



Office of the Washington State Auditor  
Pat McCarthy

# Financial Statements Audit Report

## City of Buckley

For the period January 1, 2022 through December 31, 2023

*Published March 6, 2025*

Report No. 1036748



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

March 6, 2025

Mayor and City Council  
City of Buckley  
Buckley, Washington

**Report on Financial Statements**

Please find attached our report on the City of Buckley'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

***Americans with Disabilities***

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## City of Buckley

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### SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

#### City of Buckley

January 1, 2022 through December 31, 2023

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

<b>Audit Period:</b> 2019-2021	<b>Report Ref. No.:</b> 1034256	<b>Finding Ref. No.:</b> 2021-001
<b>Finding Caption:</b> The City's internal controls were inadequate for ensuring accurate financial reporting.		
<b>Background:</b> Our audit found deficiencies in the City's internal controls over accounting and financial reporting that affected the City's ability to produce reliable financial statements. The City did not have effective internal controls in place to: <ul style="list-style-type: none"><li>• Reconcile its financial records to bank statements in a timely manner and have an independent person review the reconciliation for accuracy</li><li>• Ensure financial reports were accurate and prepared in accordance with the BARS Manual</li></ul> Perform an effective review to ensure amounts reported in the financial statements, notes to the financial statements, and supplementary schedules were consistent with underlying accounting records, had supporting documentation, and followed BARS Manual guidance		
<b>Status of Corrective Action: (check one)</b> <input checked="checked" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid		
<b>Corrective Action Taken:</b> <i>Since 2021, the City has hired an additional position in the Finance Department and taken steps to strengthen its policies and processes for day-to-day recording of receipts, segregation of duties, and maintenance of the accounting ledgers. These steps allow for more timely and accurate reconciliation with the bank statements and more accurate data for the preparation of the financial statements. As part of the 2019-2021 audit process, the City hired an independent CPA to assist with the multiyear cash reconciliation and updates to the financial statements and associated schedules. During the audit process the City reconciled total cash and investments for the three-year period and made necessary adjustments, including a Prior Period Adjustment to 2018 Ending Cash balances. The CPA provided a review of the revised financial statements prior to them being submitted to the Auditors. Going forward, the City</i>		

*continues to strengthen its financial preparation and review process by contracting with the independent CPA to review the annual financial statements prior to final submission to the State Auditors. This is necessary as the City does not have staff, aside from the Finance Director, with sufficient technical knowledge to review the statements and associated schedules at this time. In addition, the City Administrator now reviews the financial statements from an internal perspective. Moving forward, the City is documenting the City Administrator's and independent CPA's review of its annual financial statements utilizing the State Auditor's Office checklist. A signed copy will be kept with all year-end financial statement preparation back up documentation. Last, the City will train its current, and any new staff, regularly on the City's financial policies and procedures to ensure accurate record keeping for complete and accurate financial information. The corrective actions taken by the City will result in significant improvements in its internal controls and will ensure that all future financial statements will be completed in compliance with City policies and procedures as well as the State's BARS Manual.*

## 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 Buckley January 1, 2022 through December 31, 2023**

Mayor and City Council  
City of Buckley  
Buckley, 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 Buckley, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated March 4, 2025.

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.

## **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*.

## **PURPOSE OF THIS REPORT**

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

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

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

Pat McCarthy, State Auditor

Olympia, WA

March 4, 2025

# INDEPENDENT AUDITOR'S REPORT

## Report on the Audit of the Financial Statements

### **City of Buckley January 1, 2022 through December 31, 2023**

Mayor and City Council  
City of Buckley  
Buckley, Washington

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Unmodified and Adverse Opinions**

We have audited the financial statements of the City of Buckley, as of and for the years ended December 31, 2023 and 2022, 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 Buckley, and its changes in cash and investments, for the years ended December 31, 2023 and 2022, 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 Buckley, as of December 31, 2023 and 2022, 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 March 4, 2025 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

March 4, 2025

## **FINANCIAL SECTION**

### **City of Buckley January 1, 2022 through December 31, 2023**

#### **FINANCIAL STATEMENTS**

Fund Resources and Uses Arising from Cash Transactions – 2023  
Fund Resources and Uses Arising from Cash Transactions – 2022  
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2023  
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2022  
Notes to the Financial Statements – 2023  
Notes to the Financial Statements – 2022

