



Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2016

CITY OF CAMAS, WASHINGTON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended December 31, 2016

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May 10, 2017

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, 2016. 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 forth the financial position and the results of operations of the City's various funds. In addition, all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Management Staff of the City is responsible for establishing and maintaining a structure of internal control. Internal accounting controls are designed to provide reasonable assurances that assets of the City are protected from loss, theft, or misuse, and to ensure accounting records are adequate and reliable 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 Government Auditing Standards (GAGAS), as established by the Comptroller General of the United States, 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, 2016, are free of material misstatement.

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

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

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

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

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

Profile of the City of Camas

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

Camas is a full service city, providing for:

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

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

Accounting

The diverse nature of City government and the necessity of assuring legal compliance preclude recording and summarizing all City financial transactions and balances in a single accounting entity. Therefore, from an accounting and financial management viewpoint, the City is a combination of several distinctly different fiscal and accounting entities, each having a separate set of accounts and functioning independently of each other. Each accounting entity is accounted for in a separate "fund". A fund is defined as a fiscal accounting entity with a self-balancing set of accounts, recording cash and other financial resources, together with all related liabilities and residual equities or fund balance, and changes therein, which are segregated for 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 fund 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 they are earned, regardless of the timing of related cash flow. As a result, the Government-wide Financial Statements are similar to and more closely resemble financial statements of private sector businesses.

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

Budget-to-actual comparisons are provided in this report for each individual government fund for which an appropriated budget was adopted. For the General Fund and the major special revenue funds this comparison is presented in the Basic Financial Statements for the governmental funds. For the other governmental funds, 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, 2016, approximately \$0.67 million was invested in the LGIP, \$4 million was invested in the Clark County Investment Pool, and \$22.1 million was invested in agency notes. Additional investments of approximately \$18.8 million were held separately for bond proceeds and a bond reserve fund.

Financial Condition

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

Economic Condition and Outlook: Camas has a number of major commercial and residential projects completing their planning phase and began construction in 2016. As a result, the City is preparing itself for dramatic growth over the next few years. 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 accelerate in 2017-2018. New construction in housing continues to grow with an anticipated 565 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. The City also completed the annexation of an additional \$106.8 million in assessed value for an area adjacent to the City's western border. The Grand Ridge annexation is an affluent residential neighborhood and extends to properties along the Columbia River. Public

safety services and utilities already served the area and the impact to existing service delivery is anticipated to be nominal.

The City's downtown core is also anticipating housing growth as mixed use development of commercial with residential component in a design phase. Commercial activity continues to improve with high occupancy in Historic Downtown Camas. New businesses have included new restaurants, retail, and services. With three existing businesses expanding in adjacent storefronts and three new businesses set to open in 2017. Outside the downtown core, new commercial developments are anticipated for 2017-2018 which will increase new construction and sales tax for the city. These developments are primarily near and in the Camas Meadows Business Park.

The City of Camas is the second largest city in Clark County based upon 2016 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 2016, the City of Camas issued 238 new single family residence permits as compared to 235 in 2015. The value of the permits totaled \$66,957,221 as compared to \$68,394,107 the year before. In 2016, new commercial development totaled \$3,275,754 with additional tenant improvements valued at \$4,731,269 as compared to \$2,176,047 for new commercial in 2015 and \$1,328,964 in tenant improvements.

While the growth of the City has had a positive impact, it also demands substantial investment in capital improvements for streets, parks, storm drainage, water and sewer. Planning for the future is important for the sustained 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 has rebounded beginning in 2013 and has continued into 2016.

However, this growth is not without its costs. Growth of this nature requires extensive infrastructure in streets, storm drainage, solid waste, parks, water and sewer. The 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 and park impact fees as well as 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 budget.

North Shore Planning: The City is financially planning specifically to address the unique needs for service delivery in the North Shore. The North Shore is geographically more challenging for service delivery especially for emergency services. The area has only two access points around Lacamas Lake, one of which is a two lane state route and the other

an arterial at the most western boundary of the City. The City is planning on designing and constructing another arterial in 2017-2018 with the use of state funding.

The City is currently constructing a new sewer transmission main and will be designing and constructing a pump station in 2018. A waterline will be constructed in tandem with funding contribution from the Camas School District to serve a new school in construction in the North Shore. Transportation needs are in a design phase with consultants working with land owners and developers. The City is working with Columbia Land Trust and Clark County Conservation Futures to secure scenic open space. In addition, the City is working with developers to build trails for connectivity in the City's trail system and neighborhood parks.

Staff is planning for operational service level needs by developing a financial model which will program operational requirements based upon the rate of developmental growth. For example, the new school will require a quicker emergency response from police and emergency medical units. Management is planning on how to best staff and equip to meet the need to serve the school and the area with existing resources and possibly proposing new funding options to City Council in 2017.

Short-term Borrowing: As with most growing communities with expanding infrastructure, the City of Camas has utilized its debt capacity to help fund the capital investment as well as issue short-term debt in the form of a Line of Credit (Tax Anticipation Note) for current liquidity. The City issued a \$7 million line of credit with Bank of America in August, 2014 and renewed the line of credit for another two year expiring August 2018. The Line of Credit is used to bridge capital expenditures until State funding is reimbursed to the City. In addition, with the merger with the fire protection services which are funded with seasonal property tax revenues, the City utilizes the Line of Credit for operational cash flow needs until reserves are accumulated.

Transparent Budgeting and Spending: At the end of 2015, the City implemented a new tool from Socrata called Open Budget. This interactive tool allows the City to publish budget and actual data monthly in a graphical or table based format to allow the City Council, staff and the general public to view operating and capital budget information at any level of detail. In 2016, the City implemented Open Spending from Socrata allowing the spending detail of the City to be displayed either in a "checkbook format" or in a graphic easy to drill down format.

<https://cityofcamas.budget.socrata.com/#!/year/default>

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. In addition, some of the projects funded with general obligation bonds issued in 2015 were completed.

Significant projects in 2016 included:

- Completion of STEP Bypass Sewer Transmission Main
- Completion of Slow Sand Water Filtration Plant
- Replacement of Street Lighting with LED technology
- Completion of the 6th and Norwood Traffic Circle
- Completion of a new park, Cooper's View
- Delivery of a new Fire Engine and Ambulance

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, 2015. 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 budget helps make work in the Finance Department easier and the accounting records more accurate and reliable.

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

Respectfully submitted,



Pete Capell
City Administrator



Cathy Huber Nickerson, MPA CGFM
Finance Director



Government Finance Officers Association

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

Presented to

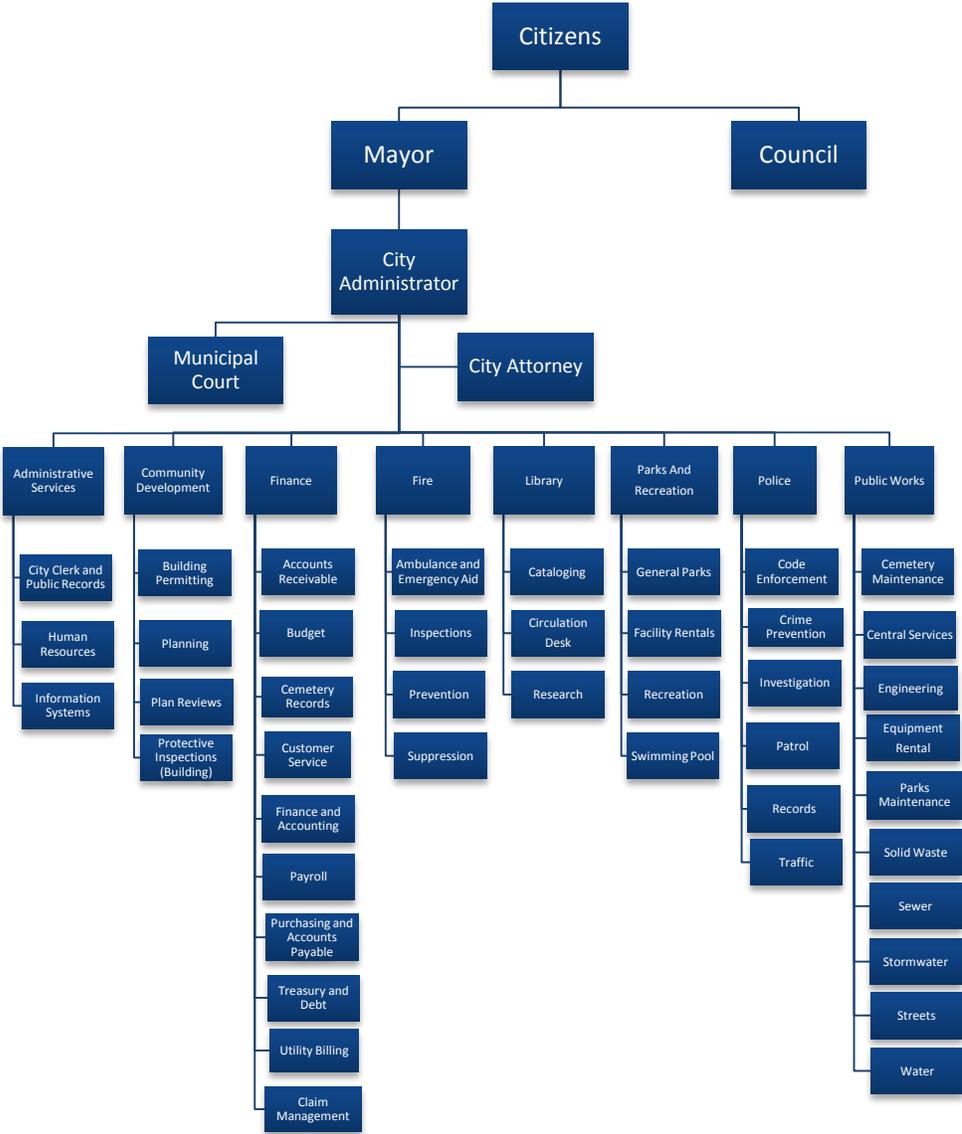
**City of Camas
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

City of Camas Organizational Chart



City of Camas
List of Elected and Appointed Officials
December 31, 2016

Elected Officials

Term Expires

Scott Higgins, Mayor	December 31, 2019
Tim Hazen, Council Member Ward 1	December 31, 2019
Melissa Smith, Council Member Ward 1	December 31, 2017
Bonnie Carter, Council Member Ward 2	December 31, 2019
Steve Hogan, Council Member Ward 2	December 31, 2017
Greg Anderson, Council Member Ward 3	December 31, 2019
Shannon Turk, Council Member Ward 3	December 31, 2017
Don Chaney, Council Member At Large	December 31, 2019

Appointed Officials/City Staff

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



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

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

May 23, 2017

Mayor and City Council
City of Camas
Camas, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Camas, Clark County, Washington, as of and for the year ended December 31, 2016, 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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and the Camas-Washougal Fire and EMS funds, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Matters of Emphasis – Correction of Prior Year Misstatement

As discussed in Note 5 to the financial statements, the 2015 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 24, information on postemployment benefits other than pensions on page 92 and pension plan information on pages 93 through 104 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 and Individual Fund Statements on pages 105 through 124 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 23, 2017, 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 "Pat McCarthy".

Pat McCarthy

State Auditor

Olympia, WA

CITY OF CAMAS, WASHINGTON
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

The City of Camas discussion and analysis is a narrative overview of the city's financial activities for the fiscal year ended December 31, 2016. 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, 2016 by \$224.6 million.
- Net investment in capital assets account for 91% of this amount, with a value of \$205.7 million.
- Of the remaining net assets, \$7.3 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 \$20.2 million, nearly 10% during 2016.
- As of December 31, 2016, City's governmental funds reported combined ending fund balances of \$9.3 million. Nearly 29% of this total amount, \$2,717,022 is available for spending at the government's discretion. General Fund has \$2.7 million in unassigned fund balance.
- City's total bonded debt at December 31, 2016 was \$28.2 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Basic Financial Statements

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

Government-wide Financial Statements

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

The Statement of Net Position

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

The Statement of Activities

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

All changes in net position are reported using the accrual basis of accounting, which requires that revenues are reported when they are earned and expenses are reported when the goods and services are received. Items such as uncollected taxes, unpaid vendor invoices for items received in 2016, 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 2016.

Fund Financial Statements

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

The Fund Financial Statements provide detailed information about each of the City's most significant funds, called Major Funds. Each major fund is presented individually with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major Funds present the major activities of the City for the year. The General Fund is always a Major Fund, but other funds may change from year to year as a result of changes in the pattern of City's activities. The City has two major funds in 2016 in addition to the General Fund, the Camas/Washougal Fire and EMS Fund and the Growth Management Fund.

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. In comparing the Proprietary Fund Statements of Net Position to the business-type column on the government-wide Statement of Net Position, the total net position agrees, therefore needs no reconciliation.

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

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City's net position increased in 2016 by \$20.2 million or nearly 10% from 2015. The largest portion, approximately \$205.7 million, of the City's net position represents its investment in infrastructure and other capital assets (e.g. land, building, other improvements, etc.) used in Governmental activities, net of amounts borrowed to finance the investment. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the City's governmental net position of \$4.2 million, or 3.3%, represents the resources that are subject to restrictions that may only be used to construct specified capital projects, debt service, tourism or public safety programs. The restrictions on these funds were placed by law makers or covenants and cannot be changed by the City.

Unrestricted net position can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The City's unrestricted net position improved from 2015 by \$1.2 million to (\$0.7) million with the implementation of GASB 68 in 2015 and the recording of a net pension liability.

At the end of the fiscal year 2016, the City was able to report positive balances in all categories of net position for the government as a whole except for unrestricted due to the implementation of GASB 68 and recording the net pension liability, which will likely remain for a long term liability for several decades.

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

City of Camas Net Position

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	Total Activities 2016	Total Activities 2015
Current and other assets	\$ 11,677,109	\$ 12,684,834	\$ 35,599,378	\$ 32,594,651	\$ 47,276,487	\$ 45,279,485
Pension Assets	3,963,336	5,095,345			3,963,336	5,095,345
Capital assets (net of accumulated depreciation)	137,117,275	124,621,722	115,532,829	110,521,142	252,650,104	235,142,864
TOTAL ASSETS	152,757,720	142,401,901	151,132,207	143,115,793	303,889,927	280,422,349
Deferred Outflows	1,954,974	1,107,696	603,302	454,290	2,558,276	1,561,986
Long-term liabilities	17,299,008	23,371,970	45,471,244	48,451,829	62,770,252	71,823,799
Other liabilities	9,134,780	3,304,172	9,483,060	5,534,030	18,617,840	8,838,202
TOTAL LIABILITIES	26,433,788	26,676,142	54,954,304	53,985,859	81,388,092	80,662,001
Deferred Inflows	341,521	1,732,690	49,092	219,507	390,613	1,952,197
NET POSITION						
Net investment in capital assets	124,445,727	114,055,065	81,303,548	78,106,077	205,749,275	192,161,142
Restricted	4,229,707	2,804,098	7,344,085	3,756,220	11,573,791	6,560,318
Unrestricted	(738,049)	(1,758,398)	8,084,480	7,502,420	7,346,431	5,744,022
TOTAL NET POSITION	\$ 127,937,385	\$ 115,100,765	\$ 96,732,113	\$ 89,364,717	\$ 224,669,498	\$ 204,465,481

Statement of Activities

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

The City’s Governmental activities net position increased by \$7.5 million in 2016. The governmental revenue increased by \$9.6 million to \$37.6 million. The governmental expenses increased by \$0.9 million to \$30.0 million.

Of the total governmental revenues, total program revenues increased by \$4.3 million or 32%, to \$17.6 million from the prior year. The increase is primarily due to the increase in capital grants and contributions of \$3.9 million from 2016 with charges for services increasing almost \$.4 million.

General revenues increased overall by \$5.2 million, of which \$1 million due to an increase in property taxes over 2015 general revenues. The significant change was the one time transfer in 2015 of \$3.4 million to Storm Water from street construction projects.

A summary version of the Statement of Activities is shown in the following table including comparison data from 2015. 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 2016.

City of Camas Change in Net Position

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	Total 2016	Total 2015
Revenues:						
Program revenues:						
Charges for services	\$ 9,955,118	\$ 9,561,982	\$ 15,877,401	\$ 14,960,612	\$ 25,832,519	\$ 24,522,594
Operating grants and contributions	373,183	314,409	275,783	8,678	648,966	323,087
Capital grants and contributions	7,355,365	3,431,946	5,881,163	3,065,008	13,236,528	6,496,954
General revenues:						
Taxes:						
Property taxes levied for general purposes and EMS	12,569,896	11,544,269	-	-	12,569,896	11,544,269
Property taxes levied for debt service	627,668	626,083	-	-	627,668	626,083
Sales and use taxes	3,215,650	2,806,402	-	-	3,215,650	2,806,402
Business and occupation taxes	462,385	465,112	-	-	462,385	465,112
Excise and other taxes	1,864,014	1,604,166	-	-	1,864,014	1,604,166
Grants and contributions not restricted to specific programs						
Unrestricted investment earnings	1,026,762	945,453	-	-	1,026,762	945,453
Miscellaneous	45,582	73,007	197,779	63,986	243,361	136,993
	72,298	64,258	-	(1,289)	72,298	62,969
Total revenues	37,567,921	31,437,087	22,232,126	18,096,995	59,800,047	49,534,082
Expenses:						
General government	4,231,266	4,258,683	-	-	4,231,266	4,258,683
Judicial	297,904	295,080	-	-	297,904	295,080
Public safety	14,653,233	13,490,859	-	-	14,653,233	13,490,859
Physical environment	163,357	180,163	-	-	163,357	180,163
Transportation	5,793,626	5,706,801	-	-	5,793,626	5,706,801
Health and human services	7,031	4,505	-	-	7,031	4,505
Economic environment	942,463	989,996	-	-	942,463	989,996
Culture and recreation	3,491,116	3,656,969	-	-	3,491,116	3,656,969
Interest on long-term debt	446,844	523,178	-	-	446,844	523,178
Water-Sewer	-	-	11,062,672	9,731,456	11,062,672	9,731,456
Storm Water	-	-	1,269,118	1,343,496	1,269,118	1,343,496
Solid Waste	-	-	2,139,197	2,013,652	2,139,197	2,013,652
Total expenses	30,026,840	29,106,232	14,470,987	13,088,604	44,497,827	42,194,836
Excess or deficiency before Transfers	7,541,081	2,330,855	7,761,139	5,008,391	15,302,220	7,339,246
Transfers	50,000	(3,487,498)	-	3,487,498	50,000	-
Change in net position	7,591,081	(1,156,643)	7,761,139	8,495,889	15,352,220	7,339,246
Net position - beginning	115,100,765	117,354,564	89,364,717	82,278,689	204,465,482	199,633,253
Change in Accounting Principles	-	(783,834)	-	(1,409,861)	-	(2,193,695)
Prior Period Adjustment	5,245,539	(313,321)	(393,743)	-	4,851,796	(313,321)
Net position - ending	\$ 127,937,385	\$ 115,100,766	\$ 96,732,113	\$ 89,364,717	\$ 224,669,498	\$ 204,465,483

Governmental Activity Analysis

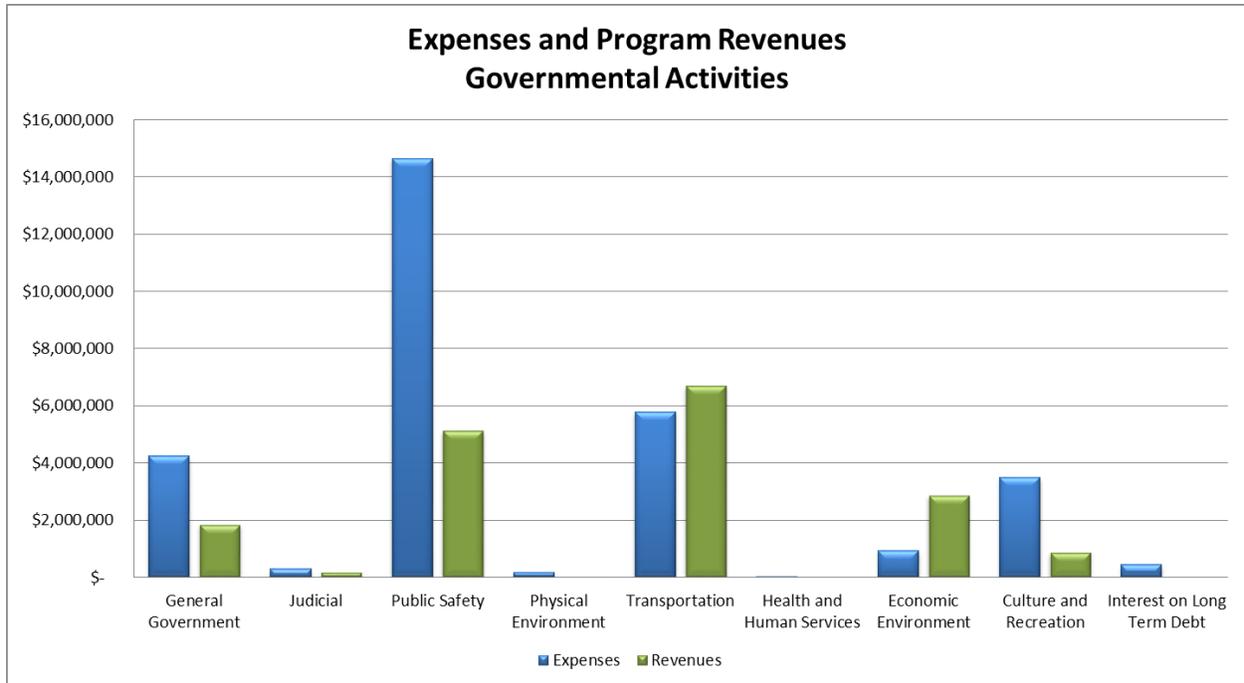
The property tax collections increased in the City of Camas by \$1,027,212 or 8% with the growth in new construction in commercial properties and the increase in home building. Sales tax collected increased by \$409,248 or 15% which is due to an over reporting correction in 2015 of \$125,000 and stronger construction in both private and public projects. The Excise and Other Taxes increased by 16% with continued growth in housing. Business and Occupational were flat in 2016 as compared to 2015,

this category primarily includes cable franchise fees and utility taxes for Natural Gas. Natural Gas Utility Tax is impacted by weather and gas prices.

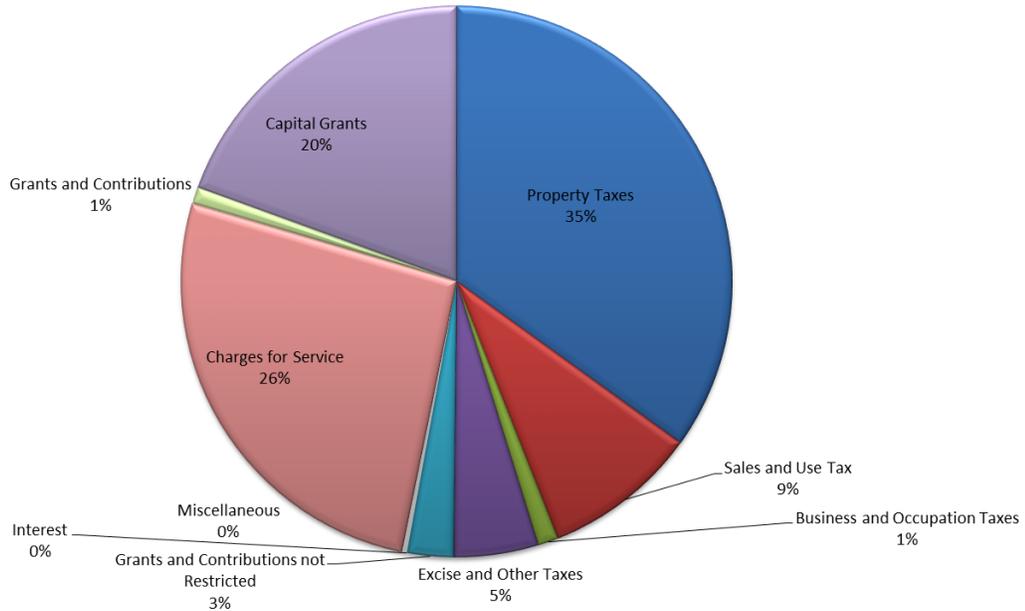
Governmental activities expenses for 2016 were 6.7% higher than 2015. Increased labor costs and increased debt payments are the main increases in expenses. Labor costs increased with cost of living, overtime, additional seasonal help and healthcare.

The net position with governmental activities increased by \$14 million due to the increase in contributed capital, growth related revenue increases and prior period adjustments to fixed assets.

The following charts display the City’s governmental activities for 2016, highlighting the proportionate elements of the Revenue and Expenses by program. As well as a detailed chart of sources of revenue in 2016 in the governmental activities.



