



**City of**  
**Camas**  
**WASHINGTON**

**Comprehensive Annual Financial Report**  
**For the fiscal year ended December 2017**

CITY OF CAMAS, WASHINGTON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2016

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June 25, 2018

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, 2017. This report includes all funds and all financial activities that are part of the City.

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

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

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

State law requires an annual audit of the City's financial statements and records by the Office of the State Auditor. The State Auditor conducts its audit in accordance with Generally Accepted Government Auditing Standards (GAGAS), as established by the American Institute of Certified Public Accountants (AICPA), and provides an independent opinion on the City's financial position, results of operations, and the cash flows of its proprietary fund types. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Camas for the fiscal year December 31, 2017, are free of material misstatement.

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

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

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

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

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

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

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

Camas is a full-service city, providing for:

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

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

## **Accounting**

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

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

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



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

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

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

The City utilizes the Washington State Local Government Investment Pool (LGIP) and the Clark County Investment Pool for investing most of the funds not immediately needed. As of December 31, 2017, approximately \$2.6 million was invested in the LGIP, \$0.120 million was invested in the Clark County Investment Pool, and \$31.5 million was invested in agency notes. Additional investments of approximately \$11.3 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 several major commercial and residential projects in construction in 2017-2018. As a result, the City is preparing for dramatic growth over the next few years. This increase directly impacted sales tax and development related revenues which both were well above budget targets.

The economic momentum is expected to accelerate in 2018-2019. 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 with overall shortfall of available housing in the region. The City of Camas approved 1,300 unit planned development north of Lacamas Lake to include future commercial development. The City anticipates this area to drive most of

the housing growth of the City over the next six years. In addition, the City will be hosting the Parade of Homes in the new Parkland development adjacent to the Camas Meadows Golf Course with each home of the ten Parade Homes valued over \$1 million.

Other areas for residential growth are five multi-family projects which were in planning phases in 2017 and are in or nearing construction in 2018. These developments will provide over 700 units of diversified housing choices in Camas and will increase the need for City services in the coming years.

The City's downtown core is also anticipating housing growth in 2018-2019 with a mixed-use development of commercial with residential component being proposed at the intersection of SE Sixth Street and SE Birch Street. Commercial activity continues to improve with high occupancy in Historic Downtown Camas. New businesses have included new restaurants, retail, and services. With three existing businesses expanded in adjacent storefronts and three new businesses set to open in 2018. Outside the downtown core, new commercial developments are anticipated for 2018-2019 which will increase new construction and sales tax for the city. These developments are primarily near and in the Camas Meadows Business Park and the 38<sup>th</sup> Avenue Corridor.

The City of Camas remains the second largest city in Clark County based upon 2017 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 2017, the City of Camas issued permits for 355 dwelling units as compared to 238 in 2016. The value of the permits totaled \$71,294,735 as compared to \$66,957,221 the year before. In 2017, new commercial development totaled \$10,795,688 with additional tenant improvements valued at \$2,060,200 as compared to \$3,275,754 for new commercial in 2016 and \$4,731,269 in tenant improvements.

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

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

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

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

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

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

A step toward this effort included the implementation of a new Comprehensive Annual Financial Report software, CAFR Online. The Finance department began the implementation in 2017 for preparation of this report. The intention is to be more efficient with report preparation time and ensure consistency through the document. We are proud of the hard work and dedication of staff to achieve this goal.

At the end of 2015, the City implemented a new tool from Socrata called Open Budget. This interactive tool allows the City to publish budget and actual data monthly in a graphical or table based format to allow the City Council, staff and the public to view operating and capital budget information at any level of detail. In 2016, the City implemented Open Spending from Socrata allowing the spending detail of the City to be displayed either in a “checkbox format” or in a graphic easy to drill down format. In 2017, the City implemented Open Performance which is integrated with Open Budget allowing performance measurements to be tied to program budgets. The City intends to incorporate these tools together for the 2019-2020 biennial budget allowing a step closer to program-based budgeting. The City welcomes comments regarding our budget, the link is <https://cityofcamas.budget.socrata.com/#!/year/default>

**North Shore Planning and Construction:** The City is financially planning specifically to address the unique needs for service delivery in the North Shore. The North Shore is geographically more challenging for service delivery especially for emergency services. The area has only two access points around Lacamas Lake, one of which is a two-lane state route and the other an arterial at the most western boundary of the City. The City completed design in 2017 and is constructing another arterial in 2018 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 2018-2019. A waterline will be completed in 2018 in tandem with funding contribution from the Camas School District to serve a new school

in construction in the North Shore. Transportation needs are in a design phase with consultants working with land owners and developers. The City is working with Columbia Land Trust and Clark County Conservation Futures to secure scenic open space. 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 2018.

**Classification and Compensation:** In 2016, the City engaged services to conduct a compensation study. This was initiated at Council's request to ensure the City's salaries were comparable for recruitment and retention efforts. The process included an analysis of the duties performed by employees with the consultant reviewing and researching comparable positions matching the City's functions. City Management Team reviewed the findings to ensure the job summaries were comparable. Once the positions were determined comparable, salary ranges were created and positions were placed on the scale. The City reviewed placement to consider compression issues between employees and management as well as proper equity.

The City implemented the new positions and compensation for the non-represented employees in October 2017. The Library employees' union settled in December 2017. The Police union settled in March, 2018 with 3 unions remaining in negotiations.

**Camas/Washougal Fire and EMS and East County Fire and Rescue:** In 2014, the cities of Camas and Washougal agreed to a merger of their fire services with Camas as the service provider. EMS services were already merged with East County Fire and Rescue (ECFR) for several years. In 2017, the three agencies contracted for a service level study which incorporated a financial analysis to determine funding options for EMS services. In addition, ECFR contracted with Camas to provide fire chief services temporarily. Most recently in 2018, the governing boards of the two cities and ECFR are considering possible consolidation efforts for fire services.

**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 2017 included:

- Replacement of Street Lighting with LED technology
- Completion of landslide repairs on both Lacamas Lane and Forest Home Road

- Replacement of roofs on the City Library and the Police Station
- Rehabilitation of North Franklin Street

Projects under construction in 2017 continuing into 2018 include:

- North Shore Sewer Transmission
- North Shore Water Line
- Brady Road Improvements
- Larkspur
- Slow Sands Water Transmission
- City Hall Roof replacement
- 6<sup>th</sup> Avenue Improvements
- Additional Street Lighting with LED technology
- North Shore Open Space Acquisitions
- Water Reservoir

**Georgia Pacific Mill Closure:** In November 2017, Georgia Pacific announced it will be shutting down several operations at the Camas mill and let go up to 300 positions. The mill will run only paper towel machine which will retain up to 140 positions. The paper mill has been operating in Camas since 1885 and is currently the largest property tax payer in the City. Property taxes for the City will redistributed to the other tax payers in the City as prescribed by state law but over a long period of time as Georgia Pacific dismantles the mill and takes down structures.

Fortunately, the City received notice of a brand new corporate headquarters relocating to Camas with plans under review for construction of 251,400 square feet spread over three office towers, single level market and 276 unit apartment complex on their own campus. This additional new construction will help the City's tax payers absorb the redistribution of Georgia Pacific's assessed value loss.

## **Financial Statement Award**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Camas for its Comprehensive Annual Financial Report of the fiscal year ended December 31, 2016. 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**

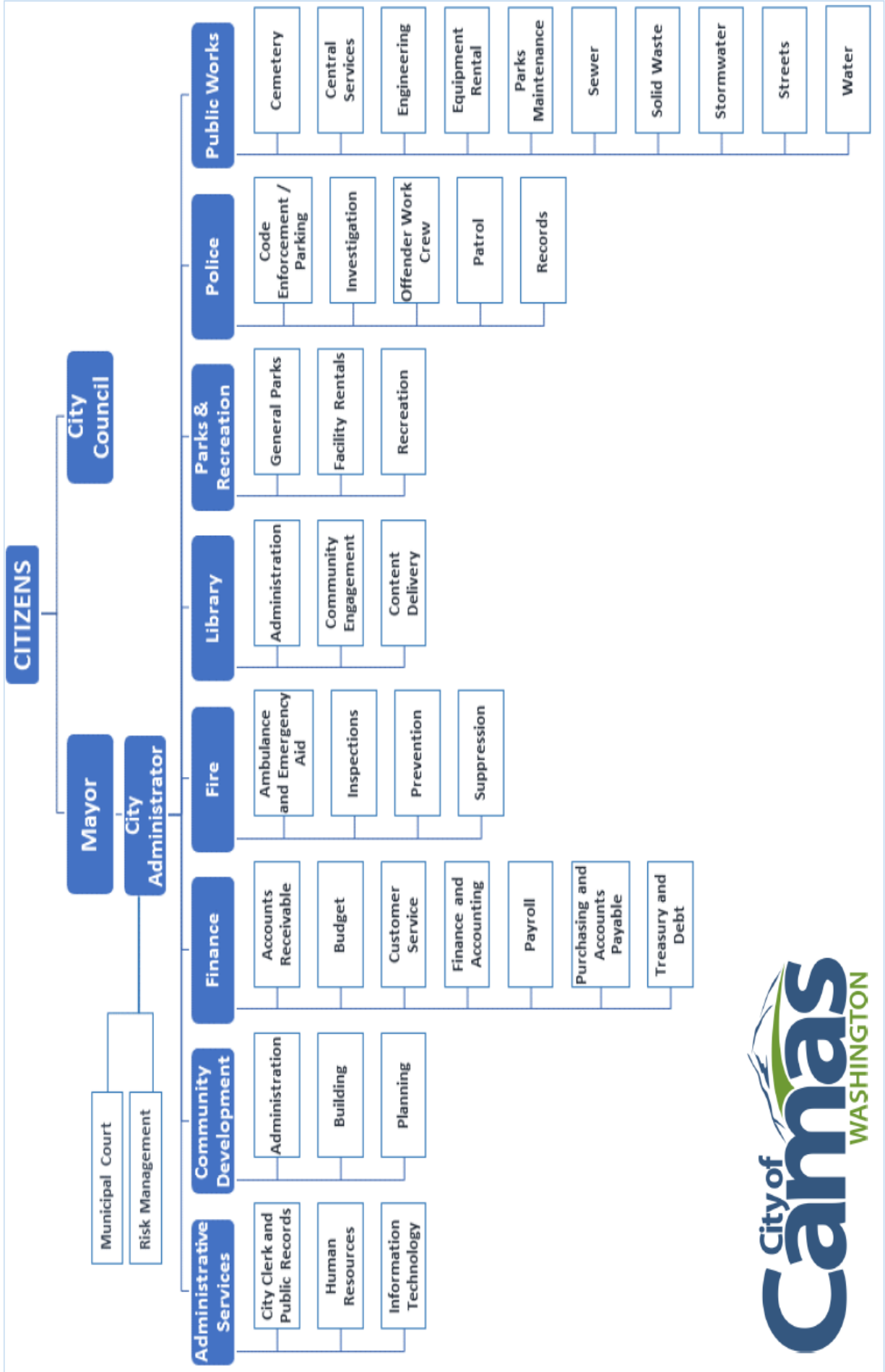
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

# City of Camas Organizational Chart





**City of Camas**  
**List of Elected and Appointed Officials**  
**December 31, 2017**

**Elected Officials**

**Term Expires**

Scott Higgins, Mayor	December 31, 2019
Tim Hazen, Council Member Ward 1	Resigned October 17, 2017
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**

June 25, 2018

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, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Camas, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Camas-Washougal Fire & EMS funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As discussed in Note V to the financial statements, in 2017, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinion is not modified with respect to this matter.

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

As discussed in Note V to the financial statements, the City's 2016 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## **Other Matters**

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

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

financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules are presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

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

In accordance with *Government Auditing Standards*, we will also issue our report dated June 25, 2018, 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,



Pat McCarthy

State Auditor

Olympia, WA

**CITY OF CAMAS, WASHINGTON  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2017**

The City of Camas discussion and analysis is a narrative overview of the city's financial activities for the fiscal year ended December 31, 2017. 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, 2017 by \$234.9 million.
- Net investment in capital assets account for 89% of this amount, with a value of \$209.4 million.
- Of the remaining net assets, \$6.6 million may be used to meet the government's ongoing business type obligations to citizens and creditors, without legal restriction.
- The City's total net position showed an increase of \$10.2 million, nearly 4.6% during 2017.
- As of December 31, 2017, City's governmental funds reported combined ending fund balances of \$13.9 million. Nearly 27.8% of this total amount, \$4,345,596 is available for spending at the government's discretion. General Fund has \$4.3 million in unassigned fund balance.
- City's total bonded debt at December 31, 2017 was \$26.8 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 2017, 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 2017.

### **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 2017 in addition to the General Fund, the Camas/Washougal Fire and EMS Fund and the Real Estate Excise Tax Fund.

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

### **Governmental Funds**

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

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

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

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

### **Proprietary Funds**

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

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

The proprietary fund financial statements provide separate information for the Water-Sewer, Storm Water and Solid Waste, which have all been designated as major funds.

#### **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 2017 by \$10.2 million or 4.6% from 2016. The largest portion, approximately \$209.4 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 \$18.8 million, or 8.0%, represents the resources that are subject to restrictions that may only be used to construct specified capital projects, debt service, tourism, public safety programs, or pensions. The restrictions on these funds were placed by law makers or covenants and cannot be changed by the City.

Unrestricted net position can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. The City's unrestricted net position decreased from 2016 by \$709,236 to \$6 million with the implementation of GASB 75 and the recording of a net pension liability.

At the end of the fiscal year 2017, 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 75 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 2017	Governmental Activities 2016	Business-type Activities 2017	Business-type Activities 2016	Total Activities 2017	Total Activities 2016
Current and other assets	\$ 16,455,949	\$ 11,677,109	\$ 32,625,491	\$ 35,599,378	\$ 49,081,440	\$ 47,276,487
Pension Assets	6,046,372	3,963,336			6,046,372	3,963,336
Capital assets (net of accumulated depreciation)	133,538,951	137,117,275	127,061,176	115,532,829	260,600,127	252,650,104
Total Assets	<u>156,041,272</u>	<u>152,757,720</u>	<u>159,686,667</u>	<u>151,132,207</u>	<u>315,727,939</u>	<u>303,889,927</u>
Deferred Outflows	999,703	1,954,974	467,529	603,302	1,467,232	2,558,276
Long-term Liabilities	13,413,071	17,299,008	44,529,096	45,471,244	57,942,167	62,770,252
Other Liabilities	13,500,508	9,134,780	8,726,568	9,483,060	22,227,076	18,617,840
Total Liabilities	<u>26,913,579</u>	<u>26,433,788</u>	<u>53,255,664</u>	<u>54,954,304</u>	<u>80,169,243</u>	<u>81,388,092</u>
Deferred Inflows	1,798,188	341,521	326,194	49,092	2,124,382	390,613
<b>NET POSITION</b>						
Net investment in capital assets	121,010,533	124,445,727	88,431,842	81,303,548	209,442,375	205,749,275
Restricted	12,118,030	4,229,707	6,703,946	7,344,085	18,821,976	11,573,792
Unrestricted	(4,799,355)	(738,049)	11,436,550	8,084,480	6,637,195	7,346,431
Total Net Position	<u>\$ 128,329,208</u>	<u>\$ 127,937,385</u>	<u>\$ 106,572,338</u>	<u>\$ 96,732,113</u>	<u>\$ 234,901,546</u>	<u>\$ 224,669,498</u>

### 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 \$391,822 in 2017. The governmental revenue decreased by \$327,528 to \$37.2 million. The governmental expenses increased by \$0.6 million to \$30.6 million.

Of the total governmental revenues, total program revenues decreased slightly by \$94,828 or 0.5%, to \$17.6 million as compared to the prior year. The decrease is primarily due to \$3 million less in capital grants and contributions as compared to 2016 but to offset the decline, charges for services revenues increased almost \$2.8 million.

The decline in governmental activities revenue is attributed to the disposal of capital assets of \$2.0 million. Excluding the disposal of capital assets funds, general revenues increased \$1.6 million over 2016. The City began an ongoing effort to reweave the full inventory of capital assets. The review of duplicate items, disposals and reclassifications resulted in the reduction of governmental assets by \$2.0 million. The City intends to complete the review of capital assets in 2019.

A summary version of the Statement of Activities is shown in the following table including comparison data from 2016. 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 2017.



	City of Camas Change in Net Position					
	Governmental Activities 2017	Governmental Activities 2016	Business-type Activities 2017	Business-type Activities 2016	Total 2017	Total 2016
Revenues:						
Program revenues:						
Charges for services	\$ 12,748,929	\$ 9,955,118	\$ 16,268,924	\$ 15,877,401	\$ 29,017,853	\$ 25,832,519
Operating grants and contributions	517,339	373,183	703,617	275,783	1,220,956	648,966
Capital grants and contributions	4,322,570	7,355,365	8,235,272	5,881,163	12,557,842	13,236,528
General revenues:						
Taxes:						
Property taxes levied for						
general purposes and EMS	13,036,189	12,569,896	-	-	13,036,189	12,569,896
Property taxes levied for debt service	633,574	627,668	-	-	633,574	627,668
Sales and use taxes	3,963,979	3,215,650	-	-	3,963,979	3,215,650
Business and occupation taxes	530,051	462,385	-	-	530,051	462,385
Excise and other taxes	1,936,202	1,864,014	-	-	1,936,202	1,864,014
Grants and contributions not restricted to specific programs	1,318,311	1,026,762	-	-	1,318,311	1,026,762
Unrestricted investment earnings	96,083	45,582	278,798	197,779	374,881	243,361
Miscellaneous	128,182	72,298	-	-	128,182	72,298
Gain (Loss) Disposal of Capital Assets	(1,991,016)	-	(157,033)	-	(2,148,049)	-
<b>Total revenues</b>	<b>37,240,393</b>	<b>37,567,921</b>	<b>25,329,578</b>	<b>22,232,126</b>	<b>62,569,971</b>	<b>59,800,047</b>
Expenses:						
General government	4,230,379	4,231,266	-	-	4,230,379	4,231,266
Judicial	339,871	297,904	-	-	339,871	297,904
Public safety	14,686,326	14,653,232	-	-	14,686,326	14,653,232
Physical environment	227,270	163,357	-	-	227,270	163,357
Transportation	6,165,210	5,793,626	-	-	6,165,210	5,793,626
Health and human services	12,393	7,031	-	-	12,393	7,031
Economic environment	906,444	942,463	-	-	906,444	942,463
Culture and recreation	3,715,865	3,491,116	-	-	3,715,865	3,491,116
Interest on long-term debt	399,310	446,844	-	-	399,310	446,844
Water-Sewer	-	-	11,283,300	11,062,672	11,283,300	11,062,672
Storm Water	-	-	2,298,883	1,269,118	2,298,883	1,269,118
Solid Waste	-	-	2,347,577	2,139,197	2,347,577	2,139,197
<b>Total expenses</b>	<b>30,683,068</b>	<b>30,026,839</b>	<b>15,929,760</b>	<b>14,470,987</b>	<b>46,612,828</b>	<b>44,497,826</b>
Excess or deficiency before Transfers	6,557,325	7,541,082	9,399,818	7,761,139	15,957,143	15,302,221
Transfers	108,552	50,000	(108,552)	-	-	50,000
Change in net position	6,665,877	7,591,082	9,291,266	7,761,139	15,957,143	15,352,221
Net position - beginning	127,937,385	115,100,765	96,732,113	89,364,717	224,669,498	204,465,482
Change in Accounting Principles	(4,090,119)	-	(215,269)	-	(4,305,388)	-
Prior Period Adjustment	(2,183,935)	5,245,539	764,228	(393,743)	(1,419,707)	4,851,796
<b>Net Position - ending</b>	<b>\$ 128,329,208</b>	<b>\$ 127,937,386</b>	<b>\$ 106,572,338</b>	<b>\$ 96,732,113</b>	<b>\$ 234,901,546</b>	<b>\$ 224,669,499</b>

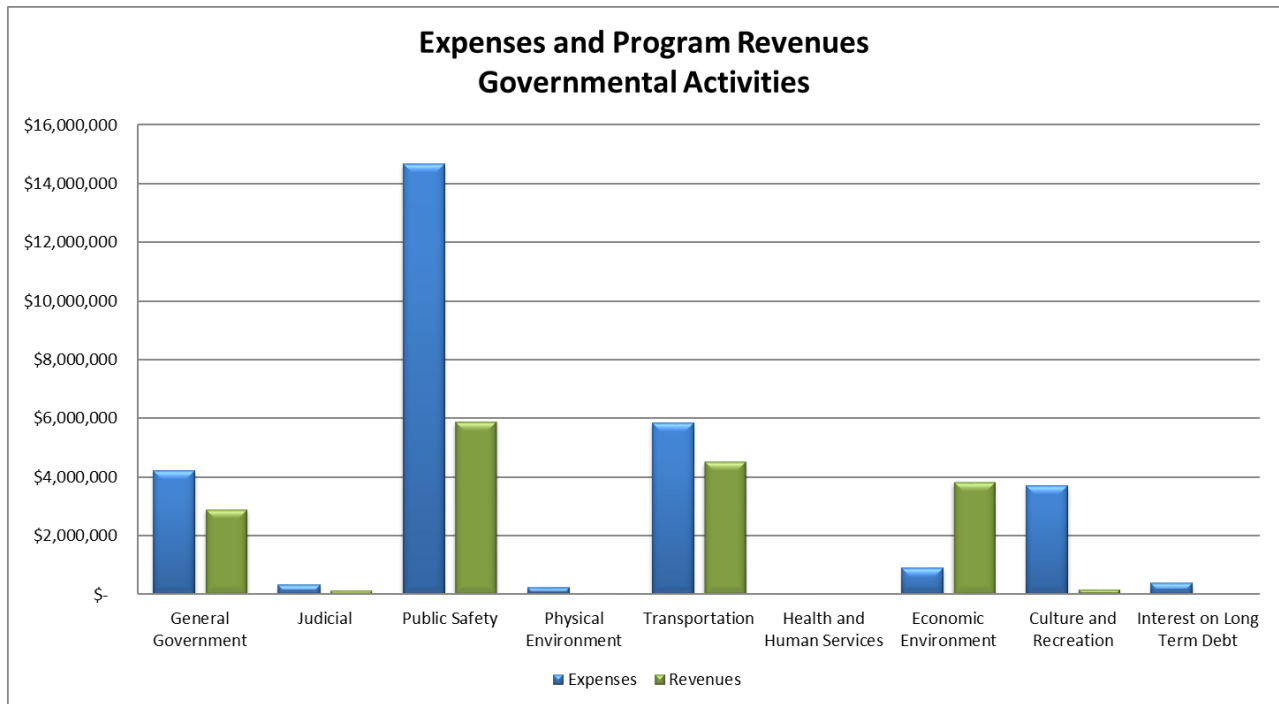
**Governmental Activity Analysis**

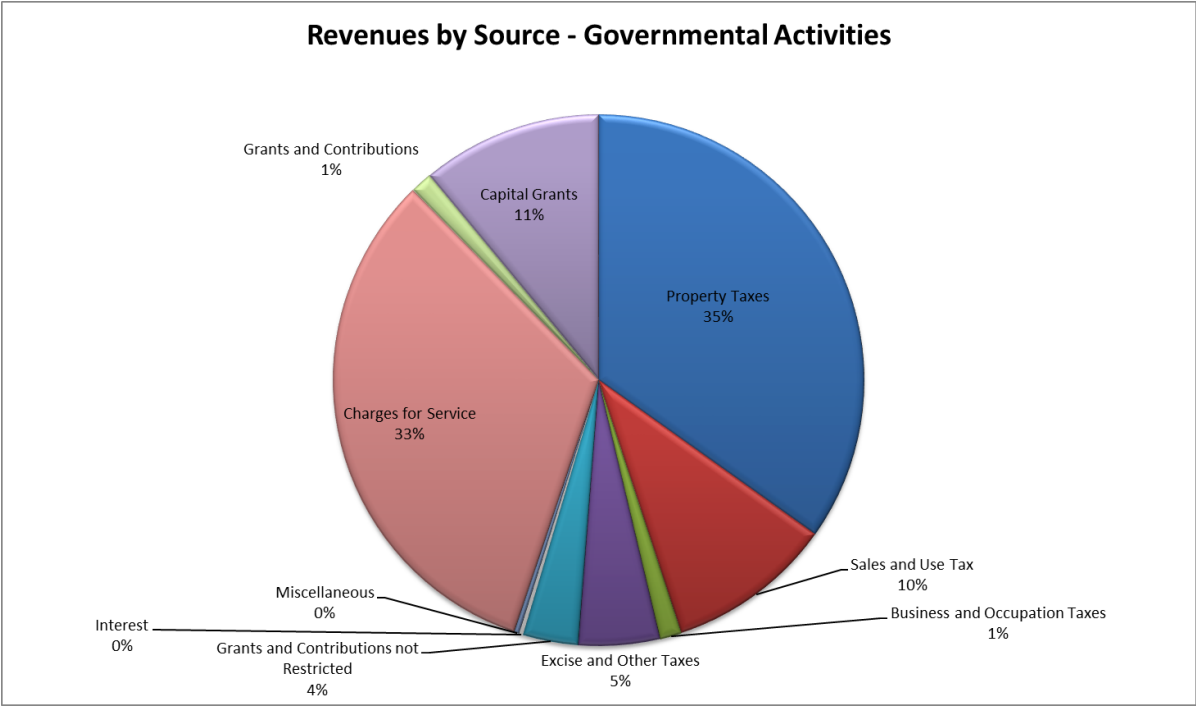
The property tax collections increased in the City of Camas by \$472,199 or 4% with the growth in new construction in home building. Sales tax collected increased by \$748,329 or 23% which is due to a 2016 over-reporting correction of \$217,000 and stronger construction in both private and public projects in 2017. The Excise and Other Taxes increased by 4% with continued growth in real estate excise tax. Business and Occupational taxes increased in 2017 as compared to 2016 by 15%, 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 2017 were 2.1% higher than 2016. This flat growth rate in expenses can be attributed to continued negotiations of four labor contracts, Police, IAFF, CPEA and AFSCME. Non-represented employees and the Library employees (whose labor contract was approved in December, 2017) received cost of living increases and some employee salaries were adjusted as a result of a compensation study completed in 2017.

