



**Comprehensive Annual Financial Report  
For the fiscal year ended December 31, 2018**

# CITY OF CAMAS, WASHINGTON

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2018

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CITY OF CAMAS, WASHINGTON  
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June 3, 2019

To the Honorable Mayor, Council Members, and the Citizens of the City of Camas:

We are proud to submit the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2018. This report includes all funds and all financial activities that are part of the City.

This report meets the requirements of RCW 43.09.230, which requires a financial report covering each fiscal year, and is prepared in compliance with Generally Accepted Accounting Principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation including all disclosures, rests with the Finance Department. To the best of our knowledge and belief, the data as presented herein is accurate in all material respects and is reported in a manner designed to fairly set forth the financial position and the results of operations of the City's various funds. In addition, all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Management Staff of the City is responsible for establishing and maintaining a structure of internal control. Internal accounting controls are designed to provide reasonable assurances that assets of the City are protected from loss, theft, or misuse, and to ensure accounting records are adequate and reliable to prepare the financial statements. The concept of reasonable assurance recognizes that the cost of control does not exceed the benefit, and that the evaluation of costs and benefits requires estimates and judgments by management.

State law requires an annual audit of the City's financial statements and records by the Office of the State Auditor. The State Auditor conducts its audit in accordance with Generally Accepted Government Auditing Standards (GAGAS), as established by the American Institute of Certified Public Accountants (AICPA), and provides an independent opinion on the City's financial position, results of operations, and the cash flows of its proprietary fund types. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Camas for the fiscal year December 31, 2018, are free of material misstatement.

This report is divided into three major sections: Introductory Section, Financial Section and the Statistical Section.

1. Introductory Section: This section, which is not audited, introduces the reader to the report and includes the City's organizational chart, the City's principal officers and the staff, and this letter of transmittal.
2. Financial Section: This section contains the Independent Auditor's Report, the Management's Discussion and Analysis (MD&A), the Basic Financial Statements, the Notes to the Financial Statements, and Combining and Individual Fund Statements.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A for the City of Camas can be found immediately following the report of the independent auditor.

The Notes to the Financial Statements are an integral part of this Comprehensive Financial Report and should be read for a fuller understanding of the statements and the information presented within.

3. Statistical Section: Although this section contains substantial financial information, these tables differ from the financial statements in that they present non-accounting information covering more than one year and are designed to reflect social and economic data, financial trends, and the fiscal capacity of the City.

## **Profile of the City of Camas**

The City of Camas was incorporated on June 2, 1906 and operates under the laws of the State of Washington applicable to a Non-Charter Code City with a Mayor-Council form of government. The Mayor and City Administrator manage the City. The City Council is presided over by the Mayor who is elected every four years. Council members are elected by the citizens of the City by ward with one member at large. The Council members serve four-year terms as part-time officials acting in a legislative capacity. The Council holds regular meetings twice a month and special meetings as needed. All meetings are open to the public as provided by law and agenda items are prepared in advance. The City Administrator is appointed by the Mayor and approved by a majority of the City Council. This official heads the administrative branch of city government and directs all city operations, projects and programs.

Camas is a full-service city, providing for:

Public Safety functions of Police and Fire Protection. Law  
and Justice function of Municipal Court.  
Community Development functions of Planning and Code. Public  
Infrastructure such as Streets and Utilities.  
Parks and Recreation services Library  
services to the citizens

These activities are directed and managed by the City of Camas and therefore are included as an integral part of the financial statements.

## **Accounting**

The diverse nature of City government and the necessity of assuring legal compliance preclude recording and summarizing all City financial transactions and balances in a single accounting entity. Therefore, from an accounting and financial management viewpoint, the City is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate "fund". A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, recording cash and other financial resources, together with all related liabilities and residual equities or fund balance, and changes therein, which are segregated for carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City's accounting records for the general governmental operations are maintained on a modified accrual basis with revenues being recorded when they become both measurable and available to finance expenditures in the current period. Expenditures are recorded when the related fund liability is incurred. The accounting records for the City's Proprietary Funds are maintained on the accrual basis with revenues recorded when they are earned and expenses recorded when they are incurred.

The Government-wide Financial Statements incorporate all the City's governmental and business-type activities. These statements are presented using an economic resources measurement focus and employ the full accrual basis of accounting. Revenues are recognized as soon as the liability is incurred, regardless of the timing of related cash flow. As a result, the Government-wide Financial Statements are similar to and more closely resemble financial statements of private sector businesses.

The City's budget serves as the foundation for financial planning and control. The notes to the financial statements (found immediately following the Basic Financial Statements) provide budget information. Note III of the financial statements further describes the budget procedures, process and control.

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated budget was adopted. For the General Fund and the major special revenue funds this comparison is presented in the Basic Financial Statements for the governmental funds. For the other governmental funds and the internal service funds, this comparison is presented in the section following the Notes to the Financial Statements.

The City of Camas is permitted to invest in United States bonds; United States certificates of indebtedness; bonds or warrants of the State of Washington; general obligation or utility revenue bonds or warrants of a local improvement district; and in any other investment authorized by law for any other taxing district.

The City utilizes the Washington State Local Government Investment Pool (LGIP) and the Clark County Investment Pool for investing most of the funds not immediately needed. As of December 31, 2018, approximately \$10.4 million was invested in the LGIP, \$0.191 million was invested in the Clark County Investment Pool, and \$48.1 million was invested in agency notes.

## **Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment from which the City of Camas operates. The Basic Financial Statements of the City focus on the financial position of the City. That is, they focus on the City's existing resources and any claims on those resources. The City's financial condition, on the other hand, focuses on both existing and future resources and claims on those resources.

**Economic Condition and Outlook:** Camas has several major commercial and residential projects in construction in 2018-2019. As a result, the City is preparing for dramatic growth over the next few years. This increase directly impacted sales tax and development related revenues which both were well above budget targets.

The economic momentum accelerated in 2018 and is anticipated to continue the pace into 2019. New construction in housing continues to grow with an anticipated 246 new homes set to be constructed for new residents coming into the community due to companies such as Fisher Investments and retirees with overall shortfall of available housing in the region. The Green Mountain Planned Residential Development of 1,300 units which is north of Lacamas Lake is the largest development in construction which includes a future commercial development and a new City Park. The City anticipates this area to drive most of the housing growth of the City over the next six years. In addition, the City hosted the 2018 Parade of Homes in the new Parkland development adjacent to the Camas Meadows Golf Course with each home of the ten Parade Homes valued over \$1 million. In addition, the 2019 Parade of Homes with views of the Columbia River will also be held in Camas. The Dawson Ridge development will have presold homes valued from over \$1 million to over \$2 million.

Other areas for residential growth are five multi-family projects which are in or nearing construction in 2018-2019. These developments will provide over 700 units of diversified housing choices in Camas and will increase the need for City services in the coming years.

The City's downtown core is also anticipating housing growth in 2019 with a mixed-use development of commercial with residential component being proposed at the intersection of SE Sixth Street and SE Birch Street. Commercial activity continues to improve with high occupancy in Historic Downtown Camas. New businesses have included new restaurants, retail, and services. With three existing businesses expanded in adjacent storefronts and three new businesses set to open in 2018. Outside the downtown core, new commercial developments are anticipated for 2019 which will increase new construction and sales tax for the city. These developments are primarily near and in the Camas Meadows Business Park and the 33th Avenue Corridor.

The City of Camas remains the second largest city in Clark County based upon 2018 official population numbers from the Washington State Office of Financial Management. The City is developing as the technology hub of activity in Clark County. Commercial and retail sectors continue to locate and expand within Camas. In 2018, the City of Camas issued permits for 270 dwelling units as compared to 235 in 2017. The value of the permits totaled \$81,614,696 as compared to \$71,294,735 the year before. In 2018, new commercial development totaled \$988,268 with additional tenant improvements valued at \$792,000 as compared to \$10,795,688 for new commercial in 2017 and \$2,060,200 in tenant improvements.

While the growth of the City has had a positive impact, it also demands substantial investment in capital improvements for streets, parks, storm drainage, water and sewer. Planning for the future is important for the sustained and balanced growth of the City.

**2018-2020 Strategic Plan Status:** Over the years, the City of Camas has enjoyed a favorable economic environment with growth in both residential and commercial development, and with it the related revenues, including permit fees, development fees, property taxes, sales taxes, and sewer and water development fees. The activity level slowed during the housing crisis but began to rebound in 2013 with a surge of building in 2017 continuing into 2019.

However, this growth is not without its costs. Growth of this nature requires extensive infrastructure in streets, storm drainage, solid waste, parks, water and sewer. The City Council's reaction was to develop a targeted three-year strategic plan which will guide the City to be proactive to manage the growth. The four priorities for the City are:

1. Meet community needs with optimal use of community resources.
2. Build financial stability for our City.
3. Ensure core infrastructure to meet community needs.
4. Proactively manage growth in line with our vision and decision principles.

The financial stability priority has two key objectives: a balanced budget with reserves funded and community needs funded with an improved bond rating from AA to AAA. The initiatives the City has committed to include:

- Update all financial policies to GFOA best practices.
- Implement an open and transparent program-based budget.
- Update utility rates, impact fees and system development charges.
- Develop revenue strategy to include diversification and capacity.
- Integrate capital programs into a long-term financial plan.

A step toward this effort included the implementation of a new Comprehensive Annual Financial Report software, CAFR Online. The Finance department used this software for the preparation of the 2017 report. It has proved to be more efficient with report preparation time and ensure consistency through the document.

In 2018, the City continued updating financial policies, updated utility rates and system development charges for the 2019-2023 fiscal years, considered diversifying revenue sources with utility taxes and a transportation benefit district and plan to develop a long-term financial plan in 2019.

At the end of 2015, the City implemented a new tool from Socrata called Open Budget. This interactive tool allows the City to publish budget and actual data monthly in a graphical or table-based format to allow the City Council, staff and the public to view operating and capital budget information at any level of detail. In 2016, the City implemented Open Spending from Socrata allowing the spending detail of the City to be displayed either in a "checkbook format" or in a graphic easy to drill down format. In 2017, the City implemented Open Performance which is integrated with Open Budget allowing performance measurements to be tied to program budgets. In 2018, the City bundled these tools together for a dynamic and virtual budget document for the 2019- 2020 biennial budget. The City welcomes comments regarding our budget, the link is <https://finance.cityofcamas.us>.

**North Shore Status:** The City is financially planning specifically to address the unique needs for service delivery in the North Shore. The North Shore is geographically more challenging for service delivery especially for emergency services. The area has only two access points around Lacamas Lake, one of which is a two-lane state route and the other an arterial at the most western boundary of the City. The City completed design in 2017 and is constructing another arterial in 2018-2019 with the use of state funding and a limited general obligation bond issued in 2018.

The City completed construction of a new sewer transmission main and will be constructing a pump station in 2019. A waterline was completed in 2018 in tandem with funding contribution from the Camas School District to serve a new school in construction in the North Shore. Transportation needs are in a design phase with consultants working

with land owners and developers. The City is working with Columbia Land Trust and Clark County Conservation Futures to secure scenic open space with two acquisitions with two more scheduled for 2019. These land acquisitions were funded with a 2018 Limited General Obligation Bond. In addition, the City is working with developers to build trails for connectivity in the City's trail system and neighborhood parks.

Staff began planning for operational service level needs by developing a six-year financial model which programmed operational requirements based upon the rate of developmental growth. For example, the new school will require a quicker emergency response from police and emergency medical units. Staff addressed service requirements as part of the 2019-2020 biennial budget planning process utilizing the six-year financial model to ensure financial sustainability. The model will continue to be utilized as the City seeks to diversify revenues.

**Labor Contracts:** At Council's request in 2017, the City conducted a salary study to ensure the City's salaries were comparable for recruitment and retention efforts. The process included an analysis of the duties performed by employees with the consultant reviewing and researching comparable positions matching the City's functions. City Management Team reviewed the findings to ensure the job summaries were comparable. Once the positions were determined comparable, salary ranges were created and positions were placed on the scale. The City reviewed placement to consider compression issues between employees and management as well as proper equity.

The City implemented the new positions and compensation for the non-represented employees in October 2017. The Library employees' union settled in December 2017. The Police union settled in March, 2018 with the remaining three unions settled in second half of the year. These settlements included retro pay back to 2017.

#### City Bargaining Units

Labor Union	Employees	
	Covered	Effective Through
IAFF Local No. 2444 (Fire) ("IAFF")	50	December 31, 2019
AFSCME Local 307CC, Council 2 (Public Works) ("AFSCME") Camas	34	December 31, 2022
Public Employees' Association (Clerical/Professional)		
("CPEA")	46	December 31, 2020
OPEIU Local 11 (Library) ("OPEIU")	14	December 31, 2020
Camas Police Officers' Association ("CPOA")	25	December 31, 2020

**Camas/Washougal Fire and EMS and East County Fire and Rescue:** In 2014, the cities of Camas and Washougal agreed to a merger of their fire services with Camas as the service provider. EMS services were already merged with East County Fire and Rescue (ECFR) for several years. In 2017, the three agencies contracted for a service level study which incorporated a financial analysis to determine funding options for EMS services. In addition, ECFR contracted with Camas to provide fire chief services temporarily.

Most recently in 2018, the City was fined for two firefighters entering a burning building before backups had arrived. As a result of the incident and growth in the community, the City Council considered hiring an additional four more firefighters in the 2019-2020 Biennial Budget. The Washougal City Council agreed to only hire two firefighters. As a result, two additional firefighters are in the 2019-2020 Budget and the two Councils agreed to reopen the Interlocal Agreement between the two cities to review the structure of the merger and update certain sections pertaining to funding. In addition, the governing boards of the two cities and ECFR are considering possible consolidation efforts for fire services.

**Infrastructure Projects in 2018:** The City of Camas is fortunate to have received support from the State of Washington both in grants and low interest loans for key infrastructure which has enabled economic growth. In addition, some of the projects funded with general obligation bonds issued in 2015 were completed.

Significant projects in 2018 included:

1. Two acquisitions of the Legacy Lands project on the North Shore of Lacamas Lake
2. Completion of the North Shore Waterline
3. Completion of the North Shore Sewer Transmission Main
4. Replacement of roof on the City Hall
5. Acquisition of a City Hall Annex Building
6. Rehabilitation of Dallas and Adams Streets

Projects under construction in 2018 continuing into 2019 include:

7. Brady Road Improvements
8. Larkspur
9. Slow Sands Water Transmission
10. NE 3rd Avenue Bridge Seismic Retrofit
11. Water Reservoir
12. North Shore Open Space Acquisitions
13. Well 17 Development
14. Lacamas Creek Pump Station

**Georgia Pacific Mill Closure and the Holland/Fisher Project:** In November, 2017, Georgia Pacific announced it will begin the process to close the mill over a period of years. In May 2018, Georgia Pacific shut down several operations at the Camas mill and let go up to 300 positions. The mill is currently running only one paper towel machine with approximately 143 positions remaining to operate the facility. The paper mill has been operating in Camas since 1885 and is currently the largest property tax payer in the City. Property taxes for the City will be redistributed to the other tax payers in the City as prescribed by state law but over a long period of time as Georgia Pacific dismantles the mill and takes down structures.

Fortunately, the Holland Group is building a brand-new corporate headquarters and is relocating to Camas. The Holland Group is partnering with Fisher Investments to construct 251,400 square feet spread over two office towers, a single level market and 276-unit apartment complex on the Fisher campus. This additional new construction will help the City's tax payers absorb the redistribution of Georgia Pacific's assessed value loss.

## **Financial Statement Award**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Camas for its Comprehensive Annual Financial Report of the fiscal year ended December 31, 2017. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## **Acknowledgments**

This report reflects well on the entire staff serving at the City of Camas. Their continued efforts, day to day, allow the City to deliver the quality core services our citizens have come to expect. We would like to sincerely thank the Finance Staff whose dedicated and professional services were instrumental in the preparation of this report. We also acknowledge all the staff whose cooperation during the year from coding of invoices to preparation of the budget helps make work in the Finance Department easier and the accounting records more accurate and reliable.

Finally, we would like to express appreciation to the Mayor and the City Council for their direction and support of sound fiscal management.

Respectfully submitted,



Pete Capell  
City Administrator



Cathy Huber Nickerson, MPA CGFM  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Camas  
Washington**

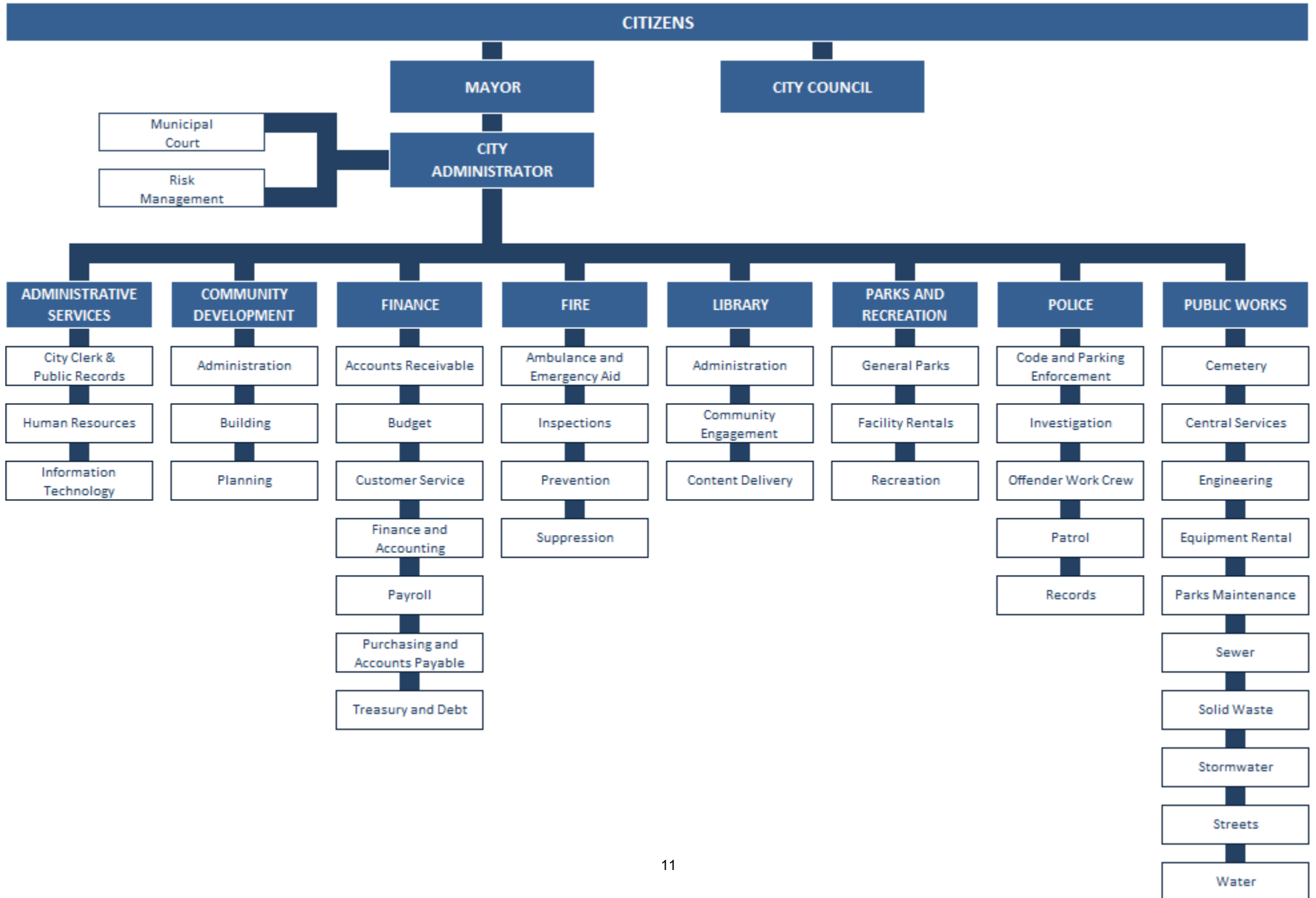
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morrell*

Executive Director/CEO

# City of Camas Organizational Chart



City of Camas  
List of Elected and Appointed Officials  
December 31, 2018

Elected Officials	Term Expires
Shannon Turk, Mayor	November, 2019
Melissa Smith, Council Member Ward 1	December 31, 2021
Deanna Rusch, Council Member Ward 1	December 31, 2019
Bonnie Carter, Council Member Ward 2	December 31, 2019
Steve Hogan, Council Member Ward 2	December 31, 2021
Greg Anderson, Council Member Ward 3	December 31, 2019
Ellen Burton, Council Member Ward 3 (appointed Jan, 2019)	November, 2019
Don Chaney, Council Member At Large	December 31, 2019

Appointed Officials/City Staff

Pete Capell, City Administrator  
Cathy Huber Nickerson, Finance Director  
Jennifer Gorsuch, Administrative Services Director  
Mitch Lackey, Police Chief  
Phil Bourquin, Community Development Director  
Steve Wall, Public Works Director  
Nick Swinhart, Fire Chief  
Connie Urquhart, Library Director



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

**INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

June 3, 2019

Mayor and City Council  
City of Camas  
Camas, Washington

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Camas, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

**Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or

error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Camas, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Camas-Washougal Fire & EMS funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis – Correction of Prior Year Misstatement**

As discussed in Note V to the financial statements, the 2017 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

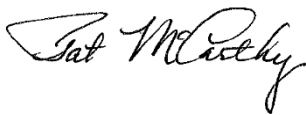
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for the purposes of additional analysis and is not a required part of the basic 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. This information has been subjected to auditing procedures applied in the audit of the basic 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 basic financial statements taken as a whole.

The Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we will also issue our report dated June 3, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Sincerely,

A handwritten signature in cursive script that reads "Pat McCarthy".

Pat McCarthy

State Auditor

Olympia, WA

**CITY OF CAMAS, WASHINGTON  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2018**

The City of Camas discussion and analysis is a narrative overview of the city's financial activities for the fiscal year ended December 31, 2018. The information presented here should be read in conjunction with our letter of transmittal, and the financial statements and notes to the financial statements that follow.

**FINANCIAL HIGHLIGHTS**

- City of Camas assets exceeded its liabilities at December 31, 2018 by \$289.5 million.
- Net investment in capital assets account for 88% of this amount, with a value of \$256.0 million.
- Of the remaining net assets, \$8.7 million may be used to meet the government's ongoing business type obligations to citizens and creditors, without legal restriction.
- The City's total net position showed an increase of \$54.6 million, nearly 23.2% during 2018.
- As of December 31, 2018, City's governmental funds reported combined ending fund balances of \$28.6 million. Nearly 21.1% of this total amount, \$6,663,765 is available for spending at the government's discretion. General Fund has \$6.7 million in unassigned fund balance.
- City's total bonded debt at December 31, 2018 was \$35 million.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis provides an introduction and overview to the basic financial statements of the City of Camas (the City). This information will assist users in interpreting the basic statements. We will also provide other financial discussion and analysis of certain plans, projects and trends necessary for understanding the full context of the financial condition of the City.

**Basic Financial Statements**

The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and, 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial condition. The two sets of financial statements provide two different views of the City's financial activities and financial position: long-term and short-term.

**Government-wide Financial Statements**

Government-wide financial statements provide readers with a broad overview of the finances of the City of Camas in a manner similar to a private-sector business, distinguishing functions of the City that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") from functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as "business-type activities"). The governmental activities of the City of Camas include a full range of local government services provided to the public, such as law enforcement and public safety, fire protection, street construction and maintenance, community planning and development, parks and recreation facilities, and other community services. In addition, other general government services are provided, such as the issuance of permits and licenses. The business-type activities of the City include water and sewer, storm water, and solid waste utilities.

**The Statement of Net Position**

The Statement of Net Position provides information about the financial position of the City as a whole, including all of its capital assets and long-term liabilities on the full accrual basis. This statement presents information on all assets and liabilities including deferred outflows and deferred inflows of the City of Camas, with the difference reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the City is improving or deteriorating.

### **The Statement of Activities**

The Statement of Activities explains in detail the change in Net Position for the year. This statement separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program). This shows the extent each program relies on taxes for funding.

All changes in net position are reported using the accrual basis of accounting, which requires that revenues are reported when they are earned and expenses are reported when the goods and services are received. Items such as uncollected taxes, unpaid vendor invoices for items received in 2018, and earned but unused vacation leave and a portion of sick leave will be included in the statement of activities as revenue and expense, even though the cash associated with these items will not be received or distributed in 2018.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Camas, like other state and local governments, uses fund accounting for compliance with finance-related legal requirements. All of the funds of the city fall into three categories: governmental funds, proprietary funds, and fiduciary funds. Governmental Funds account for most, if not all, of a government's tax-supported activities. Proprietary Funds account for a government's business type activities where all or part of the costs of activities are supported by fees and charges that are paid directly by those who benefit from the activities. Fiduciary Funds account for resources that are held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

The Fund Financial Statements provide detailed information about each of the City's most significant funds, called Major Funds. Each major fund is presented individually with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major Funds present the major activities of the City for the year. The General Fund is always a Major Fund, but other funds may change from year to year as a result of changes in the pattern of City's activities. The City has one major fund in 2018 in addition to the General Fund, the Camas/Washougal Fire and EMS Fund.

Comparisons of Budget and Actual financial information are presented only for the General Fund and other Major governmental funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Governmental fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are presented only in the city-wide financial statements.

The focus of governmental funds is narrower than that of government-wide financial statements, so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

### **Proprietary Funds**

The City has two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water-sewer, storm water and solid waste utilities. Internal service funds accumulate and allocate costs among the City's various functions. The City uses an internal service fund to account for its rolling stock repair and replacement. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. In comparing the Proprietary Fund Statements of Net Position to the business-type column on the government-wide Statement of Net Position, the total net position on the Proprietary Fund Statements has one reconciling item, the adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

The proprietary fund financial statements provide separate information for the Water-Sewer and Storm Water which have been designated as major funds. In addition to the presentation of these major funds, the Solid Waste Fund is reported as a non-major fund with the internal service fund and is displayed as a single presentation on these statements.

#### **Fiduciary Funds**

The City acts as an agent on behalf of others, holding amounts collected and disbursing them as directed or required. The City's fiduciary activities are reported in the separate Statements of Fiduciary Net Position and the Agency Funds Statement of Change in Assets and Liabilities. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations.

#### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided, and are an integral part of the government-wide and fund financial statements. The notes to the financial statements can be found following the fund financial statements in this report.

#### **Other Information**

The combining statements referred to earlier, in connection with non-major governmental funds and internal service funds, are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found in the supplemental information section of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

#### **Statement of Net Position**

The City's net position increased in 2018 by \$54.6 million or 23.2% from 2017. The largest portion, approximately \$256.0 million, of the City's net position represents its investment in infrastructure and other capital assets (e.g. land, building, other improvements, etc.) used in Governmental activities, net of amounts borrowed to finance the investment. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the City's governmental net position of \$24.8 million, or 8.6%, represents the resources that are subject to restrictions that may only be used to construct specified capital projects, debt service, tourism, public safety programs or pensions. The restrictions on these funds were placed by law makers or covenants and cannot be changed by the City.

Unrestricted net position can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The City's unrestricted net position increased from 2017 by \$2,080,046 to \$8.7 million as a result of new construction in the City.

At the end of the fiscal year 2018, the City was able to report positive balances in all categories of net position for the government as a whole except for unrestricted due to OPEB and net pension liabilities, which will likely remain for a long term liability for several decades.

The following is a condensed version of the Government-Wide Statement of Net Position.

<b>City of Camas Net Position</b>						
	Governmental Activities 2018	Governmental Activities 2017	Business-type Activities 2018	Business-type Activities 2017	Total Activities 2018	Total Activities 2017
Current and other assets	\$ 32,102,227	\$ 16,455,949	\$ 31,496,878	\$ 32,625,491	\$ 63,599,105	\$ 49,081,440
Pension Assets	5,612,307	6,046,372	-	-	5,612,307	6,046,372
Capital assets (net of accumulated depreciation)	165,688,709	133,538,951	144,976,689	127,061,176	310,665,398	260,600,127
Total Assets	203,403,243	156,041,272	176,473,567	159,686,667	379,876,810	315,727,939
Deferred Outflows	1,071,851	999,703	169,067	467,529	1,240,918	1,467,232
Long-term Liabilities	22,571,177	13,413,071	42,210,975	44,529,096	64,782,152	57,942,167
Other Liabilities	15,985,332	13,500,508	7,231,064	8,726,568	23,216,396	22,227,076
Total Liabilities	38,556,509	26,913,579	49,442,039	53,255,664	87,998,548	80,169,243
Deferred Inflows	3,211,888	1,798,188	419,182	326,194	3,631,070	2,124,382
NET POSITION						
Net investment in capital assets	151,433,144	121,010,533	104,550,390	88,431,842	255,983,534	209,442,375
Restricted	16,513,889	12,118,030	8,273,446	6,703,946	24,787,335	18,821,976
Unrestricted	(5,240,336)	(4,799,355)	13,957,577	11,436,550	8,717,241	6,637,195
Total Net Position	\$ 162,706,697	\$ 128,329,208	\$ 126,781,413	\$ 106,572,338	\$ 289,488,110	\$ 234,901,546

### Statement of Activities

The Statement of Activities provides information about the City's revenues and all of its expenses, with an emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The City's Governmental activities net position increased by \$34,377,489 in 2018. The governmental revenue increased by \$30.7 million to \$67.9 million. The governmental expenses increased by \$1.5 million to \$32.2 million.

Of the total governmental revenues, total program revenues increased by \$27 million to \$45million as compared to the prior year. The increase is primarily due to \$26 million more in capital grants and contributions as compared to 2017 primarily due to contributed capital from development.

The decline in governmental activities revenue in 2017 was attributed to the disposal of capital assets of \$2.0 million. Excluding the disposal of capital assets funds, general revenues increased \$1.6 million over 2016. The City is currently in a process to review the full inventory of capital assets. The review of duplicate items, disposals and reclassifications resulted in the reduction of governmental assets by \$2.0 million in 2017. The City continues this project and intends to complete the review of capital assets in 2019-2020.

A summary version of the Statement of Activities is shown in the following table including comparison data from 2017. The full statement is a tabular depiction of the relationship of revenues and expenses for the City's governmental activities and proprietary funds. The graphs that follow illustrate the sources of revenue and the balance of governmental vs. business type expenses for 2018.