#### **SUPPLEMENTARY AND OTHER INFORMATION**

Schedule of Liabilities – 2023  
Schedule of Liabilities – 2022

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>Total for All Funds (Memo Only)</b>	<b>001 Current Expense</b>	<b>101 Street Operations</b>	<b>102 Street Capital Improvements</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	19,445,902	8,391,976	61,213	1,087,689
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	5,502,955	4,124,160	-	-
320	Licenses and Permits	350,182	350,182	-	-
330	Intergovernmental Revenues	821,533	496,774	105,315	22,559
340	Charges for Goods and Services	5,599,538	527,640	17,145	377,940
350	Fines and Penalties	83,859	83,859	-	-
360	Miscellaneous Revenues	2,442,952	577,188	-	25,827
Total Revenues:		14,801,019	6,159,803	122,460	426,326
<b>Expenditures</b>					
510	General Government	2,445,666	2,445,666	-	-
520	Public Safety	3,617,296	3,151,198	-	-
530	Utilities	3,050,558	193	-	-
540	Transportation	237,357	-	228,172	9,185
550	Natural/Economic Environment	897,558	887,998	-	-
560	Social Services	1,560	1,560	-	-
570	Culture and Recreation	708,455	708,178	-	-
Total Expenditures:		10,958,450	7,194,793	228,172	9,185
Excess (Deficiency) Revenues over Expenditures:		3,842,569	(1,034,990)	(105,712)	417,141
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	1,380,800	810,350	110,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	47,961	46,909	-	-
Total Other Increases in Fund Resources:		1,428,761	857,259	110,000	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	4,469,051	419,841	-	711,088
591-593, 599	Debt Service	964,566	52,453	536	-
597	Transfers-Out	1,380,800	2,250	11,750	51,938
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	42,814	41,309	-	-
Total Other Decreases in Fund Resources:		6,857,231	515,853	12,286	763,026
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(1,585,901)</b>	<b>(693,584)</b>	<b>(7,998)</b>	<b>(345,885)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	227,383	-	-	-
50831	Restricted	4,708,266	646,032	53,215	741,802
50841	Committed	308,905	102,660	-	-
50851	Assigned	11,680,528	6,014,786	-	-
50891	Unassigned	934,906	934,906	-	-
<b>Total Ending Cash and Investments</b>		<b>17,859,988</b>	<b>7,698,384</b>	<b>53,215</b>	<b>741,802</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>103 Transportation Benefit District</b>	<b>105 Emergency Medical Services</b>	<b>109 Criminal Justice/Drug Enforcement</b>	<b>134 Fire Dept Facility Maint &amp; Cap Imp Fund</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	1,144	231,693	318,723	216,656
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	108,167	318,064	124,494	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	9,856	9,075	-
340	Charges for Goods and Services	-	58,103	-	8,839
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	35,401	-	6,600
Total Revenues:		108,167	421,424	133,569	15,439
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	448,189	-	17,909
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	448,189	-	17,909
Excess (Deficiency) Revenues over Expenditures:		108,167	(26,765)	133,569	(2,470)
<b>Other Increases in Fund Resources</b>					
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:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	54,160	-	7,242
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	105,000	34,650	75,000	700
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		105,000	88,810	75,000	7,942
<b>Increase (Decrease) in Cash and Investments:</b>		<b>3,167</b>	<b>(115,575)</b>	<b>58,569</b>	<b>(10,412)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	4,312	116,117	377,292	-
50841	Committed	-	-	-	206,245
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>4,312</b>	<b>116,117</b>	<b>377,292</b>	<b>206,245</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>136 Visitor Promo &amp; Devel</b>	<b>202 Fire Station Const Debt Service</b>	<b>307 Capital Improvement</b>	<b>308 Comp Plan Capital Improve</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	251,483	72,335	1,569,849	736,730
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	67,610	284,636	237,912	237,912
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	75,000	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	3,579	-	28,143	6,185
Total Revenues:		71,189	284,636	341,055	244,097
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	9,560	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	277	-	-	-
Total Expenditures:		9,837	-	-	-
Excess (Deficiency) Revenues over Expenditures:		61,352	284,636	341,055	244,097
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	700	425,000	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	700	425,000	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	413,174	73,371
591-593, 599	Debt Service	-	287,170	-	-
597	Transfers-Out	2,802	-	16,224	425,000
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		2,802	287,170	429,398	498,371
<b>Increase (Decrease) in Cash and Investments:</b>		<b>58,550</b>	<b>(1,834)</b>	<b>336,657</b>	<b>(254,274)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	310,035	70,501	1,906,506	482,454
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>310,035</b>	<b>70,501</b>	<b>1,906,506</b>	<b>482,454</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>401 Natural Gas</b>	<b>402 Water Sewer</b>	<b>403 Solid Waste</b>	<b>407 Storm Water Op &amp; Maint Fund</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	4,198	3,193,037	12,299	2,731,159
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	3,445	-	99,509
340	Charges for Goods and Services	-	3,912,741	1,355	695,775
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	1,174,153	210	568,605
Total Revenues:		-	5,090,339	1,565	1,363,889
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	2,547,752	414	501,155
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	2,547,752	414	501,155
Excess (Deficiency) Revenues over Expenditures:		-	2,542,587	1,151	862,734
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	914	-	138
Total Other Increases in Fund Resources:		-	914	-	138
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	1,856,736	-	839,925
591-593, 599	Debt Service	-	623,871	-	536
597	Transfers-Out	500	459,343	12,779	182,864
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	1,505	-	-
Total Other Decreases in Fund Resources:		500	2,941,455	12,779	1,023,325
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(500)</b>	<b>(397,954)</b>	<b>(11,628)</b>	<b>(160,453)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	3,698	2,795,081	671	2,570,704
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>3,698</b>	<b>2,795,081</b>	<b>671</b>	<b>2,570,704</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>430 Utility Equipment Reserve</b>	<b>701 Cemetery Improvement</b>
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	350,242	215,476
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	-	-
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	5,154	11,907
Total Revenues:		5,154	11,907
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	1,044	-
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		1,044	-
Excess (Deficiency) Revenues over Expenditures:		4,110	11,907
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	34,750	-
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	-
Total Other Increases in Fund Resources:		34,750	-
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	93,514	-
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	-
Total Other Decreases in Fund Resources:		93,514	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(54,654)</b>	<b>11,907</b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	227,383
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	295,588	-
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b>295,588</b>	<b>227,383</b>