Overall, net position with governmental activities increased by \$391,822 due to the increase in contributed capital, growth related revenue increases and flat growth in expenditures but was adjusted with a capital asset reduction \$4.1 million and a \$4.1 million GASB 75 adjustment.

The following charts display the City’s governmental activities for 2017, 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.



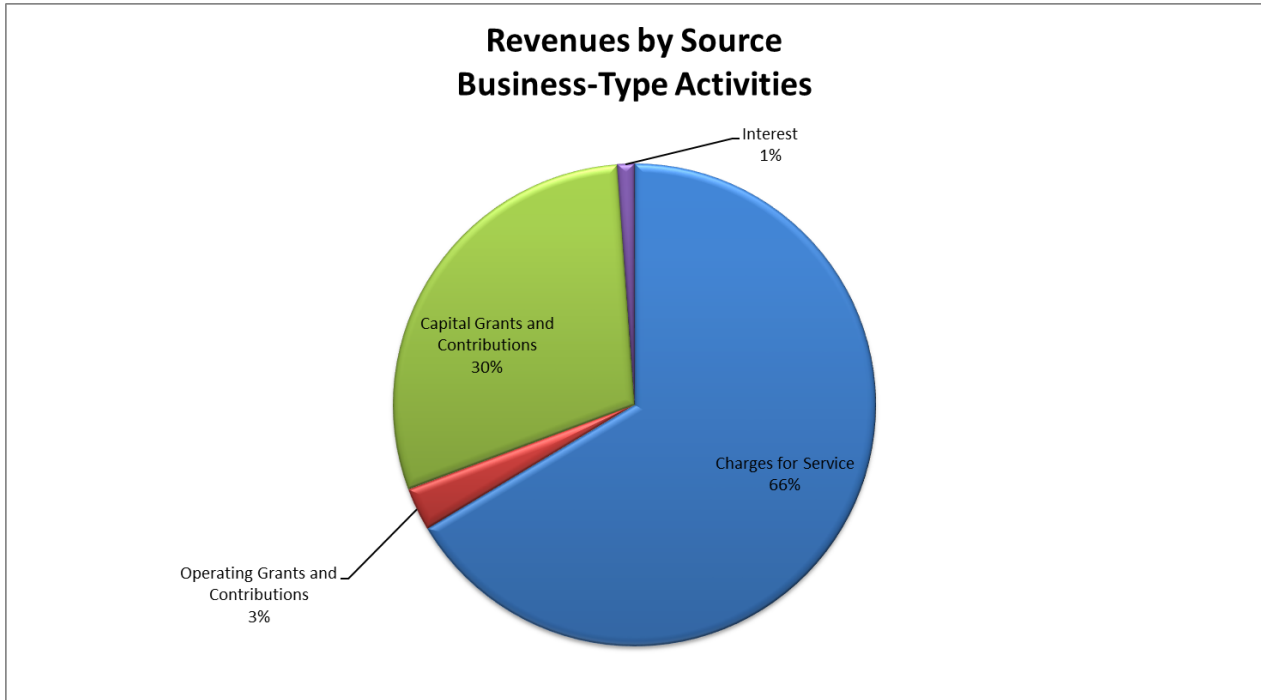


**Business-Type Activities Analysis**

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 2017, that fund had a \$.186 million increase in charges for services revenues, \$1.3 million increase in capital grants and contributions, a \$.319 million decrease in expenses (excluding depreciation and amortization) over the prior year. In addition, there is an increase in capital investment of \$1.3 million, all contributing to a net position growth of 10.5%. The Solid Waste Fund improved net position by 16.1% in 2017. This increase was mostly attributed to increase in garbage and recycling revenue while maintain status quo expense budget. The Storm Water Fund increased net position by \$1.5 million to \$16.6 million which is attributed to realigning the program to meet the requirements of the National Pollutant Discharge Elimination System permit.

<u>Business-Type Activity Operating Revenues</u>		
Water-Sewer	\$ 12,239,111	75%
Storm Water	1,442,702	9%
Solid Waste	2,587,111	16%
	100%	

<u>Business-Type Activity Operating Expenses</u>		
Water-Sewer	\$ 11,283,300	71%
Storm Water	2,298,883	14%
Solid Waste	2,347,577	15%
	100%	



## 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 30 funds, of which 18 are governmental funds. The governmental funds are categorized into four different fund types. Each fund type has a unique purpose, General Fund, Special Revenue Funds, Debt Funds and Capital Project Funds.

For purposes of this report, 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 Real Estate Excise Tax Fund (Capital Project Fund).

The change in Total Governmental Funds fund balance increased by \$4.5 million. Of the Major funds, the General Fund had an increase of \$1.7 million. The Camas/Washougal Fire and EMS Fund had an increase of \$1.2 million. The Real Estate Excise Tax Fund had an increase of \$406,163. All other governmental funds had a combined increase in their fund balances of \$1.4 million.

The increase in the General Fund was primarily a result increase in growth related revenue such as building permits and engineering related revenue. The Camas/Washougal Fire and EMS Fund increase is the result of higher contributions from the City of Camas and the City of Washougal to build fund balance. In 2017, the City split the Growth Management Fund into four funds specific to the revenue source. The four funds include: the Real Estate Excise Tax fund, the Park Impact Fee fund, the Transportation Impact Fee fund and Fire Impact Fee fund. Each of these funds increased in fund balance as a result of increases in impact of a growing housing market.

### 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 \$86.9 million. The Water-Sewer Fund had an increase in net position of over \$8.3 million. Revenues generated from operations were higher than the prior year by \$623 thousand (5.5%), and operating expenses maintained at the 2016 costs \$10

million. The higher revenues were due to residential and commercial growth with the costs maintaining due to lower personnel costs as a result of continuing labor negotiations and unfilled staff positions.

The Solid Waste Fund net position increased 16% in 2017. Charges for services increased 5% while operating expenses increased only 1.3% with status quo labor costs with negotiations and reduced repair work required on equipment.

The Storm Water Fund net position increased by 9.7% in 2017. Charges for services increased 5.5% in 2017. Storm water repair work from two major landslides in 2015-2016 occurred in 2017. Federal and state grants of \$703,617 funded the repair work which is attributed to the growth in operating expenses of \$919,779.

The Internal Service Fund, the Equipment Rental Fund net position showed a decrease of \$81 thousand or 2% in 2017. Revenues decreased by 3% with the operating transfers included while expenses increased \$656 thousand (50%) with scheduled vehicle purchases. 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 2017-2018 with the adoption of Ordinance No. 16-023. In 2017, General Fund revenues exceeded the anticipated budget by nearly 4%, while expenditures were 94% of the budget. Revenues ended the year \$1,182,966 higher than anticipated with development pace exceeding expectations throughout 2017. Overall, 2017 ended \$1,621,840 more than the previous year. This increase in fund balance reflects lower jail costs, unfilled job positions, unsettled labor contracts, and delayed projects into 2018 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 \$809,565 by City Council in Ordinance No. 17-007. This Ordinance supplemented the budget for street preservation, transportation capital improvement plan, Crown Park master plan, and personnel related expenditures..

The Budget was supplemented by \$432,388 by City Council in Ordinance No. 17-017. This budget adjustment allocated unspent bond proceeds for roof replacements for City Hall, Police Station and the Library. This budget adjustment also provided for cost accounting for engineering time and pension accounting,

The City had planned and budgeted to spend down General Fund balances in 2017 to 16% of Fund Balance; however, due to the higher growth in revenue collections and lower expenditures, the fund balance for the General Fund increased by \$1,621,840 ending the year with \$4,641,668. This balance represents 22.2% of expenditures and is just above the City's adopted policies for fund balance of 17%.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

City's Investment in capital assets, including construction in progress for its governmental and business type activities as of December 31, 2017, was \$260,600,127 (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 \$7.95 million during the year.

Major capital asset additions include completion of improvements to North Franklin Street, City-wide LED Lighting project on Pacific Rim, , and a number of developer contributions from new subdivisions.

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

**City of Camas Capital Assets**  
(net of depreciation)

	Governmental		Business-Type		Total	
	1/1/2017	12/31/2017	1/1/2017	12/31/2017	1/1/2017	12/31/2017
Land	\$ 66,563,660	\$ 64,370,620	\$ 1,130,209	\$ 2,394,765	\$ 67,693,869	\$ 66,765,385
Buildings and systems	12,135,923	11,891,682	21,438,584	20,914,486	33,574,507	32,806,168
Improvements other than building	4,622,020	4,020,996	19,587,385	18,648,927	24,209,405	22,669,923
Machinery and equipment	6,334,777	5,854,726	18,998,950	17,828,101	25,333,727	23,682,827
Intangibles	16,131	14,275	385,721	-	401,852	14,275
Infrastructure	46,393,049	45,268,488	49,480,641	54,358,763	95,873,690	99,627,251
Construction in progress	1,051,715	2,118,164	4,511,339	12,916,134	5,563,054	15,034,298
<b>Total</b>	<b>\$ 137,117,275</b>	<b>\$ 133,538,951</b>	<b>\$ 115,532,829</b>	<b>\$ 127,061,176</b>	<b>\$ 252,650,104</b>	<b>\$ 260,600,127</b>

**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, 2017, the City of Camas had total bonded debt outstanding of \$26.8 million and government loans of \$31.0 million. Of this amount, \$8.56 million is general obligation debt. The revenue bonds of \$18.2 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 2017 and 2016 bonded and non-bonded debt (in thousands).

**City of Camas Outstanding Bonded Debt**  
(in thousands)

	Governmental		Business-Type		Total	
	2017	2016	2017	2016	2017	2016
General obligation bonds	\$ 7,850	\$ 9,451	\$ 710	\$ 822	\$ 8,560	\$ 10,273
Revenue bonds	-	-	18,240	21,347	18,240	21,347
Government loans	4,629	5,358	26,447	26,111	31,076	31,469
<b>Total</b>	<b>\$ 12,479</b>	<b>\$ 14,809</b>	<b>\$ 45,397</b>	<b>\$ 48,280</b>	<b>\$ 57,876</b>	<b>\$ 63,089</b>

The total bonded debt of the City of Camas decreased by a net \$4.8 million during 2017. The City's remaining capacity for non-voted debt is approximately \$50.5 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 several remaining construction projects as of December 31, 2017. 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	\$ 2,396,293	\$ 29,124
NW Brady Road Street Improvements	\$ 583,247	\$ 233,516
NW 6 <sup>th</sup> and Norwood Improvements	\$ 3,170,900	\$ 57,346
Larkspur Street Construction	\$ 265,377	\$ 210,151
Dallas Street Improvements	\$ 7,827	\$ 14,722

Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$ 11,475,343	\$ 1,184
North Shore Sewer Transmission Main	\$ 8,501,550	\$ 4,168,315
Well 17	\$ 64,760	\$ 91,961
Mill Ditch Sewer Line Replacement Project	\$ 204,426	\$ 249,975
Reservoir	\$ 26,654	\$ 166,801

## ECONOMIC OUTLOOK AND MAJOR INITIATIVES

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

## CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

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

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

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

**CITY OF CAMAS, WASHINGTON**

Statement of Net Position

December 31, 2017

	Governmental Activities	Business-type Activities	Total Primary Government
<b>Assets:</b>			
Cash, Cash Equivalents and Pooled Investments	\$ 15,017,533	\$ 11,334,431	\$ 26,351,964
Receivables (Net of Allowance for Uncollectibles)	1,762,456	3,268,016	5,030,472
Internal Balances	(1,199,892)	1,199,892	-
<b>Restricted Assets</b>			
Cash, Cash Equivalents and Pooled Investments	875,852	10,348,092	11,223,944
Investments	-	6,475,060	6,475,060
Net Pension Assets	6,046,372	-	6,046,372
<b>Capital Assets Not Being Depreciated:</b>			
Land and Improvements to Land	18,382,700	1,895,185	20,277,885
Land Rights	45,987,920	499,580	46,487,500
Construction Work in Progress	2,118,164	12,916,134	15,034,298
<b>Capital Assets Net of Accumulated Depreciation:</b>			
Buildings	11,891,682	20,914,486	32,806,168
Improvements Other than Buildings	4,020,996	18,648,927	22,669,923
Machinery and Equipment	5,854,726	17,828,101	23,682,827
Intangibles	14,275	-	14,275
Infrastructure	45,268,488	54,358,763	99,627,251
Total Assets	<u>156,041,272</u>	<u>159,686,667</u>	<u>315,727,939</u>
<b>Deferred Outflows of Resources</b>			
Amounts related to pensions	999,703	266,464	1,266,167
Deferred amount on refunding	-	201,065	201,065
Total deferred outflows of resources	<u>999,703</u>	<u>467,529</u>	<u>1,467,232</u>
<b>Liabilities:</b>			
Accounts Payable and Other Current Liabilities	771,844	2,513,176	3,285,020
Accrued Interest Payable	42,905	278,183	321,088
Line of Credit	234,711	40,664	275,375
Custodial Accounts	111,610	-	111,610
Developer Credit	425,979	453,149	879,128
<b>Noncurrent Liabilities:</b>			
Due within One Year	1,529,323	3,332,841	4,862,164
Due in More than One Year	13,413,071	44,529,096	57,942,167
Other Postemployment Benefits	6,653,687	350,194	7,003,881
Net Pension Liability	3,730,449	1,758,361	5,488,810
Total Liabilities	<u>26,913,579</u>	<u>53,255,664</u>	<u>80,169,243</u>
<b>Deferred Inflows of Resources</b>			
Amounts related to pensions	1,798,188	326,194	2,124,382
Total deferred inflows of resources	<u>1,798,188</u>	<u>326,194</u>	<u>2,124,382</u>
<b>Net Position:</b>			
Net Investment in Capital Assets	121,010,533	88,431,842	209,442,375
<b>Restricted for:</b>			
Tourism	17,066	-	17,066
Public Safety	147,126	-	147,126
Debt Service	48,841	1,603,591	1,652,432
Capital	6,530,390	5,100,355	11,630,745
Pensions	5,374,607	-	5,374,607
Unrestricted	(4,799,355)	11,436,550	6,637,195
Total Net Position	<u>\$ 128,329,208</u>	<u>\$ 106,572,338</u>	<u>\$ 234,901,546</u>

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



CITY OF CAMAS, WASHINGTON  
Statement of Activities  
Year Ended December 31, 2017

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
<b>PRIMARY GOVERNMENT</b>							
<b>Governmental Activities:</b>							
General Government	\$ 4,230,379	\$ 2,860,355	\$ 51,727	\$ -	\$ (1,318,297)	\$ -	\$ (1,318,297)
Judicial	339,871	163,870	-	-	(176,001)	-	(176,001)
Public Safety	14,686,326	5,465,506	426,465	-	(8,794,355)	-	(8,794,355)
Physical Environment	227,270	46,326	12,515	-	(168,429)	-	(168,429)
Transportation	6,165,210	214,308	-	4,322,570	(1,628,332)	-	(1,628,332)
Health and Human Services	12,393	-	-	-	(12,393)	-	(12,393)
Economic Environment	906,444	3,802,307	26,632	-	2,922,495	-	2,922,495
Culture and Recreation	3,715,865	196,257	-	-	(3,519,608)	-	(3,519,608)
Interest on Long-Term Debt	399,310	-	-	-	(399,310)	-	(399,310)
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>30,683,068</b>	<b>12,748,929</b>	<b>517,339</b>	<b>4,322,570</b>	<b>(13,094,230)</b>	<b>-</b>	<b>(13,094,230)</b>
<b>Business-Type Activities:</b>							
Water Sewer	11,283,300	12,239,111	-	7,175,669	-	8,131,480	8,131,480
Storm Water Drainage	2,298,883	1,442,702	703,617	1,059,603	-	907,039	907,039
Solid Waste	2,347,577	2,587,111	-	-	-	239,534	239,534
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>15,929,760</b>	<b>16,268,924</b>	<b>703,617</b>	<b>8,235,272</b>	<b>-</b>	<b>9,278,053</b>	<b>9,278,053</b>
<b>Total Primary Government</b>	<b>\$ 46,612,828</b>	<b>\$ 29,017,853</b>	<b>\$ 1,220,956</b>	<b>\$ 12,557,842</b>	<b>\$ (13,094,230)</b>	<b>\$ 9,278,053</b>	<b>\$ (3,816,177)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes Levied for General Purposes					11,639,207	-	11,639,207
Property Taxes Levied for Voted Levy (EMS)					1,396,982	-	1,396,982
Property Taxes, Levied for Debt Service					633,574	-	633,574
Sales and Use Taxes					3,963,979	-	3,963,979
Business and Occupation Taxes					530,051	-	530,051
Excise and Other Taxes					1,936,202	-	1,936,202
Grants and Contributions not Restricted to Specific Programs					1,318,311	-	1,318,311
Miscellaneous					128,182	-	128,182
Gain (Loss) on Disposal of Capital Assets					(1,991,016)	(157,033)	(2,148,049)
Transfers					108,552	(108,552)	-
Unrestricted Investment Earnings					96,083	278,798	374,881
Total General Revenues and Special Items					19,760,107	13,213	19,773,320
Change in Net Position					6,665,877	9,291,266	15,957,143
Net Position - Beginning					127,937,385	96,732,113	224,669,498
Prior Period Adjustments					(2,183,935)	764,228	(1,419,707)
Change in Accounting Principle					(4,090,119)	(215,269)	(4,305,388)
<b>Net Position, End of Year</b>					<b>\$ 128,329,208</b>	<b>\$ 106,572,338</b>	<b>\$ 234,901,546</b>

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

**CITY OF CAMAS, WASHINGTON**

Governmental Funds

Balance Sheet

December 31, 2017

	General Fund	Camas-Washougal Fire & EMS Fund	Real Estate Excise Tax Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash, Cash Equivalents, and Pooled Investments	\$ 4,200,238	\$ 1,245,135	\$ 4,649,924	\$ 3,791,999	\$ 13,887,296
Property Taxes Receivables	147,053	17,764	-	9,948	174,765
Sales Taxes Receivable	756,567	-	-	-	756,567
Accounts Receivable (net)	26,186	533,984	-	27,605	587,775
Interest Receivable	8,551	-	-	-	8,551
Due from Other Governmental Units	188,599	-	-	42,294	230,893
<b>Total Assets</b>	<b>5,327,194</b>	<b>1,796,883</b>	<b>4,649,924</b>	<b>3,871,846</b>	<b>15,645,847</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	258,623	52,980	120,117	229,297	661,017
Due to Other Governmental Units	1,715	-	-	-	1,715
Line of Credit	-	206,748	-	27,963	234,711
Custodial Accounts	102,450	-	-	9,160	111,610
<b>Total Liabilities</b>	<b>362,788</b>	<b>259,728</b>	<b>120,117</b>	<b>266,420</b>	<b>1,009,053</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue	285,937	369,593	-	48,413	703,943
<b>Total deferred inflows of resources</b>	<b>285,937</b>	<b>369,593</b>	<b>-</b>	<b>48,413</b>	<b>703,943</b>
<b>Fund Balances:</b>					
<b>Restricted</b>					
Tourism	-	-	-	17,066	17,066
Public Safety	147,126	-	-	-	147,126
Debt Service	-	-	-	48,841	48,841
Capital Outlay	-	-	4,529,807	2,876,436	7,406,243
Committed - Public Safety	-	1,167,562	-	-	1,167,562
Assigned - Cemetery	24,064	-	-	-	24,064
Assigned - Working Capital	161,683	-	-	614,670	776,353
Unassigned	4,345,596	-	-	-	4,345,596
<b>Total Fund Balances</b>	<b>4,678,469</b>	<b>1,167,562</b>	<b>4,529,807</b>	<b>3,557,013</b>	<b>13,932,851</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,327,194</b>	<b>\$ 1,796,883</b>	<b>\$ 4,649,924</b>	<b>\$ 3,871,846</b>	<b>\$ 15,645,847</b>

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds 130,318,241

Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred in the funds 703,943

Other items related to Pension activity that are not financial resources therefore, not reported in the funds. 5,262,215

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. 3,417,721

Long-term liabilities that are not due and payable in the current period and are not reported in the funds (25,305,762)

Net position of governmental activities \$ 128,329,208

The notes to the financial statement 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, 2017

