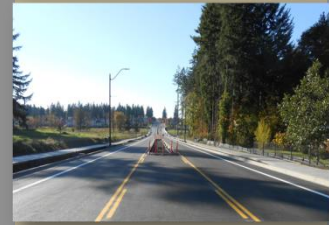




2013
COMPREHENSIVE
ANNUAL
FINANCIAL REPORT



CITY OF CAMAS, WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended December 31, 2013

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CITY OF CAMAS, WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended December 31, 2013

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May 15, 2014

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, 2013. This report includes all funds and all financial activities that are considered to be 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 for 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, but not absolute assurances that assets of the City are protected from loss, theft, or misuse, and to ensure accounting records are adequate and reliable in order 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 Auditing Standards (GAAS), 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, 2013, 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 and 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 as well as 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 the purpose of 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 annual 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 the majority of the funds not immediately needed. As of December 31, 2013, approximately \$3.5 million was invested in the LGIP, \$3.8 million was invested in the Clark County Investment Pool, \$.5 million was invested in Certificates of Deposit and \$7 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: "Rebounding Growth" is the best phrase to describe the economy in Camas in 2013. The construction both in housing and commercial development improved dramatically. This increase directly impacted sales tax and development related revenues which both were well above budget targets.

The economic momentum is expected to continue into 2014. New construction in housing continues to grow with an anticipated 200 new homes set to be constructed for new residents coming into the community due to companies such as Fisher Investments and retirees. The City of Camas approved new residential zoning in the recently annexed land north of Lacamas Lake as well as some commercial and industrial land. The City anticipates this new annexed land to drive most of the housing growth of the City.

Commercial activity has improved with store fronts in Historic Downtown Camas filled for the most part. First Friday events continue to draw large crowds. New businesses have included new restaurants, retail, and services. New commercial developments are anticipated for 2014 which will increase new construction and sales tax for the city. These developments are primarily near the City's completed Phase I project on 38th Avenue. Phase II will break ground in 2014 which will fully convert a county road into a

major city arterial, increasing traffic flow to major corporate businesses and open land to commercial development.

The City of Camas is the second largest city in Clark County based upon 2013 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 2013, the City of Camas issued 127 new single family residence permits as compared to 99 in 2012. The value of the permits totaled \$38,196,796 as compared to \$29,431,258 the year before. Commercial (new) development included Fisher Investments Building #2 valued at \$12,319,036 in 2013 with publicly owned facilities of \$2,527,637 as compared to 0 in 2012.

In addition, the City of Camas issued 36 permits for Tenant Improvements, also called commercial build-outs. Some of these Tenant Improvements were in new commercial space and some in existing buildings. The market value of this work exceeds \$3,707,683.

The population growth in the City of Camas has maintained an annual rate of 1.5% as compared to 3.3% for 2008 and 3.6% growth in 2007. This growth in population maintains the status of the City of Camas as the second largest city in Clark County.

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 growth of the City.

Long-term Financial Planning: 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 seems to be rebounding beginning in 2013 and is projected to continue into 2014.

However, this growth is not without its costs. Growth of this nature requires extensive infrastructure in streets, storm drainage, parks, water and sewer. The Council has taken the approach that "growth pays for growth". As a result, the City has implemented various growth related fees to help fund the infrastructure needs, such as transportation impact fees and water and sewer development charges. The City of Camas has developed a 20 year Capital Improvement Plan, which is updated annually. The program set forth in the Plan is scheduled to be funded with grants, developer fees, and long-term debt when necessary. The Capital Improvement Program is then incorporated into the City's financial model, which is updated for the annual budget.

Management and Structural Changes: In 2013, the City underwent significant change in management. The City Administrator retired after a long tenure in the position followed

by the newly hired City Administrator passing away unexpectedly. The City hired a third City Administrator in December, 2013, Pete Capell formerly from Clark County.

The Finance Director also retired mid-year in 2013 after serving for a couple of decades. The new Finance Director was hired in July, Cathy Huber Nickerson formerly from the City of Battle Ground. As a result, the Finance Department was restructured with an Accountant hired in early 2014.

The City also added a department, Administrative Services led by the Jenifer Gorsuch as the Administrative Services Director. She was promoted from Human Resources Director. This department consists of Human Resources, Risk Management, AND Information Services.

Fire Consolidation: In 2013, the City of Camas and the City of Washougal have agreed to consolidate fire protection services into a regional solution. This model is currently functional between the City of Camas, the City of Washougal and East County Fire and Rescue with Emergency Medical Services for a regional ambulance service. For fire protection services, the City of Washougal will contract with the City of Camas. The fire services consolidation project should be complete by second half of 2014.

Economic Development through New Infrastructure: 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. The latest of these projects, 38th Street Phase I, was completed in 2013. Phase II has started in 2014 with the final Phase to be completed in 2015. This street construction will convert a county road into a major street arterial for the City supporting commercial and mixed use development.

Other significant projects in 2013 included:

- Design work for another major arterial at Friberg/Strunk Street
- Wastewater Treatment Plant Phase II upgrade
- Construction of the Lacamas Lodge Community Center
- Construction of Heritage Boat Launch and park upgrade
- Preservation of existing streets

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, 2012. In order 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 annual budget helps make life 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

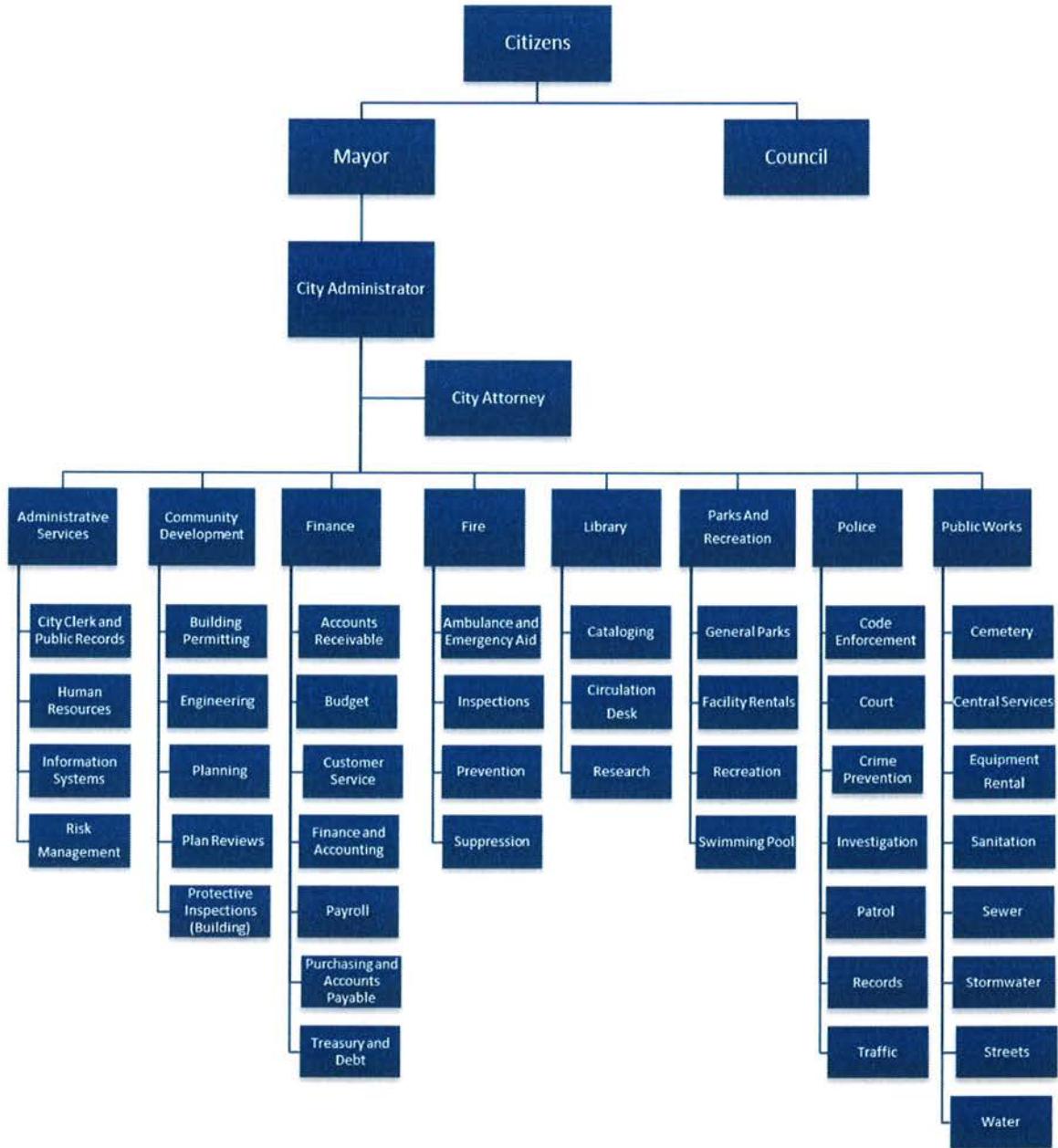
**City of Camas
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO

City of Camas Organizational Chart



City of Camas
List of Elected and Appointed Officials
December 31, 2013

Elected Officials

Term Expires

Scott Higgins, Mayor	December 31, 2015
Tim Hazen, Council Member Ward 1	December 31, 2015
Melissa Smith, Council Member Ward 1	December 31, 2017
Linda Dietzman, Council Member Ward 2	December 31, 2015
Steve Hogan, Council Member Ward 2	December 31, 2017
Greg Anderson, Council Member Ward 3	December 31, 2015
Shannon Turk, Council Member Ward 3	December 31, 2017
Don Chaney, Council Member At Large	December 31, 2015

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
Eric Levison, Public Works Director
Nick Swinhart, Fire Chief
David Zavortink, Library Director



Washington State Auditor Troy Kelley

INDEPENDENT AUDITOR'S REPORT

May 19, 2014

Mayor and City Council
City of Camas
Camas, Washington

REPORT ON 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, Clark County, Washington, as of and for the year ended December 31, 2013, 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, Clark County, Washington, as of December 31, 2013, and the respective changes in financial position thereof, and the respective budgetary comparison for the General and Emergency Management Services funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis

As described in Note 5, during the year ended December 31, 2013, the City has implemented the Governmental Accounting Standards Board Statement No. 65, Items Previously Reported as Assets and Liabilities. 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 on pages 14 through 23 and information on postemployment benefits other than pensions on page 82 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 accompanying information listed as combining financial statements and supplementary information on pages 83 through 98

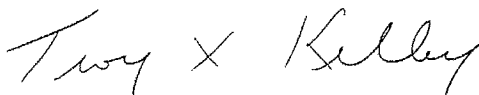
is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information 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 information identified in the table of contents as the Introductory and Statistical sections is 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 May 19, 2014, 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. That report will be issued under separate cover in the City's Single Audit Report. 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 "Troy X Kelley". The signature is written in dark ink and is positioned above the printed name of the signatory.

TROY KELLEY
STATE AUDITOR

**CITY OF CAMAS, WASHINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2013**

The City of Camas' discussion and analysis is a narrative overview of the City's financial activities for the fiscal year ended December 31, 2013. 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, 2013 by \$186.6 million.
- Net investment in capital assets account for 94.8% of this amount, with a value of \$177 million.
- Of the remaining net position, \$5.5 million may be used to meet the government's ongoing obligations to citizens and creditors, without legal restriction.
- The City's total net position showed an increase of \$8.6 million, more than 4.8% during 2013.
- As of December 31, 2013, City of Camas' governmental funds reported combined ending fund balances of \$4.4 million. Nearly 58% of this total amount, \$2.0 million is available for spending at the government's discretion.
- City of Camas' total bonded debt at December 31, 2013 was \$9.3 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis provides an introduction and overview to the City of Camas' (the City) basic financial statements. 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.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the City of Camas' finances 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 drainage, and sanitation utilities.

The Statement of Net Position

This statement presents information on all of the City of Camas' assets and liabilities, with the difference between the two 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 City's net position improved in 2013. This is primarily due to construction of a City street extension as well as construction work in progress on another street, a community center, water line and sewer treatment plant upgrade. Other indicators include the condition of the City's infrastructure systems (streets, drainage systems, bridges, etc.), changes in property tax base, and general economic conditions within the City.

The Statement of Activities

This statement presents information showing how the government's net position changed during 2013. 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 2013, 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 2013.

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.

Governmental Funds

The Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances present separate columns of financial data for the General Fund, Emergency Management Services Fund and the NW 38th Street Construction Fund. These are considered major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation.

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

Because the focus of governmental fund financial statements is narrower than that of government-wide financial statements accrual basis focus, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This gives readers a better understanding of the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the governmental activities column in the government-wide statements, facilitating this comparison.

The City maintains budgetary controls over its operating funds. Budgetary controls ensure compliance with legal provisions embodied in the annual appropriated budget. Governmental fund budgets are established in accordance with state law, and are adopted on a fund level. Personnel services are budgeted by position and by prorating the costs based on time allocation to the various funds.

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 drainage and sanitation 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 agrees, therefore needs no reconciliation.

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Camas' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

Management considers the financial position of the City to have improved over 2012. As noted earlier, changes in net position may serve as a useful indicator of a government's financial position. The City of Camas total net position was \$186,604,921 at December 31, 2013. The following is a condensed version of the Government-Wide Statement of Net Position.

City of Camas Net Position						
	Governmental Activities 2013	Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	Total Activities 2013	Total Activities 2012
Current and other assets	\$ 8,081,932	\$ 7,324,247	\$ 10,212,764	\$ 11,023,654	\$ 18,294,696	\$ 18,347,901
Capital assets (net of accumulated depreciation)	117,096,244	110,800,462	96,365,731	90,198,921	213,461,975	200,999,383
TOTAL ASSETS	125,178,176	118,124,709	106,578,495	101,222,575	231,756,671	219,347,284
Long-term liabilities	12,629,639	11,248,455	24,117,222	28,156,803	36,746,861	39,405,258
Other liabilities	3,337,709	1,352,268	4,723,302	660,945	8,061,011	2,013,213
TOTAL LIABILITIES	15,967,348	12,600,723	28,840,524	28,817,748	44,807,872	41,418,471
Deferred Inflows of Resources	343,878	-	-	-	343,878	-
NET POSITION						
Net investment in capital assets	106,726,541	103,002,429	70,298,558	65,195,717	177,025,099	168,198,146
Restricted	1,448,695	1,481,123	2,572,557	1,878,245	4,021,252	3,359,368
Unrestricted	691,714	1,040,434	4,866,856	5,330,865	5,558,570	6,371,299
TOTAL NET POSITION	\$ 108,866,950	\$ 105,523,986	\$ 77,737,971	\$ 72,404,827	\$ 186,604,921	\$ 177,928,813

The largest portion of the City's net position (94.8 percent) reflects its investment in capital, less any related debt used to acquire those assets that is still outstanding. The City's capital assets are used to provide services to citizens. Consequently, these assets are not available for future spending. At the end of the fiscal year, the City had \$2,901,959 in net position restricted for capital or capital related debt. \$1,671,117 of these restricted assets came from Water-Sewer and \$1,230,842 from the Growth Management Capital Projects Fund and must be used for capital purposes in the respective funds. In addition, the City had \$13,969 for Tourism Promotion, \$133,852 for Drug Investigations and \$971,472 for Debt Obligations. The remaining balance of \$5,558,570 (unrestricted) represents the amount that may be used to meet the City's ongoing obligations.

At December 31, 2013, the City of Camas reports positive balances in all three categories of net position, for the government as a whole, and also for separate governmental activities. The same situation held true for the prior fiscal year.

Statement of Activities

The City's total net position increased by almost \$8.6 million in 2013. This change was split among governmental activities with an increase of almost \$3.3 million and an increase in business-type activities of \$5.3 million. The governmental funds increase in net position is primarily due to grants tied to the capital projects for streets as well as for the Lacamas Lodge project. The business-type funds increase was also tied to grant activity associated with capital projects such as the Wastewater Treatment Plant.

A summary version of the Statement of Activities is shown in the following table including comparison data from 2012. 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 2013.

City of Camas Change in Net Position

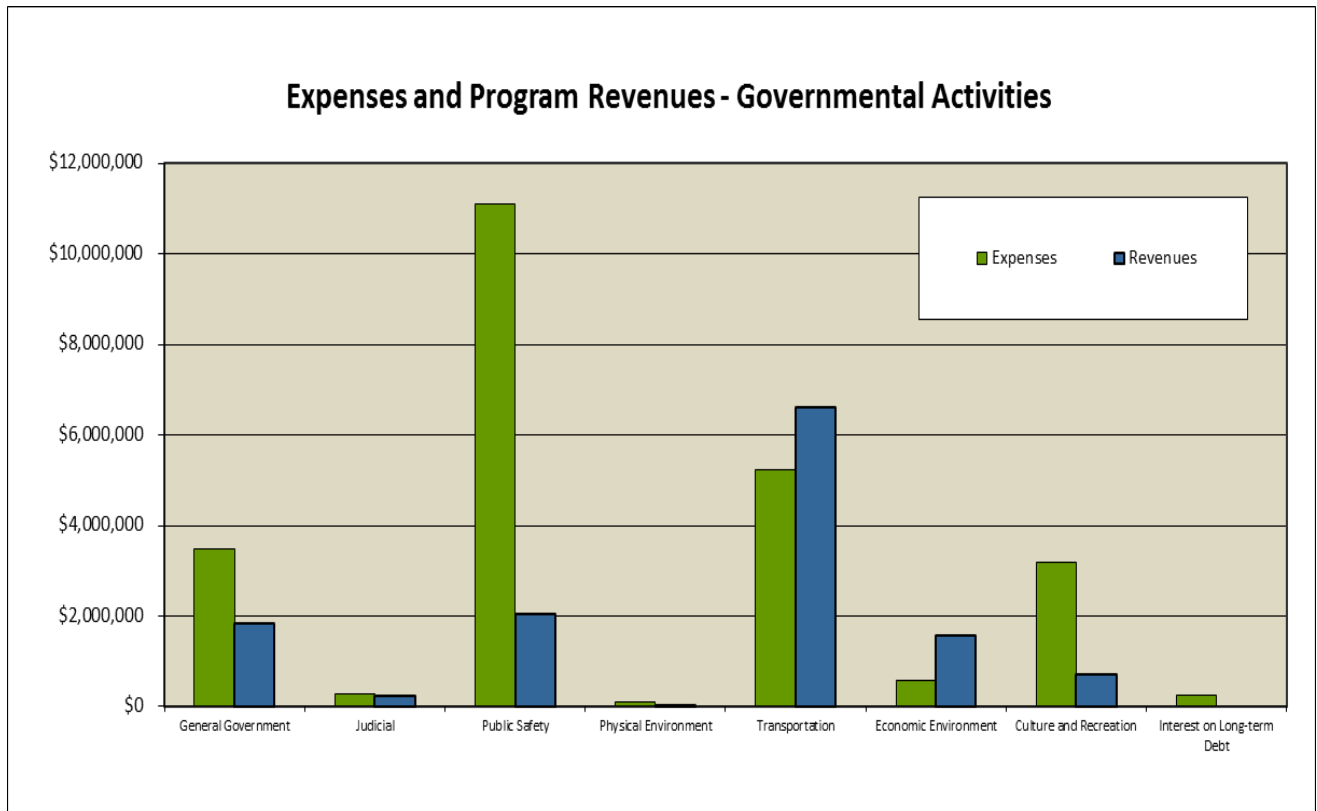
	Governmental Activities 2013	Governmental Activities 2012	Business-type Activities 2013	Business-type Activities 2012	Total 2013	Total 2012
Revenues:						
Program revenues:						
Charges for services	\$ 6,039,442	\$ 5,022,220	\$ 13,380,480	\$ 12,974,047	\$ 19,419,922	\$ 17,996,267
Operating grants and contributions	865,203	589,203	1,037	84,296	866,240	673,499
Capital grants and contributions	6,061,054	1,583,722	3,703,911	819,953	9,764,965	2,403,675
General revenues:						
Taxes:						
Property taxes levied for general purposes and EMS	10,202,820	9,997,019	-	-	10,202,820	9,997,019
Property taxes levied for debt service	624,893	635,830	-	-	624,893	635,830
Sales and use taxes	2,509,715	2,157,612	-	-	2,509,715	2,157,612
Business and occupation taxes	438,434	435,401	-	-	438,434	435,401
Excise and other taxes	937,543	1,051,951	-	-	937,543	1,051,951
Grants and contributions not restricted to specific programs						
Unrestricted investment earnings	376,110	450,614	-	-	376,110	450,614
Miscellaneous	32,410	31,869	10,839	7,949	43,249	39,818
Miscellaneous	73,637	48,934	-	-	73,637	48,934
Total revenues	28,161,261	22,004,375	17,096,267	13,886,245	45,257,528	35,890,620
Expenses:						
General government	3,493,797	2,078,571	-	-	3,493,797	2,078,571
Judicial	289,691	267,622	-	-	289,691	267,622
Public safety	11,091,881	11,549,612	-	-	11,091,881	11,549,612
Physical environment	111,694	1,454,602	-	-	111,694	1,454,602
Transportation	5,241,763	5,187,623	-	-	5,241,763	5,187,623
Health and human services	3,599	6,000	-	-	3,599	6,000
Economic environment	575,402	457,656	-	-	575,402	457,656
Culture and recreation	3,192,920	3,344,599	-	-	3,192,920	3,344,599
Interest on long-term debt	265,385	204,322	-	-	265,385	204,322
Water-Sewer	-	-	8,725,888	8,488,128	8,725,888	8,488,128
Storm Water Drainage	-	-	1,104,142	1,284,973	1,104,142	1,284,973
Sanitation	-	-	1,880,871	1,845,144	1,880,871	1,845,144
Total expenses	24,266,132	24,550,607	11,710,901	11,618,245	35,977,033	36,168,852
Increase in net position	3,895,129	(2,546,232)	5,385,366	2,268,000	9,280,495	(278,232)
Net position - beginning	105,523,986	107,931,754	72,404,827	70,136,827	177,928,813	178,068,581
Change in Accounting Principles	(20,227)	-	(52,222)	-	(72,449)	-
Prior Period Adjustment	(531,938)	138,464	-	-	(531,938)	138,464
Net position - ending	\$ 108,866,950	\$ 105,523,986	\$ 77,737,971	\$ 72,404,827	\$ 186,604,921	\$ 177,928,813

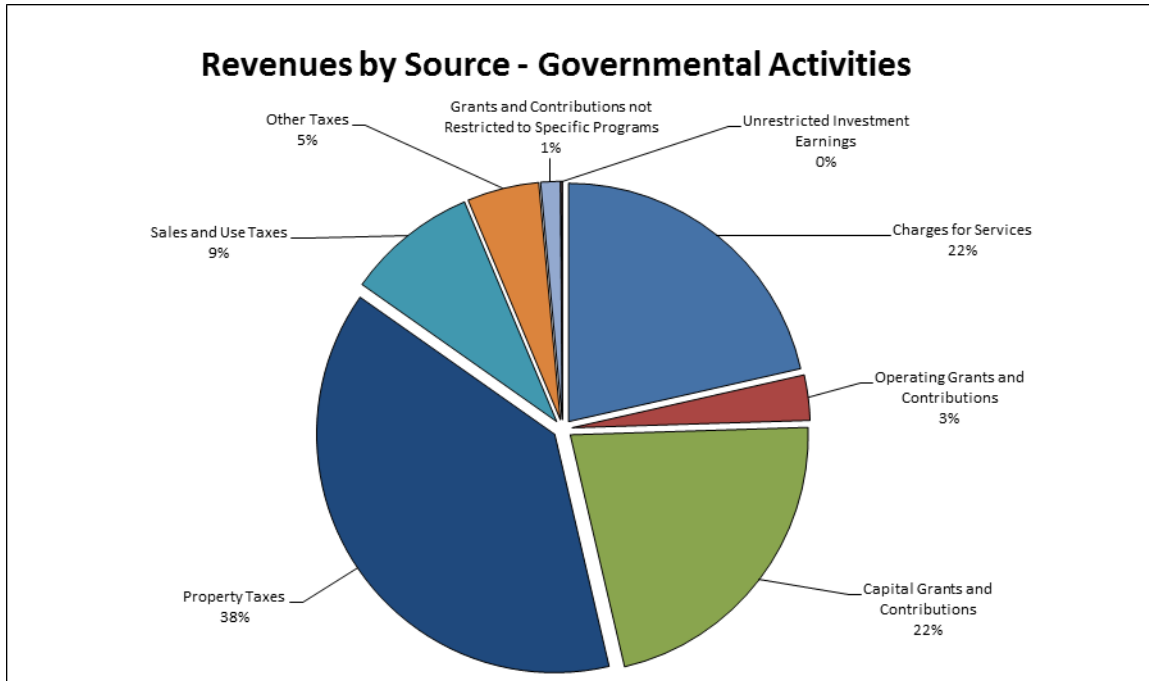
Governmental Activity Analysis

The property tax collections increased in the City of Camas by \$194,864 or 2% with the growth in new construction in commercial properties and the increase in home building. Sales tax collected increased by \$352,103 or 16.3% with the improved economy as well as construction both private and public. The Excise and Other Taxes line appeared to decrease by approximately 10% but reflects a reallocation of revenue from 2012 between Business and Occupation Taxes and Excise and Other Taxes. Real estate excise tax has improved dramatically since the historical lows of 2011. Housing sales in the City improved by 12.7% in 2013 over 2012. Foreclosures and short sales seemed to have slowed and new construction has increased.