Revenues by Source - Governmental Activities



Business-Type Activities Analysis

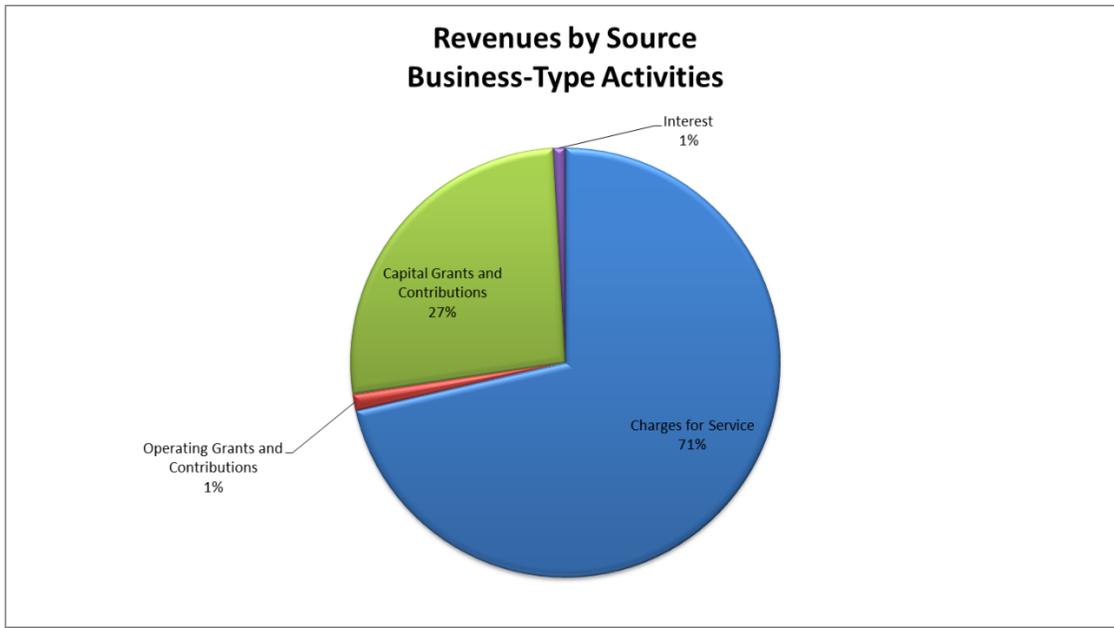
The financial position of the City's Business-Type funds consists of the Storm Water Fund, the Solid Waste Fund and the Water-Sewer Fund. The Water-Sewer Fund is the largest proprietary fund in the City. The financial position of the City's business-type funds is strongly influenced by the Water-Sewer Fund. In 2016, that fund had a \$.688 million increase in charges for services revenues, \$3.4 million increase in capital grants and contributions, a \$1.3 million increase in expenses (excluding depreciation and amortization) over the prior year but the most significant increase was the capital investment of \$3.3 million, all contributing to an overall increase in net position of 9.5%. The Solid Waste Fund improved net position by 14.4% in 2016. This increase was mostly attributed to increase in garbage and recycling revenue while maintain status quo expense budget. The Storm Water Fund maintained net position of \$15.1 million which is attributed to realigning the program to meet the requirements of the National Pollutant Discharge Elimination System permit.

Business-Type Activity Operating Revenues

Water-Sewer	\$12,053,096	76%
Storm Water	1,366,535	9%
Solid Waste	2,457,770	<u>15%</u>
		<u>100%</u>

Business-Type Activity Operating Expenses

Water-Sewer	\$11,062,672	76%
Storm Water	1,269,118	9%
Solid Waste	2,139,197	<u>15%</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 24 funds, of which 14 are governmental funds. The governmental funds are categorized into four different fund types. Each fund type has a unique purpose, General Fund, Special Revenue Funds, Debt Funds and Capital Project Funds.

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

The change in Total Governmental Funds fund balance was a decrease of \$841,367. Of the Major funds, the General Fund had an increase of \$866,255. The Camas/Washougal Fire and EMS Fund had an increase of \$33,799. The Growth Management Fund had an increase of \$1,296,610. All other governmental funds had a combined decrease in their fund balances of \$3,038,031.

The increase in the General Fund was primarily a result increase in growth related revenue such as building permits and engineering related revenue. The Camas/Washougal Fire and EMS Fund increase is the result of higher contributions from the City of Camas and the City of Washougal to build fund balance but was offset with the unanticipated use of overtime associated with work-related injuries. The Growth Management Fund increase in fund balance is a result of increases in impact fees and real estate excise taxes tied to growing housing market. The other funds saw decreases with the anticipated use of \$7.3 million limited general obligation bond proceeds on a number of capital projects in 2016.

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 82% of net position for the enterprise funds at \$78.6 million. The Water-Sewer Fund had an increase in net position of over \$6.9 million. Revenues generated from operations

were higher than the prior year by \$208 thousand (1.8%), and operating expenses increased by \$1 million (12.2%). The higher revenues were due to residential and commercial growth with the higher expenses tied to a new water filtration system becoming operational, new repair and replacement program for both water, housing growth, and sewer and staff retirements.

The Solid Waste Fund net position increased 14% in 2016. Charges for services increased 5% while operating expenses increased 7% with the main increase in collection and disposal services.

The Storm Water Fund net position increased by \$57,058 (.03%) in 2016. In 2015, capital contributions from governmental activities are the reason for the large increase with the wetland mitigation constructed in 2015. The 2015 net position increase as compared to 2016 appears flat in growth due to the large capital contribution in a prior year.

The Internal Service Fund, the Equipment Rental Fund net position showed an increase of \$670 thousand or 16% in 2016. Revenues increased 6% while expenses decreased \$49 thousand (3.6%). Rates for the rental of equipment were adjusted with an updated Equipment Rental Rate Model in 2016. The financial model is sustainable and will be carefully monitored.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City operated with biennial budget for 2015-2016. In 2016, General Fund revenues came in at the anticipated budget, while expenditures were 96% of the budget. Revenues ended the year \$93,938 higher than anticipated with development pace holding steady throughout 2016. Overall, 2016 ended \$1,149,462 more than the previous year. This increase in fund balance reflects lower jail costs, lower emergency management fees, and delayed projects into 2017 which account for the lower expenditures coupled with the higher revenues increased the growth in fund balance.

State law allows funds to be expended if authorized by an ordinance amending the original budget [RCW 35A.33.120(4)]. The budget was amended for an increase of \$113,796 by City Council in Ordinance No. 16-005. This Ordinance supplemented the budget for city-wide salary study, labor negotiations legal costs, and extending the summer season for the municipal pool.

The Budget was supplemented by \$62,000 by City Council in Ordinance No. 16-027. This budget adjustment transfer additional funds to the Cemetery for unforeseen cost increases and debt costs.

The City had planned and budgeted to spend down General Fund balances in 2016 to 15% of Fund Balance; however, due to the moderate growth in revenue collections and higher expenditures, the fund balance for the General Fund increased by \$1,149,462 ending the year with \$3,353,423. This balance represents 17.9% of expenditures and is just above the City's adopted policies for fund balance of 17%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

City's Investment in capital assets, including construction in progress for its governmental and business type activities as of December 31, 2016, was \$205,749,275 (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 \$13.6 million during the year.

Major capital asset additions include completion of Sewer STEP System Bypass, improvements to Franklin Street, City-wide LED Lighting project, 6th and Norwood traffic circle, and a number of developer contributions from new subdivisions. Another large increase was the annexation of Grand Ridge with increased capital for the City by \$3.7 million.

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

City of Camas Capital Assets

(net of depreciation)

	Governmental		Business-Type		Total	
	Activities		Activities		Activities	
	1/1/2016	12/31/2016	1/1/2016	12/31/2016	1/1/2016	12/31/2016
Land	\$62,814,189	\$ 66,563,660	\$1,130,208	\$1,130,209	\$63,944,397	\$67,693,869
Buildings and systems	12,488,290	\$ 12,135,923	20,913,401	21,438,584	\$33,401,691	\$33,574,507
Improvements other than building	4,720,901	\$ 4,622,020	5,177,609	19,587,385	\$9,898,510	\$24,209,405
Machinery and equipment	5,767,117	\$ 6,334,777	18,581,558	18,998,950	\$24,348,675	\$25,333,727
Intangibles	20,400	\$ 16,131	388,526	385,721	\$408,926	\$401,852
Infrastructure	37,982,156	\$ 46,393,049	53,969,565	49,480,641	\$91,951,721	\$95,873,690
Construction in progress	828,669	\$ 1,051,715	10,360,275	4,511,339	\$11,188,944	\$5,563,054
Total	\$124,621,722	\$137,117,275	\$110,521,142	\$115,532,829	\$235,142,864	\$252,650,104

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, 2016, the City of Camas had total bonded debt outstanding of \$31.6 million and government loans of \$31.4 million. Of this amount, \$10.1 million is general obligation debt. The revenue bonds of \$18.9 million represent bonds secured solely by specified revenue source. The business-type government loans are intended to be repaid with a specified revenue source.

The table below is a comparison of the summary information for year-end 2016 and 2016 bonded and non-bonded debt (in thousands).

City of Camas Outstanding Bonded Debt

(in thousands)

	Governmental		Business-Type		Total	
	Activities		Activities		Activities	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 9,451	\$ 10,238	\$ 822	\$ 853	\$ 10,273	\$ 11,091
Revenue bonds	-	-	21,347	22,229	21,347	22,229
Government loans	5,358	6,076	26,111	26,487	31,469	32,563
Total	\$ 14,809	\$ 16,314	\$ 48,280	\$ 49,569	\$ 63,089	\$ 65,883

The total bonded debt of the City of Camas decreased by a net \$2.7 million during 2016. The City's remaining capacity for non-voted debt is approximately \$45.1 million. City of Camas is currently rated AA+ for general obligation debt by Standard and Poor's Rating Service. The City received this rating in June, 2014 and it was confirmed in February, 2015.

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

Significant Commitments

The City has remaining construction projects as of December 31, 2016. 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
Street Lighting LED Project	\$1,665,901	\$1,334,099
NW Brady Road Street Improvements	\$465,333	\$1,575,000
NW 6 th and Norwood Improvements	\$3,099,152	\$258,209

Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$11,201,130	\$2,572,083
North Shore Sewer Transmission Main	\$1,896,368	\$15,000,000
North Shore Waterline	\$338,308	\$3,100,000

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

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

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

Finance Department
City of Camas
616 NE 4th Avenue
Camas, WA, 98607.

Additional information about the City's operations and activities can be obtained from the website at www.cityofcamas.us.

The City has also implemented transparent budgeting in 2015-2016 which can be found at:
www.cityofcamas.us/index.php/financereporting/openbudget

CITY OF CAMAS, WASHINGTON

Statement of Net Position

December 31, 2016

	Governmental Activities	Business-type Activities	Total Primary Government
Assets:			
Cash, Cash Equivalents and Pooled Investments	\$ 9,294,565	\$ 10,094,494	\$ 19,389,059
Receivables (Net of Allowance for Uncollectible)	1,619,299	2,577,090	4,196,389
Internal Balances	(1,374,714)	1,374,714	-
Restricted Assets			
Cash, Cash Equivalents and Pooled Investments	2,137,959	6,433,517	8,571,476
Investments	-	15,119,563	15,119,563
Net Pension Assets	3,963,336	-	3,963,336
Capital Assets Not Being Depreciated:			
Land and Improvements to Land	19,525,377	1,015,178	20,540,555
Land Rights	47,038,283	115,031	47,153,314
Construction Work in Progress	1,051,715	4,511,339	5,563,054
Capital Assets Net of Accumulated Depreciation:			
Buildings	12,135,923	21,438,584	33,574,507
Improvements Other than Buildings	4,622,020	19,587,385	24,209,405
Machinery and Equipment	6,334,777	18,998,950	25,333,727
Intangibles	16,131	385,721	401,852
Infrastructure	46,393,049	49,480,641	95,873,690
Total Assets	152,757,720	151,132,207	303,889,927
Deferred Outflows of Resources			
Amounts related to pensions	1,954,974	379,687	2,334,661
Deferred amount on refunding	-	223,615	223,615
Total deferred outflows of resources	1,954,974	603,302	2,558,276
Liabilities:			
Accounts Payable and Other Current Liabilities	1,023,269	812,235	1,835,504
Accrued Interest Payable	46,505	296,717	343,222
Line of Credit	501,883	2,647,259	3,149,142
Custodial Accounts	90,801	-	90,801
Developer Credit	648,866	604,647	1,253,513
Noncurrent Liabilities:			
Due within One Year	1,558,416	3,089,157	4,647,573
Due in More than One Year	17,299,008	45,471,244	62,770,252
Net Pension Liability	5,265,040	2,033,045	7,298,085
Total Liabilities	26,433,788	54,954,304	81,388,092
Deferred Inflows of Resources			
Amounts related to pensions	341,521	49,092	390,613
Total deferred inflows of resources	341,521	49,092	390,613
Net Position:			
Net Investment in Capital Assets	124,445,727	81,303,548	205,749,275
Restricted for:			
Tourism	15,280	-	15,280
Public Safety	129,796	-	129,796
Debt Service	43,537	1,567,095	1,610,632
Capital	4,041,094	5,776,990	9,818,084
Unrestricted	(738,049)	8,084,480	7,346,431
Total Net Position	\$ 127,937,385	\$ 96,732,113	\$ 224,669,498

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

CITY OF CAMAS, WASHINGTON

Statement of Activities

Year Ended December 31, 2016

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	\$ 4,231,266	\$ 1,749,509	\$ 95,885	\$ -	\$ (2,385,872)	\$ -	\$ (2,385,872)
Judicial	297,904	195,359	-	-	(102,545)	-	(102,545)
Public Safety	14,653,233	4,863,533	274,330	-	(9,515,370)	-	(9,515,370)
Physical Environment	163,357	52,340	-	-	(111,017)	-	(111,017)
Transportation	5,793,626	12,299	-	6,681,277	899,950	-	899,950
Health and Human Services	7,031	-	-	-	(7,031)	-	(7,031)
Economic Environment	942,463	2,863,275	2,968	-	1,923,780	-	1,923,780
Culture and Recreation	3,491,116	218,803	-	674,088	(2,598,225)	-	(2,598,225)
Interest on Long-Term Debt	446,844	-	-	-	(446,844)	-	(446,844)
TOTAL GOVERNMENTAL ACTIVITIES	30,026,840	9,955,118	373,183	7,355,365	(12,343,174)	-	(12,343,174)
Business Type Activities:							
Water Sewer	11,062,672	12,053,096	-	5,881,163	-	6,871,587	6,871,587
Storm Water Drainage	1,269,118	1,366,535	275,783	-	-	373,200	373,200
Solid Waste	2,139,197	2,457,770	-	-	-	318,573	318,573
TOTAL BUSINESS-TYPE ACTIVITIES	14,470,987	15,877,401	275,783	5,881,163	-	7,563,360	7,563,360
Total Primary Government	\$ 44,497,827	\$ 25,832,519	\$ 648,966	\$ 13,236,528	\$ (12,343,174)	\$ 7,563,360	\$ (4,779,814)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					\$ 11,143,358	\$ -	\$ 11,143,358
Property Taxes Levied for Voted Levy (EMS)					1,426,538	-	1,426,538
Property Taxes, Levied for Debt Service					627,668	-	627,668
Sales and Use Taxes					3,215,650	-	3,215,650
Business and Occupation Taxes					462,385	-	462,385
Excise and Other Taxes					1,864,014	-	1,864,014
Grants and Contributions not Restricted to Specific Programs					1,026,762	-	1,026,762
Miscellaneous					72,298	-	72,298
Transfers					50,000	-	50,000
Unrestricted Investment Earnings					45,582	197,779	243,361
Total General Revenues and Special Items					19,934,255	197,779	20,132,034
Change in Net Position					7,591,081	7,761,139	15,352,220
Net Position - Beginning					115,100,765	89,364,717	204,465,482
Prior Period Adjustments					5,245,539	(393,743)	4,851,796
Net Position - Ending					\$ 127,937,385	\$ 96,732,113	\$ 224,669,498

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

CITY OF CAMAS, WASHINGTON

Governmental Funds

Balance Sheet

December 31, 2016

	General Fund	Camas-Washougal Fire & EMS Fund	Growth Management Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash, Cash Equivalents, and Pooled Investments	\$ 2,898,326	\$ 488,328	\$ 4,186,713	\$ 2,264,424	\$ 9,837,791
Property Taxes Receivables	228,688	28,287	-	14,644	271,619
Sales Taxes Receivable	644,787	-	-	-	644,787
Accounts Receivable (net)	29,448	406,404	-	13,035	448,887
Interest Receivable	1,653	-	-	-	1,653
Due from Other Governmental Units	198,205	-	8,302	41,941	248,448
Total Assets	4,001,107	923,019	4,195,015	2,334,044	11,453,185
Liabilities, Deferred Inflows of Resources and Fund Balances:					
Liabilities:					
Accounts Payable	287,001	249,899	71,371	183,505	791,776
Due to Other Governmental Units	217,137	-	-	-	217,137
Line of Credit	-	206,748	-	-	206,748
Custodial Accounts	90,801	-	-	-	90,801
Total Liabilities	594,939	456,647	71,371	183,505	1,306,462
Deferred Inflows of Resources					
Unavailable revenue	386,340	351,397	-	10,949	748,686
Total deferred inflows of resources	386,340	351,397	-	10,949	748,686
Fund Balances:					
Restricted					
Tourism	-	-	-	15,280	15,280
Public Safety	129,796	-	-	-	129,796
Debt Service	-	-	-	43,537	43,537
Capital Outlay	-	-	4,123,644	2,055,409	6,179,053
Committed - Public Safety	-	114,975	-	-	114,975
Assigned - Cemetery	11,327	-	-	-	11,327
Assigned - Working Capital	161,683	-	-	25,364	187,047
Unassigned	2,717,022	-	-	-	2,717,022
Total Fund Balances	3,019,828	114,975	4,123,644	2,139,590	9,398,037
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,001,107	\$ 923,019	\$ 4,195,015	\$ 2,334,044	\$ 11,453,185

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	133,466,157
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds	748,686
Other items related to Pension activity that are not financial resources therefore, not reported in the funds.	5,536,415
Internal service funds are used to charge the costs of services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	3,324,244
Long-term liabilities that are not due and payable in the current period and are not reported in the funds	(24,536,154)
Net position of governmental activities	\$ 127,937,385

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, 2016

	General Fund	Camas-Washougal Fire & EMS Fund	Growth Management Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Property Taxes	\$ 10,902,649	\$ 1,426,538	\$ -	\$ 787,601	\$ 13,116,788
Sales and Use Taxes	3,205,091	-	-	10,559	3,215,650
Other Taxes	462,385	-	1,864,014	-	2,326,399
License and Permits	858,726	40,980	-	-	899,706
Intergovernmental	565,214	1,290	400,482	1,858,311	2,825,297
Charges for Services	3,041,681	4,494,297	1,154,586	-	8,690,564
Fines and Forfeits	189,300	31,908	-	-	221,208
Interest Earnings	23,465	(2,130)	(13,261)	43,797	51,871
Rents and Royalties	165,085	-	-	-	165,085
Contributions/Donations	95,885	2,000	-	-	97,885
Miscellaneous	46,839	2,551	-	-	49,390
Total Revenues	<u>19,556,320</u>	<u>5,997,434</u>	<u>3,405,821</u>	<u>2,700,268</u>	<u>31,659,843</u>
Expenditures:					
Current					
General Government	4,259,310	-	-	-	4,259,310
Judicial	301,057	-	-	-	301,057
Public Safety	5,495,626	8,869,299	-	-	14,364,925
Physical Environment	180,497	-	-	-	180,497
Transportation	-	-	-	1,564,892	1,564,892
Mental and Physical Health	7,031	-	-	-	7,031
Economic Environment	972,947	-	-	8,348	981,295
Culture and Recreation	2,946,232	-	84,636	-	3,030,868
Capital Outlay	106,473	206,748	1,132,812	4,591,401	6,037,434
Debt Service					
Principal Retirement	-	-	-	1,443,741	1,443,741
Interest and Other Charges	4,896	4,643	-	508,344	517,883
Total Expenditures	<u>14,274,069</u>	<u>9,080,690</u>	<u>1,217,448</u>	<u>8,116,726</u>	<u>32,688,933</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,282,251	(3,083,256)	2,188,373	(5,416,458)	(1,029,090)
Other Financing Sources (Uses)					
Sale of Capital Assets	-	10,000	-	-	10,000
Insurance Recoveries	20,178	18,233	-	37,030	75,441
Transfers In	-	3,143,888	269,429	2,883,695	6,297,012
Transfers Out	(4,488,456)	(55,066)	(1,161,192)	(542,298)	(6,247,012)
Total Other Financing Sources and Uses	<u>(4,468,278)</u>	<u>3,117,055</u>	<u>(891,763)</u>	<u>2,378,427</u>	<u>135,441</u>
Net Change in Fund Balances	813,973	33,799	1,296,610	(3,038,031)	(893,649)
Fund Balance at Beginning of Year	2,153,573	81,176	2,827,034	5,177,621	10,239,404
Prior Period Adjustments	52,282	-	-	-	52,282
Fund Balance at End of Year	<u>\$ 3,019,828</u>	<u>\$ 114,975</u>	<u>\$ 4,123,644</u>	<u>\$ 2,139,590</u>	<u>\$ 9,398,037</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, 2016

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

Net changes in fund balances - total governmental funds:	\$	(893,649)
<p>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.</p>		1,056,734
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.</p>		5,493,281
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		(82,534)
<p>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.</p>		1,443,554
<p>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.</p>		209,167
<p>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.</p>		364,528
Change in net position of governmental activities	\$	<u>7,591,081</u>

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

CITY OF CAMAS, WASHINGTON
 General Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Compared to Budget (GAAP Basis) and Actual
 For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 10,787,304	\$ 10,787,304	\$ 10,902,649	\$ 115,345
Sales and Use Taxes	3,346,074	3,346,074	3,205,091	(140,983)
Other Taxes	509,638	509,638	462,385	(47,253)
License and Permits	798,758	798,758	858,726	59,968
Intergovernmental	576,467	576,467	565,214	(11,253)
Charges for Services	3,001,458	3,010,014	2,994,181	(15,833)
Fines and Forfeits	237,753	237,753	189,300	(48,453)
Interest Earnings	61,434	61,434	23,502	(37,932)
Rents and Royalties	173,481	173,481	165,085	(8,396)
Contributions/Donations	40,722	82,972	95,885	12,913
Miscellaneous	46,485	46,485	45,300	(1,185)
Total Revenues	<u>19,579,574</u>	<u>19,630,380</u>	<u>19,507,318</u>	<u>(123,062)</u>
Expenditures:				
Current				
General Government	4,257,637	4,353,854	4,259,310	(94,544)
Judicial	294,245	301,745	301,057	(688)
Public Safety	5,797,736	5,788,279	5,495,626	(292,653)
Mental and Physical Health	5,000	5,000	7,031	2,031
Economic Environment	1,065,751	1,049,251	972,947	(76,304)
Culture and Recreation	3,004,158	3,045,071	2,946,232	(98,839)
Capital Outlay	62,000	128,000	106,473	(21,527)
Debt Service				
Interest and Other Charges	-	5,000	4,896	(104)
Total Expenditures	<u>14,486,527</u>	<u>14,676,200</u>	<u>14,093,572</u>	<u>(582,628)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	5,093,047	4,954,180	5,413,746	459,566
Other Financing Sources (Uses):				
Insurance Recoveries	-	21,000	20,178	(822)
Transfers Out	(5,045,174)	(5,103,104)	(4,629,386)	473,718
Total Other Financing Sources and Uses	<u>(5,045,174)</u>	<u>(5,082,104)</u>	<u>(4,609,208)</u>	<u>472,896</u>
Net Change in Fund Balance	47,873	(127,924)	804,538	932,462
Fund Balances at Beginning of Year	-	-	2,151,679	2,151,679
Prior Period Adjustments	-	-	52,282	52,282
Fund Balances at End of Year	<u>\$ 47,873</u>	<u>\$ (127,924)</u>	<u>\$ 3,008,499</u>	<u>\$ 3,136,423</u>
Adjustments to general accepted accounting principles (GAAP) Basis				
Cemetery Fund			11,327	
Fund Balance - GAAP basis			<u>\$ 3,019,826</u>	

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

CITY OF CAMAS, WASHINGTON
Camas-Washougal Fire & EMS Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Compared to Budget (GAAP Basis) and Actual
For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 1,266,902	\$ 1,266,902	\$ 1,426,538	\$ 159,636
License and Permits	25,370	25,370	40,980	15,610
Intergovernmental	-	-	1,290	1,290
Charges for Services	4,457,270	4,457,270	4,494,297	37,027
Fines and Forfeits	13,818	13,818	31,908	18,090
Interest Earnings	2,018	2,018	(2,130)	(4,148)
Contributions/Donations	850	850	2,000	1,150
Miscellaneous	5,700	5,700	2,551	(3,149)
Total Revenues	5,771,928	5,771,928	5,997,434	225,506
Expenditures:				
Current				
Security/Persons and Property	8,505,353	8,891,474	8,869,299	(22,175)
Capitalized Expenditures	-	207,000	206,748	(252)
Debt Service				
Interest and Other Charges	-	-	4,643	4,643
Total Expenditures	8,505,353	9,098,474	9,080,690	(17,784)
Excess (Deficiency) of Revenues				
Over (under) Expenditures	(2,733,425)	(3,326,546)	(3,083,256)	243,290
Other Financing Sources (Uses):				
Intergovernmental Loan Proceeds	-	250,000	-	(250,000)
Sale of Capital Assets	-	-	10,000	10,000
Insurance Recoveries	-	-	18,233	18,233
Transfers In	3,093,888	3,143,888	3,143,888	-
Transfers Out	-	(60,000)	(55,066)	4,934
Total Other Financing Sources and Uses	3,093,888	3,333,888	3,117,055	(216,833)
Net Change in Fund Balance	360,463	7,342	33,799	26,457
Fund Balances at Beginning of Year	-	-	81,176	81,176
Fund Balances at End of Year	\$ 360,463	\$ 7,342	\$ 114,975	\$ 107,633