	General Fund	Camas-Washougal Fire & EMS Fund	Real Estate Excise Tax Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property Taxes	\$ 11,738,542	\$ 1,396,982	\$ -	\$ 633,574	\$ 13,769,098
Sales and Use Taxes	3,952,397	-	-	11,582	3,963,979
Other Taxes	530,051	-	1,936,202	-	2,466,253
License and Permits	1,059,129	55,695	-	-	1,114,824
Intergovernmental	611,984	1,270	8,665	895,904	1,517,823
Charges for Services	4,251,703	4,954,344	-	1,802,764	11,008,811
Fines and Forfeits	181,437	21,454	-	-	202,891
Interest Earnings	45,163	1,071	31,873	4,886	82,993
Rents and Royalties	170,874	-	-	-	170,874
Contributions/Donations	51,977	156,473	50	-	208,500
Miscellaneous	20,159	3,601	-	115	23,875
<b>Total Revenues</b>	<b>22,613,416</b>	<b>6,590,890</b>	<b>1,976,790</b>	<b>3,348,825</b>	<b>34,529,921</b>
<b>Expenditures:</b>					
<b>Current</b>					
General Government	4,484,576	-	-	-	4,484,576
Judicial	350,950	-	-	-	350,950
Security/ Persons and Property	5,688,907	8,885,924	-	-	14,574,831
Physical Environment	235,735	-	-	-	235,735
Transportation	-	-	-	1,940,381	1,940,381
Mental and Physical Health	12,393	-	-	-	12,393
Economic Environment	937,528	-	-	11,352	948,880
Culture and Recreation	3,086,202	-	-	-	3,086,202
Capital Outlay	129,266	36,208	251,207	2,153,469	2,570,150
<b>Debt Service</b>					
Principal Retirement	-	-	-	1,343,738	1,343,738
Interest and Other Charges	-	2,680	-	461,717	464,397
<b>Total Expenditures</b>	<b>14,925,557</b>	<b>8,924,812</b>	<b>251,207</b>	<b>5,910,657</b>	<b>30,012,233</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>7,687,859</b>	<b>(2,333,922)</b>	<b>1,725,583</b>	<b>(2,561,832)</b>	<b>4,517,688</b>
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	-	15,000	-	-	15,000
Insurance Recoveries	-	34,178	-	72,182	106,360
Transfers In	-	3,397,757	124,496	5,539,287	9,061,540
Transfers Out	(5,997,117)	(55,216)	(1,443,916)	(1,635,441)	(9,131,690)
<b>Total Other Financing Sources and Uses</b>	<b>(5,997,117)</b>	<b>3,391,719</b>	<b>(1,319,420)</b>	<b>3,976,028</b>	<b>51,210</b>
<b>Net Change in Fund Balances</b>	<b>1,690,742</b>	<b>1,057,797</b>	<b>406,163</b>	<b>1,414,196</b>	<b>4,568,898</b>
Fund Balance at Beginning of Year	3,019,828	114,975	4,123,644	2,139,590	9,398,037
Prior period adjustments	(32,101)	(5,210)	-	3,227	(34,084)
<b>Fund Balance at End of Year</b>	<b>\$ 4,678,469</b>	<b>\$ 1,167,562</b>	<b>\$ 4,529,807</b>	<b>\$ 3,557,013</b>	<b>\$ 13,932,851</b>

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

**CITY OF CAMAS, WASHINGTON**  
 Reconciliation of the Statement of Revenues, Expenditures and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 Year Ended December 31, 2017

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

Net changes in fund balances - total governmental funds:	\$ 4,568,898
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses. This is the amount by which capital outlays exceeded depreciation in the current period.	(3,132,650)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	2,134,585
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	432,055
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.	1,343,739
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.	1,195,634
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.	123,616
Change in net position of governmental activities	<u>\$ 6,665,877</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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 11,560,106	\$ 11,560,106	\$ 11,738,542	\$ 178,436
Sales and Use Taxes	3,059,857	3,059,857	3,952,397	892,540
Other Taxes	560,215	560,215	530,051	(30,164)
License and Permits	917,761	917,761	1,059,129	141,368
Intergovernmental	580,952	595,952	611,984	16,032
Charges for Services	3,947,417	4,189,308	4,208,870	19,562
Fines and Forfeits	189,974	189,974	181,437	(8,537)
Interest Earnings	47,142	47,142	45,045	(2,097)
Rents and Royalties	162,787	162,787	170,874	8,087
Contributions/Donations	31,500	81,000	51,977	(29,023)
Miscellaneous	23,376	23,376	20,138	(3,238)
Total Revenues	<u>21,081,087</u>	<u>21,387,478</u>	<u>22,570,444</u>	<u>1,182,966</u>
<b>Expenditures:</b>				
<b>Current</b>				
General Government	4,522,059	4,653,206	4,484,576	168,630
Judicial	372,349	358,349	350,950	7,399
Security/ Persons and Property	5,813,923	5,842,423	5,688,907	153,516
Mental and Physical Health	12,068	14,068	12,393	1,675
Economic Environment	1,064,460	1,079,460	937,528	141,932
Culture and Recreation	3,357,494	3,462,048	3,086,202	375,846
Capital Outlay	142,262	156,336	129,266	27,070
Debt Service				
Total Expenditures	<u>15,284,615</u>	<u>15,565,890</u>	<u>14,689,822</u>	<u>876,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,796,472	5,821,588	7,880,622	2,059,034
<b>Other Financing Sources (Uses):</b>				
Transfers Out	(5,735,966)	(6,696,693)	(6,202,617)	494,076
Total Other Financing Sources and Uses	<u>(5,735,966)</u>	<u>(6,696,693)</u>	<u>(6,202,617)</u>	<u>494,076</u>
Net Change in Fund Balance	60,506	(875,105)	1,678,005	2,553,110
Fund Balances at Beginning of Year	-	-	3,008,499	3,008,499
Prior period adjustments	-	-	(32,101)	(32,101)
Fund Balances at End of Year	<u>\$ 60,506</u>	<u>\$ (875,105)</u>	<u>\$ 4,654,403</u>	<u>\$ 5,529,508</u>
Adjustments to general accepted accounting principles (GAAP) Basis				
Cemetery Fund			24,064	
Fund Balance - GAAP basis			<u>\$ 4,678,467</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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property Taxes	\$ 1,382,864	\$ 1,382,864	\$ 1,396,982	\$ 14,118
License and Permits	37,766	37,766	55,695	17,929
Intergovernmental	1,290	1,290	1,270	(20)
Charges for Services	4,802,861	4,802,861	4,954,344	151,483
Fines and Forfeits	15,821	15,821	21,454	5,633
Interest Earnings	4,334	4,334	1,071	(3,263)
Contributions/Donations	-	-	156,473	156,473
Miscellaneous	14,946	14,946	3,601	(11,345)
Total Revenues	<u>6,259,882</u>	<u>6,259,882</u>	<u>6,590,890</u>	<u>331,008</u>
<b>Expenditures:</b>				
Current				
Security/ Persons and Property	8,968,936	9,008,936	8,885,924	123,012
Capital Outlay	52,000	52,000	36,208	15,792
Debt Service				
Interest and Other Charges	-	-	2,680	(2,680)
Total Expenditures	<u>9,020,936</u>	<u>9,060,936</u>	<u>8,924,812</u>	<u>136,124</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,761,054)	(2,801,054)	(2,333,922)	467,132
<b>Other Financing Sources (Uses):</b>				
Sale of Capital Assets	-	-	15,000	15,000
Insurance Recoveries	-	-	34,178	34,178
Transfers In	3,437,793	3,555,076	3,397,757	(157,319)
Transfers Out	(76,007)	(84,511)	(55,216)	29,295
Total Other Financing Sources and Uses	<u>3,361,786</u>	<u>3,470,565</u>	<u>3,391,719</u>	<u>(78,846)</u>
Net Change in Fund Balance	600,732	669,511	1,057,797	388,286
Fund Balances at Beginning of Year	-	-	114,975	114,975
Prior period adjustments	-	-	(5,210)	(5,210)
Fund Balances at End of Year	<u>\$ 600,732</u>	<u>\$ 669,511</u>	<u>\$ 1,167,562</u>	<u>\$ 498,051</u>

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

**CITY OF CAMAS, WASHINGTON**

Proprietary Funds  
Statement of Net Position  
December 31, 2017

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Solid Waste	Total	Internal Service - Equipment Rental
<b>Assets:</b>					
<b>Current Assets:</b>					
Cash, Cash Equivalents, and Pooled Investments	\$ 7,300,446	\$ 2,082,838	\$ 1,951,147	\$ 11,334,431	\$ 2,006,089
Receivables					
Accounts	2,467,888	253,725	460,608	3,182,221	3,905
Due from Other Governmental Units	-	85,795	-	85,795	-
<b>Restricted Assets</b>					
Cash and Cash Equivalents	10,348,092	-	-	10,348,092	-
Investments	6,475,060	-	-	6,475,060	-
<b>Total Current Assets</b>	<b>26,591,486</b>	<b>2,422,358</b>	<b>2,411,755</b>	<b>31,425,599</b>	<b>2,009,994</b>
<b>Long - Term Assets:</b>					
<b>Nondepreciable Assets:</b>					
Land and Improvements to Land	942,835	952,350	-	1,895,185	104,732
Land Rights	477,394	22,186	-	499,580	-
Construction in Progress	12,576,133	340,001	-	12,916,134	-
<b>Property, Plant and Equipment (Net)</b>					
Building	20,914,486	-	-	20,914,486	653,003
Improvements Other than Buildings	9,546,801	9,102,126	-	18,648,927	33,924
Machinery and Equipment	17,816,343	11,758	-	17,828,101	2,429,052
Infrastructure	49,354,925	5,003,838	-	54,358,763	-
<b>Total Noncurrent Assets</b>	<b>111,628,917</b>	<b>15,432,259</b>	<b>-</b>	<b>127,061,176</b>	<b>3,220,711</b>
<b>Total Assets</b>	<b>138,220,403</b>	<b>17,854,617</b>	<b>2,411,755</b>	<b>158,486,775</b>	<b>5,230,705</b>
<b>Deferred Outflows of Resources</b>					
Deferred Amount on Refunding	201,065	-	-	201,065	-
Amounts related to pensions	181,133	44,949	40,382	266,464	63,842
<b>Total Deferred Outflows of Resources</b>	<b>382,198</b>	<b>44,949</b>	<b>40,382</b>	<b>467,529</b>	<b>63,842</b>
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts Payable	1,412,772	68,277	142,088	1,623,137	109,112
Accrued Interest Payable	275,429	2,754	-	278,183	-
Accrued Employee Benefits	11,162	1,374	2,251	14,787	1,936
Line of Credit	40,664	-	-	40,664	-
Bonds, Notes and Loans Payable	3,260,036	58,018	-	3,318,054	-
Payable from Restricted Assets	890,039	-	-	890,039	-
<b>Total Current Liabilities</b>	<b>5,890,102</b>	<b>130,423</b>	<b>144,339</b>	<b>6,164,864</b>	<b>111,048</b>
<b>Noncurrent Liabilities:</b>					
Bonds, Notes and Loan Payable	43,590,207	805,814	-	44,396,021	-
Unearned Revenue - Developer Credit	453,149	-	-	453,149	-
Net Pension Liability	1,195,273	296,611	266,477	1,758,361	421,285
Accrued Employee Benefits	352,597	12,363	118,309	483,269	66,448
<b>Total Noncurrent Liabilities</b>	<b>45,591,226</b>	<b>1,114,788</b>	<b>384,786</b>	<b>47,090,800</b>	<b>487,733</b>
<b>Total Liabilities</b>	<b>51,481,328</b>	<b>1,245,211</b>	<b>529,125</b>	<b>53,255,664</b>	<b>598,781</b>
<b>Deferred Inflows of Resources</b>					
Amounts related to Pensions	221,736	55,024	49,434	326,194	78,153
<b>Total deferred inflows of resources</b>	<b>221,736</b>	<b>55,024</b>	<b>49,434</b>	<b>326,194</b>	<b>78,153</b>
<b>Net Position:</b>					
Net Investment in Capital Assets	73,863,415	14,568,427	-	88,431,842	3,220,711
Restricted for Debt Service	1,603,591	-	-	1,603,591	-
Restricted for Capital Purposes	5,100,355	-	-	5,100,355	-
Unrestricted	6,332,176	2,030,904	1,873,578	10,236,658	1,396,902
<b>Total Net Position</b>	<b>\$ 86,899,537</b>	<b>\$ 16,599,331</b>	<b>\$ 1,873,578</b>	<b>105,372,446</b>	<b>\$ 4,617,613</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.				1,199,892	
Net Position of Business-type Activities				\$ 106,572,338	

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, 2017

	Enterprise Funds				(Governmental Activities)
	Water-Sewer	Storm Water	Solid Waste	Total	Internal Service - Equipment Rental
<b>Operating Revenues:</b>					
Charges for Services	\$ 12,034,637	\$ 1,442,702	\$ 2,584,316	\$ 16,061,655	\$ 1,586,379
Total Operating Revenues	<u>12,034,637</u>	<u>1,442,702</u>	<u>2,584,316</u>	<u>16,061,655</u>	<u>1,586,379</u>
<b>Operating Expenses:</b>					
Collection and Disposal	-	-	1,888,524	1,888,524	-
Storm Drainage Operations and Maintenance	-	1,644,643	-	1,644,643	-
Water Operations and Maintenance	2,102,232	-	-	2,102,232	-
Sewer Operations and Maintenance	2,160,594	-	-	2,160,594	-
Customer Accounts	81,347	-	-	81,347	-
Administration	1,744,099	-	273,520	2,017,619	-
Equipment Rental Operations	-	-	-	-	1,242,164
Taxes	470,531	21,641	118,299	610,471	-
Depreciation and Amortization	3,521,386	554,131	-	4,075,517	717,305
Total Operating Expenses	<u>10,080,189</u>	<u>2,220,415</u>	<u>2,280,343</u>	<u>14,580,947</u>	<u>1,959,469</u>
Operating Income (loss)	1,954,448	(777,713)	303,973	1,480,708	(373,090)
<b>Nonoperating Revenues (Expenses)</b>					
Interest Earnings	249,358	16,306	13,134	278,798	13,071
State and Federal Grants	-	703,617	-	703,617	-
Interest and Fiscal Charges	(1,132,064)	(41,927)	-	(1,173,991)	(3,772)
Gain (Loss) on Disposal of Assets	(126,326)	(30,707)	-	(157,033)	14,547
Miscellaneous Revenues (Expenses)	204,474	38	2,757	207,269	3,897
Total Nonoperating Revenues (Expenses)	<u>(804,558)</u>	<u>647,327</u>	<u>15,891</u>	<u>(141,340)</u>	<u>27,743</u>
Income (Loss) before Contributions	1,149,890	(130,386)	319,864	1,339,368	(345,347)
Capital Contributions	7,175,669	1,059,603	-	8,235,272	-
Transfers In	191,461	56,671	-	248,132	294,140
Transfers Out	(139,172)	(217,512)	-	(356,684)	-
Change in Net Position	<u>8,377,848</u>	<u>768,376</u>	<u>319,864</u>	<u>9,466,088</u>	<u>(51,207)</u>
Total Net Position at Beginning of Year	78,614,731	15,128,679	1,613,989	95,357,399	4,698,958
Prior Period Adjustments	61,952	702,276	-	764,228	-
Change in Accounting Principle	(154,994)	-	(60,275)	(215,269)	(30,138)
Total Net Position at End of Year	<u>\$ 86,899,537</u>	<u>\$ 16,599,331</u>	<u>\$ 1,873,578</u>	<u>\$ 105,372,446</u>	<u>\$ 4,617,613</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(174,822)	
Change in Net Position of Business-Type Activities				<u>\$ 9,291,266</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, 2017

	Enterprise Funds				(Governmental Activities)
	Water- Sewer	Storm Water	Solid Waste Fund	Total	Internal Service - Equipment Rental
<b>Cash Flows from Operating Activities:</b>					
Cash received from Customers	\$ 11,265,230	\$ 1,431,956	\$ 2,564,538	\$ 15,261,724	\$ -
Cash received from Interfund Services Provided	-	-	-	-	1,586,379
Cash payments to Suppliers	(3,963,878)	(1,070,092)	(702,142)	(5,736,112)	(427,262)
Cash payments to Employees	(2,093,906)	(276,104)	(465,544)	(2,835,554)	(487,611)
Cash payments to Disposal Contractor	-	-	(665,554)	(665,554)	-
Cash payments for Interfund Services Used	(318,970)	(176,159)	(278,290)	(773,419)	-
Cash outflow for Taxes Paid	(470,531)	(21,641)	(118,299)	(610,471)	-
Cash received from Other Non-Operating Revenues	239,514	38	2,758	242,310	3,897
Net Cash Provided by Operating Activities	<u>4,657,459</u>	<u>(112,002)</u>	<u>337,467</u>	<u>4,882,924</u>	<u>675,403</u>
<b>Cash Flows from Noncapital Financing Activities:</b>					
Proceeds from nonoperating Federal and State Grants	-	703,617	-	703,617	-
Transfers - In	191,461	56,671	-	248,132	294,140
Transfers - Out	(139,172)	(217,512)	-	(356,684)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>52,289</u>	<u>542,776</u>	<u>-</u>	<u>595,065</u>	<u>294,140</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Proceeds from Capital Grants	-	1,161,359	-	1,161,359	-
Proceeds from Other Long Term Debt	3,220,252	-	-	3,220,252	-
Acquisition and Construction of Capital Assets	(8,939,149)	(1,279,231)	-	(10,218,380)	(288,266)
Principal Paid on Revenue Bonds	(695,000)	(14,436)	-	(709,436)	-
Principal Paid on Other Long Term Obligations	(2,711,997)	(26,404)	-	(2,738,401)	-
Principal Paid on Line of Credit	(2,764,092)	-	-	(2,764,092)	-
Interest Paid on Revenue Bonds and Other Long Term Debt	(1,291,756)	(46,731)	-	(1,338,487)	-
Proceeds from Line of Credit	157,497	-	-	157,497	(295,135)
Interest Paid on Short Term Debt	(10,070)	-	-	(10,070)	(3,772)
Capital Contributed from Customers and Developers	3,987,692	-	-	3,987,692	-
Proceeds from Sale of Property	-	-	-	-	13,181
Proceeds from Insurance Recoveries	4,688	-	-	4,688	2,732
Net Cash Provided for Capital and Related Financing Activities	<u>(9,041,935)</u>	<u>(205,443)</u>	<u>-</u>	<u>(9,247,378)</u>	<u>(571,260)</u>
<b>Cash Flows from Investing Activities:</b>					
Interest on Investments and Cash Equivalents	69,494	16,306	13,134	98,934	13,073
Purchase of Investment Securities	(4,996,376)	-	-	(4,996,376)	-
Proceeds from Sale and Maturities of Investment Securities	13,821,343	-	-	13,821,343	-
Net Cash Used by Investing Activities	<u>8,894,461</u>	<u>16,306</u>	<u>13,134</u>	<u>8,923,901</u>	<u>13,073</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,562,274	241,637	350,601	5,154,512	411,356
Cash and Cash Equivalents at Beginning of Year	13,086,264	1,841,201	1,600,546	16,528,011	1,594,733
Cash and Cash Equivalents at End of Year	<u>\$ 17,648,538</u>	<u>\$ 2,082,838</u>	<u>\$ 1,951,147</u>	<u>\$ 21,682,523</u>	<u>\$ 2,006,089</u>
Cash and cash equivalents	\$ 7,300,446	\$ 2,082,838	\$ 1,951,147	\$ 11,334,431	\$ 2,006,089
Restricted cash and cash equivalents	10,348,092	-	-	10,348,092	-
Total Cash and Cash Equivalents	<u>\$ 17,648,538</u>	<u>\$ 2,082,838</u>	<u>\$ 1,951,147</u>	<u>\$ 21,682,523</u>	<u>\$ 2,006,089</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, 2017

	Enterprise Funds				(Governmental Activities)
	Water- Sewer	Storm Water	Solid Waste Fund	Total	Internal Service - Equipment Rental
Reconciliation of Operating Income (Loss) to Net Cash Used by Operating Activities:					
Net Operating Income (Loss)	\$ 1,954,448	\$ (777,713)	\$ 303,973	\$ 1,480,708	\$ (373,090)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided by Operations:					
Depreciation Expense	3,521,386	554,131	-	4,075,517	717,305
(Increase) Decrease in Receivables	(762,757)	(10,746)	(19,778)	(793,281)	-
Increase (Decrease) in Current Payables	(267,178)	22,069	3,702	(241,407)	94,756
Increase (Decrease) in Accrued Employee Benefits	147,481	(4,185)	75,410	218,706	4,867
Increase (Decrease) in Pension Related items	(20,441)	104,404	31,678	115,641	227,668
Receipt of Non-Operating Revenues	239,514	38	2,757	242,309	3,897
Change in Accounting Principles	(154,994)	-	(60,275)	(215,269)	-
Total Adjustments	<u>2,703,011</u>	<u>665,711</u>	<u>33,494</u>	<u>3,402,216</u>	<u>1,048,493</u>
Net Cash Provided by Operating Activities	<u>\$ 4,657,459</u>	<u>\$ (112,002)</u>	<u>\$ 337,467</u>	<u>\$ 4,882,924</u>	<u>\$ 675,403</u>
Noncash Investing, Financing and Capital Activities					
Capital Assets Donated	\$ 2,891,058	\$ 9,062	\$ -	\$ 2,900,120	\$ -
Capital Assets Built for Future Impact Credits	-	-	-	-	-
Debt forgiven by Commerce	145,421	-	-	145,421	-
Loal Fee Charged by Commerce	-	-	-	-	-
Net Change in Fair Value of Investments	199,201	-	-	199,201	-

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

CITY OF CAMAS, WASHINGTON  
Statement of Fiduciary Net Position  
December 31, 2017

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	Firemens Pension	Retiree Medical Fund	LEOFF 1 Disability Fund	Agency Fund - Library	Total
Assets:					
Cash, Cash Equivalents, and Pooled Investments	\$ -	\$ -	\$ -	\$ 106,262	\$ 106,262
Assets held in trust for pension benefits	2,230,439	-	-	-	2,230,439
Assets held in trust for OPEB benefits	-	3,275	21,694	-	24,969
<b>Total Assets</b>	<b>2,230,439</b>	<b>3,275</b>	<b>21,694</b>	<b>106,262</b>	<b>2,361,670</b>
Liabilities:					
Vouchers and Accrued Employee Payables	-	-	21,694	-	21,694
Deposits payable	-	-	-	106,262	106,262
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>21,694</b>	<b>106,262</b>	<b>127,956</b>
Fiduciary Net Position					
Restricted for Pensions/OPEB	2,230,439	3,275	-	-	2,233,714
Restricted for Fiduciary Funds	2,230,439	3,275	-	-	2,233,714

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, 2017

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	Firemens Pension	Retiree Medical Fund	LEOFF 1 Disability Fund	Total
Additions:				
Employer Contributions:				
For Postemployment Healthcare Benefits	\$ -	\$ 143,768	\$ 219,164	\$ 362,932
Total Contributions	<u>-</u>	<u>143,768</u>	<u>219,164</u>	<u>362,932</u>
Investment Income:				
Interest Earnings	19,931	-	-	19,931
Net Investment Income	<u>19,931</u>	<u>-</u>	<u>-</u>	<u>19,931</u>
Total Additions	<u>19,931</u>	<u>143,768</u>	<u>219,164</u>	<u>382,863</u>
Deductions:				
OPEB Benefits	266,884	140,493	219,164	626,541
Total Deductions	<u>266,884</u>	<u>140,493</u>	<u>219,164</u>	<u>626,541</u>
Net Increase in Fiduciary Net Position	( 246,953)	3,275	-	( 243,678)
Total Net Position - beginning	<u>2,477,392</u>	<u>-</u>	<u>-</u>	<u>2,477,392</u>
Total Net Position - ending	<u>\$ 2,230,439</u>	<u>\$ 3,275</u>	<u>\$ -</u>	<u>\$ 2,233,714</u>

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

**City of Camas**  
**Notes to the Financial Statements**  
**December 31, 2017**

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

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

**A. REPORTING ENTITY**

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

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

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

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

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

incurred \$2,344,017 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 *Real Estate Excise Tax Fund* is a capital projects fund which accounts for design, construction and extension of governmental capital facilities. Dedicated taxes 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 *Solid Waste Fund* accounts for the activities of the City's garbage and recycling collection and disposal fees. Revenues are received from charges for garbage and recycling services. Expenses are for the efforts to collect the garbage, the charges from Waste Connections to collect and dispose of recycling and the disposal charges for garbage.

