fire Fighters and Reserve Officers website in the amount of \$103,406.95. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at www.ofm.wa.gov.

NOTE 9 – JOINT VENTURES (JV)

JV #1 – GRAND COULEE/ELECTRIC CITY WASTEWATER TREATMENT FACILITY

The Wastewater Treatment Facility (WWTF) is owned jointly by the two governments. The City of Grand Coulee owns sixty three percent (63%) of the facility and the City of Electric City owns the remaining thirty seven percent (37%). There has been no change in this percentage since the inception of the joint venture, June 26, 1984. A five-member advisory board, comprised of three council members from Grand Coulee and two council members from Electric City administers the WWTF. One member appointed from each municipality shall serve for a period of two years and one member from each municipality shall serve for a period of three years, and the third member from Grand Coulee shall serve for one year. The Chairman of the Board will alternate between each municipality annually. The governments do exercise specific control over the budgeting and financing of the WWTF activities.

Wastewater Treatment Facility revenues are derived from user fees, federal and state grants, and interest from investments. Non-routine expenditures over \$4,000 require board approval before submittal to municipalities. Participants in operating deficits are shared based on the joint agreement of Grand Coulee 63% and Electric City 37%. Contingent liability exists in the event of a revenue shortfall to be shared based on the joint agreement.

The Joint Board of Operation is responsible for overseeing the operation and maintenance of the facility. Each municipality approves the proposed annual budget. The approved proposal is then incorporated within the annual budget of the City of Grand Coulee.

Each municipality establishes sewage disposal charges sufficient to meet the treatment costs. The City of Grand Coulee manages disbursements. The City of Electric City pays each month to Grand

Coulee a disposal charge of their share of the operation and maintenance costs and administration.

The WWTF is located on U. S. Bureau of Reclamation property.

The Wastewater Treatment Facility is a component unit of Grand Coulee and is classified as an enterprise fund within Grand Coulee, the reporting entity.

JV #2 – DELANO LANDFILL/TRANSFER STATION

DELANO LANDFILL/TRANSFER STATION

The Delano Landfill/Transfer Station is located between Electric City and Grand Coulee near the northern margin of Grant County and the Columbia Plateau in Central Washington. Delano Landfill/Regional Transfer Station is located on Grant County property within the City limits of Grand Coulee. The existing site is approximately 34.7 acres. The Landfill/Transfer Station currently receives waste from Grand Coulee, Electric City, Coulee Dam, Elmer City, the unincorporated areas surrounding the four cities, and the US Bureau of Reclamation.

The Delano Landfill history began October 1, 1968 when the Cities of Electric City, Grand Coulee, Coulee Dam and the Town of Elmer City (“the parties”) joined a cooperative agreement for licensing and operating a sanitary landfill. On November 15, 1974 Grant County was designated as the lead agency for County Wide Solid Waste Disposal System. On January 1, 1984, the municipalities of Electric City, Grand Coulee, Coulee Dam and Elmer City formed the Regional Board of Mayors (RBOM’S) and entered into an agreement to lease the sanitary landfill from Grant County. On January 1, 1989 and May 8, 1995, the municipalities entered into agreements with Grant County to continue the sanitary landfill lease agreement. On January 10, 1984 the municipalities entered into an agreement assigning Coulee Dam as administrator of the trust fund, and the Town of Coulee Dam established a fund of \$7,500.00 for closure costs of the landfill. On October 12, 1989, a new interlocal agreement was entered into and a 15% contribution from each community was established to pay for the future closure costs of the Landfill.

Currently, the Regional Board of Mayors oversees the operation of the Delano Landfill/Regional Transfer Station, along with recommending the user fees for the Landfill/Regional Transfer Station, for approval of each respective council. The City of Electric City prepares and submits the proposed annual budget for approval from the Regional Board, and then the approved proposal is incorporated within the budget ordinance for Electric City.

On August 13, 2007, the parties entered a new Interlocal Cooperative Agreement for the continued operation of the Regional Board of Mayors. The new Interlocal Cooperative Agreement outlines the working rules of the operation of the board. This agreement also established that the City of Grand Coulee shall maintain the books, records, documents, and other evidence and accounting procedures and practices, which sufficiently and accurately reflect all revenues and direct and indirect costs and shall be compensated a monthly 15% operational administrative fee.