Governmental activities expenses for 2013 were on par with 2012 within 1%. Labor contracts were settled at the end of 2013 and the 2013 Budget was a “hold the line” budget with 2012. Within the governmental activities, there was a reclassification of expenses between Physical Environment to General Government. The Engineering costs were reallocated to the General Government in 2013.

The net position with governmental activities increased by \$3.3 million due to the increase in revenue and the City operating with a “hold the line” budget.





Business-Type Activities Analysis

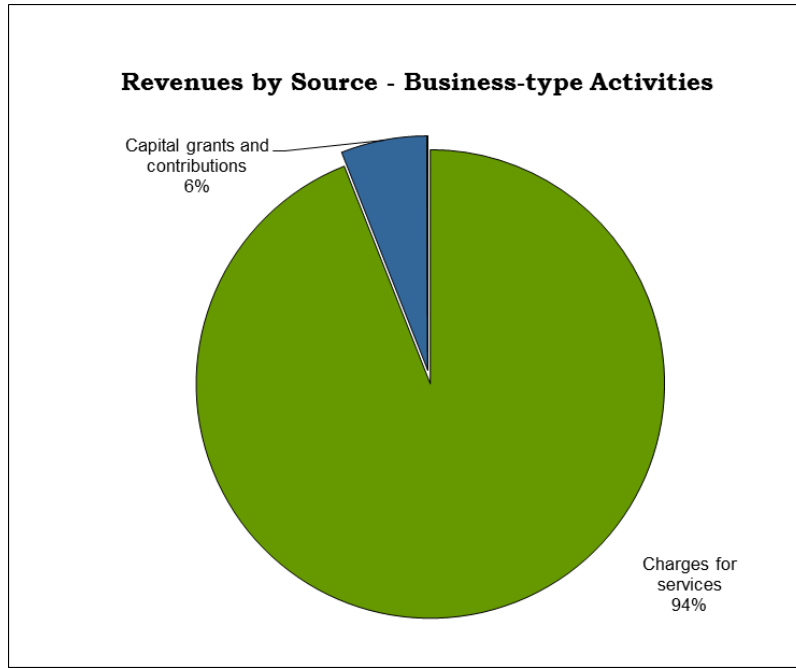
The financial position of the City's Business-Type funds consists of the Storm Water Drainage Fund, the Sanitary Fund and the Water-Sewer Fund. The Water-Sewer Fund is the largest proprietary fund in the City. The financial position of the City's business-type funds is strongly influenced by the Water-Sewer Fund. In 2013, that fund had a \$270,472 increase in charges for services revenues, a \$1.69 million increase in capital grants and contributions, a \$178,829 increase in expenses (excluding depreciation and amortization) over the prior year but the most significant increase was the capital investment of \$4.1 million, all contributing to an overall increase in net position of 6.2%. The Sanitary Fund improved net position by almost 28% in 2013. This large increase was mostly attributed to increase in garbage and recycling revenue while maintaining status quo expense budget. The Storm Water Drainage Fund improved net position by almost 13%. This increase is attributed in capital investment projects.

Business-Type Activity Operating Revenues

Water-Sewer	\$9,780,132	75%
Storm Water Drainage	1,106,237	9%
Sanitary	2,117,327	<u>16%</u>
		<u>100%</u>

Business-Type Activity Operating Expenses

Water-Sewer	\$8,053,868	73%
Storm Water Drainage	1,100,183	10%
Sanitary	1,866,803	<u>17%</u>
		<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 15 funds, of which 10 are governmental funds. The governmental funds are categorized into four different fund types. Each fund type has a unique purpose. Three funds are classified as major funds for the purposes of this report, based on criteria set forth by the Governmental Accounting Standards Board (GASB). Those funds are the General Fund used for traditional government purposes; the Emergency Management Services Fund and the NW 38th Street Construction Fund.

The change in Total Governmental Funds fund balance was a decrease of \$698,198. Of the Major funds, the General Fund had an increase of \$50,361. The Emergency Management Services Fund had an increase of \$37,448. The NW 38th Street Construction Fund had a decrease of \$483,169. All other governmental funds had a combined decrease in their fund balances of \$302,838. The increase in the General Fund was primarily a result of modest improvements in the local economy coupled with careful management of expenditure budgets. The Emergency Management Services Fund improved with both an increase in the voter approved property tax levy as well as maintaining a status quo budget. The NW 38th Street Construction Fund reflects a substantially completed project with residual grant funding due to the City. The other funds saw decreases resulting from increase in capital expenses from other street projects and the Lacamas Lodge and Heritage Trail projects. These projects were mitigated with a modest improvement in local economy growth related revenues.

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 85% of net position for the enterprise funds at \$65 million. The Water-Sewer Fund had an increase in net position of \$3.8 million. Revenues generated from operations were higher than the prior year by \$270 thousand (2.8%), and operating expenses increased by \$869 thousand (12%). The higher expenses were due to increase in depreciation of \$690 thousand (31%).

The Sanitary Fund net position increased 28% in 2013. Charges for services increased 7% while operating expenses remained fairly stable.

The Storm Water Drainage Fund net position increased by \$1.2 million (13%) in 2013. In 2013, capital contributions increased by \$1.2 million with the mitigation associated with the street construction.

The Internal Service Fund, the Equipment Rental Fund net position showed a decrease of \$52 thousand (1.5%) in 2013. Revenues decreased less than 1% while expenses increased \$66 thousand (5%). Rates for the rental of equipment were adjusted with an updated Equipment Rental Rate Model in 2013. Cash flow for this fund is anticipated to decrease in 2013-2014 with planned equipment reinvestment. The financial model is sustainable and will be carefully monitored.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City operates with annual budgets. General Fund revenues came in at 105% of the anticipated budget, while expenditures were 97% of the budget. Revenues ended the year \$752,061 higher than anticipated with development related revenues and sales tax. This increase in revenues is attributed to the improvement in all around construction including housing, commercial and public projects.

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 \$152,500 by City Council in Ordinance No. 2685. This Ordinance supplemented the budget for unforeseen events, primarily the retirement of the City Administrator and the Finance Director as well as 2012 audit costs accrued in 2013 above the original budget. Additionally, there is was a \$22,000 adjustment with the update of the Equipment Rental Rates in 2013. Expenditures at 97% of budget reflect the emphasis the City put on reducing expenditures while still providing efficient services.

The City had planned and budgeted to spend down General Fund balances in 2013; however, due to the growth in revenue collections and lower expenditures, the fund balance for the General Fund increased by \$50,361 ending the year with \$3,898,994. This is well within the City's adopted policies for fund balance.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

City of Camas' investment in capital assets, including construction in progress for its governmental and business type activities as of December 31, 2013, was \$213,461,975 (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 \$12.5 million during the year.

City of Camas Capital Assets

(net of depreciation)

	Governmental		Business-Type		Total	
	1/1/2013	12/31/2013	1/1/2013	12/31/2013	1/1/2013	12/31/2013
Land	\$58,734,788	\$59,578,601	\$953,931	\$983,172	\$59,688,719	\$60,561,773
Buildings and systems	10,931,760	11,115,843	21,873,877	21,350,093	32,805,637	32,465,936
Improvements other than building	3,621,830	3,811,177	5,644,074	5,593,518	9,265,904	9,404,695
Machinery and equipment	3,760,828	3,562,634	18,502,927	17,714,897	22,263,755	21,277,531
Intangibles	0	5,073	12,414	9,601	12,414	14,674
Infrastructure	32,627,986	35,042,708	42,903,719	46,178,863	75,531,705	81,221,571
Construction in progress	1,123,270	3,980,208	307,979	4,535,587	1,431,249	8,515,795
Total	\$110,800,462	\$117,096,244	\$90,198,921	\$96,365,731	\$200,999,383	\$213,461,975

Major capital asset additions include completion of Phase I of the 38th Street (major arterial construction), wastewater treatment plant improvements and Lacamas Lake Lodge with adjacent Heritage Park Improvements.

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

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, 2013, the City of Camas had total bonded debt outstanding of \$9.3 million and government loans of \$27 million. Of the bonded debt, \$3.787 million is general obligation debt and \$5.602 million is revenue bonds (bonds secured solely by specified revenue source). The government loans are primarily Washington State Public Works Trust Fund loans which are low interest loans for specific projects.

The table below is a comparison of the summary information for year-end 2012 and 2012 bonded and non-bonded debt (in thousands).

	Governmental		Business-Type		Total	
	Activities		Activities		Activities	
	2013	2012	2013	2012	2013	2012
General obligation bonds	\$ 3,787	\$ 4,253	\$ -	\$ -	\$ 3,787	\$ 4,253
Revenue bonds	-	-	5,602	6,232	5,602	6,232
Government loans	6,583	3,545	20,464	21,584	27,047	25,129
Total	\$ 10,370	\$ 7,798	\$ 26,066	\$ 27,816	\$ 36,436	\$ 35,614

It should be noted the City has loans outstanding to draw on of \$3.6 million in governmental activities and \$12.7 million for business-type activities.

The City of Camas' total bonded debt decreased by \$1,091,000 during 2013. This decrease is due to payment of scheduled principal payments made throughout 2013. The City's remaining capacity for non-voted debt is approximately \$32 million. City of Camas is currently unrated for general obligation debt but will be seeking a credit rating in the Spring of 2014.

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.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City of Camas is home to large high-tech manufacturing industries as well as from its origins, a paper mill. Recently a major financial services company is in the process of locating a seven building campus in the City which is drawing new residents to the City. The economy in Camas has improved in 2013 and the momentum is expected to continue into 2014.

The City's adopted financial policies continue to guide the financial operations and budget process. The City also maintains a six-year financial model that provides indicators for the future performance of the City's funds. The following are a few factors considered in adopting the City of Camas 2014 Budget.

The City' General Fund was anticipated to use \$834,504 of fund balance to cover declining revenues during the expected protracted economic downturn. In 2013, the revenues improved significantly as construction grew both in housing and commercial activity. As a result, the fund balance for the General Fund improved and the City ended 2013 with a 25% fund

balance, well above the City's policy of 17% of expenditures. In 2014, the City anticipates the continued improvement in the economy and is in the process of restoring general fund cutbacks such as filling vacant positions.

With the improved economy, the City addressed an ongoing issue of street preservation. Assessed value for 2014 improved to the point the City Council is able to access banked property tax levy capacity to earmark for street preservation. As a result, City Council increased the property tax levy by \$600,000 to fund street preservation in 2014 with the intent this will be an ongoing street preservation funding from this revenue source. This funding mechanism will alleviate any structural deficit issues with this fund.

The City Council also utilized the lawful levy increase of 1% for property taxes which is to be used for park deferred maintenance projects. This was intended as a one-time use of funding for 2014.

The City's Emergency Management Services Fund improved fund balance with the increase in property tax levy rate which increased in 2013 from \$0.35/\$1,000 of assessed value to \$0.46/\$1,000 (voter approved tax levy). The City anticipates this fund will continue to improve as the City of Camas and the City of Washougal consolidate fire and EMS services to improve efficiencies and develop cost savings.

In 2013, the City performed a five year utility rate study for storm water drainage, sanitary services, water and sewer. The rate study rates increase each year over five years. The rate increases will not only fund capital improvements but also build reserves within best practices.

Requests for Information

This financial report is designed to provide a general overview of the City of Camas' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Finance Department, City of Camas, 616 NE 4th Avenue, Camas, WA, 98607.

CITY OF CAMAS, WASHINGTON

Statement of Net Position

December 31, 2013

	Governmental Activities	Business-type Activities	Total Primary Government
Assets:			
Cash and Cash Equivalents	\$ 6,297,950	\$ 5,141,983	\$ 11,439,933
Receivables (Net of Allowance for Uncollectible)	2,402,532	1,877,253	4,279,785
Internal Balances	(618,550)	618,550	-
Prepaid Items	-	2,421	2,421
Restricted Assets			
Cash	-	2,369,523	2,369,523
Investments	-	203,034	203,034
Capital Assets Not Being Depreciated:			
Land	59,578,601	983,172	60,561,773
Construction Work in Progress	3,980,208	4,535,587	8,515,795
Capital Assets Net of Accumulated Depreciation:			
Buildings	11,115,843	21,350,093	32,465,936
Improvements Other than Buildings	3,811,177	5,593,518	9,404,695
Machinery and Equipment	3,562,634	17,714,897	21,277,531
Intangibles	5,073	9,601	14,674
Infrastructure	35,042,708	46,178,863	81,221,571
Total Assets	<u>125,178,176</u>	<u>106,578,495</u>	<u>231,756,671</u>
Liabilities:			
Accounts Payable and Other Current Liabilities	1,444,049	449,874	1,893,923
Accrued Interest Payable	36,068	161,589	197,657
Unearned Revenue	488,838	1,674,456	2,163,294
Custodial Accounts	103,718	155,023	258,741
Noncurrent Liabilities:			
Due within One Year	1,265,036	2,282,360	3,547,396
Due in More than One Year	12,629,639	24,117,222	36,746,861
Total Liabilities	<u>15,967,348</u>	<u>28,840,524</u>	<u>44,807,872</u>
Deferred Inflows of Resources			
Unavailable revenue	343,878	-	343,878
Total deferred inflows of resources	<u>343,878</u>	<u>-</u>	<u>343,878</u>
Net Position:			
Net Investment in Capital Assets	106,726,541	70,298,558	177,025,099
Restricted for:			
Tourism	13,969	-	13,969
Public Safety	133,852	-	133,852
Debt Service	70,032	901,440	971,472
Capital	1,230,842	1,671,117	2,901,959
Unrestricted	691,714	4,866,856	5,558,570
Total Net Position	<u>\$ 108,866,950</u>	<u>\$ 77,737,971</u>	<u>\$ 186,604,921</u>

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

CITY OF CAMAS, WASHINGTON
Statement of Activities
Year Ended December 31, 2013

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	\$ 3,493,797	\$ 1,478,090	\$ 360,508	\$ -	\$ (1,655,199)	\$ -	\$ (1,655,199)
Judicial	289,691	242,518	-	-	(47,173)	-	(47,173)
Public Safety	11,091,881	1,961,194	90,824	-	(9,039,863)	-	(9,039,863)
Physical Environment	111,694	37,738	-	-	(73,956)	-	(73,956)
Transportation	5,241,763	569,315	413,871	5,523,226	1,264,649	-	1,264,649
Health and Human Services	3,599	-	-	-	(3,599)	-	(3,599)
Economic Environment	575,402	1,574,867	-	-	999,465	-	999,465
Culture and Recreation	3,192,920	175,720	-	537,828	(2,479,372)	-	(2,479,372)
Interest on Long-Term Debt	265,385	-	-	-	(265,385)	-	(265,385)
TOTAL GOVERNMENTAL ACTIVITIES	24,266,132	6,039,442	865,203	6,061,054	(11,300,433)	-	(11,300,433)
Business Type Activities:							
Water Sewer	8,725,888	10,156,916	-	2,483,703	-	3,914,731	3,914,731
Storm Water Drainage	1,104,142	1,106,237	1,037	1,220,208	-	1,223,340	1,223,340
Sanitary	1,880,871	2,117,327	-	-	-	236,456	236,456
TOTAL BUSINESS-TYPE ACTIVITIES	11,710,901	13,380,480	1,037	3,703,911	-	5,374,527	5,374,527
Total Primary Government	\$ 35,977,033	\$ 19,419,922	\$ 866,240	\$ 9,764,965	\$ (11,300,433)	\$ 5,374,527	\$ (5,925,906)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 9,041,306	\$ -	\$ 9,041,306
Property Taxes Levied for Voted Levy (EMS)					1,161,514		1,161,514
Property Taxes, Levied for Debt Service					624,893		624,893
Sales and Use Taxes					2,509,715		2,509,715
Business and Occupation Taxes					438,434		438,434
Excise and Other Taxes					937,543		937,543
Grants and Contributions not Restricted to Specific Programs					376,110	10,839	376,110
Unrestricted Investment Earnings					32,410		32,410
Miscellaneous					73,637		73,637
Total General Revenues					15,195,562	10,839	15,206,401
Change in Net Position					3,895,129	5,385,366	9,280,495
Net Position - Beginning					105,523,986	72,404,827	177,928,813
Change in Accounting Principles					(20,227)	(52,222)	(72,449)
Prior Period Adjustments					(531,938)	-	(531,938)
Net Position - Ending					\$ 108,866,950	\$ 77,737,971	\$ 186,604,921

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

CITY OF CAMAS, WASHINGTON
Governmental Funds
Balance Sheet
December 31, 2013

	General Fund	Emergency Management Services Fund	NW 38th Street Construction	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 3,740,881	\$ -	\$ -	\$ 1,374,517	\$ 5,115,398
Property Taxes Receivables	217,273	24,932	-	14,856	257,061
Sales Taxes Receivable	518,779	-	-	-	518,779
Other Taxes Receivable	284	-	-	-	284
Accounts Receivable (net)	33,263	280,040	-	186,566	499,869
Interfund Loan Receivable	-	-	-	599,169	599,169
Due from Other Governmental Units	228,066	46,219	632,083	214,029	1,120,397
Total Assets	\$ 4,738,546	\$ 351,191	\$ 632,083	\$ 2,389,137	\$ 8,110,957
Liabilities, Deferred Inflows of Resources and Fund Balances:					
Liabilities:					
Accounts Payable	\$ 350,213	\$ 22,285	\$ 133,992	\$ 884,259	\$ 1,390,749
Interfund Loan Payable	-	17,966	402,134	179,069	599,169
Due to Other Governmental Units	137	-	-	19,337	19,474
Custodial Deposits	103,718	-	-	-	103,718
Total Liabilities	\$ 454,068	\$ 40,251	\$ 536,126	\$ 1,082,665	\$ 2,113,110
Deferred Inflows of Resources					
Unavailable revenue	385,484	255,379	632,083	355,953	1,628,899
Total deferred inflows of resources	\$ 385,484	\$ 255,379	\$ 632,083	\$ 355,953	\$ 1,628,899
Fund Balances:					
Restricted					
Tourism	-	-	-	13,969	13,969
Public Safety	133,852	-	-	-	133,852
Debt Service	-	-	-	31,536	31,536
Capital Outlay	-	-	-	1,230,842	1,230,842
Committed - Culture and Recreation	-	-	-	16,483	16,483
Committed - Public Safety	-	55,561	-	-	55,561
Assigned - Cemetery	26,375	-	-	-	26,375
Assigned - Capital Outlay	-	-	(536,126)	-	(536,126)
Assigned - Working Capital	861,683	-	-	-	861,683
Unassigned	2,877,084	-	-	(342,311)	2,534,773
Total Fund Balances	\$ 3,898,994	\$ 55,561	\$ (536,126)	\$ 950,519	\$ 4,368,948
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,738,546	\$ 351,191	\$ 632,083	\$ 2,389,137	\$ 8,110,957

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	114,858,572
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds	1,285,021
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.	2,699,983
Long-term liabilities that are not due and payable in the current period and are not reported in the funds	(14,345,574)
Net position of governmental activities	\$ 108,866,950

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

CITY OF CAMAS, WASHINGTON
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2013