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.

*Firemen's Pension Fund*, accumulates resources for pension benefit payments to qualified firefighter retirees.

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

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

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

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

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

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

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

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water-Sewer, Solid Waste and Storm Water 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:

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

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

#### 5. Compensated Absences

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

#### 6. Long-Term Obligations

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

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

#### 7. Unearned Revenue

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

#### 8. Restricted Net Position

The government-wide statement of net position reports \$18,821,976 of restricted net position, of which \$11,970,904 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	\$ 4,617,613
Less: Internal receivable representing cost to business-type activities in excess of charges - prior years	(1,374,714)
Add: Internal payable representing charges in excess of cost to business-type activities - current year	<u>174,822</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 3,417,721</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	\$ 6,046,372
Deferred outflows related to pensions	935,861
Deferred inflows related to pensions	<u>(1,720,018)</u>
Net adjustment to increase <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 5,262,215</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	\$ 7,850,217
Plus issuance premiums	786,430
Accrued Interest Payable	42,905
Due to other governments	4,629,275
Plus issuance premiums	138,348
Net Pension Liability	3,309,164
Net OPEB Obligation	6,604,660
Impact Fee Credits	425,979
Compensated Absences	<u>1,518,784</u>
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net position - governmental activities</i>	<u>\$ 25,305,762</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	\$ 2,413,947
Depreciation expense	<u>(5,546,597)</u>
Net adjustment 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>\$ (3,132,650)</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	\$ 4,155,148
Net book value of assets retired	<u>(2,020,563)</u>
Net adjustment to increase net changes in <i>fund balances- total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 2,134,585</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	\$ 222,887
Court receipts	(13,943)
EMS receipts	36,635
State contribution towards LEOFF plan	253,913
Grant revenues recognized	31,898
Property taxes	<u>(99,335)</u>
Net adjustments to increase net <i>changes in fund balances total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 432,055</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	\$ 1,343,739
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>\$ 1,343,739</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	\$ (7,949)
Accrued Interest	3,610
Net Pension Adjustment	1,179,441
Net OPEB Obligation	(40,965)
Amortization of premium on issuance of debt	<u>61,497</u>
Net adjustment to decrease <i>net changes in fund balances -total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 1,195,634</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	\$ (51,207)
Less: Profit from charges to business-type activities	<u>174,822</u>
Net adjustment to decrease <i>net changes in fund balances- total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	<u>\$ 123,615</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:

Cash and Investments by Type	
Checking Accounts	\$ 672,575
Petty Cash	\$ 5,220
Washington State Local Govt. Investment Pool	\$ 2,617,687
Clark County Investment Pool	\$ 5,036,733
Fair Value of Securities Held in Safekeeping	\$ 38,080,424
<b>Grand Total Cash and Investments by Type</b>	<b>\$ 46,412,639</b>

Cash, Cash Equivalents and Pooled Investments	\$ 26,351,965
Restricted - Cash, CE and Pooled Inv	\$ 11,223,944
Investments	\$ 6,475,060
Fiduciary Funds	\$ 2,361,670
<b>Grand Total Cash and Investments on Statements</b>	<b>\$ 46,412,639</b>

	Cash & Equivalents, Pooled Investments	Restricted Cash	Restricted Investments
<b>Governmental Funds</b>			
General Fund	\$ 4,200,238		
Camas-Washougal Fire & EMS	\$ 1,245,135		
Real Estate Excise Tax Fund	\$ 4,649,924		
Other Governmental Funds	\$ 2,916,147	\$ 875,852	
<b>Proprietary Funds</b>			
Water-Sewer	\$ 7,300,446	\$ 10,348,092	\$ 6,475,060
Storm Water	\$ 2,082,838		
Solid Waste	\$ 1,951,147		
Internal Service	\$ 2,006,089		
<b>Fiduciary Funds</b>			
Firemen's Pension Fund	\$ 2,230,439		
Agency Fund	\$ 131,231		
	<b>\$ 28,713,634</b>	<b>\$ 11,223,944</b>	<b>\$ 6,475,060</b>
<b>Grand Total Cash and Investments by Statements</b>			<b>\$ 46,412,638</b>

Deposits:

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

Investments:

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

*Investments in Local Government Investment Pool (LGIP)*

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

Investments in the LGIP, a qualified external investment pool are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification, and liquidity requirements set forth by the GASBS 79 for external investment pools that elect to measure, for financial reporting purposes, investments are



amortized at costs. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

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

*Investments in Clark County Pool*

The City is a participant in the Clark County Investment Pool, an external investment pool. The City reports its investment in the Pool at the fair value amount, which is the same as the value of the Pool per share. The responsibility for managing the pool resides with the County Treasurer. The Pool is established from the RCW 36.29 which authorizes the County Treasurer to invest the funds of participants. The Clark County Investment Pool's policy is established by the Clark County Finance Committee consisting of the County Treasurer and the County Auditor. The Clark County Investment Pool does not have a credit rating and had a weighted average maturity of 37 days as of December 31, 2017.

*Investments Measured at Amortized Cost*

As of December 31, 2017, the City had the following investments at amortized cost.

Investment	Maturities	City's own investments	Investment held by City as an agent for other local governments, individuals or private organizations	Total
State Investment Pool	N/A	\$ 2,617,687	\$ -	\$ 2,617,687
Total		\$ 2,617,687	\$ -	\$ 2,617,687

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, 2017, 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)
<b>Debt Securities</b>				
Federal Farm Credit Bank	\$ 20,217,848	\$ 20,217,848	\$ -	\$ -
Federal Natl. Mortgage Assoc.	3,958,101	3,958,101	-	-
Federal Agricultural Mortgage Corp	978,023	978,023	-	-
Federal Home Loan Corp	5,440,873	5,440,873	-	-
Federal Home Loan Bank	1,971,690	1,971,690	-	-
US Treasury Strips	5,513,890	5,513,890	-	-
<b>Total Debt Securities</b>	<b>38,080,425</b>	<b>38,080,425</b>	<b>-</b>	<b>-</b>
Clark County Investment Pool	5,036,733	5,036,733	-	-
<b>Total Investments by Fair Value Level</b>	<b>\$ 43,117,158</b>	<b>\$ 43,117,158</b>	<b>\$ -</b>	<b>\$ -</b>

The investments above include investments pooled for the benefit of specific funds, all of which are presented at fair value. The Capital project bond funds at December 31, 2017 held \$875,851 in the CCIP. The City of Camas Water/Sewer Bond Reserve held \$134,385 and \$1,469,207 in CCIP and US debt securities, respectively. Likewise, the Water Sewer Revenue Bond Fund held \$3,887,300 in the CCIP and \$4,996,376 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 1.78 years with a duration to call of 640 days. Investment maturities at December 31, 2017 is as follows:

Investment Type	Weighted Average (Years)
Federal Farm Credit Bank	2.70
Federal Agricultural Mortgage Corp	3.95
Fannie Mae	1.27
Federal Home Loan Corp	1.34
Federal Home Loan Bank	3.76
	<u>2.13</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, 2017 are:

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

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

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

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

<b>Investment Type</b>	<b>12/31/2017</b>	
	<b>Fair Value</b>	<b>Percentage of Portfolio</b>
Federal Farm Credit	\$ 20,217,848	53%
Federal Home Loan Corp	5,440,873	14%
Federal Natl Mortgage Assn.	3,958,101	10%
Federal Agricultural Mortgage Corp	978,023	3%
Federal Home Loan Bank	1,971,690	5%
US Treasury Strip	5,513,890	14%
Total City investments	<u>\$ 38,080,425</u>	<u>100%</u>

The Federal Farm Credit bank exceeds the city policy federal agency maximum by 19%.

**B. RECEIVABLES**

Receivables as of December 31, 2017 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	\$ 903,620	\$ 26,186	\$ 188,599	\$ 8,551	\$ 1,126,956
Camas/Wash. Fire-EMS	17,764	533,984	-	-	551,748
Real Estate Excise Tax	-	-	-	-	-
Other Govt. Funds	9,948	27,605	42,294	-	79,847
Water-Sewer	-	2,467,888	-	-	2,467,888
Storm Water	-	253,725	85,795	-	339,520
Solid Waste	-	460,608	-	-	460,608
Internal Service	-	3,905	-	-	3,905
Net Receivables	<u>\$ 931,332</u>	<u>\$ 3,773,901</u>	<u>\$ 316,688</u>	<u>\$ 8,551</u>	<u>\$ 5,030,472</u>

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

	Unavailable
Property taxes receivable (general fund)	\$ 120,758
Property taxes receivable (debt service fund)	6,119
Court fines receivable (general fund)	175,477
Grants receivable	45,073
Accounts receivable (fire EMS fund)	356,516
Total deferred/unavailable revenue for governmental funds	<u>\$ 703,943</u>

**C. CAPITAL ASSETS**

A summary of capital asset activity for the year ended December 31, 2017 was as follows:

	Balance 12/31/16	Prior period adjustments	Beginning Balance 01/01/16	Increases	Decreases	Ending Balance 12/31/17
<b>Governmental activities:</b>						
Capital assets, not being depreciated						
Land	\$ 19,525,377	\$ 203,591	\$ 19,728,968	\$ -	\$ 1,346,268	\$ 18,382,700
Intangibles	47,038,283	(3,172,497)	43,865,786	2,122,134	-	45,987,920
Construction in progress	1,051,715	(46,914)	1,004,801	1,975,697	862,334	2,118,164
Total capital assets, not being depreciated	<u>67,615,375</u>	<u>(3,015,820)</u>	<u>64,599,555</u>	<u>4,097,831</u>	<u>2,208,602</u>	<u>66,488,784</u>
Capital assets, being depreciated/depleted						
Buildings	18,394,809	-	18,394,809	414,279	369,848	18,439,240
Improvements other than buildings	10,536,373	-	10,536,373	-	102,443	10,433,930
Machinery and equipment	12,954,058	-	12,954,058	474,442	1,122,372	12,306,128
Intangibles	106,244	-	106,244	9,474	77,251	38,467
Infrastructure	107,218,537	874,079	108,092,616	2,765,884	899,609	109,958,891
Total capital assets being depreciated	<u>149,210,021</u>	<u>874,079</u>	<u>150,084,100</u>	<u>3,664,079</u>	<u>2,571,523</u>	<u>151,176,656</u>
Less accumulated depreciation for:						
Buildings	6,258,886	-	6,258,886	435,190	146,518	6,547,558
Improvements other than buildings	5,914,353	-	5,914,353	550,034	51,453	6,412,934
Machinery and equipment	6,619,281	(278,280)	6,341,001	1,177,447	1,067,046	6,451,402
Intangibles	90,113	-	90,113	4,346	70,267	24,192
Infrastructure	60,825,488	282,790	61,108,278	4,096,885	514,760	64,690,403
Total accumulated depreciation	<u>79,708,121</u>	<u>4,510</u>	<u>79,712,631</u>	<u>6,263,902</u>	<u>1,850,044</u>	<u>84,126,489</u>
Total capital assets, being depreciated, net	69,501,900	869,569	70,371,469	(2,599,823)	721,479	67,050,167
<b>Governmental activities capital assets, net</b>	<u>\$ 137,117,275</u>	<u>\$ (2,146,251)</u>	<u>\$ 134,971,024</u>	<u>\$ 1,498,008</u>	<u>\$ 2,930,081</u>	<u>\$ 133,538,951</u>

	Beginning Balance 01/01/17	Increases	Decreases	Ending Balance 12/31/17
<b>Business-type activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 1,015,178	\$ 1,011,021	\$ 131,014	\$ 1,895,185
Intangible	499,580	-	-	499,580
Construction in progress	4,239,748	10,794,197	2,117,811	12,916,134
Total capital assets, not being depreciated:	<u>5,754,506</u>	<u>11,805,218</u>	<u>2,248,825</u>	<u>15,310,899</u>
Capital assets, being depreciated:				
Buildings and system	29,033,372	306,214	-	29,339,586
Intangibles	14,062	-	-	14,062
Improvements other than buildings	27,886,944	-	59,416	27,827,528
Machinery and equipment	29,208,320	-	226,647	28,981,673
Infrastructure	66,966,522	6,340,362	127,985	73,178,899
Total capital assets, being depreciated	<u>153,109,220</u>	<u>6,646,576</u>	<u>414,048</u>	<u>159,341,748</u>
Less accumulated depreciation for:				
Buildings and system	7,594,788	830,312	-	8,425,100
Intangibles	12,890	1,172	-	14,062
Improvements other than buildings	8,326,948	880,362	28,709	9,178,601
Machinery and equipment	10,209,370	992,619	48,417	11,153,572
Infrastructure	17,449,084	1,371,052	-	18,820,136
Total accumulated depreciation	<u>43,593,080</u>	<u>4,075,517</u>	<u>77,126</u>	<u>47,591,471</u>
Total capital assets, being depreciated, net	109,516,140	2,571,059	336,922	111,750,277
<b>Business-type activities capital assets, net</b>	<u>\$ 115,270,646</u>	<u>\$ 14,376,277</u>	<u>\$ 2,585,747</u>	<u>\$ 127,061,176</u>

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

**Governmental Activities**

General government	\$ 51,616
Public safety	454,456
Transportation, including depreciation of general infrastructure assets	4,266,567
Physical environment	4,922
Culture and recreation	769,035
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	717,306
Total depreciation expense—governmental activities	<u>\$ 6,263,902</u>

**Business-type activities**

Water-Sewer	\$ 3,521,386
Storm Water	554,131
Total depreciation expense – business-type activities	<u>\$ 4,075,517</u>

**Significant Commitments**

The City has remaining construction projects as of December 31, 2017. 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	\$ 2,396,293	\$ 29,124
NW Brady Road Street Improvements	\$ 583,274	\$ 233,516
NW 6th and Norwood Improvements	\$ 2,170,900	\$ 57,346
Larkspur Street Construction	\$ 265,377	\$ 210,151
Dallas Street Improvements	\$ 7,827	\$ 14,722

Business Activity Construction Projects:

Project	Projects to Date	Remaining Commitment
544 Pressure Zone Project – Water Treatment Facility	\$ 11,475,343	\$ 1,184
North Shore Sewer Transmission Main	\$ 8,501,550	\$ 4,168,315
Well 17	\$ 64,760	\$ 91,961
Mill ditch Sewer Line Replacement	\$ 204,426	\$ 249,975
Reservoir	\$ 26,654	\$ 166,801

**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	Real Estate Excise Tax	Non Major Governmental	Water/Sewer	Storm Water	Internal Service	Total
General Fund	\$ 3,397,757	\$ 38,599	\$ 2,437,128	\$ 66,962	\$ 56,671	\$ -	\$ 5,997,117
C/W Fire and EMS	-	-	55,216	-	-	-	55,216
Real Estate Excise Tax	-	-	1,443,916	-	-	-	1,443,916
Nonmajor Govt.	-	-	1,603,027	-	-	32,414	1,635,441
Water Sewer	-	85,897	-	-	-	53,275	139,172
Storm Water Drainage	-	-	-	-	-	208,451	208,451
Total	<u>\$ 3,397,757</u>	<u>\$ 124,496</u>	<u>\$ 5,539,287</u>	<u>\$ 66,962</u>	<u>\$ 56,671</u>	<u>\$ 294,140</u>	<u>\$ 9,479,313</u>

Governmental activities transfers not presented in the table are \$124,498 in capital assets from the Streets fund to the Water Sewer fund, and \$9,060 transfer of right-of-way property from the Storm Water fund to governmental activities.

The Real Estate Excise Tax fund transferred \$800,144 to Non-Major funds for debt payment. The General Fund transfers to Non-major Governmental funds are for recurring support of street and debt payments.

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

**E. RESTRICTED COMPONENT OF NET POSITION**

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

	Amount
Revenue bond debt service account - Water-Sewer	\$ 1,603,591
Capital Reserve Account - Water-Sewer	5,100,355
	<u>6,703,946</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 \$8,560,000 in general obligation bonds outstanding on December 31, 2017.

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

General obligation bonds currently outstanding are as follows:

Name & Amount of Issuance	Governmental Purpose	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2005 Unlimited GO (\$5,432,000)	Refunding	10/11/2005	12/1/2020	3.70%	\$ 1,740,000
2015 Limited GO (\$7,325,000)	Capital	3/18/2015	12/1/2035	2.0% to 5.0%	6,820,000
Total General Obligation Bonds					<u>\$ 8,560,000</u>

\$46,589 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
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	289,222	1,143,074	29,148	31,014	60,162
2021	259,811	256,877	516,688	30,189	29,848	60,037
2022	268,770	246,484	515,254	31,230	28,641	59,871
2023-2027	1,518,551	1,061,530	2,580,081	176,450	123,345	299,795
2028-2032	1,930,665	650,647	2,581,312	224,336	75,603	299,939
2033-2035	1,406,741	142,896	1,549,637	163,256	16,604	179,860
	<u>\$ 7,850,217</u>	<u>\$ 3,309,292</u>	<u>\$ 11,159,509</u>	<u>\$ 709,782</u>	<u>\$ 369,581</u>	<u>\$ 1,079,363</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
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>\$ 1,740,000</u>	<u>\$ 128,623</u>	<u>\$ 1,868,623</u>

**2015 Limited Tax GO Bonds**

	Coupon Rates	Principal	Interest	Total Requirements
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	4.00	300,000	275,125	575,125
2023-2027	4.0%-5.0%	1,695,000	1,184,875	2,879,875
2028-2032	5.00	2,155,000	726,250	2,881,250
2033-2035	5.00	1,570,000	159,500	1,729,500
		<u>\$ 6,820,000</u>	<u>\$ 3,550,250</u>	<u>\$ 10,370,250</u>

Government Loans

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

Name & Amount of Issuance	Purpose	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
<u>Governmental Activities</u>					
2001 PWTF (\$613,731)	Capital	3/26/2001	7/1/2022	0.50%	\$ 133,004
2003 PWTF (\$2,350,000)	Capital	5/21/2004	7/1/2023	0.50%	863,925
2012 PWTF (\$2,600,000)	Capital	12/13/2011	6/1/2031	0.50%	1,937,679
2013 State LOCAL (\$1,715,000)	Capital	8/22/2013	6/1/2028	3.52%	1,365,000
2013 State LOCAL (\$259,767)	Capital	8/22/2013	6/1/2021	2.61%	219,940
2013 PWTF (\$300,000)	Capital	6/3/2013	6/1/2018	1.00%	52,145
2013 State LOCAL (\$159,985)	Capital	8/22/2013	6/1/2019	1.62%	57,582
Governmental Total					<u>4,629,275</u>
<u>Business-type Activities</u>					
1999 PWTF (\$3,195,000)	Water-Sewer	5/5/1999	7/1/2019	1.00%	338,184
1998 Department of Ecology (EPA) (\$8,826,516)	Water-Sewer	1998	9/15/2020	4.10%	1,834,894
2007 PWTF (\$1,000,000)	Water-Sewer	8/6/2007	7/1/2027	0.50%	451,390
2008 PWTF (\$10,000,000)	Water-Sewer	3/7/2008	7/1/2028	0.50%	6,107,895
2009 ARRA (\$1,313,000)	Water-Sewer	4/27/2009	10/1/2032	1.00%	431,443
2011 DOE (\$5,168,026)	Water-Sewer	1/10/2011	6/30/2032	2.80%	4,141,129
2012 PWTF (\$3,740,000)	Water-Sewer	8/9/2012	6/1/2032	0.50%	2,838,917
2012 PWTF (\$10,513,790)	Water-Sewer	4/9/2013	10/1/2036	1.00%	6,746,520
2012 PWTF (\$2,600,000)	Storm Water	12/13/2011	6/1/2031	0.50%	49,616
2012 PWTF (\$2,040,000)	Water-Sewer	8/9/2013	6/1/2032	0.50%	72,885
2013 PWTF (\$300,000)	Storm Water	6/3/2013	6/1/2018	1.00%	22,855
2015 Steigerwald (\$384,549)	Water-Sewer	9/8/2015	7/1/2025	3.75%	325,966
2016 DWSRF Sands (\$2,600,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	1,165,695
2016 DWSRF - (\$6,000,000)	Water-Sewer	12/1/2015	7/1/2036	1.00%	1,920,487
Business-type Total					<u>26,447,876</u>
Total Government Loans					\$ <u><u>31,077,151</u></u>

Government loan debt service requirements to maturity are as follows:

Governmental activities			
	Principal	Interest	Total Requirements
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	436,762	53,239	490,001
2023-2027	1,562,404	139,100	1,701,504
2028-2032	708,622	10,020	718,642
	<u>\$ 4,629,275</u>	<u>\$ 506,573</u>	<u>\$ 5,135,848</u>

Business Type Activities			
	Principal	Interest	Total Requirements
2018	2,392,408	361,280	2,753,688
2019	2,402,656	316,767	2,719,423
2020	2,268,003	271,133	2,539,136
2021	1,640,851	232,520	1,873,371
2022	1,650,674	213,191	1,863,865
2023-2027	8,303,423	767,521	9,070,944
2028-2032	5,719,817	317,667	6,037,484
2033-2037	2,070,044	56,807	2,126,851
	<u>\$ 26,447,876</u>	<u>\$ 2,536,886</u>	<u>\$ 28,984,762</u>

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

2001 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2018	\$ 33,251	\$ 665	\$ 33,916
2019	33,251	499	33,750
2020	33,251	333	33,584
2021	33,251	166	33,417
	<u>\$ 133,004</u>	<u>\$ 1,663</u>	<u>\$ 134,667</u>

2003 Public Works Trust Fund Loan-SE 1st Ave			
	Principal	Interest	Total Requirements
2018	\$ 143,988	\$ 4,320	\$ 148,308
2019	143,988	3,600	147,588
2021	143,987	2,880	146,867
2022	143,987	2,160	146,147
2023	143,987	1,440	145,427
2022-2023	143,988	720	144,708
	<u>\$ 863,925</u>	<u>\$ 15,120</u>	<u>\$ 879,045</u>

2012 Public Works Trust Fund Loan-38th St

	Governmental Activities			Business Type Activities (Storm)		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
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	138,406	6,920	145,326	3,544	177	3,721
2023-2027	692,030	24,220	716,250	17,720	621	18,341
2028-2032	553,619	6,922	560,541	14,176	177	14,353
	<u>\$ 1,937,679</u>	<u>\$ 72,662</u>	<u>\$ 2,010,341</u>	<u>\$ 49,616</u>	<u>\$ 1,862</u>	<u>\$ 51,478</u>

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

	Principal	Interest	Total Requirements
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	115,000	41,825	156,825
2023-2027	685,000	113,125	798,125
2028	155,000	3,100	158,100
	<u>\$ 1,365,000</u>	<u>\$ 379,100</u>	<u>\$ 1,744,100</u>

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

	Principal	Interest	Total Requirements
2018	\$ 28,071	\$ 2,177	\$ 30,248
2019	29,511	738	30,249
	<u>\$ 57,582</u>	<u>\$ 2,915</u>	<u>\$ 60,497</u>