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, 2016

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Assets:					
Current Assets:					
Cash, Cash Equivalents, and Pooled Investments	\$ 6,652,747	\$ 1,841,201	\$ 1,600,546	\$ 10,094,494	\$ 1,594,733
Receivables					
Accounts	1,705,130	242,979	440,830	2,388,939	3,905
Due from Other Governmental Units	-	187,551	-	187,551	-
Restricted Assets					
Cash and Cash Equivalents	6,433,517	-	-	6,433,517	-
Investments	15,119,563	-	-	15,119,563	-
Interest Receivable	600	-	-	600	-
Total Current Assets	<u>29,911,557</u>	<u>2,271,731</u>	<u>2,041,376</u>	<u>34,224,664</u>	<u>1,598,638</u>
Noncurrent Assets:					
Nondepreciable Assets:					
Land and Improvements to Land	1,015,178	-	-	1,015,178	104,732
Land Rights	92,845	22,186	-	115,031	-
Construction in Progress	4,155,957	355,382	-	4,511,339	-
Property, Plant and Equipment (Net)					
Building	21,438,584	-	-	21,438,584	679,130
Intangible Assets	385,721	-	-	385,721	-
Improvements Other than Buildings	9,918,134	9,669,251	-	19,587,385	41,840
Machinery and Equipment	18,986,219	12,731	-	18,998,950	2,825,416
Infrastructure	45,498,995	3,981,646	-	49,480,641	-
Total Noncurrent Assets	<u>101,491,633</u>	<u>14,041,196</u>	<u>-</u>	<u>115,532,829</u>	<u>3,651,118</u>
Total Assets	<u>131,403,190</u>	<u>16,312,927</u>	<u>2,041,376</u>	<u>149,757,493</u>	<u>5,249,756</u>
Total Deferred Outflows of Resources					
Deferred Amount on Refunding	223,615	-	-	223,615	-
Amounts related to pensions	280,188	45,114	54,385	379,687	46,373
Total Deferred Outflows of Resources	<u>503,803</u>	<u>45,114</u>	<u>54,385</u>	<u>603,302</u>	<u>46,373</u>
Liabilities					
Current Liabilities:					
Accounts Payable	633,737	39,705	138,386	811,828	14,356
Accrued Interest Payable	293,713	3,004	-	296,717	-
Accrued Employee Benefits	15,476	1,792	2,054	19,322	2,108
Line of Credit	2,647,259	-	-	2,647,259	295,135
Bonds, Notes and Loans Payable	3,012,332	57,503	-	3,069,835	-
Payable from Restricted Assets	407	-	-	407	-
Total Current Liabilities	<u>6,602,924</u>	<u>102,004</u>	<u>140,440</u>	<u>6,845,368</u>	<u>311,599</u>
Noncurrent Liabilities:					
Bonds, Notes and Loan Payable	44,347,386	863,832	-	45,211,218	-
Unearned Revenue - Developer Credit	604,647	-	-	604,647	-
Net Pension Liability	1,500,278	241,563	291,204	2,033,045	248,305
Accrued Employee Benefits	200,800	16,130	43,096	260,026	31,271
Total Noncurrent Liabilities	<u>46,653,111</u>	<u>1,121,525</u>	<u>334,300</u>	<u>48,108,936</u>	<u>279,576</u>
Total Liabilities	<u>53,256,035</u>	<u>1,223,529</u>	<u>474,740</u>	<u>54,954,304</u>	<u>591,175</u>
Deferred Inflows of Resources					
Amounts related to Pensions	36,227	5,833	7,032	49,092	5,996
Total deferred inflows of resources	<u>36,227</u>	<u>5,833</u>	<u>7,032</u>	<u>49,092</u>	<u>5,996</u>
Net Position:					
Net Investment in Capital Assets	67,960,072	13,119,861	-	81,079,933	3,651,118
Restricted for Debt Service	1,567,095	-	-	1,567,095	-
Restricted for Capital Purposes	5,776,990	-	-	5,776,990	-
Unrestricted	3,310,574	2,008,818	1,613,989	6,933,381	1,047,840
Total Net Position	<u>\$ 78,614,731</u>	<u>\$ 15,128,679</u>	<u>\$ 1,613,989</u>	<u>\$ 95,357,399</u>	<u>\$ 4,698,958</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				1,374,714	
Net Position of Business-type Activities				<u>\$ 96,732,113</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, 2016

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Operating Revenues:					
Charge for Services	\$ 11,411,593	\$ 1,366,535	\$ 2,457,770	\$ 15,235,898	\$ 1,938,221
Total Operating Revenues	<u>11,411,593</u>	<u>1,366,535</u>	<u>2,457,770</u>	<u>15,235,898</u>	<u>1,938,221</u>
Operating Expenses:					
Collection and Disposal	-	-	1,927,265	1,927,265	-
Storm Drainage Operations and Maintenance	-	514,241	-	514,241	-
Water Operations and Maintenance	2,453,392	-	-	2,453,392	-
Sewer Operations and Maintenance	2,730,173	-	-	2,730,173	-
Customer Accounts	77,005	-	-	77,005	-
Administration	1,181,535	204,890	234,656	1,621,081	-
Equipment Rental Operations	-	-	-	-	765,043
Taxes	435,240	38,354	88,378	561,972	-
Depreciation and Amortization	3,183,705	543,151	-	3,726,856	538,136
Total Operating Expenses	<u>10,061,050</u>	<u>1,300,636</u>	<u>2,250,299</u>	<u>13,611,985</u>	<u>1,303,179</u>
Operating Income (loss)	1,350,543	65,899	207,471	1,623,913	635,042
Nonoperating Revenues (Expenses)					
Interest Earnings	204,446	(3,383)	(3,284)	197,779	(6,283)
State and Federal Grants	-	10,857	-	10,857	-
Interest and Fiscal Charges	(1,136,153)	(32,957)	-	(1,169,110)	(2,483)
Gain (Loss) on Disposal of Assets	3,821	-	-	3,821	42,801
Miscellaneous Revenue (Expense)	641,503	-	-	641,503	1,738
Total Nonoperating Revenues (Expenses)	<u>(286,383)</u>	<u>(25,483)</u>	<u>(3,284)</u>	<u>(315,150)</u>	<u>35,773</u>
Income (Loss) before Contributions	1,064,160	40,416	204,187	1,308,763	670,815
Capital Contributions	5,881,163	264,926	-	6,146,089	-
Change in Net Position	6,945,323	305,342	204,187	7,454,852	670,815
Increase (Decrease) in Net Position	6,945,323	305,342	204,187	7,454,852	670,815
Total Net Position at Beginning of Year	71,814,867	15,071,621	1,409,802		4,028,143
Prior Period Adjustments	(145,459)	(248,284)	-		-
Total Net Position at End of Year	<u>\$ 78,614,731</u>	<u>\$ 15,128,679</u>	<u>\$ 1,613,989</u>		<u>\$ 4,698,958</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				306,287	
Change in Net Position of Business-type Activities				<u>\$ 7,761,139</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, 2016

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Cash Flows from Operating Activities:					
Cash received from Customers	\$ 11,303,680	\$ 1,344,384	\$ 2,441,062	\$ 15,089,126	\$ -
Cash received from Interfund Services Provided	-	-	-	-	1,940,202
Cash payments to Suppliers	(4,052,621)	(150,800)	(571,251)	(4,774,672)	(393,600)
Cash payments to Employees	(2,224,148)	(331,235)	(381,625)	(2,937,008)	(465,431)
Cash payments to Disposal Contractor	-	-	(639,530)	(639,530)	-
Cash payments for Interfund Services Used	(386,547)	(251,333)	(449,198)	(1,087,078)	-
Cash outflow for Taxes Paid	(435,239)	(38,354)	(88,378)	(561,971)	-
Cash received from Other Non-Operating Revenues	606,503	-	-	606,503	1,738
Net Cash Provided by Operating Activities	<u>4,811,628</u>	<u>572,662</u>	<u>311,080</u>	<u>5,695,370</u>	<u>1,082,909</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities:					
Proceeds from Capital Grants	-	100,040	-	100,040	-
Proceeds from Other Long Term Debt	3,459,803	-	-	3,459,803	-
Acquisition and Construction of Capital Assets	(7,073,127)	(317,769)	-	(7,390,896)	(568,924)
Principal Paid on Revenue Bonds	(705,000)	(26,025)	-	(731,025)	-
Principal Paid on Other Long Term Obligations	(1,907,721)	(26,404)	-	(1,934,125)	-
Interest Paid on Revenue Bonds and Other Long Term Debt	(1,192,097)	(34,691)	-	(1,226,788)	-
Proceeds from Line of Credit	2,647,259	-	-	2,647,259	544
Interest Paid on Short Term Debt	(32,239)	-	-	(32,239)	(2,483)
Capital Contributed from Customers and Developers	1,593,342	-	-	1,593,342	-
Proceeds from Sale of Property	-	-	-	-	84,884
Proceeds from Insurance Recoveries	3,821	-	-	3,821	-
Net Cash Provided for Capital and Related Financing Activities	<u>(3,205,959)</u>	<u>(304,849)</u>	<u>-</u>	<u>(3,510,808)</u>	<u>(485,979)</u>
Cash Flows from Investing Activities:					
Interest on Investments and Cash Equivalents	349,828	(3,381)	(3,284)	343,163	(6,283)
Purchase of Investment Securities	(1,496,284)	-	-	(1,496,284)	-
Proceeds from Sale and Maturities of Investment Securities	1,263,617	-	-	1,263,617	-
Net Cash Used by Investing Activities	<u>117,161</u>	<u>(3,381)</u>	<u>(3,284)</u>	<u>110,496</u>	<u>(6,283)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,722,830	264,432	307,796	2,295,058	590,647
Cash and Cash Equivalents at Beginning of Year	<u>11,363,434</u>	<u>1,576,769</u>	<u>1,292,750</u>	<u>14,232,953</u>	<u>1,004,086</u>
Cash and Cash Equivalents at End of Year	<u>\$ 13,086,264</u>	<u>\$ 1,841,201</u>	<u>\$ 1,600,546</u>	<u>\$ 16,528,011</u>	<u>\$ 1,594,733</u>
Cash and cash equivalents	\$ 6,652,747	\$ 1,841,201	\$ 1,600,546	\$ 10,094,494	\$ 1,594,733
Restricted cash and cash equivalents	6,433,517	-	-	6,433,517	-
Total Cash and Cash Equivalents	<u>\$ 13,086,264</u>	<u>\$ 1,841,201</u>	<u>\$ 1,600,546</u>	<u>\$ 16,528,011</u>	<u>\$ 1,594,733</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, 2016

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Non-Major Solid Waste Fund	Total	Internal Service - Equipment Rental
Reconciliation of Operating Income (Loss) to Net					
Cash Used by Operating Activities:					
Net Operating Income (Loss)	\$ 1,350,543	\$ 65,899	\$ 207,471	\$ 1,623,913	\$ 635,042
Adjustments to Reconcile Net Operating Income (Loss) to Net					
Cash Provided by Operations:					
Depreciation Expense	3,183,705	543,151	-	3,726,856	538,136
(Increase) Decrease in Receivables	(101,493)	(22,151)	(16,708)	(140,352)	1,981
Increase (Decrease) in Current Payables	(439,328)	(3,873)	60,176	(383,025)	(26,578)
Increase (Decrease) in Accrued Employee Benefits	(4,781)	1,035	(2,629)	(6,375)	(6,867)
Increase (Decrease) in Pension Related items	216,479	(11,399)	62,770	267,850	(60,543)
Receipt of Non-Operating Revenues	606,503	-	-	606,503	1,738
Total Adjustments	3,461,085	506,763	103,609	4,071,457	447,867
Net Cash Provided by Operating Activities	\$ 4,811,628	\$ 572,662	\$ 311,080	\$ 5,695,370	\$ 1,082,909
Noncash Investing, Financing and Capital Activities					
Capital Assets Donated	\$ 1,907,707	\$ -	\$ -	\$ 1,907,707	\$ -
Capital Assets Built for Future Impact Credits	54,032	-	-	54,032	-
Debt forgiven by Commerce	1,900,817	-	-	1,900,817	-
Loal Fee Charged by Commerce	34,000	-	-	34,000	-
Net Change in Fair Value of Investments	136,598	-	-	136,598	-

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

CITY OF CAMAS, WASHINGTON
Statement of Fiduciary Net Position
December 31, 2016

	<u>Firemen's Pension Fund</u>	<u>Agency Fund - Library</u>
Assets:		
Cash, Cash Equivalents, and Pooled Investments	\$ 2,477,392	\$ 100,309
Total Assets	<u>2,477,392</u>	<u>100,309</u>
Liabilities:		
Deposits payable	-	100,309
Total Liabilities	<u>-</u>	<u>100,309</u>
Fiduciary Net Position		
Restricted for Fiduciary Funds	<u>\$ 2,477,392</u>	<u>\$ -</u>

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

CITY OF CAMAS, WASHINGTON
Statement of Changes in Fiduciary Net Position
For The Year Ended December 31, 2016

	2016
Additions:	
Total Contributions	-
Investment Income:	
Interest Earnings	\$ (2,239)
Net Investment Income	(2,239)
Total Additions	(2,239)
Deductions:	
Pension Benefits	23,399
Transfer Out	50,000
Total Deductions	73,399
Net Increase in Fiduciary Net Position	(75,638)
Net Position - Beginning	2,553,030
Net Position - Ending	\$ 2,477,392

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

City of Camas

Notes to the Financial Statements

December 31, 2016

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

The City incurs indirect costs for charges that benefit other funds such as administrative costs and overhead. The General Fund pays for all of the costs of operating City Hall, for general office supplies, the audit, banking services, and other administrative costs. The expenses are for the benefit of more than just the General Fund. Through an allocation procedure, the other funds are charged for proportionate share of the costs. For example, the audit costs are allocated based upon the City's actual expenditures and the Information Technology department costs by the number of computers by department. The General Fund incurred approximately \$1,449,982 in indirect costs which were reimbursed to the general fund through interfund charges.

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

The City reports the following major governmental funds:

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

The *Camas/Washougal Fire and Emergency Medical Services Fund* was established to account for the revenues and expenditures made in purchasing, maintaining and operating providing fire services for the City and the City of Washougal and emergency aid service and ambulance transport for the City, the City of Washougal and East County Fire and Rescue. The primary revenue for this is voted EMS property tax levy funds and the City of Washougal and East County Fire and Rescue pay the City a fee from their EMS levies to fund their proportionate share of service. Additionally, the City of Washougal makes additional contributions to fund Washougal's proportionate share of fire services and to build reserves. Beginning in 2016, East County Fire and Rescue contracted with the City of Camas to provide Fire Chief services. The monthly service fee is reconciled to actual expenses each year and any variance adjusts the next year's monthly service fee.

The *Growth Management Fund* is a capital projects fund which accounts for design, construction and extension of governmental capital facilities. Dedicated taxes and fees 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 Fund* accounts for the activities of the City's storm water operations and capital facilities. Revenues are received from charges for storm water drainage services and system development charges. Expenses are for the maintenance of the drainage system, street cleaning, and expanding the City's storm water drainage facilities.

Additionally, the government reports the following fund types:

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

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

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

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

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

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

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

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

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water-Sewer, Solid Waste and Storm Water 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 directly into government securities with interest accruing for the benefit of the investing funds. The interest earned on these investments is prorated to the various funds. This policy covers all funds operated by the City.

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

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

2. Receivables and Payables

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

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

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

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

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

3. Restricted Assets

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 acquisition value at the date of donation. (See Note IV C)

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

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

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

The City has constructed infrastructure with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, the City has sufficient legal interest to accomplish the purposes for

which the assets were acquired, and has included such assets within the applicable column in the Statement of Net Position.

5. Compensated Absences

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

6. Long-Term Obligations

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

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

7. Unearned Revenue

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

8. Restricted Net Position

The government-wide statement of net position reports \$11,573,792 of restricted net position, of which \$4,099,911 is restricted by enabling legislation.

9. Pensions

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

10. Fund Balance Classifications

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

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

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

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

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

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

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

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

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

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

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

Net position of the internal service funds	\$ 4,698,958
Less: Internal receivable representing cost to business-type activities in excess of charges - prior years	(1,165,926)
Add: Internal payable representing charges in excess of cost to business-type activities - current year	<u>(208,788)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 3,324,244</u>

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

Net pension assets	\$ 3,963,336
Deferred outflows related to pensions	2,040,822
Deferred inflows related to pensions	<u>(467,743)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 5,536,415</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	\$ 8,620,492
Plus issuance premiums	830,627
Accrued Interest Payable	46,688
Due to other governments	5,202,560
Plus issuance premiums	155,648
Net Pension Liability	5,016,735
Net OPEB Obligation	2,503,714
Impact Fee Credits	648,866
Compensated Absences	<u>1,510,824</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 24,536,154</u>

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

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes in net position*

of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures.” However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital Outlay	\$ 6,037,434
Depreciation expense	<u>(4,980,700)</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>\$ 1,056,734</u>

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

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources	\$ 5,919,722
Net book value of assets retired	<u>(426,441)</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>\$ 5,493,281</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	\$ 316,484
Court receipts	2,300
EMS receipts	(78,134)
State contribution towards LEOFF plan	255,689
Grant revenues recognized	(659,649)
Property taxes	<u>80,776</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>\$ (82,534)</u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are capitalized and amortized in the statement of activities.” The details of this difference are as follows:

Principal Repayments	\$ 1,443,554
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>1,443,554</u>

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

Compensated Absences	\$ (83,822)
Accrued Interest	9,556
Net Pension Adjustment	269,112
Net OPEB Obligation	(47,162)
Amortization of premium on issuance of debt	<u>61,483</u>
Net adjustment to decrease <i>net changes in fund balances - t governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u>209,167</u>

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

Change in net position of internal service funds	\$ 670,815
Less: Profit from charges to business-type activities	<u>(306,287)</u>
Net adjustment to decrease <i>net changes in fund balances - t governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u>364,528</u>

NOTE III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

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

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

The City budgets the Cemetery Fund activity as if it was a special revenue fund. However, GAAP requires this activity to be reported with the General Fund, as they do not have significant streams of restricted resources.

From a budgetary perspective, the City budgets for the Cemetery activity separate from the General Fund. The budgetary comparison for the General Fund does not include the managerial fund.

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

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

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

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

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

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

NOTE IV. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Cash and investments are presented on the balance sheet in the basic financial statements at fair value or amortized cost, which approximates fair value, in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, and in accordance with GASB Statement 72, *Fair Value Measurement and Application*.

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

<u>Cash and Investments by Type</u>	
Checking Accounts	\$ 249,165
Petty Cash	\$ 5,220
Washington State Local Govt. Investment Pool	\$ 675,068
Clark County Investment Pool	\$ 7,809,874
Fair Value of Securities Held in Safekeeping	\$ 36,918,472
<u>Grand Total Cash and Investments by Type</u>	<u>\$ 45,657,799</u>

Cash, Cash Equivalents and Pooled Investments	\$ 21,527,018
Restricted - Cash, CE and Pooled Inv	\$ 6,433,517
Investments	\$ 15,119,563
Fiduciary Funds	\$ 2,577,701
<u>Grand Total Cash and Investments on Statements</u>	<u>\$ 45,657,799</u>

	Cash & Equivalents, Pooled Investments	Restricted Cash	Restricted Investments
<u>Governmental Funds</u>			
General Fund	\$ 2,898,326		
Camas-Washougal Fire & EMS	\$ 488,328		
Growth Management	\$ 4,186,713		
Other Governmental Funds	\$ 126,465	\$ 2,137,959	
<u>Proprietary Funds</u>			
Water-Sewer	\$ 6,652,747	\$ 6,433,517	\$ 15,119,563
Storm Water	\$ 1,841,201		
Solid Waste	\$ 1,600,546		
Internal Service	\$ 1,594,733		
<u>Fiduciary Funds</u>			
Firemen's Pension Fund	\$ 2,477,392		
Agency Fund	\$ 100,309		
	<u>\$ 21,966,760</u>	<u>\$ 8,571,476</u>	<u>\$ 15,119,563</u>
Grand Total Cash and Investments by Statements			<u>\$ 45,657,799</u>

Deposits:

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

Investments:

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

The City is currently invested in two public funds investment pools, Washington State Local Government Investment Pool (LGIP), which is reported at amortized cost, and the Clark County Investment Pool (CCIP), reported at fair value. Otherwise, investments for the City are reported at fair value.

The LGIP and CCIP operate in accordance with appropriate state laws and regulations. The LGIP transacts with its participants at a stable net asset value per share and meets the portfolio maturity, quality, diversification, liquidity and shadow pricing requirements that allows it to report at amortized costs. Further, The LGIP is classified as an unrated 2a-7 investment pool per the Securities and Exchange Commission.

The CCIP is not SEC-registered and is unrated investment pool. Authority to manage the Pool is derived from the Revised Code of Washington (RCW) in RCW 36.29.022.

The weighted average maturities of the LGIP and CCIP are less than three (3) months and approximately one (1) year, respectively, with cash available to the City on demand. The on demand availability of these funds defines them as cash equivalent liquid investments. All LGIP investments are either obligations of the United States government, government-sponsored enterprises, or insured demand deposit accounts and certificates of deposits, meaning credit risk is very limited. The investments are either fully insured or fully held by a third party custody provider in the name of the LGIP or CCIP. The LGIP is audited by the Washington State Auditor's Office and regulated by Washington RCWs and the LGIP Advisory Committee. The CCIP is overseen by the Clark County Finance Committee and is audited annually by the Washington State Auditor's Office and regulated by Washington RCWs.

Investments Measured at Amortized Cost

As of December 31, 2016, the City had the following investments at amortized cost.

Investment	Maturities	Investment held by City as an agent for other local governments, individuals or private organizations		Total
		City's own investments		
State Investment Pool	N/A	\$ 675,069	\$ 0	\$ 675,069
Total		\$ 675,069	\$ 0	\$ 675,069

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

Investments Measured at Fair Value

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

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

As of December 31, 2016, the City had the following recurring fair value measurements.

Investments by fair value level	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Federal Farm Credit Bank	\$ 18,292,940	\$ 18,292,940	\$ -	\$ -
Fannie May	7,452,206	7,452,206	-	-
Federal Home Loan Bank	3,946,944	3,946,944	-	-
US Treasury Strips	7,167,015	7,167,015	-	-
Total Debt Securities	36,859,105	36,859,105	-	-
Clark County Investment Pool	7,809,874	7,809,874	-	-
Total Investments by Fair Value Level	\$ 44,668,979	\$ 44,668,979	\$ -	\$ -

The investments above include investments pooled for the benefit of specific funds, all of which are presented at fair value. The GO Bond project bond funds at December 31, 2016 held \$2,130,149 in the CCIP. The City of Camas Water/Sewer Bond Reserve held \$103,605 and \$1,462,566 in CCIP and US debt securities, respectively. Likewise, the Water Sewer Revenue Bond Fund held \$1,490,320 in the CCIP and \$13,650,690 in US debt securities.

Interest rate risk. Interest rate risk is the risks that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City manages exposure to declines in fair values from interest rates by limiting the weighted average maturity of its investment portfolio to maturities that will fulfill the cash flow needs of the City of Camas. The securities in the portfolio are structured in a manner that ensures sufficient cash is available to meet anticipated cash flow needs, based on historical information. The maximum average maturity of the portfolio cannot exceed two years. In 2013, the city opted to extend maturities with callable securities. The effective duration of the portfolio is currently 2.34 years with a duration to call of 842 days. Investment maturities at December 31, 2016 is as follows:

Investment Type	Weighted Average (Years)
Washington State Local Govt. Investment Pool	0.08
Clark County Investment Pool	0.83
Federal Farm Credit Bank	3.07
Federal National Mortgage Association	2.26
U.S Treasury Strips	1.38
Federal Home Loan Bank	2.86
	<u>2.47</u>

Credit risk. Credit risk is the risk that an issuer or related party will not fulfill its obligations. To limit risk, state law does not allow general governments to invest in corporate equities. The ratings of debt securities as of December 31, 2016 are:

Debt Security	Standard and Poor's Credit Rating
Federal National Mortgage Association	AA+
Federal Farm Credit	AA+
Federal Home Loan Corp	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 investments held at year-end are listed below along with their percentage of the government's total investment:

Investment Type	12/31/2016	
	Fair Value	Percentage of Portfolio
Federal Farm Credit Bank	\$ 18,292,940	50%
Fannie Mae	7,452,206	20%
U.S Treasury Strips	7,167,015	19%
Federal Home Loan Bank	3,946,944	11%
	<u>\$ 36,859,105</u>	<u>100%</u>

The Federal Farm Credit bank exceeds the city policy federal agency maximum of 25%.