All funds of the joint operations of all parties known as the “Regional Board of Mayors” shall be deposited in the public treasury of the City of Grand Coulee. On December 31, 2007, the Town of Coulee Dam submitted to the City of Grand Coulee the following fund balances.

• Regional Board Landfill Fund	\$ 294,501.05
• Regional Board Post Closure Fund	\$ 160,330.49
• Regional Board Closure Fund	<u>\$ 320,811.84</u>
Total	\$ 775,643.38

In 2008 the City of Grand Coulee established the Solid Waste Handling Fund and combined the Landfill Closure and Post Closure Funds together within their public treasury accounting.

In 2009, the RBOM’s authorized the purchase of \$35,000 for walking floor trailers from the Solid Waste Handling Fund. The RBOM’s determined the Solid Waste Handling Fund was not needed and transferred \$123,174.49 from the Solid Waste Handling Fund to the Landfill Closure & Post Closure to meet the 2009 Financial Assurance Plan Balance. Remaining Funds were returned to the Operation & Maintenance Landfill Fund, resulting in a zero balance in the Solid Waste Handling Fund. The 441 Solid Waste Handling Fund was closed.

On December 19, 2011 the parties entered into a 4th Addendum to the Interlocal Cooperative Agreement for the continued operation of the Regional Board of Mayors. The new Addendum transferred the administrative responsibilities from the City of Grand Coulee to the City of Electric City, effective January 1, 2012. This 4th Addendum also established an Audit Committee which shall be responsible for review and oversight of the books and records maintained by the Administrative City.

All funds of the joint operations of all parties known as the “Regional Board of Mayors” shall be deposited in the public treasury of the City of Electric City. On May 19, 2012, the City of Grand Coulee submitted to the City of Electric City \$171,625.20 and on April 9, 2013 submitted \$333,606.83 for the Transfer Station Fund balance of \$505,232.03. On August 27, 2013 The City of Grand Coulee submitted \$985,715.00 to be deposited to the Post Closure Fund. Total fund balances submitted below:

• Regional Board Transfer Station Fund	\$ 505,232.03
• Regional Board Post Closure Fund	<u>\$ 985,715.00</u>
Total	\$1,490,947.03

The City of Electric City reported the 2020 ending fund balance for RBOM’s funds within their public treasury as follows.

• Transfer Station Fund	\$ 297,400.84
• Transfer Station Post Closure Reserve Fund	<u>\$ 828,247.92</u>
Total	\$1,125,648.76

Complete financial statements may be obtained from the Electric City City Clerk, PO Box 130, Electric City, WA 99123 and the Grand Coulee City Clerk, PO Box 180, Grand Coulee, WA 99133. A member of the City of Electric City administrative staff is assigned to act as secretary for the Regional Board of Mayors.

The City of Electric City employs and supervises the transfer station personnel. Electric City is reimbursed for the actual costs of employment from the RBOM's funds held by the City of Electric City. Complete financial statements can be obtained from the City of Electric City, PO Box 130, Electric City, WA 99123.

In November 2007, a Final Closure, Post Closure and Financial Assurance Plans were prepared for the Delano Landfill Site. In November 2014 the Financial Assurance Plan was updated for current data information. Although the Plan states that an annual contribution to the Trust Fund would be \$13,248.00 the Regional Board of Mayors decided to keep that amount to \$15,000.00 to better meet future costs. In October 2015 the Financial Assurance Plan was updated for the current data information. The amount of needed funds for post-closure was raised by \$80,634.00 and the annual contribution of \$15,000.00 remained the same. A complete copy of these plans may be obtained from the Clerk's office of the City of Electric City.

In December 2007 the parties entered into an addendum to the Interlocal Cooperative Agreement for the financing and administration of Closure and Post Closure activities at the Delano Landfill. The Statement of Purpose for this addendum is for the parties to take all necessary action in cooperation with each other to meet their obligation to fulfill all landfill closure and post closure requirements and to be jointly responsible for funding all costs and expenses, including, but not limited to, the obligation to repay loan proceeds of \$856,900.00 obtained from the Public Works Trust Fund Loan Program of the State of Washington. A complete copy of the addendum may be obtained from the Clerk's office of the City of Grand Coulee.