*The accompanying notes are an integral part of this statement.*

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>Total for All Funds (Memo Only)</b>	<b>001 Current Expense</b>	<b>101 Street Operations</b>	<b>102 Street Capital Improvements</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	15,841,032	7,648,516	41,254	868,394
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	5,404,356	3,936,441	-	-
320	Licenses and Permits	768,771	768,771	-	-
330	Intergovernmental Revenues	1,715,798	829,322	106,477	485,305
340	Charges for Goods and Services	5,855,973	594,153	14,736	753,963
350	Fines and Penalties	93,782	93,782	-	-
360	Miscellaneous Revenues	3,938,546	949,570	518	15,010
Total Revenues:		17,777,226	7,172,039	121,731	1,254,278
<b>Expenditures</b>					
510	General Government	2,017,514	2,017,514	-	-
520	Public Safety	3,578,587	3,181,445	-	-
530	Utilities	2,897,870	156	-	-
540	Transportation	225,338	-	209,322	16,016
550	Natural/Economic Environment	818,783	812,655	-	-
560	Social Services	1,959	1,959	-	-
570	Culture and Recreation	647,850	643,732	-	-
Total Expenditures:		10,187,901	6,657,461	209,322	16,016
Excess (Deficiency) Revenues over Expenditures:		7,589,325	514,578	(87,591)	1,238,262
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	871,560	718,485	115,000	3,000
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	17,149	8,325	7,000	-
Total Other Increases in Fund Resources:		888,709	726,810	122,000	3,000
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	3,033,100	436,984	-	973,054
591-593, 599	Debt Service	959,502	50,655	536	-
597	Transfers-Out	871,560	2,500	13,915	48,911
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	9,005	7,800	-	-
Total Other Decreases in Fund Resources:		4,873,167	497,939	14,451	1,021,965
<b>Increase (Decrease) in Cash and Investments:</b>		<b>3,604,867</b>	<b>743,449</b>	<b>19,958</b>	<b>219,297</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	215,476	-	-	-
50831	Restricted	4,874,599	543,740	61,213	1,087,689
50841	Committed	363,347	146,691	-	-
50851	Assigned	12,510,042	6,219,107	-	-
50891	Unassigned	1,482,438	1,482,438	-	-
<b>Total Ending Cash and Investments</b>		<b>19,445,902</b>	<b>8,391,976</b>	<b>61,213</b>	<b>1,087,689</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>103 Transportation Benefit District</b>	<b>105 Emergency Medical Services</b>	<b>109 Criminal Justice/Drug Enforcement</b>	<b>134 Fire Dept Facility Maint &amp; Cap Imp Fund</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	8,892	217,430	243,086	212,744
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	102,353	297,884	127,289	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	40,506	8,888	-
340	Charges for Goods and Services	-	77,112	-	8,485
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	5,026	2,474	6,004
Total Revenues:		102,353	420,528	138,651	14,489
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	373,627	13,013	10,502
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	373,627	13,013	10,502
Excess (Deficiency) Revenues over Expenditures:		102,353	46,901	125,638	3,987
<b>Other Increases in Fund Resources</b>					
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:		-	-	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	110,100	32,638	50,000	75
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		110,100	32,638	50,000	75
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(7,747)</b>	<b>14,263</b>	<b>75,638</b>	<b>3,912</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	1,144	231,693	318,723	-
50841	Committed	-	-	-	216,656
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>1,144</b>	<b>231,693</b>	<b>318,723</b>	<b>216,656</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>136 Visitor Promo &amp; Devel</b>	<b>202 Fire Station Const Debt Service</b>	<b>307 Capital Improvement</b>	<b>308 Comp Plan Capital Improve</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	203,252	71,178	1,289,632	436,229
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	59,140	281,952	300,748	298,549
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	83,965	-
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	1,939	-	28,599	1,952
Total Revenues:		61,079	281,952	413,312	300,501
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	6,128	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	4,118	-	-	-
Total Expenditures:		10,246	-	-	-
Excess (Deficiency) Revenues over Expenditures:		50,833	281,952	413,312	300,501
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	75	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	75	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	117,976	-
591-593, 599	Debt Service	-	280,870	-	-
597	Transfers-Out	2,599	-	15,119	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		2,599	280,870	133,095	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>48,234</b>	<b>1,157</b>	<b>280,217</b>	<b>300,501</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	251,483	72,335	1,569,849	736,730
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>251,483</b>	<b>72,335</b>	<b>1,569,849</b>	<b>736,730</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>401 Natural Gas</b>	<b>402 Water Sewer</b>	<b>403 Solid Waste</b>	<b>407 Storm Water Op &amp; Maint Fund</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	4,202	2,496,458	28,589	1,547,590
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	154,586	3,235	3,514
340	Charges for Goods and Services	549	3,711,106	10,936	684,933
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	1,716,735	141	1,200,510
Total Revenues:		549	5,582,427	14,312	1,888,957
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	53	2,407,816	7,382	479,527
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		53	2,407,816	7,382	479,527
Excess (Deficiency) Revenues over Expenditures:		496	3,174,611	6,930	1,409,430
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	1,824	-	-
Total Other Increases in Fund Resources:		-	1,824	-	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	1,441,450	-	63,636
591-593, 599	Debt Service	-	626,905	-	536
597	Transfers-Out	500	410,293	23,220	161,690
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	1,205	-	-
Total Other Decreases in Fund Resources:		500	2,479,853	23,220	225,862
<b>Increase (Decrease) in Cash and Investments:</b>		<b>(4)</b>	<b>696,582</b>	<b>(16,290)</b>	<b>1,183,568</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	4,198	3,193,037	12,299	2,731,159
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>4,198</b>	<b>3,193,037</b>	<b>12,299</b>	<b>2,731,159</b>

The accompanying notes are an integral part of this statement.

**City of Buckley**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		<b>430 Utility Equipment Reserve</b>	<b>701 Cemetery Improvement</b>
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	316,551	207,035
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	-	-
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	1,627	8,441
Total Revenues:		1,627	8,441
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	2,936	-
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		2,936	-
Excess (Deficiency) Revenues over Expenditures:		(1,309)	8,441
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	35,000	-
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	-
Total Other Increases in Fund Resources:		35,000	-
<b>Other Decreases in Fund Resources</b>			
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:		-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>33,691</b>	<b>8,441</b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	215,476
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	350,242	-
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b>350,242</b>	<b>215,476</b>

*The accompanying notes are an integral part of this statement.*

**City of Buckley**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		<b>Total for All Funds (Memo Only)</b>	<b>Custodial</b>
308	Beginning Cash and Investments	20,040	20,040
388 & 588	Net Adjustments	-	-
310-390	Additions	320,490	320,490
510-590	Deductions	312,359	312,359
	Net Increase (Decrease) in Cash and Investments:	8,131	8,131
508	Ending Cash and Investments	28,170	28,170

*The accompanying notes are an integral part of this statement.*

**City of Buckley**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2022**

		Total for All Funds (Memo Only)	Custodial
308	Beginning Cash and Investments	52,632	52,632
388 & 588	Net Adjustments	-	-
310-390	Additions	326,394	326,394
510-590	Deductions	358,988	358,988
	Net Increase (Decrease) in Cash and Investments:	(32,594)	(32,594)
508	Ending Cash and Investments	20,040	20,040

*The accompanying notes are an integral part of this statement.*

**City of Buckley**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2023**

**Note 1 – Summary of Significant Accounting Policies**

The City of Buckley was incorporated on May 22, 1890, and operates under the laws of the state of Washington applicable to a non-charter code city (RCW 35A) with a Mayor/Council form of government. The City of Buckley is a general-purpose local government and provides building and planning services; street improvements; public safety; fire protection and EMS services; parks and recreation activities, including senior and youth centers; general administrative services; and the operation of a municipal court. In addition, the City owns and operates a Water/Sewer Utility, Storm Drain Utility, and a Cemetery. The City did own and operate a Natural Gas system, but this was sold to Puget Sound Energy in June 2014, and all surplus funds from the sale were transferred in January 2015. Due to the ongoing collection of outstanding delinquent gas accounts, the fund is being kept open to receive any payments coming in, and those funds are then transferred to the General Fund.

The City of Buckley 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 43.09RCW. 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 (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 (Funds in the 100 series)**

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

Debt Service Funds (Funds in the 200 series)

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

Capital Projects Funds (Funds in the 300 series)

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

Permanent Funds (Funds in the 700 series)

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

**Proprietary Fund Types:**

Enterprise Funds (Funds in the 400 series)

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

**Fiduciary Fund Types:**

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

Custodial Funds (Funds in the 630 series)

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 Buckley 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 \$10,000. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 240 hours (30 days), except under unusual circumstances and subject to approval of the department manager and the City Administrator and is payable upon separation or retirement.