B. RECEIVABLES

Receivables as of December 31, 2016 for the City’s individual major funds, nonmajor, internal services and fiduciary funds in the aggregate, including the applicable allowance for uncollectible accounts, are shown as follows:

	Taxes	Accounts Receivable	Due from Other Gov'ts	Interest	Total
General Fund	\$ 873,475	\$ 29,448	\$ 198,205	\$ 1,653	\$ 1,102,781
Camas/Wash. Fire-EMS	28,287	406,404	-	-	434,691
GMA	-	-	8,302	-	8,302
Other Govt. Funds	14,644	13,035	41,941	-	69,620
Water-Sewer	-	1,705,130	-	600	1,705,730
Storm Water	-	242,979	187,551	-	430,530
Solid Waste	-	440,830	-	-	440,830
Internal Service	-	3,905	-	-	3,905
Net Receivables	<u>\$ 916,406</u>	<u>\$ 2,841,731</u>	<u>\$ 435,999</u>	<u>\$ 2,253</u>	<u>\$ 4,196,389</u>

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

	<u>Unavailable</u>
Property taxes receivable (general fund)	\$ 196,920
Property taxes receivable (debt service fund)	10,949
Court fines receivable (general fund)	189,420
Grant receivable (38th Street)	-
Accounts receivable (fire EMS fund)	<u>351,397</u>
Total deferred/unavailable revenue for governmental funds	<u>\$ 748,686</u>

C. CAPITAL ASSETS

A summary of capital asset activity for the year ended December 31, 2016 was as follows:

	Balance 12/31/15	Reclass Assets	Beginning Balance 01/01/16	Increases	Decreases	Ending Balance 12/31/16
Governmental activities:						
Capital assets, not being depreciated						
Land	\$ 60,990,605	\$ (41,980,046)	\$ 19,010,559	\$ 514,818	\$ -	\$ 19,525,377
Intangibles	1,823,584	41,980,046	43,803,630	3,234,653	-	47,038,283
Construction in progress	828,669		828,669	738,221	515,175	1,051,715
Total capital assets, not being depreciated	<u>63,642,858</u>	<u>-</u>	<u>63,642,858</u>	<u>4,487,692</u>	<u>515,175</u>	<u>67,615,375</u>
Capital assets, being depreciated/depleted				-		
Buildings	18,319,880	-	18,319,880	74,929		18,394,809
Improvements other than buildings	10,242,221	-	10,242,221	294,152	-	10,536,373
Machinery and equipment	12,610,233	-	12,610,233	1,557,849	1,214,024	12,954,058
Intangibles	106,244	-	106,244	-		106,244
Infrastructure	100,820,863	-	100,820,863	7,854,115	1,456,441	107,218,537
Total capital assets being depreciated	<u>142,099,441</u>	<u>-</u>	<u>142,099,441</u>	<u>9,781,045</u>	<u>2,670,465</u>	<u>149,210,021</u>
Less accumulated depreciation for:						
Buildings	5,831,590	-	5,831,590	427,296	-	6,258,886
Improvements other than buildings	5,521,320	-	5,521,320	393,033	-	5,914,353
Machinery and equipment	6,843,116	-	6,843,116	926,621	1,150,456	6,619,281
Intangibles	85,844	-	85,844	4,269		90,113
Infrastructure	62,838,707	(4,757,348)	58,081,359	3,767,617	1,023,488	60,825,488
Total accumulated depreciation	<u>81,120,577</u>	<u>(4,757,348)</u>	<u>76,363,229</u>	<u>5,518,836</u>	<u>2,173,944</u>	<u>79,708,121</u>
Total capital assets, being depreciated, net	60,978,864	4,757,348	65,736,212	4,262,209	496,521	69,501,900
Governmental activities						
capital assets, net	<u>\$ 124,621,722</u>	<u>\$ 4,757,348</u>	<u>\$ 129,379,070</u>	<u>\$ 8,749,901</u>	<u>\$ 1,011,696</u>	<u>\$ 137,117,275</u>

	Beginning Balance 01/01/16	Increases	Decreases	Ending Balance 12/31/16
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,015,178	\$ -	\$ -	\$ 1,015,178
Land Rights	115,030	-	-	115,030
Construction in progress	10,360,275	6,972,496	12,821,432	4,511,339
Total capital assets, not being depreciated:	<u>11,490,483</u>	<u>6,972,496</u>	<u>12,821,432</u>	<u>5,641,547</u>
Capital assets, being depreciated:				
Buildings and system	27,714,330	1,319,042	-	29,033,372
Intangibles	398,611	-	-	398,611
Improvements other than buildings*	22,855,711	5,031,233	-	27,886,944
Machinery and equipment	27,860,034	1,348,286	-	29,208,320
Infrastructure*	60,077,606	6,888,916	-	66,966,522
Total capital assets, being depreciated	<u>138,906,292</u>	<u>14,587,477</u>	<u>-</u>	<u>153,493,769</u>
Less accumulated depreciation for:				
Buildings and system	6,800,929	793,859	-	7,594,788
Intangibles	10,085	2,805	-	12,890
Improvements other than buildings*	7,502,091	797,468	-	8,299,559
Machinery and equipment	9,278,476	930,894	-	10,209,370
Infrastructure*	16,284,051	1,201,830	-	17,485,881
Total accumulated depreciation	<u>39,875,632</u>	<u>3,726,856</u>	<u>-</u>	<u>43,602,488</u>
Total capital assets, being depreciated, net	99,030,660	10,860,621	-	109,891,281
Business-type activities capital assets, net	<u>\$ 110,521,143</u>	<u>\$ 17,833,117</u>	<u>\$ 12,821,432</u>	<u>\$ 115,532,828</u>

* Reclassified beginning balance between categories

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

Governmental activities:

General government	\$ 88,664
Public safety	356,762
Transportation, including depreciation of general infrastructure assets	3,935,175
Physical environment	4,822
Culture and recreation	595,277
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>538,136</u>
Total depreciation expense—governmental activities	<u>\$5,518,836</u>

Business-type activities:

Water-Sewer	\$3,183,705
Storm Water Drainage	<u>543,151</u>
Total depreciation expense—business-type activities	<u>\$3,726,856</u>

Significant Commitments

The City has remaining construction projects as of December 31, 2016. 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
Street Lighting LED Project	\$1,665,901	\$1,334,099
NW Brady Road Street Improvements	\$465,333	\$1,575,000
NW 6 th and Norwood Improvements	\$3,099,152	\$258,209

Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$11,201,130	\$2,572,083
North Shore Sewer Transmission Main	\$1,896,368	\$15,000,000
North Shore Waterline	\$338,308	\$3,100,000

D. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

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

Transfers Out:

Transfers In:	C/W Fire and EMS	Growth Management	Non Major Governmental	Total
General Fund	\$ 3,072,625	-	\$ 1,415,831	\$ 4,488,456
C/W Fire and EMS	-	-	55,066	\$ 55,066
Growth Management	21,263	-	1,139,929	1,161,192
Nonmajor Govt.	-	269,429	272,869	542,298
Water Sewer	-	-	-	-
Firemen's Pension	50,000	-	-	50,000
Total	<u>\$ 3,143,888</u>	<u>\$ 269,429</u>	<u>\$ 2,883,695</u>	<u>\$ 6,297,012</u>

\$1,038,411 of the Growth Management fund transfer to Non-Major fund is for debt payment. The General Fund transfers to non-major governmental funds are for recurring support of street and debt payments. Additionally, \$50,000 was transferred from the Firemen's Pension fiduciary fund to the C/W Fire and EMS fund to subsidize pension expenses. As a result, the transfers across the statement of activities is not in balance.

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

E. RESTRICTED COMPONENT OF NET POSITION

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

	Amount
Revenue bond debt service account - Water-Sewer	\$ 1,567,095
Capital Reserve Account - Water-Sewer	5,776,990
	<u>7,344,085</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 \$9,357,000 in general obligation bonds outstanding on December 31, 2016.

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%	2,282,000
2015 Limited GO (\$7,325,000)	Capital	3/18/2015	12/1/2035	2.0% to 5.0%	7,075,000
Total General Obligation Bonds					<u>\$ 9,357,000</u>

\$40,998 is available in the Debt Service Funds to service the 2005 Unlimited General Obligation Bonds. Annual debt service requirements to maturity for general obligation bonds are as follows:

General Obligation Bonds						
Governmental Activities			Business Type Activities			
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2017	\$ 770,454	\$ 370,159	\$ 1,140,613	\$ 26,546	\$ 33,200	\$ 59,746
2018	790,934	343,736	1,134,670	27,066	32,669	59,735
2019	820,893	317,900	1,138,793	28,107	31,857	59,964
2020	853,852	289,225	1,143,077	29,148	31,014	60,162
2021	259,811	286,725	546,536	30,189	29,848	60,037
2022-2026	1,455,838	1,117,892	2,573,730	169,163	130,672	299,835
2027-2031	1,836,596	732,301	2,568,897	213,405	86,273	299,678
2032-2035	1,832,294	221,513	2,053,807	212,704	27,248	239,952
	<u>\$ 8,620,672</u>	<u>\$ 3,679,451</u>	<u>\$ 12,300,123</u>	<u>\$ 736,328</u>	<u>\$ 402,781</u>	<u>\$ 1,139,109</u>

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

2005 Unlimited Tax GO Refunding Bonds				
	Coupon Rates	Principal	Interest	Total Requirements
2017	3.70	\$ 542,000	\$ 84,434	\$ 626,434
2018	3.70	558,000	62,580	620,580
2019	3.70	579,000	43,732	622,732
2020	3.70	603,000	22,311	625,311
		<u>\$ 2,282,000</u>	<u>\$ 213,057</u>	<u>\$ 2,495,057</u>

2015 Limited Tax GO Bonds

	Coupon		Principal	Interest	Total
	Rates				Requirements
2017	2.00	\$	255,000	\$ 318,925	\$ 573,925
2018	3.00		260,000	313,825	573,825
2019	3.00		270,000	306,025	576,025
2020	4.00		280,000	297,925	577,925
2021	4.00		290,000	286,725	576,725
2022-2026	2.5%-5.0%		1,625,000	1,255,250	2,880,250
2027-2031	5.00		2,050,000	828,750	2,878,750
2032-2035	5.00		2,045,000	261,750	2,306,750
		\$	<u>7,075,000</u>	<u>\$ 3,869,175</u>	<u>\$ 10,944,175</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>					
1997 PWTF (\$900,000)	Capital	7/1/1997	7/1/2017	3.00%	\$ 57,857
2001 PWTF (\$613,731)	Capital	3/26/2001	7/1/2022	0.50%	166,256
2003 PWTF (\$2,350,000)	Capital	5/21/2004	7/1/2023	0.50%	1,007,913
2012 PWTF (\$2,600,000)	Capital	12/13/2011	6/1/2031	0.50%	2,076,086
2013 State LOCAL (\$1,715,000)	Capital	8/22/2013	6/1/2028	3.52%	1,455,000
2013 State LOCAL (\$259,767)	Capital	8/22/2013	6/1/2021	2.61%	250,748
2013 PWTF (\$300,000)	Capital	6/3/2013	6/1/2018	1.00%	104,285
2013 State LOCAL (\$159,985)	Capital	8/22/2013	6/1/2019	1.62%	84,415
Governmental Total					<u>5,202,560</u>
<u>Business-type Activities</u>					
1999 PWTF (\$3,195,000)	Water-Sewer	5/5/1999	7/1/2019	1.00%	507,272
1996 Department of Ecology (EPA) (\$1,185,920)	Water-Sewer	1996	4/17/2017	4.30%	43,424
1998 Department of Ecology (EPA) (\$8,826,516)	Water-Sewer	1998	9/15/2020	4.10%	2,398,531
2007 PWTF (\$1,000,000)	Water-Sewer	8/6/2007	7/1/2027	0.50%	496,526
2008 PWTF (\$10,000,000)	Water-Sewer	3/7/2008	7/1/2028	0.50%	6,663,158
2009 ARRA (\$1,313,000)	Water-Sewer	4/27/2009	10/1/2032	1.00%	462,261
2011 DOE (\$5,168,026)	Water-Sewer	1/10/2011	6/30/2032	2.80%	4,369,510
2012 PWTF (\$3,740,000)	Water-Sewer	8/9/2012	6/1/2032	0.50%	3,064,372
2012 PWTF (\$10,513,790)	Water-Sewer	4/9/2013	10/1/2036	1.00%	6,397,896
2012 PWTF (\$2,600,000)	Storm Water	12/13/2011	6/1/2031	0.50%	53,160
2012 PWTF (\$2,040,000)	Water-Sewer	8/9/2013	6/1/2032	0.50%	49,427
2013 PWTF (\$300,000)	Storm Water	6/3/2013	6/1/2018	1.00%	45,715
2015 Steigerwald (\$384,549)	Water-Sewer	9/8/2015	7/1/2025	3.75%	356,194
2016 DWSRF Sands (\$2,600,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	1,170,000
2016 DWSRF - (\$6,000,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	34,000
Business-type Total					<u>26,111,446</u>
<i>Total Government Loans</i>					<u>\$ 31,314,006</u>

Government loan debt service requirements to maturity are as follows:

Governmental Activities			
	Principal	Interest	Total Requirements
2017	573,285	101,059	674,344
2018	523,092	90,388	613,480
2019	479,038	80,321	559,359
2020	456,265	71,143	527,408
2021	463,092	62,362	525,454
2022-2026	1,710,760	179,679	1,890,439
2027-2031	997,028	22,680	1,019,708
	\$ 5,202,560	\$ 607,632	\$ 5,810,192

Business Type Activities			
	Principal	Interest	Total Requirements
2017	2,166,426	478,072	2,644,498
2018	2,159,734	321,993	2,481,727
2019	2,170,769	279,631	2,450,400
2020	2,092,619	281,235	2,373,854
2021	1,466,262	210,846	1,677,108
2022-2026	7,444,733	781,247	8,225,980
2027-2031	5,643,736	356,221	5,999,957
2032-2036	2,741,727	78,961	2,820,688
2037-2040	225,440	5,588	231,028
	\$ 26,111,446	\$ 2,793,794	\$ 28,905,240

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

1997 Public Works Trust Fund Loan-Parker St.			
	Principal	Interest	Total Requirements
2017 \$	57,857	\$ 1,736	\$ 59,593
\$	57,857	\$ 1,736	\$ 59,593

2001 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2017 \$	33,252	\$ 831	\$ 34,083
2018	33,251	665	33,916
2019	33,251	499	33,750
2020	33,251	333	33,584
2021	33,251	166	33,417
\$	166,256	\$ 2,494	\$ 168,750

2003 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2017 \$	143,988	\$ 5,040	\$ 149,028
2018	143,988	4,320	148,308
2019	143,987	3,600	147,587
2020	143,987	2,880	146,867
2021	143,987	2,160	146,147
2022-2023	287,976	2,160	290,136
\$	1,007,913	\$ 20,160	\$ 1,028,073

2012 Public Works Trust Fund Loan-38th St

	Governmental Activities			Business Type Activities (Storm)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2017 \$	138,406	\$ 10,380	\$ 148,786	\$ 3,544	\$ 266	\$ 3,810
2018	138,406	9,688	148,094	3,544	248	3,792
2019	138,406	8,996	147,402	3,544	231	3,775
2020	138,406	8,304	146,710	3,544	213	3,757
2021	138,406	7,612	146,018	3,544	195	3,739
2022-2026	692,028	27,680	719,708	17,720	710	18,430
2027-2031	692,028	10,381	702,409	17,720	266	17,986
	<u>\$ 2,076,086</u>	<u>\$ 83,041</u>	<u>\$ 2,159,127</u>	<u>\$ 53,160</u>	<u>\$ 2,129</u>	<u>\$ 55,289</u>

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

	Principal	Interest	Total Requirements
2017 \$	90,000	\$ 67,000	\$ 157,000
2018	95,000	62,825	157,825
2019	100,000	57,950	157,950
2020	105,000	52,825	157,825
2021	110,000	47,450	157,450
2022-2026	650,000	145,750	795,750
2027-2028	305,000	12,300	317,300
	<u>\$ 1,455,000</u>	<u>\$ 446,100</u>	<u>\$ 1,901,100</u>

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

	Principal	Interest	Total Requirements
2017 \$	26,833	\$ 3,416	\$ 30,249
2018	28,071	2,177	30,248
2019	29,511	738	30,249
	<u>\$ 84,415</u>	<u>\$ 6,331</u>	<u>\$ 90,746</u>

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

	Principal	Interest	Total Requirements
2017 \$	30,809	\$ 11,613	\$ 42,422
2018	32,231	10,191	42,422
2019	33,884	8,538	42,422
2020	35,621	6,801	42,422
2021	37,448	4,974	42,422
2022-2023	80,756	4,088	84,844
\$	<u>250,748</u>	<u>\$ 46,206</u>	<u>\$ 296,954</u>

2013 Public Works Trust Fund Loan-NW Friberg/NW Goodwin

	Governmental Activities			Business Type Activities		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirement
2017 \$	52,140	\$ 1,043	\$ 53,183	\$ 22,860	\$ 457	\$ 23,317
2018	52,145	521	52,666	22,855	229	23,084
\$	<u>104,285</u>	<u>\$ 1,564</u>	<u>\$ 105,849</u>	<u>\$ 45,715</u>	<u>\$ 686</u>	<u>\$ 46,401</u>

1999 Public Works Trust Fund Loan-WWTP Upgrade

	Principal	Interest	Total Requirements
2017 \$	169,091	\$ 5,073	\$ 174,164
2018	169,091	3,382	172,473
2019	169,090	1,691	170,781
\$	<u>507,272</u>	<u>\$ 10,146</u>	<u>\$ 517,418</u>

1996 Department of Ecology (EPA) Loan-STP

	Principal	Interest	Total Requirements
2017 \$	43,424	\$ 934	\$ 44,358
\$	<u>43,424</u>	<u>\$ 934</u>	<u>\$ 44,358</u>

1998 Department of Ecology (EPA) Loan-STP

	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
					<u>Requirements</u>
2017 \$	563,637	\$	92,621	\$	656,258
2018	586,983		69,275		656,258
2019	611,296		44,962		656,258
2020	636,615		19,642		656,257
\$	<u>2,398,531</u>	\$	<u>226,500</u>	\$	<u>2,625,031</u>

2007 Public Work Trust Fund Loan-WWTP Design

	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
					<u>Requirements</u>
2017 \$	45,139	\$	2,483	\$	47,622
2018	45,139		2,257		47,396
2019	45,139		2,031		47,170
2020	45,139		1,806		46,945
2021	45,139		1,580		46,719
2022-2026	225,692		4,513		230,205
2027	45,139		226		45,365
\$	<u>496,526</u>	\$	<u>14,896</u>	\$	<u>511,422</u>

2008 Public Work Trust Fund Loan-WWTP Construction

	<u>Principal</u>		<u>Interest</u>		<u>Total</u>
					<u>Requirements</u>
2017 \$	555,263	\$	33,316	\$	588,579
2018	555,263		30,539		585,803
2019	555,263		27,763		583,026
2020	555,263		24,987		580,250
2021	555,263		22,211		577,474
2022-2026	2,776,316		69,408		2,845,724
2027-2028	1,110,527		8,329		1,118,856
\$	<u>6,663,158</u>	\$	<u>216,553</u>	\$	<u>6,879,712</u>

2009 ARRA Loan-Well #14

	Principal	Interest	Total Requirements
2017	\$ 30,817	\$ 4,623	\$ 35,440
2018	30,817	4,314	35,131
2019	30,817	4,006	34,823
2020	30,817	3,698	34,515
2021	30,817	3,390	34,207
2022-2026	154,088	12,318	166,406
2027-2031	154,088	4,623	158,711
	<u>\$ 462,261</u>	<u>\$ 36,972</u>	<u>\$ 499,233</u>

2011 Department of Ecology Loan

	Principal	Interest	Total Requirements
2017	228,382	121,465	349,847
2018	234,859	114,988	349,847
2019	241,520	108,327	349,847
2020	248,370	101,477	349,847
2021	255,414	94,433	349,847
2022-2026	1,389,931	359,304	1,749,235
2027-2031	1,598,540	150,694	1,749,234
2032	172,494	2,429	174,923
	<u>\$ 4,369,510</u>	<u>\$ 1,053,117</u>	<u>\$ 5,422,627</u>

2012 Public Works Trust Fund -- Surface Water Supply

	Principal	Interest	Total Requirements
2017	\$ 319,895	\$ 178,366	\$ 498,261
2018	319,895	60,780	380,675
2019	319,895	57,581	377,476
2020	319,895	54,382	374,277
2021	319,895	51,183	371,078
2022-2026	1,599,474	207,930	1,807,404
2027-2031	1,599,474	127,959	1,727,433
2032-2036	1,599,473	47,985	1,647,458
	<u>\$ 6,397,896</u>	<u>\$ 786,166</u>	<u>\$ 7,184,062</u>

2012 Public Works Trust Fund--Sewer Main

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2017 \$	191,523	\$ 15,322	\$ 206,845
2018	191,523	14,551	206,074
2019	191,523	13,777	205,300
2020	191,523	12,998	204,521
2021	191,523	12,216	203,739
2022-2026	957,616	49,206	1,006,822
2027-2031	957,616	29,053	986,669
2032	191,525	8,389	199,914
	<u>\$ 3,064,372</u>	<u>\$ 155,512</u>	<u>\$ 3,219,884</u>

2012 Public Works Trust Fund--Gregg Reservoir

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2017 \$	-	\$ -	\$ -
2018	2,356	247	2,603
2019	2,368	235	2,603
2020	2,380	224	2,604
2021	2,392	212	2,604
2022-2026	12,138	878	13,016
2027-2031	12,444	571	13,015
2032-2036	12,758	257	13,015
2037	2,590	13	
	<u>\$ 49,426</u>	<u>\$ 2,637</u>	<u>\$ 49,460</u>

2015 Steigerwald Contract --Washougal

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2017 \$	30,228	\$ 22,669	\$ 52,898
2018	32,225	20,672	52,898
2019	34,354	18,544	52,898
2020	36,623	16,274	52,898
2021	39,043	13,855	52,898
2022-2025	183,720	27,871	211,591
	<u>356,194</u>	<u>\$ 119,886</u>	<u>\$ 476,080</u>

2016 DWSRF - Slow Sands

	Principal	Interest	Total Requirements
2017 \$	-	-	-
2018	-	-	-
2019	-	-	-
2020	55,714	45,078	100,792
2021	55,714	11,143	66,857
2022-2026	278,572	47,357	325,929
2027-2031	278,572	33,429	312,001
2032-2036	278,572	19,500	298,072
2037-2040	222,856	5,571	228,427
	<u>1,170,000</u> \$	<u>162,078</u> \$	<u>1,332,078</u>

2016 DWSRF - Water Transmission

	Principal	Interest	Total Requirements
2017 \$	-	477	477
2018	1,789	510	2,299
2019	1,790	483	2,273
2020	1,789	456	2,245
2021	1,790	429	2,219
2022-2026	8,950	1,745	10,695
2027-2031	8,945	1,074	10,019
2032-2036	8,947	403	9,350
	<u>34,000</u> \$	<u>5,577</u> \$	<u>39,577</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:

Revenue bond debt service requirements to maturity are as follows:

Name & Amount of Issuance	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2007 Water Sewer (\$5,520,000 - partially refunded)	9/5/2007	12/1/2017	5.00%	280,000
2015 Water Sewer Refunding (\$19,145,000)	9/10/2015	12/1/2035	2.0% to 5.0%	<u>18,655,000</u>
<i>Total Revenue Bonds</i>				<u>\$ 18,935,000</u>

Revenue Bonds			
	Principal	Interest	Total Requirements
2017	\$ 695,000	\$ 836,475	\$ 1,531,475
2018	720,000	814,175	1,534,175
2019	735,000	799,775	1,534,775
2020	745,000	785,075	1,530,075
2021	770,000	762,725	1,532,725
2022-2026	4,345,000	3,315,975	7,660,975
2027-2031	5,490,000	2,169,575	7,659,575
2032-2035	5,435,000	696,000	6,131,000
	<u>\$ 18,935,000</u>	<u>\$ 10,179,775</u>	<u>\$ 29,114,775</u>

The maximum annual debt service of \$1,534,000 is required to be set aside in the reserve account of the Water-Sewer Fund in accordance with bond requirements. The amount presented on the financial statements is \$1,567,095. Annual debt service requirements to maturity for each of the individual revenue bonds are as follows:

2007 Water-Sewer Bond				
	Coupon Rates	Principal	Interest	Total Requirements
2017	5.00	\$ 280,000	\$ 14,000	\$ 294,000
		<u>\$ 280,000</u>	<u>\$ 14,000</u>	<u>\$ 294,000</u>

2015 Water-Sewer Bond/Refunding Bond				
	Coupon			Total
	Rates	Principal	Interest	Requirements
2017	2.00	\$ 415,000	\$ 822,475	\$ 1,237,475
2018	2.00	720,000	814,175	1,534,175
2019	2.00	735,000	799,775	1,534,775
2020	3.00	745,000	785,075	1,530,075
2021	3.00	770,000	762,725	1,532,725
2022-2026	3.0 to 5.0	4,345,000	3,315,975	7,660,975
2027-2031	4.0 to 5.0	5,490,000	2,169,575	7,659,575
2032-2035	3.15-3.27	5,435,000	696,000	6,131,000
		<u>\$ 18,655,000</u>	<u>\$ 10,165,775</u>	<u>\$ 28,820,775</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 average annual 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, 2016 was 2.84.