DELANO REGIONAL TRANSFER STATION

In December 2007 the parties entered into an addendum to the Interlocal Cooperative Agreement for the financing and administration of Construction, Funding, and Operation of a Transfer Station. The Statement of Purpose for this addendum is for the parties to take all necessary action in cooperation with each other to finance, construct, operate, and seek all necessary approvals from state, county, and local entities required for the construction and operation of a transfer station and for the transfer of waste from the transfer station to the Ephrata Landfill.

This addendum remains in effect for the term of the loans obtained to fund the construction of the transfer station, or so long as the transfer station is sufficient and adequate to serve the parties and they agree to continue its use, whichever period is longer.

During the term of this addendum, the parties agree to deliver all solid waste generated within each respective city, to the Transfer Station. Any contracts for solid waste collection within the four Cities must include a requirement that all collected solid waste be exclusively delivered to the transfer station. This exclusive utilization is necessary to meet the terms of repayment of the underlying loans from the Public Works Trust Fund Loan Program of the State of Washington in the amount of \$1,540,900.00 for the construction of the transfer station and continued maintenance and operation of the transfer station.

The parties may only terminate their participation prior to the full repayment of the underlying loans from the Public Works Trust Fund of the State of Washington, by paying, in advance, an

early termination penalty in the amount of \$10,000.00 and its equitable share of the underlying loans and other expenses for the transfer station, which amounts shall be determined as follows:

$$D = \frac{a}{b} \times C$$

“D” represents equitable share of underlying loans and other expenses for Transfer Station

“a” represents average number of customers of withdrawing city for past 3 years

“b” represents average number of customers of all cities for past 3 years

“C” represents outstanding loan balances for construction of transfer station and closure and post closure of the Delano Landfill, plus each future year’s O & M costs and expenses for the transfer station based on the actual total O & M for the year preceding early termination adjusted by the change in Consumer Price Index using “West Urban-All Urban Consumers-All Items.

Note: If termination occurs prior to end of the first 3 years of transfer station operation, the ratio would be based upon the number of customers for the months of operation of the transfer station preceding termination.

A complete copy of the addendum may be obtained from the Clerk’s office of the City of Electric City.

During the period of January 1, 2020 through December 31, 2020 the parties jointly have the following outstanding loans and pending loans from State of Washington Public Works Trust Fund, for the construction of the Delano Regional Transfer Station, and the Closure of the Landfill.

Loan Agency	Date of Issue	Date of Maturity	Future Pending Loans	Beginning Outstanding Debt 1/1/2020	Amount Issued Current Year	Amount Redeemed Current Year	Ending Outstanding Debt 12/31/2020
PWTF 036 Transfer Station Loan	06/2008	06/2028	\$ -	\$ 736,734.37	\$ -	\$ 81,859.37	\$ 654,875.00
PWTF 035 Cell 1 Closure Loan	08/2008	08/2028	\$ -	\$ 332,661.97	\$ -	\$ 36,962.44	\$ 295,699.53
Totals			\$ -	\$ 1,069,396.34	\$ -	\$ 118,821.81	\$ 950,574.53

The debt service requirements for current outstanding loans, including interest, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u>
<u>2021</u>	<u>\$ 118,821.82</u>	<u>\$ 4,752.88</u>	<u>\$ 123,574.70</u>
<u>2022</u>	<u>\$ 118,821.81</u>	<u>\$ 4,158.77</u>	<u>\$ 122,980.58</u>
<u>2023</u>	<u>\$ 118,821.82</u>	<u>\$ 3,564.65</u>	<u>\$ 122,386.47</u>
<u>2024</u>	<u>\$ 118,821.82</u>	<u>\$ 2,970.54</u>	<u>\$ 121,792.36</u>
<u>2025-2028</u>	<u>\$ 475,287.27</u>	<u>\$ 5,941.09</u>	<u>\$ 481,228.36</u>
<u>Total</u>	<u>\$ 950,574.54</u>	<u>\$ 21,387.93</u>	<u>\$ 971,962.47</u>

The parties have jointly agreed for financial reporting purposes that the outstanding loans since jointly owned by each entity will report their percentage of the outstanding loans and liabilities for landfill closure and post-closure on The Schedule of Liabilities, using the following formula: The amount billed to each entity from the contracted solid waste collection contractor (currently Sunrise Disposal) divided by the total statement of billings from the contracted solid waste collection contractor for the four entities.