Sick leave may be accumulated up to 1,760 hours for both non-union and union employees. Upon retirement, employees receive payment for 25 percent of unused sick leave. Payments are recognized as expenditures when paid.

#### F. Long-Term Debt

See Note 4 – Long-term Debt (*Formerly 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 ordinance or resolution through City Council approval. When expenditures that meet restrictions are incurred, the City of Buckley intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

General Fund (001) \$646,032 restricted for parks capital improvements per State law and for City Contingency fund.

General Fund (001) \$102,660 committed for parks maintenance of the City's Railroad right-of-way area per Council ordinance.

Street Operations (101) \$53,215 restricted per State law (transfers in from Transportation Benefit District and motor vehicle fuel tax).

Street Capital Improvements (102) \$741,802 restricted for street capital per State law.

Transportation Benefit District (103) \$4,312 restricted for transportation capital per State law.

EMS Levy (105) \$116,117 restricted for EMS per State law.

Criminal Justice/Drug Enforcement (109) \$377,292, restricted for public safety per State law.

Fire Department Facility Maintenance & Capital Improvement (134) \$206,245 committed for maintenance of the bond funded fire station, equipment and fire training facility per Council ordinance.

Visitor Promotion & Development (136) \$310,035, restricted per State law.

Fire Station Construction Debt Service (GO Bond) (202) \$70,501, restricted per bond covenants.

Capital Improvement (307) \$1,906,506 restricted for capital improvements per State law.

Comp Plan Capital Improvement (308) \$482,454, restricted for capital improvements per State law.

#### **Note 2 – Budget Compliance**

The City of Buckley adopts annual appropriated budgets for all funds of the City. 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 are as follows:

<b>Fund</b>	<b>Final Appropriated</b>	<b>Actual Expenditures</b>	<b>Variance</b>
General	7,351,454		
General Fund Contingency	-		
General Fund Reserve	20,000		
Cemetery	3,090		
Police Equipment Reserve	231,500		
Railroad ROW	55,434		
Fire Equipment Reserve	146,500		
Park Construction	122,750		
<b>Total General Fund</b>	<b>7,930,728</b>	<b>7,710,647</b>	<b>220,081</b>
Street Operating	274,080	240,458	33,622
Arterial Street Improvements	1,443,710	772,211	671,499
Transportation Benefit District	105,000	105,000	-
Emergency Medical Services	555,357	536,999	18,358
Criminal Justice	75,000	75,000	-
Fire Dept Maint. Improv	28,530	25,851	2,679
Visitor Promotion	20,502	12,639	7,863
Fire Station Bond Debt Service	287,020	287,170	(150)
Capital Improvements	2,389,224	429,398	1,959,826
Comp Plan Improvements	862,500	498,371	364,129
Natural Gas Operating	650	500	150
Water Sewer Operations	4,169,098		
Sewer Construction	2,136,352		
Water Construction	1,286,332		
<b>Total Water Sewer</b>	<b>7,591,782</b>	<b>5,489,207</b>	<b>2,102,575</b>
Solid Waste Operations	16,054	13,193	2,861
Stormwater Operations	854,432		
Stormwater Construction	1,694,557		
<b>Total Stormwater</b>	<b>2,548,989</b>	<b>1,524,480</b>	<b>1,024,509</b>
Utility Equipment Reserve	120,500	94,558	25,942
<b>TOTAL</b>	<b>24,249,626</b>	<b>17,815,682</b>	<b>6,433,944</b>

Budgeted amounts are authorized to be transferred between departments within any fund/object classes within departments; 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 Council adopted budget amendments two times during 2023 – once in July and again in December 2023.

The amendments included the following types of adjustments:

- Update beginning fund balances to actual 2023 balances and adjust budgeted ending fund balances
- Personnel salary classification changes and position reclass appointments
- Equipment purchases not foreseen at time of 2023 budget development
- Recognize new grants and donation revenue and associated expenditures
- Carryover of equipment and project budgets for uncompleted 2022 projects
- Account for capital projects that developed during the year

### **Note 3 – Deposits and Investments**

Investments are reported at amortized cost with the Local Government Investment Pool (LGIP). Bonds held with Time Value Investments are reported at face value. Deposits and investments by type on December 31, 2023, are as follows:

<b>Type of Deposit or Investment</b>	<b>City's Own Deposits and Investments</b>	<b>Deposits &amp; Investments held by the City as a custodian for other local govt's, individuals, or private organizations</b>	<b>Total</b>
US Bank Deposits	7,642,350	28,170	7,670,520
LGIP	6,217,638		6,217,638
Bonds	4,000,000		4,000,000
<b>Total</b>	<b>17,859,988</b>	<b>28,170</b>	<b>17,888,158</b>

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds by amount invested, with the interest being left in the funds to be reinvested with the bulk of the original investment.

### **Investments in the State Local Government Investment Pool (LGIP)**

The City is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather; oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at [www.tre.wa.gov](http://www.tre.wa.gov).

### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the City of Buckley would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The City of Buckley's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple

financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the City of Buckley or its agent in the government's name.

**Note 4 – Long-Term Debt (formerly Debt Service Requirements)**

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the City of Buckley and summarizes the City's debt transactions for year ended December 31, 2023.

The debt service requirements for general obligation bonds, revenue bonds and Public Works Trust Fund loans are as follows:

Year	General Obligation		PW Trust Fund Loans		Total Debt
	Principal	Interest	Principal	Interest	
2024	\$ 145,000	\$ 135,720	\$ 567,574	\$ 12,672	\$ 860,966
2025	155,000	129,920	567,574	9,835	862,328
2026	160,000	123,720	567,574	6,997	858,290
2027	165,000	117,320	217,574	4,159	504,052
2028	175,000	110,720	217,574	3,071	506,364
2029-2033	980,000	443,200	396,610	4,958	1,824,768
2034-2038	1,185,000	231,600	-	-	1,416,600
2039-2040	535,000	25,760	-	-	560,760
Total	\$ 3,500,000	\$ 1,317,960	\$ 2,534,477	\$ 41,691	7,394,128

Assets Pledged as Collateral for Debt

The following debt is secured by assets that are pledged as collateral:

Debt	Asset
2017 UTGO Refunding Bonds	Fire Station 611 Division Street

**Note 5 – Other Disclosures**

Fund Classification

The City has several managerial funds that have been established to meet its fiscal and budgetary needs. For reporting purposes these funds are rolled to meet the BARS requirements as prescribed by the WA State Auditor's Office under RCW 43.09. The funds are:

- Current Expense (General) Fund reflects the activities of funds # 001, 002, 003, 004, 007, 008, 030 and 035
- Natural Gas Utility Fund reflects the activities of fund # 401
- Water/Sewer Utility Fund reflects the activities of fund # 402, 405 and 406
- Stormwater Utility Fund reflects the activities of fund # 407 and 408

Solid Waste Utility

On July 13, 2021, the City of Buckley City Council passed Ordinance No. 09-21, an Ordinance of the City of Buckley, Washington amending the franchise agreement for the collection and disposal of solid

waste, recyclables, and yard waste with Murrey's Disposal Company, Inc., effective August 1, 2021. The amendment updated the dates of the contract term; put a freeze on the annual CPI adjustment for March 1, 2022, with CPI adjustments resuming on March 1, 2023; and transferred responsibility for billing and customer service from the City of Buckley to Murrey's Disposal Company, Inc. Due to the ongoing collection of outstanding delinquent garbage/recycling accounts, the fund is being kept open to receipt any payments coming in. After the payment of applicable excise taxes on revenue received, excess revenue will be transferred to the General Fund.

#### **Note 6 – Other Post-Employment Benefits (OPEB) Plans**

The LEOFF 1 Retiree Healthcare Plan is a closed, single-employer defined-benefit OPEB plan administered by the City of Buckley as required by RCW 41.26. The plan pays for 100% of eligible retiree's healthcare costs on a pay-as-you-go basis. As of December 31, 2023, the plan had one member, who is a retiree. As of December 31, 2023, the City of Buckley's total OPEB liability was \$596,774, as calculated using the alternative measurement method. For the year ended December 31, 2023, the City of Buckley paid \$1,366.76 in benefits.

#### **Note 7 - Pension Plans**

##### **A. State Sponsored Pension Plans**

Substantially all the City of Buckley's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans: Public Employees Retirement System (PERS) or Law Enforcement Officers and Fire Fighters' Retirement System (LEOFF).

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

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

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

Also, the DRS ACFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

The City of Buckley 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. Detailed information about the plan is included in the State of Washington ACFR available from the Office of Financial Management website at [www.ofm.wa.gov](http://www.ofm.wa.gov).

At June 30, 2023, the City of Buckley's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities (Schedule 09), was as follows:

<b>Plans with Net Pension Liabilities</b>	<b>Employer Contributions</b>	<b>Allocation Percentage</b>	<b>Ending Balance 12/31/2023</b>
PERS 1 UAAL (combine with PERS 1 for reporting)	\$ 108,736	0.015957%	364,256
			<b>364,256</b>
<b>Plans with Net Pension Assets</b>	<b>Employer Contributions</b>	<b>Allocation Percentage*</b>	<b>Ending Balance 12/31/2023</b>
PERS 2/3	\$ 181,167	0.020605%	(844,534)
LEOFF 1		0.005871%	(174,253)
LEOFF 2	82,552	0.036573%	(877,239)
			<b>(1,896,026)</b>

#### LEOFF Plan 1

The City of Buckley also 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 of Buckley 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.

#### **Note 8 - 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 the City of Buckley. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City of Buckley's regular levy for the year 2023 was \$1.1434 per \$1,000 on an assessed valuation of \$1,102,991,324 for a total regular levy of \$1,261,106.

In 2023 the City collected \$0.2887 per \$1,000 for Emergency Medical Services for a total additional levy of \$318,460.

The City's excess levy for voted general obligation bonds for a Fire Station for 2023 was \$0.2615 per \$1,000 on an assessed valuation of \$1,095,797,022 for an excess levy of \$286,520.

#### **Note 9 – Risk Management**

The City of Buckley 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, 2023, membership includes 196 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, Crime Protection and Liability, including General, Automobile, Wrongful Acts, and Cyber, which are included to fit the member's various needs.

The program acquires reinsurance through their administrator, Clear Risk Solutions. Liability coverage is purchased to a group aggregate limit of \$50,000,000 with a self-insured retention (SIR) of \$750,000. Members are responsible for a \$1,000 to \$50,000 deductible for each claim (can vary by member), while the program is responsible for the \$750,000 SIR. Since the program is a cooperative program, there is joint liability among the participating members toward the sharing of the \$750,000 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 \$8,347,047, which is fully funded in its annual budget.

Property insurance is subject to a per occurrence SIR of \$750,000. Members are responsible for a \$1,000 deductible for each claim (some member deductibles vary). The program bears the \$750,000 SIR, in addition to the deductible.

Crime insurance is subject to a per occurrence SIR 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, 2023, were \$3,172,936.78.

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

**Note 10 – Health & Welfare**

The City of Buckley is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance, or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2023, 264 cities/towns/non-city entities participate and have enrollment in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, the AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members.

The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, Willamette Dental Group, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2023, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$2 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6

months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the AWC Trust HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

#### **Note 11 – Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is with an independent plan administrator. The plan, available to all eligible employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the City of Buckley. The City's rights to this property are subject to the claims of the City's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan.

It is the opinion of the City of Buckley's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is highly unlikely that it will use the assets to satisfy the claims of general creditors in the future.

**Note 12 – Leases (Lessees)**

During the year ended 2022, the City adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The City leases five copiers for various City buildings with varying lease terms as follows:

Facility/Department	Lease Term	Lease Dates	Lease Amount	Vendor
City Hall copier	5-year lease	12/01/2021 – 11/30/2026	\$295.72 per month	Xerox
Multi-Purpose Center copier	5-year lease	12/01/2021 – 11/30/2026	\$157.46 per month	Xerox
Police Dept. copier	4-year lease	12/30/2019 – 12/29/2023	\$381.46 per month initial rate with 6% increase per year	Pacific Office Automation
Fire Dept. copier	5-year lease	12/21/2020 – 12/20/2025	\$163.35 per month	Pacific Office Automation
Public Works Dept. copier	5-year lease	7/29/2018 – 7/18/2023	\$150.00 per month	Pacific Office Automation

The City leased a postage machine from Pitney Bowes for \$211.26 per quarter under a 3-year lease that began in 2020 and ended in February 2023. The City entered into a new 5-year lease with Pitney Bowes for the postage machine starting in May 2023 for \$203.58 per quarter. The City also leases agricultural land from WA State Department of Social and Health Services under a 50-year lease that began in 2009. The lease payments vary year to year and the 2023 lease payment was \$38,120. The lease liability is calculated at two years of payments as the lease term allow either party to cancel the lease with a two-year written notice.