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

	Principal	Interest	Total Requirements
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	39,368	3,054	42,422
2023	41,388	1,035	42,423
	<u>\$ 219,940</u>	<u>\$ 34,593</u>	<u>\$ 254,533</u>

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

	Governmental Activities			Business Type Activities		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2018	\$ 52,145	\$ 521	\$ 52,666	\$ 22,855	\$ 229	\$ 23,084
	<u>\$ 52,145</u>	<u>\$ 521</u>	<u>\$ 52,666</u>	<u>\$ 22,855</u>	<u>\$ 229</u>	<u>\$ 23,084</u>

1999 Public Works Trust Fund Loan-WWTP Upgrade

	Principal	Interest	Total Requirements
2018	\$ 169,092	\$ 3,382	\$ 172,474
2019	169,092	1,691	170,783
	<u>\$ 338,184</u>	<u>\$ 5,073</u>	<u>\$ 343,257</u>

1998 Department of Ecology (EPA) Loan-STP

	Principal	Interest	Total Requirements
2018	\$ 586,983	\$ 69,275	\$ 656,258
2019	611,296	44,962	656,258
2020	636,615	19,642	656,257
	<u>\$ 1,834,894</u>	<u>\$ 133,879</u>	<u>\$ 1,968,773</u>

2007 Public Work Trust Fund Loan-WWTP Design

	Principal	Interest	Total Requirements
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	45,139	1,354	46,493
2023-2027	225,695	3,385	229,080
	<u>\$ 451,390</u>	<u>\$ 12,413</u>	<u>\$ 463,803</u>

2008 Public Work Trust Fund Loan-WWTP Construction

	Principal	Interest	Total Requirements
2018	\$ 555,263	\$ 30,539	\$ 585,802
2019	555,263	27,763	583,026
2020	555,263	24,987	580,250
2021	555,263	22,211	577,474
2022	555,263	19,434	574,697
2023-2027	2,776,316	55,526	2,831,842
2028	555,263	2,777	558,040
	<u>\$ 6,107,894</u>	<u>\$ 183,237</u>	<u>\$ 6,291,131</u>

2009 ARRA Loan-Well #14

	Principal	Interest	Total Requirements
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	30,817	3,082	33,899
2023-2027	154,088	10,786	164,874
2028-2031	123,270	3,082	126,352
	<u>\$ 431,443</u>	<u>\$ 32,358</u>	<u>\$ 463,801</u>

2011 Department of Ecology Loan

	Principal	Interest	Total Requirements
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	262,658	87,189	349,847
2023-2027	1,429,352	319,883	1,749,235
2028-2032	1,468,956	105,356	1,574,312
	<u>\$ 4,141,129</u>	<u>\$ 931,653</u>	<u>\$ 5,072,782</u>

2012 Public Works Trust Fund -- Surface Water Supply

	Principal	Interest	Total Requirements
2018	\$ 355,080	\$ 67,465	\$ 422,545
2019	355,080	63,914	418,994
2020	355,080	60,364	415,444
2021	355,080	56,813	411,893
2022	355,080	53,262	408,342
2023-2027	1,775,400	213,048	1,988,448
2028-2032	1,775,400	124,278	1,899,678
2033-2036	1,420,320	35,508	1,455,828
	<u>\$ 6,746,520</u>	<u>\$ 674,652</u>	<u>\$ 7,421,172</u>

2012 Public Works Trust Fund--Sewer Main

	Principal	Interest	Total Requirements
2018	\$ 189,261	\$ 7,097	\$ 196,358
2019	189,261	6,624	195,885
2020	189,261	6,151	195,412
2021	189,261	5,678	194,939
2022	189,261	5,205	194,466
2023-2027	946,305	18,923	965,228
2028-2032	946,305	7,099	953,404
	<u>\$ 2,838,915</u>	<u>\$ 56,777</u>	<u>\$ 2,895,692</u>

2012 Public Works Trust Fund--Gregg Reservoir

	Principal	Interest	Total Requirements
2018	\$ 4,859	\$ 348	\$ 5,207
2019	4,859	340	5,199
2020	4,859	316	5,175
2021	4,859	291	5,150
2022	4,859	267	5,126
2023-2027	24,295	972	25,267
2028-2032	24,295	364	24,659
	\$ <u>72,885</u>	\$ <u>2,898</u>	\$ <u>75,783</u>

2015 Steigerwald Contract --Washougal

	Principal	Interest	Total Requirements
2018	\$ 32,225	\$ 20,672	\$ 52,897
2019	34,354	18,544	52,898
2020	36,623	16,274	52,897
2021	39,042	13,855	52,897
2022	41,621	11,276	52,897
2023-2025	142,099	16,595	158,694
	<u>325,964</u>	<u>\$ 97,216</u>	<u>\$ 423,180</u>

2016 DWSRF - Slow Sands

	Principal	Interest	Total Requirements
2018	\$ 61,352	\$ 11,657	\$ 73,009
2019	61,352	11,043	72,395
2020	61,352	10,430	71,782
2021	61,352	9,816	71,168
2022	61,352	9,203	70,555
2023-2027	306,760	36,811	343,571
2028-2032	306,760	21,473	328,233
2033-2036	245,408	6,135	251,543
	<u>1,165,688</u>	<u>\$ 116,568</u>	<u>\$ 1,282,256</u>



2016 DWSRF - Water Transmission

	Principal	Interest	Total Requirements
2018	\$ 101,078	\$ 28,807	\$ 129,885
2019	101,078	27,291	128,369
2020	101,078	25,775	126,853
2021	101,078	24,259	125,337
2022	101,078	22,742	123,820
2023-2027	505,390	90,969	596,359
2028-2032	505,390	53,065	558,455
2033-2036	404,312	15,164	419,476
	<u>\$ 1,920,482</u>	<u>\$ 288,072</u>	<u>\$ 2,208,554</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
2015 Water Sewer Refunding (\$19,145,000)	9/10/2015	12/1/2035	2.0% to 5.0%	18,240,000
<i>Total Revenue Bonds</i>				<u>\$ 18,240,000</u>

Revenue Bonds

	Principal	Interest	Total Requirements
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	790,000	739,625	1,529,625
2023-2027	4,555,000	3,106,625	7,661,625
2028-2032	5,750,000	1,911,050	7,661,050
2033-2035	4,175,000	424,250	4,599,250
	<u>\$ 18,240,000</u>	<u>\$ 9,343,300</u>	<u>\$ 27,583,300</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 \$1,603,591. Annual debt service requirements to maturity for each of the individual revenue bonds are as follows:

2015 Water-Sewer Bond/Refunding Bond				
	Coupon			Total
	Rates	Principal	Interest	Requirements
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	3.00	790,000	739,625	1,529,625
2023-2027	3.0 to 5.0	4,555,000	3,106,675	7,661,675
2028-2032	4.0 to 5.0	5,750,000	1,911,050	7,661,050
2033-2035	3.15-3.27	4,175,000	424,250	4,599,250
		<u>\$ 18,240,000</u>	<u>\$ 9,343,350</u>	<u>\$ 27,583,350</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, 2017 was 3.11.

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 \$163,734 began in October 2016. The City, as the beneficiary, holds an irrevocable Standby Letter of Credit that authorizes the City to make draws against the developer's credit in the event the developer does not make payment. The Letter of Credit expires December 1, 2030.

#### ARBITRAGE

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

#### PRIOR YEAR DEFEASANCE OF DEBT

In prior years, the City defeased certain water and sewer revenue bonds by placing the proceeds of the new bonds and/or cash in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the City's financial statements. At December 31, 2017, \$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, 2017, the recorded liability on the government-wide statements for vacation and sick leave is \$1,685,992, with \$1,538,130 recorded in governmental activities and \$147,860 in business-type activities. City employees receive vacation and sick leave time at monthly rates established by city ordinance or union agreement. Vacation is accrued monthly by employees at annual rates ranging from 8 to 30 days depending upon tenure and union agreements with a maximum accrual limit of 50 days. Sick leave accruals vary, depending upon union agreement, between 8 and 18 hours per month. Vacation pay is paid upon termination or retirement, and 25% of sick pay is paid upon retirement.

## CHANGES IN LONG-TERM LIABILITIES

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

	Beginning			Ending		Due Within
	Balance	Additions	Reductions	Balance	One Year	
<b>Governmental activities</b>						
Bonds payable:						
General obligation bonds	\$ 8,620,672	\$ -	\$ 770,455	\$ 7,850,217	\$ 790,934	
Less deferred amounts						
For issuance premiums (discounts)*	830,627	-	44,197	786,430	44,192	
Total bonds payable	9,451,299	-	814,652	8,636,647	835,126	
Government loans	5,202,560	-	573,285	4,629,275	523,092	
Less deferred amounts						
For Issuance premiums (discounts)	155,648	-	17,300	138,348	17,295	
Total government loans	5,358,208	-	590,585	4,767,623	540,387	
OPEB obligation	6,606,137	47,550		6,653,687	-	
Net Pension Liability	5,265,040		1,534,591	3,730,449	-	
Compensated absences	1,531,899	1,330,239	1,324,008	1,538,130	153,810	
Governmental activity long-term liabilities	\$ 28,212,583	\$ 1,377,789	\$ 4,263,836	\$ 25,326,536	\$ 1,529,323	
<b>Business-type activities</b>						
General obligation bonds	\$ 736,328	\$ -	\$ 26,546	\$ 709,782	\$ 27,066	
Less deferred amounts						
For issuance premiums (discounts)*	86,137	-	4,553	81,584	4,553	
Total GO bonds payable	822,465	-	31,099	791,366	31,619	
Revenue bonds	18,935,000	-	695,000	18,240,000	720,000	
Less deferred amounts						
For issuance premiums (discounts) on refunding	2,412,142	-	177,309	2,234,833	174,028	
Total revenue bonds payable	21,347,142	-	872,309	20,474,833	894,028	
Government loans	26,111,446	3,220,252	2,883,822	26,447,876	2,392,407	
OPEB obligation	301,396	48,798		350,194	-	
Net Pension Liability	2,033,045	-	274,684	1,758,361		
Compensated absences	193,221	151,772	197,132	147,861	14,787	
Business-type activity long-term liabilities	\$ 50,808,715	\$ 3,420,822	\$ 4,259,046	\$ 49,970,491	\$ 3,332,841	

\* Restated to present the beginning OPEB balance after change in accounting principles

The City of Washougal acquired land from the Port of Camas/Washougal to develop a well field near the 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 (\$52,898 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 \$19,357, net pension liability is \$421,285 and OPEB liability is \$49,027. 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, 2017, the remaining nonvoted and voted remaining capacity was \$51,527,631 and \$102,038,541, respectively.

**G. SHORT-TERM DEBT**

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

The beginning balance of the line of credit was \$3,149,142. During 2017, proceeds of \$185,460 and repayments of \$3,059,227 were made. At December 31, 2017 the balance of the line of credit was \$275,375, including accrued interest of \$1,025.

**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 161 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 \$21 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$25 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

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

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

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

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

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

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

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

## **B. PROPERTY TAXES**

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

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

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

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

The City's regular levy for 2017 was \$3.06 per \$1,000 on an assessed valuation of \$3.777 (billion) for a total regular levy of \$11,558,723.

Special levies approved by the voters are not subject to the limitations described above. In 2017, the City levied an additional \$.37 per \$1,000 to provide emergency medical services for a total additional levy of \$1,382,632. Further, in 2016, the City levied an additional \$.17 for payment of library bonds for a total additional levy of \$625,989.

**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 2017:

<b>Aggregate Pension Amounts - All Plans</b>		
Pension liabilities	\$	( 5,488,810 )
Pension assets	\$	6,046,372
Deferred outflows of resources	\$	1,266,167
Deferred inflows of resources	\$	( 2,124,382 )
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](http://www.drs.wa.gov).

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

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

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member’s average final compensation (AFC) times the member’s years of service. The AFC is the average of the member’s 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may

receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2017 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
January – June 2017		
PERS Plan 1	6.23%	6.00%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
<b>Total</b>	<b>11.18%</b>	<b>6.00%</b>
July – December 2017:		
PERS Plan 1	7.49%	6.00%
PERS Plan 1 UAAL	5.03%	
Administrative Fee	0.18%	
<b>Total</b>	<b>12.70%</b>	<b>6.00%</b>

**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 2017 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates</b>	<b>Employer 2/3</b>	<b>Employee 2</b>
January – June 2017:		
PERS Plan 2/3	6.23%	6.12%
PERS Plan 1 UAAL	4.77%	
Administrative Fee	0.18%	
Employee PERS Plan 3		<b>varies</b>
<b>Total</b>	<b>11.18%</b>	<b>6.12%</b>
July – December 2017:		
PERS Plan 2/3	7.49%	7.38%
PERS Plan 1 UAAL	5.03%	
Administrative Fee	0.18%	
Employee PERS Plan 3		varies
<b>Total</b>	<b>12.70%</b>	<b>7.38%</b>

The City’s actual PERS plan contributions were \$371,024 to PERS Plan 1 and \$496,479 to PERS Plan 2/3 for the year ended December 31, 2017.

***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 2017 were as follows:

<b>LEOFF Plan 2</b>		
<b>Actual Contribution Rates</b>	<b>Employer</b>	<b>Employee</b>
January – June 2017:		
State and local governments	5.05%	8.41%
Administrative Fee	0.18%	
<b>Total</b>	<b>5.23%</b>	<b>8.41%</b>
Ports and Universities	8.41%	8.41%
Administrative Fee	0.18%	
<b>Total</b>	<b>8.59%</b>	<b>8.41%</b>
July – December 2017:		
State and local governments	5.25%	8.75%
Administrative Fee	0.18%	
<b>Total</b>	<b>5.43%</b>	<b>8.75%</b>
Ports and Universities	8.75%	8.75%
Administrative Fee	0.18%	
<b>Total</b>	<b>8.93%</b>	<b>8.75%</b>

The City's actual contributions to the plan were \$403,422 for the year ended December 31, 2017.

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, 2017, the state contributed \$62,155,262 to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$253,913.

### **Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2017 with a valuation date of June 30, 2016. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) *2007-2012 Experience Study and the Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2016 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2017. Plan liabilities were rolled forward from June 30, 2016, to June 30, 2017, 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 plans except LEOFF Plan 1, how terminated and vested member benefits are valued was corrected.
- How the basic minimum COLA in PERS Plan 1 is valued for legal order payees was improved.
- For all plans, the average remaining service lives calculation was revised.

### **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. In selecting this assumption, the Office of the State Actuary (OSA) reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered capital market assumptions and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various time horizons.

**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2017, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB’s most recent long-term estimate of broad economic inflation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>% of Long-Term Expected Real Rate of Return Arithmetic</b>
Fixed Income	20%	1.70%
Tangible Assets	5%	4.90%
Real Estate	15%	5.80%
Global Equity	37%	6.30%
Private Equity	23%	9.30%
	<b>100%</b>	

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

The table below presents the City’s proportionate share of the net pension liability calculated using the discount rate of 7.5 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.

	<b>1% Decrease 6.50%</b>	<b>Current Rate 7.50%</b>	<b>1% Increase 8.50%</b>
PERS 1	3,513,681	2,884,343	2,339,202
PERS 2/3	7,016,707	2,604,467	(1,010,709)
LEOFF 1	(304,629)	(410,681)	(501,756)
LEOFF 2	744,070	(3,438,425)	(6,846,148)

**Pension Plan Fiduciary Net Position**

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

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

At June 30, 2017, the City reported a total pension liability of \$5,488,810 for its proportionate share of the net pension liabilities and \$3,849,106 for its share of net pension assets as follows:

Plan	Liability or Asset
PERS 1	2,884,343
PERS 2/3	2,604,467
LEOFF 1	(410,681)
LEOFF 2	(3,438,425)

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	(410,681)	(3,438,425)
LEOFF - State's proportionate share of the net pension asset associated with the employer	(2,777,837)	(2,230,442)
TOTAL	\$ (3,188,518)	\$ (5,668,867)

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

	Proportionate Share 6/30/16	Proportionate Share 6/30/17	Change in Proportion
PERS 1	0.06312%	0.06079%	-0.00233%
PERS 2/3	0.07763%	0.07496%	-0.00267%
LEOFF 1	0.02669%	0.02707%	0.00038%
LEOFF 2	0.25637%	0.24778%	-0.00859%

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 2017, 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 2017, the state of Washington contributed 39.35 percent of LEOFF 2 employer contributions pursuant to [RCW 41.26.725](#) and all other employers contributed the remaining 60.65 percent of employer contributions.

The collective net pension liability (asset) was measured as of June 30, 2017, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2016, with update procedures used to roll forward the total pension liability to the measurement date.

### Pension Expense

For the year ended December 31, 2017, the City recognized pension expense as follows:

	<b>Pension Expense</b>
PERS 1	53,601
PERS 2/3	377,827
LEOFF 1	(69,607)
LEOFF 2	72,967
<b>TOTAL</b>	<b>\$ 434,788</b>

### Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

<b>PERS 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (107,636)
Contributions subsequent to the measurement date	192,026	-
<b>TOTAL</b>	<b>\$ 192,026</b>	<b>\$ (107,636)</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 263,894	\$ (85,656)
Net difference between projected and actual investment earnings on pension plan investments	-	(694,288)
Changes of assumptions	27,664	-
Changes in proportion and differences between contributions and proportionate share of contributions	75,639	(130,651)
Contributions subsequent to the measurement date	272,555	-
<b>TOTAL</b>	<b>\$ 639,752</b>	<b>\$ (910,595)</b>

<b>LEOFF 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ (38,162)
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ (38,162)</b>

<b>LEOFF 2</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 151,125	\$ (130,391)
Net difference between projected and actual investment earnings on pension plan investments	-	(771,951)
Changes of assumptions	4,140	-
Changes in proportion and differences between contributions and proportionate share of contributions	67,832	(165,647)
Contributions subsequent to the measurement date	211,289	-
<b>TOTAL</b>	<b>\$ 434,386</b>	<b>\$ (1,067,989)</b>

<b>TOTAL ALL PLANS</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 415,019	\$ -216,047
Net difference between projected and actual investment earnings on pension plan investments	-	(1,612,037)
Changes of assumptions	31,804	-
Changes in proportion and differences between contributions and proportionate share of contributions	143,471	(296,298)
Contributions subsequent to the measurement date	675,870	-
<b>TOTAL</b>	<b>\$ 1,266,164</b>	<b>\$ (2,124,382)</b>

Deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. 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
2018	(72,755)	(252,948)	(23,950)	(398,414)
2019	22,970	65,160	6,459	36,534
2020	(5,333)	(78,896)	(2,579)	(96,763)
2021	(52,518)	(294,832)	(18,092)	(349,749)
2022	-	7,877	-	(6,518)
Thereafter	-	10,241	-	(29,982)

### **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 and health benefit plan, the Firemen's Pension Fund. The plan is limited to firefighters and beneficiaries employed before March 1, 1970, and as of March 1, 1970, the plan was closed to new entrants. Firefighters hired before March 1, 1970 at retirement receive the greater of the pension benefit provided under this plan or under the LEOFF plan. Any excess benefit over the LEOFF benefit is provided by the city plan. Future benefits paid under this plan are pension difference payments. In addition, healthcare premiums and expenses not covered under the plan or Medicare, including up to \$1,500 dental per year, will be paid for the retiree's life. This Plan is closely tied to the LEOFF plan therefore, the LEOFF board would be considered the Plan's board. Further, the state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems. Any changes to the LEOFF plans, filter over to the City's Firemen Pension Plan.

The plan presently has three inactive individuals retired under the LEOFF plan, but drawing pension difference payments and health benefits from this plan. There are no inactive employees entitled to, but not receiving benefits. Nor are there any active employees eligible to receive benefits. 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, 2017. The actuarial assumptions used in the valuation were based on the results of the Independent Actuaries, Inc. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2007-2012 Experience Study and the Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of December 31, 2017, assuming no actuarial gains or losses. Plan liabilities were rolled forward from January 1, 2016, 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: 2.5%

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.

Changes in assumptions since the prior evaluation were as follows:

- Prior to 2017, only the pension difference payments had been valued. Beginning with the fiscal year ending December 31, 2017, healthcare benefits are being valued as well. The change is treated as a change in plan terms.
- The discount rate was changed from 4.0% to 2.5%.
- The annual increases on the pension differences were adjusted to reflect anticipated experience.
- Annual increases on healthcare and dental expenses were introduced.
- Mortality rates for disabled participants were introduced.

The discount rate used to measure the total pension and healthcare liability was 2.5 percent. The long-term expected rate of return on the Pension fund investments of 2.5% is based on an assumed inflation rate of 2.5%, plus an assumed 0% 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 exceeds 800% of the total pension and healthcare 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 and healthcare liability is calculated using the discount rate of 2.5 percent. The following table presents net pension and healthcare liability if it were calculated using a discount rate that is 1-percentage point lower versus 1-percentage point higher than the current rate:

1% Decrease (1.5%)	Current Discount Rate (2.5%)	1% Increase (3.5%)
\$(612,373)	\$(853,726)	\$(1,061,162)

**Pension Expense**

For the year ended December 31, 2017, the trust fund recognized expense in the amount of \$0.



**Change in Net Pension (Asset)Liability**

	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/2016	\$ 310,078	\$ 2,477,392	\$ (2,167,314)
Changes for the Year			-
Interest	9,791	-	9,791
Changes in benefit terms	1,196,437		1,196,437
Differences between expected and actual experience	(49,677)		(49,677)
Changes of assumptions	40,670		40,670
Net investment income		19,931	(19,931)
Benefit payments	(130,586)	(130,586)	-
Other changes - LEOFF contribution		(136,298)	136,298
Administrative expense	-	-	-
Net Changes	<u>1,066,635</u>	<u>(246,953)</u>	<u>1,313,588</u>
Balances at 12/31/2017	<u>\$ 1,376,713</u>	<u>\$ 2,230,439</u>	<u>\$ (853,726)</u>

The fiduciary net position as a percentage of the total pension liability is 162%. There is no covered payroll.

**Pension Plan Investments**

The Firemen’s Pension Fund assets consists of \$2,230,439 in pooled investments as of December 31, 2017. 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)**

The following table represents the aggregate other post employment benefits other than pension amounts for the City’s Single Employer plan subject to the requirements of the GASB Statement 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions for the year 2017:

Aggregate OPEB Amounts	
OPEB Liabilities	\$ 7,003,881
OPEB expense/expenditures	\$ 266,242

**Plan Description**

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

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

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

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

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

Participant Counts	LEOFF 1	LEOFF II	PERS	Total
Number of Active Participants	0	78	97	175
Number of Inactive Participants	8	8	9	25
Total Number of Participants	8	86	106	200

There are no assets accumulated in a trust that for this plan. This OPEB plan does not issue a stand-alone financial report nor is it included in the report of another entity.

**Contributions**

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

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

During the year ended December 31, 2017, the City paid \$359,659 for OPEB benefits.

**Actuarial Assumptions**

The total OPEB liability (TOL) was determined using the most recent actuarial valuation completed in 2017 with a valuation date of January 1, 2017.

Additional assumptions for subsequent events and law changes are current as of the 2017 actuarial valuation report. The TOL was calculated as of the valuation date and rolled forward to the measurement date of December 31, 2017. Plan liabilities were rolled forward from January 1, 2017, to June 30, 2016, reflecting each plan’s normal cost (using the entry-age normal level percent of salary), assumed interest and actual benefit payments.