	City of Camas in Net Position					
	Governmental Activities 2018	Governmental Activities 2017	Business-type Activities 2018	Business-type Activities 2017	Total 2018	Total 2017
Revenues:						
Program revenues:						
Charges for services	\$ 14,416,843	\$ 12,748,929	\$ 16,829,469	\$ 16,268,924	\$ 31,246,312	29,017,853
Operating grants and contributions	56,224	517,339	36,676	703,617	92,900	1,220,956
Capital grants and contributions	30,617,513	4,322,570	17,412,844	8,235,272	48,030,357	12,557,842
General revenues:						
Taxes:						
Property taxes levied for						
general purposes and EMS	13,436,824	13,036,189	-	-	13,436,824	13,036,189
Property taxes levied for debt service	618,901	633,574	-	-	618,901	633,574
Sales and use taxes	4,562,454	3,963,979	-	-	4,562,454	3,963,979
Business and occupation taxes	496,127	530,051	-	-	496,127	530,051
Excise and other taxes	2,131,635	1,936,202	-	-	2,131,635	1,936,202
Grants and contributions not						
restricted to specific programs	1,055,571	1,318,311	-	-	1,055,571	1,318,311
Unrestricted investment earnings	375,523	96,083	483,034	278,798	858,557	374,881
Miscellaneous	177,227	128,182	384,984	-	562,211	128,182
Gain (Loss) Disposal of Capital Assets	-	(1,991,016)	-	(157,033)	-	(2,148,049)
Total revenues	67,944,842	37,240,393	35,147,007	25,329,578	103,091,849	62,569,971
Expenses:						
General government	4,765,732	4,230,379	-	-	4,765,732	4,230,379
Judicial	385,692	339,871	-	-	385,692	339,871
Public safety	15,680,707	14,686,326	-	-	15,680,707	14,686,326
Physical environment	215,571	227,270	-	-	215,571	227,270
Transportation	5,592,542	6,165,210	-	-	5,592,542	6,165,210
Health and human services	7,317	12,393	-	-	7,317	12,393
Economic environment	1,117,218	906,444	-	-	1,117,218	906,444
Culture and recreation	4,013,534	3,715,865	-	-	4,013,534	3,715,865
Interest on long-term debt	415,449	399,310	-	-	415,449	399,310
Water-Sewer	-	-	11,272,648	11,283,300	11,272,648	11,283,300
Storm Water	-	-	1,488,879	2,298,883	1,488,879	2,298,883
Solid Waste	-	-	2,297,210	2,347,577	2,297,210	2,347,577
Total expenses	32,193,762	30,683,068	15,058,737	15,929,760	47,252,499	46,612,828
Excess or deficiency before Transfers	35,751,080	6,557,325	20,088,270	9,399,818	55,839,350	15,957,143
Transfers	(120,805)	108,552	120,805	(108,552)	-	-
Change in net position	35,630,275	6,665,877	20,209,075	9,291,266	55,839,350	15,957,143
Net position - beginning	128,329,208	127,937,385	106,572,338	96,732,113	234,901,546	224,669,498
Change in Accounting Principles	-	(4,090,119)	-	(215,269)	-	(4,305,388)
Prior Period Adjustment	(1,252,786)	(2,183,935)	-	764,228	(1,252,786)	(1,419,707)
Net Position - ending	\$ 162,706,697	\$ 128,329,208	\$ 126,781,413	106,572,338	\$ 289,488,110	234,901,546

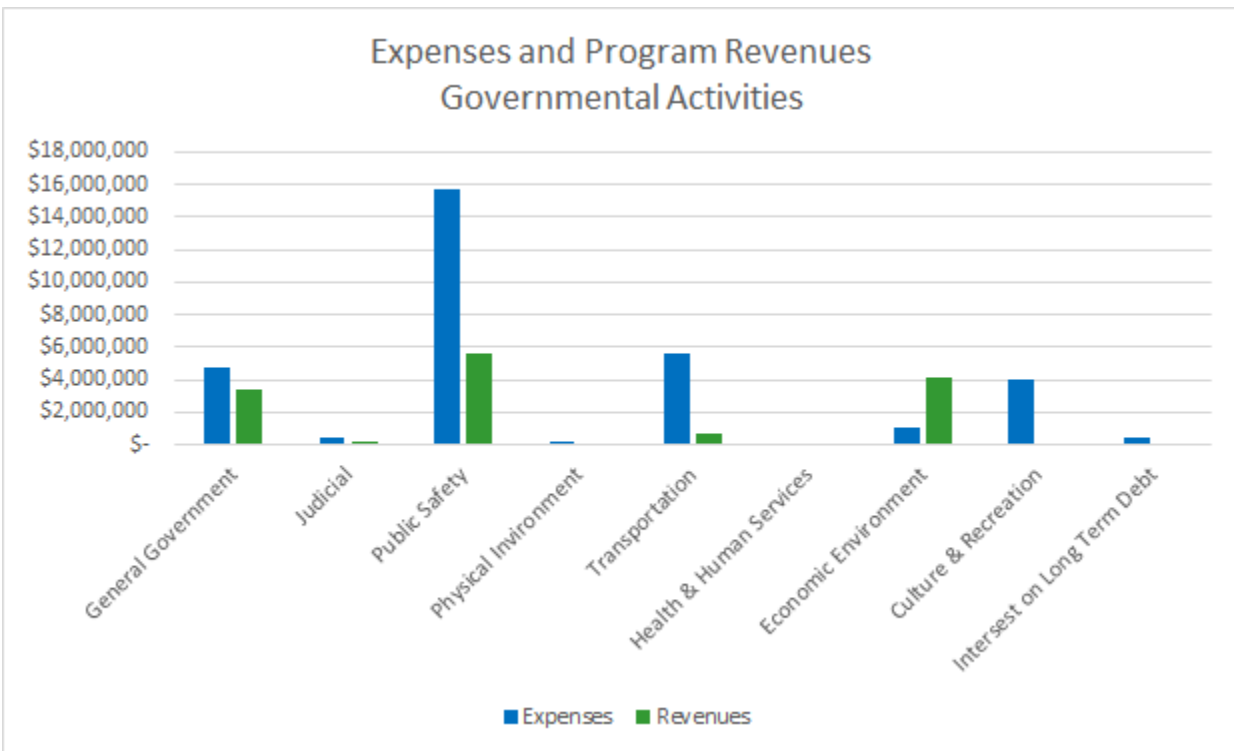
### Governmental Activity Analysis

The property tax collections increased in the City of Camas by \$273,890 with the growth in new construction in home building. Sales tax collected increased by \$598,475 or 15% which is due to stronger construction in both private and public projects in 2018. The Excise and Other Taxes increased by 10% with robust growth in real estate excise tax. Business and Occupational taxes decreased in 2018 as compared to 2017 by 6%, this category primarily includes cable franchise fees and utility taxes for Natural Gas. Natural Gas Utility Tax is impacted by weather and gas prices.

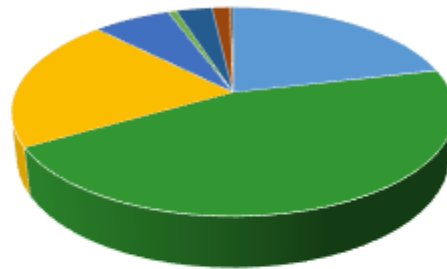
Governmental activities expenses for 2018 were 5% higher than 2017. This growth rate in expenses can be attributed to the settlement of four labor contracts, Police, IAFF, CPEA and AFSCME, each included some retro pay. Non-represented employees and the Library employees (whose labor contract was approved in December, 2017) received cost of living increases.

Overall, net position with governmental activities increased by \$29.07 million due to the increase in contributed capital, growth related revenue increases and modest growth in expenditures.

The following charts display the City's governmental activities for 2018, highlighting the proportionate elements of the Revenue and Expenses by program. As well as a detailed chart of sources of revenue in 2018 in the governmental activities.



### Revenues by Sources - Governmental Activities



- Charges for Services
- Capital Grants & Contributions
- Sales & Uses Taxes
- Excise & Other Taxes
- Miscellaneous
- Operating Grants & Contributions
- Property Taxes
- Business & Occupational Taxes
- Grants & Contributions not Restricted

### Business-Type Activities Analysis

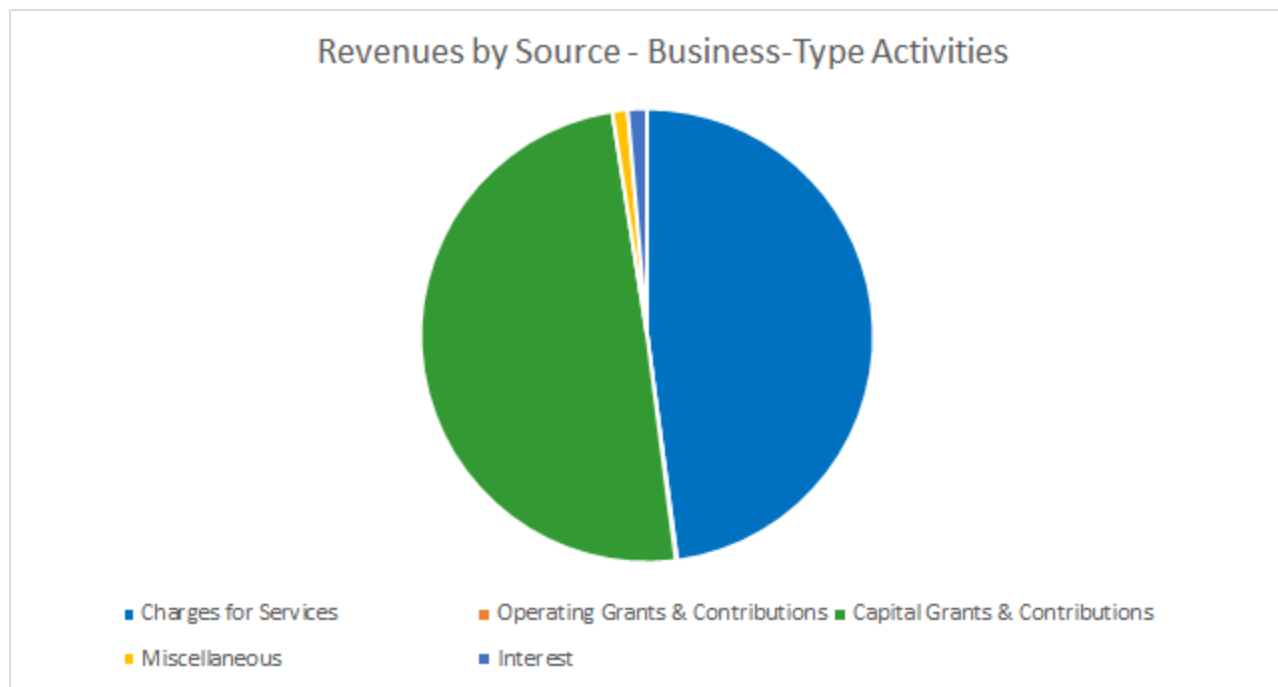
The financial position of the City's Business-Type funds consists of the Storm Water Fund, the Solid Waste Fund and the Water-Sewer Fund. The Water-Sewer Fund is the largest proprietary fund in the City. The financial position of the City's business-type funds is strongly influenced by the Water-Sewer Fund. In 2018, that fund had a \$564,545 increase in charges for services revenues, \$9.2 million increase in capital grants and contributions, a \$871,343 decrease in expenses (excluding depreciation and amortization) over the prior year. In addition, there is an increase in capital investment of \$9.2 million, all contributing to a net position growth of 19.1%. The Solid Waste Fund improved net position by 22.8% in 2018. This increase was mostly attributed to increase in garbage and recycling revenue while maintain status quo expense budget. The Storm Water Fund increased net position by \$4.7 million to \$21.3 million which is attributed to realigning the program to meet the requirements of the National Pollutant Discharge Elimination System permit.

#### Business-Type Activity Operating Revenues

	\$ 12,436,638	
Water-Sewer		74%
Storm Water	1,555,918	9%
Solid Waste	2,706,051	16%
		<u>100%</u>

#### Business-Type Activity Operating Expenses

	\$ 10,220,335	
Water-Sewer		73%
Storm Water	1,466,295	10%
Solid Waste	2,318,671	17%
		<u>100%</u>



## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

### Governmental Funds Analysis

The City uses fund accounting to ensure compliance with legal requirements and to assist in the budgeting and operations of the different activities of the City. The City has 29 funds, of which 18 are governmental funds. The governmental funds are categorized into four different fund types. Each fund type has a unique purpose, General Fund, Special Revenue Funds, Debt Funds and Capital Project Funds.

For purposes of this report, two funds are classified as major funds, based on criteria set forth by the Governmental Accounting Standards Board (GASB). Those funds are the General Fund used for traditional government purposes, and the Camas/Washougal Fire and EMS Fund (Special Revenue Fund).

The change in Total Governmental Funds fund balance increased by \$12.4 million. Of the Major funds, the General Fund had an increase of \$2.1 million. The Camas/Washougal Fire and EMS Fund had an increase of \$157,058. All other governmental funds had a combined increase in their fund balances of \$10.1 million which includes bond proceeds of \$9.8 million.

The increase in the General Fund was primarily a result increase in growth related revenue such as building permits and engineering related revenue. The Camas/Washougal Fire and EMS Fund increase is the result of higher contributions from the City of Camas and the City of Washougal to build fund balance.

### Business-Type Activities Analysis

Proprietary funds are those funds that account for government operations where the intent is for the costs to be primarily paid for by user charges. Enterprise funds are those funds that provide services primarily to external users, and the internal service funds provide their services primarily within the City, or to other governmental units. The City has three enterprise funds and one internal service fund.

The Water-Sewer Fund is the largest business-type fund in the city, accounting for 81% of net position for the enterprise funds at \$101.9 million. The Water-Sewer Fund had an increase in net position of over \$15 million. Revenues generated from operations were higher than the prior year by \$402 thousand (3.3%), and operating expenses increased by 1.4%. The higher revenues were due to residential and commercial growth with the costs maintaining due to lower personnel costs as a result of continuing labor negotiations and unfilled staff positions.

The Solid Waste Fund net position increased 22.8% in 2018. Charges for services increased 4.7% while operating expenses increased only 1.6% with status quo labor costs with negotiations and reduced repair work required on equipment.

The Storm Water Fund net position increased by 28% in 2018. Charges for services increased 7.8% in 2018. Majority of the growth was due to \$4.6 million in contributed capital from public projects and private development.

The Internal Service Fund, the Equipment Rental Fund net position showed a modest increase of \$199,611 or 4% in 2018. Revenues decreased by 6% with the operating transfers included while expenses decreased \$600 thousand (31%) with scheduled vehicle purchases. Rates for the rental of equipment were adjusted with an updated Equipment Rental Rate Model in 2018. The financial model is sustainable and will be carefully monitored.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City operated with re-adopted biennial budget for 2018 with the adoption of Ordinance No. 17-018. In 2017, General Fund revenues exceeded the anticipated budget by 7.3%, while expenditures were 99% of the budget. Revenues ended the year \$1,648,602 higher than anticipated with development pace exceeding expectations throughout 2018. Overall, 2018 ended \$4.3 million more than the previous year with the additional increase from the fire pension and OPEB assets of \$2.2 million as a result of GASB 68 and 75. The non-pension related increase of \$2.1 million in fund balance reflects lower jail costs, unfilled job positions, coupled with the robust construction growth yielding higher revenues.

State law allows funds to be expended if authorized by an ordinance amending the original budget [RCW 35A.33.120(4)]. The budget was amended for an increase of \$517,058 by City Council in Ordinance No. 18-007. This Ordinance supplemented the budget for personnel related expenditures., master planning, IT and library projects..

The Budget was supplemented by \$281,369 by City Council in Ordinance No. 18-023. This budget adjustment included Clark County increases in costs, SWAT vehicle, new Community Development staffing, new Library software and building repairs. This budget adjustment also provided for cost accounting for engineering time and pension accounting,

The City had planned and budgeted for General Fund balances in 2018 to 18% of Fund Balance; however, due to the higher growth in revenue collections and lower expenditures, the fund balance for the General Fund increased by \$2,280,968 ending the year with \$6,935,371. This balance represents 31% of expenditures and is well above the City's adopted policies for fund balance of 17%.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

City's Investment in capital assets, including construction in progress for its governmental and business type activities as of December 31, 2018, was \$310,665,398 (net of accumulated depreciation). This investment in capital assets includes land, buildings, system improvements, machinery and equipment, park facilities, and construction in progress on buildings and systems. This reflects an increase in net capital assets of \$50 million during the year.

Major capital asset additions include completion of to North Shore Sewer Transmission Main, North Shore Water Main, 6th Avenue improvements with the 6th and Norwood Traffic Circle, new City Hall Annex Building, open space acquisitions and a number of developer contributions from new subdivisions.

Additional information on the capital assets of the City of Camas can be found in the Notes to the Financial Statements - Note IV item C of this report.

City of Camas Capital Assets (net of depreciation)						
	Governmental Activities		Business-Type Activities		Total Activities	
	1/1/2018	12/31/2018	1/1/2018	12/31/2018	1/1/2018	12/31/2018
Land and Right of Way	\$ 64,370,620	\$ 87,043,423	\$ 2,394,765	\$ 2,704,665	\$ 66,765,385	\$ 89,748,088
Buildings and systems	11,891,682	12,954,386	20,914,486	24,929,225	32,806,168	37,883,611
Improvements other than building	4,020,996	3,728,010	18,648,927	19,080,186	22,669,923	22,808,196
Machinery and equipment	5,854,726	5,637,812	17,828,101	16,862,723	23,682,827	22,500,535
Intangibles	14,275	2,200	-	55,674	14,275	57,874
Infrastructure	45,268,488	52,782,779	54,358,763	78,235,792	99,627,251	131,018,571
Construction in progress	2,118,164	3,540,099	12,916,134	3,108,424	15,034,298	6,648,523
Total	\$ 133,538,951	\$ 165,688,709	\$ 127,061,176	\$ 144,976,689	\$ 260,600,127	\$ 310,665,398

### Long-Term Debt

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds are either created by 3/5 majority vote of the people and, therefore, financed by a special tax levy (unlimited general obligation bonds); or created by ordinance, adopted by City Council, and financed from general revenues (limited general obligation bonds).

At December 31, 2018, the City of Camas had total bonded debt outstanding of \$35 million and government loans of \$29.2 million. Of this amount, \$17.6 million is general obligation debt. The revenue bonds of \$17.5 million represent bonds secured solely by specified revenue source. The business-type government loans are intended to be repaid with a specified revenue source.

The table below is a comparison of the summary information for year-end 2018 and 2017 bonded and non-bonded debt (in thousands).

City of Camas Outstanding Bonded Debt (in thousands)						
	Governmental Activities		Business-Type Activities		Total Activities	
	2018	2017	2018	2017	2018	2017
General obligation bonds	\$ 16,869	\$ 7,850	\$ 683	\$ 710	\$ 17,552	\$ 8,560
Revenue bonds	-	-	17,520	18,240	17,520	18,240
Government loans	4,106	4,629	25,141	26,447	29,247	31,076
Total	\$ 20,975	\$ 12,479	\$ 43,344	\$ 45,397	\$ 64,319	\$ 57,876

The total bonded debt of the City of Camas increased by a net \$8.2 million during 2018 with a new bond issue of \$9.8 million. The City's remaining capacity for non-voted debt is approximately \$50.1 million. City of Camas is currently rated AA+ for general obligation debt by Standard and Poor's Rating Service. The City's rating was reaffirmed in November, 2018.

Additional information on the City's long-term debt can be found in Note IV item E in the Notes to the Financial Statements and in the Appendices on Table 10 through Table 14.

### Significant Commitments

The City has several remaining construction projects as of December 31, 2018. They include Governmental and Business type projects. While these projects have contracts issued for their construction, there is not an immediate liability to the City. Rather, the contracts represent a commitment that should be disclosed. The following lists these commitments:

Governmental Type Construction Projects:

Project	Projects to Date		Remaining Commitment
North Shore Legacy Lands Project	\$	1,018,691	\$ 10,215,700
NW Brady Road Street Improvements	\$	878,600	\$ 7,175,000
NE 3rd Ave. Bridge Seismic Retrofit	\$	23,675	\$ 1,695,000
Larkspur Street Construction	\$	836,920	\$ 2,250,000

Business Activity Construction Projects:

Project	Projects to Date		Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$	26,224,098	\$ 38,420
Lacamas Creek Pump Station	\$	218,485	\$ 3,000,000
Well 17	\$	294,832	\$ 2,300,000
Well 6/4 Waterline Transmission	\$	46,130	\$ 475,000
Reservoir	\$	83,203	\$ 7,200,000

## ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in detail in the accompanying Letter of Transmittal.

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this report should be directed to:

Finance Department  
City of Camas  
616 NE 4<sup>th</sup> Avenue  
Camas, WA, 98607.

Additional information about the City's operations and activities can be obtained from the website at [www.cityofcamas.us](http://www.cityofcamas.us).

The City's transparent budget can be found at: [www.cityofcamas.us/index.php/financereporting/openbudget](http://www.cityofcamas.us/index.php/financereporting/openbudget)

**CITY OF CAMAS, WASHINGTON**

Statement of Net Position

December 31, 2018

	Governmental Activities	Business-type Activities	Total Primary Government
<b>Assets:</b>			
Cash, Cash Equivalents and Pooled Investments	\$ 20,842,528	\$ 12,748,843	\$ 33,591,371
Receivables (Net of Allowance for Uncollectibles)	1,999,006	2,531,639	4,530,645
Internal Balances	(1,263,257)	1,263,257	-
<b>Restricted Assets</b>			
Cash, Cash Equivalents and Pooled Investments	4,569,068	13,498,845	18,067,913
Investments	5,954,882	1,454,294	7,409,176
Net Pension Assets	5,612,307	-	5,612,307
<b>Capital Assets Not Being Depreciated:</b>			
Land and Improvements to Land	23,661,198	2,145,085	25,806,283
Land Rights	63,382,225	559,580	63,941,805
Construction Work in Progress	3,540,099	3,108,424	6,648,523
<b>Capital Assets Net of Accumulated Depreciation:</b>			
Buildings	12,954,386	24,929,225	37,883,611
Improvements Other than Buildings	3,728,010	19,080,186	22,808,196
Machinery and Equipment	5,637,812	16,862,723	22,500,535
Intangibles	2,200	55,674	57,874
Infrastructure	52,782,779	78,235,792	131,018,571
<b>Total Assets</b>	<b>203,403,243</b>	<b>176,473,567</b>	<b>379,876,810</b>
<b>Deferred Outflows of Resources</b>			
Amounts related to pensions	1,071,851	169,067	1,240,918
<b>Total deferred outflows of resources</b>	<b>1,071,851</b>	<b>169,067</b>	<b>1,240,918</b>
<b>Liabilities:</b>			
Accounts Payable and Other Current Liabilities	921,020	1,995,593	2,916,613
Accrued Interest Payable	75,318	149,007	224,325
Custodial Accounts	1,157,030	-	1,157,030
Developer Credit	1,306,127	310,525	1,616,652
<b>Noncurrent Liabilities:</b>			
Due within One Year	1,843,760	3,418,518	5,262,278
Due in More than One Year	22,571,177	42,210,975	64,782,152
Total OPEB Liability	7,619,988	410,719	8,030,707
Net Pension Liability	3,062,089	946,702	4,008,791
<b>Total Liabilities</b>	<b>38,556,509</b>	<b>49,442,039</b>	<b>87,998,548</b>
<b>Deferred Inflows of Resources</b>			
Amounts related to pensions	3,211,888	419,182	3,631,070
<b>Total deferred inflows of resources</b>	<b>3,211,888</b>	<b>419,182</b>	<b>3,631,070</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	151,433,144	104,550,390	255,983,534
<b>Restricted for:</b>			
Tourism	22,668	-	22,668
Public Safety	158,829	-	158,829
Debt Service	45,362	1,622,623	1,667,985
Capital	8,714,429	6,650,823	15,365,252
Pensions	7,572,601	-	7,572,601
Unrestricted	(5,240,336)	13,957,577	8,717,241
<b>Total Net Position</b>	<b>\$ 162,706,697</b>	<b>\$ 126,781,413</b>	<b>\$ 289,488,110</b>

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**

Statement of Activities

Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	\$ 4,765,732	\$ 3,445,986	\$ 10,453	\$ -	\$ (1,309,293)	\$ -	\$ (1,309,293)
Judicial	385,692	202,898	-	-	(182,794)	-	(182,794)
Public Safety	15,680,707	5,654,156	20,226	-	(10,006,325)	-	(10,006,325)
Physical Environment	215,571	47,643	-	-	(167,928)	-	(167,928)
Transportation	5,592,542	745,586	-	30,617,513	25,770,557	-	25,770,557
Health and Human Services	7,317	-	-	-	(7,317)	-	(7,317)
Economic Environment	1,117,218	4,167,069	4,686	-	3,054,537	-	3,054,537
Culture and Recreation	4,013,534	121,028	20,859	-	(3,871,647)	-	(3,871,647)
Interest on Long-Term Debt	415,449	32,477	-	-	(382,972)	-	(382,972)
TOTAL GOVERNMENTAL ACTIVITIES	32,193,762	14,416,843	56,224	30,617,513	12,896,818	-	12,896,818
Business-Type Activities:							
Water Sewer	11,272,648	12,567,500	-	12,838,554	-	14,133,406	14,133,406
Storm Water Drainage	1,488,879	1,555,918	36,676	4,574,290	-	4,678,005	4,678,005
Solid Waste	2,297,210	2,706,051	-	-	-	408,841	408,841
TOTAL BUSINESS-TYPE ACTIVITIES	15,058,737	16,829,469	36,676	17,412,844	-	19,220,252	19,220,252
Total Primary Government	\$ 47,252,499	\$ 31,246,312	\$ 92,900	\$ 48,030,357	\$ 12,896,818	\$ 19,220,252	\$ 32,117,070
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					12,003,423	-	12,003,423
Property Taxes Levied for Voted Levy (EMS)					1,433,401	-	1,433,401
Property Taxes, Levied for Debt Service					618,901	-	618,901
Sales and Use Taxes					4,562,454	-	4,562,454
Business and Occupation Taxes					496,127	-	496,127
Excise and Other Taxes					2,131,635	-	2,131,635
Grants and Contributions not Restricted to Specific Programs					1,055,571	-	1,055,571
Miscellaneous					177,227	384,984	562,211
Transfers					(120,805)	120,805	-
Unrestricted Investment Earnings					375,523	483,034	858,557
Total General Revenues					22,733,457	988,823	23,722,280
Change in Net Position					35,630,275	20,209,075	55,839,350
Net Position - Beginning					128,329,208	106,572,338	234,901,546
Prior Period Adjustment					(1,252,786)	-	(1,252,786)
Net Position, End of Year					\$ 162,706,697	\$ 126,781,413	\$ 289,488,110

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**

Governmental Funds

Balance Sheet

December 31, 2018

	General Fund	Camas-Washougal Fire & EMS Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Cash, Cash Equivalents, and Pooled Investments	\$ 9,550,596	\$ 1,282,974	\$ 18,760,283	\$ 29,593,853
Property Taxes Receivables	126,278	15,079	6,544	147,901
Sales Taxes Receivable	767,871	-	1,718	769,589
Accounts Receivable (net)	30,218	558,631	5,088	593,937
Interest Receivable	8,181	-	24,903	33,084
Due from Other Governmental Units	187,388	-	263,202	450,590
<b>Total Assets</b>	<b>10,670,532</b>	<b>1,856,684</b>	<b>19,061,738</b>	<b>31,588,954</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	314,374	55,621	478,707	848,702
Due to Other Governmental Units	42,479	-	-	42,479
Custodial Accounts	994,440	-	162,590	1,157,030
<b>Total Liabilities</b>	<b>1,351,293</b>	<b>55,621</b>	<b>641,297</b>	<b>2,048,211</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	299,712	476,443	214,124	990,279
<b>Total deferred inflows of resources</b>	<b>299,712</b>	<b>476,443</b>	<b>214,124</b>	<b>990,279</b>
<b>Fund Balances:</b>				
<b>Restricted</b>				
Tourism	-	-	22,668	22,668
Public Safety	158,829	-	-	158,829
Debt Service	-	-	45,362	45,362
Capital Outlay	-	-	17,278,085	17,278,085
Pensions	1,960,294	-	-	1,960,294
Committed - Public Safety	-	1,324,620	-	1,324,620
Assigned - Cemetery	30,715	-	-	30,715
Assigned - Working Capital	161,683	-	904,443	1,066,126
Unassigned	6,708,006	-	(44,241)	6,663,765
<b>Total Fund Balances</b>	<b>9,019,527</b>	<b>1,324,620</b>	<b>18,206,317</b>	<b>28,550,464</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 10,670,532</b>	<b>\$ 1,856,684</b>	<b>\$ 19,061,738</b>	<b>\$ 31,588,954</b>

Amounts reported for governmental activities in the statement of net position are different because (See Note II also):

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	162,452,533
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds	990,279
Other items related to Pension activity that are not financial resources therefore, not reported in the funds.	3,503,077
Internal service funds are used to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	3,553,967
Long-term liabilities that are not due and payable in the current period and are not reported in the funds	(36,343,623)
<b>Net position of governmental activities</b>	<b>\$ 162,706,697</b>

**CITY OF CAMAS, WASHINGTON**

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended December 31, 2018

	General Fund	Camas-Washougal Fire & EMS Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ 11,990,686	\$ 1,433,401	\$ 618,901	\$ 14,042,988
Sales and Use Taxes	4,547,946	-	14,508	4,562,454
Other Taxes	496,127	-	2,131,635	2,627,762
License and Permits	1,002,421	68,001	-	1,070,422
Intergovernmental	597,132	1,222	1,254,299	1,852,653
Charges for Services	4,900,949	4,960,744	1,918,748	11,780,441
Fines and Forfeits	213,780	14,271	-	228,051
Interest Earnings	149,158	18,364	178,168	345,690
Rents and Royalties	175,478	-	-	175,478
Contributions/Donations	38,314	6,100	-	44,414
Miscellaneous	23,707	2,614	55,582	81,903
<b>Total Revenues</b>	<b>24,135,698</b>	<b>6,504,717</b>	<b>6,171,841</b>	<b>36,812,256</b>
<b>Expenditures:</b>				
<b>Current</b>				
General Government	4,665,663	-	-	4,665,663
Judicial	385,789	-	-	385,789
Security/ Persons and Property	6,376,297	9,661,736	-	16,038,033
Physical Environment	217,508	-	-	217,508
Transportation	-	-	1,610,371	1,610,371
Economic Environment	1,101,871	-	9,223	1,111,094
Culture and Recreation	3,140,648	-	-	3,140,648
Capital Outlay	234,186	-	5,913,648	6,147,834
<b>Debt Service</b>				
Principal Retirement	-	-	1,314,026	1,314,026
Interest and Other Charges	1,019	5,219	439,148	445,386
<b>Total Expenditures</b>	<b>16,122,981</b>	<b>9,666,955</b>	<b>9,286,416</b>	<b>35,076,352</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>8,012,717</b>	<b>(3,162,238)</b>	<b>(3,114,575)</b>	<b>1,735,904</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	3,905	-	-	3,905
Insurance Recoveries	1,699	-	59,547	61,246
Issuance of Debt	-	-	9,810,000	9,810,000
Premium on Bonds Issued	-	-	984,542	984,542
Debt Issuance Costs	-	-	(87,618)	(87,618)
Transfers In	51,420	3,384,113	4,551,606	7,987,139
Transfers Out	(5,959,122)	(64,817)	(2,084,005)	(8,107,944)
<b>Total Other Financing Sources and Uses</b>	<b>(5,902,098)</b>	<b>3,319,296</b>	<b>13,234,072</b>	<b>10,651,270</b>
<b>Net Change in Fund Balances</b>	<b>2,110,619</b>	<b>157,058</b>	<b>10,119,497</b>	<b>12,387,174</b>
<b>Fund Balance at Beginning of Year</b>	<b>4,678,469</b>	<b>1,167,562</b>	<b>8,086,820</b>	<b>13,932,851</b>
<b>Prior Period Adjustments</b>	<b>2,230,439</b>	<b>-</b>	<b>-</b>	<b>2,230,439</b>
<b>Fund Balance at End of Year</b>	<b>\$ 9,019,527</b>	<b>\$ 1,324,620</b>	<b>\$ 18,206,317</b>	<b>\$ 28,550,464</b>

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balance of Governmental Funds to the Statement of Activities  
Year Ended December 31, 2018

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Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds:	\$ 12,387,174
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount by which capital outlays exceeded depreciation in the current period.	1,023,906
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	30,048,981
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	751,563
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(9,480,514)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	762,919
Internal service funds are used by management to charge the costs of equipment, insurance and printing to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.	136,246
Change in net position of governmental activities	<u>\$ 35,630,275</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF CAMAS, WASHINGTON**  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 11,994,442	\$ 11,994,442	\$ 11,990,686	\$ (3,756)
Sales and Use Taxes	3,147,919	3,147,919	4,547,946	1,400,027
Other Taxes	571,015	571,015	496,127	(74,888)
License and Permits	1,168,541	1,168,541	1,002,421	(166,120)
Intergovernmental	597,259	597,259	597,132	(127)
Charges for Services	4,428,256	4,477,599	4,856,125	378,526
Fines and Forfeits	198,812	198,812	213,780	14,968
Interest Earnings	49,166	49,166	146,823	97,657
Rents and Royalties	170,249	170,249	175,478	5,229
Contributions/Donations	31,500	41,565	38,314	(3,251)
Miscellaneous	23,370	23,370	23,707	337
Total Revenues	22,380,529	22,439,937	24,088,539	1,648,602
Expenditures:				
Current				
General Government	4,621,498	4,847,323	4,665,663	181,660
Judicial	386,897	396,897	385,789	11,108
Security/ Persons and Property	5,910,544	5,964,619	6,376,297	(411,678)
Economic Environment	1,144,968	1,119,605	1,101,871	17,734
Culture and Recreation	3,223,944	3,462,976	3,140,648	322,328
Capital Outlay	203,213	232,213	234,186	(1,973)
Debt Service				
Interest and Other Charges	-	-	1,019	(1,019)
Total Expenditures	15,491,064	16,023,633	15,905,473	118,160
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,889,465	6,416,304	8,183,066	1,766,762
Other Financing Sources (Uses):				
Sale of Capital Assets	-	-	3,905	3,905
Insurance Recoveries	-	-	1,699	1,699
Transfers In	-	-	51,420	51,420
Transfers Out	(6,037,527)	(6,303,384)	(6,136,120)	167,264
Total Other Financing Sources and Uses	(6,037,527)	(6,303,384)	(6,079,096)	224,288
Net Change in Fund Balance	851,938	112,920	2,103,970	1,991,050
Fund Balances at Beginning of Year	60,661	(874,950)	4,654,403	5,529,353
Prior Period Adjustments	-	-	2,230,439	2,230,439
Fund Balances at End of Year	\$ 912,599	\$ (762,030)	\$ 8,988,812	\$ 9,750,842
Adjustments to general accepted accounting principles (GAAP) Basis				
Cemetery Fund			30,715	
Fund Balance - GAAP basis			\$ 9,019,527	

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Camas-Washougal Fire & EMS Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 1,434,751	\$ 1,434,751	\$ 1,433,401	\$ (1,350)
License and Permits	54,183	58,183	68,001	9,818
Intergovernmental	1,290	1,290	1,222	(68)
Charges for Services	4,871,485	4,871,485	4,960,744	89,259
Fines and Forfeits	16,721	16,721	14,271	(2,450)
Interest Earnings	4,421	4,421	18,364	13,943
Contributions/Donations	-	1,000	6,100	5,100
Miscellaneous	15,244	15,244	2,614	(12,630)
Total Revenues	6,398,095	6,403,095	6,504,717	101,622
Expenditures:				
Current				
Security/ Persons and Property	9,451,364	10,045,783	9,661,736	384,047
Debt Service				
Interest and Other Charges	-	-	5,219	(5,219)
Total Expenditures	9,451,364	10,045,783	9,666,955	378,828
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,053,269)	(3,642,688)	(3,162,238)	480,450
Other Financing Sources (Uses):				
Transfers In	3,405,131	3,405,131	3,384,113	(21,018)
Transfers Out	(71,042)	(71,042)	(64,817)	6,225
Total Other Financing Sources and Uses	3,334,089	3,334,089	3,319,296	(14,793)
Net Change in Fund Balance	280,820	(308,599)	157,058	465,657
Fund Balances at Beginning of Year	600,732	669,511	1,167,562	498,051
Fund Balances at End of Year	\$ 881,552	\$ 360,912	\$ 1,324,620	\$ 963,708