For the period of January 1, 2020 to December 31, 2020 the total amount billed is as follows:

City of Electric City	\$	131,181.33	0.243475686%
City of Grand Coulee	\$	207,241.66	0.384645478%
Town of Coulee Dam	\$	171,527.10	0.318358400%
Town of Elmer City	\$	<u>28,836.07</u>	0.053520436%
TOTAL	\$	538,786.16	100%

NOTE 10 – GRAND COULEE MUNICIPAL COURT

The City of Grand Coulee has a municipal court as authorized under RCW. The municipal court maintains a separate bank account from the City’s general government operations. The Municipal Court bank account is held at North Cascades National Bank in Grand Coulee. All revenues from both traffic and non-traffic citations are receipted in to the municipal court and deposited into the court’s checking account. Each month the municipal court clerk is to reconcile the court’s transactions, prepare the required remittance reports using the State Judicial Information System(JIS) and remit the collections to the City Treasurer of the City of Grand Coulee. The remittance reflects the distribution of court collections between city revenues and those to be remitted to the State of Washington and/or Grant County. The City of Grand Coulee is a cash basis entity and records revenues when received, therefore the proceeds are recorded, then remitted from the Municipal Court Clerk to the City Treasurer. The recording of court proceeds are distributed to the City General fund for revenues classified as fines and penalties belonging to the city and for those proceeds that are required to be shared and remitted to the State and County Treasurer into a fiduciary fund titled “Treasurer’s Suspense” fund. All court proceeds are held in a fiduciary capacity until the funds are remitted to the City Treasurer at the end of each month.

In February of 2013 the City of Grand Coulee hired a part time court clerk, since that time the Municipal Court bank account has been being reconciled on a monthly basis. The funds have been being remitted each month to the City, County and the State Treasurer. The funds held in the Municipal Court bank account are not recognized as revenues by the city, and therefore do not appear on the city’s financial statements. The court clerk was able to reconcile all but \$21,178.46. The City will be contacting the Administrator of the Courts to see what steps can be taken to segregate these funds between the City, State Treasurer and the County. These funds have remained in the municipal court bank account in a fiduciary capacity.

The Grand Coulee Municipal Court bank account balance as of December 31, 2020 was \$21,592.46. This balance consists of \$21,178.46 still to be reconciled plus \$ 414.00 in municipal court collections for the month of December 2020.

Note 11– Risk Management

The City of Grand Coulee is a member of Cities Insurance Association of Washington (CIAW). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a program or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The program was formed on September 1, 1988, when 34 cities in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 1, 2020, there are 193 members in the program.

The program provides the following forms of joint self-insurance and reinsurance coverage for its members: Property; including Automobile Comprehensive and Collision, Equipment Breakdown, and Crime Protection and Liability; including General, Automobile, and Wrongful Acts, which are included to fit member's various needs.

The program acquires liability insurance through their administrator, Clear Risk Solutions, which is subject to a per-occurrence self-insured retention (SIR) of \$100,000, with the exception of Wrongful Acts and Law Enforcement Liability, which have a self-insured retention of \$25,000. Members are responsible for a \$1,000 to \$10,000 deductible for each claim, while the program is responsible for the \$100,000 retention. Since the program is a cooperative program, there is a joint liability among the participating members toward the sharing of the \$100,000 of the self-insured retention, in addition to the deductible. The program also purchases a Stop Loss Policy as another layer of protection to its membership, with an attachment point of \$2,147,814.

Property insurance is subject to a per-occurrence self-insured retention of \$25,000. Members are responsible for a \$1,000 deductible for each claim. The program bears the \$25,000 self-insured retention, in addition to the deductible.

Privacy and Network Liability coverage is offered with a \$10,000 member deductible and \$25,000 self-insured retention. The CIAW is responsible for the \$15,000 balance.

Equipment Breakdown insurance is subject to a per-occurrence deductible of \$2,500, which may vary per member, with the exception of Pumps & Motors, which is \$10,000. Members are responsible for the deductible amount of each claim. There is no program self-insured retention on this coverage, with the exception of Pumps & Motors, which is \$15,000 and is covered by CIAW.