	General Fund	Emergency Management Services Fund	NW 38th Street Construction	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 9,109,183	\$ 1,161,514	-	\$ 624,893	\$ 10,895,590
Sales and Use Taxes	2,502,001	-	-	7,714	2,509,715
Other Taxes	438,643	-	-	937,334	1,375,977
License and Permits	443,867	-	-	-	443,867
Intergovernmental	705,202	90,364	2,188,165	1,444,072	4,427,803
Charges for Services	2,203,158	1,697,818	-	749,180	4,650,156
Fines and Forfeits	252,603	12,551	-	-	265,154
Interest Earnings	28,790	188	-	2,361	31,339
Rents and Royalties	58,727	-	-	-	58,727
Contributions/Donations	32,714	460	-	2,500	35,674
Miscellaneous	49,348	17,037	-	428	66,813
Total Revenues	<u>15,824,236</u>	<u>2,979,932</u>	<u>2,188,165</u>	<u>3,768,482</u>	<u>24,760,815</u>
Expenditures:					
Current					
General Government	3,398,687	-	-	-	3,398,687
Judicial	240,894	-	-	48,797	289,691
Public Safety	7,807,687	2,945,375	-	-	10,753,062
Physical Environment	115,138	-	-	-	115,138
Transportation	-	-	-	1,497,608	1,497,608
Economic Environment	569,070	-	-	4,340	573,410
Mental and Physical Health	3,599	-	-	-	3,599
Culture and Recreation	2,602,053	-	-	-	2,602,053
Capital Outlay	601,501	165,757	4,248,963	3,559,294	8,575,515
Debt Service					
Principal Retirement	-	-	-	901,678	901,678
Interest and Other Charges	3,193	889	-	255,043	259,125
Total Expenditures	<u>15,341,822</u>	<u>3,112,021</u>	<u>4,248,963</u>	<u>6,266,760</u>	<u>28,969,566</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	482,414	(132,089)	(2,060,798)	(2,498,278)	(4,208,751)
Other Financing Sources (Uses)					
Loan Proceeds	207,815	156,727	1,577,629	1,323,651	3,265,822
Insurance Recoveries	-	-	-	30,000	30,000
Premium on Bonds Issued	40,678	14,951	-	159,102	214,731
Transfers In	420,000	-	-	1,929,369	2,349,369
Transfers Out	(1,100,546)	(2,141)	-	(1,246,682)	(2,349,369)
Total Other Financing Sources and Uses	<u>(432,053)</u>	<u>169,537</u>	<u>1,577,629</u>	<u>2,195,440</u>	<u>3,510,553</u>
Net Change in Fund Balances	50,361	37,448	(483,169)	(302,838)	(698,198)
Fund Balance at Beginning of Year	3,848,633	18,113	(52,957)	1,253,357	5,067,146
Fund Balance at End of Year	<u>\$ 3,898,994</u>	<u>\$ 55,561</u>	<u>\$ (536,126)</u>	<u>\$ 950,519</u>	<u>\$ 4,368,948</u>

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, 2013

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

Net changes in fund balances - total governmental funds: \$ (698,198)

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. 3,920,100

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets. 2,206,804

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,162,575

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. (2,578,875)

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. (90,906)

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. (26,371)

Change in net position of governmental activities \$ 3,895,129

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, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 9,073,200	\$ 9,073,200	\$ 9,109,183	\$ 35,983
Sales and Use Taxes	2,100,000	2,100,000	2,502,001	402,001
Other Taxes	469,000	469,000	438,643	(30,357)
License and Permits	404,500	404,500	443,867	39,367
Intergovernmental	568,365	568,365	705,202	136,837
Charges for Services	2,046,250	2,046,250	2,170,503	124,253
Fines and Forfeits	244,600	244,600	252,603	8,003
Interest Earnings	21,000	21,000	28,746	7,746
Rents and Royalties	63,333	74,333	58,727	(15,606)
Contributions/Donations	17,500	17,500	32,714	15,214
Miscellaneous	19,800	19,800	48,420	28,620
Total Revenues	15,027,548	15,038,548	15,790,609	752,061
Expenditures:				
Current				
General Government	3,522,046	3,542,346	3,398,687	(143,659)
Judicial	275,600	275,600	240,894	(34,706)
Public Safety	8,031,389	8,065,389	7,807,687	(257,702)
Physical Environment	6,600	6,600	-	(6,600)
Economic Environment	555,444	574,149	569,070	(5,079)
Mental and Physical Health	5,000	5,000	3,599	(1,401)
Culture and Recreation	2,591,026	2,618,521	2,602,053	(16,468)
Capital Outlay	480,500	532,500	601,501	69,001
Debt Service	-	-	-	-
Interest and Other Charges	-	-	3,193	3,193
Total Expenditures	15,467,605	15,620,105	15,226,684	(393,421)
Excess (Deficiency) of Revenues Over (under) Expenditures	(440,057)	(581,557)	563,925	1,145,482
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	300,000	300,000	207,815	(92,185)
Premium on Debt Issued	-	-	40,678	40,678
Transfers In	480,000	480,000	420,000	(60,000)
Transfers Out	(1,174,447)	(1,174,447)	(1,174,447)	-
Total Other Financing Sources and Uses	(394,447)	(394,447)	(505,954)	(111,507)
Net Change in Fund Balance	(834,504)	(976,004)	57,971	1,033,975
Fund Balances at Beginning of Year	3,814,648	3,814,648	3,814,648	-
Fund Balances at End of Year	\$ 2,980,144	\$ 2,838,644	\$ 3,872,619	\$ 1,033,975
Adjustments to general accepted accounting principles (GAAP) Basis				
Cemetery Fund			26,375	
Fund Balance - GAAP basis			\$ 3,898,994	

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

CITY OF CAMAS, WASHINGTON
Emergency Management Services
Statement of Revenues, Expenditures and Changes in Fund Balances
Compared to Budget (GAAP Basis) and Actual
For the Fiscal Year Ended December 31, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 1,160,700	\$ 1,160,700	\$ 1,161,514	\$ 814
Intergovernmental	120,000	120,000	90,364	(29,636)
Charges for Services	1,748,600	1,748,600	1,697,818	(50,782)
Fines and Forfeits	13,533	13,533	12,551	(982)
Interest Earnings	500	500	188	(312)
Contributions/Donations	500	500	460	(40)
Miscellaneous	1,000	1,000	17,037	16,037
Total Revenues	<u>3,044,833</u>	<u>3,044,833</u>	<u>2,979,932</u>	<u>(64,901)</u>
Expenditures:				
Current				
Security/Persons and Property	3,194,833	3,194,833	2,945,375	(249,458)
Capitalized Expenditures	-	-	165,757	165,757
Debt Service				
Interest and Other Charges	-	-	889	889
Total Expenditures	<u>3,194,833</u>	<u>3,194,833</u>	<u>3,112,021</u>	<u>(82,812)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(150,000)	(150,000)	(132,089)	17,911
Other Financing Sources (Uses):				
Premium on Debt Issued	-	-	14,951	14,951
Transfers Out	-	-	(2,141)	(2,141)
Intergovernmental Loan Proceeds	150,000	150,000	156,727	6,727
Total Other Financing Sources and Uses	<u>150,000</u>	<u>150,000</u>	<u>169,537</u>	<u>19,537</u>
Net Change in Fund Balance	-	-	37,448	37,448
Fund Balances at Beginning of Year	-	-	18,113	18,113
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,561</u>	<u>\$ 55,561</u>

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, 2013

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water Drainage	Sanitary	Total	Internal Service - Equipment Rental
Assets:					
Current Assets:					
Cash and Cash Equivalents	\$ 3,239,531	\$ 914,820	\$ 987,632	\$ 5,141,983	\$ 1,182,552
Receivables					
Accounts	1,404,626	158,466	297,492	1,860,584	6,142
Due from Other Governmental Units	-	16,669	-	16,669	-
Prepaid Expenses	2,421	-	-	2,421	-
Restricted Assets					
Cash and Cash Equivalents	2,369,523	-	-	2,369,523	-
Investments	203,034	-	-	203,034	-
Total Current Assets	<u>7,219,135</u>	<u>1,089,955</u>	<u>1,285,124</u>	<u>9,594,214</u>	<u>1,188,694</u>
Noncurrent Assets:					
Property, Plant and Equipment (Net)					
Land	983,172	-	-	983,172	104,731
Building	21,350,093	-	-	21,350,093	731,354
Intangible Assets	9,601	-	-	9,601	-
Improvements Other than Buildings	5,593,518	-	-	5,593,518	65,569
Machinery and Equipment	17,714,897	-	-	17,714,897	1,336,013
Infrastructure	36,547,623	9,631,240	-	46,178,863	-
Construction in Progress	4,509,217	31,470	-	4,540,687	-
Total Noncurrent Assets	<u>86,708,121</u>	<u>9,662,710</u>	<u>-</u>	<u>96,370,831</u>	<u>2,237,667</u>
Total Assets	<u>93,927,256</u>	<u>10,752,665</u>	<u>1,285,124</u>	<u>105,965,045</u>	<u>3,426,361</u>
Liabilities					
Current Liabilities:					
Accounts Payable	367,967	21,064	60,843	449,874	33,826
Custodial Accounts	155,023	-	-	155,023	-
Accrued Interest Payable	161,589	-	-	161,589	-
Accrued Employee Benefits	15,564	2,131	5,372	23,067	6,383
Unearned Revenues	1,674,456	-	-	1,674,456	-
Bonds, Notes and Loans Payable	2,264,393	-	-	2,264,393	-
Total Current Liabilities	<u>4,638,992</u>	<u>23,195</u>	<u>66,215</u>	<u>4,728,402</u>	<u>40,209</u>
Noncurrent Liabilities:					
Bonds, Notes and Loan Payable	23,856,877	-	-	23,856,877	-
Accrued Employee Benefits	211,294	19,182	78,866	309,342	67,619
Total Noncurrent Liabilities	<u>24,068,171</u>	<u>19,182</u>	<u>78,866</u>	<u>24,166,219</u>	<u>67,619</u>
Total Liabilities	<u>28,707,163</u>	<u>42,377</u>	<u>145,081</u>	<u>28,894,621</u>	<u>107,828</u>
Net Position:					
Net Investment in Capital Assets	60,586,851	9,662,710	-	70,249,561	2,237,667
Restricted for Debt Service	901,440	-	-	901,440	-
Restricted for Capital Purposes	1,671,117	-	-	1,671,117	-
Unrestricted	2,060,685	1,047,578	1,140,043	4,248,306	1,080,866
Total Net Position	<u>\$ 65,220,093</u>	<u>\$ 10,710,288</u>	<u>\$ 1,140,043</u>	<u>\$ 77,070,424</u>	<u>\$ 3,318,533</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				618,550	
Net Assets of Business-type Activities				<u>\$ 77,688,974</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, 2013

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water Drainage	Sanitary	Total	Internal Service - Equipment Rental
Operating Revenues:					
Charge for Services	\$ 9,780,132	\$ 1,106,237	\$ 2,117,327	\$ 13,003,696	\$ 1,240,308
Total Operating Revenues	<u>9,780,132</u>	<u>1,106,237</u>	<u>2,117,327</u>	<u>13,003,696</u>	<u>1,240,308</u>
Operating Expenses:					
Collection and Disposal	-	-	1,630,052	1,630,052	-
Storm Drainage Operations and Maintenance	-	394,388	-	394,388	-
Water Operations and Maintenance	1,608,470	-	-	1,608,470	-
Sewer Operations and Maintenance	2,115,178	-	-	2,115,178	-
Customer Accounts	23,209	-	9,170	32,379	-
Administration	1,066,780	278,339	131,644	1,476,763	-
Equipment Rental Operations	-	-	-	-	931,391
Taxes	341,492	15,728	95,937	453,157	-
Depreciation and Amortization	2,898,739	411,728	-	3,310,467	388,061
Total Operating Expenses	<u>8,053,868</u>	<u>1,100,183</u>	<u>1,866,803</u>	<u>11,020,854</u>	<u>1,319,452</u>
Operating Income (loss)	1,726,264	6,054	250,524	1,982,842	(79,144)
Nonoperating Revenues (Expenses)					
Interest Earnings	13,372	518	(3,052)	10,838	1,069
State and Federal Grants	-	1,037	-	1,037	-
Interest and Fiscal Charges	(718,093)	-	-	(718,093)	-
Gain (Loss) on Disposal of Assets	-	-	-	-	23,000
Miscellaneous Revenue (Expense)	376,784	-	-	376,784	2,654
Total Nonoperating Revenues (Expenses)	<u>(327,937)</u>	<u>1,555</u>	<u>(3,052)</u>	<u>(329,434)</u>	<u>26,723</u>
Income (Loss) before Contributions	1,398,327	7,609	247,472	1,653,408	(52,421)
Capital Contributions	2,488,803	1,220,208	-	3,709,011	-
Increase (Decrease) in Net Position	<u>3,887,130</u>	<u>1,227,817</u>	<u>247,472</u>	<u>5,362,419</u>	<u>(52,421)</u>
Total Net Position at Beginning of Year	61,385,185	9,482,471	892,571		3,370,954
Change in Accounting Principles	(52,222)	-	-		-
Total Net Position at End of Year	<u>\$ 65,220,093</u>	<u>\$ 10,710,288</u>	<u>\$ 1,140,043</u>		<u>\$ 3,318,533</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(26,050)	
Change in Net Position of Business-type Activities				<u>\$ 5,336,369</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, 2013

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water Drainage	Sanitary	Total	Internal Service - Equipment Rental
Cash Flows from Operating Activities:					
Cash received from Customers	\$ 9,573,258	\$ 1,093,489	\$ 2,089,268	\$ 12,756,015	\$ -
Cash received from Interfund Services Provided		-	-	-	1,240,314
Cash payments to Suppliers	(2,975,592)	(355,494)	(872,762)	(4,203,848)	(566,506)
Cash payments to Employees	(1,859,455)	(294,753)	(411,242)	(2,565,450)	(371,396)
Cash payments to Disposal Contractor	-	-	(572,955)	(572,955)	-
Cash payments for Interfund Services Used	(345,772)	(30,284)	-	(376,056)	-
Cash received for Connection Fees	76,355	-	-	76,355	-
Cash received from Other Non-Operating Revenues	531,807	-	-	531,807	2,654
Net Cash Provided by Operating Activities	<u>5,000,601</u>	<u>412,958</u>	<u>232,309</u>	<u>5,645,868</u>	<u>305,066</u>
Cash Flows from Noncapital Financing Activities:					
Proceeds from State Grants	-	1,037	-	1,037	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>1,037</u>	<u>-</u>	<u>1,037</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:					
Proceeds from Capital Grants	-	650,257	-	650,257	-
Proceeds from Other Long Term Debt	1,015,830	-	-	1,015,830	(190,038)
Acquisition and Construction of Capital Assets	(4,637,121)	(743,725)	-	(5,380,846)	-
Principal Paid on Revenue Bonds	(625,000)	-	-	(625,000)	-
Principal Paid on Other Long Term Obligations	(1,477,920)	-	-	(1,477,920)	-
Interest Paid on Revenue Bonds and Other Long Term Debt	(790,637)	-	-	(790,637)	-
Capital Contributed from Customers and Developers	43,216	-	-	43,216	-
Proceeds from Sale of Property	-	-	-	-	23,000
Net Cash Provided for Capital and Related Financing Activities	<u>(6,471,632)</u>	<u>(93,468)</u>	<u>-</u>	<u>(6,565,100)</u>	<u>(167,038)</u>
Cash Flows from Investing Activities:					
Interest on Investments and Cash Equivalents	17,806	517	3,416	21,739	1,069
Purchase of Investment Securities	(216,688)	-	(222,777)	(439,465)	-
Proceeds from Sale and Maturities of Investment Securities	384,226	-	216,309	600,535	-
Net Cash Used by Investing Activities	<u>185,344</u>	<u>517</u>	<u>(3,052)</u>	<u>182,809</u>	<u>1,069</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,285,687)	321,044	229,257	(735,386)	139,097
Cash and Cash Equivalents at Beginning of Year	6,894,741	593,776	758,375	8,246,892	1,043,455
Cash and Cash Equivalents at End of Year	<u>\$ 5,609,054</u>	<u>\$ 914,820</u>	<u>\$ 987,632</u>	<u>\$ 7,511,506</u>	<u>\$ 1,182,552</u>
Cash and cash equivalents	\$ 3,239,531	\$ 914,820	\$ 987,632	\$ 5,141,983	\$ 1,182,552
Restricted cash and cash equivalents	2,369,523	-	-	2,369,523	-
Total Cash and Cash Equivalents	<u>\$ 5,609,054</u>	<u>\$ 914,820</u>	<u>\$ 987,632</u>	<u>\$ 7,511,506</u>	<u>\$ 1,182,552</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, 2013

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water Drainage	Sanitary	Total	Internal Service - Equipment Rental
Reconciliation of Operating Income (Loss) to Net					
Cash Used by Operating Activities:					
Net Operating Income (Loss)	\$ 1,726,264	\$ 6,054	\$ 250,524	\$ 1,982,842	\$ (79,144)
Adjustments to Reconcile Net					
Operating Income (Loss) to Net					
Cash Provided by Operations:					
Depreciation Expense	2,898,739	411,728	-	3,310,467	388,061
(Increase) Decrease in Receivables	(130,519)	(12,748)	(28,059)	(171,326)	6
Increase (Decrease) in Current Payables	(17,622)	7,962	9,321	(339)	3,582
Increase (Decrease) in Accrued Employee Benefits	(8,068)	(38)	523	(7,583)	(10,093)
Receipt of Non-Operating Revenues	531,807	-	-	531,807	2,654
Total Adjustments	<u>3,274,337</u>	<u>406,904</u>	<u>(18,215)</u>	<u>3,663,026</u>	<u>384,210</u>
Net Cash Provided by Operating Activities	<u>\$ 5,000,601</u>	<u>\$ 412,958</u>	<u>\$ 232,309</u>	<u>\$ 5,645,868</u>	<u>\$ 305,066</u>
Noncash Investing, Financing and Capital Activities					
Capital Assets Donated	\$ 1,842,236	\$ 564,158	\$ -	\$ 2,406,394	\$ -
Capital Assets Built for Future Impact Credits	1,674,456	-	-	1,674,456	-
Long-term Debt Forgiven	603,351	-	-	603,351	-
Net Change in Fair Value of Investments	16,595	-	-	16,595	-

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

CITY OF CAMAS, WASHINGTON
Firemen's Pension Fund
Statement of Fiduciary Net Position
December 31, 2013

	<u>2013</u>
Assets:	
Cash and Cash Equivalents	\$ <u>2,536,630</u>
Total Assets	<u>2,536,630</u>
Liabilities:	<u>-</u>
Total Liabilities	<u>-</u>
Net Position	
Held in Trust for Pension Benefits	\$ <u><u>2,536,630</u></u>

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

CITY OF CAMAS, WASHINGTON
 Firemen's Pension Fund
 Statement of Changes in Fiduciary Net Position
 For The Year Ended December 31, 2013

	2013
Additions:	
Employer Contributions:	
For Pension Benefits	\$ 38,286
Total Contributions	38,286
Investment Income:	
Interest Earnings	7,018
Net increase (decrease) in the fair value of investments	(2,834)
Net Investment Income	4,184
Total Additions	42,470
Deductions:	
Pension Benefits	11,535
Total Deductions	11,535
Net Increase in Fiduciary Net Position	30,935
Net Position - Beginning	2,505,695
Net Position - Ending	\$ 2,536,630

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

City of Camas
Notes to the Financial Statements
December 31, 2013

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, sanitation, recreation, library, cemetery, public improvements, planning and zoning, water supply, treatment and distribution and sewage collection and treatment services. In addition, the City also provides 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 this function, the City of Washougal and East County Fire and Rescue levies property taxes and remits to the City their share of funding the ambulance and emergency aid services provided.

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 by the City's actual expenditures and the computer facilities by the number of computers by department. The General Fund incurred approximately \$1,341,290 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 *Emergency Management Services Fund* was established to account for the revenues and expenditures made in purchasing, maintaining and operating the ambulance and emergency aid service for the City, adjacent fire district and the City of Washougal. 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 for fund their proportionate share of service.

The *NW 38th Street Constuction Fund* is a capital projects fund which accounts for construction and extension of transportation capital facilities. Dedicated grant revenues and loan proceeds finance this activity.

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 Drainage 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.

The *Sanitary Fund* accounts for the activities of the city's sanitation operations. Revenues are received from charges for garbage and recycling services. Expenses are for the collection and disposal services provided to citizens and businesses within the City.

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, 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 *Pension Trust Fund* accounts for the activities of the Firemen's Pension fund, which accumulates resources for pension benefit payments to qualified firefighter retirees.

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.

Property taxes, franchise taxes, licenses 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 and Storm Water Drainage funds, non-major enterprise funds, 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 in government securities with interest accruing for the benefit of the individual investing funds. Cash resources required for immediate reasons (within the next month) are placed to the extent possible in short-term investments such as the Washington State Local Government Investment Pool or the Clark County Investment Pool with interest accruing to the benefit of each individual fund based on the monthly average cash balance of each fund.

Statutes authorize the City to invest in obligations of the U.S. Treasury, U.S. Agencies, the State Treasurer's Investment Pool, obligations of the State of Washington or political subdivisions and public funds investment pools. The City is currently invested in one public funds investment pool, Clark County. Investments for the City are reported at fair value. The Clark County and State Treasurer Investment Pools operate in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. All securities are transacted on the delivery versus payment basis. (See Note IV A) For the purposes of the statement of cash flows, the City considers the Washington State Local Government Investment Pool, the Clark County Investment Pool and all highly liquid investments with maturity of three months or less to be cash equivalents.

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 monthly 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

These accounts contain resources for debt service in enterprise 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 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 estimated fair market 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment is depreciated using the straight line method over the following estimated useful lives:

Asset Category	Useful Life
Buildings	50
Infrastructure	10-50
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, comptime, 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. Unavailable Revenue

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria has not been met. Additionally, it includes developer impact fee credits and system development charge credits. (See also Note IV H)

8. Restricted Net Position

The government-wide statement of net position reports \$4,117,209 of restricted net position, of which \$1,378,663 is restricted by enabling legislation.

9. 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 \$861,683 as assigned working capital in the General Fund. \$700,000 of this is intended as a stabilization fund. This is classified as assigned because the City did not adopt a resolution or 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 \$2,699,983 difference are as follows:

Net position of the internal service funds	\$ 3,318,533
Less: Internal payable representing charges in excess of cost to business-type activities - prior years	(592,500)
Add: Internal receivable representing cost to business -type activities in excess of charges - current year	<u>(26,050)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 2,699,983</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	\$ 3,787,000
Accrued Interest Payable	36,068
Due to other governments	6,375,173
Plus issuance premiums	207,525
Net OPEB Obligation	2,181,765
Impact Fee Credits	488,838
Compensated Absences	<u>1,269,205</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 14,345,574</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	\$ 8,579,517
Depreciation Expense	<u>(4,659,417)</u>
Net adjustment to increase <i>net changes in fund balances - governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>3,920,100</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 \$2,206,804 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.