On December 31, 2015, the City entered into a contractual arrangement with a developer to share the costs of sewer improvements. The developer will pay the city \$2,491,440 over 15 years for their proportionate share of the improvements. The interest rate on the receivable is 3.6918%. The principal amount is \$1.9 million. Annual payments of \$166,096 will begin in October 2016. The City, as the beneficiary, holds an irrevocable Standby Letter of Credit that authorizes the City to make draws against the developer's credit in the event the developer does not make payment. The Letter of Credit expires December 1, 2030. At December 31, 2015, no amount is collectible under this arrangement.

ARBITRAGE

The City has four bond issues subject to arbitrage calculations for the Internal Revenue Service. The first bond, 2005 Unlimited Tax General Obligation Refunding Bonds does not have a rebatable arbitrage liability due to the negative arbitrage calculation of \$10,629, with a final calculation due October 11, 2020. The second bond issue, 2007 Water and Sewer Revenue Bonds also has a negative arbitrage calculation of \$156,496 and has been refunded in 2015. The third bond, 2015 Limited Tax General Obligation Bonds will be subject to arbitrage calculations with the first calculation scheduled for March 18, 2020. The fourth bond issue, 2015 Water and Sewer Revenue and Refunding Bonds will be subject to arbitrage calculations with the first calculation scheduled for September 10, 2020.

PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the City defeased certain water and sewer revenue bonds by placing the proceeds of the new bonds and/or cash in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the City's financial statements. At December 31, 2016, \$3,190,000 of bonds outstanding is considered to be defeased.

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, 2016, the recorded liability on the government-wide statements for vacation and sick leave is \$1,703,691, with \$1,529,792 recorded in governmental activities and \$173,899 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	
	Balance	Additions	Reductions	Balance	Due Within	One Year
Governmental activities						
Bonds payable:						
General obligation bonds	\$ 9,363,467	\$ -	\$ 742,795	\$ 8,620,672	\$	770,455
Less deferred amounts						
For issuance premiums (discounts)*	874,819	-	44,192	830,627		44,192
Total bonds payable	10,238,286	-	786,987	9,451,299		814,647
Government loans	5,903,325	-	700,765	5,202,560		573,285
Less deferred amounts						
For Issuance premiums (discounts)	172,939	-	17,291	155,648		17,295
Total government loans	6,076,264	-	718,056	5,358,208		590,580
Pension/OPEB obligation	2,469,681	46,337	-	2,516,018		-
Net Pension Liability	4,743,946	521,094	-	5,265,040		-
Compensated absences	1,454,119	1,148,091	1,070,311	1,531,899		153,189
Governmental activity long-term liabilities	\$ 24,982,296	\$ 1,715,522	\$ 2,575,354	\$ 24,122,464	\$	1,558,416
Business-type activities						
General obligation bonds	\$ 762,533	\$ -	\$ 26,205	\$ 736,328	\$	26,546
Less deferred amounts						
For issuance premiums (discounts)*	90,690	-	4,553	86,137		4,553
Total GO bonds payable	853,223	-	30,758	822,465		31,099
Revenue bonds	19,640,000	-	705,000	18,935,000		695,000
Less deferred amounts						
For issuance premiums (discounts) on refunding	2,589,451	-	177,309	2,412,142		177,309
Total revenue bonds payable	22,229,451	-	882,309	21,347,142		872,309
Government loans	26,486,586	3,459,803	3,834,943	26,111,446		2,166,427
Pension/OPEB obligation	118,157	-	32,030	86,127		-
Net Pension Liability	1,423,217	609,828	-	2,033,045		-
Compensated absences	167,571	165,976	140,326	193,221		19,322
Business-type activity long-term liabilities	\$ 51,278,205	\$ 4,235,607	\$ 4,920,366	\$ 50,593,446	\$	3,089,157

* Restated to expense \$42,162 of amortization not presented in 2015 statements

The City of Washougal acquired land from the Port of Camas/Washougal to develop a well field near the Steigerwald Wildlife Refuge on the Columbia River. The City of Camas entered into an Utilities Cooperation

Agreement for Water System Development with the City of Washougal for 60% Capacity Allocation. In exchange, the City of Camas agrees to pay 60% of the real estate agreement to the City of Washougal for ten years (\$52,897.72 for ten years).

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end internal service funds compensated absences are \$18,967, net pension liability is \$248,305 and OPEB liability is \$12,304. Also, for the governmental activities, claims and judgments, compensated absences and net other post-employment benefit obligations are generally liquidated by operating funds, such as the General Fund, Street Fund, and the Camas/Washougal Fire and Emergency Medical 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, 2016, the remaining nonvoted and voted remaining capacity was \$45,109,443 and \$92,135,492, respectively.

G. SHORT-TERM DEBT

The City obtained a tax anticipation note authorized at \$7,000,000 for the purpose of paying expenditures of the City's construction and other funds, pending the receipt of taxes, debt proceeds and other revenues. This note is drawn down as needed, similar to a line of credit. The following funds shared in the borrowing: General Fund, Cemetery, 38th Avenue Construction, Friberg-Strunk Construction, Camas Washougal Fire and EMS fund, and Water Sewer.

The beginning balance of the line of credit was \$768,606, including accrued interest of \$5,659. During 2016, proceeds of \$9,619,318 and repayments of \$7,238,782 were made. At December 31, 2016 the balance of the line of credit was \$3,149,142.

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 168 Members.

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

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

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$300 million per occurrence subject to aggregates and sublimits. Automobile physical

damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

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

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, 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.

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

B. PROPERTY TAXES

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

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

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

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

The City's regular levy for 2016 was \$3.24 per \$1,000 on an assessed valuation of \$3.332 (billion) for a total regular levy of \$10,804,240.

Special levies approved by the voters are not subject to the limitations described above. In 2016, the City levied an additional \$.39 per \$1,000 to provide emergency medical services for a total additional levy of \$1,290,358. Further, in 2016, the City levied an additional \$.19 for payment of library bonds for a total additional levy of \$624,986.

C. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

The following table represents the aggregate pension amounts for all plans subject to the requirements of the GASB Statement 68, *Accounting and Financial Reporting for Pensions* for the year 2016:

Aggregate Pension Amounts - All Plans	
Pension liabilities	\$ (7,298,085)
Pension assets	\$ 3,963,336
Deferred outflows of resources	\$ 2,334,661
Deferred inflows of resources	\$ (390,613)
Pension expense/expenditures	\$ 1,121,013

State Sponsored Pension Plans

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

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

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

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

Public Employees' Retirement System (PERS)

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

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

and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

PERS Plan 1		
Actual Contribution Rates:	Employer	Employee
PERS Plan 1	6.23%	6.00%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
Total	11.18%	6.00%

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

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

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

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a

choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

PERS Plan 2/3		
Actual Contribution Rates:	Employer 2/3	Employee 2
PERS Plan 2/3	6.23%	6.12%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
Employee PERS Plan 3		varies
Total	11.18%	6.12%

The City’s actual PERS plan contributions were \$366,238 to PERS Plan 1 and \$458,690 to PERS Plan 2/3 for the year ended December 31, 2016.

Law Enforcement Officers’ and Fire Fighters’ Retirement System (LEOFF)

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

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

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

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

Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2016. Employers paid only the administrative expense of 0.18 percent of covered payroll.

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

Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2016 were as follows:

LEOFF Plan 2		
Actual Contribution Rates:	Employer	Employee
State and local governments	5.05%	8.41%
Administrative Fee	0.18%	
Total	5.23%	8.41%
Ports and Universities	8.41%	8.41%
Administrative Fee	0.18%	
Total	8.59%	8.41%

The City’s actual contributions to the plan were \$394,969 for the year ended December 31, 2016.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For the state fiscal year ending June 30, 2016, the state contributed \$60,375,158 to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$255,689.

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2016 with a valuation date of June 30, 2015. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary’s (OSA) *2007-2012 Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2015 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June

30, 2016. Plan liabilities were rolled forward from June 30, 2015, to June 30, 2016, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 3.0% total economic inflation; 3.75% salary inflation
- **Salary increases:** In addition to the base 3.75% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.5%

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

There were minor changes in methods and assumptions since the last valuation.

- For all systems, except LEOFF Plan 2, the assumed valuation interest rate was lowered from 7.8% to 7.7%. Assumed administrative factors were updated.
- Valuation software was corrected on how the nonduty disability benefits for LEOFF Plan 2 active members is calculated.
- New LEOFF Plan 2 benefit definitions were added within the OSA valuation software to model legislation signed into law during the 2015 legislative session.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.5 percent.

To determine that rate, an asset sufficiency test included an assumed 7.7 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.7 percent except LEOFF 2, which has assumed 7.5 percent). Consistent with the long-term expected rate of return, a 7.5 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.5 percent was determined using a building-block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB's capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times. The long-term expected rate of return of 7.5 percent approximately equals the median of the simulated investment returns over a 50-year time horizon.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.70%
Tangible Assets	5%	4.40%
Real Estate	15%	5.80%
Global Equity	37%	6.60%
Private Equity	23%	9.60%
	100%	

Sensitivity of the Net Pension Liability/ (Asset)

The table below presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5 percent) or 1-percentage point higher (8.5 percent) than the current rate.

	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
PERS 1	4,087,549	3,389,626	2,789,022
PERS 2/3	7,196,174	3,908,458	(2,034,578)
LEOFF 1	(163,339)	(274,963)	(370,376)
LEOFF 2	4,181,477	(1,491,107)	(5,766,589)

Pension Plan Fiduciary Net Position

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

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

At June 30, 2016, the City reported a total pension liability of \$7,298,085 for its proportionate share of the net pension liabilities and \$1,766,070 for its share of net pension assets as follows:

Plan	Liability or Asset
PERS 1	3,389,626
PERS 2/3	3,908,458
LEOFF 1	(274,963)
LEOFF 2	(1,491,107)

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

	LEOFF 1 Asset	LEOFF 2 Asset
LEOFF - employer's proportionate share	(274,963)	(1,491,107)
LEOFF - State's proportionate share of the net pension asset associated with the employer	(1,859,841)	(972,094)
TOTAL	(2,134,804)	(2,463,201)

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

	Proportionate Share 6/30/15	Proportionate Share 6/30/16	Change in Proportion
PERS 1	0.06385%	0.06312%	-0.00074%
PERS 2/3	0.07912%	0.07763%	-0.00150%
LEOFF 1	0.02640%	0.02669%	0.00028%
LEOFF 2	0.24740%	0.25637%	0.00897%

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

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2016. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2016, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2016, the state of Washington contributed 39.46 percent of LEOFF 2 employer contributions pursuant to [RCW 41.26.725](#) and all other employers contributed the remaining 60.54 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2016, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2015, with update procedures used to roll forward the total pension liability to the measurement date.

Pension Expense

For the year ended December 31, 2016, the City recognized pension expense as follows:

	Pension Expense
PERS 1	138,551
PERS 2/3	582,124
LEOFF 1	(38,419)
LEOFF 2	438,756
TOTAL	1,121,013

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	85,345	-
Contributions subsequent to the measurement date	186,905	-
TOTAL	\$ 272,250	\$ -

PERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 208,123	\$ (129,025)
Net difference between projected and actual investment earnings on pension plan investments	478,282	-
Changes of assumptions	40,397	-
Changes in proportion and differences between contributions and proportionate share of contributions	129,668	(47,203)
Contributions subsequent to the measurement date	234,254	-
TOTAL	\$ 1,090,724	\$ (176,228)

LEOFF 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	27,950	-
TOTAL	\$ 27,950	\$ -

LEOFF 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 204,322	\$ -
Net difference between projected and actual investment earnings on pension plan investments	535,815	-
Changes of assumptions	5,622	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	(214,385)
Contributions subsequent to the measurement date	197,978	-
TOTAL	\$ 943,737	\$ (214,385)

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:	PERS 1	PERS 2/3	LEOFF 1	LEOFF 2
2017	(21,014)	41,977	(5,776)	(56,014)
2018	(21,014)	41,977	(5,776)	(56,014)
2019	78,381	372,561	24,206	394,002
2020	48,993	223,727	15,295	256,084
2021	-	-	-	(6,684)
Thereafter	-	-	-	-

CITY OF CAMAS FIREMAN'S PENSION FUND

The Firemen Pension Plan is not administered by DRS, but by the City of Camas.

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. Future benefits paid under this plan are pension difference payments. This Plan is closely tied to the LEOFF plan therefore, the LEOFF board would be considered the Plan's board. Further, the state Legislature establishes, and amends, laws pertaining to the creation and

administration of all public retirement systems. Any changes to the LEOFF plans, filter over to the City's Firemen Pension Plan.

The plan presently has three inactive individuals retired under the LEOFF plan, but drawing excess benefits from this plan. There are no inactive employees entitled to, but not receiving benefits. Nor are there any active employees eligible to receive benefits. All other firefighter pension benefits are provided under the state pension system, LEOFF.

There are no contribution requirements for this plan, as it is fully funded. There is no separate publicly available report for the Firemen's Pension Fund.

Actuarial Assumptions and Other Inputs

The total pension liability (TPL) for Firemen's Pension plan was determined using the most recent actuarial valuation completed with a valuation date of January 1, 2015. The actuarial assumptions used in the valuation were based on the results of the Independent Actuaries, Inc.

Additional assumptions for subsequent events and law changes are current as of the 2015 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of December 31, 2016, assuming no actuarial gains or losses. Plan liabilities were rolled forward from January 1, 2015, reflecting each plan's normal cost (using the Entry Age Normal method), assumed interest and actual benefit payments.

- **Inflation:** 2.5% total economic inflation
- **Salary increases:** There are no salary related changes necessary as all plan participants are retired.
- **Future Benefit Increases:** Benefits were assumed to inflate at different rates for each of the three benefits. The rate increases ranged from 14.0% to 3.0%.
- **Investment rate of return:** 4.0%

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

The discount rate used to measure the total pension liability was 4.0 percent. The long-term expected rate of return on the pension plan investments of 4.0% is based on an assumed inflation rate of 2.5%, plus an assumed 1.5% real rate of return on invested assets. The assumed real rate of return reflects the likelihood that assets will continue to be invested conservatively. There is not significant risk related to the rate of return because the Fiduciary Net Position exceed 800% of the total pension liability. The assets of the Pension fund are all held within the City of Camas' internal investment pool, which is disclosed in Note IV A. As such there is no estimated rate of return by asset class, as the assets of the Pension plan are not identifiable.

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

Sensitivity of NPL

The Trust Fund’s net pension liability calculated using the discount rate of 4.0 percent is \$(2,197,266). If the net pension liability were calculated using a discount rate that is 1-percentage point lower (3.0 percent) versus 1-percentage point higher (5.0 percent) than the current rate it would be \$(2,166,058) and \$(2,225,842), respectively.

1% Decrease (3%)	Current Discount Rate (4%)	1% Increase (5%)
\$ (2,166,058)	\$ (2,197,266)	\$ (2,228,541)

Pension Expense

For the year ended December 31, 2016, the trust fund recognized expense in the amount of \$37,077.

Change in Net Pension (Asset) Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2014	\$ 318,276	\$ 2,552,619	\$ (2,234,343)
Changes for the Year			
Interest	12,731	-	12,731
Net Investment income	-	28,124	(28,124)
Benefit payments	(20,929)	(20,929)	-
Other Changes - LEOFF Contribution		(50,000)	50,000
Administrative expense	-	(2,470)	2,470
Net Changes	<u>(8,198)</u>	<u>(45,275)</u>	<u>37,077</u>
Balances at 12/31/2015	<u>\$ 310,078</u>	<u>\$ 2,507,344</u>	<u>\$ (2,197,266)</u>

The fiduciary net position as a percentage of the total pension liability is 808.62%. There is no covered payroll.

Pension Plan Investments

The Firemen’s Pension Fund assets consists of \$2,507,344 in pooled investments as of December 31, 2016. The Pension Fund follows the city investment policies as disclosed in Note IV A. Further, as these are pooled investments, there are no identifiable assets.

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 eighteen 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, 2016, 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 \$379,122, but only contributed \$364,815 at December 31, 2016. This \$364,814 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 \$2,602,145 is the actuarial accrued liability recognized on the government wide statement of net position. \$2,516,018 and \$86,127 is recognized as a liability on the governmental activities and business type statement of net position, respectively.

As of the most recent actuarial valuation date, January 1, 2015, the total unfunded actuarial liability (UAAL) is \$5,030,423. The covered payroll (annual payroll of active employees covered by the plan) was \$6,485,797 and the ratio of the UAAL to the covered payroll was 78 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 Cost	Percentage of Annual OPEB costs contributed	Net OPEB Obligation
2016	379,122	96%	2,602,145
2015	376,879	63%	2,587,838
2014	597,469	74%	2,450,106

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)	\$ 439,360
Interest on Net OPEB obligation (NOO)	103,514
Adjustment to ARC	<u>(163,752)</u>
Annual OPEB Cost	379,122
Employer Contribution	<u>364,815</u>
Increase(decrease) in NOO	14,307
Net OPEB Obligation - Beginning of Year	2,587,838
Net OPEB Obligation - Ending of Year	<u>\$ 2,602,145</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	1/1/2015	1/1/2015
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	2.50%	2.50%
Investment Return	N/A	N/A
Healthcare Cost Trend Rate – Initial	6.5%	6.5%
Healthcare Cost Trend Rate – Ultimate	5%	5%
Amortization Method	Level Dollar	Level Dollar
Amortization Period - Closed	22	11

E. HEALTH & WELFARE

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

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

As of December 31, 2016, 258 cities/towns/non-city entities participate in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members. The AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members. The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Group Health Cooperative/Group Health Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2016, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Group Health ISL at \$750,000 through Sun Life. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum

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

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

The accounting records of the Trust HCP are maintained in accordance with methods prescribed by the State Auditor’s office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board (“GASB”). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor’s office.

F. FEDERAL FINANCIAL ASSISTANCE

The City recorded the following federal grant revenues for 2016.

Federal Catalog No.	Government	Program	Amount
14.218	Dept of Housing and Urban	Community Dev Block Grant	\$400,482
20.205	Dept. of Transportation	Highway Planning and Construction	298,424
66.468	US Environ Protection Agency	Drinking Water Revolving Fund	4,429,056
97.036	Dept of Homeland Security	Disaster Grants	<u>144,270</u>
Total Federal Financial Assistance			<u>\$5,272,232</u>

F. CONTINGENCIES AND LITIGATIONS

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

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

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

H. SUBSEQUENT EVENTS

On August 9, 2013, the City received a twenty year loan for \$3,740,000 at .50% interest from the Washington State Department of Commerce to assist with partial financing for the construction of a sewer transmission main with anticipated construction costs of \$4,400,000. As of December 31, 2016 draws of \$3,064,374 had been made on this loan. Annual debt service payments began in 2014, but \$400,000 will be received during 2017 as the project concludes.

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, 2016 draws of \$66,033 have been made on this loan by the City. Annual debt service payments were scheduled to commence in 2015, 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. The City has recognized \$730,817 of this forgiveness in 2016. As of December 31, 2016 \$7,128,713 in drawdowns had been made on this loan by the City. The remaining balance will be drawn down in 2017. Annual debt service payments are to begin October 1, 2017.

In December, 2016, the City received a 24 year loan of \$6,000,000 at 1% interest from the Drinking Water State Revolving Fund to finance the construction of the final phase of the pressure zone surface water supply project. This loan contains a 50% forgivable clause at the completion of the loan. At December 31, 2016, draws of \$2,340,000 have been received by the City. \$1,170,000 of this has been recognized as revenue by the City. Annual debt service payments would commence in 2018, principal payments are deferred until October 1, 2020.

In December, 2016, the City received a 24 year loan of \$2,600,000 at 1% interest from the Drinking Water State Revolving Fund to finance the final portion of the construction of the slow sand filtration plant. As of December 31, 2016, the city has draws of \$1,170,000. The remaining draws will be taken as needed in 2017. Annual debt service payments will commence in October 1, 2020, interest payments are deferred until this time.

On March 31, 2017, the City was notified by Washington State Department of Revenue (DOR) of a \$217,000 over payment of sales tax revenue from 2012-2013 from a single taxpayer. DOR reduced the sales tax remittance in March, 2017 by the \$217,000. The City has recorded this reduction in 2016.

I. IMPACT FEE/DEVELOPMENT CHARGE CREDITS

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

2016 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	\$ 116,005	\$ 783,756	\$ 314,194	\$ 585,567
Park Impact Fees	43,602	21,987	2,290	63,299
	<u>159,607</u>	<u>805,743</u>	<u>316,484</u>	<u>648,866</u>
Water System Development Charges	496,396	-	347,486	148,910
Sewer System Development Charges	587,548	54,032	185,843	455,737
	<u>1,083,944</u>	<u>54,032</u>	<u>533,329</u>	<u>604,647</u>
Total Impact Fee Credits	\$ <u>1,243,551</u>	\$ <u>859,775</u>	\$ <u>849,813</u>	\$ <u>1,253,513</u>

J. ACCOUNTING AND REPORTING CHANGES

The City implemented GASB 72, *Fair Value Measurement and Application*. This statement provides guidance for determining a fair value measurement for financial reporting purposes and requires the application of fair value to certain investments, in order to promote comparability of government financial statements. The standard expands the level of disclosure for fair value methodology in the notes to the financial statements. The standard also changes the recorded value of contributed capital assets from fair value to acquisition value.

The City implemented GASB 79, *Certain External Investment Pools and Pool Participants*. This statement provides criteria for an external investment pool to qualify for making an election to measure all of its investments at amortized cost for financial reporting purposes, and requires pool participants to report using the same criteria. This standard adds note disclosure requirements for the City with regard to pool investments.

The City implemented GASB 82, *Pension Issues*. This statement amends GASB statements No. 67, No. 68 and No. 73 to enhance consistency in the application of financial reporting requirements related to certain pension issues. This standard made changes to how the City reported covered payroll in Required Supplementary Information.

K. RELATED PARTY TRANSACTIONS/JOINT VENTURE

Emergency Services

The City has entered into an interlocal agreement with Clark County, the City of Vancouver and other local governments in the establishment and operation of the Clark Regional Services Agency (CRESA). CRESA was created by agreement under the Inter-Local Cooperation Act (RCW 39.34). The purpose of CRESA is to equip and operate a consolidated public safety communications service. CRESA is a separate reporting entity and each participant's share of authority is defined by the terms of the enabling charter of the CRESA. Control of this joint venture is shared equitably by the controlling organizations. The City has a 4.4% interest in equity and operations of CRESA, thus CRESA is not dependent on the rates paid by the City, no ongoing financial responsibility exists.

The City paid the following in fees to CRESA during 2016 for Emergency Management purposes:

Emergency Management	\$18,149
Dispatching EMS	\$118,022
Dispatching Fire	\$85,731
Dispatching Police	\$195,223
800 MHZ Fees	\$52,044
<u>Annual Software Costs</u>	<u>\$8,955</u>
Total	\$478,124

L. PRIOR PERIOD ADJUSTMENTS

The governmental activities column of the Statement of Activities, presents a prior period adjustment in the amount of \$5,245,539. This is made up of the following:

- \$4,757,348 of this amount is a correction of accumulated depreciation for assets that were not split between two asset life classifications and to correct for the useful life of some assets.
- \$42,166 premium on loans were not expensed in 2015.
- \$52,282 is the Criminal Justice Tax revenue accrual correction.
- \$393,743 asset correction between business type activities.

The Water-SewerFund and the Storm Fund presents a prior period adjustment of \$145,459 and \$248,284, respectively, which represents a capital outlay that was erroneously reported as donated in 2015. These funds reimbursed the non-major capital fund for this asset in 2016.