The total amount paid for leases in 2023 was \$53,595. As of December 31, 2023, the future lease payments are as follows:

Year ended December 31	Total
2024	\$ 56,633.80
2025	56,633.80
2026	54,673.60
2027	42,746.32
2028	41,932.00
2029 – 2033	209,660.00
2034 – 2038	209,660.00
2039 – 2043	209,660.00
2044 – 2048	209,660.00
2049 – 2053	209,660.00
2054 – 2058	209,660.00
2059	41,932.00
<b>Total</b>	<b>\$ 1,552,511.52</b>

**City of Buckley**  
**Notes to the Financial Statements**  
**For the Year Ended December 31, 2022**

**Note 1 – Summary of Significant Accounting Policies**

The City of Buckley was incorporated on May 22, 1890, and operates under the laws of the state of Washington applicable to a non-charter code city (RCW 35A) with a Mayor/Council form of government. The City of Buckley is a general-purpose local government and provides building and planning services; street improvements; public safety; fire protection and EMS services; parks and recreation activities, including senior and youth centers; general administrative services; and the operation of a municipal court. In addition, the City owns and operates a Water/Sewer Utility, Storm Drain Utility, and a Cemetery. The City did own and operate a Natural Gas system, but this was sold to Puget Sound Energy in June 2014, and all surplus funds from the sale were transferred in January 2015. Due to the ongoing collection of outstanding delinquent gas accounts, the fund is being kept open to receive any payments coming in, and those funds are then transferred to the General Fund.

The City of Buckley 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 43.09RCW. 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 (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 (Funds in the 100 series)**

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

Debt Service Funds (Funds in the 200 series)

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

Capital Projects Funds (Funds in the 300 series)

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

Permanent Funds (Funds in the 700 series)

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

**Proprietary Fund Types:**

Enterprise Funds (Funds in the 400 series)

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

**Fiduciary Fund Types:**

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

Custodial Funds

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 Buckley 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 \$10,000. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 240 hours (30 days), except under unusual circumstances and subject to approval of the department manager and the City Administrator and is payable upon separation or retirement.

Sick leave may be accumulated up to 1,760 hours for both non-union and union employees. Upon retirement, employees receive payment for 25 percent of unused sick leave. Payments are recognized as expenditures when paid.

#### F. Long-Term Debt

See Note 4 – Long-term Debt (*Formerly 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 ordinance or resolution through City Council approval. When expenditures that meet restrictions are incurred, the City of Buckley intends to use the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

General Fund (001) \$543,740 restricted for parks capital improvements per State law and for City Contingency Fund.

General Fund (001) \$146,691 committed for parks maintenance of the City's Railroad right-of-way area per Council ordinance.

Street Operations (101) \$61,213 restricted per State law (transfers in from Transportation Benefit District and motor vehicle fuel tax).

Street Capital Improvements (102) \$1,087,689 restricted for street capital per State law.

Transportation Benefit District (103) \$1,144 restricted for transportation capital per State law.

EMS Levy (105) \$231,693 restricted for EMS per State law.

Criminal Justice/Drug Enforcement (109) \$318,723, restricted for public safety per State law.

Fire Department Facility Maintenance & Capital Improvement (134) \$216,656 committed for maintenance of the bond funded fire station, equipment and fire training facility per Council ordinance.

Visitor Promotion & Development (136) \$251,483, restricted per State law.

Fire Station Construction Debt Service (GO Bond) (202) \$72,335, restricted per bond covenants.

Capital Improvement (307) \$1,569,849 restricted for capital improvements per State law.

Comp Plan Capital Improvement (308) \$736,730, restricted for capital improvements per State law.

#### **Note 2 – Budget Compliance**

The City of Buckley adopts annual appropriated budgets for all funds of the City. 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 are shown in the table on the following page:

<b>Fund</b>	<b>Final Appropriated</b>	<b>Actual Expenditures</b>	<b>Variance</b>
General	7,002,890		
General Fund Contingency	-		
General Fund Reserve	700		
Cemetery	3,001		
Police Equipment Reserve	155,162		
Railroad ROW	53,775		
Fire Equipment Reserve	89,500		
Park Construction	321,194		
<b>Total General Fund</b>	<b>7,626,222</b>	<b>7,155,710</b>	<b>470,512</b>
Street Operating	291,368	223,774	67,594
Arterial Street Improvements	1,337,633	1,037,981	299,652
Transportation Benefit District	110,300	110,100	200
Emergency Medical Services	448,646	406,265	42,381
Criminal Justice	86,000	63,013	22,987
Fire Dept Maint. Improv	11,575	10,577	998
Visitor Promotion	15,199	12,845	2,354
Fire Station Bond Debt Service	280,870	280,870	-
Capital Improvements	431,619	133,095	298,524
Comp Plan Improvements	-	-	-
Natural Gas Operating	700	553	147
Water Sewer Operations	3,491,666		
Sewer Construction	2,051,517		
Water Construction	935,523		
<b>Total Water Sewer</b>	<b>6,478,706</b>	<b>4,887,669</b>	<b>1,591,037</b>
Solid Waste Operations	30,870	30,602	268
Stormwater Operations	765,613		
Stormwater Construction	906,532		
<b>Total Stormwater</b>	<b>1,672,145</b>	<b>705,389</b>	<b>966,756</b>
Utility Equipment Reserve	5,125	2,936	2,189
<b>TOTAL</b>	<b>18,826,978</b>	<b>15,061,379</b>	<b>3,765,599</b>

Budgeted amounts are authorized to be transferred between departments within any fund/object classes within departments; 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 Council adopted budget amendments two times during 2022 – once in June and again in December 2022.

The amendments included the following types of adjustments:

- Update beginning fund balances to actual 2022 balances and adjust budgeted ending fund balances
- Personnel salary classification changes and position reclass appointments
- Equipment purchases not foreseen at time of 2022 budget development
- Recognize new grants and donation revenue and associated expenditures
- Carryover of equipment and project budgets for uncompleted 2022 projects
- Account for capital projects that developed during the year

### **Note 3 – Deposits and Investments**

Investments are reported at amortized cost with the Local Government Investment Pool (LGIP). Bonds held with Time Value Investments are reported at face value. Deposits and investments by type on December 31, 2022, are as follows:

<b>Type of Deposit or Investment</b>	<b>City's Own Deposits and Investments</b>	<b>Deposits &amp; Investments held by City as custodian for other local govt's, individuals or private organizations</b>	<b>Total</b>
US Bank Deposits	\$ 8,037,236	\$20,040	\$ 8,057,276
LGIP	\$ 5,908,666		\$ 5,908,666
Bonds	\$ 5,500,000		\$ 5,500,000
Total	\$19,445,902	\$20,040	\$ 19,465,942

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds by amount invested, with the interest being left in the funds to be reinvested with the bulk of the original investment.