	\$ <u>2,206,804</u>
Net adjustment to increase <i>net changes in fund balances - governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u><u>2,206,804</u></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	\$ 593,816
Court receipts	4,553
Grant revenues recognized	632,083
Property taxes	<u>(67,877)</u>
Net adjustments to increase <i>net changes in fund balances total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u><u>1,162,575</u></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 \$2,578,875 difference are as follows:

Principal repayments:	
General obligation debt	\$ 856,774
Premium on issuance of debt	(214,731)
Issuance of governmental loan	<u>(3,220,918)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u><u>(2,578,875)</u></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 \$90,906 difference are as follows:

Compensated Absences	\$ (314,763)
Accrued Interest	(13,468)
Net OPEB Obligation	230,119
Amortization of premium on issuance of debt	<u>7,206</u>
Net adjustment to decrease <i>net changes in funds balances - governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (90,906)</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 \$26,371 difference are as follows:

Change in net position of internal service funds	\$ (52,421)
Less: Profit from charges to business-type activities	<u>26,050</u>
Net adjustment to decrease <i>net changes in fund balances - governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ (26,371)</u>

NOTE III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The City of Camas adopted an annual 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, and on a basis consistent with generally accepted accounting principles.

Annual appropriated budgets are adopted for the General Fund, special revenue funds and debt service funds not related to special assessments, on the modified accrual basis of accounting. The budgetary basis of accounting differs from generally accepted accounting principles. 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.

Proprietary funds are budgeted on the full accrual basis for management control purposes only.

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.

B. DEFICIT FUND BALANCE

At December 31, 2013 the City Street Fund had a deficit fund balance of \$202,662 due to the cash collected for deferred inflows of resources in prior years having been spent. Additionally, the Friberg Street Construction Fund had a deficit fund balance of \$139,649 due to loan proceeds not received for costs incurred in 2013 and the NW 38th Street Construction Fund had a deficit fund balance of \$536,126 due to grant proceeds not received for costs in 2013.

NOTE IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Deposits:

All of the City’s deposits and certificates of deposits are insured either 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:

As of December 31, 2013 the City had the following pooled investments:

Investment Type	Par Value	Fair Value	Weighted Average (Maturity Years)	Weighted Average (To Call)
Washington State Local Investment Pool (LGIP)	\$3,549,973	\$3,549,973	.16 (57 days)	.16 (57 days)
Clark County Investment Pool	\$3,844,707	\$3,844,707	1.11	1.11
Certificates of Deposit	\$574,956	\$574,956	.56 (200 days)	.56 (200 days)
U.S. Agencies	\$6,899,423	\$6,876,569	3.42	.21 (76 days)
Total	\$14,869,058	\$14,846,204	1.18	.119 (43 days)

The City also held two securities for the City of Camas Water/Sewer Bond Reserve Fund:

Investment Type	Par Value	Fair Value	Weighted Average (Maturity Years)	Weighted Average (To Call)
Certificate of Deposit	\$155,735	\$155,735	.53 (189 days)	.53 (189 days)
Municipal Bond	\$205,974	\$203,034	2.96	2.96

Interest rate risk. Interest rate risk is the risk 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 1.18 years with a duration to call of 43 days or .119 years.

Credit rate risk. Credit risk is the risk that an issuer or other counterparty to an investment 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, 2013 are:

Debt Security	Standard and Poor's Credit Rating
Federal National Mortgage Association	AA+
Federal Farm Credit	AA+
Auburn Public Utility Revenue Bond	AA

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:

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

The City has investments in government sponsored agencies. Those securities that exceed the portfolio maximum are disclosed below:

Investment Type	Maturity Date	Fair Value	Percentage of Portfolio
Federal National Mortgage Association	8/22/2016	\$993,835	6.6%
Federal National Mortgage Association	5/26/2017	\$1,427,033	9.6%
Federal National Mortgage Association	6/19/2017	\$993,255	6.7%
Federal National Mortgage Association	8/23/2017	\$1,473,257	9.9%
Federal National Mortgage Association	10/11/2017	\$992,811	6.7%

Custodial credit risk (deposits). Custodial risk for deposits is the risk that, in the event of a bank failure, the government’s deposits may not be returned. The City’s deposits and certificates of deposit are entirely covered by the Federal Deposit Insurance Corporation (FDIC) and/or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). In the event of a bank failure, claims for the City’s deposits would be satisfied by the FDIC or from the sale of collateral held in the PDPC pool.

Custodial credit risk (investments). Custodial risk for investments is in the event of a failure of the counterparty, the government would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The City uses US Bank as the custodial agent for safekeeping of the City’s investments. The bank provides monthly reports on the City’s securities, all of which are held in the City’s name. The investments held by the City at year-end are all book-entry, registered securities.

Total cash and temporary investments are stated at \$1,344,147. This includes cash held in a fiduciary capacity. There is additional cash held in City accounts due to “float” of outstanding checks, which have not cleared the bank as of December 31, 2013. The total cash and investments held by the City, including the outstanding checks total \$16,549,120. The interest on these investments is prorated to the various funds. The City invests all available funds.

B. RECEIVABLES

Receivables as of December 31, 2013 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:

	<u>Taxes</u>	<u>Accounts Receivable</u>	<u>Due from Other Govt's</u>	<u>Total</u>
General Fund	\$ 736,336	\$ 33,263	\$ 228,066	\$ 997,665
Emergency Management Services	24,932	280,040	46,219	351,191
NW 38th Street	-	-	632,083	632,083
Other Governmental Funds	14,856	186,566	214,029	415,451
Water-Sewer	-	1,404,626	-	1,404,626
Storm Water Drainage	-	158,466	16,669	175,135
Sanitary	-	297,492	-	297,492
Internal Service	-	6,142	-	6,142
	<u>\$ 776,124</u>	<u>\$ 2,366,595</u>	<u>\$ 1,137,066</u>	<u>\$ 4,279,785</u>

Governmental funds report unearned 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 unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes receivable (general fund)	\$ 173,845	\$ -
Property taxes receivable (special revenue fund)	33,274	-
Property taxes receivable (debt service fund)	12,076	-
Developer contributions (non-major special revenue fund)	-	343,878
Court fines receivable (general fund)	211,639	-
Grant receivable	632,083	-
Due from other governmental units (special revenue fund)	25,741	-
Accounts receivable (special revenue fund)	196,363	-
Total deferred/unearned revenue for governmental funds	<u>\$ 1,285,021</u>	<u>\$ 343,878</u>

C. CAPITAL ASSETS

A summary of capital asset activity for the year ended December 31, 2013 was as follows:

	Beginning Balance 01/01/13	Increases	Decreases	Ending Balance 12/31/13
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 58,734,788	\$ 843,813	\$ -	\$ 59,578,601
Construction in progress	1,123,270	3,432,626	575,688	3,980,208
Total capital assets, not being depreciated	<u>59,858,058</u>	<u>4,276,439</u>	<u>575,688</u>	<u>63,558,809</u>
Capital assets, being depreciated/depleted				
Buildings	15,714,468	554,212	180,000	16,088,680
Improvements other than buildings	8,113,485	494,311	-	8,607,796
Machinery and equipment	10,075,058	509,889	339,760	10,245,187
Intangibles	79,486	5,563	-	85,049
Infrastructure	84,196,037	6,078,533	-	90,274,570
Total capital assets being depreciated	<u>118,178,534</u>	<u>7,642,508</u>	<u>519,760</u>	<u>125,301,282</u>
Less accumulated depreciation for:				
Buildings	4,782,708	370,130	180,001	4,972,837
Improvements other than buildings	4,491,655	304,964	-	4,796,619
Machinery and equipment	6,314,230	712,559	344,236	6,682,553
Intangibles	79,486	490	-	79,976
Infrastructure	51,568,051	3,663,811	-	55,231,862
Total accumulated depreciation	<u>67,236,130</u>	<u>5,051,954</u>	<u>524,237</u>	<u>71,763,847</u>
Total capital assets, being depreciated, net	50,942,404	2,590,554	(4,477)	53,537,435
Governmental activities capital assets, net	<u>\$ 110,800,462</u>	<u>\$ 6,866,993</u>	<u>\$ 571,211</u>	<u>\$ 117,096,244</u>

	Beginning Balance 01/01/13	Increases	Decreases	Ending Balance 12/31/13
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 953,931	\$ 29,241	\$ -	\$ 983,172
Construction in progress	307,979	4,639,434	411,826	4,535,587
Total capital assets, not being depreciated:	<u>1,261,910</u>	<u>4,668,675</u>	<u>411,826</u>	<u>5,518,759</u>
Capital assets, being depreciated:				
Buildings and system	26,250,065	260,067	-	26,510,132
Intangibles	14,062	-	-	14,062
Improvements other than buildings	8,346,536	201,764	-	8,548,300
Machinery and equipment	25,514,107	72,954	5,688	25,581,373
Infrastructure	58,765,953	6,173,054	1,487,411	63,451,596
Total capital assets, being depreciated	<u>118,890,723</u>	<u>6,707,839</u>	<u>1,493,099</u>	<u>124,105,463</u>
Less accumulated depreciation for:				
Buildings and system	4,376,188	783,851	-	5,160,039
Intangibles*	1,648	2,813	-	4,461
Improvements other than buildings	2,702,462	252,320	-	2,954,782
Machinery and equipment	7,011,180	860,984	5,688	7,866,476
Infrastructure	15,862,234	1,410,499	-	17,272,733
Total accumulated depreciation	<u>29,953,712</u>	<u>3,310,467</u>	<u>5,688</u>	<u>33,258,491</u>
Total capital assets, being depreciated, net	88,937,011	3,397,372	1,487,411	90,846,972
Business-type activities capital assets, net	<u>\$ 90,198,921</u>	<u>\$ 8,066,047</u>	<u>\$ 1,899,237</u>	<u>\$ 96,365,731</u>

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

Governmental activities:

General government	\$ 77,359
Public safety	245,843
Transportation, including depreciation of general infrastructure assets	3,746,284
Physical environment	4,923
Culture and recreation	585,008
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>392,537</u>
Total depreciation expense—governmental activities	<u>\$5,051,954</u>

Business-type activities:

Water-Sewer	\$2,898,739
Storm Water Drainage	<u>411,728</u>
Total depreciation expense—business-type activities	<u>\$3,310,467</u>

Significant Commitments

The City has remaining construction projects as of December 31, 2013. 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
Parks Comprehensive Plan Update	\$18,151	\$28,000
Heritage Boat Launch	\$420,040	\$300,000
NW 38 th Ave. Construction Phase I	\$5,456,400	\$20,000
NW Friberg/Strunk Construction	\$887,817	\$3,870,000
Lacamas Lodge	\$1,820,740	\$500,000
NW 38 th Ave. Phase II & III		\$3,642,000
NW 18 th Pedestrian Improvements		\$275,300

Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$823,850	\$6,300,000
Wastewater Treatment Plant Phase 2B	\$3,324,984	\$170,000
Sanitary Sewer Bypass Line	\$94,973	\$4,000,000
Vactor Waste Facility	\$31,470	\$206,755
Water Facilities Plan		\$22,746
Burlington Northern Railroad Bridge Replacement	\$30,010	\$35,677

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.

The Emergency Management Services Fund borrowed \$367,966 from the Growth Management Fund for cash needs pending the receipt of property taxes. \$350,000 of this balance was paid as of December 31, 2013, leaving a balance of \$17,966. This short term interfund borrowing occurs each year because property taxes that are significant revenue for the Emergency Management Services Fund are only received in May and November. In 2013, the NW 38th Street and Friberg Street Construction Funds borrowed \$402,134 and \$179,069, respectively, from the Growth Management Fund to cover capital outlays until grant funds were received.

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:

Transfers In:	General Fund	Growth Management	Emergency Management Services	Total
General Fund	\$ -	\$ 417,859	\$ 2,141	\$ 420,000
Nonmajor Governmental Funds	1,100,546	828,823	-	1,929,369
Total	\$ 1,100,546	\$ 1,246,682	\$ 2,141	\$ 2,349,369

During 2013 no significant non-routine and infrequent transfers were made.

E. RESTRICTED COMPONENT OF NET POSITION

The balances of the restricted net position in the enterprise fund is as follows:

	Amount
Revenue bond debt service account - Water-Sewer	\$ 901,440
Capital Reserve Account - Water-Sewer	1,671,117
	<u>2,572,557</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 \$3,787,000 in general obligation bonds outstanding on December 31, 2013.

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%	3,787,000
Total General Obligation Bonds					<u>\$ 3,787,000</u>

\$28,755 is available in the Debt Service Funds to service the general obligation bonds. Annual debt service requirements to maturity for general obligation bonds are as follows:

2005 Unlimited Tax GO Refunding Bonds				
	Coupon			Total
	Rates	Principal	Interest	Requirements
2014	3.70	\$ 486,000	\$ 140,119	\$ 626,119
2015	3.70	500,000	122,137	622,137
2016	3.70	519,000	103,637	622,637
2017	3.70	542,000	84,434	626,434
2018	3.70	558,000	64,380	622,380
2019-2020	3.70	1,182,000	66,043	1,248,043
		\$ <u>3,787,000</u>	\$ <u>580,750</u>	\$ <u>4,367,750</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>					
1996 PWTF (\$1,350,000)	Capital	8/21/1996	7/1/2016	3.00%	289,285
1997 PWTF (\$810,000)	Capital	7/1/1997	7/1/2017	3.00%	231,428
2001 PWTF (\$613,731)	Capital	3/26/2001	7/1/2022	0.50%	266,012
2003 PWTF (\$2,350,000)	Capital	5/21/2004	7/1/2023	0.50%	1,439,877
2009 State LOCAL (\$408,840)	Capital	6/23/2009	1/9/2016	4.01%	158,830
2012 PWTF (\$2,600,000)	Capital	12/13/2011	6/1/2031	0.50%	2,301,553
2013 State LOCAL (\$1,715,000)	Capital	8/22/2013	6/1/2028	3.52%	1,323,651
2013 State LOCAL (\$337,515)	Capital	8/22/2013	6/1/2023	2.61%	207,815
2013 State LOCAL (\$159,985)	Capital	8/22/2013	6/1/2019	1.62%	156,727
Governmental Total					<u>6,375,178</u>
<u>Business-type Activities</u>					
1999 PWTF (\$3,195,000)	Water-Sewer	5/5/1999	7/1/2019	1.00%	1,014,552
Comm. Econ. Revital. Board (\$600,000)	Water-Sewer	1/1/2001	1/1/2016	5.85%	157,507
1996 Department of Ecology (EPA) (\$1,185,920)	Water-Sewer	1996	4/17/2017	4.30%	285,429
1998 Department of Ecology (EPA) (\$8,826,516)	Water-Sewer	1998	9/15/2020	4.10%	3,958,467
2007 PWTF (\$1,000,000)	Water-Sewer	8/6/2007	7/1/2027	0.50%	631,945
2008 PWTF (\$10,000,000)	Water-Sewer	3/7/2008	7/1/2028	0.50%	7,828,950
2009 ARRA (\$1,313,000)	Water-Sewer	4/27/2009	10/1/2032	1.00%	554,712
2011 DOE (\$5,168,026)	Water-Sewer	1/10/2011	6/30/2032	2.80%	5,017,553
2012 PWTF (\$3,740,000)	Water-Sewer	4/11/2013	6/1/2032	0.50%	28,127
2012 PWTF (\$7,920,792)	Water-Sewer	4/9/2013	10/1/2036	1.00%	987,701
2012 PWTF (\$2,040,000)	Water-Sewer	8/9/2013	6/1/2037	0.50%	0
Business-type Total					<u>20,464,943</u>
<i>Total Government Loans</i>					<u><u>26,840,121</u></u>

Government loan debt service requirements to maturity are as follows:

Governmental Activities			
	Principal	Interest	Total Requirements
2014	\$ 653,709	\$ 107,704	\$ 761,413
2015	657,542	98,405	755,947
2016	633,083	85,870	718,953
2017	505,603	74,217	579,820
2018	455,405	65,512	520,917
2019-2023	2,083,272	206,129	2,289,401
2024-2028	1,002,971	52,933	1,055,904
2029-2031	383,593	3,836	387,429
	<u>\$ 6,375,178</u>	<u>\$ 694,606</u>	<u>\$ 7,069,784</u>

Business-type Activities			
	Principal	Interest	Total Requirements
2014	\$ 1,604,293	\$ 375,884	\$ 1,980,177
2015	1,637,176	338,158	1,975,334
2016	1,671,398	299,094	1,970,492
2017	1,653,285	299,811	1,953,096
2018	1,639,686	232,916	1,872,602
2019-2023	5,938,832	706,146	6,644,978
2024-2028	4,668,510	357,410	5,025,920
2029-2033	1,503,607	82,895	1,586,502
2034-2036	148,156	2,964	151,120
	<u>\$ 20,464,943</u>	<u>\$ 2,695,278</u>	<u>\$ 23,160,221</u>

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

1996 Public Works Trust Fund Loan-Parker St			
	Principal	Interest	Total Requirements
2014	96,429	8,678	105,107
2015	96,428	5,785	102,213
2016	96,428	2,893	99,321
	<u>\$ 289,285</u>	<u>\$ 17,356</u>	<u>\$ 306,641</u>

1997 Public Works Trust Fund Loan-Parker St.			
	Principal	Interest	Total Requirements
2014	57,857	6,943	64,800
2015	57,857	5,207	63,064
2016	57,857	3,471	61,328
2017	57,857	1,736	59,593
	<u>\$ 231,428</u>	<u>\$ 17,357</u>	<u>\$ 248,785</u>

2001 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2014	33,252	1,330	34,582
2015	33,252	1,164	34,416
2016	33,252	998	34,250
2017	33,252	831	34,083
2018	33,252	665	33,917
2019-2022	99,752	998	100,750
	<u>\$ 266,012</u>	<u>\$ 5,986</u>	<u>\$ 271,998</u>

2003 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2014	\$ 143,988	\$ 7,199	\$ 151,187
2015	143,988	6,479	150,467
2016	143,988	5,760	149,748
2017	143,988	5,040	149,028
2018	143,988	4,320	148,308
2019-2023	719,937	10,800	730,737
	<u>\$ 1,439,877</u>	<u>\$ 39,598</u>	<u>\$ 1,479,475</u>

2009 Local Option Capital Asset Lending (LOCAL) Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	61,647	5,759	67,406
2015	64,144	3,262	67,406
2016	33,039	663	33,702
	\$ <u>158,830</u>	\$ <u>9,684</u>	\$ <u>168,514</u>

2012 Public Works Trust Fund Loan-38th St

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	127,864	\$ 7,989	\$ 135,853
2015	127,864	10,868	138,732
2016	127,864	10,229	138,093
2017	127,864	9,590	137,454
2018	127,864	8,950	136,814
2019-2023	639,320	35,163	674,483
2024-2028	639,319	19,180	658,499
2029-2031	383,594	3,836	387,430
	\$ <u>2,301,553</u>	\$ <u>105,805</u>	\$ <u>2,407,358</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	85,000	\$ 65,019	\$ 150,019
2015	85,000	74,050	159,050
2016	90,000	71,500	161,500
2017	90,000	68,800	158,800
2018	95,000	65,200	160,200
2019-2023	555,000	249,750	804,750
2024-2028	323,651	68,625	392,276
	\$ <u>1,323,651</u>	\$ <u>662,944</u>	\$ <u>1,986,595</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	\$ 24,520	\$ 5,568	\$ 30,088
2015	25,142	4,934	30,076
2016	25,908	4,155	30,063
2017	26,833	3,215	30,048
2018	28,071	1,970	30,041
2019	26,253	634	26,887
	<u>\$ 156,727</u>	<u>\$ 20,476</u>	<u>\$ 177,203</u>

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

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	\$ 28,153	\$ 14,269	\$ 42,422
2015	28,867	13,555	42,422
2016	29,746	12,676	42,422
2017	30,809	11,613	42,422
2018	32,231	10,191	42,422
2019-2023	58,009	12,384	70,393
	<u>\$ 207,815</u>	<u>\$ 74,688</u>	<u>\$ 282,503</u>

1999 Public Works Trust Fund Loan-WWTP Upgrade

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	\$ 169,092	\$ 10,146	\$ 179,238
2015	169,092	8,455	177,547
2016	169,092	6,764	175,856
2017	169,092	5,073	174,165
2018	169,092	3,882	172,974
2019	169,092	1,691	170,783
	<u>\$ 1,014,552</u>	<u>\$ 36,011</u>	<u>\$ 1,050,563</u>

2001 Community Economic Revitalization Board

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	49,547	9,214	58,761
2015	52,446	6,315	58,761
2016	55,514	3,247	58,761
\$	<u>157,507</u>	<u>18,776</u>	<u>176,283</u>

1996 Department of Ecology (EPA) Loan-STP

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	77,262	11,452	88,714
2015	80,620	8,094	88,714
2016	84,124	4,590	88,714
2017	43,423	934	44,357
\$	<u>285,429</u>	<u>25,070</u>	<u>310,499</u>

1998 Department of Ecology (EPA) Loan-STP

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	\$ 499,024	\$ 157,234	\$ 656,258
2015	519,693	136,565	656,258
2016	541,219	115,039	656,258
2017	563,637	92,621	656,258
2018	586,983	69,275	656,258
2019-2020	1,247,911	64,604	1,312,515
\$	<u>3,958,467</u>	<u>635,338</u>	<u>4,593,805</u>

2007 Public Work Trust Fund Loan-WWTP Design

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014	\$ 45,139	\$ 3,160	\$ 48,299
2015	45,139	2,934	48,073
2016	45,139	2,708	47,847
2017	45,139	2,483	47,622
2018	45,139	2,257	47,396
2019-2023	225,695	7,899	233,594
2024-2027	180,555	2,257	182,812
\$	<u>631,945</u>	<u>23,698</u>	<u>655,643</u>

2008 Public Work Trust Fund Loan-WWTP Construction

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	521,930	\$ 39,145	\$ 561,075
2015	521,930	36,535	558,465
2016	521,930	33,925	555,855
2017	521,930	31,316	553,246
2018	521,930	28,706	550,636
2019-2023	2,609,650	104,386	2,714,036
2024-2028	2,609,650	39,145	2,648,795
\$	<u>7,828,950</u>	<u>\$ 313,158</u>	<u>\$ 8,142,108</u>

2009 ARRA Loan-Well #14

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	30,817	\$ 5,547	\$ 36,364
2015	30,817	5,238	36,055
2016	30,817	4,931	35,748
2017	30,817	4,623	35,440
2018	30,817	4,314	35,131
2019-2023	154,087	16,450	170,537
2024-2028	154,087	9,245	163,332
2029-2032	92,453	1,849	94,302
\$	<u>554,712</u>	<u>\$ 52,197</u>	<u>\$ 606,909</u>