- Inflation: 2.0% total economic inflation; 3.0% salary inflation
- Discount Rate: 3.5%
- Investment rate of return: 3.5%

- Annual Premium Increase Rate: 6.5% for 2017, decreasing .01% annually, thereafter. Long-term care costs are assumed to increase at a level 4.0% annually, and dental reimbursements are assumed to increase 5.0% annually.

The discount rate was based on the municipal bond rate . Mortality rates were based on the RP-2000 report's Combined Active/Healthy retired Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime. The actuarial assumptions used for the fiscal year ending December 31, 2017 valuation were based on the results of an actuarial experience study for the period ending January 1, 2017 .

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

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

2017 Claim costs for an age 64 retiree or spouse are assumed to be \$13,136 for Regence plans and \$13,162 for Kaiser Plans. The 2017 claim costs (healthcare reimbursement) for an age 65 LEOFF 1 participant is assumed to be \$1,048 annually. Dental costs are assumed to be \$1,075 per retiree in 2017, these costs are note graded by age. Long-term care costs were developed based on data gathered in a study conducted by the Society of Actuaries. Costs are adjusted by age to reflect variance due to aging, probability of incidence and length of stay.

#### Sensitivity of the Total OPEB Liability

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

	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
Total OPEB Liability	\$ 7,632,081	\$ 7,003,881	\$ 6,439,833
	1% Decrease 5.50% Graded down to 4.00%	Current Trend Rate 6.50% Graded down to 5.00%	1% Increase 7.50% Graded down to 6.00%
Total OPEB Liability	\$ 6,759,603	\$ 7,003,881	\$ 7,320,970
<b>Changes in the Total OPEB Liability</b>			

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

Total OPEB Liability at December 31, 2016	\$	6,907,533
Changes for the Year		
Service Costs		206,979
Interest		239,263
Benefit payments		(349,894)
Net Changes		96,348
Total OPEB Liability at December 31, 2017	\$	7,003,881

**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, 2017, 261 cities/towns/non-city entities participate in the AWC Trust HCP.

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

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2017, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Kaiser ISL at \$1 million with Companion Life through ASG Risk Management. The aggregate policy is for 200% of expected medical claims.

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

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

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns.

The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). 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 2017.

<b>Federal Catalog No.</b>	<b>Government</b>	<b>Program</b>	<b>Amount</b>
14.218	Dept of Housing and Urban	Community Dev Block Grant	\$8,665
20.205	Dept. of Transportation	Highway Planning and Construction	486,163
66.468	US Environ Protection Agency	Drinking Water Revolving Fund	2,938,082
97.036	Dept of Homeland Security	Disaster Grants	<u>202,699</u>
<b>Total Federal Financial Assistance</b>			<b><u>\$3,635,609</u></b>

**G. CONTINGENCIES AND LITIGATIONS**

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

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

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

**H. SUBSEQUENT EVENTS**

On August 9, 2013, the City received a twenty-year loan for \$2,040,000 at 0.5% interest from the Washington State Department of Commerce to assist with partial funding for the construction of a two million gallon water reservoir with anticipated construction costs of \$2,400,000. As of December 31, 2017, draws of \$77,018 have been made on this loan by the City. Annual debt service payments began June 1, 2017.

In December 2016, the City received a twenty-four 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, 2017, the City has draws of \$1,920,486.52. The remaining draws will be taken as needed in 2018. Annual debt service will commence October, 2018.

In 2017, the City contracted with the FCS Group to conduct a rate study on Storm Water, Water, and Sewer utilities. The study is scheduled to be completed mid-2018 with rates for 2019-2023 adopted in 2018. This study also incorporates service development charges.

In 2017, the City contracted with FCS Group to conduct a park impact fee study. This study is anticipated to be completed in mid-2018 with updated impact fees adopted in the summer of 2018.

In 2016, Management began negotiations with the five labor groups in City with the Library employees agreeing to a contract in December. The Police employees approved their contract in March, 2018 and the three remaining groups are anticipated to settle their contracts in 2018.

**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.

2017 Impact fee credits and system development charge credit activity is as follows:

	Beginning			Ending
Impact Fee/ Development Charge Credits	Balance	Additions	Applied	Balance
Traffic Impact Fee	\$ 585,567	\$ -	\$ 203,190	\$ 382,377
Park Impact Fee	63,299	-	19,697	43,602
	<u>648,866</u>	<u>-</u>	<u>222,887</u>	<u>425,979</u>
Water System Development Charges	148,910	140,282	146,378	142,814
Sewer System Development Charges	455,737	-	145,402	310,335
	<u>604,647</u>	<u>140,282</u>	<u>291,780</u>	<u>453,149</u>
Total Impact Fee	\$ <u>1,253,513</u>	\$ <u>140,282</u>	\$ <u>514,667</u>	\$ <u>879,128</u>

**J. ACCOUNTING AND REPORTING CHANGES**

The City implemented GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement requires state and local governments to report the full actuarially determined present value of projected benefits to be provided to current active and inactive employees attributable to past periods of service, less the amount of the plan's fiduciary net position. The effect of implementation on beginning net position has been presented as a Change in Accounting Principle in the Statement of Activities, in the amount of \$4,090,119 for governmental activities, and \$215,269 for business type activities.

**K. NEW FUNDS**

The City has established two additional fiduciary funds in 2017. One holds assets to pay current retiree medical expenses for Non-LEOFF I employees. The other holds assets to pay current retiree medical expenses for LEOFF I retirees.

**L. JOINTLY GOVERNED ORGANIZATION**

Emergency Services

The City has been party to 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. Until 2017, the City disclosed this as a joint venture with a 4.4% interest in equity and operations of CRESA.

In October 2017, CRESA changed its formation structure and established the entity as a special purpose quasi-municipal corporation known as Public Development Authority or PDA authorized under RCW 35.21.730. The CRESA Administrative Board comprises nine members appointed by the entities receiving the services. The interlocal agreement has been replaced by service agreements between CRESA and participant governments.

Due to the change in legal formation, CRESA is now considered a jointly governed organization, in which the City no longer has ongoing financial interest.

Payments to CRESA for emergency management fees during 2017 were as follows:

Emergency Management	\$ 18,663
Dispatching EMS	44,635
Dispatching Fire	89,165
Dispatching Police	<u>210,457</u>
Total	\$362,920

**M. TAX ABATEMENT**

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

The State of Washington has several tax abatements. There are two which affect City sales and use tax received. The High Unemployment Deferral for Manufacturing Facilities exemption under RCW 82.60 is intended to promote economic stimulation and new employment opportunities in distress areas. The

High-Technology Sales and Use Tax Deferral authorized under RCW 82.63 is intended to incent high-technology research and development and create quality employment opportunities.

Taxes abated by other governments on behalf of the City for the fiscal year ended December 31, 2017 are as follows:

Tax Abatement Program	Amount of Taxes Abated
State of Washington	
High Unemployment Deferral for Manufacturing Facilities	\$ 11,729
High-Technology Sales and Use Tax Deferral	D
	<u>\$ 11,729</u>

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

**N. PRIOR PERIOD ADJUSTMENTS**

The governmental activities column of the Statement of Activities, presents a prior period adjustment in the amount of \$(2,183,935). This is made up of the following:

- \$(37,685) of this amount is a correction of prior year property tax accruals.
- \$(46,914) correction to prior year construction in progress
- \$203,591 correction for land omitted from reported capital assets
- \$278,281 correction for accumulated depreciation due to prior years' errors in useful life
- \$(2,533,297) correction for annexed right-of-way capital asset value
- \$874,079 correction for annexed infrastructure capital asset value
- \$(282,790) correction of accumulated depreciation for annexed capital asset value
- \$(859,350) correction to land value grouped with right-of-way value
- \$220,150 to record right-of-way value omitted from reported capital assets

The Water-Sewer Fund presents a prior period adjustment of \$58,671 for land omitted from reported capital assets in prior years and \$3,281 for correction to prior years' amortization on bond premium. The Storm Water fund presents \$(271,591) adjustment for construction in progress that should have been expensed, \$952,350 for land which was omitted from prior year reported capital assets, \$12,110 for correction to amortized bond premium, and \$9,407 correcting accumulated depreciation.

**O. ANNEXATION**

In August, 2017 Council annexed a portion of shoreline of Lacamas Lake from Clark County has parkland. Clark County quitclaimed the ownership of the land to the City.



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

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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)
1/1/2017	\$ -	\$ 6,907,533	\$ 6,907,533	0.00%	\$ 5,744,415	76.94%
1/1/2015	-	5,030,423	5,030,423	0.00%	6,485,797	77.60%
1/1/2013	-	7,459,061	7,456,061	0.00%	6,241,891	119.50%
1/1/2011	-	8,027,014	8,027,014	0.00%	7,161,601	112.08%
1/1/2009	-	7,181,555	7,181,555	0.00%	7,482,701	95.98%
1/1/2007	-	5,966,966	5,966,966	0.00%	7,755,426	76.94%

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

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	2017
Total OPEB liability	
Service cost	\$ 206,979
Interest	239,263
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions or other inputs	-
Benefit payments	(349,894)
	96,348
Net change in total OPEB liability	96,348
Total OPEB liability beginning	6,907,533
Total OPEB liability ending	\$ 7,003,881
Covered employee payroll	7,755,426
Total OPEB liability as a percentage of covered employee payroll	90.31%

**Notes to Schedule:**

**Note 1: Changes of Assumptions**

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

2017	3.50%
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**Note 2:**

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

**CITY OF CAMAS, WASHINGTON**  
 Required Supplementary Information  
 Schedule of Proportionate Share of the Net Pension Liability

PERS 1

As of June 30

Last 3 Fiscal Years

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.060786%	\$ 2,884,343	\$ 7,494,182	38%	61.24%
2016	0.063116%	3,389,626	7,433,788	46%	57.03%
2015	0.063852%	3,340,053	7,155,169	47%	59.10%

**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

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	Employer's covered employee payroll	Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.074959%	\$ 2,604,467	\$ 7,356,950	35.40%	90.97%
2016	0.077627%	3,908,458	7,297,931	53.56%	85.82%
2015	0.079123%	2,827,110	7,022,586	40.26%	89.20%

**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

Year Ended June 30,	Employer's	Employer's	State's proportionate	Employer's	Employer's proportionate	Plan fiduciary net
	proportion of the net pension liability (asset)	proportionate share of the net pension liability	share of the net pension liability (asset) associated with the employer	covered employee payroll	share of the net pension liability as a percentage of covered employee payroll	position as a percentage of the total pension liability
2017	0.0270688%	\$ (410,681)	(2,777,837)	N/A	N/A	135.96%
2016	0.0266888%	(274,963)	(1,859,841)	N/A	N/A	123.74%
2015	0.026403%	(318,215)	(2,152,398)	N/A	N/A	127.36%
			<b>TOTAL</b>			
			\$ (3,188,518)			
			(2,134,804)			
			(2,470,613)			

**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

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Employer's covered employee payroll	Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2017	0.247783%	\$ (3,438,425)	\$ (2,230,442)	\$ (5,668,867)	\$ 7,724,978	-44.51%	113.36%
2016	0.256367%	(1,491,107)	(972,094)	(2,463,201)	7,803,325	-19.11%	106.04%
2015	0.063852%	(2,542,787)	(1,681,297)	(4,224,084)	7,180,562	-35.41%	111.67%

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

	2017	2016
<b>Total pension liability</b>		
Interest	\$ 9,791	\$ 12,731
Changes of benefit terms	1,196,437	-
Changes of assumptions or other input	(49,677)	-
Differences between expected and actual experience	40,670	-
Benefit payments, including refunds of contributions	(130,586)	(20,929)
<b>Net change in total pension liability</b>	1,066,635	(8,198)
<b>Total pension liability - beginning</b>	310,078	318,276
<b>Total pension liability - ending (a)</b>	<u>\$ 1,376,713</u>	<u>\$ 310,078</u>
<b>Plan fiduciary net position</b>		
Net investment income	19,931	28,124
Benefit payments, including refunds of contributions	(130,586)	(20,929)
Administrative expense	-	(2,470)
Other	(136,298)	(50,000)
<b>Net change in plan fiduciary net position</b>	<b>(246,953)</b>	(45,275)
<b>Plan fiduciary net position - beginning</b>	2,477,392	2,552,619
<b>Plan fiduciary net position - ending (b)</b>	<u>2,230,439</u>	<u>2,507,344</u>
<b>Net pension liability ending (a) - (b)</b>	<u>(853,726)</u>	<u>(2,197,266)</u>
<b>Plan fiduciary net position as a % of total pension liability (b)/(a)</b>	<b>162.01%</b>	808.62%
<b>Covered-employee payroll</b>	0	0
<b>Net pension liability as a % of covered employee payroll</b>	N/A	N/A

**Notes to Schedule:**

**Note 1: Information Provided**

The City 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  
 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
2017	\$ 371,024	\$ (371,024)	-	\$ 7,378,657	5.03%
2016	366,237	(366,237)	-	7,503,538	4.88%
2015	330,219	(330,219)	-	7,337,494	4.50%



**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
2017	\$ 496,479	\$ (496,479)	\$ -	\$ 7,239,850	6.86%
2016	458,690	(458,690)	-	7,366,306	6.23%
2015	406,541	(406,541)	-	7,203,243	5.64%

**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
2017	-	-	-	\$ N/A	N/A
2016	-	-	-	N/A	N/A
2015	-	-	-	N/A	N/A

**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
2017	\$ 403,422	\$ (403,422)	-	\$ 7,831,891	5.15%
2016	394,969	(394,969)	-	7,821,177	5.05%
2015	389,941	(389,941)	-	7,455,858	5.23%

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially/statutorily/contractually determined contribution	\$ -	\$ -	\$ -	\$ -	\$ 38,286	\$ 32,866	\$ 34,521	\$ 36,432	\$ 31,032	\$ 30,875
Actual contribution in relation to the above	-	-	-	-	38,286	32,866	34,521	36,432	31,032	30,875
Contribution deficiency (excess)	0	0	0	0	0	0	0	0	0	0
Covered employee payroll	0	0	0	0	0	0	0	0	0	0
Contributions as a % of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

Valuation date: December 31, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method - entry age

Amortization method - N/A

Remaining amortization period - N/A

Asset valuation method - Market Value

Inflation - 2.5%

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

Mortality - RP 2000

**Note 1: Information Provided**

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

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	2017	2016
Annual money-weighted rate of return, net of investment expense	1.23%	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

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

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

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

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

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

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

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.

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

**CITY OF CAMAS, WASHINGTON**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2017**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Cash, Cash Equivalents, and Pooled Investments	\$ 706,294	\$ 46,589	\$ 3,039,116	\$ 3,791,999
Property Taxes Receivables	1,577	8,371	-	9,948
Accounts Receivable (net)	27,605	-	-	27,605
Due from Other Governmental Units	-	-	42,294	42,294
<b>Total Assets</b>	<b>735,476</b>	<b>54,960</b>	<b>3,081,410</b>	<b>3,871,846</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts Payable	103,740	-	125,557	229,297
Line of Credit	-	-	27,963	27,963
Custodial Accounts	-	-	9,160	9,160
<b>Total Liabilities</b>	<b>103,740</b>	<b>-</b>	<b>162,680</b>	<b>266,420</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenue	-	6,119	42,294	48,413
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>6,119</b>	<b>42,294</b>	<b>48,413</b>
<b>Fund Balances:</b>				
<b>Restricted</b>				
Tourism	17,066	-	-	17,066
Debt Service	-	48,841	-	48,841
Capital Outlay	-	-	2,876,436	2,876,436
<b>Assigned</b>	<b>614,670</b>	<b>-</b>	<b>-</b>	<b>614,670</b>
<b>Total Fund Balances</b>	<b>631,736</b>	<b>48,841</b>	<b>2,876,436</b>	<b>3,557,013</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 735,476</b>	<b>\$ 54,960</b>	<b>\$ 3,081,410</b>	<b>\$ 3,871,846</b>



**CITY OF CAMAS, WASHINGTON**  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 For the fiscal year ended December 31, 2017

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Property Taxes	\$ -	\$ 633,574	\$ -	\$ 633,574
Sales and Use Taxes	11,582	-	-	11,582
Intergovernmental	757,206	-	138,698	895,904
Charges for Services	-	-	1,802,764	1,802,764
Interest Earnings	1,433	-	3,453	4,886
Miscellaneous	115	-	-	115
Total Revenues	<u>770,336</u>	<u>633,574</u>	<u>1,944,915</u>	<u>3,348,825</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Transportation	1,940,381	-	-	1,940,381
Economic Environment	11,352	-	-	11,352
Capital Outlay	459,123	-	1,694,346	2,153,469
<b>Debt Service</b>				
Principal Retirement	-	1,343,738	-	1,343,738
Interest and Other Charges	-	461,613	104	461,717
Total Expenditures	<u>2,410,856</u>	<u>1,805,351</u>	<u>1,694,450</u>	<u>5,910,657</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,640,520)	(1,171,777)	250,465	(2,561,832)
<b>Other Financing Sources (Uses):</b>				
Insurance Recoveries	72,182	-	-	72,182
Transfers In	2,363,251	1,178,916	1,997,120	5,539,287
Transfers Out	(205,283)	-	(1,430,158)	(1,635,441)
Total Other Financing Sources and Uses	<u>2,230,150</u>	<u>1,178,916</u>	<u>566,962</u>	<u>3,976,028</u>
Net Change in Fund Balances	589,630	7,139	817,427	1,414,196
Fund Balances at Beginning of Year	40,644	43,537	2,055,409	2,139,590
Prior period adjustments	1,462	(1,835)	3,600	3,227
Fund Balances at End of Year	<u>\$ 631,736</u>	<u>\$ 48,841</u>	<u>\$ 2,876,436</u>	<u>\$ 3,557,013</u>

**CITY OF CAMAS, WASHINGTON**  
 Nonmajor Special Revenue Funds  
 Combining Balance Sheet  
 December 31, 2017

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
<b>Assets:</b>			
Cash and Cash Equivalents	\$ 15,489	\$ 690,805	\$ 706,294
Property Taxes Receivables (net)	1,577	-	1,577
Accounts Receivable (net)			
Other Receivables	-	27,605	27,605
Total Accounts Receivable (net)	-	27,605	27,605
Total Assets	<u>17,066</u>	<u>718,410</u>	<u>735,476</u>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts Payable	-	103,740	103,740
Total Liabilities	<u>-</u>	<u>103,740</u>	<u>103,740</u>
<b>Fund Balances:</b>			
Restricted			
Tourism	17,066	-	17,066
Assigned - Working Capital	-	614,670	614,670
Total Fund Balances	<u>17,066</u>	<u>614,670</u>	<u>631,736</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 17,066</u>	<u>\$ 718,410</u>	<u>\$ 735,476</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, 2017

	Hotel Motel Lodging Tax	City Street	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>			
Sales and Use Taxes	\$ 11,582	\$ -	\$ 11,582
Intergovernmental	-	757,206	757,206
Interest Earnings	94	1,339	1,433
Miscellaneous	-	115	115
Total Revenues	11,676	758,660	770,336
<b>Expenditures:</b>			
<b>Current:</b>			
Transportation	-	1,940,381	1,940,381
Economic Environment	11,352	-	11,352
Capital Outlay	-	459,123	459,123
Total Expenditures	11,352	2,399,504	2,410,856
Excess (Deficiency) of Revenues Over (Under) Expenditures	324	(1,640,844)	(1,640,520)
<b>Other Financing Sources (Uses)</b>			
Insurance Recoveries	-	72,182	72,182
Transfers In	-	2,363,251	2,363,251
Transfers Out	-	(205,283)	(205,283)
Total Other Financing Sources (Uses)	-	2,230,150	2,230,150
Net Change in Fund Balances	324	589,306	589,630
Fund Balances at Beginning of Year	15,280	25,364	40,644
Prior period adjustments	1,462	-	1,462
Fund Balances at End of Year	\$ 17,066	\$ 614,670	\$ 631,736

**CITY OF CAMAS, WASHINGTON**

Nonmajor Debt Service Funds

Combining Balance Sheet

December 31, 2017

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
Assets:			
Cash, Cash Equivalents, and Pooled Investments	\$ 46,589	\$ -	\$ 46,589
Property Taxes Receivables	8,371	-	8,371
Total Assets	<u>54,960</u>	<u>-</u>	<u>54,960</u>
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue	6,119	-	6,119
Total deferred inflows of resources	<u>6,119</u>	<u>-</u>	<u>6,119</u>
Fund Balances:			
Restricted			
Debt Service	48,841	-	48,841
Total Fund Balances	<u>48,841</u>	<u>-</u>	<u>48,841</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 54,960</u>	<u>\$ -</u>	<u>\$ 54,960</u>

**CITY OF CAMAS, WASHINGTON**  
 Nonmajor Debt Service Funds  
 Combining Statement of Revenues, Expenditures and  
 Changes in Fund Balances  
 Year Ended December 31, 2017

	Unlimited Tax Redemption	Limited Tax Redemption	Total Nonmajor Debt Service Funds
<b>Revenues:</b>			
Property Taxes	\$ 633,574	\$ -	\$ 633,574
Total Revenues	<u>633,574</u>	<u>-</u>	<u>633,574</u>
<b>Expenditures:</b>			
Debt Service			
Principal Retirement	542,000	801,738	1,343,738
Interest and Other Charges	84,435	377,178	461,613
Total Expenditures	<u>626,435</u>	<u>1,178,916</u>	<u>1,805,351</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,139	(1,178,916)	(1,171,777)
<b>Other Financing Sources (Uses):</b>			
Transfers In	-	1,178,916	1,178,916
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,178,916</u>	<u>1,178,916</u>
Net Change in Fund Balances	7,139	-	7,139
Fund Balances at Beginning of Year	43,537	-	43,537
Prior period adjustments	(1,835)	-	(1,835)
Fund Balances at End of Year	<u>\$ 48,841</u>	<u>\$ -</u>	<u>\$ 48,841</u>

**CITY OF CAMAS, WASHINGTON**  
 Nonmajor Capital Project Funds  
 Balance Sheet  
 December 31, 2017

	Parks Impact Fee Fund	Transportation Impact Fee Fund	Fire Impact Fee Fund	Brady Road Construction Fund	NW 6th & Norwood Fund	Street Lighting LED Fund	2015 Capital Fund	Larkspur Construction Fund	Total Capital Project Funds
<b>Assets:</b>									
Cash and Cash Equivalents	\$ 1,280,545	\$ 509,207	\$ 308,047	\$ 421,574	\$ 1,557	\$ 7,945	\$ 443,628	\$ 66,613	\$ 3,039,116
Due from Other Governmental Units	-	-	-	-	-	-	-	42,294	42,294
<b>Total Assets</b>	<u>1,280,545</u>	<u>509,207</u>	<u>308,047</u>	<u>421,574</u>	<u>1,557</u>	<u>7,945</u>	<u>443,628</u>	<u>108,907</u>	<u>3,081,410</u>
<b>Liabilities and Fund Balances:</b>									
<b>Liabilities:</b>									
Accounts Payable	11,645	-	-	13,686	1,557	-	17,622	81,047	125,557
Line of Credit	-	-	-	-	-	-	-	27,963	27,963
Custodial Accounts	9,160	-	-	-	-	-	-	-	9,160
<b>Total Liabilities</b>	<u>20,805</u>	<u>-</u>	<u>-</u>	<u>13,686</u>	<u>1,557</u>	<u>-</u>	<u>17,622</u>	<u>109,010</u>	<u>162,680</u>
<b>Deferred Inflows of Resources</b>									
Unavailable revenue	-	-	-	-	-	-	-	42,294	42,294
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,294</u>	<u>42,294</u>
<b>Fund balances:</b>									
Restricted									
Capital Outlay	1,259,740	509,207	308,047	407,888	-	7,945	426,006	(42,397)	2,876,436
<b>Total Equities and Fund Balances</b>	<u>1,259,740</u>	<u>509,207</u>	<u>308,047</u>	<u>407,888</u>	<u>-</u>	<u>7,945</u>	<u>426,006</u>	<u>(42,397)</u>	<u>2,876,436</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,280,545</u>	<u>\$ 509,207</u>	<u>\$ 308,047</u>	<u>\$ 421,574</u>	<u>\$ 1,557</u>	<u>\$ 7,945</u>	<u>\$ 443,628</u>	<u>\$ 108,907</u>	<u>\$ 3,081,410</u>