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%	\$ 7,755,426	76.94%
1/1/2009	-	7,181,555	7,181,555	0.00%	7,482,701	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%
1/1/2015	-	5,030,423	5,030,423	0.00%	6,485,797	77.60%

CITY OF CAMAS, WASHINGTON
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability
 PERS 1
 As of June 30
 Last 3 Fiscal Years

<u>Year Ended June 30,</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of covered employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2016	0.063116%	\$ 3,389,626	\$ 7,433,788	46%	57.03%
2015	0.063852%	3,340,053	7,155,169	47%	59.10%
2014	0.059601%	3,002,428	7,216,331	42%	61.19%

CITY OF CAMAS, WASHINGTON
 Required Supplementary Information
 Schedule of Employer Contributions
 PERS 1
 As of December 31
 Last 3 Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered employer payroll	Contributions as a percentage of covered employee payroll
2016	\$ 366,237	\$ (366,237)	\$ -	\$ 7,503,538	4.88%
2015	330,219	(330,219)	-	7,337,494	4.50%
2014	293,264	(293,264)	-	6,969,245	4.21%

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

<u>Year Ended June 30,</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of covered employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2016	0.077627%	\$ 3,908,458	\$ 7,297,931	53.56%	85.82%
2015	0.079123%	2,827,110	7,022,586	40.26%	89.20%
2014	0.073414%	1,483,962	7,077,011	20.97%	93.29%

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

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered employer payroll	Contributions as a percentage of covered employee payroll
2016	\$ 458,690	\$ (458,690)	-	\$ 7,366,306	6.23%
2015	406,541	(406,541)	-	7,203,243	5.64%
2014	348,075	(348,075)	-	6,838,381	5.09%

CITY OF CAMAS, WASHINGTON
 Required Supplementary Information
 Schedule of Proportionate Share of the Net Pension Liability
 LEOFF 1
 As of June 30
 Last 3 Fiscal Years

<u>Year Ended June 30,</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>State's proportionate share of the net pension liability (asset) associated with the employer</u>	<u>TOTAL</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of covered employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2016	0.026688%	\$ (274,963)	\$ (1,859,841)	\$ (2,134,804)	N/A	N/A	123.74%
2015	0.026403%	(318,215)	(2,152,398)	(2,470,613)	N/A	N/A	127.36%
2014	0.026185%	(317,569)	(2,148,029)	(2,465,598)	N/A	N/A	126.91%

CITY OF CAMAS, WASHINGTON
 Required Supplementary Information
 Schedule of Employer Contributions
 LEOFF 1
 As of December 31
 Last 3 Fiscal Years

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered employer payroll	Contributions as a percentage of covered employee payroll
2016	\$ -	\$ -	\$ -	\$ N/A	N/A
2015	-	-	-	N/A	N/A
2014	-	-	-	N/A	N/A

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

<u>Year Ended June 30,</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability</u>	<u>State's proportionate share of the net pension liability (asset) associated with the employer</u>	<u>TOTAL</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability as a percentage of covered employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
2015	0.256367%	\$ (1,491,107)	\$ (972,094)	\$ (2,463,201)	\$ 7,803,325	-19.11%	106.04%
2015	0.063852%	(2,542,787)	(1,681,297)	(4,224,084)	7,180,562	-35.41%	111.67%
2014	0.059601%	(2,800,565)	(1,829,840)	(4,630,405)	7,017,401	-39.91%	116.75%

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

Year Ended December 31,	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered employer payroll	Contributions as a percentage of covered employee payroll
2016	\$ 394,969	\$ (394,969)	\$ -	\$ 7,821,177	5.05%
2015	389,941	(389,941)	-	7,455,858	5.23%
2014	345,299	(345,299)	-	6,602,254	5.23%

CITY OF CAMAS, WASHINGTON
Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability
Firemen's Pension Plan
Last Two Fiscal Years

	2016	2015
Total pension liability		
Interest	\$ 12,731	\$ \$ 12,580
Benefit payments, including refunds of contributions	(20,929)	(17,613)
Net change in total pension liability	(8,198)	(5,033)
Total pension liability - beginning	318,276	323,309
Total pension liability - ending (a)	\$ 310,078	\$ 318,276
 Plan fiduciary net position		
Net investment income	28,124	36,871
Benefit payments, including refunds of contributions	(20,929)	(17,613)
Administrative expense	(2,470)	0
Other	(50,000)	0
Net change in plan fiduciary net position	(45,275)	19,258
Plan fiduciary net position - beginning	2,552,619	2,533,361
Plan fiduciary net position - ending (b)	2,507,344	2,552,619
 Net pension liability ending (a) - (b)	(2,197,266)	(2,234,343)
 Plan fiduciary net position as a % of total pension liability (b)/(a)	808.62%	802.01%
 Covered-employee payroll	0	0
 Net pension liability as a % of covered employee payroll	N/A	N/A

Notes to Schedule:

Note 1: Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2015.

Note 2: Significant Factors

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

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

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially/statutorily/contractually determined contribution	\$ -	\$ -	\$ -	\$ 38,286	\$ 32,866	\$ 34,521	\$ 36,432	\$ 31,032	\$ 30,875	\$ 27,284
Actual contribution in relation to the above	-	-	-	38,286	32,866	34,521	36,432	31,032	30,875	27,284
Contribution deficiency (excess)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Covered employee payroll	0	0	0	0	0	0	0	0	0	0
Contributions as a % of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation date: December 31, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method - entry age

Amortization method - N/A

Remaining amortization period - N/A

Asset valuation method - market Value

Inflation - 2.5%

Investment rate of return - 4.0%, net of pension plan investment expense, including inflation

Mortality - RP 2000

Note 1: Information Provided

The City implemented GASB 68 for the year ended December 31, 2015. In rebuilding this table, information was only available to 2007.

CITY OF CAMAS, WASHINGTON
Required Supplementary Information
Schedule of Investment Returns
Firemen's Pension Fund
Last Two Fiscal Years

	<u>2016</u>	<u>2015</u>
Annual money-weighted rate of return, net of investment expense	1.36%	1.36%

Notes to Schedule:

Note 1: Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2015.

Note 2: Significant Factors

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

CITY OF CAMAS, WASHINGTON
Notes to Required Supplemental Information - Pension
As of December 31
Last Three Fiscal Years

Note 1: Information Provided

GASB 68 was implemented for the year ended December 31, 2015, therefore there is no data available for years prior to 2014.

Note 2: Significant Factors

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

Note 3: LEOFF 1

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

Note 4: Covered payroll

Covered payroll has been retrospectively presented in accordance with GASB 82, *Pension Issues*. Covered payroll now includes all payroll on which a contribution is based. In prior reports, Plan 1 UAAL covered payroll was included for plans other than PERS 1.

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

NW 38th Avenue Construction Fund – This fund was established in 2013 for the construction of a new arterial roadway which connects NW 38th Avenue in the City of Camas to SE 20th Street in the City of Vancouver.

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

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

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

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

2015 Capital Projects Fund – This fund was established in 2015 for the purchase of a new fire truck and a building adjacent to City Hall.

CITY OF CAMAS, WASHINGTON

Nonmajor Governmental Funds

Combining Balance Sheet

December 31, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Assets:				
Cash and Cash Equivalents	\$ 72,666	\$ 40,998	\$ 2,150,760	\$ 2,264,424
Property Taxes Receivables	1,156	13,488	-	14,644
Accounts Receivable (net)	13,035	-	-	13,035
Due from Other Governmental Units	-	-	41,941	41,941
Total Assets	<u>86,857</u>	<u>54,486</u>	<u>2,192,701</u>	<u>2,334,044</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	46,213	-	137,292	183,505
Total Liabilities	<u>46,213</u>	<u>-</u>	<u>137,292</u>	<u>183,505</u>
Deferred Inflows of Resources				
Unavailable revenue	-	10,949	-	10,949
Total deferred inflows of resources	<u>-</u>	<u>10,949</u>	<u>-</u>	<u>10,949</u>
Fund Balances:				
Restricted				
Tourism	15,280	-	-	15,280
Debt Service	-	43,537	-	43,537
Capital Outlay	-	-	2,055,409	2,055,409
Assigned	25,364	-	-	25,364
Total Fund Balances	<u>40,644</u>	<u>43,537</u>	<u>2,055,409</u>	<u>2,139,590</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 86,857</u>	<u>\$ 54,486</u>	<u>\$ 2,192,701</u>	<u>\$ 2,334,044</u>

CITY OF CAMAS, WASHINGTON
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
For the fiscal year ended December 31, 2016

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:				
Property Taxes	\$ 159,933	\$ 627,668	\$ -	\$ 787,601
Sales and Use Taxes	10,559	-	-	10,559
Intergovernmental	479,986	-	1,378,325	1,858,311
Interest Earnings	1,357	-	42,440	43,797
Total Revenues	<u>651,835</u>	<u>627,668</u>	<u>1,420,765</u>	<u>2,700,268</u>
Expenditures:				
Current:				
Transportation	1,564,892	-	-	1,564,892
Economic Environment	8,348	-	-	8,348
Capital Outlay	147,522	-	4,443,879	4,591,401
Debt Service				
Principal Retirement	-	1,443,741	-	1,443,741
Interest and Other Charges	-	507,427	917	508,344
Total Expenditures	<u>1,720,762</u>	<u>1,951,168</u>	<u>4,444,796</u>	<u>8,116,726</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,068,927)	(1,323,500)	(3,024,031)	(5,416,458)
Other Financing Sources (Uses):				
Insurance Recoveries	37,030	-	-	37,030
Transfers In	1,353,646	1,328,531	201,518	2,883,695
Transfers Out	(332,869)	-	(209,429)	(542,298)
Total Other Financing Sources and Uses	<u>1,057,807</u>	<u>1,328,531</u>	<u>(7,911)</u>	<u>2,378,427</u>
Net Change in Fund Balances	(11,120)	5,031	(3,031,942)	(3,038,031)
Fund Balances at Beginning of Year	51,764	38,506	5,087,351	5,177,621
Fund Balances at End of Year	<u>\$ 40,644</u>	<u>\$ 43,537</u>	<u>\$ 2,055,409</u>	<u>\$ 2,139,590</u>

CITY OF CAMAS, WASHINGTON

Nonmajor Special Revenue Funds

Combining Balance Sheet

December 31, 2016

	Hotel Motel <u>Lodging Tax</u>	City Street	Total Nonmajor Special <u>Revenue Funds</u>
Assets:			
Cash and Cash Equivalents	\$ 15,280	\$ 57,386	\$ 72,666
Property Taxes Receivable (net)	-	1,156	1,156
Accounts Receivable (net)			
Other Receivables	-	13,035	13,035
Total Accounts Receivable (net)	-	13,035	13,035
Total Assets	<u>15,280</u>	<u>71,577</u>	<u>86,857</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	-	46,213	46,213
Total Liabilities	-	46,213	46,213
Fund Balances:			
Restricted			
Tourism	15,280	-	15,280
Assigned	-	25,364	25,364
Total Fund Balances	<u>15,280</u>	<u>25,364</u>	<u>40,644</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>15,280</u>	\$ <u>71,577</u>	\$ <u>86,857</u>

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, 2016

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
Revenues:			
Property Taxes	-	159,933	159,933
Sales and Use Taxes	\$ 10,559	\$ -	\$ 10,559
Intergovernmental	-	479,986	479,986
Interest Earnings	142	1,215	1,357
Total Revenues	<u>10,701</u>	<u>641,134</u>	<u>651,835</u>
Expenditures:			
Current:			
Transportation	-	1,564,892	1,564,892
Economic Environment	8,348	-	8,348
Capital Outlay	-	147,522	147,522
Total Expenditures	<u>8,348</u>	<u>1,712,414</u>	<u>1,720,762</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,353	(1,071,280)	(1,068,927)
Other Financing Sources (Uses)			
Insurance Recoveries	-	37,030	37,030
Transfers In	-	1,353,646	1,353,646
Transfers Out	-	(332,869)	(332,869)
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,057,807</u>	<u>1,057,807</u>
Net Change in Fund Balances	2,353	(13,473)	(11,120)
Fund Balances at Beginning of Year	12,927	38,837	51,764
Fund Balances at End of Year	<u>\$ 15,280</u>	<u>\$ 25,364</u>	<u>\$ 40,644</u>

CITY OF CAMAS, WASHINGTON

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2016

	<u>Unlimited Tax Redemption</u>	<u>Limited Tax Redemption</u>	<u>Total Nonmajor Debt Service Funds</u>
Assets:			
Cash and Cash Equivalents	\$ 40,998	\$ -	\$ 40,998
Property Taxes Receivable	<u>13,488</u>	<u>-</u>	<u>13,488</u>
Total Assets	<u><u>54,486</u></u>	<u><u>-</u></u>	<u><u>54,486</u></u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue	<u>10,949</u>	<u>-</u>	<u>10,949</u>
Total deferred inflows of resources	<u>10,949</u>	<u>-</u>	<u>10,949</u>
Fund Balances:			
Restricted			
Debt Service	<u>43,537</u>	<u>-</u>	<u>43,537</u>
Total Fund Balances	<u>43,537</u>	<u>-</u>	<u>43,537</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u><u>54,486</u></u>	\$ <u><u>-</u></u>	\$ <u><u>54,486</u></u>

CITY OF CAMAS, WASHINGTON
 Nonmajor Debt Service Funds
 Combining Statement of Revenues, Expenditures and
 Changes in Fund Balances
 Year Ended December 31, 2016

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
Revenues:			
Property Taxes	\$ 627,668	\$ -	\$ 627,668
Total Revenues	627,668	-	627,668
Expenditures:			
Debt Service			
Principal Retirement	519,000	924,741	1,443,741
Interest and Other Charges	103,637	403,790	507,427
Total Expenditures	622,637	1,328,531	1,951,168
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,031	(1,328,531)	(1,323,500)
Other Financing Sources (Uses):			
Transfers In	-	1,328,531	1,328,531
Total Other Financing Sources (Uses)	-	1,328,531	1,328,531
Net Change in Fund Balances	5,031	-	5,031
Fund Balances at Beginning of Year	38,506	-	38,506
Fund Balances at End of Year	\$ 43,537	\$ -	\$ 43,537

CITY OF CAMAS, WASHINGTON

Nonmajor Capital Project Funds

Balance Sheet

December 31, 2016

	NW 38th Avenue Construction	Friberg Street Construction Fund	Brady Road Construction	NW 6th & Norwood	Street Lighting LED	2015 Capital	Total Capital Project Funds
Assets:							
Cash and Cash Equivalents	\$ -	\$ -	\$ 516,347	\$ -	\$ 1,334,803	\$ 299,610	\$ 2,150,760
Due from Other Governmental Units	-	-	41,941	-	-	-	41,941
Total Assets	-	-	558,288	-	1,334,803	299,610	2,192,701
Liabilities and Fund Balances:							
Liabilities:							
Accounts Payable	-	-	71,822	3,721	61,749	-	137,292
Total Liabilities	-	-	71,822	3,721	61,749	-	137,292
Fund balances:							
Restricted							
Capital Outlay	-	-	486,466	(3,721)	1,273,054	299,610	2,055,409
Total Equities and Fund Balances	-	-	486,466	(3,721)	1,273,054	299,610	2,055,409
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 558,288	\$ -	\$ 1,334,803	\$ 299,610	\$ 2,192,701

CITY OF CAMAS, WASHINGTON
Nonmajor Capital Project Funds
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the fiscal year ended December 31, 2016

	NW 38th Avenue Construction	Friberg Street Construction Fund	Brady Road Construction	NW 6th & Norwood	Street Lighting LED	2015 Capital	Total Capital Project Funds
Revenues:							
Intergovernmental	\$ 680,823	\$ -	\$ 197,502	\$ -	\$ 500,000	\$ -	\$ 1,378,325
Interest Earnings	-	-	7,466	11,517	19,804	3,653	42,440
Total Revenues	<u>680,823</u>	<u>-</u>	<u>204,968</u>	<u>11,517</u>	<u>519,804</u>	<u>3,653</u>	<u>1,420,765</u>
Expenditures:							
Current:							
Capital Outlay	-	2,085	264,414	2,178,370	1,492,409	506,601	4,443,879
Debt Service							
Interest and Other Charges	720	197	-	-	-	-	917
Total Expenditures	<u>720</u>	<u>2,282</u>	<u>264,414</u>	<u>2,178,370</u>	<u>1,492,409</u>	<u>506,601</u>	<u>4,444,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	680,103	(2,282)	(59,446)	(2,166,853)	(972,605)	(502,948)	(3,024,031)
Other Financing Sources (Uses)							
Transfers In	-	1,711	-	199,807	-	-	201,518
Transfers Out	(209,429)	-	-	-	-	-	(209,429)
Total Other Financing Sources (Uses)	<u>(209,429)</u>	<u>1,711</u>	<u>-</u>	<u>199,807</u>	<u>-</u>	<u>-</u>	<u>(7,911)</u>
Net Change in Fund balances	470,674	(571)	(59,446)	(1,967,046)	(972,605)	(502,948)	(3,031,942)
Fund Balances at Beginning of Year	(383,052)	(87,051)	545,912	1,963,325	2,245,659	802,558	5,087,351
Prior Period Adjustments	(87,622)	87,622	-	-	-	-	-
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 486,466</u>	<u>\$ (3,721)</u>	<u>\$ 1,273,054</u>	<u>\$ 299,610</u>	<u>\$ 2,055,409</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, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Other Taxes	\$ 1,763,665	\$ 1,763,665	\$ 1,864,014	\$ 100,349
Intergovernmental	210,000	475,000	400,482	(74,518)
Charges for Services	1,082,079	1,082,079	1,154,586	72,507
Interest Earnings	29,575	29,575	(13,261)	(42,836)
Total Revenues	3,085,319	3,350,319	3,405,821	55,502
Expenditures:				
Culture and Recreation	-	-	84,636	84,636
Capital Outlay	2,104,296	2,744,296	1,132,812	(1,611,484)
Total Expenditures	2,104,296	2,744,296	1,217,448	(1,526,848)
Excess (Deficiency) of Revenues Over (under) Expenditures	981,023	606,023	2,188,373	1,582,350
Other Financing Sources (Uses):				
Transfers In	430,000	790,000	269,429	(520,571)
Transfers Out	(1,183,896)	(1,647,680)	(1,161,192)	486,488
Total Other Financing Sources and Uses	(753,896)	(857,680)	(891,763)	(34,083)
Net Change in Fund Balance	227,127	(251,657)	1,296,610	1,548,267
Fund Balances at Beginning of Year	-	-	2,827,034	2,827,034
Fund Balances at End of Year	\$ 227,127	\$ (251,657)	\$ 4,123,644	\$ 4,375,301

CITY OF CAMAS, WASHINGTON

Hotel Motel Lodging Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes - Sales and Use	\$ 8,575	\$ 8,575	\$ 10,559	\$ 1,984
Interest Earnings	140	140	142	2
Total Revenues	<u>8,715</u>	<u>8,715</u>	<u>10,701</u>	<u>1,986</u>
Expenditures:				
Current:				
Economic Environment	<u>14,000</u>	<u>14,000</u>	<u>8,348</u>	<u>(5,652)</u>
Total Expenditures	<u>14,000</u>	<u>14,000</u>	<u>8,348</u>	<u>(5,652)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,285)</u>	<u>(5,285)</u>	<u>2,353</u>	<u>7,638</u>
Fund Balances at Beginning of Year	<u>12,927</u>	<u>12,927</u>	<u>12,927</u>	<u>-</u>
Fund Balances at End of Year	\$ <u><u>7,642</u></u>	\$ <u><u>7,642</u></u>	\$ <u><u>15,280</u></u>	\$ <u><u>7,638</u></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, 2016

	Budgeted Amounts			
	Original	Final	Actual Amount	Variance with Final Budget
Revenues:				
Property Taxes	\$ 31,625	\$ 31,625	\$ 159,933	\$ 128,308
Intergovernmental	\$ 471,363	\$ 471,363	\$ 479,986	\$ 8,623
Interest Earnings	-	-	1,215	1,215
Contributions/Donations	11,848	11,848	-	(11,848)
Miscellaneous	-	1,000	-	(1,000)
Total Revenues	514,836	515,836	641,134	125,298
Expenditures:				
Transportation	1,765,280	1,586,159	1,564,892	(21,267)
Capital Outlay	705,012	545,012	147,522	(397,490)
Total Expenditures	2,470,292	2,131,171	1,712,414	(418,757)
Excess (Deficiency) of Revenues Over (under) Expenditures	(1,955,456)	(1,615,335)	(1,071,280)	544,055
Other Financing Sources (Uses):				
Insurance Recoveries	-	-	37,030	37,030
Transfers In	705,012	1,852,549	1,353,646	(498,903)
Transfers Out	-	(333,000)	(332,869)	131
Total Other Financing Sources and Uses	705,012	1,519,549	1,057,807	(461,742)
Net Change in Fund Balance	(1,250,444)	(95,786)	(13,473)	82,313
Fund Balances at Beginning of Year	38,837	38,837	38,837	-
Fund Balances at End of Year	\$ (1,211,607)	\$ (56,949)	\$ 25,364	\$ 82,313

CITY OF CAMAS, WASHINGTON

Unlimited Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amount</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 625,000	\$ 625,000	\$ 627,668	\$ 2,668
Total Revenues	<u>625,000</u>	<u>625,000</u>	<u>627,668</u>	<u>2,668</u>
Expenditures:				
Debt service:				
Principal Retirement	519,000	519,000	519,000	-
Interest and Other Charges	<u>103,637</u>	<u>103,637</u>	<u>103,637</u>	<u>-</u>
Total Expenditures	<u>622,637</u>	<u>622,637</u>	<u>622,637</u>	<u>-</u>
Net Change in Fund Balance	2,363	2,363	5,031	2,668
Fund Balances at Beginning of Year	<u>38,506</u>	<u>38,506</u>	<u>38,506</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 40,869</u>	<u>\$ 40,869</u>	<u>\$ 43,537</u>	<u>\$ 2,668</u>

CITY OF CAMAS, WASHINGTON

Limited Tax Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amount	
Revenues:				
Total Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Debt service:				
Principal Retirement	906,455	936,201	924,741	(11,460)
Interest and Other Charges	409,048	421,302	403,790	(17,512)
Total Expenditures	<u>1,315,503</u>	<u>1,357,503</u>	<u>1,328,531</u>	<u>(28,972)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(1,315,503)	(1,357,503)	(1,328,531)	28,972
Other Financing Sources (Uses):				
Transfers In	172,869	1,357,502	1,328,531	(28,971)
Total Other Financing Sources and Uses	<u>172,869</u>	<u>1,357,502</u>	<u>1,328,531</u>	<u>(28,971)</u>
Net Change in Fund Balance	(1,142,634)	(1)	-	1
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ (1,142,634)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ 1</u>

CITY OF CAMAS, WASHINGTON

NW 38th Avenue 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, 2016

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual Amount	
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 680,823	\$ 680,823
Total Revenues	-	-	680,823	680,823
Expenditures:				
Debt service:				
Interest and Other Charges	-	-	720	720
Total Expenditures	-	-	720	720
Excess (Deficiency) of Revenues Over (under) Expenditures	-	-	680,103	680,103
Other Financing Sources (Uses):				
Transfers Out	-	-	(209,429)	(209,429)
Total Other Financing Sources and Uses	-	-	(209,429)	(209,429)
Net Change in Fund Balance	-	-	470,674	470,674
Fund Balances at Beginning of Year	(383,052)	(383,052)	(383,052)	-
Prior Period Adjustments	-	-	(87,622)	(87,622)
Fund Balances at End of Year	\$ (383,052)	\$ (383,052)	\$ -	\$ 383,052

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, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Total Revenues	-	-	-	-
Expenditures:				
Capital Outlay	20,000	50,000	2,085	(47,915)
Debt service:				
Interest and Other Charges	-	-	197	197
Total Expenditures	20,000	50,000	2,282	(47,718)
Excess (Deficiency) of Revenues				
Over (under) Expenditures	(20,000)	(50,000)	(2,282)	47,718
Other Financing Sources (Uses):				
Transfers In	-	50,000	1,711	(48,289)
Total Other Financing Sources and Uses	-	50,000	1,711	(48,289)
Net Change in Fund Balance	(20,000)	-	(571)	(571)
Fund Balances at Beginning of Year	(87,051)	(87,051)	(87,051)	-
Prior Period Adjustments	-	-	87,622	87,622
Fund Balances at End of Year	\$ (107,051)	\$ (87,051)	\$ -	\$ 87,051

CITY OF CAMAS, WASHINGTON

Brady Road Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 639,000	\$ 639,000	\$ 197,502	\$ (441,498)
Interest Earnings	500	500	7,466	6,966
Total Revenues	<u>639,500</u>	<u>639,500</u>	<u>204,968</u>	<u>(434,532)</u>
Expenditures:				
Capital Outlay	<u>1,278,000</u>	<u>1,278,000</u>	<u>264,414</u>	<u>(1,013,586)</u>
Total Expenditures	<u>1,278,000</u>	<u>1,278,000</u>	<u>264,414</u>	<u>(1,013,586)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(638,500)	(638,500)	(59,446)	579,054
Net Change in Fund Balance	(638,500)	(638,500)	(59,446)	579,054
Fund Balances at Beginning of Year	<u>545,912</u>	<u>545,912</u>	<u>545,912</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ (92,588)</u>	<u>\$ (92,588)</u>	<u>\$ 486,466</u>	<u>\$ 579,054</u>