Members contract to remain in the program for a minimum of one year, and must give notice before December 1 to terminate participation the following December 1. The Interlocal Agreement is renewed automatically each year. In the event of termination, a member is still responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

A board of ten members is selected by the membership from three geographic areas of the state on a staggered term basis and is responsible for conducting the business affairs of the program.

The program has no employees. Claims are filed by members/brokers with Clear Risk Solutions, who has been contracted to perform program administration, underwriting, claims adjustment, and loss prevention for the program. Fees paid to the third-party administrator under this arrangement for the year ending December 1, 2020, were \$2,651,954.

Note 12 – COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel and non-essential activities.

The city continued to provide services to the community during the COVID-19 Pandemic. Although the doors to the city offices were closed to the public, and remain so, staff remained on site and carried on daily routines. The community had several businesses that went out of business due to COVID, it is unknown at this time if these businesses will be re-established. The city continues to have outstanding utility accounts in the amount of \$ 54,704.22 as of December 31, 2020. As of, December 2020 the delinquent utility accounts appear to be the only real financial shortfall.

The city was eligible to receive \$32,660.00 in CARES funding. The city utilized \$ 28,484.55 to purchase laptops and computer equipment to allow city council to conduct online council meetings and to purchase cleaning supplies and PPE. The city offered the remaining \$6,215.45 to local businesses affected by the pandemic through a grant process. The city received only three grant applications and distributed a total of \$ 4,175.00 to those businesses.

The length of time these measures will continue to be in place, and the full extent of the financial impact on the city is unknown at this time.

Note 13 - Other Disclosures

October 31, 2017 the City of Grand Coulee created a Transportation Benefit District. June 19, 2018 the City of Grand Coulee assumed the Transportation Benefit District. The Transportation Benefit District is funded by a voter approved .01% sales tax that was implemented July 2018. These funds are to be used for street repairs and pedestrian/bicycle paths as approved. These funds are accounted for in Fund 198. As of December 31, 2020 there was \$179,753.37. There have been no expenditures to date.

City of Grand Coulee
Schedule of Liabilities
For the Year Ended December 31, 2021

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
264.30	Pension Liability		162,405	-	129,749	32,656
263.84	DOH Water	10/1/2026	530,793	-	75,828	454,965
259.12	Compensated Absences-General Fund		158,885	25,703	44,126	140,462
259.12	Compensated Absence-Streets		11,935	2,377	-	14,312
259.12	Compensated Absence-Water		30,146	4,405	-	34,551
259.12	Compensated Absence - Sewer		42,225	3,888	-	46,113
264.40	OPEB		663,359	-	74,342	589,017
259.12	Compensated Absence - Garbage		1,937	617	-	2,554
263.22	Liabilities for Landfill		304,545	-	21,382	283,163
263.82	RBOM/PWTF PC08-951-036 (org. 6/2008)	6/6/2028	251,895	-	36,743	215,152
263.82	RBOM/PWTF PC08-951-035 (org. 1/2009)	6/8/2028	113,739	-	16,591	97,148
Total Revenue and Other (non G.O.) Debt/Liabilities:			2,271,864	36,990	398,761	1,910,093
Total Liabilities:			2,271,864	36,990	398,761	1,910,093

City of Grand Coulee
Schedule of Liabilities
For the Year Ended December 31, 2020

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences-Streets		9,966	1,969	-	11,935
259.12	Compensated Absences-Water		25,876	4,270	-	30,146
259.12	Compensated Absences-Sewer		37,722	4,503	-	42,225
263.84	DOH-Water	10/1/2026	606,621	-	75,828	530,793
264.30	Pension Liability		149,588	12,817	-	162,405
259.12	Compensated Absences		141,973	23,976	7,064	158,885
264.40	OPEB		610,885	52,474	-	663,359
259.12	Compensated Absences-Garbage		1,058	879	-	1,937
263.22	Liabilities for Landfill-GC Portion Only		310,946	-	6,402	304,544
263.82	RBOM/PWTF PC08-951-036-GC Portion Only	5/10/2034	276,219	-	24,324	251,895
263.82	RBOM/PWTF PC08-951-035-GC Portion Only	7/20/2028	124,723	-	10,983	113,740
Total Revenue and Other (non G.O.) Debt/Liabilities:			2,295,577	100,888	124,601	2,271,864
Total Liabilities:			2,295,577	100,888	124,601	2,271,864

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

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