#### **Investments in the State Local Government Investment Pool (LGIP)**

The City is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather; oversight is provided by the State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at [www.tre.wa.gov](http://www.tre.wa.gov).

#### **Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the City of Buckley would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The City of Buckley's deposits and certificates of deposit are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the City of Buckley or its agent in the government's name.

**Note 4 – Long-Term Debt (formerly Debt Service Requirements)**

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the City of Buckley and summarizes the City's debt transactions for year ended December 31, 2022.

The debt service requirements for general obligation bonds, revenue bonds and Public Works Trust Fund loans are as follows:

Year	General Obligation		PW Trust Fund Loans		Total Debt
	Principal	Interest	Principal	Interest	
2023	145,000	141,520	607,091	15,708	909,318
2024	145,000	135,720	567,574	12,672	860,966
2025	155,000	129,920	567,574	9,835	862,328
2026	160,000	123,720	567,574	6,997	858,290
2027	165,000	117,320	217,574	4,159	504,052
2028-2032	945,000	481,000	614,183	8,029	2,048,212
2033-2037	1,140,000	277,200	-	-	1,417,200
2038-2040	790,000	53,080	-	-	843,080
<b>Total</b>	<b>\$ 3,645,000</b>	<b>\$ 1,459,480</b>	<b>\$ 3,141,568</b>	<b>\$ 57,399</b>	<b>8,303,447</b>

**Assets Pledged as Collateral for Debt**

The following debt is secured by assets that are pledged as collateral:

Debt	Asset
2017 UTGO Refunding Bonds	Fire Station 611 Division Street

**Note 5 – Other Disclosures****Fund Classification**

The City has several managerial funds that have been established to meet its fiscal and budgetary needs. For reporting purposes these funds are rolled to meet the BARS requirements as prescribed by the WA State Auditor's Office under RCW 43.09. The funds are:

- Current Expense (General) Fund reflects the activities of funds # 001, 002, 003, 004, 007, 008, 030 and 035
- Natural Gas Utility Fund reflects the activities of fund # 401
- Water/Sewer Utility Fund reflects the activities of fund # 402, 405 and 406
- Stormwater Utility Fund reflects the activities of fund # 407 and 408

**Solid Waste Utility**

On July 13, 2021, the City of Buckley City Council passed Ordinance No. 09-21, an Ordinance of the City of Buckley, Washington amending the franchise agreement for the collection and disposal of solid waste, recyclables, and yard waste with Murrey's Disposal Company, Inc., effective August 1, 2021. The amendment updated the dates of the contract term; put a freeze on the annual CIP adjustment for March 1, 2022, with CPI adjustments resuming on March 1, 2023; and transferred responsibility for billing and customer service from the City of Buckley to Murrey's Disposal Company, Inc. Due to the ongoing collection of outstanding delinquent garbage/recycling accounts, the fund is being kept open to receipt any payments coming in. After the payment of applicable excise taxes on revenue received, excess revenue will be transferred to the General Fund.

**Note 6 – Other Post-Employment Benefits (OPEB) Plans**

The LEOFF 1 Retiree Healthcare Plan is a closed, single-employer defined-benefit OPEB plan administered by the City of Buckley as required by RCW 41.26. The plan pays for 100% of eligible retiree's healthcare costs on a pay-as-you-go basis. As of December 31, 2022, the plan had one member, who is a retiree. As of December 31, 2022, the City of Buckley's total OPEB liability was \$573,239, as calculated using the alternative measurement method. For the year ended December 31, 2022, the City of Buckley paid \$4,800.38 in benefits.

**Note 7 - Pension Plans****A. State Sponsored Pension Plans**

Substantially all the City of Buckley's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans: Public Employees Retirement System (PERS) or Law Enforcement Officers and Fire Fighters' Retirement System (LEOFF).

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

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

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

Also, the DRS ACFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

The City of Buckley 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. Detailed information about the plan is included in the State of Washington ACFR available from the Office of Financial Management website at [www.ofm.wa.gov](http://www.ofm.wa.gov).

At June 30, 2022, the City of Buckley's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities (Schedule 09), was as follows:

Plans with Net Pension Liabilities	Employer Contributions	Allocation Percentage*	Ending Balance 12/31/2022
PERS 1 UAAL (combine with PERS 1 for reporting)	\$ 88,117	0.014378%	400,336
			<b>400,336</b>
Plans with Net Pension Assets	Employer Contributions	Allocation Percentage*	Ending Balance 12/31/2022
PERS 2/3	\$ 150,227	0.018700%	(693,542)
LEOFF 1		0.005730%	(164,372)
LEOFF 2		0.037577%	(1,021,229)
			<b>(1,879,143)</b>

#### LEOFF Plan 1

The City of Buckley also 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 of Buckley 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.

#### **Note 8 - 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 the City of Buckley. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City of Buckley's regular levy for the year 2022 was \$1.3144 per \$1,000 on an assessed valuation of \$895,313,717 for a total regular levy of \$1,176,810.

In 2022 the City collected \$.3319 per \$1,000 for Emergency Medical Services for a total additional levy of \$297,174.

The City's excess levy for voted general obligation bonds for a Fire Station for 2022 was \$.3163 per \$1,000 on an assessed valuation of \$886,985,412 for an excess levy of \$280,569.

#### **Note 9 – Risk Management**

The City of Buckley 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, 2022, membership includes 195 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, Crime Protection and Liability, including General, Automobile, Wrongful Acts, and Cyber, which are included to fit the member's various needs.

The program acquires reinsurance through their administrator, Clear Risk Solutions. Liability coverage is

purchased to an aggregate limit of \$50,000,000 with a self-insured retention (SIR) of \$500,000. Members are responsible for a \$1,000 to \$50,000 deductible for each claim (can vary by member), while the program is responsible for the \$500,000 SIR. Since the program is a cooperative program, there is joint liability among the participating members toward the sharing of the \$500,000 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 \$7,110,058, which is fully funded in its annual budget.