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**

Proprietary Funds  
Statement of Net Position  
December 31, 2018

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste	Total	Internal Service - Equipment Rental
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash, Cash Equivalents, and Pooled Investments	\$ 16,034,437	\$ 2,548,044	\$ 2,405,016	\$ 20,987,497	\$ 1,772,625
Receivables					
Accounts	1,683,994	278,324	483,526	2,445,844	3,905
Due from Other Governmental Units	-	85,795	-	85,795	-
<b>Restricted Assets</b>					
Cash and Cash Equivalents	5,218,201	-	-	5,218,201	-
Investments	1,496,284	-	-	1,496,284	-
<b>Total Current Assets</b>	<b>24,432,916</b>	<b>2,912,163</b>	<b>2,888,542</b>	<b>30,233,621</b>	<b>1,776,530</b>
<b>Long - Term Assets:</b>					
<b>Nondepreciable Assets:</b>					
Land and Improvements to Land	942,835	1,202,250	-	2,145,085	104,732
Land Rights	537,394	22,186	-	559,580	-
Construction in Progress	2,893,525	214,899	-	3,108,424	-
<b>Property, Plant and Equipment (Net)</b>					
Building	24,929,225	-	-	24,929,225	626,876
Intangible Assets	55,674	-	-	55,674	-
Improvements Other than Buildings	10,483,732	8,596,454	-	19,080,186	26,009
Machinery and Equipment	16,851,938	10,785	-	16,862,723	2,478,559
Infrastructure	68,820,466	9,415,326	-	78,235,792	-
<b>Total Noncurrent Assets</b>	<b>125,514,789</b>	<b>19,461,900</b>	<b>-</b>	<b>144,976,689</b>	<b>3,236,176</b>
<b>Total Assets</b>	<b>149,947,705</b>	<b>22,374,063</b>	<b>2,888,542</b>	<b>175,210,310</b>	<b>5,012,706</b>
<b>Deferred Outflows of Resources</b>					
Amounts related to pensions	127,163	14,334	27,570	169,067	20,836
<b>Total Deferred Outflows of Resources</b>	<b>127,163</b>	<b>14,334</b>	<b>27,570</b>	<b>169,067</b>	<b>20,836</b>
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts Payable	1,115,924	149,667	232,941	1,498,532	29,822
Accrued Interest Payable	146,455	2,552	-	149,007	-
Accrued Employee Benefits	12,417	178	2,234	14,829	1,816
Bonds, Notes and Loans Payable	3,367,485	36,204	-	3,403,689	-
Payable from Restricted Assets	495,674	1,387	-	497,061	-
<b>Total Current Liabilities</b>	<b>5,137,955</b>	<b>189,988</b>	<b>235,175</b>	<b>5,563,118</b>	<b>31,638</b>
<b>Noncurrent Liabilities:</b>					
Bonds, Notes and Loan Payable	41,307,897	769,610	-	42,077,507	-
Unearned Revenue - Developer Credit	310,525	-	-	310,525	-
Accrued Employee Benefits	111,755	1,603	20,110	133,468	16,347
Total OPEB Liability	273,813	-	136,906	410,719	-
Net Pension Liability	712,058	80,266	154,378	946,702	116,673
<b>Total Noncurrent Liabilities</b>	<b>42,716,048</b>	<b>851,479</b>	<b>311,394</b>	<b>43,878,921</b>	<b>133,020</b>
<b>Total Liabilities</b>	<b>47,854,003</b>	<b>1,041,467</b>	<b>546,569</b>	<b>49,442,039</b>	<b>164,658</b>
<b>Deferred Inflows of Resources</b>					
Amounts related to Pensions	315,287	35,540	68,355	419,182	51,660
<b>Total deferred inflows of resources</b>	<b>315,287</b>	<b>35,540</b>	<b>68,355</b>	<b>419,182</b>	<b>51,660</b>
<b>Net Position:</b>					
Net Investment in Capital Assets	85,894,304	18,656,086	-	104,550,390	3,236,176
Restricted for Debt Service	1,622,623	-	-	1,622,623	-
Restricted for Capital Purposes	6,650,823	-	-	6,650,823	-
Unrestricted	7,737,828	2,655,304	2,301,188	12,694,320	1,581,048
<b>Total Net Position</b>	<b>\$ 101,905,578</b>	<b>\$ 21,311,390</b>	<b>\$ 2,301,188</b>	<b>125,518,156</b>	<b>\$ 4,817,224</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				1,263,257	
Net Position of Business-type Activities				<u>\$ 126,781,413</u>	

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Net Position  
For the Fiscal Year Ended December 31, 2018

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste	Total	Internal Service - Equipment Rental
Operating Revenues:					
Charges for Services	\$ 12,436,638	\$ 1,555,918	\$ 2,706,051	\$ 16,698,607	\$ 1,491,972
Total Operating Revenues	<u>12,436,638</u>	<u>1,555,918</u>	<u>2,706,051</u>	<u>16,698,607</u>	<u>1,491,972</u>
Operating Expenses:					
Collection and Disposal	-	-	1,990,450	1,990,450	-
Storm Drainage Operations and Maintenance	-	824,783	-	824,783	-
Water Operations and Maintenance	1,820,073	-	-	1,820,073	-
Sewer Operations and Maintenance	2,328,923	-	-	2,328,923	-
Customer Accounts	103,290	-	-	103,290	-
Administration	1,692,329	4,975	203,880	1,901,184	-
Equipment Rental Operations	-	-	-	-	670,784
Taxes	517,704	23,339	124,341	665,384	-
Depreciation and Amortization	3,758,016	613,198	-	4,371,214	686,922
Total Operating Expenses	<u>10,220,335</u>	<u>1,466,295</u>	<u>2,318,671</u>	<u>14,005,301</u>	<u>1,357,706</u>
Operating Income (loss)	2,216,303	89,623	387,380	2,693,306	134,266
Nonoperating Revenues (Expenses)					
Interest Earnings	403,216	41,627	38,191	483,034	29,833
State and Federal Grants	-	36,676	-	36,676	-
Interest and Fiscal Charges	(1,081,102)	(35,699)	-	(1,116,801)	(336)
Gain (Loss) on Disposal of Assets	298	2,054	-	2,352	35,548
Miscellaneous Revenues (Expenses)	511,028	427	2,039	513,494	300
Total Nonoperating Revenues (Expenses)	<u>(166,560)</u>	<u>45,085</u>	<u>40,230</u>	<u>(81,245)</u>	<u>65,345</u>
Income (Loss) before Contributions and Transfers	2,049,743	134,708	427,610	2,612,061	199,611
Capital Contributions	12,838,554	4,574,290	-	17,412,844	-
Transfers In	117,744	3,061	-	120,805	-
Change in Net Position	<u>15,006,041</u>	<u>4,712,059</u>	<u>427,610</u>	<u>20,145,710</u>	<u>199,611</u>
Total Net Position at Beginning of Year	<u>86,899,537</u>	<u>16,599,331</u>	<u>1,873,578</u>	<u>105,372,446</u>	<u>4,617,613</u>
Total Net Position at End of Year	<u>\$ 101,905,578</u>	<u>\$ 21,311,390</u>	<u>\$ 2,301,188</u>	<u>\$ 125,518,156</u>	<u>\$ 4,817,224</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				63,365	
Change in Net Position of Business-Type Activities				<u>\$ 20,209,075</u>	

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Proprietary Funds  
Statement of Cash Flows  
For the Fiscal Year Ended December 31, 2018

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Cash Flows from Operating Activities:					
Cash received from Customers	\$ 13,220,532	\$ 1,531,319	\$ 2,683,133	\$ 17,434,984	\$ -
Cash received from Interfund Services Provided	-	-	-	-	1,491,972
Cash payments to Suppliers	(4,146,535)	(447,456)	(646,444)	(5,240,435)	(622,768)
Cash payments to Employees	(2,082,786)	(332,266)	(488,586)	(2,903,638)	(465,626)
Cash payments to Disposal Contractor	-	-	(704,380)	(704,380)	-
Cash payments for Interfund Services Used	(313,610)	(185,815)	(305,742)	(805,167)	-
Cash outflow for Taxes Paid	(517,704)	(23,339)	(124,341)	(665,384)	-
Cash received from Other Non-Operating Revenues	511,028	427	2,039	513,494	300
Net Cash Provided by Operating Activities	<u>6,670,925</u>	<u>542,870</u>	<u>415,679</u>	<u>7,629,474</u>	<u>403,878</u>
Cash Flows from Noncapital Financing Activities:					
Transfers - In	117,744	3,061	-	120,805	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>117,744</u>	<u>3,061</u>	<u>-</u>	<u>120,805</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:					
Proceeds from Capital Grants	-	-	-	-	-
Proceeds from Other Long Term Debt	1,085,176	-	-	1,085,176	-
Acquisition and Construction of Capital Assets	(5,617,869)	(35,039)	-	(5,652,908)	(702,385)
Principal Paid on Revenue Bonds	(720,000)	(27,066)	-	(747,066)	-
Principal Paid on Other Long Term Obligations	(2,366,010)	(26,399)	-	(2,392,409)	-
Principal Paid on Line of Credit	(1,061,930)	-	-	(1,061,930)	-
Interest Paid on Revenue Bonds and Other Long Term Debt	(1,009,011)	(35,901)	-	(1,044,912)	-
Proceeds from Line of Credit	1,021,266	-	-	1,021,266	-
Interest Paid on Short Term Debt	-	-	-	-	(336)
Capital Contributed from Customers and Developers	101,519	-	-	101,519	-
Proceeds from Sale of Property	298	-	-	298	35,548
Proceeds from Insurance Recoveries	-	2,054	-	2,054	-
Net Cash Provided for Capital and Related Financing Activities	<u>(8,566,561)</u>	<u>(122,351)</u>	<u>-</u>	<u>(8,688,912)</u>	<u>(667,173)</u>
Cash Flows from Investing Activities:					
Interest on Investments and Cash Equivalents	403,216	41,626	38,190	483,032	29,831
Proceeds from Sale and Maturities of Investment Securities	4,978,776	-	-	4,978,776	-
Net Cash Used by Investing Activities	<u>5,381,992</u>	<u>41,626</u>	<u>38,190</u>	<u>5,461,808</u>	<u>29,831</u>
Net Increase (Decrease) in Cash and Cash Equivalents	3,604,100	465,206	453,869	4,523,175	(233,464)
Cash and Cash Equivalents at Beginning of Year	17,648,538	2,082,838	1,951,147	21,682,523	2,006,089
Cash and Cash Equivalents at End of Year	<u>\$ 21,252,638</u>	<u>\$ 2,548,044</u>	<u>\$ 2,405,016</u>	<u>\$ 26,205,698</u>	<u>\$ 1,772,625</u>
Cash and cash equivalents	\$ 16,034,437	\$ 2,548,044	\$ 2,405,016	\$ 20,987,497	\$ 1,772,625
Restricted cash and cash equivalents	5,218,201	-	-	5,218,201	-
Total Cash and Cash Equivalents	<u>\$ 21,252,638</u>	<u>\$ 2,548,044</u>	<u>\$ 2,405,016</u>	<u>\$ 26,205,698</u>	<u>\$ 1,772,625</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF CAMAS, WASHINGTON**  
Proprietary Funds  
Statement of Cash Flows  
For the Fiscal Year Ended December 31, 2018

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:					
Net Operating Income (Loss)	\$ 2,216,303	\$ 89,623	\$ 387,380	\$ 2,693,306	\$ 134,266
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation Expense	3,758,016	613,198	-	4,371,214	686,922
(Increase) Decrease in Receivables	783,894	(24,599)	(22,918)	736,377	-
Increase (Decrease) in Current Payables	(296,848)	81,390	90,853	(124,605)	(79,290)
Increase (Decrease) in Accrued Employee Benefits	34,226	(11,956)	38,690	60,960	(50,221)
Increase (Decrease) in Pension Related items	(335,694)	(205,214)	(80,366)	(621,274)	(288,099)
Receipt of Non-Operating Revenues	511,028	428	2,040	513,496	300
Total Adjustments	4,454,622	453,247	28,299	4,936,168	269,612
Net Cash Provided by Operating Activities	<u>\$ 6,670,925</u>	<u>\$ 542,870</u>	<u>\$ 415,679</u>	<u>\$ 7,629,474</u>	<u>\$ 403,878</u>
Noncash Investing, Financing and Capital Activities					
Capital Assets Donated	\$ 10,201,734	\$ 4,574,290	\$ -	\$ 14,776,024	\$ -
Capital Assets Built for Future Impact Credits	2,616,662	-	-	\$ 2,616,662	-
Change in Fair Value of Investments	41,935	-	-	41,935	-

The notes to the financial statements are an integral part of this statement.

**CITY OF CAMAS, WASHINGTON**  
Statement of Fiduciary Net Position  
December 31, 2018

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	Pension Trust Funds	Agency Fund - Library	Total
Assets:			
Assets held in trust for pension benefits	\$ 26,339	\$ 112,362	\$ 138,701
Total Assets	<u>26,339</u>	<u>112,362</u>	<u>138,701</u>
Liabilities:			
Vouchers and Accrued Employee Payables	29,674	-	29,674
Deposits payable	-	112,362	112,362
Total Liabilities	<u>29,674</u>	<u>112,362</u>	<u>142,036</u>
Fiduciary Net Position			
Restricted for Pensions/OPEB	<u>( 3,335)</u>	<u>-</u>	<u>( 3,335)</u>

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Statement of Changes in Fiduciary Net Position  
For The Year Ended December 31, 2018

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	Pension Trust Funds	Total
Additions:		
Employer Contributions:		
For Postemployment Healthcare Benefits	\$ 507,605	\$ 507,605
Total Contributions	<u>507,605</u>	<u>507,605</u>
Investment Income:		
Interest Earnings	<u>69</u>	<u>69</u>
Net Investment Income	<u>69</u>	<u>69</u>
Total Additions	<u>507,674</u>	<u>507,674</u>
Deductions:		
OPEB Benefits	<u>514,284</u>	<u>514,284</u>
Total Deductions	<u>514,284</u>	<u>514,284</u>
Net Increase in Fiduciary Net Position	( 6,610)	( 6,610)
Total Net Position - beginning	2,233,714	2,233,714
Prior Period Adjustments	<u>( 2,230,439)</u>	<u>( 2,230,439)</u>
Total Net Position - ending	<u>\$ ( 3,335)</u>	<u>\$ ( 3,335)</u>

The notes to the financial statements are an integral part of this statement

**City of Camas**  
**Notes to the Financial Statements**  
**December 31, 2018**

**NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Camas, Washington have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

**A. REPORTING ENTITY**

The City of Camas was incorporated June 2, 1906 and operates under laws of the State of Washington applicable to non-charter code cities with a mayor-council form of government. As required by generally accepted accounting principles the financial statements present the City of Camas, the primary government. The City provides police, fire, streets, solid waste management, recreation, library, cemetery, public improvements, planning and zoning, storm water management, water supply, treatment and distribution and sewage collection and treatment services. In addition, the City also provides fire protection services to all City of Camas and Washougal residents and provides fire management, ambulance and emergency aid to all City of Camas residents and residents of the geographic area of the City of Washougal and East County Fire and Rescue. To support these functions, the City of Washougal pays their proportionate cost of fire protection services and the City of Washougal and East County Fire and Rescue levies EMS property taxes and remits to the City their share of funding the ambulance and emergency aid services provided. East County Fire and Rescue also paid a management fee to the City of Camas for Fire Chief services as part of an Interlocal Agreement beginning in November, 2018 but was terminated by both East County Fire and Rescue and the City of Camas in January, 2019.

**B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

Government-Wide Financial Statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs for centralized services are included in program expenses reported for individual functions and activities. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The City incurs indirect costs for charges that benefit other funds such as administrative costs and overhead. The General Fund pays for all of the costs of operating City Hall, for general office supplies, the audit, banking services, and other administrative costs. The expenses are for the benefit of more than just the General Fund. Through an allocation procedure, the other funds are charged for proportionate share of the costs. For example, the audit costs are allocated based upon the City's actual expenditures and the Information Technology department costs by the number of computers by department. The General Fund

incurred \$2,673,794 in indirect costs which were reimbursed to the general fund through interfund charges.

Fund Financial Statements are separate financial statements provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Camas/Washougal Fire and Emergency Medical Services Fund* was established to account for the revenues and expenditures made in purchasing, maintaining, operating and providing fire services for the City and the City of Washougal and emergency aid service and ambulance transport for the City, the City of Washougal and East County Fire and Rescue. The primary revenue for this is voted EMS property tax levy funds and the City of Washougal and East County Fire and Rescue pay the City a fee from their EMS levies to fund their proportionate share of service. Additionally, the City of Washougal makes additional contributions to fund Washougal's proportionate share of fire services and to build reserves. Beginning in 2017 through January, 2019, East County Fire and Rescue contracted with the City of Camas to provide Fire Chief services. The monthly service fee is reconciled to actual expenses each year and any variance adjusts the next year's monthly service fee.

The City reports the following major proprietary funds:

The *Water-Sewer Fund* accounts for the activities of one of the City's utilities. Its revenues are received from the sales of water and charges for sewer collection and treatment. Expenses are for maintenance and extensions of water and sewer service facilities, operating and expanding a water supply system, and operating a sewer treatment plant. This fund also reflects the operation of revenue bonds outstanding, cumulative bond reserves and construction funds.

The *Storm Water Fund* accounts for the activities of the City's storm water operations and capital facilities. Revenues are received from charges for storm water drainage services and system development charges. Expenses are for the maintenance of the drainage system, street cleaning, and expanding the City's storm water drainage facilities.

Additionally, the government reports the following fund types:

*Debt Service Funds* account for the resources accumulated and payments made for principal and interest on the general government except those required to be accounted for in another fund.

*Special Revenue Funds* account for the proceeds of specific revenue sources to finance specific activities as required by law or administrative regulation. Their revenues are earmarked to finance certain activities or functions.

*Capital Project Funds* account for the acquisition or development of capital facilities for governmental activities. Their major sources of revenues are from proceeds from general obligation bonds, loans, real estate excise tax, impact fees, and grants from other agencies and contributions from other funds.

*Internal Service Funds* account for equipment management services provided to other departments of the government, or to other governments on a cost reimbursement basis.

The *Retiree Medical Fiduciary Fund* accumulates resources for the medical costs of eligible retirees.

The *LEOFF 1 Disability Fiduciary Fund* accumulates resources for the medical costs of LEOFF 1 retirees.

The *Agency Fund - Library* accounts for the funds held in a purely custodial nature on behalf of the Friends and Foundation of the Camas Library.

### **C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION**

Basis of accounting refers to the point at which revenues and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements report the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Sales tax is considered to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Taxes, franchise fees, licenses, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water-Sewer, Solid Waste and Storm Water non-major enterprise fund, and the government's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **D. ASSETS, LIABILITIES AND NET POSITION OR EQUITY**

### **1. Cash and Cash Equivalents and Investments**

The City's cash and cash equivalents are considered to be cash on hand, certificates of deposit, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash resources of individual funds are invested directly into government securities with interest accruing for the benefit of the investing funds. The interest earned on these investments is prorated to the various funds. This policy covers all funds operated by the City.

For the purposes of the statement of cash flows, the City considers the Washington State Local Government Investment Pool and the Clark County Investment Pool as cash. Investments in the State Investment Pool and the Clark County Investment Pool are classified as cash equivalents on the financial statements.

Certain Investments for the City are reported at fair value in accordance with GASB statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. Likewise, some investments are reported at amortized costs (See also Note IV A).

### **2. Receivables and Payables**

One of the largest receivables for the City of Camas is property taxes. The county treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually on January 1, on property value listed as of the prior May 31. Assessed values are established by the county assessor at 100 percent of fair market value. A revaluation of all property is required every four years. Taxes are due in two equal installments on April 30 and October 31. The county treasurer remits collections daily to the appropriate district (See Note V B). Taxes receivable consists of property taxes.

Other accounts receivable include accrued interest and customer accounts receivable. Accrued interest receivable consists of amounts earned on investments and notes at the end of the year. Customer accounts receivable consists of amounts owed from private individuals or organizations for services. (See Note IV B)

Accounts payable and other current liabilities consist of amounts owed to private individuals or organizations for goods and services and employees for amount for which checks have not been prepared.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

### **3. Restricted Assets**

Restricted assets comprise resources for debt service in enterprise funds, and resources for payment of firefighter pension and OPEB liabilities in the governmental funds. Certain proceeds of the Water-Sewer Fund revenue bonds, as well as certain resources set aside for their repayment, are

classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Additionally, certain development fees collected within the Water-Sewer Fund are restricted for capital projects.

The City's accumulated assets for payment of LEOFF I medical and pension benefits are classified as restricted in the balance sheet because their use is limited for firefighter benefits pursuant to RCW 41.16.050.

The current portion of related liabilities are shown as Payables from Restricted Assets. Specific debt service reserve requirements are described in Note IV item E.

#### 4. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. (See Note IV C)

In the case of the initial capitalization of general infrastructure (i.e., those reported by government activities) the City chose to include all such items purchased or constructed by the City with an individual cost of more than \$5,000 regardless of their acquisition date. Historical costs had previously been recorded for these items. General infrastructure donated to the city by developers has been recorded from 1977 forward. The City was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

<b>Asset Category</b>	<b>Useful Life</b>
Buildings	50
Infrastructure	10-70
Utility Improvements	10-80
Building Improvements	5-25
Vehicles	3-15
Intangibles	5-10
Office Equipment	5-10
Computer Equipment	5
Software	5

The City has constructed infrastructure with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the City has sufficient legal interest to accomplish the purposes for which the assets were acquired, and has included such assets within the applicable column in the Statement of Net Position.

## 5. Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation, comp time, and a portion of sick leave. The City records all accumulated unused vacation. The City also records a liability for unpaid accumulated sick leave, as certain employees are eligible to receive 25% of their sick leave balance upon retirement. All vacation and sick pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. (See also Note IV F)

## 6. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type Statement of Net Position. Proprietary fund types record bond premiums and discounts, which are capitalized and amortized over the life of the bonds. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expensed in the year the debt is issued.

In the fund financial statements, governmental fund types recognize bond premium and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. (See also Note IV F)

## 7. Unearned Revenue

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria has not been met. (See also Note V H)

## 8. Restricted Net Position

The government-wide statement of net position reports \$24,787,335 of restricted net position, of which \$8,782,459 is restricted by enabling legislation.

## 9. Deferred Outflows of Resources and Deferred Inflows of Resources

A Deferred Outflows of Resources is a consumption of net position that are applicable to future periods. Deferred Inflow of Resources are acquisitions of net position in one period that are applicable to future periods. These are distinguished from assets and liabilities in the statement of net position. The City recognizes Deferred Outflows and Deferred inflows related to pension liability and OPEB liability on the government wide statement of net position.

## 10. Pensions

For purposes of measuring the state-sponsored pension plans' net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## 11. Fund Balance Classifications

Assets in excess of liabilities are reported as fund balances and are segregated into separate classifications indicating the extent to which the City is bound to honor constraints on the specific purposes for which those funds can be spent.

**Nonspendable:** Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or are legally or contractually required to be maintained intact. Resources in nonspendable form include deferred inflows and outflows, petty cash accounts and revolving funds.

**Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed:** Fund balance is reported as committed when the City Council passes an ordinance that places specific constraints on how the resources may be used. The City Council can modify or rescind the ordinance at any time through passage of an additional ordinance.

**Assigned:** Fund balance is reported as assigned when the City Council assign amounts for a specific purpose. The City's policy establishing this authorization is to adopt a resolution.

**Unassigned:** Fund balance reported as unassigned represent net resources in excess of nonspendable, restricted, committed and assigned fund balance. Only the general fund and street fund have unassigned fund balance.

When both restricted and unrestricted resources are available, the City's policy is to use restricted resources first, and then unrestricted resources, as they are needed. When committed, assigned or unassigned amounts are available, the City's policy is to use committed resources first, assigned secondly and finally unassigned resources.

The City displays \$161,683 as assigned working capital in the General Fund. \$700,000 of the unrestricted fund balance is intended as a stabilization fund. This is classified as unrestricted because the City did not adopt an ordinance to specifically set these funds aside. No requirements or conditions for addition or spending these funds have been established by the City. The City's policy states that the total of all fund balance of the General Fund is expected to remain at 17% of annual budgeted expenditures.

## NOTE II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### A. **EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

The governmental fund balance sheet includes a reconciliation between *fund balance—total governmental funds* and *net position—governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “Internal service funds are used by management to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.” The details of this difference are as follows:

Net Position of the internal service funds	\$ 4,817,224
Less: Internal receivable representing cost to business-type activities in excess of charges - prior years	(1,199,892)
Add: Internal payable representing charges in excess of cost to business-type activities - current year	<u>(63,366)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 3,553,966</u>

Another element of that reconciliation explains that “other items related to pension activity that are not financial resources therefore, not reported in the funds.” The details of this difference are as follows:

Net pension assets	\$ 5,612,307
Deferred outflows related to pensions	1,051,015
Deferred inflows related to pensions	<u>(3,160,245)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 3,503,077</u>

Another element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this difference are as follows:

Bonds Payable	\$ 16,869,284
Plus issuance premiums	1,722,697
Accrued Interest Payable	75,318
Due to other governments	4,106,186
Plus issuance premiums	121,055
Net Pension Liability	2,945,416
Net OPEB Obligation	7,619,988
Impact Fee Credits	1,306,127
Compensated Absences	<u>1,577,552</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 36,343,623</u>

**B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures.” However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital Outlay	\$ 6,147,834
Depreciation expense	<u>(5,123,925)</u>
Net adjustment to increase net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 1,023,909</u>

Another element of that reconciliation states that “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net position.” The details of this difference are as follows:

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources	\$ 30,249,999
Net book value of assets retired	<u>(201,018)</u>
Net adjustment to increase net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 30,048,981</u>

Another element of that reconciliation states that “revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds”. The details of this difference are as follows:

Impact Fee Credit revenues recognized	\$ 181,048
Court receipts	184
EMS receipts	105,706
State contribution towards LEOFF plan	284,177
Grant revenues recognized	167,711
Property taxes	<u>12,737</u>
Net adjustments to increase net changes in fund balances total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 751,563</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt

consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities.” The details of this difference are as follows:

Principal Repayments	\$ 1,314,026
Debt Proceeds	(10,794,540)
Net adjustment to decrease net changes in fund balances - <i>total governmental funds to arrive at changes in net position of governmental activities</i>	<u>\$ (9,480,514)</u>

Another element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this difference are as follows:

Compensated Absences	\$ (58,780)
Accrued Interest	(32,413)
Net Pension Adjustment	761,005
Net OPEB Obligation	27,535
Amortization of premium on issuance of debt	<u>65,572</u>
Net adjustment to decrease net changes in fund balances -total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 762,919</u>

Another element of that reconciliation states that “Internal service funds are used by management to charge the costs of fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.” The details of this difference are as follows:

Change in net position of internal service funds	\$ 199,611
Less: Profit from charges to business-type activities	<u>(63,365)</u>
Net adjustment to decrease net changes in fund balances- total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 136,246</u>

### **NOTE III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

#### **A. BUDGETARY INFORMATION**

The City of Camas adopted a budget in accordance with provisions of the Revised Code of Washington (RCW), as interpreted by the Budgeting, Accounting, and Reporting Systems (BARS) of the State of Washington.

Biennial appropriated budgets are adopted for the General Fund, special revenue funds and debt service funds, on the modified accrual basis of accounting. The City Council elected the biennial budget to take the form of two one year budgets. The budget statements in this report are presented on generally accepted accounting principles(GAAP) basis. The adopted budget on the other hand, assumes that all revenues and expenditures as well as associated cash, will be received or expended during the fiscal year.

The City budgets the Cemetery Fund activity as if it was a special revenue fund. However, GAAP requires this activity to be reported with the General Fund, as they do not have significant streams of restricted resources. From a budgetary perspective, the City budgets for the Cemetery activity separate from the General Fund. The budgetary comparison for the General Fund does not include the managerial fund.

Capital project funds and special assessment projects are appropriated as projects are scheduled, on the modified accrual basis of accounting.

The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is adopted at the fund level. All appropriations lapse at the end of the year.

Budget amounts shown on the basic financial statements include the original budget amounts and all appropriation transfers and adjustments approved by the City Administrator or City Council as required. The City Administrator is authorized to transfer budget amounts between departments within any fund; however any revisions that alter the total expenditures of a fund or that affect the number of authorized employee positions, salary ranges or other conditions of employment must be approved by the City Council.

When the Council determines that it is in the best interest of the City to increase or decrease the appropriations for a particular fund it may do so by ordinance approved by one more than the majority after holding public hearings.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

#### **NOTE IV. DETAILED NOTES ON ALL FUNDS**

##### **A. *DEPOSITS AND INVESTMENTS***

The City maintains a cash and investment pool that is available for use by all funds. Cash and investments are presented on the balance sheet in the basic financial statements at fair value or amortized cost, which approximates fair value.

The reconciliation of cash, cash equivalents (including pooled investments) and investments as shown in the government-wide and fund financial statements is as follows:

Cash and Investments by Type	
Checking Accounts	\$ 737,031
Petty Cash	\$ 3,920
Washington State Local Govt. Investment Pool	\$ 10,255,830
Clark County Investment Pool	\$ 146,120
Fair Value of Securities Held in Safekeeping	\$ 48,064,259
<b>Grand Total Cash and Investments by Type</b>	<b>\$ 59,207,160</b>
Cash, Cash Equivalents and Pooled Investments	\$ 33,591,371
Restricted - Cash, CE and Pooled Inv	\$ 18,067,913
Investments	\$ 7,409,176
Fiduciary Funds	\$ 138,701
<b>Grand Total Cash and Investments on Statements</b>	<b>\$ 59,207,161</b>

	Cash & Equivalents, Pooled Investments	Restricted Cash	Restricted Investments
<b>Governmental Funds</b>			
General Fund	\$ 7,590,302	\$ 1,960,294	\$ -
Camas-Washougal Fire & EMS	1,282,974	-	-
Other Governmental Funds	10,196,627	2,608,774	5,954,882
<b>Proprietary Funds</b>			
Water-Sewer	7,795,783	13,498,845	1,454,294
Storm Water	2,548,044	-	-
Solid Waste	2,405,016	-	-
Internal Service	1,772,625	-	-
<b>Fiduciary Funds</b>			
Retiree Medical/LEOFF 1 Disability	26,339	-	-
Agency Fund	112,362	-	-
	<b>\$ 33,730,072</b>	<b>\$ 18,067,913</b>	<b>\$ 7,409,176</b>
<b>Grand Total Cash and Investments by Statements</b>			<b>\$ 59,207,161</b>

#### Deposits

All the City's deposits are insured by FDIC, or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission. Total public deposits may not exceed one and one-half times its net worth or 30% of the total public funds on deposit statewide in each qualified public depository. If public deposits exceed either of these limitations, it must collateralize the excess at 100%.

#### Investments:

Statutes authorize the City to invest in obligations of the U.S. Treasury, U.S. Agencies, and instrumentality's, banker's acceptances, repurchase agreements, county investment pool and the state treasurer's investment pool.

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

The City is a participant in the Local Government Investment Pool as authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually and the proposed changes are reviewed by the LGIP Advisory Committee.

Investments in the LGIP, a qualified external investment pool are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by the GASBS 79 for external investment pools that elect to measure, for financial reporting purposes, investments are amortized at costs. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, or online at <http://www.tre.wa.gov>.

#### *Investments in Clark County Pool*

The City is a participant in the Clark County Investment Pool, an external investment pool. The City reports its investment in the Pool at the fair value amount, which is the same as the value of the Pool per share. The responsibility for managing the pool resides with the County Treasurer. The Poos is established from the RCW 36.29 which authorizes the County Treasurer to invest the funds of participants. The Clark County Investment Pool's policy is established by the Clark County Finance Committee consisting of the County Treasurer and the County Auditor. The Clark County Investment Pool does not have a credit rating and had a weighted average maturity of 240 days as of December 31, 2018.

#### *Investments Measured at Amortized Cost*

These are reported at amortized cost because the State Pool has elected to measure in this manner. The only restriction on withdrawals from the State Investment Pool is when a deposit is received by ACH. In this case, a five-day waiting period exists.