CITY OF CAMAS, WASHINGTON

NW 6th and Norwood Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ 3,000	\$ 4,579	\$ 11,517	\$ 6,938
Total Revenues	<u>3,000</u>	<u>4,579</u>	<u>11,517</u>	<u>6,938</u>
Expenditures:				
Capital Outlay	1,950,000	2,501,579	2,178,370	(323,209)
Total Expenditures	<u>1,950,000</u>	<u>2,501,579</u>	<u>2,178,370</u>	<u>(323,209)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(1,947,000)	(2,497,000)	(2,166,853)	330,147
Other Financing Sources (Uses):				
Transfers In	-	550,000	199,807	(350,193)
Total Other Financing Sources and Uses	<u>-</u>	<u>550,000</u>	<u>199,807</u>	<u>(350,193)</u>
Net Change in Fund Balance	(1,947,000)	(1,947,000)	(1,967,046)	(20,046)
Fund Balances at Beginning of Year	1,963,325	1,963,325	1,963,325	-
Fund Balances at End of Year	<u>\$ 16,325</u>	<u>\$ 16,325</u>	<u>\$ (3,721)</u>	<u>\$ (20,046)</u>

CITY OF CAMAS, WASHINGTON
Street Lighting LED Capital Project Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances
Compared to Budget (GAAP Basis) and Actual
For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 700,000	\$ 700,000	\$ 500,000	\$ (200,000)
Interest Earnings	3,500	3,500	19,804	16,304
Total Revenues	703,500	703,500	519,804	(183,696)
Expenditures:				
Capital Outlay	1,000,000	2,653,639	1,492,409	(1,161,230)
Total Expenditures	1,000,000	2,653,639	1,492,409	(1,161,230)
Excess (Deficiency) of Revenues Over (under) Expenditures	(296,500)	(1,950,139)	(972,605)	977,534
Other Financing Sources (Uses):				
Transfers In	-	48,784	-	(48,784)
Transfers Out	(172,869)	(172,869)	-	172,869
Total Other Financing Sources and Uses	(172,869)	(124,085)	-	124,085
Net Change in Fund Balance	(469,369)	(2,074,224)	(972,605)	1,101,619
Fund Balances at Beginning of Year	2,245,659	2,245,659	2,245,659	-
Fund Balances at End of Year	\$ 1,776,290	\$ 171,435	\$ 1,273,054	\$ 1,101,619

CITY OF CAMAS, WASHINGTON

2015 Capital Project Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances

Compared to Budget (GAAP Basis) and Actual

For the Fiscal Year Ended December 31, 2016

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ 3,500	\$ 3,500	\$ 3,653	\$ 153
Total Revenues	<u>3,500</u>	<u>3,500</u>	<u>3,653</u>	<u>153</u>
Expenditures:				
Capital Outlay	<u>800,000</u>	<u>800,000</u>	<u>506,601</u>	<u>(293,399)</u>
Total Expenditures	<u>800,000</u>	<u>800,000</u>	<u>506,601</u>	<u>(293,399)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(796,500)	(796,500)	(502,948)	293,552
Net Change in Fund Balance	(796,500)	(796,500)	(502,948)	293,552
Fund Balances at Beginning of Year	<u>802,558</u>	<u>802,558</u>	<u>802,558</u>	<u>-</u>
Fund Balances at End of Year	<u>\$ 6,058</u>	<u>\$ 6,058</u>	<u>\$ 299,610</u>	<u>\$ 293,552</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	126-131
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	132-135
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
Debt Capacity	136-140
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	141-142
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	143-145
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

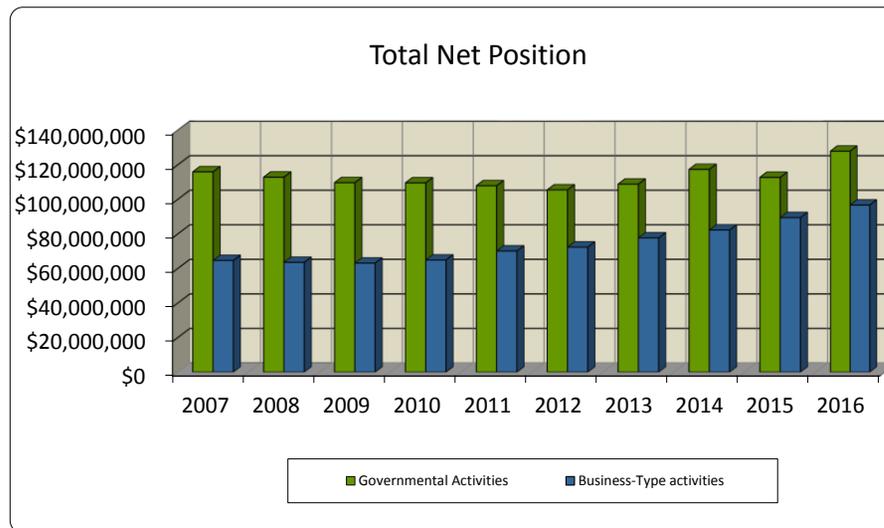
Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year. The City implemented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

Table 1

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net Investment in capital assets	\$109,153,090	\$106,860,759	\$105,051,084	\$ 104,617,917	\$ 103,793,081	\$ 103,002,429	\$ 106,726,541	\$ 114,249,271	\$ 113,972,504	\$ 124,445,727
Restricted	3,616,721	3,611,654	2,140,387	2,059,919	1,932,367	1,481,123	1,448,695	1,616,942	2,804,098	4,229,707
Unrestricted	3,193,879	2,419,842	2,516,303	2,910,933	2,206,306	1,040,434	691,714	1,488,352	(4,023,971)	(738,049)
Total governmental activities net position	\$115,963,690	\$112,892,255	\$109,707,774	\$109,588,769	\$107,931,754	\$105,523,986	\$108,866,950	\$117,354,565	\$112,752,631	\$127,937,385
Business-type activities										
Net Investment in capital assets	\$60,477,417	\$61,120,462	\$61,004,686	\$ 63,793,398	\$ 65,951,208	\$ 65,195,717	\$ 70,298,558	\$ 68,705,209	\$ 78,459,483	\$ 81,303,548
Restricted	5,955,875	1,367,099	1,162,559	850,318	1,526,937	1,878,245	2,572,557	4,413,154	3,756,220	7,344,085
Unrestricted	(1,763,084)	1,083,583	968,464	269,048	2,658,682	5,330,865	4,866,856	9,160,326	7,256,259	8,084,480
Total business-type activities net position	\$64,670,208	\$63,571,144	\$63,135,709	\$64,912,764	\$70,136,827	\$72,404,827	\$77,737,971	\$82,278,689	\$89,471,962	\$96,732,113
Primary government										
Net Investment in capital assets	\$169,630,507	\$167,981,221	\$166,055,770	\$ 168,411,315	\$ 169,744,289	\$ 168,198,146	\$ 177,025,099	\$ 182,954,480	\$ 192,431,987	\$ 205,749,275
Restricted	9,572,596	4,978,753	3,302,946	2,910,237	3,459,304	3,359,368	4,021,252	6,030,096	6,560,318	11,573,792
Unrestricted	1,430,795	3,503,425	3,484,767	3,179,981	4,864,988	6,371,299	5,558,570	10,648,678	3,232,288	7,346,431
Total primary government net position	\$180,633,898	\$176,463,399	\$172,843,483	\$174,501,533	\$178,068,581	\$177,928,813	\$186,604,921	\$199,633,253	\$202,224,593	\$224,669,498

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
General government	\$ 2,004,973	\$ 1,971,712	\$ 2,019,588	\$ 2,266,225	\$ 2,046,532	\$ 2,078,571	\$ 3,493,797	\$ 4,189,984	\$ 4,258,868	\$ 4,231,266
Judicial	171,207	193,383	174,845	202,568	224,011	267,622	289,691	292,099	295,080	297,904
Public Safety	9,956,452	10,098,295	11,058,299	11,128,852	10,975,382	11,549,612	11,091,881	12,633,748	13,515,151	14,653,233
Physical Environment	1,560,735	1,686,067	1,501,586	1,305,804	1,430,486	1,454,602	111,694	161,257	180,163	163,357
Transportation	5,837,233	5,672,852	5,218,433	5,154,845	5,220,600	5,187,623	5,241,763	5,463,050	5,706,801	5,793,626
Health and Human Services	-	-	-	-	3,496	6,000	3,599	3,274	4,505	7,031
Economic Environment	541,585	397,448	485,670	611,832	395,350	457,656	575,402	756,702	989,996	942,463
Culture and Recreation	3,894,696	3,362,790	3,364,737	3,656,483	3,381,078	3,344,599	3,192,920	3,343,810	3,656,969	3,491,116
Interest on Long-Term Debt	508,407	467,712	430,044	468,914	182,979	204,322	265,385	277,979	523,178	446,844
Total governmental activities expenses	24,475,288	23,850,259	24,253,202	24,795,523	23,859,914	24,550,607	24,266,132	27,121,903	29,130,709	30,026,840
Business-type activities:										
Water - Sewer	6,850,962	7,720,910	7,437,743	7,630,151	7,758,339	8,488,128	8,725,888	9,232,931	9,731,456	11,062,672
Storm Water Drainage *	903,958	1,069,811	1,226,497	1,168,587	1,181,647	1,284,973	1,104,142	1,173,260	1,328,230	1,269,118
Solid Waste	1,775,981	1,819,090	2,039,742	1,734,498	1,846,979	1,845,144	1,880,871	1,914,324	2,013,652	2,139,197
Total business-type activities expenses	9,530,901	10,609,811	10,703,982	10,533,236	10,786,965	11,618,245	11,710,901	12,320,515	13,073,338	14,470,987
Total primary government expenses	\$ 34,006,189	\$ 34,460,070	\$ 34,957,184	\$ 35,328,759	\$ 34,646,879	\$ 36,168,852	\$ 35,977,033	\$ 39,442,418	\$ 42,204,047	\$ 44,497,827
Program Revenues										
Governmental activities:										
Charges for services:										
Public safety	\$ 2,275,001	\$ 2,179,383	\$ 3,156,206	\$ 2,452,734	\$ 2,092,518	\$ 1,994,185	\$ 1,961,194	\$ 3,660,355	\$ 4,624,332	\$ 4,863,533
Economic environment	804,593	530,873	414,977	1,913,079	1,312,370	1,008,057	1,574,867	1,914,244	2,576,010	2,863,275
Other activities	1,649,617	1,783,919	1,778,644	1,868,963	1,930,992	2,019,978	2,503,381	1,950,391	2,361,640	2,228,310
Operating grants and contributions	639,577	464,241	466,969	519,795	490,960	589,203	865,203	263,644	314,409	373,183
Capital grants and contributions	10,317,610	956,930	455,493	2,393,919	2,037,901	1,583,722	6,061,054	10,024,255	3,431,946	7,355,365
Total governmental activities program revenues	15,686,398	5,915,346	6,272,289	9,148,490	7,864,741	7,195,145	12,965,699	17,812,889	13,308,337	17,683,666
Business-type activities:										
Charges for services:										
Water - Sewer	6,222,686	6,300,494	7,057,570	8,007,876	9,026,914	9,886,226	10,156,916	10,475,893	11,364,309	12,053,096
Storm Water Drainage *	475,896	499,461	679,785	856,592	885,152	1,109,017	1,106,237	1,175,304	1,254,454	1,366,535
Solid Waste	1,782,689	1,802,190	1,760,293	1,861,055	1,915,153	1,978,804	2,117,327	2,215,677	2,341,849	2,457,770
Operating grants and contributions	1,144	23,189	53,116	37,440	11,661	84,296	1,037	10,126	8,678	275,783
Capital grants and contributions	4,161,710	561,816	558,082	1,867,028	3,204,068	819,953	3,703,911	2,914,483	3,065,008	5,881,163
Total business-type activities program revenues	12,644,125	9,187,150	10,108,846	12,629,991	15,042,948	13,878,296	17,085,428	16,791,483	18,034,298	22,034,347
Total primary government program revenues	\$ 28,330,523	\$ 15,102,496	\$ 16,381,135	\$ 21,778,481	\$ 22,907,689	\$ 21,073,441	\$ 30,051,127	\$ 34,604,372	\$ 31,342,635	\$ 39,718,013
Net (expenses)/revenue										
Governmental activities	\$ (8,788,890)	\$ (17,934,913)	\$ (19,849,876)	\$ (15,647,033)	\$ (15,995,173)	\$ (17,355,462)	\$ (11,300,433)	\$ (9,309,014)	\$ (15,822,372)	\$ (12,343,174)
Business-type activities	3,113,224	(1,422,661)	(595,136)	2,096,755	4,255,983	2,260,051	5,374,527	4,470,968	4,960,960	7,563,360
Total primary government net expense	\$ (5,675,666)	\$ (19,357,574)	\$ (18,576,049)	\$ (13,550,278)	\$ (11,739,190)	\$ (15,095,411)	\$ (5,925,906)	\$ (4,838,046)	\$ (10,861,412)	\$ (4,779,814)

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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 10,889,917	\$ 11,278,123	\$ 11,509,426	\$ 11,457,115	\$ 10,825,113	\$ 10,632,849	\$ 10,827,713	\$ 11,755,901	\$ 12,170,352	\$ 13,197,564
Sales and use taxes	1,795,976	1,989,644	1,899,938	2,226,820	2,467,139	2,157,612	2,509,715	2,933,210	2,783,486	3,215,650
Business and occupation taxes	382,575	403,387	426,990	419,056	448,932	435,401	438,434	459,572	465,112	462,385
Excise taxes	1,135,599	757,059	708,291	768,599	682,415	1,051,951	937,543	1,091,913	1,604,166	1,864,014
Penalties and interest	49	89	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	345,500	346,940	367,117	369,356	384,621	450,614	376,110	891,607	945,453	1,026,762
Unrestricted Investment earnings	523,808	289,146	91,249	46,772	43,084	31,869	32,410	54,533	73,007	45,582
Miscellaneous	6,934	39,450	63,465	24,287	36,166	48,934	73,637	54,501	64,258	72,298
Special Item - Transfer of Operations	-	-	-	-	-	-	-	555,391	-	-
Transfers	17,780	3,124	-	-	-	-	-	-	(3,578,188)	50,000
Total governmental activities	<u>15,098,138</u>	<u>15,106,962</u>	<u>15,066,476</u>	<u>15,312,005</u>	<u>14,887,470</u>	<u>14,809,230</u>	<u>15,195,562</u>	<u>17,796,628</u>	<u>14,527,647</u>	<u>19,934,255</u>
Business-type activities:										
Unrestricted Investment earnings	285,474	197,892	29,980	18,858	21,478	7,949	10,839	38,050	63,986	197,779
Miscellaneous	124,168	128,829	129,721	-	-	-	-	-	-	-
Gain on Disposal of Capital Assets	3,225	-	-	-	-	-	-	10,000	-	-
Transfers	(17,780)	(3,124)	-	-	-	-	-	-	3,578,188	-
Total business-type activities	<u>395,087</u>	<u>323,597</u>	<u>159,701</u>	<u>18,858</u>	<u>21,478</u>	<u>7,949</u>	<u>10,839</u>	<u>48,050</u>	<u>3,642,174</u>	<u>197,779</u>
Total primary government	<u>\$ 15,493,225</u>	<u>\$ 15,430,559</u>	<u>\$ 15,226,177</u>	<u>\$ 15,330,863</u>	<u>\$ 14,908,948</u>	<u>\$ 14,817,179</u>	<u>\$ 15,206,401</u>	<u>\$ 17,844,678</u>	<u>\$ 18,169,821</u>	<u>\$ 20,132,034</u>
Change in Net Position										
Governmental activities	\$ 6,309,248	\$ (2,827,951)	\$ (2,914,437)	\$ (335,028)	\$ (1,107,703)	\$ (2,546,232)	\$ 3,895,129	\$ 8,487,614	\$ (1,294,726)	\$ 7,591,081
Business-type activities	3,508,311	(1,099,064)	(435,435)	2,115,613	4,277,461	2,268,000	5,385,366	4,519,018	8,603,134	7,761,139
Total primary government	<u>\$ 9,817,559</u>	<u>\$ (3,927,015)</u>	<u>\$ (3,349,872)</u>	<u>\$ 1,780,585</u>	<u>\$ 3,169,758</u>	<u>\$ (278,232)</u>	<u>\$ 9,280,495</u>	<u>\$ 13,006,632</u>	<u>\$ 7,308,408</u>	<u>\$ 15,352,220</u>

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
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
2014	11,755,901	2,933,210	1,551,485	16,240,596
2015	12,233,077	2,806,402	2,069,278	17,108,757
2016	13,116,788	3,215,650	2,326,399	18,658,837

Tax Revenues by Source

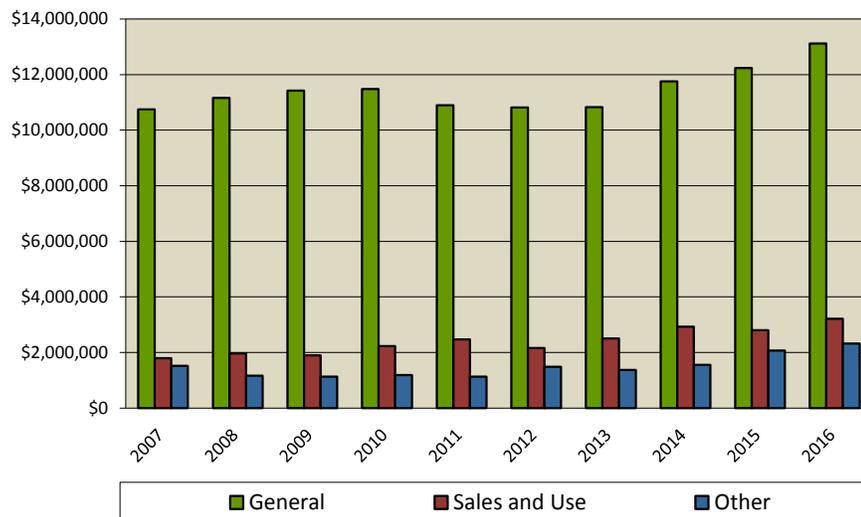


Table 4

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

	Fiscal Year									
	2007	2008	2009	2010	2011 ¹	2012 ¹	2013 ¹	2014 ¹	2015 ¹	2016 ¹
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	4,030,330	3,379,176	3,364,291	3,889,312	-	-	-	-	-	-
Restricted:										
Public Safety	-	-	-	-	137,043	129,462	133,852	112,477	122,906	129,796
Debt Service	-	-	-	-	-	-	-	-	35,326	-
Assigned	-	-	-	-	861,683	895,668	888,058	865,838	863,571	173,010
Unassigned	-	-	-	-	3,096,608	2,823,503	2,877,084	2,019,258	1,108,854	2,717,022
Total General Fund	<u>4,030,330</u>	<u>3,379,176</u>	<u>3,364,291</u>	<u>3,889,312</u>	<u>4,095,334</u>	<u>3,848,633</u>	<u>3,898,994</u>	<u>2,997,572</u>	<u>2,130,657</u>	<u>3,019,828</u>
All Other Governmental Funds:										
Reserved	3,827,479	3,611,654	2,140,387	2,198,383	-	-	-	-	-	-
Unreserved:										
Special Revenue Funds	180,992	196,854	482,782	8,725	-	-	-	-	-	-
Capital	(70,324)	71,377	104,773	-	-	-	-	-	-	-
Unreserved, undesignated	-	-	-	428,587	-	-	-	-	-	-
Restricted:										
Tourism	-	-	-	-	7,054	10,582	13,969	16,948	12,927	15,280
Public Safety	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	26,678	38,497	31,536	34,561	38,506	43,537
Capital Outlay	-	-	-	-	1,725,673	1,264,086	1,230,842	1,442,700	8,384,488	6,179,053
Committed:										
Culture and Recreation	-	-	-	-	353,179	354,142	16,483	-	-	-
Public Safety	-	-	-	-	350,856	18,113	55,561	267,167	81,176	114,975
Assigned	-	-	-	-	10,059	-	-	131,913	38,837	25,364
Unassigned	-	-	-	-	(438,324)	(466,907)	(878,437)	(1,921,986)	(478,417)	-
Total	<u>3,938,147</u>	<u>3,879,885</u>	<u>2,727,942</u>	<u>2,635,695</u>	<u>2,035,175</u>	<u>1,218,513</u>	<u>469,954</u>	<u>(28,697)</u>	<u>8,077,517</u>	<u>6,378,209</u>
Total General and Other Governmental Funds	<u>\$ 7,968,477</u>	<u>\$ 7,259,061</u>	<u>\$ 6,092,233</u>	<u>\$ 6,525,007</u>	<u>\$ 6,130,509</u>	<u>\$ 5,067,146</u>	<u>\$ 4,368,948</u>	<u>\$ 2,968,875</u>	<u>\$ 10,208,174</u>	<u>\$ 9,398,037</u>

¹ GASB 54 states that Fund Balances should be reported with the categories listed in the above table for 2011. Years 2007 - 2010 will continue to be reported in the old format until 10 years of information is available.

Table 5

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

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 14,058,752	\$ 14,278,591	\$ 14,462,137	\$ 14,896,254	\$ 14,498,506	\$ 14,463,205	\$ 14,781,282	\$ 16,274,933	\$ 17,085,841	\$ 18,658,837
Licenses and permits	442,146	414,887	363,168	588,583	490,944	336,991	443,867	701,712	753,163	899,706
Intergovernmental	2,335,986	2,155,029	2,730,088	3,880,156	3,816,252	2,643,596	4,427,803	8,430,318	3,024,513	2,825,297
Charges for services	3,512,854	3,202,921	3,190,269	3,883,911	3,523,628	3,230,865	4,650,156	6,366,809	8,085,259	8,690,564
Fines and forfeits	215,806	270,518	216,185	236,379	244,396	242,682	265,154	218,334	209,603	221,208
Interest earnings	513,499	280,726	88,090	44,278	41,876	29,831	31,339	49,116	56,906	51,871
Rents and royalties	34,478	41,235	45,068	42,494	60,918	61,243	58,727	128,980	160,226	165,085
Insurance premiums/recoveries	9,086	78,381	31,627	127	61,815	-	-	-	-	-
Contributions/donations	336,230	10,387	16,448	392,341	32,811	41,176	35,674	384,330	206,472	97,885
Miscellaneous	33,812	52,502	41,673	183,096	51,374	77,300	66,813	54,613	59,307	49,390
Total revenues	<u>21,492,649</u>	<u>20,785,177</u>	<u>21,184,753</u>	<u>24,147,619</u>	<u>22,822,520</u>	<u>21,126,889</u>	<u>24,760,815</u>	<u>32,609,145</u>	<u>29,641,290</u>	<u>31,659,843</u>
Expenditures										
General government	1,859,674	1,857,059	1,898,842	2,012,044	1,910,644	1,982,884	3,398,687	4,058,776	4,101,544	4,259,310
Judicial	171,207	193,383	174,845	202,568	224,011	267,622	289,691	292,099	295,080	301,057
Public safety	9,346,168	9,669,711	10,491,709	10,580,263	10,474,999	10,971,270	10,753,062	12,348,319	13,531,969	14,364,925
Physical environment	1,511,826	1,539,201	1,476,300	1,296,417	1,427,463	1,434,596	115,138	160,569	185,299	180,497
Transportation	1,895,777	1,906,603	1,537,961	1,504,420	1,508,390	1,462,017	1,497,608	1,714,117	1,676,943	1,564,892
Mental & physical health	-	-	-	-	3,496	6,000	3,599	3,274	4,505	7,031
Economic environment	539,781	552,661	482,843	607,246	392,319	450,820	573,410	759,966	990,134	981,295
Culture & recreation	3,111,724	2,644,558	2,603,814	2,927,050	2,477,128	2,606,483	2,602,053	2,760,150	3,025,224	3,030,868
Capital outlay	4,212,531	1,669,731	2,555,072	3,086,763	2,821,950	2,759,073	8,575,515	11,540,553	4,987,018	6,037,434
Debt service										
Principal retirement	1,229,723	1,228,607	1,202,796	1,194,883	1,234,013	967,230	901,678	1,158,794	1,251,628	1,443,741
Interest/fiscal charges	420,400	373,601	336,239	303,190	260,267	220,301	259,125	297,610	488,922	517,883
Total expenditures	<u>24,298,811</u>	<u>21,635,115</u>	<u>22,760,421</u>	<u>23,714,844</u>	<u>22,734,680</u>	<u>23,128,296</u>	<u>28,969,566</u>	<u>35,094,227</u>	<u>30,538,266</u>	<u>32,688,933</u>
Excess of revenues over (under) expenditures	(2,806,162)	(849,938)	(1,575,668)	432,775	87,840	(2,001,407)	(4,208,751)	(2,485,082)	(896,976)	(1,029,090)
Other Financing Sources (Uses)										
Loan proceeds	-	172,398	408,840	-	-	-	3,265,822	1,000,104	-	-
Issuance of Debt	-	-	-	-	-	-	-	-	7,402,747	-
Sale of Capital Assets	-	-	-	-	-	-	-	84,906	4,116	10,000
Long-term debt issuance	-	-	-	-	-	768,826	-	-	-	-
Insurance Recoveries	-	-	-	-	-	30,754	30,000	-	33,561	75,441
Premium on Bonds Issued	-	-	-	-	-	-	214,731	-	1,049,834	-
Debt Issuance Costs	-	-	-	-	-	-	-	-	(71,384)	-
Transfers in	2,587,370	2,460,159	2,842,295	2,495,731	2,094,707	2,209,022	2,349,369	5,495,808	7,416,134	6,297,012
Transfers out	(2,569,590)	(2,492,035)	(2,842,295)	(2,495,731)	(2,094,707)	(2,209,022)	(2,349,369)	(5,495,808)	(7,416,134)	(6,247,012)
Total other financing sources (uses)	<u>17,780</u>	<u>140,522</u>	<u>408,840</u>	<u>-</u>	<u>-</u>	<u>799,580</u>	<u>3,510,553</u>	<u>1,085,010</u>	<u>8,418,874</u>	<u>135,441</u>
Net change in fund balances	<u>\$ (2,788,382)</u>	<u>\$ (709,416)</u>	<u>\$ (1,166,828)</u>	<u>\$ 432,775</u>	<u>\$ 87,840</u>	<u>\$ (1,201,827)</u>	<u>\$ (698,198)</u>	<u>\$ (1,400,072)</u>	<u>\$ 7,521,898</u>	<u>\$ (893,649)</u>
Debt service as a percentage of noncapital expenditures	8.2%	8.0%	7.6%	7.3%	7.5%	5.8%	5.7%	6.2%	6.8%	7.4%