2011 Department of Ecology Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	210,002	\$ 139,845	\$ 349,847
2015	215,958	133,889	349,847
2016	222,083	127,764	349,847
2017	228,382	121,465	349,847
2018	234,859	114,988	349,847
2019-2023	1,278,071	471,164	1,749,235
2024-2028	1,469,892	279,343	1,749,235
2029-2032	1,158,307	66,158	1,224,465
\$	<u>5,017,554</u>	<u>\$ 1,454,616</u>	<u>\$ 6,472,170</u>

2012 Public Works Trust Fund--Surface Water Supply

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	\$ -	\$ -	\$ -
2015	-	-	-
2016	-	-	-
2017	49,385	41,178	90,563
2018	49,385	9,383	58,768
2019-2023	246,925	39,508	286,433
2024-2028	246,925	27,161	274,086
2029-2033	246,925	14,815	261,740
2034-2036	148,156	2,964	151,120
	\$ <u>987,701</u>	\$ <u>135,009</u>	\$ <u>1,122,710</u>

2012 Public Works Trust Fund--Sewer Main

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2014 \$	\$ 1,480	\$ 141	\$ 1,621
2015	1,481	133	1,614
2016	1,480	126	1,606
2017	1,480	118	1,598
2018	1,481	111	1,592
2019-2023	7,402	444	7,846
2024-2028	7,400	259	7,659
2029-2032	5,923	74	5,997
	\$ <u>28,127</u>	\$ <u>1,406</u>	\$ <u>29,533</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 \$9,890,000. The water sewer revenue bonds are issued to finance capital projects. Revenue bonds outstanding at year-end are as follows:

Name & Amount of Issuance	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
1998 Water Sewer Refunding (\$4,370,000)	10/28/1998	4/1/2016	3.5% to 4.45%	\$ 1,295,000
2007 Water Sewer (\$5,520,000)	9/6/2007	12/1/2026	4.25% to 5.00%	4,230,000
<i>Total Revenue Bonds</i>				<u>5,525,000</u>

Revenue bond debt service requirements to maturity are as follows:

	Revenue Bonds		
	Principal	Interest	Total Requirements
2014	655,000	241,681	896,681
2015	685,000	211,195	896,195
2016	715,000	185,348	900,348
2017	280,000	162,335	442,335
2018	295,000	141,710	436,710
2019-2023	1,690,000	490,835	2,180,835
2024-2026	1,205,000	107,580	1,312,580
	<u>\$ 5,525,000</u>	<u>\$ 1,540,684</u>	<u>\$ 7,065,684</u>

The maximum annual debt service or \$901,440 is set aside in the reserve account of the Water-Sewer Fund in accordance with bond requirements. Annual debt service requirements to maturity for each of the individual revenue bonds are as follows:

	1998 Water-Sewer Refunding Bond			
	Coupon Rates	Principal	Interest	Total Requirements
2014	4.35	\$ 415,000	\$ 47,971	\$ 462,971
2015	4.40	430,000	29,485	459,485
2016	4.45	450,000	10,013	460,013
		<u>\$ 1,295,000</u>	<u>\$ 87,469</u>	<u>\$ 1,382,469</u>

2007 Water-Sewer Bond				
	Coupon Rates	Principal	Interest	Total Requirements
2014	5.00	\$ 240,000	\$ 193,710	\$ 433,710
2015	5.00	255,000	181,710	436,710
2016	5.00	265,000	168,960	433,960
2017	5.00	280,000	155,710	435,710
2018		295,000	141,710	436,710
2019-2023	5-4.5	1,690,000	490,835	2,180,835
2024-2026	4.3-4.4	1,205,000	107,580	1,312,580
		<u>\$ 4,230,000</u>	<u>\$ 1,440,215</u>	<u>\$ 5,670,215</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, 2013 was 4.86.

ARBITRAGE

The City has one bond issue, the 2007 Water and Sewer Revenue Bonds, subject to arbitrage calculations for the Internal Revenue Service because it did not meet the small issuer exemption. This bond issue does not have a rebatable arbitrage liability due to the negative arbitrage calculation of \$102,242.

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, 2013, the recorded liability on the government-wide statements for vacation and sick leave is \$1,563,707, with \$1,333,033 recorded in governmental activities and \$230,674 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			Ending	Due Within
	Balance	Additions	Reductions	Balance	One Year
Governmental activities					
Bonds payable:					
General obligation bonds	\$ 4,253,000	\$ -	\$ 466,000	\$ 3,787,000	\$ 486,000
Government loans	3,545,033	3,220,918	390,773	6,375,178	653,709
Less deferred amounts					
For Issuance premiums (discounts)	-	214,731	7,206	207,525	10,666
Total government loans	3,545,033	3,435,649	397,979	6,582,703	664,375
Net OPEB obligation	1,962,491	229,448	-	2,191,939	-
Compensated absences	1,487,931	971,743	1,126,641	1,333,033	114,661
Governmental activity long-term liabilities	\$ <u>11,248,455</u>	\$ <u>4,636,840</u>	\$ <u>1,990,620</u>	\$ <u>13,894,675</u>	\$ <u>1,265,036</u>
Business-type activities					
Revenue bonds	\$ 6,150,000	\$ -	\$ 625,000	\$ 5,525,000	\$ 655,000
Less deferred amounts					
For issuance premiums (discounts) on refunding	82,330	-	5,100	77,230	5,100
Total bonds payable	6,232,330	-	630,100	5,602,230	660,100
Government loans	21,584,481	1,015,830	2,081,271	20,464,943	1,604,293
Net OPEB Obligation	86,760	14,975	-	101,735	-
Compensated absences	253,232	122,895	145,453	230,674	23,067
Business-type activity long-term liabilities	\$ <u>28,156,803</u>	\$ <u>1,153,700</u>	\$ <u>2,856,824</u>	\$ <u>26,399,582</u>	\$ <u>2,287,460</u>

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 of \$63,828 and OPEB liability of \$10,174. 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 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, 2013, the remaining nonvoted and voted remaining capacity was \$32,872,691 and \$65,168,832, respectively.

NOTE V. OTHER DISCLOSURES

A. RISK MANAGEMENT

The City 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 162 Members.

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

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile, police, public officials' errors or omissions, stop gap, and employee benefits liability. Limits are \$4 million per occurrence self-insured layer, and \$16 million per occurrence in the re-insured excess layer. The excess layer is insured by the purchase of reinsurance and insurance and is subject to aggregate limits. Total limits are \$20 million per occurrence subject to aggregate sublimits in the excess layers. The Board of Directors determines the limits and terms of coverage annually.

Insurance coverage for property, automobile physical damage, fidelity, inland marine, and boiler and machinery are purchased on a group basis. Various deductibles apply by type of coverage. Property insurance and auto physical damage are self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that amount by the purchase of insurance.

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

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

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

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.

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 unearned 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 2013 was \$3.60 per \$1,000 on an assessed valuation of \$2.76 (billion) for a total regular levy of \$10,827,713.

Special levies approved by the voters are not subject to the limitations described above. In 2013, the City levied an additional \$.46 per \$1,000 to provide emergency medical services for a total additional levy of \$1,161,514. Further, in 2013, the City levied an additional \$.25 for payment of library bonds for a total additional levy of \$624,893.

C. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Substantially all City of Camas 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 retirement plans. 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 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov. The following disclosures are made pursuant to GASB Statements 27, Accounting for Pensions by State and Local Government Employers and 50, Pension Disclosures, an Amendment of GASB Statements 25 and 27.

PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) PLANS 1, 2 AND 3

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; employees of district and municipal courts; and employees of local governments. Membership also includes higher education employees not participating in higher education retirement programs. Approximately 49 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to Plan 3.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members, and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2013, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with 25 years of service, or at age 60 with at least 5 years of service. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits.

The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

PERS Plan 2 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 reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May 1, 2013:

- With a benefit that is reduced by 3 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 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of 5 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.

PERS Plan 2 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For DRS' Fiscal Year 2013, PERS Plan 3 employee contributions were \$99.0 million, and plan refunds paid out were \$69.4 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS 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 twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.

- If they have 30 service credit years and are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 benefits are actuarially reduced to reflect the choice, if made, of a survivor option. PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related death benefit is provided to the beneficiary or the estate of a PERS member who dies as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

From January 1, 2007 through December 31, 2007, judicial members of PERS were given the choice to elect participation in the Judicial Benefit Multiplier (JBM) Program enacted in 2006. Justices and judges in PERS Plan 1 and Plan 2 were able to make an irrevocable election to pay increased contributions that would fund a retirement benefit with a 3.5 percent multiplier. The benefit would be capped at 75 percent of AFC. Judges in PERS Plan 3 could elect a 1.6 percent of pay per year of service benefit, capped at 37.5 percent of AFC.

Newly elected or appointed justices and judges who chose to become PERS members on or after January 1, 2007, or who had not previously opted into PERS membership, were required to participate in the JBM Program.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2012:

Retirees and Beneficiaries Receiving Benefits	82,242
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	30,515
Active Plan Members Vested	106,317
Active Plan Members Nonvested	44,273
Total	263,347

Funding Policy

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer

and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2013, are as follows:

Members Not Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer*	9.21%**	9.21%**	9.21%***
Employee	6.00%****	4.92%****	*****

- * The employer rates include the employer administrative expense fee currently set at 0.18%.
- ** The employer rate for state elected officials is 13.73% for Plan 1 and 9.21% for Plan 2 and Plan 3.
- *** Plan 3 defined benefit portion only.
- **** The employee rate for state elected officials is 7.50% for Plan 1 and 4.92% for Plan 2.
- ***** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Members Participating in JBM:

	PERS Plan 1	PERS Plan 2	PERS Plan 3
Employer-State Agency*	11.71%	11.71%	11.71%**
Employer-Local Gov't Units*	9.21%	9.21%	9.21%**
Employee-State Agency	9.76%	9.80%	7.50%***
Employee-Local Gov't Units	12.26%	12.30%	7.50%***

- * The employer rates include the employer administrative expense fee currently set at 0.18%.
- ** Plan 3 defined benefit portion only.
- ***Minimum rate.

The City's required contributions for the years ending December 31 were as follows:

	<u>PERS Plan 1</u>	<u>PERS Plan 2</u>	<u>PERS Plan 3</u>
2013	10,396	455,904	45,392
2012	9,119	401,113	43,285
2011	7,814	350,598	37,015

LAW ENFORCEMENT OFFICERS' AND FIREFIGHTERS' (LEOFF) PLANS 1 AND 2

Plan Description

LEOFF was established in 1970 by the Legislature. Membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters and, as of July 24, 2005, emergency medical technicians. LEOFF membership is comprised primarily of non-state employees, with Department of Fish and Wildlife enforcement officers, who were first included effective July 27, 2003, being an exception. LEOFF retirement benefit provisions are established in chapter 41.26 RCW and may be amended only by the State Legislature.

LEOFF is a cost-sharing multiple-employer retirement system comprised of two separate defined benefit plans. LEOFF members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 are Plan 2 members.

Effective July 1, 2003, the LEOFF Plan 2 Retirement Board was established by Initiative 790 to provide governance of LEOFF Plan 2. The Board's duties include adopting contribution rates and recommending policy changes to the Legislature.

LEOFF retirement benefits are financed from a combination of investment earnings, employer and employee contributions, and a special funding situation in which the state pays through legislative appropriations. Employee contributions to the LEOFF Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2013, the rate was five and one-half percent compounded quarterly. Members in LEOFF Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest earnings, in lieu of any retirement benefit, upon separation from LEOFF-covered employment.

LEOFF Plan 1 members are vested after the completion of five years of eligible service. Plan 1 members are eligible for retirement with five years of service at the age of 50.

The benefit per year of service calculated as a percent of final average salary (FAS) is as follows:

Term of Service	Percent of Final Average Salary
20 or more years	2.0%
10 but less than 20 years	1.5%
5 but less than 10 years	1.0%

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 10 years of service. A cost-of-living allowance is granted (based on the Consumer Price Index).

LEOFF Plan 1 provides death and disability benefits. Death benefits for survivors of Plan 1 members on active duty consist of the following: (1) If there is an eligible spouse, 50 percent of the FAS, plus 5 percent of the FAS for each eligible surviving child, with a limitation on the combined benefit of 60 percent of the FAS; or (2) If there is no eligible spouse, eligible children receive 30 percent of the FAS for the first child plus 10 percent for each additional child, subject to a 60 percent limitation of the FAS, divided equally.

A one-time duty-related death benefit is provided to the beneficiary or the estate of a LEOFF Plan 1 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

The LEOFF Plan 1 disability benefit is 50 percent of the FAS plus 5 percent for each child up to a maximum of 60 percent. Upon recovery from disability before the age of 50, a member is restored to service with full credit for service while disabled. Upon recovery after the age of 50, the benefit continues as the greater of the member's disability benefit or service retirement benefit.

LEOFF Plan 2 members are vested after the completion of five years of eligible service.

Plan 2 members are eligible for retirement at the age of 53 with five years of service, or at age 50 with 20 years of service. Plan 2 members receive a benefit of 2 percent of the FAS per year of service (the FAS is based on the highest consecutive 60 months), actuarially reduced to reflect the choice of a survivor option. 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 3 percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. A cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

LEOFF Plan 2 provides disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 benefit amount is 2 percent of the FAS for each year of service. Benefits are reduced to reflect the choice of survivor option and for each year that the member's age is less than 53, unless the disability is duty-related. If the member has at least 20 years of service and is age 50, the reduction is 3 percent for each year prior to age 53.

A disability benefit equal to 70 percent of their FAS, subject to offsets for workers' compensation and Social Security disability benefits received, is also available to those LEOFF Plan 2 members who are catastrophically disabled in the line of duty and incapable of future substantial gainful employment in any capacity. Effective June 2010, benefits to LEOFF Plan 2 members who are catastrophically disabled include payment of eligible health care insurance premiums.

Members of LEOFF Plan 2 who leave service because of a line of duty disability are allowed to withdraw 150 percent of accumulated member contributions. This withdrawal benefit is not subject to federal income tax. Alternatively, members of LEOFF Plan 2 who leave service because of a line of duty disability may be eligible to receive a retirement benefit of at least 10 percent of FAS and 2 percent per year of service beyond five years. The first 10 percent of the FAS is not subject to federal income tax.

LEOFF Plan 2 retirees may return to work in an eligible position covered by another retirement system, choose membership in that system and suspend their pension benefits, or not choose membership and continue receiving pension benefits without interruption.

A one-time duty-related death benefit is provided to the beneficiary or the estate of a LEOFF Plan 2 member who dies as a result of injuries or illness sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

Benefits to eligible surviving spouses and dependent children of LEOFF Plan 2 members killed in the course of employment include the payment of eligible health care insurance premiums.

Legislation passed in 2009 provides to the Washington state registered domestic partners of LEOFF Plan 2 members the same treatment as married spouses, to the extent that the treatment is not in conflict with federal laws.

LEOFF members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

There are 374 participating employers in LEOFF. Membership in LEOFF consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2012:

Retirees and Beneficiaries Receiving Benefits	10,189
Terminated Plan Members Entitled to But Not Yet Receiving Benefits	689
Active Plan Members Vested	14,273
Active Plan Members Nonvested	2,633
Total	27,784

Funding Policy

Employer and employee contribution rates are developed by the Office of the State Actuary to fully fund the plans. Starting on July 1, 2000, Plan 1 employers and employees contribute zero percent, as long as the plan remains fully funded. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

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 DRS' Fiscal Year 2013, the state contributed \$54.2 million to LEOFF Plan 2.

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.26 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2013, are as follows:

	LEOFF Plan 1	LEOFF Plan 2
Employer*	0.18%	5.23%**
Employee	0.00%	8.41%
State	N/A	3.36%

*The employer rates include the employer administrative expense fee currently set at 0.18%.

** The employer rate for ports and universities is 8.59%.

Both the City of Camas and the employees made the required contributions. The City's required contributions for the years ended December 31 were as follows:

	LEOFF Plan 1	LEOFF Plan 2
2013	\$0	\$303,587
2012	\$0	\$302,222
2011	\$0	\$288,854

CITY OF CAMAS FIREMAN'S PENSION FUND

The City is the administrator of a single employer defined benefit pension 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. The plan presently has three individuals retired under the LEOFF plan, but drawing excess benefits from this plan. There are no current retirees for this plan. All future obligations of the Firemen's Pension Fund were assumed by the state pension system, LEOFF.

The Fireman's Pension Fund investment balance consists of \$2,536,630 in US government issued or guaranteed investments with the fair values determined by marked quotations as of December 31, 2013, and as reported by fund managers.

A recent actuarial survey has not been done because annual benefits are approximately \$15,000 and the net position held in trust for pension benefits are over \$2,500,000. However, the last actuarial survey indicated that there was no accrued liability in the system. Furthermore, there was no preparation of the schedules of funding progress and employer contributions because future funding and contributions by the City is not necessary.

D. POST RETIREMENT HEALTH CARE PROGRAM (OPEB)

Plan Description:

In addition to the pension benefits described, 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 continue from retirement until Medicare eligibility for employees retiring with at least 10 years of service, under the provision of the applicable PERS or LEOFF II retirement plan. 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.

As of year-end, there were fifteen employees who had retired and were receiving these benefits.

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, 2013, there are twelve participants who have retired and receive these benefits.

This OPEB plan does not issue a stand-alone financial report nor is it included in the report of another entity.

Funding Policy:

This plan is not currently funded. It is financed on a pay-as-you-go basis.

The City pays the 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.

Under the LEOFF I Healthcare Reimbursements, the plan member has no required contributions. Amendments to the plan may be made through State statute.

The City was required to contribute \$605,600, but only contributed \$361,177 at December 31, 2013. This \$361,177 contributed differs from the Annual Required Contribution (ARC) because the plan is financed on a pay-as-you-go-basis. The difference between the OPEB costs and the required contribution is called the Net OPEB Obligation (NOO). The amount of \$2,293,674 is the actuarial accrued liability recognized on the government wide statement of net position. \$2,191,939 and \$101,735 is recognized as a liability on the governmental activities and a business type statement of net position, respectively.

As of the most recent actuarial valuation date, January 1, 2013, the total unfunded actuarial liability (UAAL) is \$7,459,061. The covered payroll (annual payroll of active employees covered by the plan) was \$6,241,891 and the ratio of the UAAL to the covered payroll was 120 percent.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

Fiscal Year Ended	Annual OPEB Costs	Percentage of Annual OPEB Costs Contributed	Net OPEB Obligation
2013	\$ 605,600	60%	\$ 2,293,674
2012	616,800	38%	2,049,251
2011	603,928	36%	1,665,979

Annual OPEB Cost and Net OPEB Obligation:

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determine in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Actuarial Required Contribution (ARC 12/31/13)	\$ 610,299
Interest on Net OPEB Obligation (NOO)	81,970
Adjustment to NOO	<u>(86,669)</u>
Annual OPEB Cost	605,600
Employer Contributions	<u>361,177</u>
Increase (Decrease) in NOO	244,423
Net OPEB Obligation - Beginning of Year	<u>2,049,251</u>
Net OPEB Obligation - Ending of Year	<u>\$ 2,293,674</u>

Actuarial Methods and Assumptions:

The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Examples include assumptions about retirement ages, mortality and the healthcare cost trend. The actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Additionally, calculations are based on the types of benefits provided under the terms of the plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective.

The specific actuarial methods and significant assumptions used to determine the ARC for the current year are as follows:

	Pre-65 Medical	LEOFF I
Valuation Date	1/1/2013	1/1/2013
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit
Method used to determine the actuarial value of assets	N/A	N/A
Interest Rate for Discounting Future Liabilities	4.00%	4.00%
Projected Payroll Growth	3.75%	3.75%
Inflation Rate	3.00%	3.00%
Investment Return	N/A	N/A
Healthcare Cost Trend Rate – Initial	8%	8%
Healthcare Cost Trend Rate – Ultimate	5%	5%
Amortization Method	Level Dollar	Level Dollar
Amortization Period - Closed	24	13

E. FEDERAL FINANCIAL ASSISTANCE

The City recorded the following federal grant revenues and loans for 2013.

Federal Catalog No.	Government	Program	Amount
14.218	Dept. of H.U.D.	Community Development Block Grant	\$ 176,616
16.607	Dept. of Justice	Bulletproof Vest Partnership	1,706
20.205	Dept. of Transportation	Highway Planning and Construction	1,798,443
20.600	Dept. of Transportation	State and Community Highway Safety	1,299
45.310	Inst of Museum and Library Services	Grants to States-	4,353
97.083	Homeland Security	Staffing for Adequate Fire and Emergency Response	<u>221,065</u>
Total Federal Financial Assistance			<u>\$2,203,481</u>

F. CONTINGENT LIABILITIES

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.

G. SUBSEQUENT EVENTS

The City of Camas and the City of Washougal entered into an agreement to consolidate the Camas and Washougal Fire departments. Upon consolidation, the City of Camas will operate the Camas Washougal Fire Departments. Under GASB 69, *Government Combinations and Disposal of Government Operations*, this consolidation will be classified as a transfer of operations. Consolidation is expected to be finalized by June 2014.

On August 9, 2013, the City received a twenty year loan for \$3,740,000 at .50% interest from the Washington State Department of Commerce to assist with partial financing for the construction of a sanitary sewer transmission main with anticipated construction costs of \$4,400,000. As of December 31, 2013 draws of \$28,128 had been made on this loan. Annual debt service payments will commence in 2014.

On August 9, 2013, the city received a twenty year loan for \$2,040,000 at .50% interest from the Washington State Department of Commerce to assist with partial financing for the construction of a 2 million gallon water reservoir with anticipated construction costs of \$2,400,000. As of December 31, 2013 no draw downs had been made on this loan by the city, therefore this debt is not shown on the financial statements. Annual debt service payments will commence in 2014, principal payments are deferred until 2017.

On August 27, 2013, the city received a twenty-four year loan of \$7,920,792 at 1% interest from the Drinking Water State Revolving Fund to finance the construction of a pressure zone surface water supply project with anticipated total construction costs of \$8,000,000. At construction completion, \$819,190 of this loan will be forgivable and will reduce the amount of the loan outstanding by this amount. As of December 31, 2013 \$987,702 in draw downs had been made on this loan by the city. Annual debt service payments are anticipated to commence October 1, 2015.

On January 22, 2013, the Washington State Department of Commerce has approved and funded, but a contract has not been signed yet for a \$300,000 five year loan to the city to assist in financing the design to reconstruct and improvement of 4500 linear feet of NW Friberg Street and NW Goodwin Road including installation of a new traffic signal. The total anticipated design cost is \$900,000. Annual debt service payments are anticipated to commence 2016.