Investment	Maturities	City's own investments	Investment held by City as an agent for other local governments, individuals or private organizations	Total
State Investment Pool	N/A	\$ 10,255,830	\$ -	\$ 10,255,830
Total		<u>\$ 10,255,830</u>	<u>\$ -</u>	<u>\$ 10,255,830</u>

#### *Investments Measured at Fair Value*

The City measures and records its investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities;
- Level 2: Quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3: Unobservable inputs for an asset or liability, to the extent observable inputs are not available

As of December 31, 2018, the City had the following recurring fair value measurements:

Investments by fair value level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Federal Farm Credit Bank	\$ 19,247,588	\$ -	19,247,588	\$ -
Federal Natl. Mortgage Assoc.	8,941,544	-	8,941,544	-
Federal Agricultural Mortgage Corp	978,612	-	978,612	-
Federal Home Loan Corp	9,940,733	-	9,940,733	-
Federal Home Loan Bank	7,477,931	-	7,477,931	-
US Treasury Strips	1,477,851	-	1,477,851	-
Total Debt Securities	48,064,259	-	48,064,259	-
Clark County Investment Pool	146,120	146,120	-	-
Total Investments by Fair Value Level	\$ 48,210,379	\$ 146,120	\$ 48,064,259	\$ -

The investments above include investments pooled for the benefit of specific funds, all of which are presented at fair value. The City of Camas Water/Sewer Bond Reserve held \$103, \$168,223 and \$1,454,249 in CCIP, LGIP and US debt securities, respectively. The Water/Sewer Revenue Bond Fund held \$5,055,113 in LGIP and CCIP. Likewise, the LaCamas Lands Legacy Capital Projects fund has \$5,594,882 invested in debt securities and \$648,883 in the LGIP.

*Interest rate risk.* Interest rate risk is the risks that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages exposure to declines in fair values from interest rates by limiting the weighted average maturity of its investment portfolio to maturities that will fulfill the cash flow needs of the City of Camas. The securities in the portfolio are structured in a manner that ensures sufficient cash is available to meet anticipated cash flow needs, based on historical information. The maximum average maturity of the portfolio cannot exceed two years. In 2013, the city opted to extend maturities with callable securities. The effective duration of the portfolio is currently 1.66 years with a duration to call of 109 days. Investment maturities at December 31, 2018, is as follows:

<b>Investment Type</b>	<b>Weighted Average (Years)</b>
Washington State Local Govt. Investment Pool	-
Clark County Investment Pool	-
Federal Farm Credit Bank	1.56
Federal Agricultural Mortgage Corp	2.94
Federal National Mortgage Association	1.17
Federal Home Loan Corp	1.65
Federal Home Loan Bank	2.86
FNMA Strips	1.29
	<u>1.66</u>

*Credit risk.* Credit risk is the risk that an issuer or related party will not fulfill its obligations. To limit risk, state law does not allow general governments to invest in corporate equities. The ratings of debt securities as of December 31, 2018, are:

<b>Debt Security</b>	<b>Standard and Poor's Credit Rating</b>
Federal National Mortgage Association	AAA
Federal Farm Credit	AAA
Federal Home Loan Corp	AAA

*Concentration of credit risk.* Concentration risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City of Camas policy requires that the portfolio be structured to diversify investments to reduce the risk of loss by over-concentration of assets in a specific maturity, a specific issuer or a specific type of security. Diversification according to City Policy is limited as follows:

<b>Security Type</b>	<b>Portfolio Maximum</b>
Washington State LGIP or Clark County Investment Pool	75%
Single Financial Institution or Single Security Type	25%
Single Federal Agency	25%

The investments held at year-end are listed below along with their percentage of the government's total investments:

<b>Investment Type</b>	<b>12/31/2018</b>	
	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
Federal Farm Credit	\$ 19,247,588	40%
Federal Home Loan Corp	9,940,733	21%
Federal Natl Mortgage Assn.	8,941,544	19%
Federal Agricultural Mortgage Corp	978,612	2%
Federal Home Loan Bank	7,477,931	16%
US Treasury Strip	1,477,851	3%
Total City investments	<u>\$ 48,064,259</u>	<u>100%</u>

The Federal Farm Credit bank exceeds the city policy federal agency maximum by 15%.

**B. RECEIVABLES**

Receivables as of December 31, 2018 for the City's individual major funds, nonmajor, internal services and fiduciary funds in the aggregate, including the applicable allowance for uncollectible accounts, are shown as follows:

	Taxes	Accounts Receivable	Due from Other Gov'ts	Interest	Total
General Fund	\$ 894,149	\$ 30,218	\$ 187,388	\$ 8,181	\$ 1,119,936
Camas/Wash. Fire-EMS	15,079	558,631	-	-	573,710
Other Govt. Funds	6,544	5,088	263,202	24,903	299,737
Water-Sewer	-	1,683,994	-	-	1,683,994
Storm Water	-	278,324	85,795	-	364,119
Nonmajor Ent. Funds	-	483,526	-	-	483,526
Internal Service	-	3,905	-	-	3,905
Net Receivables	<u>\$ 915,772</u>	<u>\$ 3,043,686</u>	<u>\$ 536,385</u>	<u>\$ 33,084</u>	<u>\$ 4,528,927</u>

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but have not yet been earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unavailable revenue reported in the governmental funds were as follows:

	Unavailable
Property taxes receivable (general fund)	\$ 119,086
Property taxes receivable (debt service fund)	6,307
Court fines receivable (general fund)	175,660
Grants receivable	212,783
Accounts receivable (fire EMS fund)	476,443
Total deferred/unavailable revenue for governmental funds	<u>\$ 990,279</u>

**C. CAPITAL ASSETS**

A summary of capital asset activity for the year ended December 31, 2018 was as follows:

	Balance 01/01/18	Increases	Decreases	Ending Balance 12/31/18
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	18,382,700	\$ 5,278,498	\$ -	\$ 23,661,198
Intangibles	45,987,920	17,394,305	-	\$ 63,382,225
Construction in progress	2,118,164	3,431,824	2,009,889	\$ 3,540,099

Total capital assets, not being depreciated	<u>66,488,784</u>	<u>26,104,627</u>	<u>2,009,889</u>	<u>\$ 90,583,522</u>
Capital assets, being depreciated/depleted				
Buildings	18,439,240	1,512,510	24,261	\$ 19,927,489
Improvements other than buildings	10,433,930	113,671	-	\$ 10,547,601
Machinery and equipment	12,306,128	954,617	669,045	\$ 12,591,700
Intangibles	38,467	-	9,474	\$ 28,993
Infrastructure	109,958,891	11,303,061	-	\$ 121,261,952
Total capital assets being depreciated	<u>151,176,656</u>	<u>13,883,859</u>	<u>702,780</u>	<u>\$ 164,357,735</u>
Less accumulated depreciation for:				
Buildings	6,547,558	449,806	24,261	\$ 6,973,103
Improvements other than buildings	6,412,934	406,657	-	\$ 6,819,591
Machinery and equipment	6,451,402	1,158,671	656,185	\$ 6,953,888
Intangibles	24,192	6,943	4,342	\$ 26,793
Infrastructure	64,690,403	3,788,770	-	\$ 68,479,173
Total accumulated depreciation	<u>84,126,489</u>	<u>5,810,847</u>	<u>684,788</u>	<u>\$ 89,252,548</u>
Total capital assets, being depreciated, net	67,050,167	8,073,012	17,992	\$ 75,105,187
<b>Governmental activities</b>				
<b>capital assets, net</b>	<u>\$ 133,538,951</u>	<u>\$ 34,177,639</u>	<u>\$ 2,027,881</u>	<u>\$ 165,688,709</u>

Of the decreases in construction in progress, \$183,025 was written off for the Heritage Trail Parking, as the project was determined to be economically unfeasible.

	Beginning Balance 01/01/18	Increases	Decreases	Ending Balance 12/31/18
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	1,895,185	\$ 249,900	\$ -	\$ 2,145,085
Intangible	499,580	60,000	-	559,580
Construction in progress	12,916,134	6,389,750	16,197,460	3,108,424
Total capital assets, not being depreciated:	<u>15,310,899</u>	<u>6,699,650</u>	<u>16,197,460</u>	<u>5,813,089</u>
Capital assets, being depreciated:				
Buildings and system	29,339,586	4,891,017	-	34,230,603
Intangibles	14,062	56,859	-	70,921
Improvements other than buildings	27,827,528	1,314,786	-	29,142,314
Machinery and equipment	28,981,673	-	-	28,981,673
Infrastructure	73,178,899	25,521,875	-	98,700,774
Total capital assets, being depreciated	<u>159,341,748</u>	<u>31,784,537</u>	<u>-</u>	<u>191,126,285</u>
Less accumulated depreciation for:				
Buildings and system	8,425,100	876,278	-	9,301,378
Intangibles	14,062	1,185	-	15,247
Improvements other than buildings	9,178,601	883,527	-	10,062,128
Machinery and equipment	11,153,572	965,378	-	12,118,950
Infrastructure	18,820,136	1,644,846	-	20,464,982
Total accumulated depreciation	<u>47,591,471</u>	<u>4,371,214</u>	<u>-</u>	<u>51,962,685</u>
Total capital assets, being depreciated, net	<u>111,750,277</u>	<u>27,413,323</u>	<u>-</u>	<u>139,163,600</u>
<b>Business-type activities</b>				
<b>capital assets, net</b>	<u>\$ 127,061,176</u>	<u>\$ 34,112,973</u>	<u>\$ 16,197,460</u>	<u>\$ 144,976,689</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental Activities**

General government	\$ 121,376
Public safety	405,277
Transportation, including depreciation of general infrastructure assets	3,957,629
Physical environment	4,923
Culture and recreation	634,720
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	686,922
Total depreciation expense—governmental activities	<u>\$ 5,810,847</u>

**Business-type activities**

Water-Sewer	\$	3,758,016
Storm Water		613,198
Total depreciation expense – business-type activities	\$	<u>4,371,214</u>

**Significant Commitments**

The City has remaining construction projects as of December 31, 2018. They include Governmental and Business type projects. While these projects have contracts issued for their construction, there is not an immediate liability to the City. Rather, the contracts represent a commitment that should be disclosed. The following lists these commitments:

## Governmental Type Construction Projects:

Project	Projects to Date	Remaining Commitment
Larkspur Street Construction	\$ 903,972	\$ 1,798,382
Dallas Street Improvements	\$ 572,091	\$ 43,077
Adams Street Improvements	\$ 377,069	\$ 22,706

## Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project - Slow Sands	\$ 13,026,287	\$ 14,066
Well 17	\$ 120,019	\$ 111,955
Wastewater Treatment Plant Roofs	\$ -	\$ 94,707

**D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Loans between funds are classified as interfund loans receivable or payable or as advances to and from other funds on the Statement of Net Position. Within the City, one fund may borrow from another when specifically authorized by council resolution. Due to other funds and due from other funds result from work performed or services rendered to or for the benefit of another fund of the same government.

Interfund transfers are the flow of assets without a reciprocal return of assets, goods or services. These are transfers to support other funds without a requirement for repayment. The interfund transfer activity for the year is as follows:

**Transfers Out:**

<b>Transfers In:</b>	General Fund	C/W Fire and EMS	Non Major Governmental	Total
General Fund	\$ -	\$ -	\$ 51,420	\$ 51,420
C/W Fire and EMS	3,384,113	-	-	3,384,113
Nonmajor Govt.	2,454,204	64,817	2,032,585	4,551,606
Water Sewer	117,744	-	-	117,744
Storm	3,061	-	-	3,061
Total	\$ 5,959,122	\$ 64,817	\$ 2,084,005	\$ 8,107,944

The General Fund transfers to Camas-Washougal Fire and EMS and Non-major Governmental funds are for recurring support of Fire/EMS, street and debt payments.

Interfund transactions usually involve the exchange of goods and services between funds in a normal business relationship.

**E. RESTRICTED COMPONENT OF NET POSITION**

The balances of the restricted net position in the enterprise funds are as follows:

	Amount
Revenue bond debt service account - Water-Sewer	\$ 1,622,623
Capital Reserve Account - Water-Sewer	6,650,823
	<u>8,273,446</u>

**F. LONG-TERM DEBT**

**GENERAL OBLIGATION DEBT**

Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major governmental activity capital facilities. The City had \$17,552,000 in general obligation bonds outstanding on December 31, 2018. In November 2018, they issued limited GO bonds in the amount of \$9,810,000.

General obligation bonds are direct obligations and pledge the full faith and credit of the government. General obligation bonds are either created by 3/5 majority vote of the people and, therefore, financed by a special tax levy; or created by ordinance, adopted by the City Council, and financed from general revenues.

General obligation bonds currently outstanding are as follows:

Name & Amount of Issuance	Governmental Purpose	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2005 Unlimited GO (\$5,432,000)	Refunding	10/11/2005	12/1/2020	3.70%	\$ 1,182,000
2015 Limited GO (\$7,325,000)	Capital	3/18/2015	12/1/2035	2.0% to 5.0%	6,560,000
2018 Limited GO (\$9,810,000)	Capital	11/20/2018	12/1/2038	4.0% to 5.0%	9,810,000
Total General Obligation Bonds					<u>\$ 17,552,000</u>

\$45,125 is available in the Debt Service Funds to service the 2005 Unlimited General Obligation Bonds. Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds						
Governmental Activities				Business Type Activities		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2019	\$ 1,115,893	\$ 791,060	\$ 1,906,953	\$ 28,107	\$ 31,857	\$ 59,964
2020	1,168,852	743,722	1,912,574	29,148	31,014	60,162
2021	589,811	695,627	1,285,438	30,189	29,848	60,037
2022	613,770	668,734	1,282,504	31,230	28,641	59,871
2023	642,209	640,734	1,282,943	32,792	27,391	60,183
2024-2028	3,675,743	2,727,657	6,403,400	184,257	115,343	299,600
2023-2033	4,709,214	1,711,614	6,420,828	235,787	64,386	300,173
2034-2035	4,353,792	510,768	4,864,560	111,206	8,432	119,638
	<u>\$ 16,869,284</u>	<u>\$ 8,489,916</u>	<u>\$ 25,359,200</u>	<u>\$ 682,716</u>	<u>\$ 336,912</u>	<u>\$ 1,019,628</u>

Annual debt service requirements to maturity for each of general obligation bonds are as follows:

2005 Unlimited Tax GO Refunding Bonds (Library Building)				
	Coupon Rates	Principal	Interest	Total Requirements
2019	3.70	\$ 579,000	\$ 43,732	\$ 622,732
2020	3.70	603,000	22,311	625,311
		<u>\$ 1,182,000</u>	<u>\$ 66,043</u>	<u>\$ 1,248,043</u>

2015 Limited Tax GO Bonds (Transportation, Fire Engine, Facilities)				
	Coupon Rates	Principal	Interest	Total Requirements
2019	3.00	\$ 270,000	\$ 306,025	\$ 576,025
2020	4.00	280,000	297,925	577,925
2021	4.00	290,000	286,725	576,725
2022	4.00	300,000	275,125	575,125
2023	2.50	315,000	263,125	578,125
2024-2028	5.00	1,770,000	1,108,000	2,878,000
2029-2033	5.00	2,265,000	618,500	2,883,500
2034-2035	5.00	1,070,000	81,000	1,151,000
		<u>\$ 6,560,000</u>	<u>\$ 3,236,425</u>	<u>\$ 9,796,425</u>

2018 Limited Tax GO Bonds (Parks, Transportation, Facilities)				
	Coupon Rates	Principal	Interest	Total Requirements
2019	3.00	\$ 295,000	\$ 473,160	\$ 768,160
2020	4.00	315,000	454,500	769,500
2021	4.00	330,000	438,750	768,750
2022	4.00	345,000	422,250	767,250
2023	2.50	360,000	405,000	765,000
2024-2028	5.00	2,090,000	1,735,000	3,825,000
2029-2033	5.00	3,950,000	1,157,500	5,107,500
2034-2035	5.00	2,125,000	438,200	2,563,200
		<u>\$ 9,810,000</u>	<u>\$ 5,524,360</u>	<u>\$ 15,334,360</u>

#### Government Loans

The City has also received government loans to provide for construction of capital projects. Government loans outstanding at year-end are as follows:

Name & Amount of Issuance	Purpose	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
<u>Governmental Activities</u>					
2001 PWTF (\$613,731)	Capital	3/26/2001	7/1/2022	0.50%	\$ 99,754
2003 PWTF (\$2,350,000)	Capital	5/21/2004	7/1/2023	0.50%	719,939
2012 PWTF (\$2,600,000)	Capital	12/13/2011	6/1/2031	0.50%	1,799,273
2013 State LOCAL (\$1,715,000)	Capital	8/22/2013	6/1/2028	2.61%	187,709
2013 State LOCAL (\$259,767)	Capital	8/22/2013	6/1/2021	3.52%	1,270,000
2013 State LOCAL (\$159,985)	Capital	8/22/2013	6/1/2019	1.62%	29,511
Governmental Total					<u>\$ 4,106,186</u>
<u>Business-type Activities</u>					
1999 PWTF (\$3,195,000)	Water-Sewer	5/5/1999	7/1/2019	1.00%	\$ 169,092
1998 Department of Ecology (EPA) (\$8,826,516)	Water-Sewer	1998	9/15/2020	4.10%	1,247,911
2007 PWTF (\$1,000,000)	Water-Sewer	8/6/2007	7/1/2027	0.50%	406,250
2008 PWTF (\$10,000,000)	Water-Sewer	3/7/2008	7/1/2028	0.50%	5,552,632
2009 ARRA (\$1,313,000)	Water-Sewer	4/27/2009	10/1/2032	1.00%	400,626
2011 DOE (\$5,168,026)	Water-Sewer	1/10/2011	6/30/2032	2.80%	3,906,270
2012 PWTF (\$3,740,000)	Water-Sewer	8/9/2012	6/1/2032	1.00%	6,391,442
2012 PWTF (\$10,513,790)	Water-Sewer	4/9/2013	10/1/2036	0.50%	2,649,656
2012 PWTF (\$2,600,000)	Storm Water	12/13/2011	6/1/2031	0.50%	46,072
2012 PWTF (\$2,040,000)	Water-Sewer	8/9/2013	6/1/2032	0.50%	77,564
2015 Steigerwald (\$384,549)	Water-Sewer	9/8/2015	7/1/2025	3.75%	293,741
2016 DWSRF Sands (\$2,600,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	1,104,343
2016 DWSRF - (\$6,000,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	2,895,045
Business-type Total					<u>25,140,644</u>
Total Government Loans					<u><u>\$ 29,246,830</u></u>

Government loan debt service requirements to maturity are as follows:

Governmental activities			
	Principal	Interest	Total Requirements
2019	\$ 479,038	\$ 80,321	\$ 559,359
2020	456,266	71,143	527,409
2021	463,094	62,362	525,456
2022	436,762	53,239	490,001
2023	448,781	43,807	492,588
2024-2028	1,407,028	101,160	1,508,188
2029-2033	415,217	4,152	419,369
2034-2036			-
	<u>\$ 4,106,186</u>	<u>\$ 416,184</u>	<u>\$ 4,522,370</u>

Business Type Activities			
	Principal	Interest	Total Requirements
2019	\$ 2,463,096	\$ 332,950	\$ 2,796,046
2020	2,328,441	286,415	2,614,856
2021	1,701,290	246,903	1,948,193
2022	1,711,114	226,675	1,937,789
2023	1,721,312	206,070	1,927,382
2024-2028	8,556,647	720,346	9,276,993
2029-2033	4,926,940	270,425	5,197,365
2034-2036	1,731,809	39,461	1,771,270
	<u>\$ 25,140,649</u>	<u>\$ 2,329,245</u>	<u>\$ 27,469,894</u>

Annual debt service requirements to maturity for each of the individual governmental loans are as follows:

2001 Public Works Trust Fund Loan-SE 1st Avenue			
	Principal	Interest	Total Requirements
2019	\$ 33,251	\$ 499	\$ 33,750
2020	33,251	333	33,584
2021	33,252	166	33,418
	<u>\$ 99,754</u>	<u>\$ 998</u>	<u>\$ 100,752</u>

2003 Public Works Trust Fund Loan-SE 1st Avenue

	Principal	Interest	Total Requirements
2019	\$ 143,988	\$ 3,600	\$ 147,588
2020	143,988	2,880	146,868
2021	143,988	2,160	146,148
2022	143,988	1,440	145,428
2023	143,987	720	144,707
	<u>\$ 719,939</u>	<u>\$ 10,800</u>	<u>\$ 730,739</u>

2012 Public Works Trust Fund Loan-38th Street

	Governmental Activities			Business Type Activities (Storm)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2019	\$ 138,406	\$ 8,996	\$ 147,402	\$ 3,544	\$ 231	\$ 3,775
2020	138,406	8,304	146,710	3,544	213	3,757
2021	138,406	7,612	146,018	3,544	195	3,739
2022	138,406	6,920	145,326	3,544	177	3,721
2023	138,406	6,228	144,634	3,544	160	3,704
2024-2028	692,028	20,760	712,788	17,720	532	18,252
2029-2031	415,215	4,152	419,367	10,632	106	10,738
	<u>\$ 1,799,273</u>	<u>\$ 62,972</u>	<u>\$ 1,862,245</u>	<u>\$ 46,072</u>	<u>\$ 1,614</u>	<u>\$ 47,686</u>

2013 Local Option Capital Asset Lending (LOCAL) Loan-Community Center

	Principal	Interest	Total Requirements
2019	\$ 100,000	\$ 57,950	\$ 157,950
2020	105,000	52,825	157,825
2021	110,000	47,450	157,450
2022	115,000	41,825	156,825
2023	125,000	35,825	160,825
2024-2028	715,000	80,400	795,400
	<u>\$ 1,270,000</u>	<u>\$ 316,275</u>	<u>\$ 1,586,275</u>

2013 Local Option Capital Asset Lending (LOCAL) Loan-Ambulance

	Principal	Interest	Total Requirements
2019	\$ 29,511	\$ 738	\$ 30,249
	\$ 29,511	\$ 738	\$ 30,249

2013 Local Option Capital Asset Lending (LOCAL) Loan-HVAC

	Principal	Interest	Total Requirements
2019	\$ 33,884	\$ 8,538	\$ 42,422
2020	35,621	6,801	42,422
2021	37,448	4,974	42,422
2022	39,368	3,054	42,422
2023	41,388	1,035	42,423
	\$ 187,709	\$ 24,402	\$ 212,111

1999 Public Works Trust Fund Loan-WWTP Upgrade

	Principal	Interest	Total Requirements
2019	\$ 169,092	\$ 1,691	\$ 170,783
	\$ 169,092	\$ 1,691	\$ 170,783

1998 Department of Ecology (EPA) Loan-STP

	Principal	Interest	Total Requirements
2019	\$ 611,296	\$ 44,962	\$ 656,258
2020	636,615	19,642	656,257
	\$ 1,247,911	\$ 64,604	\$ 1,312,515

2007 Public Work Trust Fund Loan-WWTP Design

	Principal	Interest	Total Requirements
2019	\$ 45,139	\$ 2,031	\$ 47,170
2020	45,139	1,806	46,945
2021	45,139	1,580	46,719
2022	45,139	1,354	46,493
2023	45,139	1,128	46,267
2024-2028	180,555	2,257	182,812
	\$ 406,250	\$ 10,156	\$ 416,406

2008 Public Work Trust Fund Loan-WWTP Construction

	Principal	Interest	Total Requirements
2019	\$ 555,263	\$ 27,763	\$ 583,026
2020	555,263	24,987	580,250
2021	555,263	22,211	577,474
2022	555,263	19,434	574,697
2023	555,263	16,658	571,921
2024-2028	2,776,317	41,645	2,817,962
	<u>\$ 5,552,632</u>	<u>\$ 152,698</u>	<u>\$ 5,705,330</u>

2009 ARRA Loan-Well #14

	Principal	Interest	Total Requirements
2019	\$ 30,817	\$ 4,006	\$ 34,823
2020	30,817	3,698	34,515
2021	30,817	3,390	34,207
2022	30,817	3,082	33,899
2023	30,817	2,774	33,591
2024-2028	154,087	9,245	163,332
2029-2032	92,454	1,849	94,303
	<u>\$ 400,626</u>	<u>\$ 28,044</u>	<u>\$ 428,670</u>

2011 Department of Ecology Loan (WWTP Upgrade)

	Principal	Interest	Total Requirements
2019	\$ 241,520	\$ 108,327	\$ 349,847
2020	248,370	101,477	349,847
2021	255,414	94,433	349,847
2022	262,658	87,189	349,847
2023	270,108	79,739	349,847
2024-2028	1,469,892	279,343	1,749,235
2029-2032	1,158,308	66,157	1,224,465
	<u>\$ 3,906,270</u>	<u>\$ 816,665</u>	<u>\$ 4,722,935</u>

2012 Public Works Trust Fund -Surface Water Supply

	Principal	Interest	Total Requirements
2019	\$ 355,080	\$ 63,914	\$ 418,994
2020	355,080	60,364	415,444
2021	355,080	56,813	411,893
2022	355,080	53,262	408,342
2023	355,080	49,711	404,791
2024-2028	1,775,400	195,294	1,970,694
2029-2033	1,775,400	106,524	1,881,924
2034-2035	1,065,242	21,305	1,086,547
	<u>\$ 6,391,442</u>	<u>\$ 607,187</u>	<u>\$ 6,998,629</u>

2012 Public Works Trust Fund-Sewer Main

	Principal	Interest	Total Requirements
2019	189,261	\$ 6,624	\$ 195,885
2020	189,261	6,151	195,412
2021	189,261	5,678	194,939
2022	189,261	5,205	194,466
2023	189,261	4,732	193,993
2024-2028	946,305	16,559	962,864
2029-2032	757,046	4,731	761,777
	<u>\$ 2,649,656</u>	<u>\$ 49,680</u>	<u>\$ 2,699,336</u>

2012 Public Works Trust Fund-Gregg Reservoir

	Principal	Interest	Total Requirements
2019	\$ 5,541	\$ 388	\$ 5,929
2020	5,540	360	5,900
2021	5,540	332	5,872
2022	5,541	305	5,846
2023	5,540	277	5,817
2024-2028	27,700	970	28,670
2029-2032	22,162	277	22,439
	<u>\$ 77,564</u>	<u>\$ 2,909</u>	<u>\$ 80,473</u>

2015 Steigerwald Contract -Washougal

	Principal	Interest	Total Requirements
2019	\$ 34,354	\$ 18,544	\$ 52,898
2020	36,623	16,274	52,897
2021	39,042	13,855	52,897
2022	41,621	11,276	52,897
2023	44,371	8,527	52,898
2024-2025	97,730	8,067	105,797
	<u>\$ 293,741</u>	<u>\$ 76,543</u>	<u>\$ 370,284</u>

2016 DWSRF - Slow Sand Filter			
	Principal	Interest	Total Requirements
2019	\$ 61,352	\$ 11,043	\$ 72,395
2020	61,352	10,430	71,782
2021	61,352	9,816	71,168
2022	61,352	9,203	70,555
2023	61,352	8,589	69,941
2024-2028	306,762	33,744	340,506
2029-2033	306,762	18,406	325,168
2034-2036	184,059	3,681	187,740
	<u>\$ 1,104,343</u>	<u>\$ 104,912</u>	<u>\$ 1,209,255</u>

2016 DWSRF - Water Transmission			
	Principal	Interest	Total Requirements
2019	\$ 160,836	\$ 43,426	\$ 204,262
2020	160,836	41,013	201,849
2021	160,836	38,601	199,437
2022	160,836	36,188	197,024
2023	160,836	33,776	194,612
2024-2028	804,180	132,690	936,870
2029-2033	804,180	72,376	876,556
2034-2036	482,505	14,475	496,980
	<u>\$ 2,895,045</u>	<u>\$ 412,545</u>	<u>\$ 3,307,590</u>

#### REVENUE BONDS

The City also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. Revenue bonds are created by ordinance, adopted by the City Council and financed from enterprise fund revenues. The original amount of revenue bonds issued in prior years was \$19,145,000. The water sewer revenue bonds are issued to finance capital projects. Revenue bonds outstanding at year-end are as follows:

Revenue bond debt service requirements to maturity are as follows:

Name & Amount of Issuance	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2015 Water Sewer Refunding (\$19,145,000)	9/10/2015	12/1/2035	2.0% to 5.0%	17,520,000
<i>Total Revenue Bonds</i>				<u>\$ 17,520,000</u>

The maximum annual debt service of \$1,534,000 is required to be set aside in the reserve account of the Water-Sewer Fund in accordance with bond requirements. The amount presented on the financial statements is \$1,619,339. Annual debt service requirements to maturity for each of the individual revenue bonds are as follows:

2015 Water-Sewer Revenue Bond		(North Shore Sewer)		
	Principal	Interest	Total Requirements	
2019	\$ 735,000	\$ 799,775	\$	1,534,775
2020	745,000	785,075		1,530,075
2021	770,000	762,725		1,532,725
2022	790,000	739,625		1,529,625
2023	825,000	708,025		1,533,025
2024-2028	4,780,000	2,878,875		7,658,875
2029-2033	6,025,000	1,639,525		7,664,525
2034-2035	2,850,000	215,500		3,065,500
	<u>\$ 17,520,000</u>	<u>\$ 8,529,125</u>	<u>\$</u>	<u>26,049,125</u>

The City is required by revenue bond indenture ordinances to maintain debt service coverage of its revenue bonded debt of at least 1.25. Total operating revenues less operating expenses, not including depreciation and amortization, must be at least 1.25 times the maximum principal and interest due in any one year until date of retirement of the bonds. Debt service coverage from operating revenues for the year ended December 31, 2018 was 3.45.

On December 31, 2015, the City entered into a contractual arrangement with Green Mountain LLC to share the costs of sewer improvements in September 2015. The developer will pay the city \$1.9 million over 15 years for their proportionate share of the improvements. The interest rate on the receivable is 3.6918%. Annual payments of \$166,096 began in October 2016. The City, as the beneficiary, holds an irrevocable Standby Letter of Credit that authorizes the City to make draws against the developer's credit in the event the developer does not make payment. The Letter of Credit expires December 1, 2030.

Green Mountain LLC has paid the first three installments and as of December 31, 2018 has \$1,993,152 outstanding on the commitment. The developer has met the commitment with timely payments.

A second development, Green Mountain Estates, has been conditioned with their subdivision approval to pay to the City a proportionate share of the trunk line sewer improvements project as well. A payment of \$1,236 will be assessed to each of the 346 lots in the subdivision to be paid at time of building permit issuance for a total contribution of approximately \$427,656.

#### ARBITRAGE

The City has three bond issues subject to arbitrage calculations for the Internal Revenue Service. The first bond, 2005 Unlimited Tax General Obligation Refunding Bonds does not have a relatable arbitrage liability due to the negative arbitrage calculation of \$10,629, with a final calculation due October 11, 2020. The second bond, 2015 Limited Tax General Obligation Bonds will be subject to arbitrage calculations with the first calculation scheduled for March 18, 2020. The third bond issue, 2015 Water and Sewer Revenue and Refunding Bonds will be subject to arbitrage calculations with the first calculation scheduled for September 10, 2020.

#### PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the City defeased certain water and sewer revenue bonds by placing the proceeds of the new bonds and/or cash in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the City's financial statements.

## COMPENSATED ABSENCES

Accumulated amounts of vacation and sick leave are accrued as an expenditure when incurred in Proprietary Funds, but only the amount of reimbursable unused vacation leave payable to employees who have terminated their employment as of the end of the fiscal year is shown as a liability in governmental funds. The remainder of the liability is reported in the governmental activities column of the Statement of Net Position.

As of December 31, 2018, the recorded liability on the government-wide statements for vacation and sick leave is \$1,744,012, with \$1,595,715 recorded in governmental activities and \$148,297 in business-type activities. City employees receive vacation and sick leave time at monthly rates established by city ordinance or union agreement. Vacation is accrued monthly by employees at annual rates ranging from 8 to 30 days depending upon tenure and union agreements with a maximum accrual limit of 50 days. Sick leave accruals vary, depending upon union agreement, between 8 and 18 hours per month. Vacation pay is paid upon termination or retirement, and 25% of sick pay is paid upon retirement.

## CHANGES IN LONG-TERM LIABILITIES

The following is a summary of long-term debt changes of the City for the year:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds payable:					
General obligation bonds	\$ 7,850,217	9,810,000	\$ 790,933	\$ 16,869,284	\$ 1,115,893
Less deferred amounts					
For issuance premiums (discounts)	786,430	984,542	48,275	1,722,697	93,215
Total bonds payable	8,636,647	10,794,542	839,208	18,591,981	1,209,108
Government loans	4,629,275	-	523,089	4,106,186	479,038
Less deferred amounts					
For Issuance premiums (discounts)	138,348	-	17,293	121,055	16,034
Total government loans	4,767,623	-	540,382	4,227,241	495,072
OPEB obligation *	7,667,112	-	47,124	7,619,988	-
Net Pension Liability *	4,002,983	-	940,894	3,062,089	-
Compensated absences	1,538,130	1,397,361	1,339,776	1,595,715	139,580
Governmental activity long-term liabilities	<u>\$ 26,612,495</u>	<u>\$ 12,191,903</u>	<u>\$ 3,707,384</u>	<u>\$ 35,097,014</u>	<u>\$ 1,843,760</u>
<b>Business-type activities</b>					
General obligation bonds	\$ 709,782	\$ -	\$ 27,066	\$ 682,716	\$ 28,107
Less deferred amounts					
For issuance premiums (discounts)	81,584	-	4,553	77,031	4,553
Total GO bonds payable	791,366	-	31,619	759,747	32,660
Revenue bonds	18,240,000	-	720,000	17,520,000	735,000
Less deferred amounts					
For issuance premiums (discounts) on refunding	2,234,833	-	174,028	2,060,805	172,935
Total revenue bonds payable	20,474,833	-	894,028	19,580,805	907,935
Government loans	26,447,876	1,085,176	2,392,403	25,140,644	2,463,096
OPEB obligation	350,194	60,525	-	410,719	-
Net Pension Liability	1,758,361	-	811,658	946,703	-
Compensated absences	147,861	217,282	216,846	148,297	14,829
Business-type activity long-term liabilities	<u>\$ 49,970,491</u>	<u>\$ 1,362,983</u>	<u>\$ 4,346,554</u>	<u>\$ 46,986,915</u>	<u>\$ 3,418,520</u>

\*Restated to present the beginning OPEB and pension liability balances after prior period adjustments described in not VIV.