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

Table 6

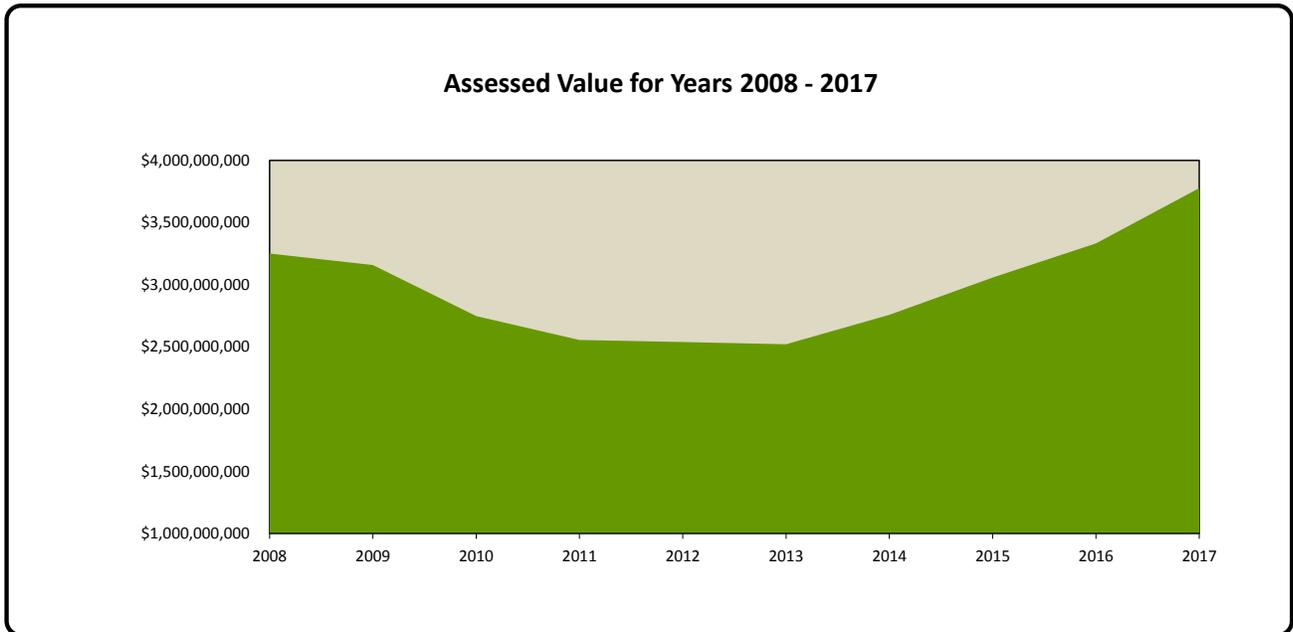
City of Camas, Washington
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

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						
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
2015	2,332,645,275	160,204,434	438,204,236	126,738,867	15,488,400	3,057,792,812	3,181,886,381	4.00	96.10
2016	2,596,371,424	172,813,550	426,609,336	136,722,827	11,784,595	3,332,685,140	3,439,303,550	4.00	96.90
2017	3,045,462,882	177,522,559	432,088,642	121,487,181	16,474,314	3,776,699,698	3,938,164,440	3.82	95.90

Source: Clark County Assessor's Office

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

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



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	
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
2014	3.6000	0.2283	0.4307	4.2590	6.6377	1.5012	2.3471	0.4469	0.0000	0.0581	15.2501
2015	3.3951	0.2058	0.4040	4.0049	6.1288	1.3474	2.2244	0.4159	0.0000	0.0535	14.1750
2016	3.2419	0.1882	0.3872	3.8173	5.7476	1.2752	2.0780	0.3963	0.0000	0.0506	13.3651

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	2016 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2007 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Georgia Pacific	Paper Products	\$ 178,652,100	1	4.7	\$ 207,009,620	1	6.9
Wafertech	Micro-Electronics Mfg.	137,035,130	2	3.6	190,027,335	2	6.4
Fisher Creek Campus LLC	Investment	54,957,036	3	1.5	-	-	-
Bodycote IMT Inc.	Micro-Electronics	41,693,240	4	1.1	16,660,710	6	0.6
Linear Technology	Analog Integrated Circuits	31,596,575	5	0.8	41,283,830	3	1.4
Sharp Electronics Corp.	Micro-Electronics	20,347,155	6	0.5	33,528,675	4	1.1
Underwriters Laboratories	Research and Testing	19,619,846	7	0.5	20,727,995	5	0.7
Vanport Manufacturing Inc	Wood Products	16,858,675	8	0.4	-	-	-
Bruzzone 4th St. LLC	Manufacturing	13,275,600	9	0.4	12,762,200	10	0.4
CM#3 LLC	Land Development	9,510,500	10	0.3	-	-	-
Pacificcorp	Utility	-	-	0.0	16,188,031	7	0.5
Pacific Links LLC	Land Development	-	-	0.0	15,210,100	8	0.5
Talbitzer Construction LLC	Land Development	-	-	0.0	14,872,900	9	0.5
Totals		<u>\$ 523,545,857</u>		<u>13.9</u>	<u>\$ 568,271,396</u>		<u>19.0</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
2007	\$ 10,883,881	\$ 10,555,207	96.98	\$ 268,704	\$ 10,823,911	99.45
2008	11,281,977	10,884,523	96.48	386,048	11,270,571	99.90
2009	11,568,776	11,180,089	96.64	376,208	11,556,296	99.89
2010	11,475,053	11,199,771	97.60	250,058	11,449,829	99.78
2011	10,715,985	10,481,778	97.81	195,692	10,677,470	99.64
2012	10,655,954	10,521,075	98.73	77,071	10,598,145	99.46
2013	10,856,609	10,703,804	98.59	108,283	10,812,087	99.59
2014	11,719,765	11,596,626	98.95	120,713	11,717,339	99.98
2015	12,245,141	12,120,888	98.99	57,643	12,178,531	99.46
2016	13,008,009	12,807,141	98.46	-	12,807,141	98.46

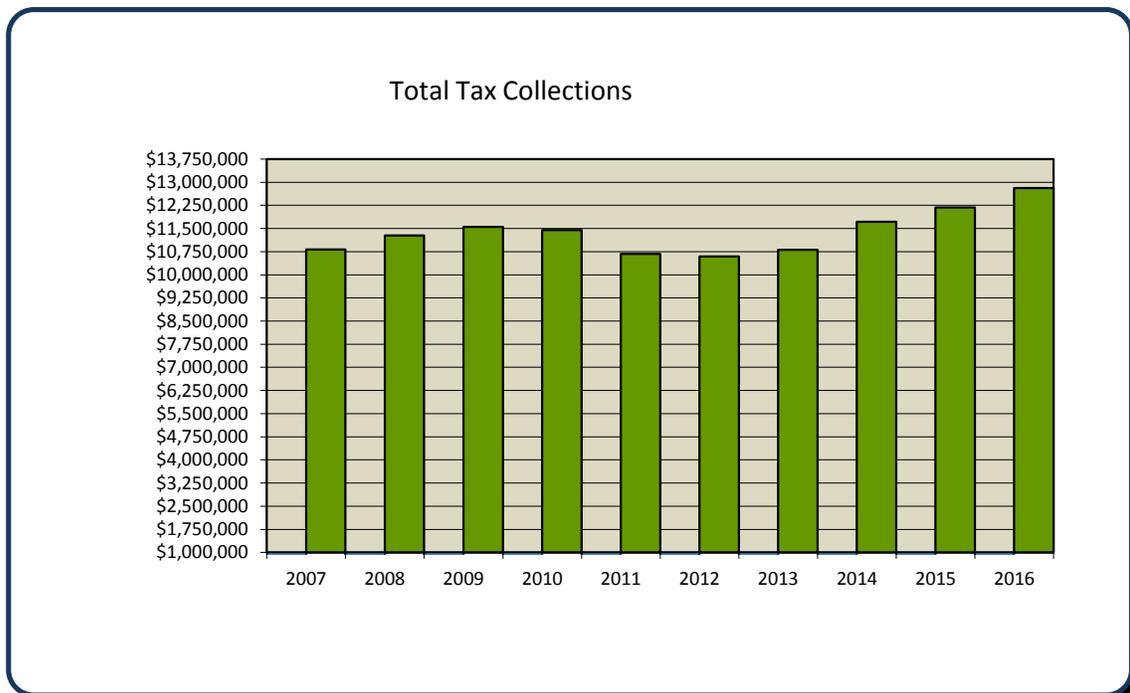


Table 10

City of Camas, Washington
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Government Loans	General Obligation Bonds	Revenue Bonds	Government Loans			
2007	\$ 7,554,000	\$ 4,751,501	\$	\$ 8,860,000	\$ 10,429,691	\$ 31,595,192	205.32%	1,941
2008	6,820,000	4,571,022		8,410,000	9,894,347	29,695,369	180.28%	1,778
2009	6,104,000	4,438,020		7,880,000	9,280,637	27,702,657	176.59%	1,634
2010	5,422,000	3,867,928		7,325,000	16,548,966	33,163,894	208.43%	1,927
2011	4,703,000	3,293,437		6,750,000	20,578,261	35,324,698	209.31%	1,800
2012	4,253,000	3,545,033		6,150,000	21,584,481	35,532,514	196.47%	1,775
2013	3,787,000	6,375,178		5,525,000	20,464,943	36,152,121	198.18%	1,779
2014	3,301,000	6,702,484		4,870,000	22,495,857	37,369,341	191.41%	1,790
2015	9,363,648	5,903,325	762,363	19,640,000	26,486,586	62,155,922	300.13%	2,931
2016	8,620,672	5,202,560	736,328	18,935,000	26,111,446	59,606,006	n/a	2,733

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
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
2014	20,880	2,757,083,055	3,301,000	44,820	3,256,180	0.1%	155.95
2015	21,210	3,332,685,140	10,126,011	37,056	10,088,955	0.3%	475.67
2016	21,810	3,776,699,698	9,357,000	40,998	9,316,002	0.2%	427.14

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

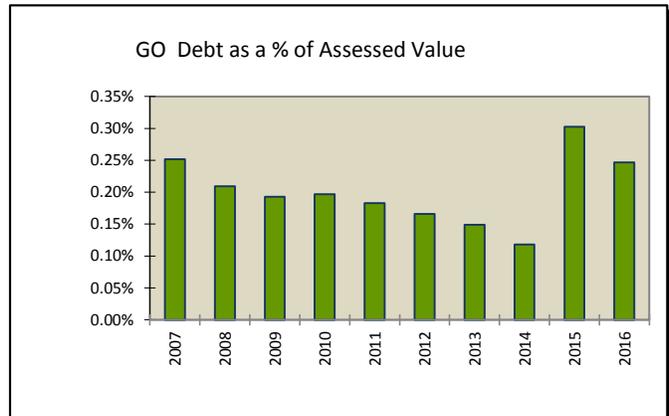
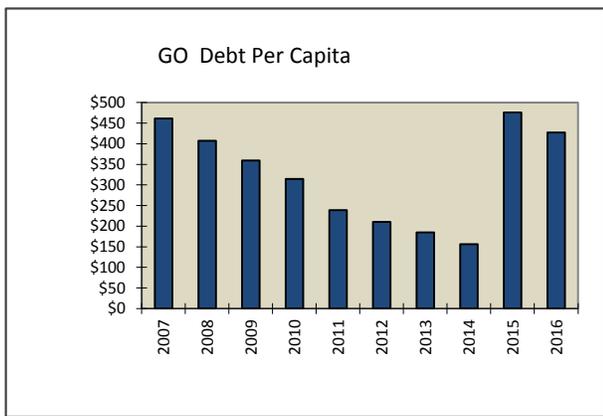


Table 12

City of Camas, Washington
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

Governmental Unit	Debt Outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
City of Camas Direct Debt	\$ 14,559,560	100%	\$ 14,559,560
Overlapping Debt:			
Debt repaid with property taxes			
Camas School District	\$ 133,550,000	72.14%	\$ 96,342,970
Washougal School District	\$ 55,328,266	0.40%	\$ 221,313
Evergreen School District	\$ 117,500,492	0.43%	\$ 505,252
Port of Camas-Washougal	\$ 12,340,000	50.67%	\$ 6,252,678
Port of Vancouver	\$ 46,210,000	1.20%	\$ 554,520
Clark County	\$ 110,978,567	7.13%	\$ 7,912,772
Total Overlapping Debt			<u>\$ 111,789,506</u>
Total Direct and Overlapping Debt			<u><u>\$ 126,349,066</u></u>

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

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

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

Table 13

City of Camas, Washington
Legal Debt Margin Information
Last Ten Fiscal Years

Fiscal Year	General Purpose Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
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%
2014	122,346,273	17,081,231	105,265,042	13.96%
2015	133,307,408	16,760,875	109,435,737	12.57%
2016	151,067,988	17,667,704	133,400,284	11.70%

Legal Debt Margin Calculation for Fiscal Year 2016

Taxable Assessed value (2016 Assessment for 2017 Revenue)	\$ 3,776,699,698
Debt Limit	
Debt limit with vote (2.5% of assessed value)	94,417,492
Debt applicable to with vote limit:	
General obligation bonds	2,282,000
Less: assets available	40,998
Total debt applicable to limit with vote	<u>2,241,002</u>
Total legal debt margin with vote	<u>\$ 92,176,490</u>
Debt limit without vote (1.5% of assessed value)	
Debt applicable to without vote limit:	
General obligation bonds	7,075,000
Other	8,351,702 ¹
Less: assets available	0
Total net debt applicable to limit without vote	<u>15,426,702</u>
Total legal debt margin without vote	<u>\$ 41,223,794</u>
Legal Debt Margin	<u>\$ 133,400,284</u>

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

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

Table 14

City of Camas, Washington
Pledged-Revenue Coverage
Last Ten Fiscal Years

Water-Sewer Revenue Bonds

Fiscal Year	Gross Revenue (1)	Less: Operating Expenses (2)	Net Available Revenue	Debt Service (3)		Coverage
				Principal	Interest	
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
2014	10,503,875	5,659,574	4,844,301	405,833	107,167	9.44
2015	11,202,674	5,892,454	5,310,220	982,000	566,086	3.43
2016	12,261,363	6,877,345	5,384,018	928,158	574,950	3.58

- (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

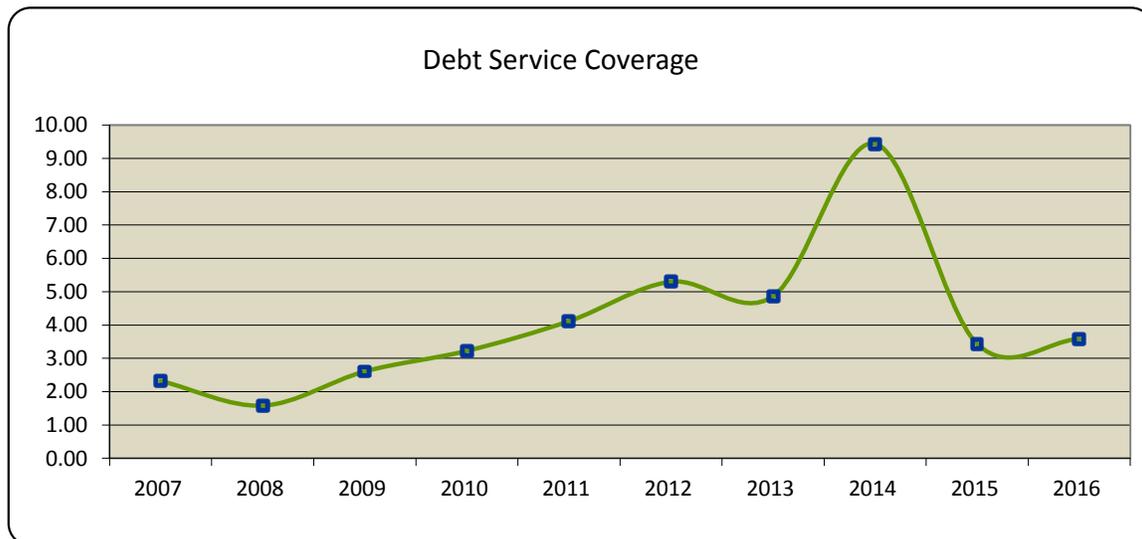


Table 15

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)
2007	16,280	\$ 15,387,931	\$ 37,875	5,659	5.4%
2008	16,700	16,471,626	39,952	5,700	10.4%
2009	16,950	15,687,722	37,813	5,813	14.4%
2010	17,210	15,911,166	37,645	5,959	12.7%
2011	19,620	16,877,014	39,433	6,195	8.5%
2012	20,020	18,085,009	41,508	6,289	8.4%
2013	20,320	18,242,420	41,194	6,373	4.7%
2014	20,880	19,523,515	43,343	6,566	7.2%
2015	21,210	20,709,551	45,070	6,832	6.0%
2016	21,810	not available	not available	7,018	6.0%

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

Table 16

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

Employer	2016			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fisher Investments	1,175	1	15.3%	-		-
Wafertech	1,000	2	13.0%	1,000		16.5%
Camas School District	899	3	11.7%	750		12.4%
Georgia Pacific	450	4	5.9%	460		7.6%
Linear Technology	300	5	3.9%	300		4.9%
Karcher North America	249	6	3.2%	257		4.2%
Underwriters Laboratories	255	7	3.3%	268		4.4%
Sharp Microelectronics	230	8	3.0%	335		5.5%
City of Camas	187	9	2.4%	184		3.0%
Logitech	78	10	1.0%	-		-
	<u>4,823</u>		<u>62.7%</u>	<u>3,554</u>		<u>58.6%</u>

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

Table 17

City of Camas, Washington
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Full-time Equivalent Employees as of December 31, 2016

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government										
Judicial	-	-	-	-	-	-	-	-	1.00	1.00
Executive	1.50	1.50	1.45	1.45	1.45	1.45	1.60	1.45	2.67	2.40
Finance	8.00	8.00	7.88	8.00	7.75	7.75	7.75	9.00	9.00	9.00
Human Resources	1.00	1.10	1.15	1.15	1.15	1.15	1.15	1.27	1.66	-
Administrative Services	-	-	-	-	-	-	-	-	-	6.60
Other	3.25	3.25	3.25	4.25	4.35	3.25	3.5	4.28	6.67	-
Public Safety										
Police	33.48	33.53	32.35	32.13	31.38	31.45	31.45	31.45	32.45	32.50
Fire	38.75	39.76	45.96	45.50	41.00	41.00	44.00	41.00	54.00	54.00
Physical environment										
Transportation	15.17	14.73	13.40	12.40	12.80	12.80	12.80	12.20	14.00	14.00
Economic environment	12.49	12.64	11.79	11.49	10.65	10.60	9.60	11.85	9.60	9.60
Parks and recreation	11.01	11.01	9.01	9.01	7.30	7.60	7.80	7.60	6.00	6.00
Cemetery	17.08	16.86	16.14	16.14	13.59	13.62	12.10	12.71	9.05	9.25
Library	1.33	1.50	1.25	1.25	1.05	1.30	1.30	0.93	1.05	1.05
Water/Sewer	16.41	15.91	15.41	15.41	15.10	14.77	14.78	14.78	14.50	14.30
Storm Water	17.84	17.84	19.00	19.00	19.25	19.50	19.50	19.00	20.00	20.15
Solid Waste	2.70	2.80	3.05	4.35	4.50	4.50	4.50	4.50	3.50	3.20
	4.11	4.11	4.11	4.11	4.10	4.10	4.10	4.10	4.10	4.25
Total	184.12	184.54	185.20	185.64	175.42	174.84	175.93	176.12	189.25	187.30

Source: City budget documents

Table 18

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

Function	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Police reports	4,249	4,023	3,178	3,369	3,313	3,169	3,028	2,721 **	1,867	1,372
Arrests	734	861	705	613	737	710	643	591	417	430
Traffic stops	7,522	7,107	6,498	7,126	6,535	6,268	6,379	6,044	5,258	6,147
Service calls logged	10,770	13,857	11,402	10,658	9,427	9,619	10,220	9,223	8,487	9,081
Fire										
Fire alarms	87	85	90	75	91	97	94	108	151	117
Total fire responses	1,491	1,520	1,596	1,363	1,589	1,631	1,657 *	2,847	3,096	2,880
Total EMS responses	2,533	2,693	2,775	2,774	3,005	3,039	2,977	3,139	3,135	3,473
Inspections	500	412	390	627	728	501	500 est. *	754	607	954
Parks and recreation										
Recreation center visits	32,177	37,986	34,552	29,456	28,270	31,781	33,061	36,961	40,144	48,420
Recreation services participants	14,508	14,233	12,032	12,169	12,833	12,542	10,514	13,104	15,029	13,053
Recreation services events	307	304	353	302	318	360	236	305	491	331
Library										
Registered borrowers	10,695	11,985	12,844	10,392	11,899	13,272	14,359	15,274	16,126	17,183
Total holdings	98,709	90,895	97,647	88,872	92,133	104,660	106,225	120,656	126,856	124,503
Library visits	234,816	249,185	289,188	284,576	260,694	252,289	226,806	204,818	199,118	198,234
Water										
Water residential connections	6,656	6,643	6,699	6,857	6,934	7,067	7,184	7,361	7,565	7,817
Water non-residential connections	466	493	482	450	474	498	549	567	590	594
New connections	101	14	56	126	101	157	168	195	227	256
Average daily consumption (gallons)	3,765,626	3,708,451	3,705,137	3,423,876	3,563,159	3,651,346	3,707,725	3,958,825	4,202,880	4,079,830
Sewer										
Average daily sewage treatment (gallons)	2,396,164	2,254,794	2,228,250	2,518,000	2,516,000	2,748,000	2,507,000	2,556,000	2,576,000	2,735,000
Sewer residential connections	6,335	6,367	6,458	6,599	6,735	6,827	6,926	7,124	7,357	7,558
Sewer non-residential connections	250	246	246	246	246	242	271	277	284	284
Solid Waste										
Refuse collected (tons)	7,114	6,854	6,560	6,334	6,311	6,267	6,694	7,317	6,347	7,164
Recycling collected (tons)	1,831	1,859	1,781	2,374	2,331	2,468	2,353	2,349	2,430	2,566
Solid waste customers	6,026	6,159	6,225	6,433	6,540	6,649	7,108	7,151	7,338	7,537

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

Source: Various City departments

Note: Indicators are not available for general government function

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

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

Table 19

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

Functions	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	8	8
Fire										
Stations	2	2	2	2	2	2	3	3	3	3
Engines	4	4	4	4	4	4	3	7	5	5
Ambulances	4	4	4	4	4	4	4	5	5	5
Parks and Recreation										
Parks acreage	143.1	143.1	143.1	143.1	197.9	197.9	197.9	197.9	197.9	197.9
Parks	12	12	12	13	14	14	14	14	14	14
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	2	2	1
Skate parks	1	1	1	1	1	1	1	1	1	1
Water										
Water mains (miles)**	145.9	147.1	147.1	147.4	149.2	150.9	154.0	158.1	160.5	162.3
Sewer										
Sanitary sewers (miles)**	110.2	110.3	110.3	110.6	111.8	113.0	115.9	118.1	121.0	123.4
Storm sewers (miles)**	62.6	62.7	62.7	63.4	64.0	64.1	65.2	68.7	70.7	72.9
Treatment plants	1	1	1	1	1	1	1	1	1	1
Capacity (gallons per day)	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000	6,100,000
Solid Waste										
Collection trucks	4	4	4	4	4	4	4	4	4	4
City Streets										
Paved streets (miles)**	97.0	99.8	105.1	105.1	105.1	105.5	103.5	104.6	106.6	107.9
Unpaved streets (miles)	3.3	3.3	3.3	3.3	3.3	3.3	0*	0	0	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

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