On February 19, 2013, the Washington State Department of Commerce has approved and funded, but a contract has not been signed yet for a \$1,500,000 twenty year loan to the city to assist with partial financing of the construction costs of reconstruction and improvements of 4500 linear feet of NW Friberg Street and NW Goodwin Road including installation of a new traffic signal. The anticipated construction cost is \$4,950,000. Debt service typically commences upon completion of the project.

On February 19, 2013, the Washington State Department of Commerce has approved and funded, but a contract has not been signed yet for a \$1,750,000 twenty year loan to the city to finance significant capital improvements of NW 6th Avenue including possible installation of a new traffic signal. The anticipated construction cost is \$1,750,000. Debt service typically commences upon completion of the project.

H. 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.

2013 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 Fees	\$ 635,690	\$ 381,900	\$ 564,030	\$ 453,560
Park Impact Fees	35,278	-	-	35,278
	670,968	381,900	564,030	488,838
Water System Development Charges	-	827,636	-	827,636
Sewer System Development Charges	-	846,820	-	846,820
	-	1,674,456	-	1,674,456
Total Impact Fee Credits	\$ 670,968	\$ 2,056,356	\$ 564,030	\$ 2,163,294

I. ACCOUNTING AND REPORTING CHANGES

The City implemented GASB 65, Items Previously Reported as Assets and Liabilities. This established accounting and financial reporting standards that reclassify, as *Deferred Outflows of Resources or Deferred Inflows of Resources*, certain items that were previously reported as *Assets and Liabilities* and recognizes, as *Outflows of Resources or Inflows of Resources*, certain items that were previously reported as *Assets and Liabilities*. The statement of net position was modified to include new sections, entitled “Deferred inflows of resources” and “Deferred outflows of resources”.

Further, the Statement of Activities presents a change in accounting principles of \$75,449 to remove the bond issue discounts that are to be recorded as a current period expense rather than deferred over the life of the bonds. Additionally, the Water-Sewer proprietary fund statement of Revenues, Expenses and Change in Net Position display a change in accounting principles of \$52,222, for the same reason.

J. PRIOR PERIOD ADJUSTMENTS

The governmental activities column of the Statement of Activities, presents a prior period adjustment in the amount of \$(531,938). This represents impact fee credits awarded prior to 2013, which were not recognized as unearned revenue.

CITY OF CAMAS, WASHINGTON
 Required Supplementary Information
 Other Postemployment Benefits Plan
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded Actuarial Accrued Liabilities (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b- a)/c)
1/1/2007	\$ -	\$ 5,966,966	\$ 5,966,966	0.00%	\$ 7,078,470	84.30%
1/1/2009	-	7,181,555	7,181,555	0.00%	7,482,708	95.98%
1/1/2011	-	8,027,014	8,027,014	0.00%	7,161,601	112.08%
1/1/2013	-	7,459,061	7,459,061	0.00%	6,241,891	119.50%

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

Growth Management Fund – This fund accounts for purchase and construction of capital facilities. Dedicated impact fees, real estate excise taxes and grant revenues finance this activity.

Friberg Street Construction Fund – This fund was created in 2012 to account for reconstruction of a 22' wide rural road to an urban standard roadway along NW Friberg Street from NW Lake Road to NE 13th Street.

Community Center Capital Project Fund – This fund was established in 2010 to accept donations designated for the construction of a new community center to be built in the future.

CITY OF CAMAS, WASHINGTON

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2013

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 199,933	\$ 28,755	\$ 1,145,829	\$ 1,374,517
Property Taxes Receivables	-	14,856	-	14,856
Accounts Receivable (net)	10,091	-	176,475	186,566
Interfund Loan Receivable	-	-	599,169	599,169
Due from Other Governmental Units	-	-	214,029	214,029
Total Assets	\$ 210,024	\$ 43,611	\$ 2,135,502	\$ 2,389,137
Liabilities:				
Accounts Payable	\$ 54,839	\$ -	\$ 829,420	\$ 884,259
Interfund Loan Payable	-	-	179,069	179,069
Due to Other Governmental Units	-	-	19,337	19,337
Total Liabilities	54,839	-	1,027,826	1,082,665
Deferred Inflows of Resources				
Unavailable revenue	343,878	12,075	-	355,953
Total deferred inflows of resources	343,878	12,075	-	355,953
Fund Balances:				
Restricted				
Tourism	13,969	-	-	13,969
Debt Service	-	31,536	-	31,536
Capital Outlay	-	-	1,230,842	1,230,842
Committed - Culture and Recreation	-	-	16,483	16,483
Unassigned	(202,662)	-	(139,649)	(342,311)
Total Fund Balances	(188,693)	31,536	1,107,676	950,519
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 210,024	\$ 43,611	\$ 2,135,502	\$ 2,389,137

CITY OF CAMAS, WASHINGTON
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 For the fiscal year ended December 31, 2013

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ -	\$ 624,893	\$ -	\$ 624,893
Sales and Use Taxes	7,714	-	-	7,714
Other Taxes	-	-	937,334	937,334
Intergovernmental	443,871	-	1,000,201	1,444,072
Charges for Services	-	-	749,180	749,180
Interest Earnings	13	-	2,348	2,361
Contributions/Donations	-	-	2,500	2,500
Miscellaneous	428	-	-	428
Total Revenues	<u>452,026</u>	<u>624,893</u>	<u>- 2,691,563</u>	<u>3,768,482</u>
Expenditures:				
Current:				
Due from Other Governmental Units				
Judicial	-	-	48,797	48,797
Transportation	1,497,608	-	-	1,497,608
Economic Environment	4,340	-	-	4,340
Capital Outlay	289,181	-	3,270,113	3,559,294
Debt Service				
Principal Retirement	-	901,678	-	901,678
Interest and Other Charges	-	230,930	24,113	255,043
Total Expenditures	<u>1,791,129</u>	<u>1,132,608</u>	<u>3,343,023</u>	<u>6,266,760</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,339,103)	(507,715)	(651,460)	(2,498,278)
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	-	-	1,323,651	1,323,651
Insurance Recoveries	-	-	30,000	30,000
Premium on Debt Issued	-	-	159,102	159,102
Transfers In	1,428,615	500,754	-	1,929,369
Transfers Out	-	-	(1,246,682)	(1,246,682)
Total Other Financing Sources and Uses	<u>1,428,615</u>	<u>500,754</u>	<u>266,071</u>	<u>2,195,440</u>
Net Change in Fund Balances	89,512	(6,961)	(385,389)	(302,838)
Fund Balances at Beginning of Year	(278,205)	38,497	1,493,065	1,253,357
Fund Balances at End of Year	<u>\$ (188,693)</u>	<u>\$ 31,536</u>	<u>\$ 1,107,676</u>	<u>\$ 950,519</u>

CITY OF CAMAS, WASHINGTON

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2013

	<u>Hotel Motel Lodging Tax</u>	<u>City Street</u>	<u>Total Nonmajor Special Revenue Funds</u>
Assets:			
Cash and Cash Equivalents	\$ 15,069	\$ 184,864	\$ 199,933
Accounts Receivable (net)	-	10,091	10,091
Total Assets	\$ 15,069	\$ 194,955	\$ 210,024
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 1,100	\$ 53,739	\$ 54,839
Total Liabilities	1,100	53,739	54,839
Deferred Inflows of Resources			
Unavailable revenue	-	343,878	343,878
Total deferred inflows of resources	-	343,878	343,878
Fund Balances:			
Restricted			
Tourism	13,969	-	13,969
Unassigned	-	(202,662)	(202,662)
Total Fund Balances	13,969	(202,662)	(188,693)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 15,069	\$ 194,955	\$ 210,024

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, 2013

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
Sales and Use Taxes	\$ 7,714	\$ -	\$ 7,714
Intergovernmental	-	443,871	443,871
Interest Earnings	13	-	13
Miscellaneous	-	428	428
Total Revenues	7,727	444,299	452,026
Due from Other Governmental Units			
Expenditures:			
Current:			
Transportation	-	1,497,608	1,497,608
Economic Environment	4,340	-	4,340
Capital Outlay	-	289,181	289,181
Total Expenditures	4,340	1,786,789	1,791,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,387	(1,342,490)	(1,339,103)
Other Financing Sources (Uses)			
Transfers In	-	1,428,615	1,428,615
Total Other Financing Sources (Uses)	-	1,428,615	1,428,615
Special Items:			
Net Change in Fund Balances	3,387	86,125	89,512
Fund Balances at Beginning of Year	10,582	(288,787)	(278,205)
Fund Balances at End of Year	\$ 13,969	\$ (202,662)	\$ (188,693)

CITY OF CAMAS, WASHINGTON

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2013

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
Assets:			
Cash and Cash Equivalents	\$ 28,755	\$ -	\$ 28,755
Property Taxes Receivable	14,856	-	14,856
Total Assets	<u>\$ 43,611</u>	<u>\$ -</u>	<u>\$ 43,611</u>
Liabilities and Fund Balances:			
Liabilities:			
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue	12,075	-	12,075
Total deferred inflows of resources	<u>12,075</u>	<u>-</u>	<u>12,075</u>
Fund Balances:			
Restricted			
Debt Service	31,536	-	31,536
Total Fund Balances	<u>31,536</u>	<u>-</u>	<u>31,536</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 43,611</u>	<u>\$ -</u>	<u>\$ 43,611</u>

CITY OF CAMAS, WASHINGTON
 Nonmajor Debt Service Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Year Ended December 31, 2013

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 624,893	\$ -	\$ 624,893
Total Revenues	<u>624,893</u>	<u>-</u>	<u>624,893</u>
Due from Other Governmental Units			
Expenditures:			
Debt Service			
Principal Retirement	466,000	435,678	901,678
Interest and Other Charges	157,361	73,569	230,930
Total Expenditures	<u>623,361</u>	<u>509,247</u>	<u>1,132,608</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,532	(509,247)	(507,715)
Other Financing Sources (Uses):			
Transfers In	-	500,754	500,754
Total Other Financing Sources (Uses)	<u>-</u>	<u>500,754</u>	<u>500,754</u>
Net Change in Fund Balances	1,532	(8,493)	(6,961)
Fund Balances at Beginning of Year	<u>30,004</u>	<u>8,493</u>	<u>38,497</u>
Fund Balances at End of Year	<u>\$ 31,536</u>	<u>\$ -</u>	<u>\$ 31,536</u>

CITY OF CAMAS, WASHINGTON

Nonmajor Capital Project Funds

Balance Sheet

December 31, 2013

	Growth Management Fund	Friberg Street Construction	Community Center	Total Capital Project Funds
Assets:				
Cash and Cash Equivalents	\$ 832,400	\$ -	\$ 313,429	\$ 1,145,829
Accounts Receivable	176,475	-	-	176,475
Interfund Loan Receivable	599,169	-	-	599,169
Due from Other Governmental Units	90,828	123,201	-	214,029
Total Assets	\$ 1,698,872	\$ 123,201	\$ 313,429	\$ 2,135,502
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 448,693	\$ 83,781	\$ 296,946	829,420
Interfund Loan Payable	-	179,069	-	179,069
Due to Other Governmental Units	19,337	-	-	19,337
Total Liabilities	468,030	262,850	296,946	1,027,826
Fund balances:				
Restricted				
Capital Outlay	1,230,842	-	-	1,230,842
Committed - Culture and Recreation	-	-	16,483	16,483
Unassigned	-	(139,649)	-	(139,649)
Total Equities and Fund Balances	1,230,842	(139,649)	16,483	1,107,676
Total Liabilities and Fund Balances	\$ 1,698,872	\$ 123,201	\$ 313,429	\$ 2,135,502
	-	-	-	-

CITY OF CAMAS, WASHINGTON
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the fiscal year ended December 31, 2013

	Growth Management	Friberg Street	Community Center	Total Capital Project Funds
Revenues:				
Other Taxes	\$ 937,334	\$ -	\$ -	\$ 937,334
Intergovernmental	341,435	658,766	-	1,000,201
Charges for Services	749,180	-	-	749,180
Interest Earnings	2,020	-	328	2,348
Contributions/Donations	2,500	-	-	2,500
Total Revenues	<u>2,032,469</u>	<u>658,766</u>	<u>328</u>	<u>2,691,563</u>
Expenditures:				
Due from Other Governmental Units				
Current:				
General Government	48,797	-	-	48,797
Capital Outlay	800,234	673,240	1,796,639	3,270,113
Debt Service				
Interest and Other Charges	-	12	24,101	24,113
Total Expenditures	<u>849,031</u>	<u>673,252</u>	<u>1,820,740</u>	<u>3,343,023</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,183,438	(14,486)	(1,820,412)	(651,460)
Other Financing Sources (Uses)				
Long-term Debt Proceeds	-	-	1,323,651	1,323,651
Premium on Debt Issued	-	-	159,102	159,102
Insurance Recoveries	30,000	-	-	30,000
Transfers Out	(1,246,682)	-	-	(1,246,682)
Total Other Financing Sources (Uses)	<u>(1,216,682)</u>	<u>-</u>	<u>1,482,753</u>	<u>266,071</u>
Net Change in Fund balances	(33,244)	(14,486)	(337,659)	(385,389)
Fund Balances at Beginning of Year	<u>1,264,086</u>	<u>(125,163)</u>	<u>354,142</u>	<u>1,493,065</u>
Fund Balances at End of Year	<u>\$ 1,230,842</u>	<u>\$ (139,649)</u>	<u>\$ 16,483</u>	<u>\$ 1,107,676</u>

CITY OF CAMAS, WASHINGTON
Hotel Motel Lodging Tax
Schedule of Revenues, Expenditures and Changes in Fund Balances
Compared to Budget (GAAP Basis) and Actual
For the Fiscal Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		Actual Amount	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes - Sales and Use	\$ 5,000	\$ 5,000	\$ 7,714	\$ 2,714
Interest Earnings			13	13
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>7,727</u>	<u>2,727</u>
Expenditures:				
Current:				
Economic Environment	<u>5,000</u>	<u>5,000</u>	<u>4,340</u>	<u>(660)</u>
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>4,340</u>	<u>(660)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>3,387</u>	<u>3,387</u>
Net Change in Fund Balances	-	-	3,387	3,387
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>10,582</u>	<u>10,582</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,969</u>	<u>\$ 13,969</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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
Revenues:				
Intergovernmental	\$ 413,213	\$ 413,213	\$ 443,871	\$ 30,658
Miscellaneous	200	200	428	228
Total Revenues	<u>413,413</u>	<u>413,413</u>	<u>444,299</u>	<u>30,886</u>
Expenditures:				
Current				
Transportation	1,513,959	1,513,959	1,497,608	(16,351)
Capital Outlay	2,100,000	2,100,000	289,181	(1,810,819)
Total Expenditures	<u>3,613,959</u>	<u>3,613,959</u>	<u>1,786,789</u>	<u>(1,827,170)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(3,200,546)	(3,200,546)	(1,342,490)	1,858,056
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	1,750,000	1,750,000	-	(1,750,000)
Transfers In	1,450,546	1,450,546	1,428,615	(21,931)
Total Other Financing Sources and Uses	<u>3,200,546</u>	<u>3,200,546</u>	<u>1,428,615</u>	<u>(1,771,931)</u>
Net Change in Fund Balance	-	-	86,125	86,125
Fund Balances at Beginning of Year	-	-	(288,787)	(288,787)
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (202,662)</u>	<u>\$ (202,662)</u>

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

CITY OF CAMAS, WASHINGTON
 Unlimited Tax
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Compared to Budget (GAAP Basis) and Actual
 For the Fiscal Year Ended December 31, 2013

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amount	
Revenues:				
Property Taxes	\$ 623,361	\$ 623,361	\$ 624,893	\$ 1,532
Total Revenues	<u>623,361</u>	<u>623,361</u>	<u>624,893</u>	<u>1,532</u>
Expenditures:				
Debt service:				
Principal Retirement	466,000	466,000	466,000	-
Interest/Fiscal Charges	<u>157,361</u>	<u>157,361</u>	<u>157,361</u>	<u>-</u>
Total Expenditures	<u>623,361</u>	<u>623,361</u>	<u>623,361</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	-	-	1,532	1,532
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>30,004</u>	<u>30,004</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,536</u>	<u>\$ 31,536</u>

CITY OF CAMAS, WASHINGTON
 Limited Tax
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 Compared to Budget (GAAP Basis) and Actual
 For the Fiscal Year Ended December 31, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
Revenues:				
Property Taxes	\$ 10,500	\$ 10,500	\$ -	\$ (10,500)
Total Revenues	<u>10,500</u>	<u>10,500</u>	<u>-</u>	<u>(10,500)</u>
Expenditures:				
Debt service:				
Principal Retirement	554,820	554,820	435,678	(119,142)
Interest/Fiscal Charges	<u>85,664</u>	<u>85,664</u>	<u>73,569</u>	<u>(12,095)</u>
Total Expenditures	<u>640,484</u>	<u>640,484</u>	<u>509,247</u>	<u>(131,237)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(629,984)	(629,984)	(509,247)	120,737
Other Financing Sources (Uses):				
Transfers In	<u>629,984</u>	<u>629,984</u>	<u>500,754</u>	<u>(129,230)</u>
Total Other Financing Sources and Uses	<u>629,984</u>	<u>629,984</u>	<u>500,754</u>	<u>(129,230)</u>
Net Change in Fund Balance	-	-	(8,493)	(8,493)
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>8,493</u>	<u>8,493</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CAMAS, WASHINGTON
NW 38th Street 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, 2013

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amount	
Revenues:				
Intergovernmental	\$ 3,200,000	\$ 3,200,000	\$ 2,188,165	\$ (1,011,835)
Total Revenues	<u>3,200,000</u>	<u>3,200,000</u>	<u>2,188,165</u>	<u>(1,011,835)</u>
Expenditures:				
Capital Outlay	5,300,000	5,300,000	4,248,963	(1,051,037)
Total Expenditures	<u>5,300,000</u>	<u>5,300,000</u>	<u>4,248,963</u>	<u>(1,051,037)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(2,100,000)	(2,100,000)	(2,060,798)	39,202
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	2,100,000	2,100,000	1,577,629	(522,371)
Total Other Financing Sources and Uses	<u>2,100,000</u>	<u>2,100,000</u>	<u>1,577,629</u>	<u>(522,371)</u>
Net Change in Fund Balance	-	-	(483,169)	(483,169)
Fund Balances at Beginning of Year	-	-	(52,957)	(52,957)
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (536,126)</u>	<u>\$ (536,126)</u>

CITY OF CAMAS, WASHINGTON
 Friberg Street 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, 2013

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual Amount</u>	
Revenues:				
Intergovernmental	\$ 2,955,000	\$ 2,955,000	\$ 658,766	\$ (2,296,234)
Total Revenues	<u>2,955,000</u>	<u>2,955,000</u>	<u>658,766</u>	<u>(2,296,234)</u>
Expenditures:				
Capital Outlay	2,955,000	2,955,000	673,240	(2,281,760)
Debt service:				
Interest/Fiscal Charges	<u>-</u>	<u>-</u>	<u>12</u>	<u>12</u>
Total Expenditures	<u>2,955,000</u>	<u>2,955,000</u>	<u>673,252</u>	<u>(2,281,748)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	-	-	(14,486)	(14,486)
Fund Balances at Beginning of Year	<u>-</u>	<u>-</u>	<u>(125,163)</u>	<u>(125,163)</u>
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (139,649)</u>	<u>\$ (139,649)</u>

CITY OF CAMAS, WASHINGTON
Growth Management Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Compared to Budget (GAAP Basis) and Actual
For the Fiscal Year Ended December 31, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Other Taxes	\$ 750,000	\$ 750,000	\$ 937,334	\$ 187,334
Intergovernmental	562,500	637,500	341,435	(296,065)
Charges for Services	559,000	559,000	749,180	190,180
Interest Earnings	2,500	2,500	2,020	(480)
Contributions/Donations		-	2,500	2,500
Miscellaneous	25,000	25,000	-	(25,000)
Total Revenues	<u>1,899,000</u>	<u>1,974,000</u>	<u>2,032,469</u>	<u>58,469</u>
Expenditures:				
Current:				
General Government	-	-	48,797	48,797
Capital Outlay	2,409,997	2,484,997	800,234	(1,684,763)
Total Expenditures	<u>2,409,997</u>	<u>2,484,997</u>	<u>849,031</u>	<u>(1,635,966)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(510,997)	(510,997)	1,183,438	1,694,435
Other Financing Sources (Uses):				
Insurance Recoveries	-	-	30,000	30,000
Transfers Out		-	(1,246,682)	(1,246,682)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>(1,216,682)</u>	<u>(1,216,682)</u>
Net Change in Fund Balance	(510,997)	(510,997)	(33,244)	477,753
Fund Balances at Beginning of Year	510,997	510,997	1,264,086	753,089
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,230,842</u>	<u>\$ 1,230,842</u>

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.

<u>Contents</u>	<u>Page</u>
Financial Trends	100-105
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	106-109
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
Debt Capacity	110-114
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.	
Demographic and Economic Information	115-116
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	117-119
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.