The City of Washougal acquired land from the Port of Camas/Washougal to develop a well field near the Steigerwald Wildlife Refuge on the Columbia River. The City of Camas entered into an Utilities Cooperation Agreement for Water System Development with the City of Washougal for 60% Capacity Allocation. In exchange, the City of Camas agrees to pay 60% of the real estate agreement to the City of Washougal for ten years (\$52,897.72 for ten years).

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end internal service funds compensated absences are \$18,163, net pension liability is \$116,673 and OPEB liability is \$0. Also, for the governmental activities, claims and judgments, compensated absences and net other post-employment benefit obligations are generally liquidated by operating funds, such as the General Fund, Street Fund, and the Camas/Washougal Fire and Emergency Management Services Fund.

The City's legal limit of indebtedness is 1½% of assessed property value without a vote of the taxpayers and 2½% with a vote of the taxpayers. At December 31, 2018, the remaining nonvoted and voted remaining capacity was \$50,149,749 and \$115,435,154, respectively.

#### **G. SHORT-TERM DEBT**

The City obtained a tax anticipation note authorized at \$7,000,000 for the purpose of paying expenditures of the City's construction and other funds, pending the receipt of taxes, debt proceeds and other revenues. This note is drawn down as needed, similar to a line of credit. The following funds shared in the borrowing: General Fund, Camas Washougal Fire and EMS Fund, Larkspur Construction Fund, Water-Sewer Fund, and Equipment Rental Fund.

The beginning balance of the line of credit was \$275,375. During 2018, proceeds of \$9,149,882 were received and payments of \$9,425,257 were made. At December 31, 2018 the line of credit was fully paid.

### **NOTE V. OTHER DISCLOSURES**

#### **A. RISK MANAGEMENT**

The City of Camas is a member of the Washington Cities Insurance Authority (WCIA). Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has a total of 160 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage

is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$300 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, reinsurance and other administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

In the past three years, the City has not had any settlements exceeding the City's coverage with WCIA.

## **B. PROPERTY TAXES**

The county treasurer bills and collects all property taxes and remits the City's share once daily. Property taxes are recognized when levied, and measurable and available to finance expenditures of the current period. Property taxes not available to finance the current period are disclosed as deferred revenue on the balance sheet.

A city is permitted by law to levy up to \$3.60 per \$1,000 of assessed valuation for general governmental services. This amount may be reduced for any of the following reasons:

- The Washington State Constitution limits the total regular property taxes to one percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all the districts exceed this amount, each is proportionately reduced until total is at or below the one percent limit.
- Washington State Law RCW 84.55.010 limits the growth of regular property taxes to one percent per year or by the Implicit Price Deflator per year (whichever is lower), after adjustments for new construction. If the assessed valuation increases by more than one percent due to revaluation, the levy will decrease.
- The City may voluntarily levy taxes below the legal limit.

Property tax is recorded as a receivable and revenue when levied. No allowance is recorded for uncollectible tax because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principal and delinquent taxes are evaluated annually.

The City's regular levy for 2018 was \$2.89 per \$1,000 on an assessed valuation of \$4.151 billion for a total regular levy of \$11,997,168.

Special levies approved by the voters are not subject to the limitations described above. In 2018, the City levied an additional \$.35 per \$1,000 to provide emergency medical services for a total additional levy of \$1,434,226. Further, in 2018, the City levied an additional \$.15 for payment of library bonds for a total additional levy of \$620,000.

**C. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS**

The following table represents the aggregate pension amounts for all plans for the year 2018:

<b>Aggregate Pension Amounts - All Plans</b>	
Pension liabilities	\$ 4,008,791
Pension assets	5,612,307
Deferred outflows of resources	1,240,918
Deferred inflows of resources	3,631,070
Pension expense/expenditures	(255,750)

**State Sponsored Pension Plans**

Substantially all City full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

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

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

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

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

#### Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2018 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
<b>January - August 2018:</b>		
PERS Plan 1	7.49%	6.00%
PERS Plan 1 UAAL	5.03%	
Administrative Fee	0.18%	
<b>Total</b>	<b>12.70%</b>	<b>6.00%</b>
<b>September–December 2018:</b>		
PERS Plan 2/3	7.52%	6.00%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
<b>Total</b>	<b>12.83%</b>	<b>6.00%</b>

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

#### Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2018 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates:</b>	<b>Employer 2/3</b>	<b>Employee 2</b>
<b>January - August 2018:</b>		
PERS Plan 2/3	7.49%	7.38%
PERS Plan 1 UAAL	5.03%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>Total</b>	<b>12.70%</b>	<b>7.38%</b>
<b>September–December 2018:</b>		
PERS Plan 2/3	7.52%	7.41%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
Employee PERS Plan 3		varies
<b>Total</b>	<b>12.83%</b>	<b>7.41%</b>

The City's actual PERS plan contributions were \$395,326 to PERS Plan 1 and \$564,234 to PERS Plan 2/3 for the year ended December 31, 2018.

### *Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)*

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months' salary within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

#### Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan 1 had no required employer or employee contributions for fiscal year 2018. Employers paid only the administrative expense of 0.18 percent of covered payroll.

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

#### Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2018 were as follows:

<b>LEOFF Plan 2</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
State and local governments	5.25%	8.75%
Administrative Fee	0.18%	
<b>Total</b>	<b>5.43%</b>	<b>8.75%</b>
Ports and Universities	8.75%	8.75%
Administrative Fee	0.18%	
<b>Total</b>	<b>8.93%</b>	<b>8.75%</b>

The City's actual contributions to the plan were \$390,125 for the year ended December 31, 2018.

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. For the state fiscal year ending June 30, 2018, the state contributed \$68,152,127 to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$284,177.

#### **Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2018 with a valuation date of June 30, 2018. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007-2012 Experience Study* and the *2017 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2018. Plan liabilities were rolled forward from June 30, 2017, to June 30, 2018, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary increases:** In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.4%

Mortality rates were based on the RP-2000 report's "Combined Healthy Table" and "Combined Disabled Table". The Society of Actuaries publishes this document. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

Actuarial results reflect the following changes in assumptions and methods since the last valuation.

- Updated valuation interest rate, general salary growth, and inflation assumptions to be consistent with the assumptions adopted by the Pension Funding Council and LEOFF 2 Board.

- Lowered the valuation interest rate from 7.70% to 7.50% for all systems except LEOFF 2. For LEOFF 2 the valuation interest rate was lowered from 7.50% to 7.40 %.
  - Lowered assumed general salary growth from 3.75% to 3.50% for all systems.
  - Lowered assumed inflation from 3.00% to 2.75% for all systems.
- Modified how the valuation software calculates benefits paid to remarried duty-related death survivors of LEOFF 2 members.
- Updated the trend that the valuation software uses to project medical inflation for LEOFF 2 survivors of a duty-related death, and for certain LEOFF 2 medical-related duty disability benefits.

### **Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.4 percent. To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members.

Consistent with current law, the asset sufficiency test included an assumed 7.5 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.5 percent) except LEOFF Plan 2, which has assumed 7.4 percent.)

Consistent with the long-term expected rate of return, a 7.4 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS Plans 2 and 3 and PSERS Plan 2 employers, whose rates include a component for the PERS Plan 1 liability). Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.4 percent was used to determine the total liability.

### **Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.4 percent was determined using a building-block-method. In selecting this assumption, the Office of the State Actuary (OSA) reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered capital market assumptions and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various time horizons.

### **Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2018, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% Long-Term Expected Real Rate of Return Arithmetic</b>
Fixed Income	20%	1.70%
Tangible Assets	7%	4.90%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
	<b>100%</b>	

#### **Sensitivity of the Net Pension Liability/ (Asset)**

The table below presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.4 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.4 percent) or 1-percentage point higher (8.4 percent) than the current rate.

	<b>1% Decrease 6.40%</b>	<b>Current Rate 7.40%</b>	<b>1% Increase 8.40%</b>
PERS 1	3,165,918	2,576,142	2,065,278
PERS 2/3	5,441,044	1,189,553	(2,296,195)
LEOFF 1	(376,954)	(473,846)	(557,265)
LEOFF 2	(683,319)	(5,138,461)	(8,772,148)

#### **Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

#### **Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2018, the City reported a total pension liability of \$3,765,695 for its proportionate share of the net pension liabilities and \$5,612,307 for its share of net pension assets as follows:

<b>Plan</b>	<b>Liability or (Asset)</b>
PERS 1	\$ 2,576,142
PERS 2/3	1,189,553
LEOFF 1	(473,846)
LEOFF 2	(5,138,461)

The amount of the asset reported above for LEOFF Plans 1 and 2 reflects a reduction for State pension support provided to the City. The amount recognized by the City as its proportionate share of the net pension asset, the related State support, and the total portion of the net pension asset that was associated with the City were as follows:

	LEOFF 1 Asset	LEOFF 2 Asset
LEOFF - employer's proportionate share	(473,846)	(5,138,461)
LEOFF - State's proportionate share of the net pension asset associated with the employer	(3,205,083)	(3,333,224)
<b>TOTAL</b>	<b>(3,678,929)</b>	<b>(8,471,685)</b>

At June 30, the City's proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 6/30/17	Proportionate Share 6/30/18	Change in Proportion
PERS 1	0.06079%	0.05768%	-0.00310%
PERS 2/3	0.07496%	0.06967%	-0.00529%
LEOFF 1	0.02707%	0.02610%	-0.00097%
LEOFF 2	0.24778%	0.25310%	0.00532%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2018. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2018, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 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. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2018, the state of Washington contributed 39.30 percent of LEOFF 2 employer contributions pursuant to [RCW 41.26.725](#) and all other employers contributed the remaining 60.70 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2018, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2017, with update procedures used to roll forward the total pension liability to the measurement date.

## Pension Expense

For the year ended December 31, 2018, the City recognized pension expense as follows:

	<b>Pension Expense</b>
PERS 1	73,072
PERS 2/3	(28,210)
LEOFF 1	(62,857)
LEOFF 2	(230,579)
<b>TOTAL</b>	<b>(248,574)</b>

## Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

<b>PERS 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (102,374)
Contributions subsequent to the measurement date	200,818	-
<b>TOTAL</b>	<b>\$ 200,818</b>	<b>\$ (102,374)</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 145,808	\$ (208,269)
Net difference between projected and actual investment earnings on pension plan investments	-	(729,965)
Changes of assumptions	13,916	(338,537)
Changes in proportion and differences between contributions and proportionate share of contributions	21,611	(288,231)
Contributions subsequent to the measurement date	290,354	-
<b>TOTAL</b>	<b>\$ 471,689</b>	<b>\$ (1,565,002)</b>

<b>LEOFF 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (38,469)
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ (38,469)</b>

<b>LEOFF 2</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 275,257	\$ (119,316)
Net difference between projected and actual investment earnings on pension plan investments	-	(899,300)
Changes of assumptions	2,909	(737,462)
Changes in proportion and differences between contributions and proportionate share of contributions	60,766	(169,147)
Contributions subsequent to the measurement date	229,479	-
<b>TOTAL</b>	<b>\$ 568,411</b>	<b>\$ (1,925,225)</b>

<b>TOTAL ALL PLANS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 421,065	\$ (327,585)
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (1,770,108)
Changes of assumptions	\$ 16,825	\$ (1,075,999)
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 82,377	\$ (457,378)
Contributions subsequent to the measurement date	\$ 720,651	\$ -
<b>TOTAL</b>	<b>\$ 1,240,918</b>	<b>\$ (3,631,070)</b>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1	PERS 2/3	LEOFF 1	LEOFF 2
2019	\$ 4,479	\$ (155,768)	\$ 37	\$ (154,699)
2020	(22,380)	(290,351)	(8,678)	(290,859)
2021	(67,155)	(490,843)	(23,636)	(549,904)
2022	(17,318)	(209,493)	(6,192)	(199,720)
2023	-	(105,278)	-	(72,225)
Thereafter	-	(131,934)	-	(318,886)

#### **CITY OF CAMAS FIREMAN'S PENSION FUND**

The City is the administrator of a single employer defined benefit pension and health benefit plan, the Firemen's Pension Fund. The plan is limited to firefighters and beneficiaries employed before March 1, 1970, and as of March 1, 1970, the plan was closed to new entrants. Firefighters hired before March 1, 1970 at retirement receive the greater of the pension benefit provided under this plan or under the LEOFF plan. Any excess benefit over the LEOFF benefit is provided by the city plan. Future benefits paid under this plan are pension difference payments. This Plan is closely tied to the LEOFF plan therefore, the LEOFF board would be considered the Plan's board. Further, the state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems. Any changes to the LEOFF plans, filter over to the City's Firemen Pension Plan.

There is no separate publicly available report for the Firemen's Pension Fund.

The plan presently has three inactive individuals retired under the LEOFF plan, but drawing pension difference payments from this plan. There are no inactive employees entitled to, but not receiving benefits. Nor are there any active employees eligible to receive benefits. All other firefighter pension benefits are provided under the state pension system, LEOFF. At December 31, 2018, the following employees were covered by the benefit terms:

	<u>LEOFF I</u>
Inactive employees or beneficiaries currently receiving benefits	<u>3</u>
Total	<u><u>3</u></u>

Assets accumulated in a trust do not meet the criteria established in GASB 68 that would qualify the assets as a pension trust fund. Assets for both OPEB and pension liability payments have been comingled and the amounts cannot specifically be identified to the liability for which they have been set in trust. Therefore, the plan is reported in accordance with GASB 73.

### **Contributions**

Under the City's Fireman Pension plan, the plan member has no required contributions. The City pays the pension difference payments for excess benefits. Amendments to the plan may be made through State statute.

During the year ended December 31, 2018, the City paid \$24,665 for pension benefits under this plan.

### **Actuarial Assumptions and Other Inputs**

The total pension liability (TPL) for Firemen's Pension plan was determined using the most recent actuarial valuation completed with a valuation date of January 1, 2017. The actuarial assumptions used in the valuation were based on the results of the Independent Actuaries, Inc. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2007-2012 Experience Study and the Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of December 31, 2018, assuming no actuarial gains or losses. Plan liabilities were rolled forward from December 31, 2017, reflecting each plan's normal cost (using the Entry Age Normal method), assumed interest and benefit payments. Assumptions and other inputs are as follows:

Discount rate - Beginning of Measurement Year	3.25%
Discount Rate - End of Measurement Year	4.00%
Projected Salary Changes	NA
Inflation Rate	2.50%
Future Benefit Increases	3.0-14.0%

Benefits were assumed to inflate at different rates for each of the three participants. The rate increases ranged from 14.0% to 3.0%.

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

A change in assumptions since the prior evaluation was for the use of municipal bond rates for discounting future payments, as there were not assets set aside in a qualified trust to allow the use of the expected rate of return.

The discount rate used to measure the total pension liability was 3.25 percent as of December 31, 2017 and 4 percent as of December 31, 2018. The discount rate is based on the Bond Buyer 20-Bond General Obligation Index.

Further, there were no assumptions made about future cash flows, other than the expected benefit payments, as there are no future employer or employee contributions required in the plan.

#### **Sensitivity of TPL**

The total pension liability is calculated using the discount rate of 3.5-4.0 percent. The following table presents net pension and healthcare liability if it were calculated using a discount rate that is 1-percentage point lower versus 1-percentage point higher than the current rate:

1% Decrease (3.0%)	Current Discount Rate (4.0%)	1% Increase (5.0%)
\$ 260,183	\$ 243,096	\$ 220,904

#### **Pension Expense**

For the year ended December 31, 2018, the Fireman Pension plan recognized expense in the amount of \$(7,176).

#### **Change in Total Pension Liability**

	Increase (Decrease)
	<u>Total Pension Liability</u>
Balances at 12/31/2017	\$ 272,534
Changes for the Year	
Interest	10,456
Changes of assumptions	(17,632)
Benefit payments	(22,262)
Net Changes	(29,438)
Balances at 12/31/2018	<u>\$ 243,096</u>

#### **D. POST RETIREMENT HEALTH CARE PROGRAM (OPEB)**

The City administers two other postemployment benefit programs, the Early Retirement Program and the Fireman's Pension Postemployment Health Benefits. The following table represents the aggregate other postemployment benefits other than pension amounts for the City's Single Employer plans subject to the requirements of the GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for the year 2018:

Aggregate OPEB Amounts	
OPEB Liabilities	\$ 8,030,707
OPEB expense/expenditures	\$ 470,571

At December 31, 2018, there are no deferred inflows or deferred outflows of resources related to OPEB because the plan did not have significant changes in assumptions or contributions subsequent to the measurement date.

## Early Retirement Program

### Plan Description

The City administers a Post-Retirement Health Care Program under a single-employer defined benefit Other Post Employment Benefit (OPEB) plan. This plan provides two basic benefits:

*Pre-65 Medical Coverage:* The City provides post-retirement health premium benefits continuing from retirement until Medicare eligibility for eligible employees. The following groups are eligible upon retirement, and all except fire and non-represented employees must have ten years of service:

- Police – Hired before August 1, 2001
- Local #11 – Hired before January 1, 1998
- CPEA - Hired before January 1, 1998
- AFSCME – Hired before January 1, 1997
- IAFF (Fire) – Hired before January 1, 2006
- Exempt – Hired before April 15, 2005

Eligibility for these benefits is determined by the particular bargaining agreements. These benefits are provided as per requirements of a local ordinance. The City's regular health care benefit providers underwrite the retiree's policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

*LEOFF I Healthcare Reimbursements:* The City provides health insurance benefits for retired public safety employees. Substantially all city LEOFF I employees may become eligible for these benefits if they reach normal retirement age while working for the City. These benefits are provided by the city in order to meet state statutory requirements under the LEOFF I system whereby the City will pay for their medical premiums for life.

At December 31, 2018, the following employees were covered by the benefit terms:

Participant Counts	LEOFF 1	LEOFF II	PERS	Total
Inactive employees or beneficiaries currently receiving benefits	8	8	9	25
Inactive employees entitled to but not yet receiving benefits	0	0	0	0
Active employees	0	78	97	175
Total Number of Participants	8	86	106	200

This plan is funded on a pay-as-you-go basis. This OPEB plan does not issue a stand-alone financial report nor is it included in the report of another entity.

## Contributions

The City pays the entire medical insurance premiums on plan members of the pre-65 medical coverage. Qualified spouses and children may qualify for coverage; however, the plan member must pay the entire dependent premium in return for this coverage. Obligations of the employees and City may be amended through the related employee bargaining agreements.

During the year ended December 31, 2018, the City paid \$489,619 for OPEB benefits under this plan.

## Actuarial Assumptions

The total OPEB liability (TOL) of \$7,151,127 was measured as of December 31, 2018, and was determined using the most recent actuarial valuation completed in 2017 with a valuation date of January 1, 2017.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The TOL was calculated as of the valuation date and procedures used to roll forward to the measurement date of December 31, 2018. Plan liabilities were rolled forward from December 31, 2017, reflecting each plan's normal cost (using the entry-age normal level percent of salary), assumed interest and actual benefit payments.

Discount rate - Beginning of Measurement Year	3.50%
Projected Salary Changes	3.00%
Healthcare Trend Rates	Initial rate is approximately 6.5%, trends down to about 5% in 2032.
Inflation Rate	2.50%
Post-Retirement Participation Percentage	100%
Percentage with Spouse Coverage	20%

The discount rate was based on the municipal bond rate. Mortality rates were based on the RP-2000 report's Combined Active/Healthy retired table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime. The actuarial assumptions used for the valuation dated January 1, 2017 were based on the results of an actuarial experience study for the period 2007 to 2012.

Turnover and Disability Rate are as developed for the valuation of benefits under Washington PERS.

Participation was assumed to be 100% of active eligible employees currently enrolled in a medical plan and 50% of active ineligible employees currently enrolled in a medical plan. Current and future retirees are assumed to remain enrolled in the plans in which they are currently enrolled, if any. Twenty percent of future retirees electing coverage are assumed to cover a spouse as well. Males are assumed to be three years older than their female spouses. Actual marital status and ages as of the valuation date are used for current retirees.

#### **Sensitivity of the Total OPEB Liability**

The table below presents the City's total OPEB liability calculated using the discount rate of 3.5 percent, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.5 percent) or 1-percentage point higher (4.5 percent) than the current rate. Similarly, the sensitivity of the total OPEB liability to changes in assumed healthcare trend rates is disclosed using trends that are 1-percentage point lower (5.5 percent graded down to 4 percent) or 1-percentage point higher (7.5 percent graded down to 6 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 7,766,783	\$ 7,151,128	\$ 6,595,851
	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 6,912,098	\$ 7,151,128	\$ 7,470,197

#### **Changes in the Total OPEB Liability**

The table below presents the changes in the Total OPEB liability:

Service cost	\$ 206,979
Interest Cost	243,452
Benefit payments	(303,184)
Net change in total OPEB liability	147,247
Total OPEB liability - beginning	7,003,881
Total OPEB liability - ending	\$ 7,151,128

#### **OPEB Expense**

During the year ended December 31, 2018, the City recognized OPEB expense of \$489,619 under this plan.

#### **Fireman's Pension Postemployment Health Benefits**

##### **Plan Description**

The City is the administrator of a single employer defined benefit health benefit plan as part of the Fireman's Pension Fund. The plan is limited to firefighters and beneficiaries employed before March 1, 1970, and as of March 1, 1970, the plan was closed to new entrants. Firefighters hired before March 1, 1970 at retirement have healthcare premiums and expenses not covered under the plan or Medicare, including up to \$1,500 dental per year, paid for the retiree's life. This Plan is closely tied to the LEOFF plan

therefore, the LEOFF board would be considered the Plan's board. Further, the state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems. Any changes to the LEOFF plans, filter over to the City's Fireman Pension Plan.

The plan presently has three inactive individuals retired under the LEOFF plan, drawing health benefits from this plan. There are no inactive employees entitled to, but not receiving benefits. Nor are there any active employees eligible to receive benefits. At December 31, 2018, the following employees were covered by the benefit terms:

	LEOFF I
Inactive employees or beneficiaries currently receiving benefits	<u>3</u>
Total	<u><u>3</u></u>

Assets accumulated in a trust do not meet the criteria established in GASB 75 paragraph 4 that would qualify the assets as an OPEB trust fund. Assets for both OPEB and pension liability payments have been comingled and the amounts cannot specifically be identified to the liability for which they have been set in trust. This OPEB plan does not issue a stand-alone financial report nor is it included in the report of another entity.

#### **Contributions**

Under the LEOFF I Healthcare Reimbursements, the plan member has no required contributions. The City pays the entire healthcare premium, including Medicare and supplemental Medicare premiums, and reimburses the retiree for any healthcare expenses not covered under the plan or under Medicare. This reimbursement applies to Long-Term Care expenses as well as other healthcare expenses. Further the, city reimburses the retiree for up to \$1,500 of dental costs per year. Amendments to the plan may be made through State statute.

During the year ended December 31, 2018, the City paid \$305,024 for Fire OPEB benefits.

#### **Actuarial Assumptions**

The total OPEB liability for the Fireman's Pension plan was determined using the most recent actuarial valuation completed with a valuation date of January 1, 2017. The actuarial assumptions used in the valuation were based on the results of the Independent Actuaries, Inc. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2007-2012 Experience Study and the Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The OPEB liability was calculated as of the valuation date and rolled forward to the measurement date of December 31, 2018, assuming no actuarial gains or losses.

Discount rate - Beginning of Measurement Year	3.25%
Discount Rate - End of Measurement Year	4.00%
Projected Salary Changes	NA
Healthcare Trend Rates	Initial rate is approximately 7%, trends down to about 5% in 2032
Inflation Rate	2.50%
Post-Retirement Participation Percentage	NA
Percentage with Spouse Coverage	NA

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

A change in assumptions since the prior evaluation was for the use of municipal bond rates for discounting future payments, as there were not assets set aside in a qualified trust to allow the use of the expected rate of return.

There were no assumptions made about future cash flows, other than the expected benefit payments, as there are no future employer or employee contributions required in the plan.

#### **Sensitivity of Total OPEB Liability**

The Fireman's Pension OPEB liability is calculated using the discount rate of 4.0 percent. The following table presents net pension and healthcare liability if it were calculated using a discount rate that is 1-percentage point lower versus 1-percentage point higher than the current rate:

**Discount Rate Sensitivity**

1% Decrease	Current Discount Rate	1% Increase
\$ 948,999	\$ 879,579	\$ 818,263

**Health Care Trend Rate Sensitivity**

1% Decrease	Current Discount Rate	1% Increase
\$ 813,042	\$ 879,579	\$ 953,902

### Changes in the Total OPEB Liability

The table below presents the changes in the Fireman's Pension Total OPEB liability:

Interest Cost	\$	31,089
Changes in assumptions		(51,229)
Benefit payments		<u>(113,706)</u>
Net change in total OPEB liability		(133,846)
Total OPEB liability - beginning		<u>1,013,425</u>
Total OPEB liability - ending	\$	<u><u>879,579</u></u>

### OPEB Expense

During the year ended December 31, 2018, the City recognized OPEB expense in the amount of \$20,140.

### **E. HEALTH & WELFARE**

The City of Camas 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, 2018, 257 cities/towns/non-city entities participate 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. 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, 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 2018, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Kaiser ISL at \$1 million with Companion Life through ASG Risk Management. The aggregate policy is for 200% of expected medical claims.

Participating employers' contract to remain in the AWC 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 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 HCP. Similarly, the terminating member forfeits all rights and interest to the 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 Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The 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 this report. 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.

#### **F. FEDERAL FINANCIAL ASSISTANCE**

The City recorded the following federal grant revenues for 2018.

<b>Federal Catalog No.</b>	<b>Government</b>	<b>Program</b>	<b>Amount</b>
14.218	Dept of Housing and Urban	Community Dev Block Grant	\$201,991
20.205	Dept. of Transportation	Transportation Improvement Grant	36,655
66.468	EPA	Drinking Water Revolving Fund	<u>1,075,642</u>
<b>Total Federal Financial Assistance</b>			<b><u>\$1,314,167</u></b>

#### **G. CONTINGENCIES AND LITIGATIONS**

The City has recorded in its financial statements all material liabilities. In the opinion of management, the City's insurance policies with WCIA are adequate to pay all known or pending claims.

As discussed in Note III F, Long-Term Debt, the City is contingently liable for repayment of refunded debt.

The City participates in a number of federal and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. City management believes that such disallowances, if any, will be immaterial.

**H. SUBSEQUENT EVENTS**

On August 9, 2013, the City received a twenty-year loan for \$2,040,000 at 0.5% interest from the Washington State Department of Commerce to assist with partial funding for the construction of a two million gallon water reservoir with anticipated construction costs of \$2,400,000. As of December 31, 2018, draws of \$86,551.47 have been made on this loan by the City. Annual debt service payments began June 1, 2017.

In December 2016, the City received a twenty-year loan of \$3,434,000 at 1% interest from the Drinking Water State Revolving Fund to finance the final portion of the construction of the slow sand filtration plant. As of December 31, 2018, the City has draws of \$2,996,128.33. The remaining draws will be taken as needed in 2018. Annual debt service began October, 2018.

In March, 2019, the City issued a Revenue Bond for total proceeds of \$21.7 million. Portion of the revenue bond, \$11 million was used to refinance three Drinking Water State Revolving Loans (including the \$3.4 million above). The City elected to refinance these loans due to an acceleration clause in the loan agreements. In addition, the revenue bonds will finance approximately \$10.7 million in new water projects to be built in 2019-2021.

In December 2018, the City purchased the former Bank of America Building for approximately \$1.6 million with the proceeds from the 2018 Limited General Obligation Bond. The City subsequently contracted with LSW Architects to perform a space study and design building improvements. The analysis will provide the scope and budget required to perform tenant improvements to the building and determine which departments will be relocated into the refurbished building.

In November 2018, City Council approved the issuance of \$1 million State Public Works Board loan to finance a portion of the Lake Road and Everett Intersection. The consultants hired began work on the project in 2019.

**I. IMPACT FEE/DEVELOPMENT CHARGE CREDITS**

The City, in order to ensure that adequate facilities are available to serve new growth, levies impact fees on developers as a condition of issuance of a building permit or development approval. The developer may be entitled to a "credit" against the applicable impact fee component for the proportional fair market value of appropriate dedications of land, improvement or new construction of system improvements provided by the developer. In the event that the amount of the "credit" is calculated to be greater than the amount of the impact fee due, the developer may apply the excess "credit" toward impact fees assessed on other developments within the same service area.

2018 Impact fee credits and system development charge credit activity is as follows:

Impact Fee/ Development Charge Credits	Beginning Balance	Additions	Applied	Ending Balance
Traffic Impact Fee	\$ 382,377	\$ 1,061,196	\$ 181,048	\$ 1,262,525
Park Impact Fee	43,602	-	-	43,602
	<u>425,979</u>	<u>1,061,196</u>	<u>181,048</u>	<u>1,306,127</u>
Water System Development Charges	142,814	518,029	140,282	520,561
Sewer System Development Charges	310,335	-	520,371	(210,036)
	<u>453,149</u>	<u>518,029</u>	<u>660,653</u>	<u>310,525</u>
Total Impact Fees	<u>\$ 879,128</u>	<u>\$ 1,579,225</u>	<u>\$ 841,701</u>	<u>\$ 1,616,652</u>

**J. NEW FUNDS**

During 2018, the City added two new capital projects funds: the Lacamas Lands Legacy fund, and the Lake & Everett Construction fund.

**K. POLLUTION REMEDIATION**

In July 2018, The Camas/Washougal Wildlife League donated real property to the City. This property has been historically used as a shotgun shooting range and will continue to be used for this purpose for at least six more years. Upon receipt of this property, the City acknowledged that it would be solely responsible for all costs and cleanup of the cPAHs and lead on the property. No obligating events have occurred relative to this site. The cleanup activities are voluntary, and the City has not initiated clean up of this property. As such, no pollution remediation liability has been estimated.

**L. JOINTLY GOVERNED ORGANIZATION**

Emergency Services

The City, Clark County, the City of Vancouver and other local governments participate in governance Of Clark Regional Services Agency (CRESA), a jointly governed organization whose purpose is to equip and operate a consolidated public safety communications service. CRESA is a special purpose quasi-municipal corporation known as Public Development Authority or PDA authorized under RCW 35.21.730. The CRESA Administrative Board comprises nine members appointed by the entities receiving the services. The City has service agreements with CRESA for dispatch and emergency management services.

Payments to CRESA for emergency management fees during 2018 were as follows:

Emergency Management	\$ 22,157
Dispatching EMS	49,117
Dispatching Fire	92,493
Dispatching Police	<u>228,400</u>
Total	\$392,167

**M. TAX ABATEMENT**

The City is subject to tax abatements granted by the State of Washington. There are no receivables related to these tax abatements.

The State of Washington has several tax abatements. There are two which affect City sales and use tax received. The High Unemployment Deferral for Manufacturing Facilities exemption under RCW 82.60 is intended to promote economic stimulation and new employment opportunities in distress areas. The High-Technology Sales and Use Tax Deferral authorized under RCW 82.63 is intended to incent high-technology research and development and create quality employment opportunities.

Taxes abated by other governments on behalf of the City for the fiscal year ended December 31, 2018 are as follows:

Tax Abatement Program	Amount of Taxes Abated
State of Washington	
High Unemployment Deferral for Manufacturing Facilities	\$ 19,694
High-Technology Sales and Use Tax Deferral	D
	<u>\$ 19,694</u>

In the table above, the “D” indicates that data is confidential and cannot be disclosed. RCW 82.32.585 (4) prohibits disclosure of information by jurisdiction when there are less than three taxpayers within a county.

**N. PRIOR PERIOD ADJUSTMENTS**

A prior period adjustment was recorded in the general fund in the amount of \$2,230,440 for fire pension and OPEB assets that have previously been reported in a pension trust fund. These assets set aside for the purpose of pension and other postemployment benefits payments do not meet the requirements of GASB Statements 68 and 75 for qualified trusts for reporting in fiduciary funds and have been reported as restricted assets in the general fund. The related pension and OPEB liabilities were previously reported combined as pension liability in the statement of net position, net of the assets. In 2018, these separate liabilities are reported gross on the government wide statement of net position.

A prior period adjustment of \$1,252,786 was reported in the government-wide governmental activities. This represents \$90,754 for a change in the beginning balance of pension and OPEB liabilities. The change occurred due to a different discount rate required to be used to value the liabilities because there are no qualified trust assets. In addition, a prior period adjustment of \$1,343,540 was recorded on the government wide governmental activities for OPEB liability in excess of actual that was reported in 2017 in error.