CITY OF CAMAS, WASHINGTON

Nonmajor Capital Project Funds

Statement of Revenues, Expenditures and

Changes in Fund Balance

For the fiscal year ended December 31, 2017

	Parks Impact Fee Fund	Transportation Impact Fee Fund	Fire Impact Fee Fund	Brady Road Construction Fund	NW 6th & Norwood Fund	Street Lighting LED Fund	2015 Capital Fund	Larkspur Construction Fund	Total Capital Project Funds
Revenues:									
Intergovernmental Charges for Services	\$ -	\$ -	\$ -	\$ 42,507	\$ -	\$ -	\$ -	\$ 96,191	\$ 138,698
Interest Earnings	675,299	920,821	206,644	-	-	-	-	-	1,802,764
Total Revenues	678,081	921,628	207,321	39,336	-	7,776	(5,418)	96,191	1,944,915
Expenditures:									
Current:									
Capital Outlay	21,562	-	-	126,212	92,195	755,564	414,279	284,534	1,694,346
Debt Service	-	-	-	-	-	-	-	104	104
Interest and Other Charges	-	-	-	-	-	-	-	284,638	284,638
Total Expenditures	21,562	-	-	126,212	92,195	755,564	414,279	284,638	1,694,450
Excess (Deficiency) of Revenues Over (Under) Expenditures	656,519	921,628	207,321	(86,876)	(92,195)	(747,788)	(419,697)	(188,447)	250,465
Other Financing Sources (Uses):									
Transfers In	760,221	318,244	100,726	8,298	95,916	25,172	542,493	146,050	1,997,120
Transfers Out	(157,000)	(730,665)	-	-	-	(542,493)	-	-	(1,430,158)
Total Other Financing Sources (Uses)	603,221	(412,421)	100,726	8,298	95,916	(517,321)	542,493	146,050	566,962
Net Change in Fund balances	1,259,740	509,207	308,047	(78,578)	3,721	(1,265,109)	122,796	(42,397)	817,427
Fund Balances at Beginning of Year	-	-	-	486,466	(3,721)	1,273,054	299,610	-	2,055,409
Prior period adjustments	-	-	-	-	-	-	3,600	-	3,600
Fund Balances at End of Year	\$ 1,259,740	\$ 509,207	\$ 308,047	\$ 407,888	\$ -	\$ 7,945	\$ 426,006	\$ (42,397)	\$ 2,876,436

**CITY OF CAMAS, WASHINGTON**  
 Combining Statement of Changes in Assets and Liabilities  
 All Agency Funds  
 For the Year Ended December 31, 2017

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



**CITY OF CAMAS, WASHINGTON**  
Real Estate Excise Tax Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Other Taxes	\$ 1,870,126	\$ 1,870,126	\$ 1,936,202	\$ 66,076
Intergovernmental	-	255,200	8,665	(246,535)
Interest Earnings	24,708	24,708	31,873	7,165
Contributions/Donations	-	-	50	50
Total Revenues	1,894,834	2,150,034	1,976,790	(173,244)
<b>Expenditures:</b>				
Capital Outlay	2,098,776	2,832,045	251,207	2,580,838
Total Expenditures	2,098,776	2,832,045	251,207	2,580,838
Excess (Deficiency) of Revenues Over (Under) Expenditures	(203,942)	(682,011)	1,725,583	2,407,594
<b>Other Financing Sources (Uses):</b>				
Transfers In	-	533,529	124,496	(409,033)
Transfers Out	(213,166)	(2,006,664)	(1,443,916)	562,748
Total Other Financing Sources and Uses	(213,166)	(1,473,135)	(1,319,420)	153,715
Net Change in Fund Balances	(417,108)	(2,155,146)	406,163	2,561,309
Fund Balances at Beginning of Year	-	-	4,123,644	4,123,644
Fund Balances at End of Year	\$ (417,108)	\$ (2,155,146)	\$ 4,529,807	\$ 6,684,953

**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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Taxes - Sales and Use	\$ 9,089	\$ 9,089	\$ 11,582	\$ 2,493
Interest Earnings	236	236	94	(142)
Total Revenues	<u>9,325</u>	<u>9,325</u>	<u>11,676</u>	<u>2,351</u>
<b>Expenditures:</b>				
Current:				
Economic Environment	10,000	11,300	11,352	(52)
Total Expenditures	<u>10,000</u>	<u>11,300</u>	<u>11,352</u>	<u>(52)</u>
Net Change in Fund Balance	(675)	(1,975)	324	2,299
Fund Balances at Beginning of Year	<u>12,927</u>	<u>12,927</u>	<u>15,280</u>	<u>2,353</u>
Prior period adjustments	-	-	1,462	1,462
Fund Balances at End of Year	<u>\$ 12,252</u>	<u>\$ 10,952</u>	<u>\$ 17,066</u>	<u>\$ 6,114</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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 677,421	\$ 709,835	\$ 757,206	\$ 47,371
Interest Earnings	2,119	2,119	1,339	(780)
Contributions/Donations	10,000	10,000	-	(10,000)
Miscellaneous	1,000	1,000	115	(885)
Total Revenues	<u>690,540</u>	<u>722,954</u>	<u>758,660</u>	<u>35,706</u>
<b>Expenditures:</b>				
Transportation	1,839,964	2,219,966	1,940,381	279,585
Capital Outlay	737,024	1,121,137	459,123	662,014
Total Expenditures	<u>2,576,988</u>	<u>3,341,103</u>	<u>2,399,504</u>	<u>941,599</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,886,448)	(2,618,149)	(1,640,844)	977,305
<b>Other Financing Sources (Uses):</b>				
Insurance Recoveries	-	75,000	72,182	(2,818)
Transfers In	1,993,024	2,689,887	2,363,251	(326,636)
Transfers Out	(184,438)	(224,912)	(205,283)	19,629
Total Other Financing Sources and Uses	<u>1,808,586</u>	<u>2,539,975</u>	<u>2,230,150</u>	<u>(309,825)</u>
Net Change in Fund Balance	(77,862)	(78,174)	589,306	667,480
Fund Balances at Beginning of Year	38,837	38,837	25,364	(13,473)
Fund Balances at End of Year	<u>\$ (39,025)</u>	<u>\$ (39,337)</u>	<u>\$ 614,670</u>	<u>\$ 654,007</u>

**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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Property Taxes	\$ 626,000	\$ 626,000	\$ 633,574	\$ 7,574
Total Revenues	<u>626,000</u>	<u>626,000</u>	<u>633,574</u>	<u>7,574</u>
Expenditures:				
Debt service:				
Principal Retirement	542,000	542,000	542,000	-
Interest and Other Charges	84,434	84,434	84,435	(1)
Total Expenditures	<u>626,434</u>	<u>626,434</u>	<u>626,435</u>	<u>(1)</u>
Net Change in Fund Balance	(434)	(434)	7,139	7,573
Fund Balances at Beginning of Year	<u>38,506</u>	<u>38,506</u>	<u>43,537</u>	<u>5,031</u>
Prior period adjustments	-	-	(1,835)	(1,835)
Fund Balances at End of Year	<u>\$ 38,072</u>	<u>\$ 38,072</u>	<u>\$ 48,841</u>	<u>\$ 10,769</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, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures:				
Debt service:				
Principal Retirement	\$ 801,739	\$ 801,739	\$ 801,738	\$ 1
Interest and Other Charges	386,784	386,784	377,178	9,606
Total Expenditures	<u>1,188,523</u>	<u>1,188,523</u>	<u>1,178,916</u>	<u>9,607</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,188,523)	(1,188,523)	(1,178,916)	9,607
Other Financing Sources (Uses):				
Transfers In	1,188,523	1,188,523	1,178,916	(9,607)
Total Other Financing Sources and Uses	<u>1,188,523</u>	<u>1,188,523</u>	<u>1,178,916</u>	<u>(9,607)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CAMAS, WASHINGTON**  
Parks Impact Fee Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 587,759	\$ 587,759	\$ 675,299	\$ 87,540
Interest Earnings	10,612	10,612	2,782	(7,830)
Total Revenues	<u>598,371</u>	<u>598,371</u>	<u>678,081</u>	<u>79,710</u>
Expenditures:				
Capital Outlay	472,926	487,526	21,562	465,964
Total Expenditures	<u>472,926</u>	<u>487,526</u>	<u>21,562</u>	<u>465,964</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	125,445	110,845	656,519	545,674
Other Financing Sources (Uses):				
Transfers In	-	760,644	760,221	(423)
Transfers Out	(157,000)	(157,000)	(157,000)	-
Total Other Financing Sources and Uses	<u>(157,000)</u>	<u>603,644</u>	<u>603,221</u>	<u>(423)</u>
Net Change in Fund Balance	(31,555)	714,489	1,259,740	545,251
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ (31,555)</u>	<u>\$ 714,489</u>	<u>\$ 1,259,740</u>	<u>\$ 545,251</u>

**CITY OF CAMAS, WASHINGTON**  
Transportation Impact Fee Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 614,504	\$ 614,504	\$ 920,821	\$ 306,317
Interest Earnings	4,670	4,670	807	(3,863)
Total Revenues	<u>619,174</u>	<u>619,174</u>	<u>921,628</u>	<u>302,454</u>
Expenditures:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	619,174	619,174	921,628	302,454
Other Financing Sources (Uses):				
Transfers In	150,000	318,244	318,244	-
Transfers Out	<u>(730,665)</u>	<u>(730,665)</u>	<u>(730,665)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(580,665)</u>	<u>(412,421)</u>	<u>(412,421)</u>	<u>-</u>
Net Change in Fund Balance	38,509	206,753	509,207	302,454
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ 38,509</u>	<u>\$ 206,753</u>	<u>\$ 509,207</u>	<u>\$ 302,454</u>

**CITY OF CAMAS, WASHINGTON**  
 Fire Impact Fee Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Compared to Budget (GAAP Basis) and Actual  
 For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ 98,632	\$ 98,632	\$ 206,644	\$ 108,012
Interest Earnings	2,547	2,547	677	(1,870)
Total Revenues	<u>101,179</u>	<u>101,179</u>	<u>207,321</u>	<u>106,142</u>
Expenditures:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,179	101,179	207,321	106,142
Other Financing Sources (Uses):				
Transfers In	-	100,726	100,726	-
Transfers Out	<u>(21,021)</u>	<u>(21,021)</u>	<u>-</u>	<u>21,021</u>
Total Other Financing Sources and Uses	<u>(21,021)</u>	<u>79,705</u>	<u>100,726</u>	<u>21,021</u>
Net Change in Fund Balance	80,158	180,884	308,047	127,163
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ 80,158</u>	<u>\$ 180,884</u>	<u>\$ 308,047</u>	<u>\$ 127,163</u>



**CITY OF CAMAS, WASHINGTON**  
 Friberg Street Construction Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Compared to Budget (GAAP Basis) and Actual  
 For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures:				
Capital Outlay	\$ -	\$ 47,717	\$ -	\$ 47,717
Debt service:				
Total Expenditures	<u>-</u>	<u>47,717</u>	<u>-</u>	<u>47,717</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	-	(47,717)	-	47,717
Other Financing Sources (Uses):				
Transfers In	-	47,717	-	(47,717)
Total Other Financing Sources and Uses	<u>-</u>	<u>47,717</u>	<u>-</u>	<u>(47,717)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balances at Beginning of Year	(87,051)	(87,051)	-	87,051
Fund Balances at End of Year	<u>\$ (87,051)</u>	<u>\$ (87,051)</u>	<u>\$ -</u>	<u>\$ 87,051</u>

**CITY OF CAMAS, WASHINGTON**  
 Brady Road Construction Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Compared to Budget (GAAP Basis) and Actual  
 For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,460,000	\$ 1,460,000	\$ 42,507	\$ (1,417,493)
Interest Earnings	5,020	5,020	(3,171)	(8,191)
Total Revenues	<u>1,465,020</u>	<u>1,465,020</u>	<u>39,336</u>	<u>(1,425,684)</u>
Expenditures:				
Capital Outlay	1,575,000	1,802,607	126,212	1,676,395
Total Expenditures	<u>1,575,000</u>	<u>1,802,607</u>	<u>126,212</u>	<u>1,676,395</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(109,980)	(337,587)	(86,876)	250,711
Other Financing Sources (Uses):				
Transfers In	-	227,607	8,298	(219,309)
Total Other Financing Sources and Uses	<u>-</u>	<u>227,607</u>	<u>8,298</u>	<u>(219,309)</u>
Net Change in Fund Balance	(109,980)	(109,980)	(78,578)	31,402
Fund Balances at Beginning of Year	545,912	545,912	486,466	(59,446)
Fund Balances at End of Year	<u>\$ 435,932</u>	<u>\$ 435,932</u>	<u>\$ 407,888</u>	<u>\$ (28,044)</u>

**CITY OF CAMAS, WASHINGTON**  
 NW 6th & Norwood Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Compared to Budget (GAAP Basis) and Actual  
 For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Expenditures:				
Capital Outlay	\$ -	\$ 277,132	\$ 92,195	\$ 184,937
Total Expenditures	-	277,132	92,195	184,937
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(277,132)	(92,195)	184,937
Other Financing Sources (Uses):				
Transfers In	-	277,132	95,916	(181,216)
Total Other Financing Sources and Uses	-	277,132	95,916	(181,216)
Net Change in Fund Balance	-	-	3,721	3,721
Fund Balances at Beginning of Year	1,963,325	1,963,325	(3,721)	(1,967,046)
Fund Balances at End of Year	\$ 1,963,325	\$ 1,963,325	\$ -	\$ (1,963,325)

**CITY OF CAMAS, WASHINGTON**  
Street Lighting LED Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ -	\$ -	\$ 7,776	\$ 7,776
Total Revenues	<u>-</u>	<u>-</u>	<u>7,776</u>	<u>7,776</u>
Expenditures:				
Capital Outlay	-	812,160	755,564	56,596
Total Expenditures	<u>-</u>	<u>812,160</u>	<u>755,564</u>	<u>56,596</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(812,160)	(747,788)	64,372
Other Financing Sources (Uses):				
Transfers In	-	29,884	25,172	(4,712)
Transfers Out	-	(551,823)	(542,493)	9,330
Total Other Financing Sources and Uses	<u>-</u>	<u>(521,939)</u>	<u>(517,321)</u>	<u>4,618</u>
Net Change in Fund Balance	-	(1,334,099)	(1,265,109)	68,990
Fund Balances at Beginning of Year	2,245,659	2,245,659	1,273,054	(972,605)
Fund Balances at End of Year	<u>\$ 2,245,659</u>	<u>\$ 911,560</u>	<u>\$ 7,945</u>	<u>\$ (903,615)</u>

**CITY OF CAMAS, WASHINGTON**  
2015 Capital Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Interest Earnings	\$ 951	\$ 951	\$ (5,418)	\$ (6,369)
Total Revenues	951	951	(5,418)	(6,369)
Expenditures:				
Capital Outlay	304,112	805,605	414,279	391,326
Total Expenditures	304,112	805,605	414,279	391,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	(303,161)	(804,654)	(419,697)	384,957
Other Financing Sources (Uses):				
Transfers In	-	765,605	542,493	(223,112)
Transfers Out	-	(264,112)	-	264,112
Total Other Financing Sources and Uses	-	501,493	542,493	41,000
Net Change in Fund Balance	(303,161)	(303,161)	122,796	425,957
Fund Balances at Beginning of Year	802,558	802,558	299,610	(502,948)
Prior period adjustments	-	-	3,600	3,600
Fund Balances at End of Year	\$ 499,397	\$ 499,397	\$ 426,006	\$ (73,391)

**CITY OF CAMAS, WASHINGTON**  
Larkspur Construction Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Compared to Budget (GAAP Basis) and Actual  
For the Fiscal Year Ended December 31, 2017

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 915,000	\$ 96,191	\$ (818,809)
Total Revenues	<u>-</u>	<u>915,000</u>	<u>96,191</u>	<u>(818,809)</u>
Expenditures:				
Capital Outlay	-	1,176,874	284,534	892,340
Interest and Other Charges	-	-	104	(104)
Total Expenditures	<u>-</u>	<u>1,176,874</u>	<u>284,638</u>	<u>892,236</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(261,874)	(188,447)	73,427
Other Financing Sources (Uses):				
Transfers In	-	261,874	146,050	(115,824)
Total Other Financing Sources and Uses	<u>-</u>	<u>261,874</u>	<u>146,050</u>	<u>(115,824)</u>
Net Change in Fund Balance	-	-	(42,397)	(42,397)
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,397)</u>	<u>\$ (42,397)</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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	131-136
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	137-140
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
<b>Debt Capacity</b>	141-145
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	146-147
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
<b>Operating Information</b>	148-150
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.	

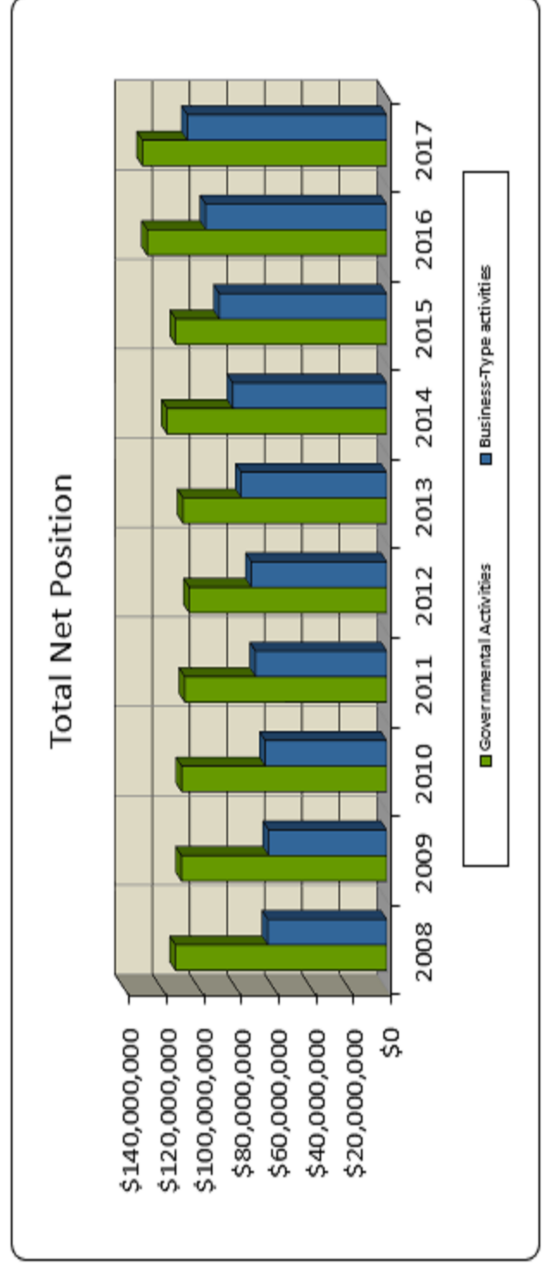
**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year. The City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

### City of Camas, Washington

Net Position by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental activities</b>										
Net investment in capital assets	\$ 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	\$ 121,010,533
Restricted	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	12,118,030
Unrestricted	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)	(4,799,355)
Total governmental activities net position	\$ 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	\$ 128,329,208
<b>Business-type activities</b>										
Net investment in capital assets	\$ 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	\$ 88,431,842
Restricted	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	6,703,946
Unrestricted	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	11,436,550
Total business-type activities net position	\$ 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	\$ 106,572,338
<b>Primary government</b>										
Net investment in capital assets	\$ 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	\$ 209,442,375
Restricted	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	18,821,976
Unrestricted	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	6,637,195
Total primary government net position	\$ 176,463,399	\$ 172,843,483	\$ 174,501,533	\$ 178,068,581	\$ 177,928,813	\$ 186,604,921	\$ 199,633,254	\$ 202,224,593	\$ 224,669,498	\$ 234,901,546

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses</b>										
Governmental activities:										
General government	\$ 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	\$ 4,230,379
Judicial	193,383	174,845	202,568	224,011	267,622	289,691	292,099	295,080	297,904	339,871
Public Safety	10,098,295	11,058,299	11,128,852	10,975,382	11,549,612	11,091,881	12,633,748	13,515,151	14,653,232	14,686,326
Physical Environment	1,686,067	1,501,586	1,305,804	1,430,486	1,454,602	1,116,694	161,257	180,163	163,357	227,270
Transportation	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	6,165,210
Health and Human Services	-	-	-	3,496	6,000	3,599	3,274	4,505	7,031	12,393
Economic Environment	397,448	485,670	611,832	395,350	457,656	575,402	756,702	989,996	942,463	906,444
Culture and Recreation	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	3,715,865
Interest on Long-Term Debt	467,712	430,044	468,914	182,979	204,322	265,385	277,979	523,178	446,844	399,310
Total governmental activities expenses	23,850,259	24,253,202	24,795,523	23,859,914	24,550,607	24,266,132	27,121,903	29,130,711	30,026,839	30,683,068
Business-type activities:										
Water - Sewer	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	11,283,300
Storm Water Drainage	* 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	2,298,883
Solid Waste	1,819,090	2,039,742	1,734,498	1,845,144	1,845,144	1,880,871	1,914,324	2,013,652	2,139,197	2,347,577
Total business-type activities expenses	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	15,929,760
Total primary government expenses	\$ 34,460,070	\$ 34,957,184	\$ 35,328,759	\$ 34,646,879	\$ 36,168,852	\$ 35,977,033	\$ 39,442,418	\$ 42,204,049	\$ 44,497,826	\$ 46,612,828
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Public safety	\$ 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	\$ 5,465,506
Economic environment	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	3,802,307
Other activities	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	3,481,116
Operating grants and contributions	464,241	466,969	519,795	490,960	589,203	865,203	263,644	314,409	373,183	517,339
Capital grants and contributions	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	4,322,570
Total governmental activities program revenues	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	17,588,838
Business-type activities:										
Charges for services:										
Water - Sewer	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	12,239,111
Storm Water Drainage	* 499,461	679,785	856,592	885,152	1,109,017	1,106,237	1,175,304	1,254,454	1,366,535	1,442,702
Solid Waste	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	2,587,111
Operating grants and contributions	23,189	53,116	37,440	11,661	84,296	1,037	10,126	8,678	275,783	703,617
Capital grants and contributions	561,816	558,082	1,867,028	3,204,068	819,953	3,703,911	2,914,483	3,065,008	5,881,163	8,235,272
Total business-type activities program revenues	9,187,150	10,108,846	12,623,991	15,042,948	13,878,296	17,085,428	16,791,483	18,034,298	22,034,347	25,207,813
Total primary government program revenues	\$ 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	\$ 42,796,651
Net (expenses)/revenue	\$ (17,934,913)	\$ (17,980,913)	\$ (15,647,033)	\$ (15,995,173)	\$ (17,355,462)	\$ (11,300,433)	\$ (9,309,014)	\$ (15,822,372)	\$ (12,343,173)	\$ (13,094,230)
Governmental activities	(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	9,278,053
Business-type activities	(19,357,574)	(18,576,049)	(13,550,278)	(11,739,190)	(15,095,411)	(5,925,906)	(4,838,046)	(10,861,412)	(4,779,813)	(3,816,177)
Total primary government net expense	\$ (19,357,574)	\$ (18,576,049)	\$ (13,550,278)	\$ (11,739,190)	\$ (15,095,411)	\$ (5,925,906)	\$ (4,838,046)	\$ (10,861,412)	\$ (4,779,813)	\$ (3,816,177)