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Table 1

City of Camas, Washington
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
Net investment in capital assets	\$93,870,877	\$93,679,540	\$101,603,544	\$109,153,090	\$106,860,759	\$105,051,084	\$104,617,917	\$103,793,081	\$103,002,429	\$106,726,541
Restricted	3,757,869	4,467,370	5,289,129	3,616,721	3,611,654	2,140,367	2,059,919	1,932,367	1,481,123	1,448,695
Unrestricted	5,230,473	5,469,098	4,642,743	3,193,879	2,419,842	2,516,303	2,910,933	2,206,306	1,040,434	691,714
Total governmental activities net position	\$102,859,219	\$103,616,008	\$111,535,416	\$115,963,690	\$112,892,255	\$109,707,774	\$109,588,769	\$107,931,754	\$105,523,986	\$108,866,950
Business-type activities										
Net investment in capital assets	\$37,913,666	\$45,827,539	\$55,988,202	\$60,477,417	\$61,120,462	\$61,004,686	\$63,793,398	\$65,951,208	\$65,195,717	\$70,298,558
Restricted	1,139,080	1,733,544	1,377,702	5,955,875	1,367,099	1,162,559	850,318	1,526,937	1,878,245	2,572,557
Unrestricted	2,415,796	3,704,051	1,964,412	(1,763,084)	1,083,583	968,464	269,048	2,658,682	5,330,865	4,866,856
Total business-type activities net position	\$41,468,542	\$51,265,134	\$59,330,316	\$64,670,208	\$63,571,144	\$63,135,709	\$64,912,764	\$70,136,827	\$72,404,827	\$77,737,971
Primary government										
Net investment in capital assets	\$131,784,543	\$139,507,079	\$157,591,746	\$169,630,507	\$167,981,221	\$166,055,770	\$168,411,315	\$169,744,289	\$168,198,146	\$177,025,099
Restricted	4,896,949	6,200,914	6,666,831	9,572,596	4,978,753	3,302,946	2,910,237	3,459,304	3,359,368	4,021,252
Unrestricted	7,646,269	9,173,149	6,607,155	1,430,795	3,503,425	3,484,767	3,179,981	4,864,988	6,371,299	5,558,570
Total primary government net position	\$144,327,761	\$154,881,142	\$170,865,732	\$180,633,898	\$176,463,399	\$172,843,483	\$174,501,533	\$178,068,581	\$177,928,813	\$186,604,921

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



City of Camas, Washington
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Expenses										
Governmental activities:										
General government	\$ 1,536,540	\$ 1,795,617	\$ 1,755,980	\$ 2,004,973	\$ 1,971,712	\$ 2,019,588	\$ 2,266,225	\$ 2,046,532	\$ 2,078,571	\$ 3,493,797
Judicial	162,809	128,123	189,946	171,207	198,383	174,845	202,568	224,011	267,622	289,691
Public Safety	7,762,855	7,805,609	8,579,033	9,956,452	10,098,299	11,058,299	11,128,852	10,975,382	11,549,612	11,091,881
Physical Environment	975,887	1,152,737	1,375,731	1,560,735	1,686,067	1,501,586	1,305,804	1,490,486	1,454,602	111,694
Transportation	5,711,115	4,689,307	4,459,184	5,837,233	5,672,852	5,218,433	5,154,845	5,220,600	5,187,623	5,241,763
Health and Human Services	-	-	-	-	-	-	-	3,496	6,000	3,599
Economic Environment	406,890	396,146	411,789	541,585	397,448	485,670	611,832	395,350	457,656	575,402
Culture and Recreation	2,642,890	2,779,050	2,918,176	3,894,696	3,462,790	3,364,737	3,656,483	3,381,078	3,344,599	3,192,920
Interest on Long-Term Debt	607,247	481,324	551,973	508,407	467,712	430,044	468,914	182,979	204,322	265,385
Total governmental activities expenses	19,806,233	19,178,913	20,241,812	24,475,288	23,850,259	24,223,202	24,795,523	23,859,914	24,550,607	24,266,132
Business-type activities:										
Water - Sewer	5,977,917	6,460,350	6,624,168	6,850,962	7,720,910	7,437,743	7,630,151	7,758,339	8,488,128	8,725,888
Storm Water Drainage	-	492,823	750,551	903,958	1,069,811	1,226,497	1,168,587	1,181,647	1,284,973	1,104,142
Sanitary	1,376,742	1,533,002	1,789,653	1,775,981	1,819,090	2,039,742	1,734,498	1,846,979	1,845,144	1,880,871
Total business-type activities expenses	7,354,659	8,486,175	9,158,367	9,530,901	10,609,811	10,703,982	10,533,236	10,786,965	11,618,245	11,710,901
Total primary government expenses	\$ 27,160,892	\$ 27,665,088	\$ 29,400,179	\$ 34,006,189	\$ 34,460,070	\$ 34,957,184	\$ 35,328,759	\$ 34,646,879	\$ 36,168,852	\$ 35,977,033
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	\$ 2,097,121	\$ 2,494,910	\$ 2,529,134	\$ 2,275,001	\$ 2,179,383	\$ 3,156,206	\$ 2,452,734	\$ 2,092,518	\$ 1,994,185	\$ 1,961,194
Economic environment	1,142,821	2,208,793	1,183,598	804,598	530,873	414,977	1,913,079	1,322,370	1,008,057	1,574,867
Other activities	1,298,955	1,225,255	1,501,367	1,649,617	1,785,919	1,778,644	1,868,963	1,990,992	2,019,978	2,503,381
Operating grants and contributions	502,790	494,006	474,993	639,577	464,241	466,969	519,795	490,960	589,203	865,203
Capital grants and contributions	7,941,282	6,457,006	8,036,193	10,317,610	956,930	455,493	2,893,919	2,037,901	1,583,722	6,061,054
Total governmental activities program revenues	12,982,969	12,820,970	13,725,285	15,686,398	5,915,346	6,272,289	9,148,490	7,864,741	7,195,145	12,985,699
Business-type activities:										
Charges for services:										
Water - Sewer	5,301,666	5,525,412	6,062,899	6,222,686	6,300,494	7,057,570	8,007,876	9,026,914	9,886,226	10,156,916
Storm Water Drainage	-	383,454	466,555	475,896	409,451	679,785	856,592	885,152	1,109,017	1,106,237
Sanitary	1,574,511	1,679,644	1,743,870	1,782,669	1,802,190	1,760,293	1,861,055	1,915,153	1,978,804	2,117,327
Operating grants and contributions	-	-	-	1,144	23,189	53,116	84,296	11,661	84,296	1,037
Capital grants and contributions	1,185,204	3,425,815	8,555,739	4,161,710	561,816	558,082	1,867,028	3,204,068	819,953	3,703,911
Total business-type activities program revenues	8,061,381	11,014,325	16,829,063	12,644,125	9,187,150	10,108,846	12,629,951	15,042,948	13,878,296	17,085,428
Total primary government program revenues	\$ 21,044,350	\$ 23,835,295	\$ 30,554,348	\$ 28,330,523	\$ 15,102,496	\$ 16,381,135	\$ 21,778,481	\$ 22,907,689	\$ 21,073,441	\$ 30,081,127
Net (expenses)/revenue	\$ (6,823,264)	\$ (6,357,943)	\$ (6,516,527)	\$ (6,788,890)	\$ (17,934,913)	\$ (19,849,876)	\$ (15,647,033)	\$ (15,995,173)	\$ (17,355,462)	\$ (11,300,433)
Governmental activities	706,722	2,528,150	7,670,696	3,113,224	(1,422,661)	(595,136)	2,096,755	4,255,983	2,260,051	5,374,527
Business-type activities	(6,116,542)	(3,829,793)	(1,154,169)	(5,675,666)	(19,357,574)	(18,576,049)	(13,550,278)	(11,739,190)	(15,095,411)	(5,925,906)
Total primary government net expense	\$ (6,116,542)	\$ (3,829,793)	\$ (1,154,169)	\$ (5,675,666)	\$ (19,357,574)	\$ (18,576,049)	\$ (13,550,278)	\$ (11,739,190)	\$ (15,095,411)	\$ (5,925,906)

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									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 9,269,439	\$ 9,564,242	\$ 9,820,482	\$ 10,889,917	\$ 11,278,123	\$ 11,509,426	\$ 11,457,115	\$ 10,825,113	\$ 10,632,849	\$ 10,827,713
Sales and use taxes	2,902,678	1,719,533	1,793,742	1,795,976	1,989,644	1,899,938	2,226,820	2,467,139	2,157,612	2,509,715
Business and occupation taxes	244,419	289,518	347,167	382,575	403,387	426,990	419,056	448,932	435,401	438,434
Excise taxes	75,384	1,804,376	1,634,916	1,135,599	757,059	708,291	768,599	682,415	1,051,951	937,543
Penalties and interest	4,803	2,357	775	49	89	-	-	-	-	-
Unrestricted grants and contributions	283,794	367,232	308,587	345,500	346,940	367,117	369,356	384,621	450,614	376,110
Investment earnings	147,962	343,204	472,455	523,808	289,146	91,249	46,772	43,084	31,869	32,410
Miscellaneous	26,421	17,953	57,811	6,934	39,450	63,465	24,287	36,166	48,934	73,637
Gain on Disposal of Capital Assets	(35,056)	63,040	-	-	-	-	-	-	-	-
Transfers	18,493	(24,658)	-	17,780	3,124	-	-	-	-	-
Total governmental activities	12,938,337	14,146,797	14,435,935	15,098,138	15,106,962	15,066,476	15,312,005	14,887,470	14,809,230	15,195,562
Business-type activities:										
Investment earnings	92,230	106,855	212,329	285,474	197,892	29,980	18,858	21,478	7,949	10,839
Miscellaneous	72,729	104,864	182,157	124,168	128,829	129,721	-	-	-	-
Gain on Disposal of Capital Assets	-	-	-	3,225	-	-	-	-	-	-
Transfers	(18,493)	24,658	-	(17,780)	(3,124)	-	-	-	-	-
Total business-type activities	146,466	236,377	394,486	395,087	323,597	159,701	18,858	21,478	7,949	10,839
Total primary government	\$ 13,084,803	\$ 14,383,174	\$ 14,830,421	\$ 15,493,225	\$ 15,430,559	\$ 15,226,177	\$ 15,330,863	\$ 14,908,948	\$ 14,817,179	\$ 15,206,401
Change in Net Position										
Governmental activities	\$ 6,150,129	\$ 7,788,954	\$ 7,919,408	\$ 6,309,248	\$ (2,827,951)	\$ (2,914,437)	\$ (335,028)	\$ (1,107,703)	\$ (2,546,232)	\$ 3,895,129
Business-type activities	853,188	2,764,527	8,065,182	3,508,311	(1,099,064)	(435,435)	2,115,613	4,277,461	2,268,000	5,385,366
Total primary government	\$ 7,003,317	\$ 10,553,481	\$ 15,984,590	\$ 9,817,559	\$ (3,927,015)	\$ (3,349,872)	\$ 1,780,585	\$ 3,169,758	\$ (78,232)	\$ 9,280,495

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

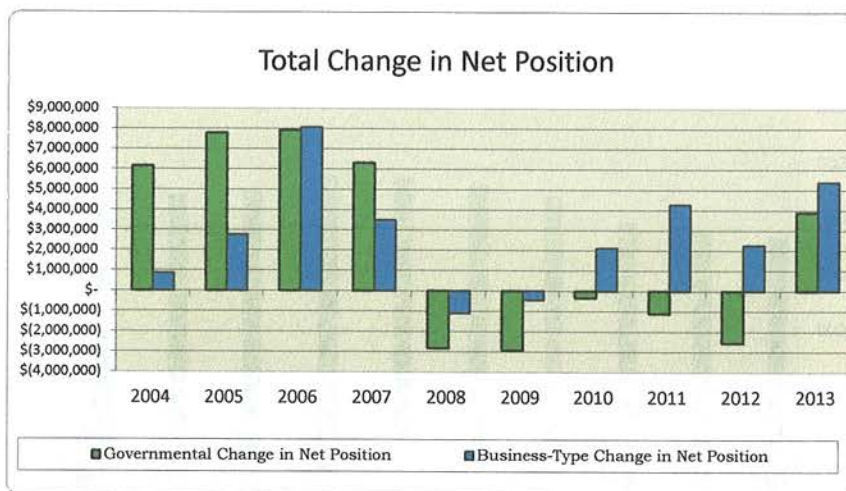


Table 3

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
2004	9,269,439	1,603,664	1,623,620	12,496,723
2005	9,547,513	1,719,533	2,096,251	13,363,297
2006	9,819,086	1,793,742	1,982,858	13,595,686
2007	10,744,553	1,795,976	1,518,223	14,058,752
2008	11,154,737	1,963,319	1,160,535	14,278,591
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

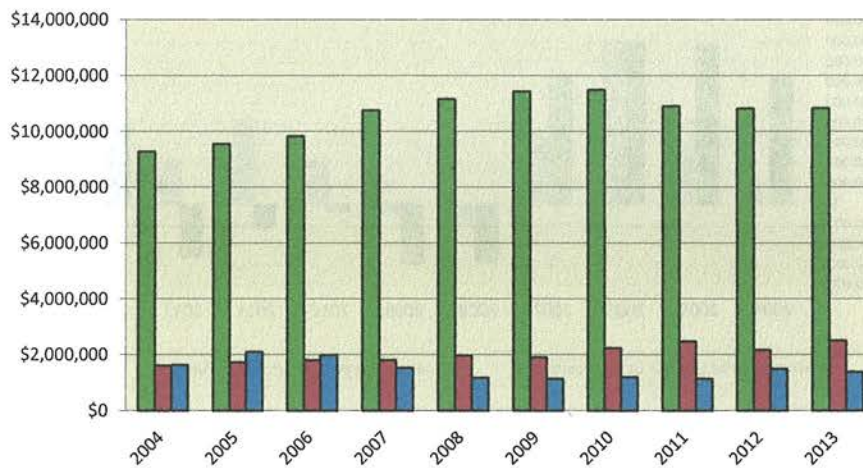
Tax Revenues by Source

Table 4

City of Camas, Washington
 Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 ¹	2012 ¹	2013 ¹
General Fund:										
Reserved	\$ 3,465,119	\$ 4,485,639	\$ 4,801,484	\$ 4,030,330	\$ 3,379,176	\$ 3,364,291	\$ 3,889,312	\$ -	-	-
Unreserved	-	-	-	-	-	-	-	-	129,462	133,852
Restricted:										
Public Safety	-	-	-	-	-	-	-	137,043	-	-
Committed	-	-	-	-	-	-	-	-	895,668	888,058
Assigned	-	-	-	-	-	-	-	3,096,608	2,823,503	2,877,084
Unassigned	-	-	-	-	-	-	-	4,095,334	3,848,633	3,896,994
Total General Fund	3,465,119	4,485,639	4,801,484	4,030,330	3,379,176	3,364,291	3,889,312	4,095,334	3,848,633	3,896,994
All Other Governmental Funds:										
Reserved	3,757,869	4,467,370	5,289,129	3,827,479	3,611,654	2,140,387	2,198,383	-	-	-
Unreserved:										
Special Revenue Funds	1,298,723	569,692	755,377	180,992	196,854	482,782	8,725	-	-	-
Capital	64,512	171,540	-	(70,324)	71,377	104,773	-	-	-	-
Unreserved, undesignated	-	-	-	-	-	-	428,587	-	-	-
Restricted:										
Tourism	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	7,054	10,582	13,969
Capital Outlay	-	-	-	-	-	-	-	26,678	38,497	31,536
Committed:										
Culture and Recreation	-	-	-	-	-	-	-	1,725,673	1,264,086	1,326,799
Public Safety	-	-	-	-	-	-	-	353,179	354,142	16,483
Assigned	-	-	-	-	-	-	-	350,856	18,113	55,561
Unassigned	-	-	-	-	-	-	-	(438,324)	(466,907)	(342,311)
Total	5,121,104	5,208,602	6,044,506	3,938,147	3,879,885	2,717,942	2,635,695	2,035,175	1,218,513	1,102,037
Total General and Other Governmental Funds	\$ 8,586,223	\$ 9,694,241	\$ 10,845,990	\$ 7,968,477	\$ 7,259,061	\$ 6,092,233	\$ 6,525,007	\$ 6,130,509	\$ 5,067,146	\$ 5,001,031

¹ GASB 54 states that Fund Balances should be reported with the categories listed in the above table for 2011. Years 2003 - 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, Government Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenues										
Taxes	\$ 12,531,538	\$ 13,363,297	\$ 14,058,752	\$ 14,278,591	\$ 14,462,137	\$ 14,896,254	\$ 14,998,506	\$ 14,998,506	\$ 14,463,205	\$ 14,781,282
Licenses and permits	480,952	739,315	460,489	442,146	414,887	363,168	490,944	490,944	336,991	443,867
Intergovernmental	7,387,056	3,196,992	2,894,189	2,335,986	2,155,029	2,730,088	3,816,252	3,816,252	2,643,596	4,427,803
Charges for services	3,284,823	4,463,883	3,864,707	3,512,854	3,702,921	3,190,269	3,889,911	3,523,628	3,230,865	4,650,156
Fines and forfeits	218,934	163,908	193,472	215,806	270,518	216,185	244,396	244,396	242,682	265,154
Interest earnings	142,313	332,456	457,085	513,499	280,726	88,090	44,278	41,876	29,831	31,339
Rents and royalties	55,307	55,251	46,677	34,478	41,235	45,068	60,918	61,815	61,243	58,727
Insurance premiums/recoveries	3,670	12,689	115,626	9,086	78,381	31,627	127	61,815	-	-
Contributions/donations	590,341	669,104	184,655	336,230	10,387	16,448	392,341	32,811	41,176	35,674
Miscellaneous	50,822	98,926	33,812	52,502	41,673	183,096	51,374	77,300	66,813	66,813
Total revenues	24,745,756	23,095,821	21,833,754	21,492,649	20,785,177	21,184,753	24,147,619	22,822,520	21,126,889	24,760,815
Expenditures										
General government	1,441,193	1,675,583	1,706,674	1,858,674	1,857,059	1,898,842	2,012,044	1,910,644	1,982,884	3,398,657
Judicial	162,609	128,123	189,946	171,207	193,383	174,865	202,568	224,011	287,622	289,691
Public safety	7,397,496	7,476,465	8,237,267	9,346,168	9,669,711	10,491,709	10,580,263	10,474,999	10,971,270	10,753,062
Physical environment	944,317	1,107,639	1,362,037	1,511,826	1,539,201	1,476,300	1,296,417	1,477,463	1,434,596	1,151,138
Transportation	2,794,251	1,842,791	1,895,777	1,895,777	1,906,603	1,537,961	1,504,420	1,508,390	1,462,017	1,497,608
Economic environment	402,821	405,871	401,368	539,781	552,661	482,843	607,246	392,319	450,820	573,410
Mental & physical health	-	-	-	-	-	-	-	3,496	6,000	3,599
Culture & recreation	1,929,451	2,035,604	2,198,915	3,111,724	2,644,558	2,603,814	2,927,050	2,477,128	2,606,483	2,602,053
Debt service	842,268	1,086,341	1,111,454	1,229,723	1,228,607	1,202,796	1,194,883	1,234,013	967,330	901,678
Interest/fiscal charges	609,310	489,070	464,642	420,400	373,601	336,239	303,150	260,267	220,301	239,125
Bond issuance costs	-	38,744	-	-	-	-	-	-	-	-
Payment to escrow agent	-	20,000	-	-	-	-	-	-	-	-
Capitalized expenditures	9,485,914	5,009,356	4,689,933	4,212,531	4,669,731	2,555,072	3,066,763	2,821,950	2,759,073	8,575,515
Total expenditures	26,009,830	21,295,587	22,562,076	24,298,811	21,635,115	22,760,471	23,714,844	22,734,680	23,128,296	28,969,566
Excess of revenues over (under) expenditures	(1,264,074)	1,800,234	(228,322)	(2,806,162)	(849,938)	(1,575,668)	432,775	87,840	(2,001,407)	(4,208,751)
Other Financing Sources (Uses)										
Intergovernmental loan proceeds	1,567,833	603,600	1,350,000	-	172,398	408,840	-	-	-	3,265,822
Long-term debt issuance	-	-	-	-	-	-	-	-	768,826	-
Insurance recoveries	-	-	-	-	-	-	-	-	30,754	30,000
Premium on bonds issued	-	-	-	-	-	-	-	-	-	214,731
Sale of Capital Outlay	-	-	30,071	-	-	-	-	-	-	-
Refunding bond issued	-	5,432,000	-	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	3,369,440	(5,393,256)	-	-	-	-	-	-	-	-
Transfers in	(3,387,591)	(3,369,671)	(2,496,856)	2,587,370	2,460,159	2,842,295	2,495,731	2,094,707	2,209,822	2,349,369
Transfers out	1,549,682	598,561	1,380,071	1,7780	(2,496,856)	(2,842,295)	(2,495,731)	(2,094,707)	(2,209,822)	(3,349,369)
Total other financing sources (uses)	1,549,682	598,561	1,380,071	1,7780	(2,496,856)	(2,842,295)	(2,495,731)	(2,094,707)	799,580	5,510,553
Net change in fund balances	\$ 285,608	\$ 2,398,795	\$ 1,151,749	\$ (2,788,382)	\$ (709,416)	\$ (1,166,828)	\$ 432,775	\$ 87,840	\$ (1,201,827)	\$ (698,198)
Debt service as a percentage of noncapital expenditures	8.8%	9.9%	9.1%	8.2%	8.0%	7.6%	7.3%	7.5%	5.8%	5.7%

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

Table 6

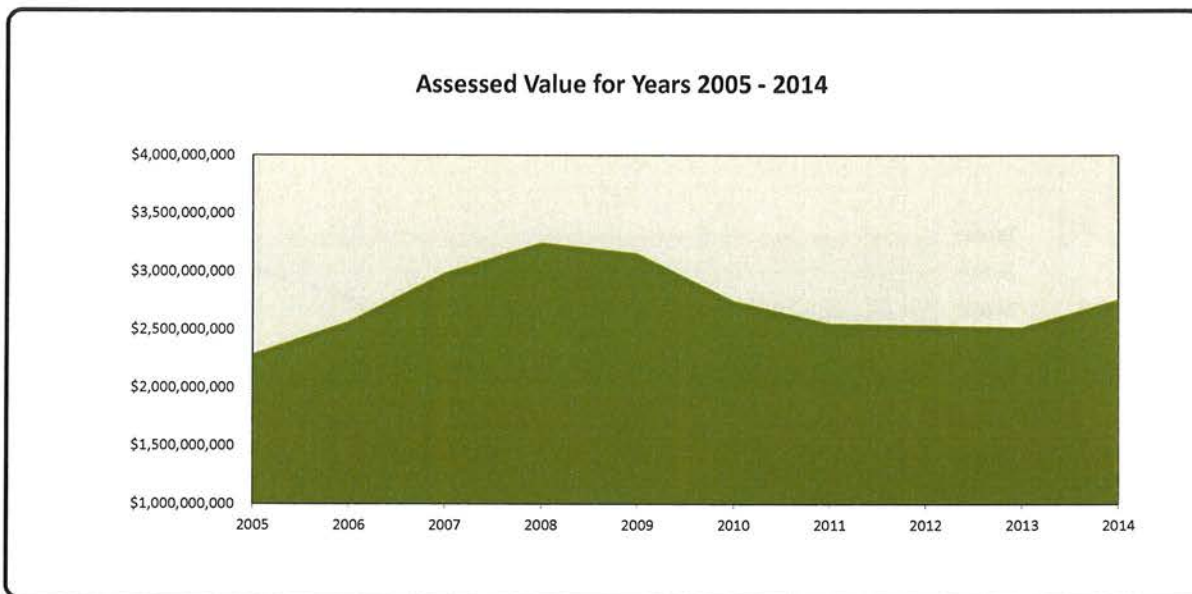
City of Camas, Washington
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years

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						
2005	\$ 1,387,716,003	\$ 65,544,524	\$ 742,837,935	\$ 103,096,755	\$ 11,281,005	\$ 2,287,914,212	\$ 2,413,411,616	4.19	94.80
2006	1,892,558,890	73,339,213	488,928,090	122,775,656	10,185,745	2,567,416,104	2,708,244,835	3.89	94.80
2007	2,274,712,864	74,767,470	526,092,453	124,383,801	10,427,780	2,989,528,808	3,211,094,316	3.66	93.10
2008	2,504,602,203	105,684,895	532,079,338	117,940,508	9,948,555	3,250,358,389	3,417,832,165	3.48	95.10
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	1,846,671,135	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

Source: Clark County Assessor's Office

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

The City implemented GASB 44 in 2006 and has reported the information above retroactively. Fiscal Year represents the Tax Year using the prior year's assessed value. Property in the City is reassessed annually.