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Other Postemployment Benefits Plan  
Schedule of Changes in Total Liability and Related Ratios  
Last Two Calendar Years

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	2018	2017
Total OPEB liability		
Service cost	206,979	206,979
Interest	243,452	239,263
Benefit payments	(303,184)	(349,894)
Net change in total OPEB liability	147,247	96,348
Total OPEB liability beginning	7,003,881	6,907,533
Total OPEB liability ending	7,151,128	7,003,881
Covered employee payroll	6,412,013	7,755,426
Total OPEB liability as a percentage of covered employee payroll	111.53%	90.31%

**Notes to Schedule:**

**Note 1: Changes of Assumptions**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017-2018	3.50%
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**Note 2:**

The City implemented GASB 75 in 2017, therefore no data is presented before then. Eventually, ten years of data will be presented.

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Other Postemployment Benefits Firefighters  
Last Two Calendar Years

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Total OPEB liability	2018	2017
Service cost	\$ 31,089	\$ 31,866
Interest	(51,229)	-
Benefit payments	(113,706)	(118,528)
Net change in total OPEB liability	(133,846)	(86,662)
Total OPEB liability beginning	1,013,425	-
Total OPEB liability ending	\$ 879,579	\$ (86,662)
Covered employee payroll	-	-
Total OPEB liability as a percentage of covered employee payroll	NA	NA

**Notes to Schedule:**

**Note 1: Changes of Assumptions**

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017	3.25%
2018	4.00%

**Note 2:**

The City implemented GASB 75 in 2017, therefore no data is presented before then. Eventually, ten years of data will be presented.

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability  
PERS 1  
As of June 30  
Last 5 Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	Employer's covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2018	0.003115%	\$ 2,576,142	\$ 8,069,068	32%	63.22%
2017	0.060786%	2,884,343	7,494,182	38%	61.24%
2016	0.063116%	3,389,626	7,433,788	46%	57.03%
2015	0.063852%	3,340,053	7,155,169	47%	59.10%
2014	0.059601%	3,002,428	7,216,331	42%	61.19%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability  
PERS 2/3  
As of June 30  
Last 5 Fiscal Years

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<u>Year Ended June 30,</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>Employer's covered payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2018	0.069670%	\$ 1,189,553	\$ 7,894,633	15.07%	95.77%
2017	0.074959%	2,604,467	7,356,950	35.40%	90.97%
2016	0.077627%	3,908,458	7,297,931	53.56%	85.82%
2015	0.079123%	2,827,110	7,022,586	40.26%	89.20%
2014	0.073414%	1,483,962	7,077,011	20.97%	93.29%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability  
LEOFF 1  
As of June 30  
Last 5 Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Employer's covered payroll	Employer's proportion ate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
			-				
2018	0.026100%	(473,846)	(3,205,083)	(3,678,929)	N/A	N/A	144.42%
2017	0.027068%	(410,681)	(2,777,837)	(3,188,518)	N/A	N/A	135.96%
2016	0.026688%	(274,963)	(1,859,841)	(2,134,804)	N/A	N/A	123.74%
2015	0.026403%	(318,215)	(2,152,398)	(2,470,613)	N/A	N/A	127.36%
2014	0.026185%	(317,569)	(2,148,029)	(2,465,598)	N/A	N/A	126.91%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Proportionate Share of the Net Pension Liability  
LEOFF 2  
As of June 30  
Last 5 Fiscal Years

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Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Employer's covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2018	0.253099%	\$ (5,138,461)	\$ (3,333,224)	\$ (8,471,685)	\$ 7,688,862	-66.83%	118.50%
2017	0.247783%	(3,438,425)	(2,230,442)	(5,668,867)	7,724,978	-44.51%	113.36%
2016	0.256367%	(1,491,107)	(972,094)	(2,463,201)	7,803,325	-19.11%	106.04%
2015	0.063852%	(2,542,787)	(1,681,297)	(4,224,084)	7,180,562	-35.41%	111.67%
2014	0.059601%	(2,800,565)	(1,829,840)	(4,630,405)	7,017,401	-39.91%	116.75%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Changes in Total Pension Liability and Related Ratios  
Fireman's Pension Plan  
Last Two Fiscal Years

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	2018	2017*
<b>Total pension liability</b>		
Interest	\$ 10,456	\$ 8,579
Changes of benefit terms	-	-
Changes of assumptions or other input	(17,632)	-
Differences between expected and actual experience	-	-
Benefit payments, including refunds of contributions	(22,262)	(21,862)
<b>Net change in total pension liability</b>	(29,438)	(13,283)
<b>Total pension liability - beginning</b>	272,534	285,817
<b>Total pension liability - ending</b>	<u>\$ 243,096</u>	<u>\$ 272,534</u>

\*Estimated

<b>Covered employee payroll</b>	0	0
<b>Net pension liability as a % of covered employee payroll</b>	N/A	N/A

**Notes to Schedule:**

**Note 1: Information Provided**

The City is reporting per GASB 73 beginning the year ended December 31, 2017, therefore there is no data available for years prior to 2017.

**Note 2: Significant Factors**

There were no changes of benefit terms, or significant changes in the employees covered under the benefit terms. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2017 3.25%  
2018 4.00%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Employer Contributions  
PERS 1  
As of December 31  
Last 5 Fiscal Years

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Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2018	\$ 395,326	\$ (395,326)	\$ -	\$ 7,646,192	5.17%
2017	371,024	(371,024)	-	7,378,657	5.03%
2016	366,237	(366,237)	-	7,503,538	4.88%
2015	330,219	(330,219)	-	7,337,494	4.50%
2014	293,264	(293,264)	-	6,969,245	4.21%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Employer Contributions  
PERS 2/3  
As of December 31  
Last 3 Fiscal Years

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Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2018	\$ 564,234	\$ (564,234)	\$ -	\$ 7,523,732	7.50%
2017	496,479	(496,479)	-	7,239,850	6.86%
2016	458,690	(458,690)	-	7,366,306	6.23%
2015	406,541	(406,541)	-	7,203,243	5.64%
2014	348,075	(348,075)	-	6,838,381	5.09%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Employer Contributions  
LEOFF 2  
As of December 31  
Last 3 Fiscal Years

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Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2018	\$ 390,125	\$ (390,125)	\$ -	\$ 7,386,980	5.28%
2017	403,422	(403,422)	-	7,831,891	5.15%
2016	394,969	(394,969)	-	7,821,177	5.05%
2015	389,941	(389,941)	-	7,455,858	5.23%
2014	345,299	(345,299)	-	6,602,254	5.23%

**CITY OF CAMAS, WASHINGTON**  
Required Supplementary Information  
Schedule of Employer Contributions  
Firemen's Pension Plan  
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially/statutorily/contractually determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,286	\$ 32,866	\$ 34,521	\$ 36,432	\$ 31,032
Actual contribution in relation to the above	-	-	-	-	-	38,286	32,866	34,521	36,432	31,032
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Covered employee payroll	0	0	0	0	0	0	0	0	0	0
Contributions as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

Valuation date: December 31, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method - entry age

Amortization method - N/A

Remaining amortization period - N/A

Asset valuation method - Market Value

Inflation - 2.5%

Investment rate of return - 2.5%, net of pension plan investment expense, including inflation

Mortality - RP 2000

**Note 1: Information Provided**

The City implemented GASB 68 for the year ended December 31, 2015.

**CITY OF CAMAS, WASHINGTON**

Notes to Required Supplemental Information - Pension

As of December 31

Last Five Fiscal Years

**Note 1:** Information Provided

GASB 68 was implemented for the year ended December 31, 2014, therefore there is no data available for years prior to 2014. Eventually, the schedules will show ten years of data.

**Note 2:** Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions.

**Note 3:** LEOFF 1

For LEOFF 1, there is a net pension asset; however, there are no active employees participating in the plan, and no required contributions because the plan is fully funded. Therefore, covered payroll and contributions as a percent of covered payroll are displayed as N/A.

**Note 4:** Covered payroll

Covered payroll has been presented in accordance with GASB 82, Pension Issues. Covered payroll includes all payroll on which a contribution is based.

**Note 5:** Contribution Rate

Rates in effect during the periods covered by the Required Supplemental Information are below:

**PERS 1**

<u>From this</u>	<u>Through</u>	
<u>Date</u>	<u>this Date</u>	<u>Rate</u>
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	current	12.83% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

**PERS 2/3**

<u>From this</u>	<u>Through</u>	
<u>Date</u>	<u>this Date</u>	<u>Rate</u>
9/1/2013	6/30/2015	9.21%
7/1/2015	6/30/2017	11.18%
7/1/2017	8/31/2018	12.70%
9/1/2018	current	12.83% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

**LEOFF 1**

<u>From this</u>	<u>Through</u>	<u>Employer</u>
<u>Date</u>	<u>this Date</u>	<u>Rate</u>
7/1/2008	8/31/2013	0.16%
9/1/2013	current	0.18% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

**LEOFF 2**

<u>From this</u>	<u>Through</u>	<u>Employer</u>
<u>Date</u>	<u>this Date</u>	<u>Rate</u>
9/1/2013	6/30/2017	5.23%
7/1/2017	current	5.43% *

\* Employer contribution rate includes an administrative expense rate of 0.18%

Effective July 1, 2017, LEOFF employers must pay an additional 3.5% to pick up the state contributions on basis salary paid for services rendered to non-LEOFF employers

# Governmental Funds

## Special Revenue Funds

Hotel Motel Lodging Tax Fund – This fund was created in 2009 to account for the collection of a 2% hotel motel lodging excise tax and to account for the specific use of those revenues as allowed by R.C.W. 67.28.

City Street Fund – This fund is supported by general taxes and state gas tax. All maintenance and improvements of streets are paid from this fund. R.C.W. 47.24.040 provides for the creation of a city street fund.

## Debt Service Funds

Unlimited Tax Redemption Fund - The bond issues served by this fund were voted by a 3/5 majority of the voters and as such may be retired with tax levies without regard to tax limits.

Limited Tax Redemption Fund - The 1996 General Obligation and Refunding Bonds and interest must be paid from this fund. Annual levies of general tax money are appropriated in this fund to pay the annual interest and bonds due. Debt service must be paid by annual levies within the regular levy permitted for general tax purposes, without a vote of the people.

## Capital Project Funds

Real Estate Capital Projects Fund - This fund accounts for the purchase and construction of capital facilities. Dedicated real estate excise taxes finance this activity.

Parks Impact Fee Fund - This fund was established in 2017 to account for parks impact fees separately from the REET Capital Projects Fund.

Transportation Impact Fee Fund - This fund was established in 2017 to account for transportation fees separately from the REET Capital Projects Fund.

Fire Impact Fee Fund - This fund was established in 2017 to account for fire impact fees separately from the REET Capital Projects Fund.

Brady Road Construction Fund – This fund was established in 2015 for the improvement of Brady Road from 16<sup>th</sup> to 25<sup>th</sup> Avenues with sidewalks, bike lanes, left turn lanes, median and illumination.

NW 6<sup>th</sup> & Norwood Construction Fund – This fund was established in 2015 for the construction of a one-lane roundabout and pedestrian access improvements.

Street Lighting LED Fund – This fund was established in 2015 for the conversion of the City's existing street lighting system to ultra-efficient Light Emitting Diode (LED) fixtures.

Facilities Capital Projects Fund – This fund was established in 2018 for improvements to City Hall and for the purchase of a building adjacent to City Hall.

Larkspur Construction Fund - This fund was established in 2017 for the improvement of NW Larkspur Street.

Lacamas Lands Legacy Fund - this fund was established in 2018 for the acquisition of open space lands north of Lacamas Lake with the intent to preserve the forest and pastures in perpetuity.

Lake and Everett Construction Fund - this fund was established in 2018 to upgrade a major intersection at NE Lake Road and NE Everett Street.

**CITY OF CAMAS, WASHINGTON**

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2018

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash, Cash Equivalents, and Pooled Investments	\$ 989,830	\$ 45,125	\$ 17,725,328	\$ 18,760,283
Property Taxes Receivables	-	6,544	-	6,544
Sales Taxes Receivable	1,718	-	-	1,718
Accounts Receivable (net)	5,088	-	-	5,088
Interest Receivable	-	-	24,903	24,903
Due from Other Governmental Units	-	-	263,202	263,202
<b>Total Assets</b>	<b>996,636</b>	<b>51,669</b>	<b>18,013,433</b>	<b>19,061,738</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	69,525	-	409,182	478,707
Custodial Accounts	-	-	162,590	162,590
<b>Total Liabilities</b>	<b>69,525</b>	<b>-</b>	<b>571,772</b>	<b>641,297</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	6,307	207,817	214,124
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>6,307</b>	<b>207,817</b>	<b>214,124</b>
<b>Fund Balances:</b>				
<b>Restricted</b>				
Tourism	22,668	-	-	22,668
Debt Service	-	45,362	-	45,362
Capital Outlay	-	-	17,278,085	17,278,085
<b>Assigned</b>	<b>904,443</b>	<b>-</b>	<b>-</b>	<b>904,443</b>
Unassigned	-	-	(44,241)	(44,241)
<b>Total Fund Balances</b>	<b>927,111</b>	<b>45,362</b>	<b>17,233,844</b>	<b>18,206,317</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 996,636</b>	<b>\$ 51,669</b>	<b>\$ 18,013,433</b>	<b>\$ 19,061,738</b>

**CITY OF CAMAS, WASHINGTON**  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
For the fiscal year ended December 31, 2018

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ -	\$ 618,901	\$ -	\$ 618,901
Sales and Use Taxes	14,508	-	-	14,508
Other Taxes	-	-	2,131,635	2,131,635
Intergovernmental	537,740	-	716,559	1,254,299
Charges for Services	-	-	1,918,748	1,918,748
Interest Earnings	14,577	-	163,591	178,168
Miscellaneous	55,518	-	64	55,582
Total Revenues	<u>622,343</u>	<u>618,901</u>	<u>4,930,597</u>	<u>6,171,841</u>
<b>Expenditures:</b>				
Current:				
Transportation	1,610,371	-	-	1,610,371
Economic Environment	9,223	-	-	9,223
Capital Outlay	946,598	-	4,967,050	5,913,648
Debt Service				
Principal Retirement	-	1,314,026	-	1,314,026
Interest and Other Charges	-	435,924	3,224	439,148
Total Expenditures	<u>2,566,192</u>	<u>1,749,950</u>	<u>4,970,274</u>	<u>9,286,416</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,943,849)	(1,131,049)	(39,677)	(3,114,575)
<b>Other Financing Sources (Uses):</b>				
Insurance Recoveries	59,547	-	-	59,547
Issuance of Debt	-	-	9,810,000	9,810,000
Premium on Bonds Issued	-	-	984,542	984,542
Debt Issuance Costs	-	-	(87,618)	(87,618)
Transfers In	2,357,039	1,127,570	1,066,997	4,551,606
Transfers Out	(177,362)	-	(1,906,643)	(2,084,005)
Total Other Financing Sources and Uses	<u>2,239,224</u>	<u>1,127,570</u>	<u>9,867,278</u>	<u>13,234,072</u>
Net Change in Fund Balances	295,375	(3,479)	9,827,601	10,119,497
Fund Balances at Beginning of Year	631,736	48,841	7,406,243	8,086,820
Fund Balances at End of Year	<u>\$ 927,111</u>	<u>\$ 45,362</u>	<u>\$ 17,233,844</u>	<u>\$ 18,206,317</u>

**CITY OF CAMAS, WASHINGTON**

## Nonmajor Special Revenue Funds

## Combining Balance Sheet

December 31, 2018

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
Assets:			
Cash and Cash Equivalents	\$ 20,950	\$ 968,880	\$ 989,830
Sales Taxes Receivable	1,718	-	1,718
Accounts Receivable (net)			
Other Receivables	-	5,088	5,088
Total Accounts Receivable (net)	-	5,088	5,088
Total Assets	22,668	973,968	996,636
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	-	69,525	69,525
Total Liabilities	-	69,525	69,525
Fund Balances:			
Restricted			
Tourism	22,668	-	22,668
Assigned - Working Capital	-	904,443	904,443
Total Fund Balances	22,668	904,443	927,111
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,668	\$ 973,968	\$ 996,636

**CITY OF CAMAS, WASHINGTON**  
Nonmajor Special Revenue Funds  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
For the fiscal year ended December 31, 2018

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
Revenues:			
Sales and Use Taxes	\$ 14,508	\$ -	\$ 14,508
Intergovernmental	-	537,740	537,740
Interest Earnings	317	14,260	14,577
Miscellaneous	-	55,518	55,518
Total Revenues	14,825	607,518	622,343
Expenditures:			
Current:			
Transportation	-	1,610,371	1,610,371
Economic Environment	9,223	-	9,223
Capital Outlay	-	946,598	946,598
Total Expenditures	9,223	2,556,969	2,566,192
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,602	(1,949,451)	(1,943,849)
Other Financing Sources (Uses)			
Insurance Recoveries	-	59,547	59,547
Transfers In	-	2,357,039	2,357,039
Transfers Out	-	(177,362)	(177,362)
Total Other Financing Sources (Uses)	-	2,239,224	2,239,224
Net Change in Fund Balances	5,602	289,773	295,375
Fund Balances at Beginning of Year	17,066	614,670	631,736
Fund Balances at End of Year	\$ 22,668	\$ 904,443	\$ 927,111

**CITY OF CAMAS, WASHINGTON**

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2018

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
<b>Assets:</b>			
Cash, Cash Equivalents, and Pooled Investments	\$ 45,125	\$ -	\$ 45,125
Property Taxes Receivables	6,544	-	6,544
Total Assets	<u>51,669</u>	<u>-</u>	<u>51,669</u>
 Total Liabilities	 <u>-</u>	 <u>-</u>	 <u>-</u>
 Deferred Inflows of Resources			
Unavailable revenue	6,307	-	6,307
Total deferred inflows of resources	<u>6,307</u>	<u>-</u>	<u>6,307</u>
 Fund Balances:			
Restricted			
Debt Service	45,362	-	45,362
Total Fund Balances	<u>45,362</u>	<u>-</u>	<u>45,362</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 51,669</u>	 <u>\$ -</u>	 <u>\$ 51,669</u>

**CITY OF CAMAS, WASHINGTON**  
Nonmajor Debt Service Funds  
Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances  
Year Ended December 31, 2018

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 618,901	\$ -	\$ 618,901
Total Revenues	<u>618,901</u>	<u>-</u>	<u>618,901</u>
Expenditures:			
Debt Service			
Principal Retirement	558,000	756,026	1,314,026
Interest and Other Charges	<u>64,380</u>	<u>371,544</u>	<u>435,924</u>
Total Expenditures	<u>622,380</u>	<u>1,127,570</u>	<u>1,749,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,479)	(1,127,570)	(1,131,049)
Other Financing Sources (Uses):			
Transfers In	-	1,127,570	1,127,570
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,127,570</u>	<u>1,127,570</u>
Net Change in Fund Balances	(3,479)	-	(3,479)
Fund Balances at Beginning of Year	48,841	-	48,841
Fund Balances at End of Year	<u>\$ 45,362</u>	<u>\$ -</u>	<u>\$ 45,362</u>

**CITY OF CAMAS, WASHINGTON**  
Nonmajor Capital Project Funds  
Balance Sheet  
December 31, 2018

	Real Estate Excise Tax Fund	Parks Impact Fee Fund	Transportation Impact Fee Fund	Fire Impact Fee Fund	Brady Road Construction Fund	NW 6th & Norwood Fund
<b>Assets:</b>						
Cash and Cash Equivalents	\$ 5,837,188	\$ 1,684,919	\$ 1,174,281	\$ 446,194	\$ 1,084,212	\$ -
Interest Receivable	-	-	-	-	-	-
Due from Other Governmental Units	195,183	-	-	-	-	-
Total Assets	<u>6,032,371</u>	<u>1,684,919</u>	<u>1,174,281</u>	<u>446,194</u>	<u>1,084,212</u>	<u>-</u>
<b>Liabilities and Fund Balances:</b>						
<b>Liabilities:</b>						
Accounts Payable	220,587	1,231	-	-	87,990	(3,206)
Custodial Accounts	-	162,590	-	-	-	-
Total Liabilities	<u>220,587</u>	<u>163,821</u>	<u>-</u>	<u>-</u>	<u>87,990</u>	<u>(3,206)</u>
<b>Deferred Inflows of Resources</b>						
Unavailable revenue	195,183	-	-	-	-	-
Total deferred inflows of resources	<u>195,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>						
<b>Restricted</b>						
Capital Outlay	5,616,601	1,521,098	1,174,281	446,194	996,222	3,206
Capital Outlay	-	-	-	-	-	-
Total Equities and Fund Balances	<u>5,616,601</u>	<u>1,521,098</u>	<u>1,174,281</u>	<u>446,194</u>	<u>996,222</u>	<u>3,206</u>
Total Liabilities and Fund Balances	<u>\$ 6,032,371</u>	<u>\$ 1,684,919</u>	<u>\$ 1,174,281</u>	<u>\$ 446,194</u>	<u>\$ 1,084,212</u>	<u>\$ -</u>

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Street Lighting LED Fund	Facilities Capital Fund	Larkspur Construction Fund	Lacamas Lands Legacy Fund	Lake and Everett Construction Fund	Total Capital Project Funds
\$ -	\$ 19,861	\$ 874,908	\$ 6,603,765	\$ -	\$ 17,725,328
-	-	-	24,903	-	24,903
-	-	68,019	-	-	263,202
-	19,861	942,927	6,628,668	-	18,013,433
-	-	-	-	-	-
-	-	31,764	26,575	44,241	409,182
-	-	-	-	-	162,590
-	-	31,764	26,575	44,241	571,772
-	-	-	-	-	-
-	-	12,634	-	-	207,817
-	-	12,634	-	-	207,817
-	-	-	-	-	-
-	19,861	898,529	6,602,093	-	17,278,085
-	-	-	-	(44,241)	(44,241)
-	19,861	898,529	6,602,093	(44,241)	17,233,844
\$ -	\$ 19,861	\$ 942,927	\$ 6,628,668	\$ -	\$ 18,013,433

**CITY OF CAMAS, WASHINGTON**  
Nonmajor Capital Project Funds  
Statement of Revenues, Expenditures and  
Changes in Fund Balance  
For the fiscal year ended December 31, 2018

	Real Estate Excise Tax Fund	Parks Impact Fee Fund	Transportation Impact Fee Fund	Fire Impact Fee Fund	Brady Road Construction Fund	NW 6th & Norwood Fund
Revenues:						
Other Taxes	\$ 2,131,635	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	201,991	-	-	-	-	-
Charges for Services	-	468,763	1,318,351	131,634	-	-
Interest Earnings	93,701	25,331	15,649	6,513	9,553	162
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>2,427,327</u>	<u>494,094</u>	<u>1,334,000</u>	<u>138,147</u>	<u>9,553</u>	<u>162</u>
Expenditures:						
Current:						
Capital Outlay	750,018	74,911	-	-	387,584	71,021
Debt Service						
Interest and Other Charges	-	-	-	-	-	-
Total Expenditures	<u>750,018</u>	<u>74,911</u>	<u>-</u>	<u>-</u>	<u>387,584</u>	<u>71,021</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,677,309	419,183	1,334,000	138,147	(378,031)	(70,859)
Other Financing Sources (Uses):						
Issuance of Debt	-	-	-	-	1,072,111	-
Premium on Bonds Issued	-	-	-	-	107,598	-
Debt Issuance Costs	-	-	-	-	(9,576)	-
Transfers In	64,366	-	-	-	21,224	82,943
Transfers Out	(654,881)	(157,825)	(668,926)	-	(224,992)	(8,878)
Total Other Financing Sources (Uses)	<u>(590,515)</u>	<u>(157,825)</u>	<u>(668,926)</u>	<u>-</u>	<u>966,365</u>	<u>74,065</u>
Net Change in Fund balances	1,086,794	261,358	665,074	138,147	588,334	3,206
Fund Balances at Beginning of Year	4,529,807	1,259,740	509,207	308,047	407,888	-
Fund Balances at End of Year	<u>\$ 5,616,601</u>	<u>\$ 1,521,098</u>	<u>\$ 1,174,281</u>	<u>\$ 446,194</u>	<u>\$ 996,222</u>	<u>\$ 3,206</u>

Street Lighting LED Fund	Facilities Capital Fund	Larkspur Construction Fund	Lacamas Lands Legacy Fund	Lake and Everett Construction Fund	Total Capital Project Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,131,635
-	-	514,568	-	-	716,559
-	-	-	-	-	1,918,748
(7,545)	10,514	2,100	7,613	-	163,591
-	-	64	-	-	64
(7,545)	10,514	516,732	7,613	-	4,930,597
95,798	1,869,683	631,009	1,039,090	47,936	4,967,050
-	-	220	3,004	-	3,224
95,798	1,869,683	631,229	1,042,094	47,936	4,970,274
(103,343)	(1,859,169)	(114,497)	(1,034,481)	(47,936)	(39,677)
-	916,334	824,701	6,996,854	-	9,810,000
-	91,964	82,768	702,212	-	984,542
-	(8,184)	(7,366)	(62,492)	-	(87,618)
96,983	642,466	155,320	-	3,695	1,066,997
(1,585)	(189,556)	-	-	-	(1,906,643)
95,398	1,453,024	1,055,423	7,636,574	3,695	9,867,278
(7,945)	(406,145)	940,926	6,602,093	(44,241)	9,827,601
7,945	426,006	(42,397)	-	-	7,406,243
\$ -	\$ 19,861	\$ 898,529	\$ 6,602,093	\$ (44,241)	\$ 17,233,844

**CITY OF CAMAS, WASHINGTON**  
Statement of Fiduciary Net Position  
December 31, 2018

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	Firemen's Pension Fund	Retiree Medical Fund	LEOFF 1 Disability Fund	Total
Assets:				
Assets held in trust for pension benefits	\$ -	\$ ( 3,629)	\$ 29,968	\$ 26,339
Total Assets	<u>-</u>	<u>( 3,629)</u>	<u>29,968</u>	<u>26,339</u>
Liabilities:				
Vouchers and Accrued Employee Payables	-	-	29,674	29,674
Total Liabilities	<u>-</u>	<u>-</u>	<u>29,674</u>	<u>29,674</u>
Fiduciary Net Position				
Restricted for Pensions/OPEB	-	( 3,629)	294	( 3,335)
Restricted for Fiduciary Funds	<u>-</u>	<u>( 3,629)</u>	<u>294</u>	<u>( 3,335)</u>

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Statement of Changes in Fiduciary Net Position  
For The Year Ended December 31, 2018

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	Firemans Pension	Retiree Medical Fund	LEOFF 1 Disability Fund	Total
Additions:				
For Postemployment Healthcare Benefits	\$ -	\$ 120,362	\$ 387,243	\$ 507,605
Interest Earnings	-	4	65	69
Total Additions	-	120,366	387,308	507,674
Deductions:				
OPEB Benefits	-	127,270	387,014	514,284
Total Deductions	-	127,270	387,014	514,284
Net Increase in Fiduciary Net Position	-	( 6,904)	294	( 6,610)
Total Net Position - beginning	2,230,439	3,275	-	2,233,714
Prior Period Adjustments	( 2,230,439)	-	-	( 2,230,439)
Total Net Position - ending	<u>\$ -</u>	<u>\$ ( 3,629)</u>	<u>\$ 294</u>	<u>\$ ( 3,335)</u>

The notes to the financial statements are an integral part of this statement

**CITY OF CAMAS, WASHINGTON**  
Combining Statement of Changes in Assets and Liabilities  
All Agency Funds  
For the Year Ended December 31, 2018

	Balance January 1	Additions	Deductions	Balance December 31
<b>Library Agency</b>				
Assets				
Cash	\$ -	\$ -	\$ -	\$ -
Cash equivalents and pooled investments	<u>100,309</u>	<u>27,447</u>	<u>21,494</u>	<u>106,262</u>
Total assets	<u>100,309</u>	<u>27,447</u>	<u>21,494</u>	<u>106,262</u>
Liabilities				
Deposits payable	<u>100,309</u>	<u>25,887</u>	<u>19,934</u>	<u>106,262</u>
Total liabilities	<u>\$ 100,309</u>	<u>\$ 25,887</u>	<u>\$ 19,934</u>	<u>\$ 106,262</u>

**CITY OF CAMAS, WASHINGTON**  
Hotel Motel Lodging Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes - Sales and Use	\$ 9,275	\$ 9,275	\$ 14,508	\$ 5,233
Interest Earnings	230	230	317	87
Total Revenues	<u>9,505</u>	<u>9,505</u>	<u>14,825</u>	<u>5,320</u>
Expenditures:				
Current:				
Economic Environment	10,000	10,000	9,223	777
Total Expenditures	<u>10,000</u>	<u>10,000</u>	<u>9,223</u>	<u>777</u>
Net Change in Fund Balance	(495)	(495)	5,602	6,097
Fund Balances at Beginning of Year	12,252	10,952	17,066	6,114
Fund Balances at End of Year	<u>\$ 11,757</u>	<u>\$ 10,457</u>	<u>\$ 22,668</u>	<u>\$ 12,211</u>

**CITY OF CAMAS, WASHINGTON**  
City Street Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 533,840	\$ 533,840	\$ 537,740	\$ 3,900
Interest Earnings	2,162	2,162	14,260	12,098
Contributions/Donations	10,000	10,000	-	(10,000)
Miscellaneous	1,000	1,000	55,518	54,518
Total Revenues	547,002	547,002	607,518	60,516
Expenditures:				
Transportation	1,883,705	2,258,705	1,610,371	648,334
Capital Outlay	774,990	914,596	946,598	(32,002)
Total Expenditures	2,658,695	3,173,301	2,556,969	616,332
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,111,693)	(2,626,299)	(1,949,451)	676,848
Other Financing Sources (Uses):				
Insurance Recoveries	-	40,000	59,547	19,547
Transfers In	2,314,990	2,364,990	2,357,039	(7,951)
Transfers Out	(186,688)	(308,221)	(177,362)	130,859
Total Other Financing Sources and Uses	2,128,302	2,096,769	2,239,224	142,455
Net Change in Fund Balance	16,609	(529,530)	289,773	819,303
Fund Balances at Beginning of Year	181,643	695,809	614,670	(81,139)
Fund Balances at End of Year	\$ 198,252	\$ 166,279	\$ 904,443	\$ 738,164

**CITY OF CAMAS, WASHINGTON**  
Unlimited Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 620,000	\$ 620,000	\$ 618,901	\$ (1,099)
Total Revenues	<u>620,000</u>	<u>620,000</u>	<u>618,901</u>	<u>(1,099)</u>
Expenditures:				
Debt service:				
Principal Retirement	558,000	558,000	558,000	-
Interest and Other Charges	<u>64,380</u>	<u>64,380</u>	<u>64,380</u>	-
Total Expenditures	<u>622,380</u>	<u>622,380</u>	<u>622,380</u>	-
Net Change in Fund Balance	(2,380)	(2,380)	(3,479)	(1,099)
Fund Balances at Beginning of Year	<u>38,072</u>	<u>38,072</u>	<u>48,841</u>	<u>10,769</u>
Fund Balances at End of Year	<u><u>\$ 35,692</u></u>	<u><u>\$ 35,692</u></u>	<u><u>\$ 45,362</u></u>	<u><u>\$ 9,670</u></u>

**CITY OF CAMAS, WASHINGTON**  
Limited Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures:				
Debt service:				
Principal Retirement	\$ 756,026	\$ 756,026	\$ 756,026	\$ -
Interest and Other Charges	371,543	371,543	371,544	(1)
Total Expenditures	1,127,569	1,127,569	1,127,570	(1)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,127,569)	(1,127,569)	(1,127,570)	(1)
Other Financing Sources (Uses):				
Transfers In	1,127,569	1,127,569	1,127,570	1
Total Other Financing Sources and Uses	1,127,569	1,127,569	1,127,570	1
Net Change in Fund Balance	-	-	-	-
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ -	\$ -

**CITY OF CAMAS, WASHINGTON**  
Real Estate Excise Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Other Taxes	\$ 2,050,968	\$ 2,050,968	\$ 2,131,635	\$ 80,667
Intergovernmental	-	1,706,897	201,991	(1,504,906)
Interest Earnings	55,606	55,606	93,701	38,095
Total Revenues	<u>2,106,574</u>	<u>3,813,471</u>	<u>2,427,327</u>	<u>(1,386,144)</u>
Expenditures:				
Capital Outlay	1,350,000	3,807,314	750,018	3,057,296
Total Expenditures	<u>1,350,000</u>	<u>3,807,314</u>	<u>750,018</u>	<u>3,057,296</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	756,574	6,157	1,677,309	1,671,152
Other Financing Sources (Uses):				
Transfers In	-	679,936	64,366	(615,570)
Transfers Out	(140,904)	(1,824,744)	(654,881)	1,169,863
Total Other Financing Sources and Uses	<u>(140,904)</u>	<u>(1,144,808)</u>	<u>(590,515)</u>	<u>554,293</u>
Net Change in Fund Balance	615,670	(1,138,651)	1,086,794	2,225,445
Fund Balances at Beginning of Year	4,749,909	4,749,909	4,529,807	(220,102)
Fund Balances at End of Year	<u>\$ 5,365,579</u>	<u>\$ 3,611,258</u>	<u>\$ 5,616,601</u>	<u>\$ 2,005,343</u>