Property insurance is subject to a per occurrence SIR of \$500,000. Members are responsible for a \$1,000 deductible for each claim (some member deductibles vary). The program bears the \$500,000 SIR, in addition to the deductible.

Crime insurance is subject to a per occurrence SIR 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, 2022, were \$2,747,183.56**.

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 10 – Health & Welfare**

The City of Buckley is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance, or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when

participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2022, 262 cities/towns/non-city entities participate and have enrollment in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, the AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members.

The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, Willamette Dental Group, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-city entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2022, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$1.5 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the AWC Trust HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

#### **Note 11 – Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is with an independent plan administrator. The plan, available to all eligible employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency.

Compensation deferred under the plan and all income attributable to the plan are solely the property of the City of Buckley. The City's rights to this property are subject to the claims of the City's general creditors until paid to the employee or other beneficiary and are not restricted to the benefit provisions under the plan.

It is the opinion of the City of Buckley's legal counsel that the City has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is highly unlikely that it will use the assets to satisfy the claims of general creditors in the future.

#### **Note 12 – Leases (Lessees)**

During the year ended 2022, the City adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities.

The City leases five copiers for various City buildings with varying lease terms as follows:

<b>Facility/Department</b>	<b>Lease Term</b>	<b>Lease Dates</b>	<b>Lease Amount</b>	<b>Vendor</b>
City Hall copier	5-year lease	12/01/2021 – 11/30/2026	\$295.72 per month	Xerox
Multi-Purpose Center copier	5-year lease	12/01/2021 – 11/30/2026	\$157.46 per month	Xerox
Police Dept. copier	4-year lease	12/30/2019 – 12/29/2023	\$381.46 per month initial rate with 6% increase per year	Pacific Office Automation
Fire Dept. copier	5-year lease	12/21/2020 – 12/20/2025	\$163.35 per month	Pacific Office Automation
Public Works Dept. copier	5-year lease	7/29/2018 – 7/18/2023	\$150.00 per month	Pacific Office Automation

The City leases a postage machine from Pitney Bowes for \$211.26 per quarter under a 3-year lease that began in 2020. The City also leases agricultural land from WA State Department of Social and Health Services under a 50-year lease that began in 2009. The lease payments vary year to year and the 2022 lease payment was \$38,120. The lease liability is calculated at two years of payments as the lease terms allow either party to cancel the lease with a two-year written notice.

The total amount paid for leases in 2022 was \$53,311.52. As of December 31, 2022, the future lease payments are as follows:

<b>Year ended December 31</b>	<b>Total</b>
2023	\$ 52,780.28
2024	49,330.36
2025	49,330.36
2026	47,370.16
2027	42,746.32
2028 – 2032	209,660.00
2033 – 2037	209,660.00
2038 – 2042	209,660.00
2043 – 2047	209,660.00
2048 – 2052	209,660.00
2053 – 2057	209,660.00
2058 – 2059	83,864.00
<b>Total</b>	<b>\$1,583,381.48</b>

**City of Buckley**  
**Schedule of Liabilities**  
**For the Year Ended December 31, 2023**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>General Obligation Debt/Liabilities</b>						
251.12	Fire Station - GO Bond (voted)	12/1/2040	3,645,000	-	145,000	3,500,000
<b>Total General Obligation Debt/Liabilities:</b>			<b>3,645,000</b>	<b>-</b>	<b>145,000</b>	<b>3,500,000</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12	Gen'l Obligation - Compensated Absence Liability	12/31/2023	464,473	76,844	-	541,317
259.12	W/S/WWTP - Compensated Absence Liability	12/31/2023	112,684	3,011	-	115,695
264.30	Pension Liability	12/31/2023	400,336	-	36,080	364,256
264.40	Other Post-Employment Benefits (OPEB) Liabilities	12/31/2023	573,239	23,535	-	596,774
263.88	Sewer - PW 03	6/30/2023	39,519	-	39,519	-
263.88	STP Upgrade - PW 06	6/30/2026	1,400,000	-	350,000	1,050,000
263.88	Sewer - PC08	6/30/2028	710,527	-	118,421	592,106
263.88	Water - PC13	6/1/2032	991,527	-	99,152	892,375
263.57	Leases	12/31/2023	114,947	46,004	53,595	107,356
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>4,807,252</b>	<b>149,394</b>	<b>696,767</b>	<b>4,259,879</b>
<b>Total Liabilities:</b>			<b>8,452,252</b>	<b>149,394</b>	<b>841,767</b>	<b>7,759,879</b>

**City of Buckley**  
**Schedule of Liabilities**  
**For the Year Ended December 31, 2022**

<b>ID. No.</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
<b>General Obligation Debt/Liabilities</b>						
251.12	Fire Station - GO Bond (voted)	12/1/2040	3,780,000	-	135,000	3,645,000
<b>Total General Obligation Debt/Liabilities:</b>			<b>3,780,000</b>	<b>-</b>	<b>135,000</b>	<b>3,645,000</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12	Gen'l Obligation - Compensated Absence Liability	12/31/2022	386,365	78,108	-	464,473
259.12	W/S/WWTP - Compensated Absence Liability	12/31/2022	127,613	-	14,929	112,684
264.30	Pension Liability	12/31/2022	185,518	214,818	-	400,336
264.40	Other Post-Employment Benefits (OPEB) Liabilities	12/31/2022	589,017	-	15,778	573,239
263.88	Sewer - PW 03	6/30/2023	79,036	-	39,517	39,519
263.88	STP Upgrade - PW 06	6/30/2026	1,750,000	-	350,000	1,400,000
263.88	Sewer - PC08	6/30/2028	828,948	-	118,421	710,527
263.88	Water - PC13	6/1/2032	1,090,679	-	99,152	991,527
263.57	Leases	12/31/2022	126,327	41,932	53,312	114,947
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>5,163,503</b>	<b>334,858</b>	<b>691,109</b>	<b>4,807,252</b>
<b>Total Liabilities:</b>			<b>8,943,503</b>	<b>334,858</b>	<b>826,109</b>	<b>8,452,252</b>

## ABOUT THE STATE AUDITOR'S OFFICE

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.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

The results of our work are available to everyone through the more than 2,000 reports we publish each year on our website, [www.sao.wa.gov](http://www.sao.wa.gov). Additionally, we share regular news and other information via an email subscription service and social media channels.

We take our role as partners in accountability seriously. The Office provides training and technical assistance to governments both directly and through partnerships with other governmental support organizations.

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