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 (Corp. Limits)	Mosquito Control	Conservation Futures	
2004	3.5970	0.3620	0.2500	4.2090	4.6410	1.5110	2.7670	0.5070	0.0100	0.0625	13.7075
2005	3.5980	0.3450	0.2500	4.1930	4.7410	1.5050	2.7300	0.5070	0.0090	0.0625	13.7475
2006	3.3650	0.2960	0.2340	3.8950	4.3070	1.3747	2.4710	0.4350	0.0080	0.0625	12.5532
2007	3.0580	0.2560	0.3500	3.6640	4.1300	1.5270	3.4040	0.3730	0.0070	0.0529	13.1579
2008	2.9180	0.2310	0.3340	3.4830	4.8780	1.0780	1.9190	0.3440	0.0070	0.0489	11.7579
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

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.

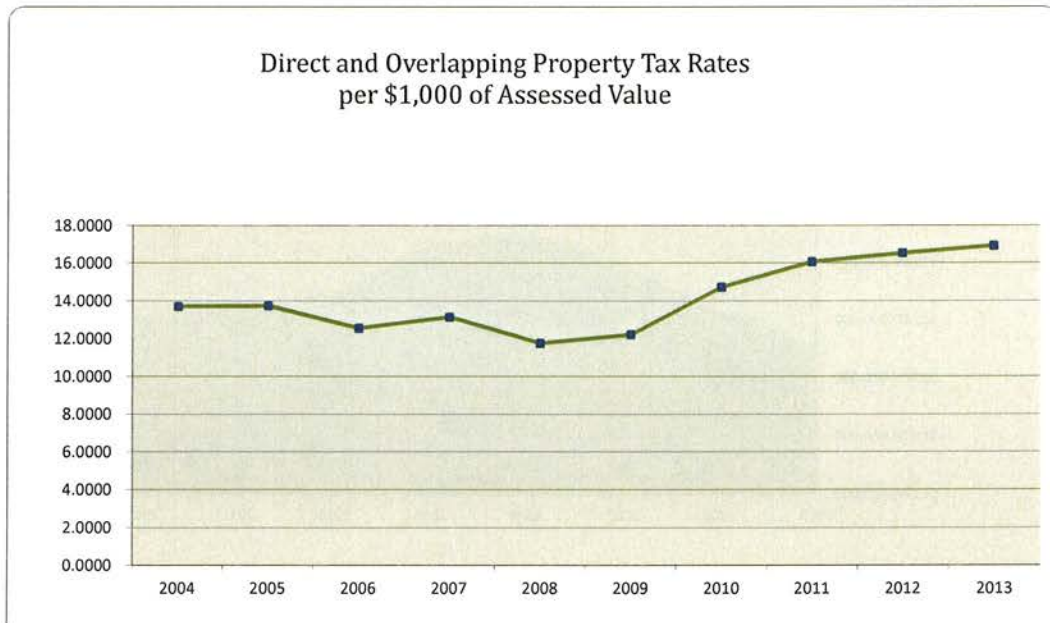


Table 8

City of Camas, Washington
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2013		Percentage		2004		Percentage	
		Assessed Valuation	Rank	of Total Assessed Valuation	Assessed Valuation	Rank	of Total Assessed Valuation		
Georgia Pacific	Paper Products	\$ 180,663,064	1	7.1	\$ 257,126,374	2	11.7		
Wafertech	Micro-Electronics Mfg.	132,572,500	2	5.2	347,105,610	1	15.7		
Linear Technology	Analog Integrated Circuits	35,023,000	3	1.4	31,429,700	4	1.4		
Fisher Creek Campus LLC	Land Development	34,215,536	4	1.3	-	-	-		
Bodycote IMT Inc.	Micro-Electronics	29,035,055	5	1.1	17,409,340	7	0.8		
Sharp Electronics Corp.	Micro-Electronics	28,805,240	6	1.1	32,560,675	3	1.5		
Pacificorp	Utility	19,112,405	7	0.8	15,005,332	8	0.7		
Underwriters Laboratories	Research and Testing	19,066,784	8	0.8	19,879,045	6	0.9		
Bruzzone 4th St. LLC	Manufacturing	13,275,600	9	0.5	12,004,400	9	0.5		
Heraeus Shin Etsu America	Micro-Electronics	11,846,510	10	0.5	10,858,295	10	0.5		
Camas Power Boiler	Utility	-	-	-	21,000,000	5	1.0		
	Totals	<u>\$ 503,615,694</u>		<u>19.8</u>	<u>\$ 764,378,771</u>		<u>34.7</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
2003	\$ 9,162,698	\$ 9,028,000	98.53	\$ 134,415	\$ 9,162,415	100.00
2004	9,291,192	9,114,481	98.10	176,564	9,291,045	100.00
2005	9,557,385	9,405,109	98.41	152,352	9,557,461	100.00
2006	9,964,582	9,804,200	98.39	152,526	9,956,726	99.92
2007	10,883,881	10,555,207	96.98	268,415	10,823,622	99.45
2008	11,281,977	10,884,523	96.48	385,985	11,270,508	99.90
2009	11,568,776	11,180,089	96.64	376,280	11,556,369	99.89
2010	11,475,053	11,199,771	97.60	249,940	11,449,711	99.78
2011	10,715,985	10,481,778	97.81	195,573	10,677,351	99.64
2012	10,655,954	10,521,075	98.73	75,280	10,596,355	99.44
2013	10,856,609	10,703,804	98.59	-	10,703,804	98.59

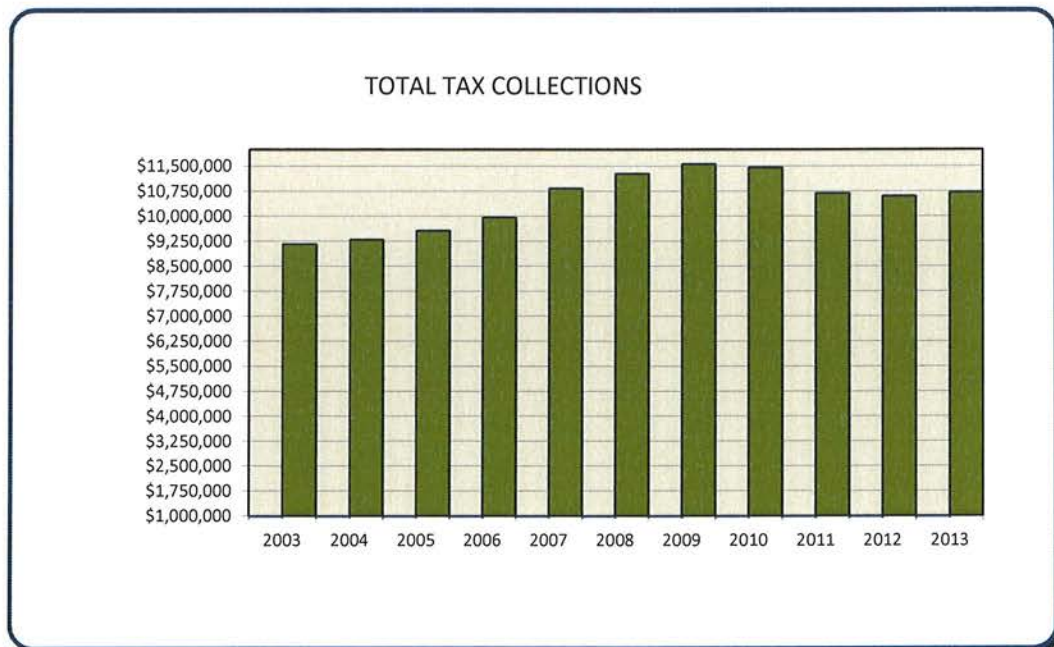


Table 10

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	Revenue Bonds	Government Loans			
2004	9,165,000	4,102,419	4,415,000	11,499,322	29,181,741	246.81%	1,900
2005	8,943,000	4,323,679	4,105,000	10,899,778	28,271,457	220.31%	1,829
2006	8,267,000	5,238,225	3,785,000	10,281,758	27,571,983	200.52%	1,736
2007	7,554,000	4,751,501	8,860,000	10,429,691	31,595,192	214.45%	1,941
2008	6,820,000	4,571,022	8,410,000	9,894,347	29,695,369	191.33%	1,778
2009	6,104,000	4,438,020	7,880,000	9,280,637	27,702,657	183.08%	1,634
2010	5,422,000	3,867,928	7,325,000	16,548,966	33,163,894	211.53%	1,927
2011	4,703,000	3,293,437	6,750,000	20,578,261	35,324,698	216.21%	1,800
2012	4,253,000	3,545,033	6,150,000	21,584,481	35,532,514	198.23%	1,775
2013	3,787,000	6,375,178	5,525,000	20,464,943	36,152,121	n/a	1,779

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

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
2004	15,360	\$ 2,204,528,035	\$ 9,165,000	\$ 58,443	\$ 9,106,557	0.4%	\$ 592.87
2005	15,460	2,287,914,212	8,943,000	64,766	8,878,234	0.4%	574.27
2006	15,880	2,567,416,104	8,267,000	56,076	8,210,924	0.3%	517.06
2007	16,325	2,989,498,808	7,554,000	30,225	7,523,775	0.3%	460.87
2008	16,700	3,250,358,389	6,820,000	18,884	6,801,116	0.2%	407.25
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

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

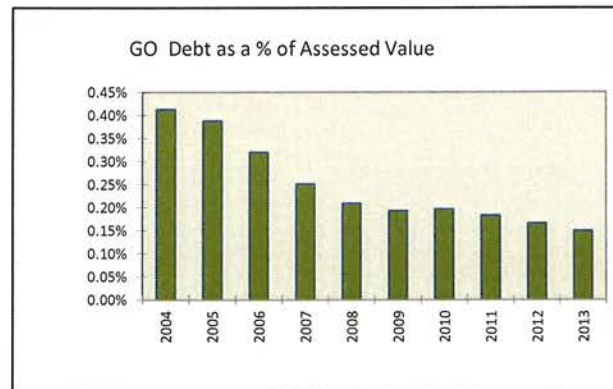
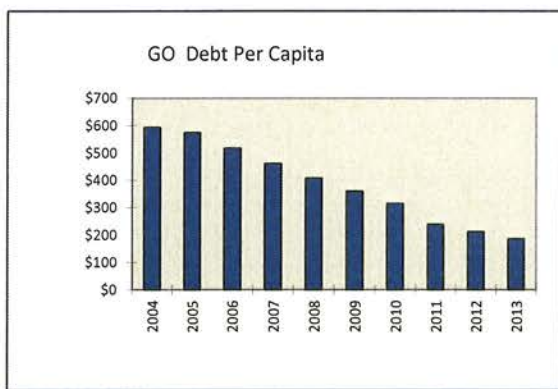


Table 12

City of Camas, Washington
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2013

Governmental Unit	Debt Outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
City of Camas Direct Debt	\$ 12,270,555	100%	\$ 12,270,555
Overlapping Debt:			
Debt repaid with property taxes			
Camas School District	\$ 101,810,000	73.08%	\$ 74,402,748
Washougal School District	\$ 15,905,418	0.47%	\$ 74,755
Evergreen School District	\$ 176,493,333	0.52%	\$ 917,765
Port of Camas-Washougal	9,970,000	50.89%	5,073,733
Port of Vancouver	570,560,000	1.21%	6,903,776
Clark County	118,746,080	7.07%	8,395,348
Total Overlapping Debt			<u>95,768,126</u>
Total Direct and Overlapping Debt			<u>\$ 108,038,681</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
2004	91,065,328	14,335,344	76,729,984	15.74%
2005	102,289,214	14,505,884	87,783,330	14.18%
2006	119,162,841	14,766,559	104,396,282	12.39%
2007	129,671,024	13,436,714	116,234,310	10.36%
2008	126,007,998	12,927,822	113,080,176	10.26%
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%

Legal Debt Margin Calculation for Fiscal Year 2013

Taxable Assessed value (2013 Assessment for 2014 Revenue)	\$	2,757,083,055
Debt Limit		
Debt limit with vote (2.5% of assessed value)		68,927,076
Debt applicable to with vote limit:		
General obligation bonds	3,787,000	
Less: assets available	<u>28,755</u>	
Total debt applicable to limit with vote		<u>3,758,245</u>
Total legal debt margin with vote	<u>\$</u>	<u>65,168,832</u>
Debt limit without vote (1.5% of assessed value)		
Debt applicable to without vote limit:		
General obligation bonds	-	
Other	8,483,555	
Less: assets available	<u>0</u>	
Total net debt applicable to limit without vote		<u>8,483,555</u>
Total legal debt margin without vote	<u>\$</u>	<u>32,872,691</u>
Legal Debt Margin	<u>\$</u>	<u>98,041,522</u>

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

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	
2004	5,459,884	3,425,092	2,034,792	441,136	188,420	3.81
2005	5,681,952	3,771,476	1,910,476	450,000	189,318	3.56
2006	6,354,308	4,519,663	1,834,645	366,500	88,193	4.03
2007	6,550,613	4,411,784	2,138,829	680,278	241,635	2.32
2008	6,561,280	5,090,217	1,471,063	701,176	229,859	1.58
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

The City implemented GASB 44 in 2006 and reports retroactively from 2004.

- (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

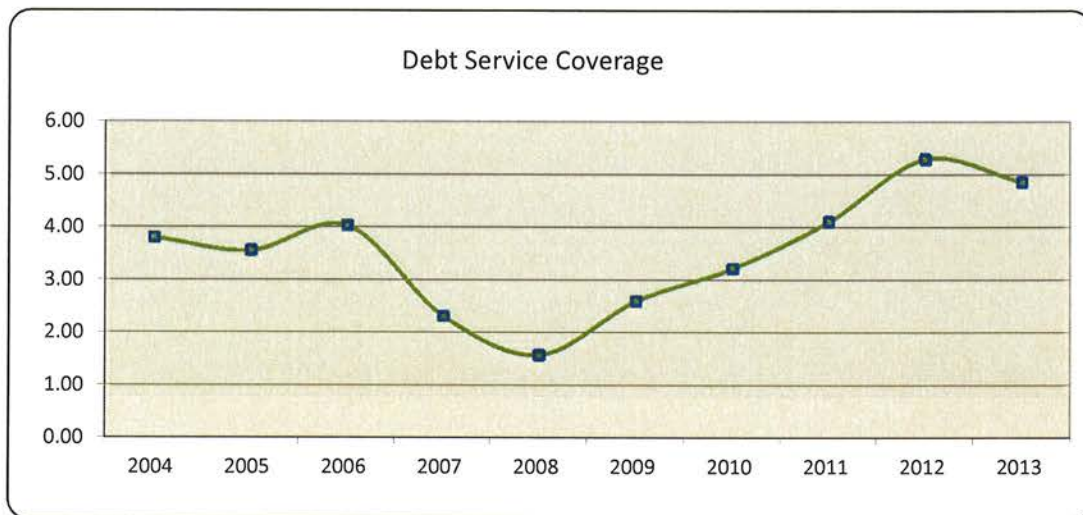


Table 15

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)
2004	15,360	11,823,627	30,383	4,989	6.3%
2005	15,460	12,832,816	32,118	5,224	5.0%
2006	15,880	13,750,478	33,691	5,449	4.5%
2007	16,280	14,733,160	35,360	5,659	5.4%
2008	16,700	15,520,101	36,547	5,700	10.4%
2009	16,950	15,131,577	35,027	5,813	14.4%
2010	17,210	15,677,813	36,715	5,959	12.7%
2011	19,620	16,337,847	37,695	6,195	8.5%
2012	20,020	17,925,222	39,758	6,289	8.4%
2013	20,320	not avail.	not avail.	6,373	4.7%

- 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	2013			2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Georgia Pacific (Fort James)	1,250	3	20.5%	unknown		0.0%
Wafertech	1,000	1	16.4%	unknown		0.0%
Camas School District	742	2	12.2%	unknown		0.0%
Fisher Investments	445	4	7.3%	-		-
Linear Technology	280	8	4.6%	unknown		0.0%
Underwriters Laboratories	275	5	4.5%	unknown		0.0%
Karcher North America	266	7	4.4%	unknown		0.0%
Sharp Microelectronics	211	6	3.5%	unknown		0.0%
City of Camas	176	9	2.9%	157		2.7%
Maxcess International	72	10	-	unknown		0.0%
	<u>3,467</u>		<u>55.7%</u>	<u>157</u>		<u>2.7%</u>

Sources: (1) Camas Washougal Chamber of Commerce
 (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, 2013

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government										
Executive	1.50	1.50	1.50	1.50	1.50	1.45	1.45	1.45	1.45	1.60
Finance	7.00	7.25	8.00	8.00	8.00	7.88	8.00	7.75	7.75	7.75
Human Resources	1.00	1.00	1.00	1.00	1.10	1.15	1.15	1.15	1.15	1.15
Other	2.75	2.75	2.75	3.25	3.25	3.25	4.25	4.35	3.25	3.5
Public Safety										
Police	28.96	29.18	32.48	33.48	33.53	32.35	32.13	31.38	31.45	31.45
Fire	38.50	38.00	38.00	38.75	39.76	45.96	45.50	41.00	41.00	44.00
Physical environment										
Transportation	12.67	12.41	12.49	12.49	12.64	11.79	11.49	10.65	10.60	9.60
Economic environment	8.80	9.62	11.01	11.01	11.01	9.01	9.01	7.30	7.60	7.80
Parks and recreation	14.05	14.51	15.99	17.08	16.86	16.14	16.14	13.59	13.62	12.10
Cemetery	-	-	-	1.33	1.50	1.25	1.25	1.05	1.30	1.30
Library	12.55	12.55	14.53	16.41	15.91	15.41	15.41	15.10	14.77	14.78
Water/Sewer	16.00	16.53	17.34	17.84	17.84	19.00	19.00	19.25	19.50	19.50
Storm water drainage	1.00	2.33	2.20	2.70	2.80	3.05	4.35	4.50	4.50	4.50
Sanitation	3.25	3.86	4.11	4.11	4.11	4.11	4.11	4.10	4.10	4.10
Total	161.03	164.49	176.15	184.12	184.54	185.20	185.64	175.42	174.84	175.93

Source: City budget documents

Table 18

City of Camas, Washington
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Police reports	3,711	3,186	3,670	4,249	4,023	3,178	3,369	3,313	3,169	3,028
Arrests	610	610	743	734	861	705	613	737	710	643
Traffic stops	3,683	4,867	5,039	7,522	7,107	6,498	7,126	6,535	6,268	6,379
Service calls logged	4,892	4,014	11,056	10,770	13,857	11,402	10,658	9,427	9,619	10,220
Fire										
Fire alarms	40	89	83	87	85	90	75	91	97	94
Total fire responses	756	1,225 *	1,419	1,491	1,520	1,596	1,363	1,589	1,631	1,657
Total EMS responses	2,485	2,423	2,425	2,533	2,693	2,775	2,774	3,005	3,039	2,977
Inspections	-	-	-	500	412	390	627	728	501	500 est.
Parks and recreation										
Community center visits	31,191	32,864	34,039	32,177	37,986	34,552	29,456	28,270	31,781	33,061
Recreation services participants	13,250	11,921	13,648	14,508	14,233	12,032	12,169	12,833	12,542	10,514
Recreation services events	241	256	266	307	304	353	302	318	360	236
Library										
Registered borrowers	10,250	10,738	10,461	10,695	11,985	12,844	10,392	11,899	13,272	14,359
Total holdings	82,491	78,791	90,319	98,709	90,895	97,647	88,872	92,133	104,660	106,225
Library visits	152,290	202,078	225,466	234,816	249,185	289,188	284,576	260,694	252,289	226,806
Water										
Water residential connections	6,043	6,329	6,555	6,656	6,643	6,699	6,857	6,934	7,067	7,184
Water non-residential connections	413	429	433	466	493	482	450	474	498	549
New connections	213	318	168	101	14	56	126	101	157	168
Average daily consumption (gallons)	4,342,588	3,579,024	4,153,269	3,765,626	3,708,451	3,705,137	3,423,876	3,563,159	3,651,346	3,707,725
Sewer										
Average daily sewage treatment (gallons)	2,098,000	2,292,000	2,553,000	2,396,164	2,254,794	2,228,250	2,518,000	2,516,000	2,748,000	2,507,000
Sewer residential connections	4,748	5,438	6,217	6,335	6,367	6,458	6,599	6,735	6,827	6,926
Sewer non-residential connections	227	243	248	250	246	246	246	246	242	271
Sanitation										
Refuse collected (tons)	6,990	7,192	7,179	7,114	6,854	6,560	6,334	6,311	6,267	6,694
Recycling collected (tons)	1,850	1,756	1,768	1,831	1,859	1,781	2,374	2,331	2,468	2,353
Sanitation customers	4,629	5,266	5,975	6,026	6,159	6,225	6,433	6,540	6,649	7,108

Source: Various City departments

Note: Indicators are not available for general government function

* Implemented new software, which resulted in greater accuracy in tracking engine/truck activity

Table 19

City of Camas, Washington
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	7	6	7	8	8	8	8	8	8	8
Fire										
Stations	2	2	2	2	2	2	2	2	2	3
Engines	4	4	4	4	4	4	4	4	4	3
Ambulances	4	4	4	4	4	4	4	4	4	4
Parks and recreation										
Parks acreage	110.6	110.6	110.6	143.1	143.1	143.1	143.1	197.9	197.9	197.9
Parks	10	11	12	12	12	12	13	14	14	14
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Skate parks	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)	129.5	134.7	135.5	136.3	137.5	137.5	137.7	138.65	139.99	139.99
Sewer										
Sanitary sewers (miles)	97.0	99.5	100.3	101.1	101.2	101.2	101.3	102.1	103.1	103.1
Storm sewers (miles)	49.1	51.1	53.4	55.7	55.8	55.8	56.1	56.6	56.6	56.6
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
Sanitation										
Collection trucks	3	4	4	4	4	4	4	4	4	4
City Streets										
Paved streets (miles)	88.2	93.8	97	99.8	105.1	105.1	105.1	105.5	105.6	101.93*
Unpaved streets (miles)	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	0*

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