**CITY OF CAMAS, WASHINGTON**  
Parks Impact Fee Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 792,179	\$ 792,179	\$ 468,763	\$ (323,416)
Interest Earnings	5,628	5,628	25,331	19,703
Total Revenues	<u>797,807</u>	<u>797,807</u>	<u>494,094</u>	<u>(303,713)</u>
Expenditures:				
Capital Outlay	604,145	560,158	74,911	485,247
Total Expenditures	<u>604,145</u>	<u>560,158</u>	<u>74,911</u>	<u>485,247</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	193,662	237,649	419,183	181,534
Other Financing Sources (Uses):				
Transfers Out	<u>(157,825)</u>	<u>(157,825)</u>	<u>(157,825)</u>	-
Total Other Financing Sources and Uses	<u>(157,825)</u>	<u>(157,825)</u>	<u>(157,825)</u>	-
Net Change in Fund Balance	35,837	79,824	261,358	181,534
Fund Balances at Beginning of Year	1,284,683	1,284,683	1,259,740	(24,943)
Fund Balances at End of Year	<u>\$ 1,320,520</u>	<u>\$ 1,364,507</u>	<u>\$ 1,521,098</u>	<u>\$ 156,591</u>

**CITY OF CAMAS, WASHINGTON**  
Transportation Impact Fee Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 916,763	\$ 916,763	\$ 1,318,351	\$ 401,588
Interest Earnings	1,807	1,807	15,649	13,842
Total Revenues	918,570	918,570	1,334,000	415,430
Expenditures:				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	918,570	918,570	1,334,000	415,430
Other Financing Sources (Uses):				
Transfers In	50,000	50,000	-	(50,000)
Transfers Out	(668,927)	(668,927)	(668,926)	1
Total Other Financing Sources and Uses	(618,927)	(618,927)	(668,926)	(49,999)
Net Change in Fund Balance	299,643	299,643	665,074	365,431
Fund Balances at Beginning of Year	38,509	206,753	509,207	302,454
Fund Balances at End of Year	\$ 338,152	\$ 506,396	\$ 1,174,281	\$ 667,885

**CITY OF CAMAS, WASHINGTON**  
Fire Impact Fee Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 252,223	\$ 252,223	\$ 131,634	\$ (120,589)
Interest Earnings	1,410	1,410	6,513	5,103
Total Revenues	253,633	253,633	138,147	(115,486)
Expenditures:				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	253,633	253,633	138,147	(115,486)
Other Financing Sources (Uses):				
Transfers Out	(21,017)	(21,017)	-	21,017
Total Other Financing Sources and Uses	(21,017)	(21,017)	-	21,017
Net Change in Fund Balance	232,616	232,616	138,147	(94,469)
Fund Balances at Beginning of Year	80,158	180,884	308,047	127,163
Fund Balances at End of Year	\$ 312,774	\$ 413,500	\$ 446,194	\$ 32,694

**CITY OF CAMAS, WASHINGTON**  
 Brady Road Construction Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Compared to Budget (GAAP Basis) and Actual  
 For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,460,000	\$ 1,460,000	\$ -	\$ (1,460,000)
Interest Earnings	5,000	5,000	9,553	4,553
Total Revenues	<u>1,465,000</u>	<u>1,465,000</u>	<u>9,553</u>	<u>(1,455,447)</u>
Expenditures:				
Capital Outlay	<u>1,666,053</u>	<u>1,666,053</u>	<u>387,584</u>	<u>1,278,469</u>
Total Expenditures	<u>1,666,053</u>	<u>1,666,053</u>	<u>387,584</u>	<u>1,278,469</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(201,053)	(201,053)	(378,031)	(176,978)
Other Financing Sources (Uses):				
Issuance of Debt	-	-	1,072,111	1,072,111
Premium on Bonds Issued	-	-	107,598	107,598
Debt Issuance Costs	-	-	(9,576)	(9,576)
Transfers In	-	-	21,224	21,224
Transfers Out	-	(224,992)	(224,992)	-
Total Other Financing Sources and Uses	<u>-</u>	<u>(224,992)</u>	<u>966,365</u>	<u>1,191,357</u>
Net Change in Fund Balance	(201,053)	(426,045)	588,334	1,014,379
Fund Balances at Beginning of Year	<u>435,932</u>	<u>435,932</u>	<u>407,888</u>	<u>(28,044)</u>
Fund Balances at End of Year	<u>\$ 234,879</u>	<u>\$ 9,887</u>	<u>\$ 996,222</u>	<u>\$ 986,335</u>

**CITY OF CAMAS, WASHINGTON**  
NW 6th & Norwood Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ -	\$ -	\$ 162	\$ 162
Total Revenues	-	-	162	162
Expenditures:				
Capital Outlay	-	80,000	71,021	8,979
Total Expenditures	-	80,000	71,021	8,979
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(80,000)	(70,859)	9,141
Other Financing Sources (Uses):				
Transfers In	-	80,000	82,943	2,943
Transfers Out	-	-	(8,878)	(8,878)
Total Other Financing Sources and Uses	-	80,000	74,065	(5,935)
Net Change in Fund Balance	-	-	3,206	3,206
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ 3,206	\$ 3,206

**CITY OF CAMAS, WASHINGTON**  
Street Lighting LED Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ -	\$ -	\$ (7,545)	\$ (7,545)
Total Revenues	-	-	(7,545)	(7,545)
Expenditures:				
Capital Outlay	-	119,000	95,798	23,202
Total Expenditures	-	119,000	95,798	23,202
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(119,000)	(103,343)	15,657
Other Financing Sources (Uses):				
Transfers In	-	92,000	96,983	4,983
Transfers Out	-	-	(1,585)	(1,585)
Total Other Financing Sources and Uses	-	92,000	95,398	3,398
Net Change in Fund Balance	-	(27,000)	(7,945)	19,055
Fund Balances at Beginning of Year	27,000	27,000	7,945	(19,055)
Fund Balances at End of Year	<u>\$ 27,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CAMAS, WASHINGTON**  
Facilities Capital Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ -	\$ -	\$ 10,514	\$ 10,514
Total Revenues	-	-	10,514	10,514
Expenditures:				
Capital Outlay	-	1,925,000	1,869,683	55,317
Total Expenditures	-	1,925,000	1,869,683	55,317
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,925,000)	(1,859,169)	65,831
Other Financing Sources (Uses):				
Issuance of Debt	-	1,000,000	916,334	(83,666)
Premium on Bonds Issued	-	-	91,964	91,964
Debt Issuance Costs	-	-	(8,184)	(8,184)
Transfers In	-	664,891	642,466	(22,425)
Transfers Out	-	(189,556)	(189,556)	-
Total Other Financing Sources and Uses	-	1,475,335	1,453,024	(22,311)
Net Change in Fund Balance	-	(449,665)	(406,145)	43,520
Fund Balances at Beginning of Year	449,665	449,665	426,006	(23,659)
Fund Balances at End of Year	<u>\$ 449,665</u>	<u>\$ -</u>	<u>\$ 19,861</u>	<u>\$ 19,861</u>

**CITY OF CAMAS, WASHINGTON**  
Larkspur Construction Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,132,500	\$ 3,132,500	\$ 514,568	\$ (2,617,932)
Interest Earnings	-	-	2,100	2,100
Miscellaneous	-	-	64	64
Total Revenues	<u>3,132,500</u>	<u>3,132,500</u>	<u>516,732</u>	<u>(2,615,768)</u>
Expenditures:				
Capital Outlay	3,132,500	4,943,997	631,009	4,312,988
Interest and Other Charges	-	-	220	(220)
Total Expenditures	<u>3,132,500</u>	<u>4,943,997</u>	<u>631,229</u>	<u>4,312,768</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,811,497)	(114,497)	1,697,000
Other Financing Sources (Uses):				
Issuance of Debt	-	900,000	824,701	(75,299)
Premium on Bonds Issued	-	-	82,768	82,768
Debt Issuance Costs	-	-	(7,366)	(7,366)
Transfers In	-	911,497	155,320	(756,177)
Total Other Financing Sources and Uses	<u>-</u>	<u>1,811,497</u>	<u>1,055,423</u>	<u>(756,074)</u>
Net Change in Fund Balance	-	-	940,926	940,926
Fund Balances at Beginning of Year	<u>27,963</u>	<u>27,963</u>	<u>(42,397)</u>	<u>(70,360)</u>
Fund Balances at End of Year	<u>\$ 27,963</u>	<u>\$ 27,963</u>	<u>\$ 898,529</u>	<u>\$ 870,566</u>

**CITY OF CAMAS, WASHINGTON**  
Lacamas Lands Legacy Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 2,580,000	\$ -	\$ (2,580,000)
Interest Earnings	-	-	7,613	7,613
Total Revenues	-	2,580,000	7,613	(2,572,387)
Expenditures:				
Capital Outlay	-	10,515,700	1,039,090	9,476,610
Interest and Other Charges	-	-	3,004	(3,004)
Total Expenditures	-	10,515,700	1,042,094	9,473,606
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(7,935,700)	(1,034,481)	6,901,219
Other Financing Sources (Uses):				
Issuance of Debt	-	7,635,700	6,996,854	(638,846)
Premium on Bonds Issued	-	-	702,212	702,212
Debt Issuance Costs	-	-	(62,492)	(62,492)
Transfers In	-	300,000	-	(300,000)
Total Other Financing Sources and Uses	-	7,935,700	7,636,574	(299,126)
Net Change in Fund Balance	-	-	6,602,093	6,602,093
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ 6,602,093	\$ 6,602,093

**CITY OF CAMAS, WASHINGTON**  
Lake and Everett Construction Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2018

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures:				
Capital Outlay	\$ -	\$ 1,000,000	\$ 47,936	\$ 952,064
Total Expenditures	-	1,000,000	47,936	952,064
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(1,000,000)	(47,936)	952,064
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	-	1,000,000	-	(1,000,000)
Transfers In	-	-	3,695	3,695
Total Other Financing Sources and Uses	-	1,000,000	3,695	(996,305)
Net Change in Fund Balance	-	-	(44,241)	(44,241)
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	\$ -	\$ -	\$ (44,241)	\$ (44,241)

## CITY OF CAMAS, WASHINGTON

### Statistical Section

This part of the City of Camas (the City) Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	137-142
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	143-146
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
<b>Debt Capacity</b>	147-151
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	152-153
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	154-156
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year. The City implemented GASB Statement 44 in 2006; schedules presenting government-wide information include information beginning in that year.

Table 1

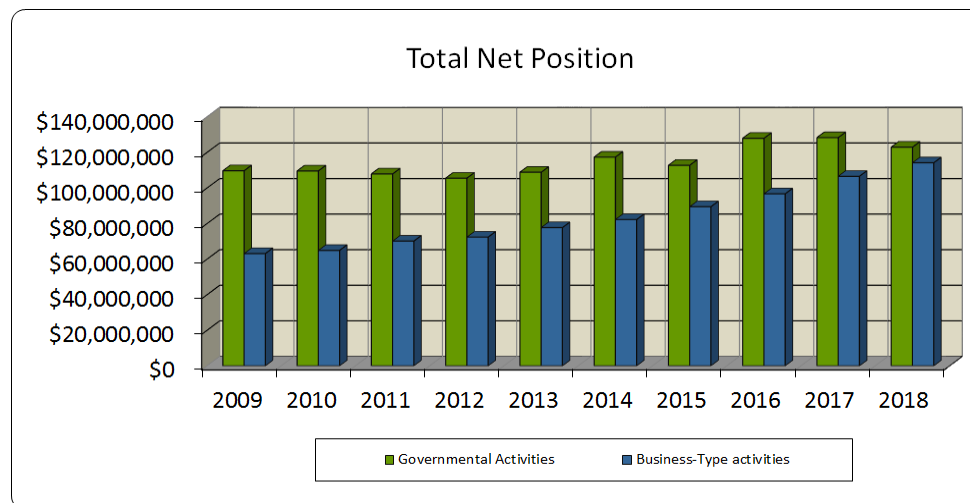
## CITY OF CAMAS, WASHINGTON

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net Investment in capital assets	\$ 105,051,084	\$ 104,617,917	\$ 103,793,081	\$ 103,002,429	\$ 106,726,541	\$ 114,249,271	\$ 113,972,504	\$ 124,445,727	\$ 121,010,533	\$ 151,433,144
Restricted	2,140,387	2,059,919	1,932,367	1,481,123	1,448,695	1,616,942	2,804,098	4,229,707	12,118,030	16,513,889
Unrestricted	2,516,303	2,910,933	2,206,306	1,040,434	691,714	1,488,352	(4,023,971)	(738,049)	(4,799,355)	(5,240,336)
Total governmental activities net position	<u>\$ 109,707,774</u>	<u>\$ 109,588,769</u>	<u>\$ 107,931,754</u>	<u>\$ 105,523,986</u>	<u>\$ 108,866,950</u>	<u>\$ 117,354,565</u>	<u>\$ 112,752,631</u>	<u>\$ 127,937,385</u>	<u>\$ 128,329,208</u>	<u>\$ 162,706,697</u>
Business-type activities										
Net Investment in capital assets	\$ 61,004,686	\$ 63,793,398	\$ 65,951,208	\$ 65,195,717	\$ 70,298,558	\$ 68,705,209	\$ 78,459,483	\$ 81,303,548	\$ 88,431,842	\$ 104,550,390
Restricted	1,162,559	850,318	1,526,937	1,878,245	2,572,557	4,413,154	3,756,220	7,344,085	6,703,946	8,273,446
Unrestricted	968,464	269,048	2,658,682	5,330,865	4,866,856	9,160,326	7,256,259	8,084,480	11,436,550	13,957,577
Total business-type activities net position	<u>\$ 63,135,709</u>	<u>\$ 64,912,764</u>	<u>\$ 70,136,827</u>	<u>\$ 72,404,827</u>	<u>\$ 77,737,971</u>	<u>\$ 82,278,689</u>	<u>\$ 89,471,962</u>	<u>\$ 96,732,113</u>	<u>\$ 106,572,338</u>	<u>\$ 126,781,413</u>
Primary government										
Net Investment in capital assets	\$ 166,055,770	\$ 168,411,315	\$ 169,744,289	\$ 168,198,146	\$ 177,025,099	\$ 182,954,480	\$ 192,431,987	\$ 205,749,275	\$ 209,442,375	\$ 255,983,534
Restricted	3,302,946	2,910,237	3,459,304	3,359,368	4,021,252	6,030,096	6,560,318	11,573,792	18,821,976	24,787,335
Unrestricted	3,484,767	3,179,981	4,864,988	6,371,299	5,558,570	10,648,678	3,232,288	7,346,431	6,637,195	8,717,241
Total primary government net position	<u>\$ 172,843,483</u>	<u>\$ 174,501,533</u>	<u>\$ 178,068,581</u>	<u>\$ 177,928,813</u>	<u>\$ 186,604,921</u>	<u>\$ 199,633,254</u>	<u>\$ 202,224,593</u>	<u>\$ 224,669,498</u>	<u>\$ 234,901,546</u>	<u>\$ 289,488,110</u>



**CITY OF CAMAS, WASHINGTON**

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Expenses</b>										
Governmental activities:										
General government	\$ 2,019,588	\$ 2,266,225	\$ 2,046,532	\$ 2,078,571	\$ 3,493,797	\$ 4,189,984	\$ 4,258,868	\$ 4,231,266	\$ 4,230,379	\$ 4,765,732
Judicial	174,845	202,568	224,011	267,622	289,691	292,099	295,080	297,904	339,871	385,692
Public Safety	11,058,299	11,128,852	10,975,382	11,549,612	11,091,881	12,633,748	13,515,151	14,653,233	14,686,326	15,680,707
Physical Environment	1,501,586	1,305,804	1,430,486	1,454,602	111,694	161,257	180,163	163,357	227,270	215,571
Transportation	5,218,433	5,154,845	5,220,600	5,187,623	5,241,763	5,463,050	5,706,801	5,793,626	6,165,210	5,592,542
Health and Human Services	-	-	3,496	6,000	3,599	3,274	4,505	7,031	12,393	7,317
Economic Environment	485,670	611,832	395,350	457,656	575,402	756,702	989,996	942,463	906,444	1,117,218
Culture and Recreation	3,364,737	3,656,483	3,381,078	3,344,599	3,192,920	3,343,810	3,656,969	3,491,116	3,715,865	4,013,534
Interest on Long-Term Debt	430,044	468,914	182,979	204,322	265,385	277,979	523,178	446,844	399,310	415,449
Total governmental activities expenses	24,253,202	24,795,523	23,859,914	24,550,607	24,266,132	27,121,903	29,130,711	30,026,840	30,683,068	32,193,762
Business-type activities:										
Water - Sewer	7,437,743	7,630,151	7,758,339	8,488,128	8,725,888	9,232,931	9,731,456	11,062,672	11,283,300	11,272,648
Storm Water Drainage	1,226,497	1,168,587	1,181,647	1,284,973	1,104,142	1,173,260	1,328,230	1,269,118	2,298,883	1,488,879
Solid Waste	2,039,742	1,734,498	1,846,979	1,845,144	1,880,871	1,914,324	2,013,652	2,139,197	2,347,577	2,297,210
Total business-type activities expenses	10,703,982	10,533,236	10,786,965	11,618,245	11,710,901	12,320,515	13,073,338	14,470,987	15,929,760	15,058,737
Total primary government expenses	\$ 34,957,184	\$ 35,328,759	\$ 34,646,879	\$ 36,168,852	\$ 35,977,033	\$ 39,442,418	\$ 42,204,049	\$ 44,497,827	\$ 46,612,828	\$ 47,252,499
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Public safety	\$ 3,156,206	\$ 2,452,734	\$ 2,092,518	\$ 1,994,185	\$ 1,961,194	\$ 3,660,355	\$ 4,624,332	\$ 4,863,533	\$ 5,465,506	\$ 5,654,156
Economic environment	414,977	1,913,079	1,312,370	1,008,057	1,574,867	1,914,244	2,576,010	2,863,275	3,802,307	4,167,069
Other activities	1,778,644	1,868,963	1,930,992	2,019,978	2,503,381	1,950,391	2,361,640	2,228,310	3,481,116	4,595,618
Operating grants and contributions	466,969	519,795	490,960	589,203	865,203	263,644	314,409	373,183	517,339	56,224
Capital grants and contributions	455,493	2,393,919	2,037,901	1,583,722	6,061,054	10,024,255	3,431,946	7,355,365	4,322,570	30,617,513
Total governmental activities program revenues	6,272,289	9,148,490	7,864,741	7,195,145	12,965,699	17,812,889	13,308,337	17,683,666	17,588,838	45,090,580
Business-type activities:										
Charges for services:										
Water - Sewer	7,057,570	8,007,876	9,026,914	9,886,226	10,156,916	10,475,893	11,364,309	12,053,096	12,239,111	12,567,500
Storm Water Drainage	679,785	856,592	885,152	1,109,017	1,106,237	1,175,304	1,254,454	1,366,535	1,442,702	1,555,918
Solid Waste	1,760,293	1,861,055	1,915,153	1,978,804	2,117,327	2,215,677	2,341,849	2,457,770	2,587,111	2,706,051
Operating grants and contributions	53,116	37,440	11,661	84,296	1,037	10,126	8,678	275,783	703,617	36,676
Capital grants and contributions	558,082	1,867,028	3,204,068	819,953	3,703,911	2,914,483	3,065,008	5,881,163	8,235,272	17,412,844
Total business-type activities program revenues	10,108,846	12,629,991	15,042,948	13,878,296	17,085,428	16,791,483	18,034,298	22,034,347	25,207,813	34,278,989
Total primary government program revenues	\$ 16,381,135	\$ 21,778,481	\$ 22,907,689	\$ 21,073,441	\$ 30,051,127	\$ 34,604,372	\$ 31,342,635	\$ 39,718,013	\$ 42,796,651	\$ 79,369,569
<b>Net (expenses)/revenue</b>										
Governmental activities	\$ (17,980,913)	\$ (15,647,033)	\$ (15,995,173)	\$ (17,355,462)	\$ (11,300,433)	\$ (9,309,014)	\$ (15,822,372)	\$ (12,343,174)	\$ (13,094,230)	\$ 12,896,818
Business-type activities	(595,136)	2,096,755	4,255,983	2,260,051	5,374,527	4,470,968	4,960,960	7,563,360	9,278,053	19,220,252
Total primary government net expense	\$ (18,576,049)	\$ (13,550,278)	\$ (11,739,190)	\$ (15,095,411)	\$ (5,925,906)	\$ (4,838,046)	\$ (10,861,412)	\$ (4,779,814)	\$ (3,816,177)	\$ 32,117,070

The City implemented GASB 44 in 2006 and has reported the information above retroactively from 2003.

\* In 2005 the City established the Storm Water Drainage Fund as an enterprise fund to provide the maintenance, operations and construction of storm sewer capital facilities city-wide.

# CITY OF CAMAS, WASHINGTON

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 11,509,426	\$ 11,457,115	\$ 10,825,113	\$ 10,632,849	\$ 10,827,713	\$ 11,755,901	\$ 12,170,352	\$ 13,197,564	\$ 13,669,763	\$ 14,055,725
Sales and use taxes	1,899,938	2,226,820	2,467,139	2,157,612	2,509,715	2,933,210	2,783,486	3,215,650	3,963,979	4,562,454
Business and occupation taxes	426,990	419,056	448,932	435,401	438,434	459,572	465,112	462,385	530,051	496,127
Excise taxes	708,291	768,599	682,415	1,051,951	937,543	1,091,913	1,604,166	1,864,014	1,936,202	2,131,635
Penalties and interest	-	-	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	367,117	369,356	384,621	450,614	376,110	891,607	945,453	1,026,762	1,318,311	1,055,571
Unrestricted Investment earnings	91,249	46,772	43,084	31,869	32,410	54,533	73,007	45,582	96,083	375,523
Miscellaneous	63,465	24,287	36,166	48,934	73,637	54,501	64,258	72,298	128,182	177,227
Gain on Disposal of Capital Assets	-	-	-	-	-	-	-	-	(1,991,016)	-
Special Item - Transfer of Operations	-	-	-	-	-	555,391	-	50,000	-	-
Transfers	-	-	-	-	-	-	(3,578,188)	-	108,552	(120,805)
Total governmental activities	15,066,476	15,312,005	14,887,470	14,809,230	15,195,562	17,796,628	14,527,646	19,934,255	19,760,107	22,733,457
Business-type activities:										
Unrestricted Investment earnings	29,980	18,858	21,478	7,949	10,839	38,050	63,986	197,779	278,798	483,034
Miscellaneous	129,721	-	-	-	-	-	-	-	-	384,984
Gain on Disposal of Capital Assets	-	-	-	-	-	10,000	-	-	(157,033)	-
Transfers	-	-	-	-	-	-	3,578,188	-	(108,552)	120,805
Total business-type activities	159,701	18,858	21,478	7,949	10,839	48,050	3,642,174	197,779	13,213	988,823
Total primary government	\$ 15,226,177	\$ 15,330,863	\$ 14,908,948	\$ 14,817,179	\$ 15,206,401	\$ 17,844,678	\$ 18,169,820	\$ 20,132,034	\$ 19,773,320	\$ 23,722,280
<b>Change in Net Position</b>										
Governmental activities	\$ (2,914,437)	\$ (335,028)	\$ (1,107,703)	\$ (2,546,232)	\$ 3,895,129	\$ 8,487,614	\$ (1,294,726)	\$ 7,591,081	\$ 6,665,877	\$ 35,630,275
Business-type activities	(435,435)	2,115,613	4,277,461	2,268,000	5,385,366	4,519,018	8,603,134	7,761,139	9,291,266	20,209,075
Total primary government	\$ (3,349,872)	\$ 1,780,585	\$ 3,169,758	\$ (278,232)	\$ 9,280,495	\$ 13,006,632	\$ 7,308,408	\$ 15,352,220	\$ 15,957,143	\$ 55,839,350

Table 3

**CITY OF CAMAS, WASHINGTON**  
Tax Revenues by Source, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Fiscal Year	General Property Taxes	Sales and Use Taxes	Other Taxes	Total Taxes
2009	\$ 11,427,290	\$ 1,899,566	\$ 1,135,281	\$ 14,462,137
2010	11,481,779	2,226,820	1,187,655	14,896,254
2011	10,900,019	2,467,139	1,131,348	14,498,506
2012	10,818,241	2,157,612	1,487,352	14,463,205
2013	10,827,713	2,509,715	1,375,977	14,713,405
2014	11,755,901	2,933,210	1,551,485	16,240,596
2015	12,233,077	2,806,402	2,069,278	17,108,757
2016	13,116,788	3,215,650	2,326,399	18,658,837
2017	13,769,098	3,963,979	2,466,253	20,199,330
2018	14,055,725	4,562,454	2,627,762	21,245,941

**Tax Revenues by Source**

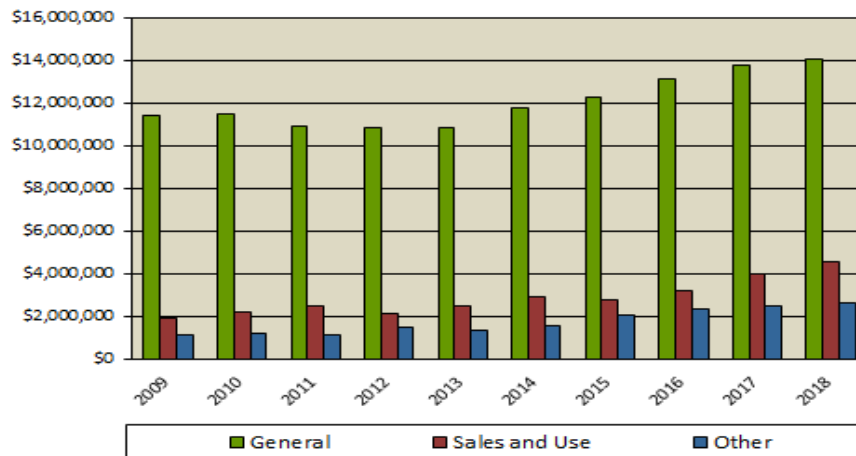


Table 4

**CITY OF CAMAS, WASHINGTON**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)	2018 (1)
<b>General Fund:</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	3,364,291	3,889,312	-	-	-	-	-	-	-	-
Restricted:										
Public Safety	-	-	137,043	129,462	133,852	112,477	122,906	129,796	147,126	158,829
Debt Service	-	-	-	-	-	-	35,326	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-	1,960,294
Assigned	-	-	861,683	895,668	888,058	865,838	863,571	173,010	185,747	192,398
Unassigned	-	-	3,096,608	2,823,503	2,877,084	2,019,258	1,108,854	2,717,022	4,345,596	6,708,006
<b>Total General Fund</b>	<b>3,364,291</b>	<b>3,889,312</b>	<b>4,095,334</b>	<b>3,848,633</b>	<b>3,898,994</b>	<b>2,997,573</b>	<b>2,130,657</b>	<b>3,019,828</b>	<b>4,678,469</b>	<b>9,019,527</b>
<b>All Other Governmental Funds:</b>										
Reserved	2,140,387	2,198,383	-	-	-	-	-	-	-	-
Unreserved:										
Special Revenue Funds	482,782	8,725	-	-	-	-	-	-	-	-
Capital	104,773	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	-	428,587	-	-	-	-	-	-	-	-
Restricted:										
Tourism	-	-	7,054	10,582	13,969	16,948	12,927	15,280	17,066	22,668
Public Safety	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	26,678	38,497	31,536	34,561	38,506	43,537	48,841	45,362
Capital Outlay	-	-	1,725,673	1,264,086	1,230,842	1,442,700	8,384,488	6,179,053	7,406,243	17,278,085
Committed:										
Culture and Recreation	-	-	353,179	354,142	16,483	-	-	-	-	-
Public Safety	-	-	350,856	18,113	55,561	267,167	81,176	114,975	1,167,562	1,324,620
Assigned	-	-	10,059	-	-	131,913	38,837	25,364	614,670	904,443
Unassigned	-	-	(438,324)	(466,907)	(878,437)	(1,921,986)	(478,417)	-	-	(44,241)
<b>Total</b>	<b>2,727,942</b>	<b>2,635,695</b>	<b>2,035,175</b>	<b>1,218,513</b>	<b>469,954</b>	<b>(28,697)</b>	<b>8,077,517</b>	<b>6,378,209</b>	<b>9,254,382</b>	<b>19,530,937</b>
<b>Total General and Other Governmental Funds</b>	<b>\$ 6,092,233</b>	<b>\$ 6,525,007</b>	<b>\$ 6,130,509</b>	<b>\$ 5,067,146</b>	<b>\$ 4,368,948</b>	<b>\$ 2,968,876</b>	<b>\$ 10,208,174</b>	<b>\$ 9,398,037</b>	<b>\$ 13,932,851</b>	<b>\$ 28,550,464</b>

(1) GASB 54 states that Fund Balances should be reported with the categories listed in the above table for 2011.

Years 2009 - 2010 will continue to be reported in the old format until 10 years of information is available.

Table 5

**CITY OF CAMAS, WASHINGTON**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Revenues</b>										
Taxes	\$ 14,462,137	\$ 14,896,254	\$ 14,498,506	\$ 14,463,205	\$ 14,781,282	\$ 16,274,933	\$ 17,085,841	\$ 18,658,837	\$ 20,199,330	\$ 21,233,204
Licenses and permits	363,168	588,583	490,944	336,991	443,867	701,712	753,163	899,706	1,114,824	1,070,422
Intergovernmental	2,730,088	3,880,156	3,816,252	2,643,596	4,427,803	8,430,318	3,024,513	2,825,297	1,517,823	1,852,653
Charges for services	3,190,269	3,883,911	3,523,628	3,230,865	4,650,156	6,366,809	8,085,259	8,690,564	11,008,811	11,780,441
Fines and forfeits	216,185	236,379	244,396	242,682	265,154	218,334	209,603	221,208	202,891	228,051
Interest earnings	88,090	44,278	41,876	29,831	31,339	49,116	56,906	51,871	82,993	345,690
Rents and royalties	45,068	42,494	60,918	61,243	58,727	128,980	160,226	165,085	170,874	175,478
Insurance premiums/recoveries	31,627	127	61,815	-	-	-	-	-	-	-
Contributions/donations	16,448	392,341	32,811	41,176	35,674	384,330	206,472	97,885	208,500	44,414
Miscellaneous	41,673	183,096	51,374	77,300	66,813	54,613	59,307	49,390	23,875	81,903
Total revenues	21,184,753	24,147,619	22,822,520	21,126,889	24,760,815	32,609,145	29,641,290	31,659,843	34,529,921	36,812,256
<b>Expenditures</b>										
General government	1,898,842	2,012,044	1,910,644	1,982,884	3,398,687	4,058,776	4,101,544	4,259,310	4,484,576	4,665,663
Judicial	174,845	202,568	224,011	267,622	289,691	292,099	295,080	301,057	350,950	385,789
Public safety	10,491,709	10,580,263	10,474,999	10,971,270	10,753,062	12,348,319	13,531,969	14,364,925	14,574,831	16,038,033
Physical environment	1,476,300	1,296,417	1,427,463	1,434,596	115,138	160,569	185,299	180,497	235,735	217,508
Transportation	1,537,961	1,504,420	1,508,390	1,462,017	1,497,608	1,714,117	1,676,943	1,564,892	1,940,381	1,610,371
Mental & physical health	-	-	3,496	6,000	3,599	3,274	4,505	7,031	12,393	-
Economic environment	482,843	607,246	392,319	450,820	573,410	759,966	990,134	981,295	948,880	1,111,094
Culture & recreation	2,603,814	2,927,050	2,477,128	2,606,483	2,602,053	2,760,150	3,025,224	3,030,868	3,086,202	3,140,648
Capital outlay	2,555,072	3,086,763	2,821,950	2,759,073	8,575,515	11,540,553	4,987,018	6,037,434	2,570,150	6,147,834
Debt service										
Principal retirement	1,202,796	1,194,883	1,234,013	967,230	901,678	1,158,794	1,251,628	1,443,741	1,343,738	1,314,026
Interest/fiscal charges	336,239	303,190	260,267	220,301	259,125	297,610	488,922	517,883	464,397	445,386
Total expenditures	22,760,421	23,714,844	22,734,680	23,128,296	28,969,566	35,094,227	30,538,266	32,688,933	30,012,233	35,076,352
Excess of revenues over (under) expenditures	(1,575,668)	432,775	87,840	(2,001,407)	(4,208,751)	(2,485,082)	(896,976)	(1,029,090)	4,517,688	1,735,904
<b>Other Financing Sources (Uses)</b>										
Loan proceeds	408,840	-	-	-	3,265,822	1,000,104	-	-	-	-
Issuance of Debt	-	-	-	768,826	-	-	7,402,747	-	-	9,810,000
Sale of Capital Assets	-	-	-	-	-	84,906	4,116	10,000	15,000	3,905
Insurance Recoveries	-	-	-	30,754	30,000	-	33,561	75,441	106,360	61,246
Premium on Bonds Issued	-	-	-	-	214,731	-	1,049,834	-	-	984,542
Debt Issuance Costs	-	-	-	-	-	-	(71,384)	-	-	(87,618)
Transfers in	2,842,295	2,495,731	2,094,707	2,209,022	2,349,369	5,495,808	7,416,134	6,297,012	9,061,540	7,987,139
Transfers out	(2,842,295)	(2,495,731)	(2,094,707)	(2,209,022)	(2,349,369)	(5,495,808)	(7,416,134)	(6,247,012)	(9,131,690)	(8,107,944)
Total other financing sources (uses)	408,840	-	-	799,580	3,510,553	1,085,010	8,418,874	135,441	51,210	10,651,270
Net change in fund balances	\$ (1,166,828)	\$ 432,775	\$ 87,840	\$ (1,201,827)	\$ (698,198)	\$ (1,400,072)	\$ 7,521,898	\$ (893,649)	\$ 14,123,078	\$ 12,387,174
Debt service as a percentage of noncapital expenditures	7.6%	7.26%	7.50%	5.8%	5.69%	6.18%	6.8%	7.4%	6.59%	6.08%

The City implemented GASB 44 in 2009 and has reported the information above retroactively.

Table 6

**CITY OF CAMAS, WASHINGTON**  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Property Assessed Value (1)			Personal Property Assessed Value	Less: Exemptions Real Property	Total Assessed Value	Estimated Actual Value	Total Direct Tax Rate per \$1,000 of Assessed Value	Ratio of Total Assessed Value to Estimated Actual Value (1)
	Residential	Commercial	Industrial						
2009	\$ 2,454,428,294	\$ 109,466,504	\$ 501,933,159	\$ 102,706,017	\$ 9,675,700	\$ 3,158,585,419	\$ 3,407,319,762	3.66	92.70
2010	2,106,172,559	130,026,510	488,404,834	118,122,001	13,781,185	2,748,150,894	2,990,370,940	4.18	91.90
2011	1,874,652,909	125,761,475	451,070,419	118,526,302	14,625,156	2,555,385,949	2,786,680,424	4.20	91.70
2012	1,846,971,135	143,265,017	438,332,081	125,643,583	14,412,245	2,539,499,571	2,704,472,387	4.20	93.90
2013	1,779,822,591	178,400,798	441,122,957	136,596,283	14,622,305	2,521,320,324	2,670,890,174	4.31	94.40
2014	2,018,739,742	182,618,535	443,438,797	126,867,743	14,581,762	2,757,083,055	2,964,605,435	4.26	93.00
2015	2,332,645,275	160,204,434	438,204,236	126,738,867	15,488,400	3,057,792,812	3,181,886,381	4.00	96.10
2016	2,596,371,424	172,813,550	426,609,336	136,722,827	11,784,595	3,332,685,140	3,439,303,550	4.00	96.90
2017	3,045,462,882	177,522,559	432,088,642	121,487,181	16,474,314	3,776,699,698	3,938,164,440	3.82	95.90
2018	3,362,351,966	214,229,963	454,180,730	120,260,872	16,831,052	4,500,292,789	4,712,348,470	3.61	95.50

Source: Clark County Assessor's Office

(1) Ratios obtained from the Department of Revenue, State of Washington

Fiscal Year represents the Tax Year using the prior year's assessed value. Property in the City is reassessed annually

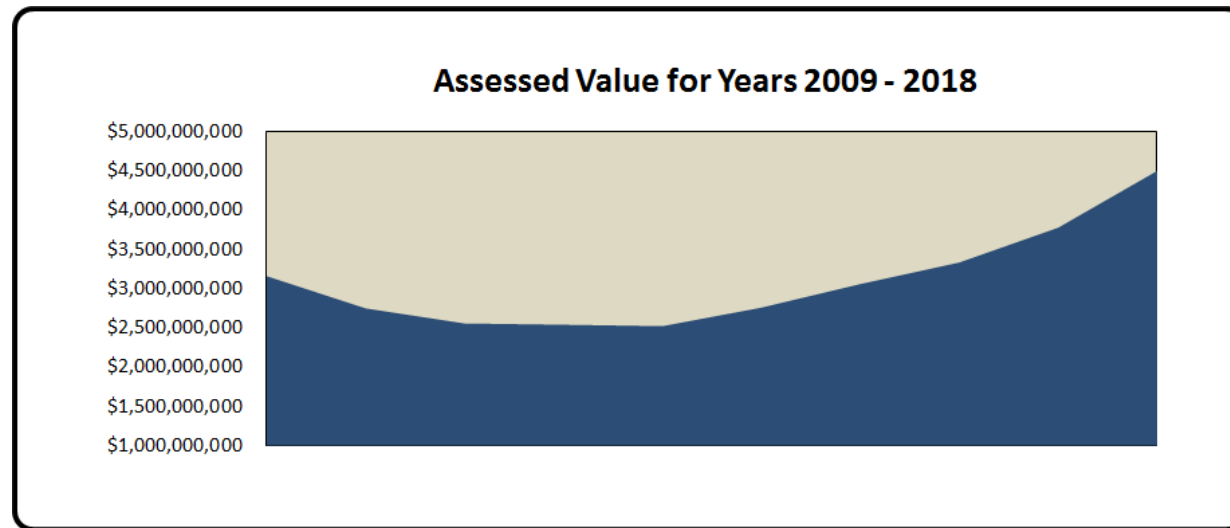


Table 7

**CITY OF CAMAS, WASHINGTON**  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years  
(rate per \$1,000 of assessed value)

Fiscal Year	Direct Tax Rate			Total Direct Tax Rate	Overlapping Tax Rate (1)						Total
	General Fund	General Obligation	Emergency Rescue		School	County	State School	Port	Mosquito Control	Conservation Futures	
2009	3.0900	0.2190	0.3500	3.6590	5.1230	1.1190	1.8900	0.3620	0.0090	0.0571	12.2191
2010	3.6000	0.2280	0.3500	4.1780	6.7400	1.3020	2.0250	0.4130	0.0100	0.0590	14.7270
2011	3.6000	0.2460	0.3500	4.1960	7.6690	1.4460	2.2560	0.4480	0.0000	0.0625	16.0775
2012	3.6000	0.2470	0.3500	4.1970	7.7100	1.4860	2.6360	0.4480	0.0000	0.0625	16.5395
2013	3.6000	0.2487	0.4600	4.3087	8.0262	1.5758	2.4897	0.4476	0.0000	0.0625	16.9105
2014	3.6000	0.2283	0.4307	4.2590	6.6377	1.5012	2.3471	0.4469	0.0000	0.0581	15.2501
2015	3.3951	0.2058	0.4040	4.0049	6.1288	1.3474	2.2244	0.4159	0.0000	0.0535	14.1750
2016	3.2419	0.1882	0.3872	3.8173	5.7476	1.2752	2.0780	0.3963	0.0000	0.0506	13.3651
2017	3.0752	0.1665	0.3661	3.6078	6.1203	1.1753	1.9809	0.3683	0.0000	0.0462	13.2988
2018	2.8901	0.1500	0.3455	3.3855	6.7051	1.1090	2.8943	0.3474	0.0000	0.0432	14.4846

Source: Office of Clark County, Washington, Assessor.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Camas. Not all overlapping rates apply to all Camas property owners.

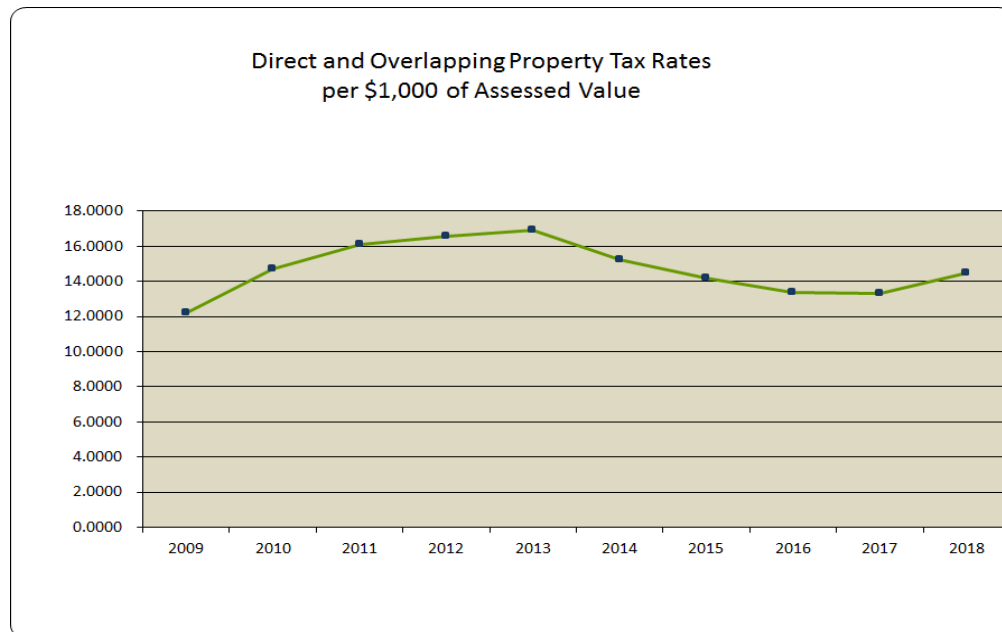


Table 8

**CITY OF CAMAS, WASHINGTON**

## Principal Property Taxpayers

## Current Year and Nine Years Ago

Taxpayer	Type of Business	2018 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2009 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Georgia Pacific	Paper Products	\$ 135,610,948	1	3.0	\$ 198,026,210	1	6.1
Wafertech	Micro-Electronics Mfg.	135,442,050	2	3.0	139,285,405	2	4.3
Fisher Creek Campus LLC	Investments	65,766,712	3	1.5	-	-	-
Bodycote IMT Inc.	Micro-Electronics	38,162,025	4	0.8	-	-	-
Analog Devices	Analog Integrated Circuits	32,282,390	5	0.7	32,115,580	4	1.0
2 Creeks Construction LLC	Residential Development	27,258,889	6	0.6	-	-	-
Underwriter's Laboratories	Research and Testing	21,605,247	7	0.5	18,911,500	6	0.6
Sharp Electronics Corp.	Micro-Electronics	18,540,665	8	0.4	30,799,550	5	0.9
Fisher Asset Management LLC	Investments	15,276,589	9	0.3	-	-	-
The Hills at Round Lake LLC	Residential Development	14,676,275	10	0.3	-	-	-
Pacificorp	Utility	-	-	-	37,980,710	3	1.2
Industrial Materials Tech	Manufacturing	-	-	-	15,338,800	7	0.5
Verizon NW	Utility	-	-	-	14,492,436	8	0.4
NW Natural	Utility	-	-	-	14,310,354	9	0.4
Bruzzone 4th St. LLC	Manufacturing	-	-	-	12,762,200	10	0.4
	Totals	<u>\$ 504,621,790</u>		<u>11.1</u>	<u>\$ 514,022,745</u>		<u>15.8</u>

Source: Clark County Assessor

Table 9

# CITY OF CAMAS, WASHINGTON

## Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections	Tax Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2009	\$ 11,568,776	\$ 11,180,089	96.64	\$ 388,171	\$ 11,568,260	100.00
2010	11,475,053	11,199,771	97.60	274,413	11,474,184	99.99
2011	10,715,985	10,481,778	97.81	233,027	10,714,805	99.99
2012	10,655,954	10,521,075	98.73	133,735	10,654,810	99.99
2013	10,856,609	10,703,804	98.59	151,723	10,855,527	99.99
2014	11,719,765	11,596,626	98.95	108,907	11,705,533	99.88
2015	12,245,141	12,120,888	98.99	94,927	12,215,815	99.76
2016	13,008,009	12,807,141	98.46	137,562	12,944,703	99.51
2017	13,623,419	13,509,684	99.17	88,809	13,598,492	99.82
2018	14,073,067	13,959,489	99.19	-	13,959,489	99.19

Total Tax Collections

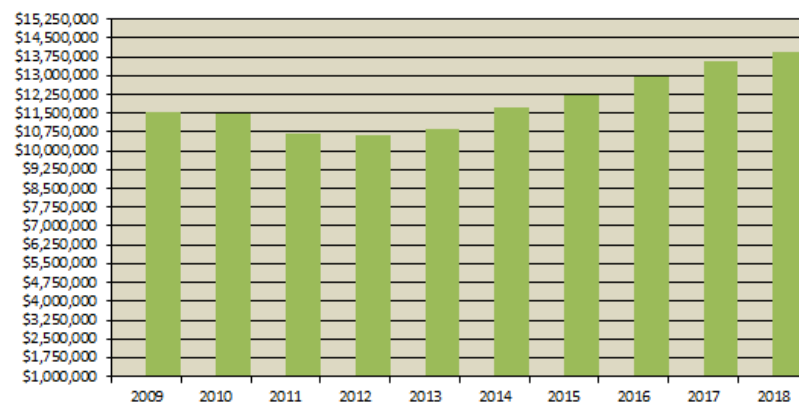


Table 10

**CITY OF CAMAS, WASHINGTON**

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Government Loans	General Obligation Bonds	Revenue Bonds	Government Loans			
2009	\$ 6,104,000	\$ 4,438,020		\$ 7,880,000	\$ 9,280,637	\$ 27,702,657	176.59%	1,634
2010	5,422,000	3,867,928		7,325,000	16,548,966	33,163,894	208.43%	1,927
2011	4,703,000	3,293,437		6,750,000	20,578,261	35,324,698	209.31%	1,800
2012	4,253,000	3,545,033		6,150,000	21,584,481	35,532,514	196.47%	1,775
2013	3,787,000	6,375,178		5,525,000	20,464,943	36,152,121	198.18%	1,779
2014	3,301,000	6,702,484		4,870,000	22,495,857	37,369,341	191.41%	1,790
2015	9,363,648	5,903,325	762,363	19,640,000	26,486,586	62,155,922	300.13%	2,931
2016	8,620,672	5,202,560	736,328	18,935,000	26,111,446	59,606,006	271.11%	2,733
2017	8,636,647	4,767,623	791,366	20,474,833	26,447,876	61,118,345	257.13%	2,648
2018	18,591,980	4,227,238	759,747	19,580,805	25,140,643	68,300,413	n/a	2,873

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Table 15 for personal income and population data. These ratios were calculated using personal income and population for the calendar year.

Table 11

**CITY OF CAMAS, WASHINGTON**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	Population (1)	Assessed Valuation	Gross Bonded Debt	Less Reserves	Net Bonded Debt	Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
		\$	\$				
2009	16,950	3,158,585,419	6,104,000	\$ 12,736	\$ 6,091,264	0.2%	359.37
2010	17,210	2,748,150,894	5,422,000	15,225	5,406,775	0.2%	314.16
2011	19,620	2,555,385,949	4,703,000	23,444	4,679,556	0.2%	238.51
2012	20,020	2,539,499,571	4,253,000	36,753	4,216,247	0.2%	210.60
2013	20,320	2,521,320,324	3,787,000	28,755	3,758,245	0.1%	184.95
2014	20,880	2,757,083,055	3,301,000	44,820	3,256,180	0.1%	155.95
2015	21,210	3,332,685,140	10,126,011	37,056	10,088,955	0.3%	475.67
2016	21,810	3,776,699,698	9,357,000	40,998	9,316,002	0.2%	427.14
2017	23,080	4,500,292,789	9,428,013	46,589	9,381,424	0.2%	406.47
2018	23,770	4,662,881,166	16,869,284	45,125	16,824,159	0.4%	707.79

(15) Source: Office of Financial Management, State of Washington

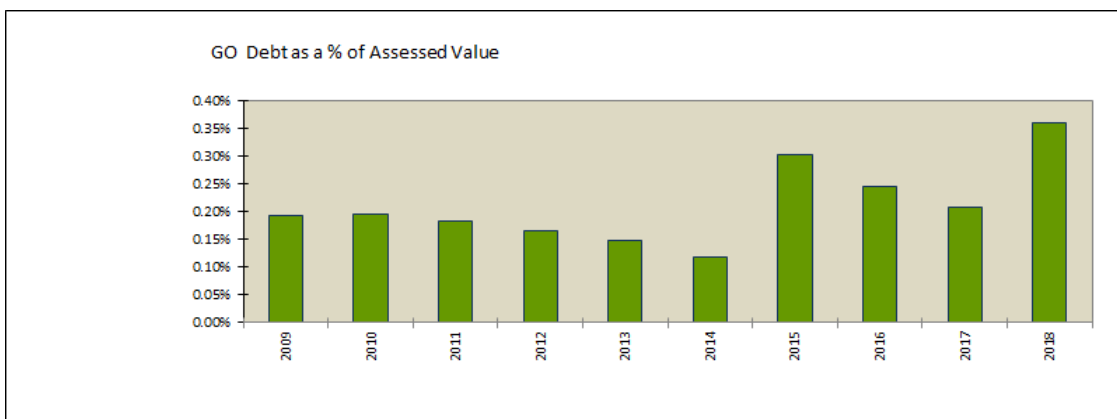
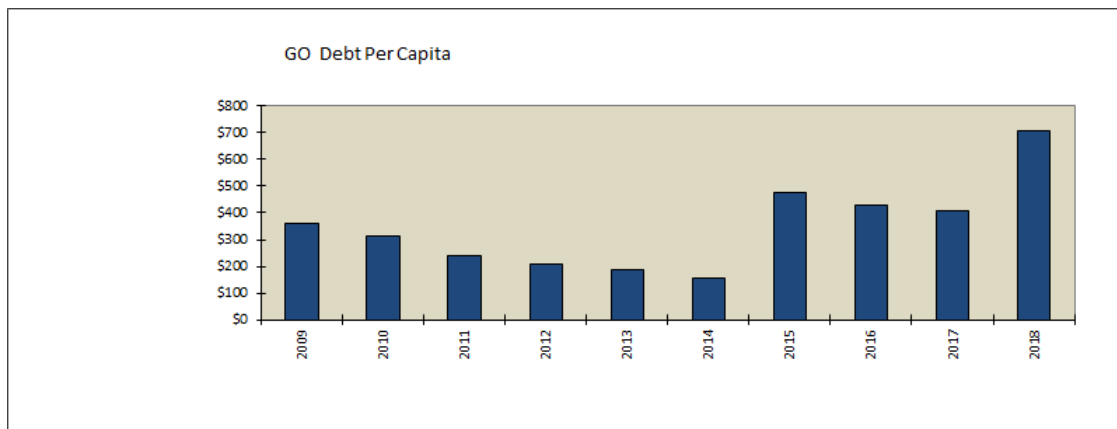


Table 12

**CITY OF CAMAS, WASHINGTON**  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2018

Governmental Unit	Debt Outstanding Less Reserves	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
City of Camas Direct Debt	\$ 20,975,470	100%	\$ 20,975,470
Overlapping Debt:			
Debt repaid with property taxes			
Camas School District	\$ 160,986,257	74.39%	\$ 119,757,677
Washougal School District	\$ 49,151,955	0.61%	\$ 299,827
Evergreen School District	\$ 183,336,242	0.63%	\$ 1,155,018
Port of Camas-Washougal	\$ 15,560,000	50.77%	\$ 7,899,812
Clark County	\$ 100,533,126	7.17%	\$ 7,208,225
Total Overlapping Debt			<u>\$ 136,320,559</u>
Total Direct and Overlapping Debt			<u><u>\$ 157,296,029</u></u>

**Sources:** Overlapping Debt Data supplied by the Clark County Treasurer's Office.

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Camas. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Table 13

## CITY OF CAMAS, WASHINGTON

Legal Debt Margin Information  
Last Ten Fiscal Years

Fiscal Year	General Purpose Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2009	\$ 109,986,099	\$ 12,196,028	\$ 97,790,071	11.09%
2010	101,630,432	10,622,115	91,008,317	10.45%
2011	101,579,983	9,490,240	92,089,743	9.34%
2012	100,852,813	5,889,954	94,962,859	5.84%
2013	110,312,077	12,270,555	98,041,522	11.12%
2014	122,346,273	17,081,231	105,265,042	13.96%
2015	133,307,408	16,760,875	109,435,737	12.57%
2016	151,067,988	17,667,704	133,400,284	11.70%
2017	166,045,666	13,417,963	152,627,703	8.08%
2018	186,515,246	20,930,342	165,584,904	11.22%

## Legal Debt Margin Calculation for Fiscal Year 2018

Taxable Assessed value (2017 Assessment for 2018 Revenue)	\$ 4,662,881,166
Debt Limit	
Debt limit with vote (2.5% of assessed value)	116,572,029
Debt applicable to with vote limit:	
General obligation bonds	1,182,000
Less: assets available	45,125
Total debt applicable to limit with vote	1,136,875
Total legal debt margin with vote	\$ 115,435,154
Debt limit without vote (1.5% of assessed value)	\$ 69,943,217
Debt applicable to without vote limit:	
General obligation bonds	15,687,284
Other	4,106,183 <sup>1</sup>
Total net debt applicable to limit without vote	\$ 19,793,467
Total legal debt margin without vote	\$ 50,149,749
Legal Debt Margin	\$ 165,584,904

Note: By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

1. Other includes governmental loans as well as the principal outstanding on the City's Line of Credit (tax anticipation note). This inclusion is for Washington State compliance for debt limitation calculations.

Table 14

**CITY OF CAMAS, WASHINGTON**

Pledged-Revenue Coverage

Last Ten Fiscal Years

**Water-Sewer Revenue Bonds**

Fiscal Year	Gross Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Coverage
				Principal	Interest	
2009	\$ 7,195,056	\$ 4,760,825	\$ 2,434,231	\$ 716,295	\$ 217,698	2.61
2010	8,010,004	4,988,778	3,021,226	731,833	205,333	3.22
2011	8,970,981	5,105,577	3,865,404	748,286	191,532	4.11
2012	9,891,516	4,893,699	4,997,817	765,577	177,492	5.30
2013	9,780,132	5,155,129	4,625,003	801,667	149,174	4.86
2014	10,503,875	5,659,574	4,844,301	405,833	107,167	9.44
2015	11,202,674	5,892,454	5,310,220	982,000	566,086	3.43
2016	12,261,363	6,877,345	5,384,018	954,750	549,857	3.58
2017	12,488,469	6,558,803	5,929,666	981,842	535,713	3.91
2018	13,351,180	6,462,319	6,888,861	1,030,588	501,713	4.50

(1) Gross revenue is defined as all operating and nonoperating revenues of the Water-Sewer Fund.

(2) Operating expenses do not include depreciation or amortization.

(3) Debt service is the average annual debt service

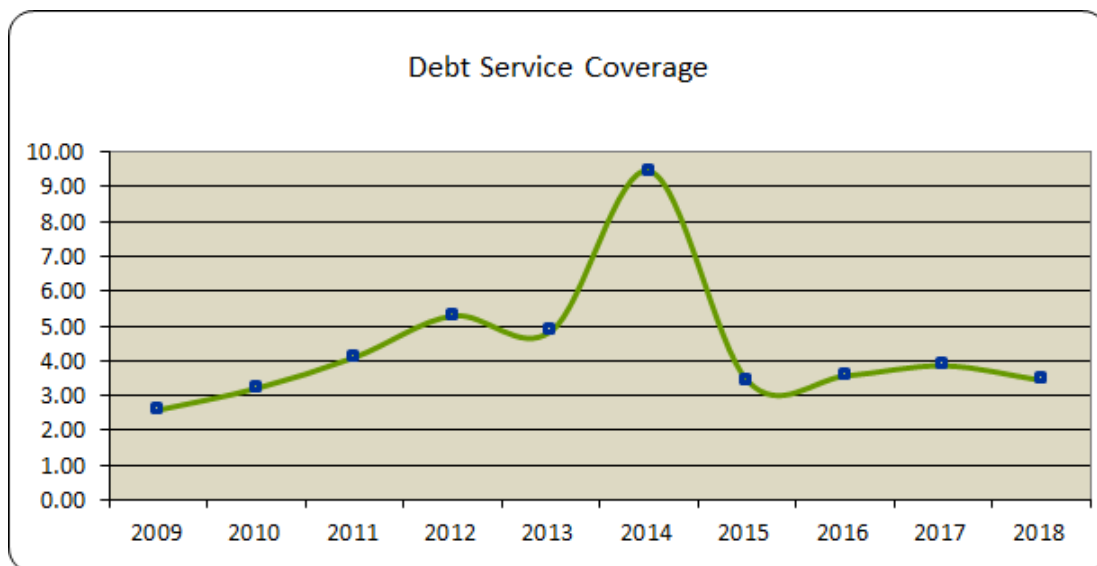


Table 15

**CITY OF CAMAS, WASHINGTON**  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Income (2)	School Enrollment (3)	Unemployment Rate (4)
2009	16,950	\$ 15,687,722	\$ 37,813	5,813	14.4%
2010	17,210	15,911,166	37,645	5,959	12.7%
2011	19,620	16,877,014	39,433	6,195	8.5%
2012	20,020	18,085,009	41,508	6,289	8.4%
2013	20,320	18,242,420	41,194	6,373	4.7%
2014	20,880	19,523,515	43,343	6,566	7.2%
2015	21,210	20,709,551	45,070	6,832	6.0%
2016	21,810	21,986,307	47,078	7,018	6.0%
2017	23,080	23,769,319	53,751	7,084	5.0%
2018	23,770	not available	not available	7,281	5.0%

Sources:

- (1) Office of Financial Management, State of Washington
- (2) Bureau of Economic Analysis, Department of Commerce (PI and PCI for Clark County)
- (3) Camas School District
- (4) Washington State Employment Security

Table 16

**CITY OF CAMAS, WASHINGTON**

## Principal Employers

Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fisher Investments	1,330	1	15.8%	-		-
Wafertech	1,000	2	11.9%	955	1	15.9%
Camas School District	978	3	11.6%	349	3	5.8%
Analog Devices	300	4	3.6%	250	7	4.2%
Underwriters Laboratories	249	5	2.8%	300	4	5.0%
Karcher North America	226	6	2.7%	-	-	-%
City of Camas	184	7	2.2%	185	8	3.1%
Georgia Pacific	447	8	1.7%	515	2	8.6%
Sigma	136	9	1.6%	-	-	-
Fuel Medical	93	10	1.1%	-	-	-
Tidland Corporation				65	10	1.1%
C-Tech Industries				284	5	4.7%
Sharp Microelectronics				250	6	4.2%
Furuno				68	9	1.1%
	<u>5,007</u>		<u>61.8%</u>	<u>3,554</u>		<u>53.70%</u>

Sources:

- (1) The Columbian Newspaper
- (2) Washington Employment Security Department
- (3) Human Resource Departments of Individual Businesses

Table 17

**CITY OF CAMAS, WASHINGTON**  
 Full-time Equivalent City Government Employees by Function  
 Last Ten Fiscal Years

Full-time Equivalent Employees as of December 31, 2018

Function	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Judicial	-	-	-	-	-	-	1.00	1.00	1.55	1.55
Executive	1.45	1.45	1.45	1.45	1.60	1.45	2.67	2.40	2.54	2.54
Finance	7.88	8.00	7.75	7.75	7.75	9.00	9.00	9.00	9.00	9.00
Human Resources	1.15	1.15	1.15	1.15	1.15	1.27	1.66	-	-	-
Administrative Services	-	-	-	-	-	-	-	6.60	6.46	6.46
Other	3.25	4.25	4.35	3.25	3.5	4.28	6.67	-	-	-
Public Safety										
Police	32.35	32.13	31.38	31.45	31.45	31.45	32.45	32.50	32.00	32.20
Fire	45.96	45.50	41.00	41.00	44.00	41.00	54.00	54.00	54.00	53.00
Physical environment	13.40	12.40	12.80	12.80	12.80	12.20	14.00	14.00	16.00	13.00
Transportation	11.79	11.49	10.65	10.60	9.60	11.85	9.60	9.60	9.60	9.40
Economic environment	9.01	9.01	7.30	7.60	7.80	7.60	6.00	6.00	6.00	7.00
Parks and recreation	16.14	16.14	13.59	13.62	12.10	12.71	9.05	9.25	9.05	8.05
Cemetery	1.25	1.25	1.05	1.30	1.30	0.93	1.05	1.05	1.05	1.05
Library	15.41	15.41	15.10	14.77	14.78	14.78	14.50	14.30	13.50	15.33
Water/Sewer	19.00	19.00	19.25	19.50	19.50	19.00	20.00	20.15	20.15	18.15
Storm Water	3.05	4.35	4.50	4.50	4.50	4.50	3.50	3.20	3.20	2.90
Solid Waste	4.11	4.11	4.10	4.10	4.10	4.10	4.10	4.25	4.25	4.25
Total	<u>185.20</u>	<u>185.64</u>	<u>175.42</u>	<u>174.84</u>	<u>175.93</u>	<u>176.12</u>	<u>189.25</u>	<u>187.30</u>	<u>188.35</u>	<u>183.88</u>

Source: City budget documents

## CITY OF CAMAS, WASHINGTON

## Operating Indicators by Function

## Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Police reports	3,178	3,369	3,313	3,169	3,028	2,721 *	1,867	1,372	1,540	1,321
Arrests	705	613	737	710	643	591	417	430	459	422
Traffic stops	6,498	7,126	6,535	6,268	6,379	6,044	5,258	6,147	5,201	6,113
Service calls logged	11,402	10,658	9,427	9,619	10,220	9,223	8,487	9,081	9,173	8,681
Fire										
Fire alarms	90	75	91	97	94	108	151	117	145	104
Total fire responses	1,596	1,363	1,589	1,631	1,657 *	2,847	3,096	2,880	3,156	3,396
Total EMS responses	2,775	2,774	3,005	3,039	2,977	3,139	3,135	3,473	3,630	3,774
Inspections	390	627	728	501	500 est. *	754	607	954	1,018	1,191
Parks and recreation										
Recreation center visits	34,552	29,456	28,270	31,781	33,061	36,961	40,144	48,420	43,811	43,798
Recreation services participants	12,032	12,169	12,833	12,542	10,514	13,104	15,029	13,053	14,846	12,234
Recreation services events	353	302	318	360	236	305	491	331	318	353
Library										
Registered borrowers	12,844	10,392	11,899	13,272	14,359	15,274	16,126	17,183	13,659	22,067
Total holdings	97,647	88,872	92,133	104,660	106,225	120,656	126,856	124,503	114,792	98,019
Library visits	289,188	284,576	260,694	252,289	226,806	204,818	199,118	198,234	193,341	147,810
Water										
Water residential connections	6,699	6,857	6,934	7,067	7,184	7,361	7,565	7,817	8,043	8,262
Water non-residential connections	482	450	474	498	549	567	590	594	611	644
New connections	56	126	101	157	168	195	227	256	243	252
Average daily consumption (gallons)	3,705,137	3,423,876	3,563,159	3,651,346	3,707,725	3,958,825	4,202,880	4,079,830	4,147,914	4,235,455
Sewer										
Average daily sewage treatment (gallons)	2,228,250	2,518,000	2,516,000	2,748,000	2,507,000	2,556,000	2,576,000	2,735,000	2,530,000	2,242,000
Sewer residential connections	6,458	6,599	6,735	6,827	6,926	7,124	7,357	7,558	7,772	8,012
Sewer non-residential connections	246	246	246	242	271	277	284	284	284	285
Solid Waste										
Refuse collected (tons)	6,560	6,334	6,311	6,267	6,694	7,317	6,347	7,164	7,380	7,443
Recycling collected (tons)	1,781	2,374	2,331	2,468	2,353	2,349	2,430	2,566	2,527	2,329
Solid waste customers	6,225	6,433	6,540	6,649	7,108	7,151	7,338	7,537	7,705	7,801

The City implemented GASB 44 in 2006 and information prior to 2000 is not readily available.

Source: Various City departments

Note: Indicators are not available for general government function

\* In 2014, the Camas and Washougal Fire Departments merged creating increased fire responses and inspections

\*\* In April 2015, case number no longer assigned to traffic violations

Table 19

## CITY OF CAMAS, WASHINGTON

## Capital Asset Statistics by Function

## Last Ten Fiscal Years

Functions	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	8	8
Fire										
Stations	2	2	2	2	3	3	3	3	3	3
Engines	4	4	4	4	3	7	5	5	5	5
Ambulances	4	4	4	4	4	5	5	5	5	5
Parks and Recreation										
Parks acreage	143.1	143.1	197.9	197.9	197.9	197.9	197.9	197.9	197.9	243.4
Parks	12	13	14	14	14	14	14	14	15	15
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	2	2	2	2	2
Skate parks	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)**	147.1	147.4	149.2	150.9	154.0	158.1	160.5	162.3	164.2	170.2
Sewer										
Sanitary sewers (miles)**	110.3	110.6	111.8	113.0	115.9	118.1	121.0	123.4	125.6	138.1
Storm sewers (miles)**	62.7	63.4	64.0	64.1	65.2	68.7	70.7	72.9	76.2	79.6
Treatment plants	1	1	1	1	1	1	1	1	1	1
Capacity (gallons per day)	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000
Solid Waste										
Collection trucks	4	4	4	4	4	4	4	4	4	4
City Streets										
Paved streets (miles)**	105.1	105.1	105.1	105.5	103.5	104.6	106.6	107.9	109.4	113.8
Unpaved streets (miles)	3.3	3.3	3.3	3.3	_*	-	-	-	-	-

Source: Various City departments

Note: No capital asset indicators are available for the general government or library function

\*New street data, verified and measured in 2013

\*\*Revised Water mains, Sanitary sewers &amp; Storm sewers to include donated assets from 2006 - 2015