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 13,669,763
Sales and use taxes	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	3,963,979
Business and occupation taxes	403,387	426,990	419,056	448,932	435,401	438,434	459,572	465,112	462,385	530,051
Excise taxes	757,059	708,291	768,599	682,415	1,051,951	937,543	1,091,913	1,604,166	1,864,014	1,936,202
Penalties and interest	89	-	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	345,940	367,117	369,356	384,621	450,614	376,110	891,607	945,453	1,026,762	1,318,311
Unrestricted investment earnings	289,146	91,249	46,772	43,084	31,869	32,410	54,533	73,007	45,582	96,083
Miscellaneous	39,450	63,465	24,287	36,166	48,934	73,637	54,501	64,258	72,298	128,182
Gain on Disposal of Capital Assets	-	-	-	-	-	-	-	-	-	-
Special Item - Transfer of Operations	-	-	-	-	-	-	-	-	-	(1,991,016)
Transfers	3,124	-	-	-	-	-	555,391	-	50,000	-
Total governmental activities	\$ 15,106,962	\$ 15,066,476	\$ 15,312,005	\$ 14,887,470	\$ 14,809,230	\$ 15,195,562	\$ 17,796,628	\$ 14,527,646	\$ 19,934,255	\$ 19,760,107
Business-type activities:										
Unrestricted investment earnings	197,892	29,980	18,858	21,478	7,949	10,839	38,050	63,986	197,779	278,798
Miscellaneous	128,829	129,721	-	-	-	-	-	-	-	-
Gain on Disposal of Capital Assets	-	-	-	-	-	-	10,000	-	-	(157,033)
Transfers	(3,124)	-	-	-	-	-	-	3,578,188	-	(108,552)
Total business-type activities	\$ 323,597	\$ 159,701	\$ 18,858	\$ 21,478	\$ 7,949	\$ 10,839	\$ 48,050	\$ 3,642,174	\$ 197,779	\$ 13,213
Total primary government	\$ 15,430,559	\$ 15,226,177	\$ 15,330,863	\$ 14,908,948	\$ 14,817,179	\$ 15,206,401	\$ 17,844,678	\$ 18,169,820	\$ 20,132,034	\$ 19,773,320
<b>Change in Net Position</b>										
Governmental activities	\$ (2,827,951)	\$ (2,914,437)	\$ (335,028)	\$ (1,107,703)	\$ (2,546,232)	\$ 3,895,129	\$ 8,487,614	\$ (1,294,726)	\$ 7,591,082	\$ 6,665,877
Business-type activities	(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	9,291,266
Total primary government	\$ (3,927,015)	\$ (3,349,872)	\$ 1,780,585	\$ 3,169,758	\$ (278,232)	\$ 9,280,495	\$ 13,006,632	\$ 7,308,408	\$ 15,352,221	\$ 15,957,143

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
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
2017	13,669,763	3,963,979	2,466,253	20,099,995

**Tax Revenues by Source**

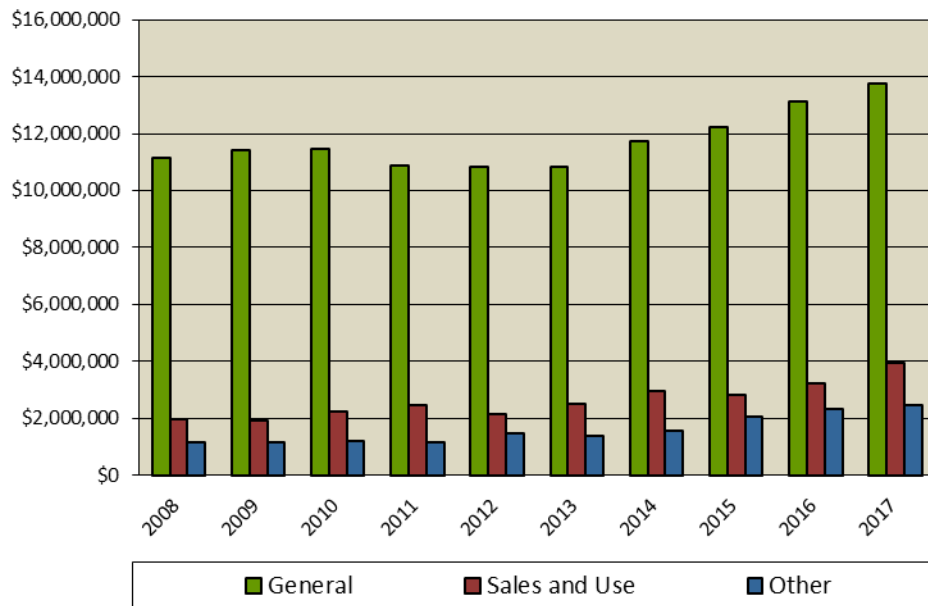


Table 4

### City of Camas, Washington

Fund Balances, Governmental Funds  
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2008	2009	2010	2011 <sup>1</sup>	2012 <sup>1</sup>	2013 <sup>1</sup>	2014 <sup>1</sup>	2015 <sup>1</sup>	2016 <sup>1</sup>	2017 <sup>1</sup>
<b>General Fund:</b>										
Reserved	\$ 3,379,176	\$ 3,364,291	\$ 3,889,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	137,043	129,462	133,852	112,477	122,906	129,796	147,126
Restricted:										
Public Safety	-	-	-	-	-	-	-	35,326	-	-
Debt Service	-	-	-	861,683	895,668	888,058	865,838	863,571	173,010	185,747
Assigned	-	-	-	3,096,608	2,823,503	2,877,084	2,019,258	1,108,854	2,717,022	4,345,596
Unassigned	-	-	-	4,095,334	3,848,633	3,898,994	2,997,573	2,130,657	3,019,828	4,678,469
<b>Total General Fund</b>	<b>3,379,176</b>	<b>3,364,291</b>	<b>3,889,312</b>	<b>4,095,334</b>	<b>3,848,633</b>	<b>3,898,994</b>	<b>2,997,573</b>	<b>2,130,657</b>	<b>3,019,828</b>	<b>4,678,469</b>
<b>All Other Governmental Funds:</b>										
Reserved	3,611,654	2,140,387	2,198,383	-	-	-	-	-	-	-
Unreserved:										
Special Revenue Funds	196,854	482,782	8,725	-	-	-	-	-	-	-
Capital	71,377	104,773	-	-	-	-	-	-	-	-
Unreserved, undesignated	-	-	428,587	-	-	-	-	-	-	-
Restricted:										
Tourism	-	-	-	7,054	10,582	13,969	16,948	12,927	15,280	17,066
Public Safety	-	-	-	-	-	-	-	-	114,975	-
Debt Service	-	-	-	26,678	38,497	31,536	34,561	38,506	43,537	48,841
Capital Outlay	-	-	-	1,725,673	1,264,086	1,230,842	1,442,700	8,384,488	6,179,053	7,406,243
Committed:										
Culture and Recreation	-	-	-	353,179	354,142	16,483	-	-	-	-
Public Safety	-	-	-	350,856	18,113	55,561	267,167	81,176	-	1,167,562
Assigned	-	-	-	10,059	-	-	131,913	38,837	25,364	614,670
Unassigned	-	-	-	(438,324)	(466,907)	(878,437)	(1,921,986)	(478,417)	0	-
<b>Total</b>	<b>3,879,885</b>	<b>2,727,942</b>	<b>2,635,695</b>	<b>2,035,175</b>	<b>1,218,513</b>	<b>469,954</b>	<b>(28,697)</b>	<b>8,077,517</b>	<b>6,378,209</b>	<b>9,254,382</b>
<b>Total General and Other Governmental Funds</b>	<b>\$ 7,259,061</b>	<b>\$ 6,092,233</b>	<b>\$ 6,525,007</b>	<b>\$ 6,130,509</b>	<b>\$ 5,067,146</b>	<b>\$ 4,368,948</b>	<b>\$ 2,968,876</b>	<b>\$ 10,208,174</b>	<b>\$ 9,398,037</b>	<b>\$ 13,932,851</b>

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.

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 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	\$ 20,199,330
Licenses and permits	414,887	363,168	588,583	490,944	336,991	443,867	701,712	753,163	899,706	1,114,824
Intergovernmental	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	1,517,823
Charges for services	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	11,008,811
Fines and forfeits	270,518	216,185	236,379	244,396	242,682	265,154	218,334	209,603	221,208	202,891
Interest earnings	280,726	88,090	44,278	41,876	29,831	31,339	49,116	56,906	51,871	82,993
Rents and royalties	41,235	45,068	42,494	60,918	61,243	58,727	128,980	160,226	165,085	170,874
Insurance premiums/recoveries	78,381	31,627	127	61,815	-	-	-	-	-	-
Contributions/donations	10,387	16,448	392,341	32,811	41,176	35,674	384,330	206,472	97,885	208,500
Miscellaneous	52,502	41,673	183,096	51,374	77,300	66,813	54,613	59,307	49,390	23,875
Total revenues	20,785,177	21,184,753	24,147,619	22,822,520	21,126,889	24,760,815	32,609,145	29,641,290	31,659,843	34,529,921
<b>Expenditures</b>										
General government	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	4,484,576
Judicial	193,383	174,845	202,568	224,011	267,622	289,691	292,099	295,080	301,057	350,950
Public safety	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	14,574,831
Physical environment	1,539,201	1,476,300	1,296,417	1,427,463	1,434,596	115,138	160,569	185,299	180,497	235,735
Transportation	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	1,940,381
Mental & physical health	-	-	-	3,496	6,000	3,599	3,274	4,505	7,031	12,393
Economic environment	552,661	482,843	607,246	392,319	450,820	573,410	759,966	990,134	981,295	948,880
Culture & recreation	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	3,086,202
Capital outlay	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	2,570,150
Debt service										
Principal retirement	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	1,343,738
Interest/fiscal charges	373,601	336,239	303,190	260,267	220,301	259,125	297,610	488,922	517,883	464,397
Total expenditures	21,635,115	22,760,421	23,714,844	22,734,680	23,128,296	28,969,566	35,094,227	30,538,266	32,688,933	30,012,233
Excess of revenues over (under) expenditures	(849,938)	(1,575,668)	432,775	87,840	(2,001,407)	(4,208,751)	(2,485,082)	(896,976)	(1,029,090)	4,517,688
<b>Other Financing Sources (Uses)</b>										
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	15,000
Long-term debt issuance	-	-	-	-	768,826	-	-	-	-	-
Insurance Recoveries	-	-	-	-	30,754	30,000	-	33,561	75,441	106,360
Premium on Bonds Issued	-	-	-	-	-	214,731	-	1,049,834	-	-
Debt Issuance Costs	-	-	-	-	-	-	-	(71,384)	-	-
Transfers in	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	9,061,540
Transfers out	(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)	(9,131,690)
Total other financing sources (uses)	140,522	408,840	-	-	799,580	3,510,553	1,085,010	8,418,874	135,441	51,210
Net change in fund balances	\$ (709,416)	\$ (1,166,828)	\$ 432,775	\$ 87,840	\$ (1,201,827)	\$ (698,198)	\$ (1,400,072)	\$ 7,521,898	\$ (893,649)	\$ 4,568,898
Debt service as a percentage of noncapital expenditures	8.0%	7.6%	7.3%	7.5%	5.8%	5.7%	6.2%	6.8%	7.4%	6.6%

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

### City of Camas, Washington

Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year	Real Property Assessed Value (1)			Industrial	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								
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	
2018	3,362,351,966	214,229,963	454,180,730	120,260,872	16,831,052	4,500,292,789	4,712,348,470	3.61	95.50	

Source: Clark County Assessor's Office

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

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

Table 7

**City of Camas, Washington**  
 Property Tax Rates - Direct and Overlapping Governments  
 Last Ten Fiscal Years  
 (rate per \$1,000 of assessed value)

Fiscal Year	Direct Tax Rate			Total Direct Tax Rate	Overlapping Tax Rate (1)							Total
	General Fund	General Obligation	Emergency Rescue		School	County	State School	Port	Mosquito Control	Conservation Futures		
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	
2017	3.0752	0.1665	0.3661	3.6078	6.1203	1.1753	1.9809	0.3683	0.0000	0.0462	13.2988	

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.

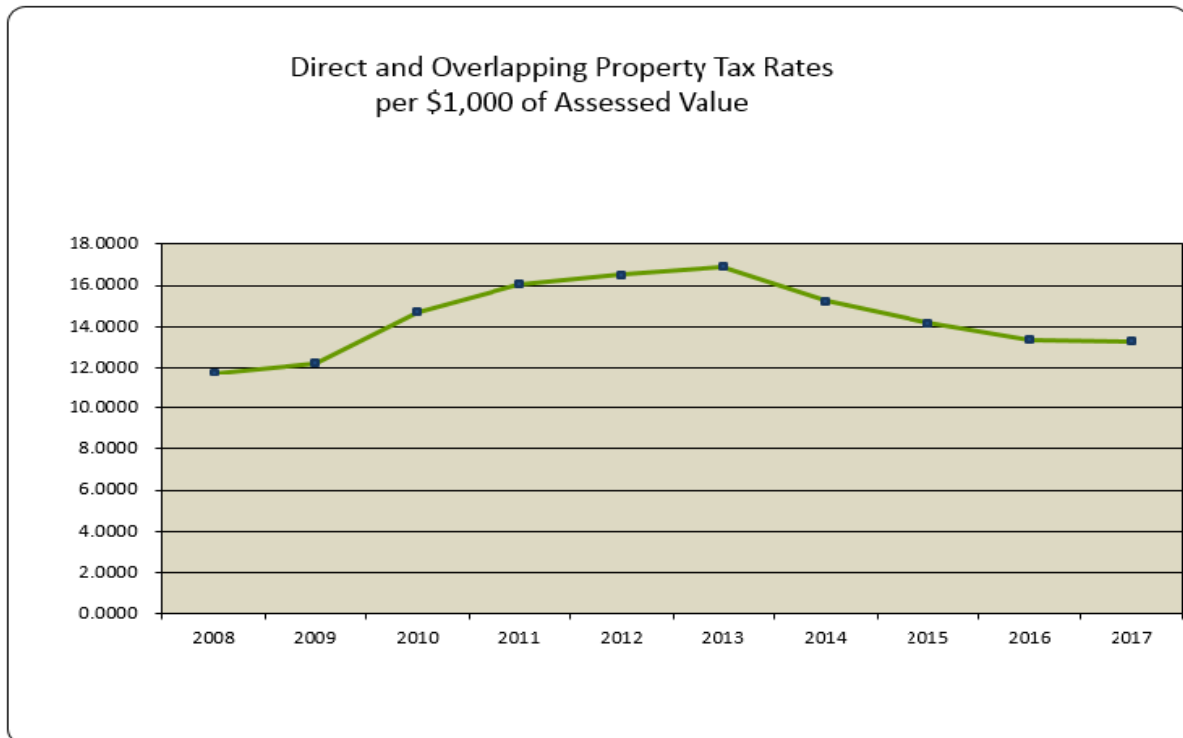


Table 8

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

Taxpayer	Type of Business	2017 Assessed Valuation	Rank	Percentage of Total Assessed Valuation	2008 Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Georgia Pacific	Paper Products	\$ 182,398,878	1	4.1	\$ 194,673,955	1	6.0
Wafertech	Micro-Electronics Mfg.	134,212,595	2	3.0	153,359,600	2	4.7
Fisher Creek Campus LLC	Investment	59,466,700	3	1.3	-	-	-
Bodycote IMT Inc.	Micro-Electronics Analog Integrated	39,140,570	4	0.9	16,142,600	7	0.5
Linear Technology	Circuits	30,733,475	5	0.7	34,690,590	3	1.1
2 Creeks Camas LLC	Residential Development	27,022,823	6	0.6	-	-	-
Sharp Electronics Corp.	Micro-Electronics	23,382,565	7	0.5	23,308,300	4	0.7
Underwriters Laboratories	Research and Testing	21,950,962	8	0.5	20,480,075	5	0.6
Holt Opportunity Fund	Residential Development	21,039,250	9	0.5	-	-	-
Pahlisch Homes	Residential Development	17,716,799	10	0.4	-	-	-
Pacificcorp	Utility	-	-	-	16,408,925	6	0.5
Pacific Links LLC	Land Development	-	-	-	15,047,000	8	0.5
Ralston, Timothy R.	Private Individual	-	-	-	14,890,000	9	0.5
Bruzzone 4th St. LLC	Manufacturing	-	-	-	12,762,200	10	0.4
	Totals	<u>\$ 557,064,617</u>		<u>12.5</u>	<u>\$ 489,001,045</u>		<u>15.1</u>

Source: Clark County Assessor



### 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
2008	\$ 11,281,977	\$ 10,884,523	96.48	\$ 397,281	\$ 11,281,804	100.00
2009	11,568,776	11,180,089	96.64	388,459	11,568,548	100.00
2010	11,475,053	11,199,771	97.60	274,795	11,474,566	100.00
2011	10,715,985	10,481,778	97.81	233,590	10,715,369	99.99
2012	10,655,954	10,521,075	98.73	134,265	10,655,340	99.99
2013	10,856,609	10,703,804	98.59	152,193	10,855,997	99.99
2014	11,719,765	11,596,626	98.95	116,105	11,712,731	99.94
2015	12,245,141	12,120,888	98.99	110,002	12,230,890	99.88
2016	13,008,009	12,807,141	98.46	165,431	12,972,572	99.73
2017	13,623,419	13,509,684	99.17	-	13,509,684	99.17

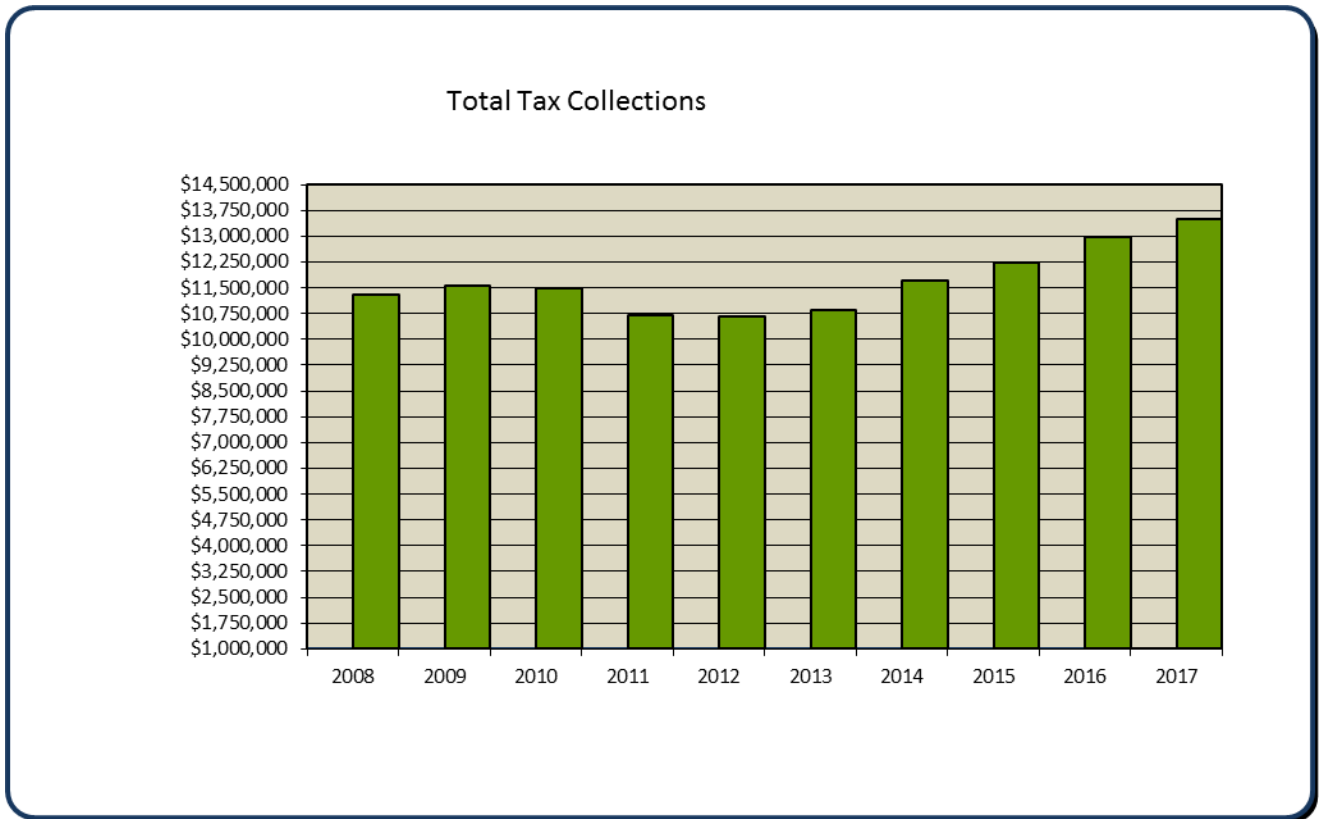


Table 10

### 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			
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	271.11%	2,733
2017	8,636,647	4,767,623	791,366	20,474,833	26,447,876	61,118,345	n/a	2,508

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.

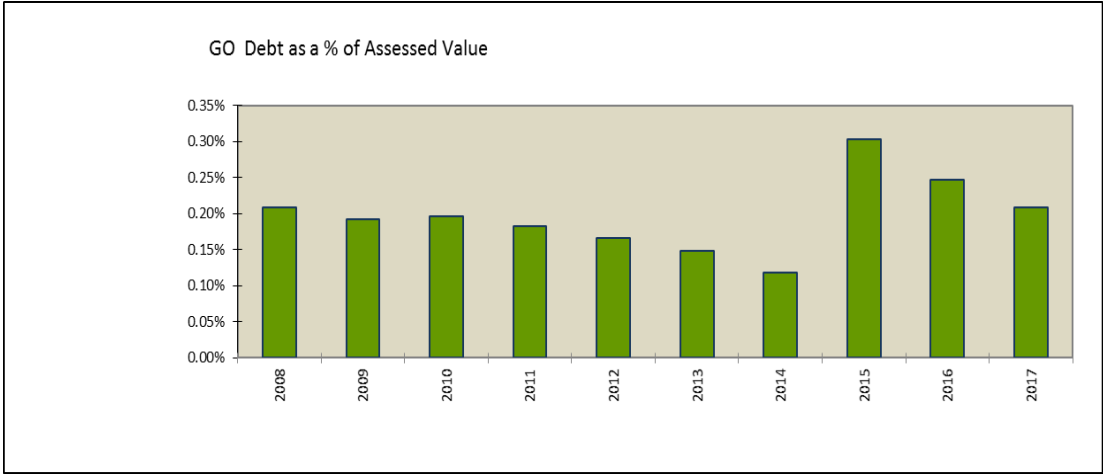
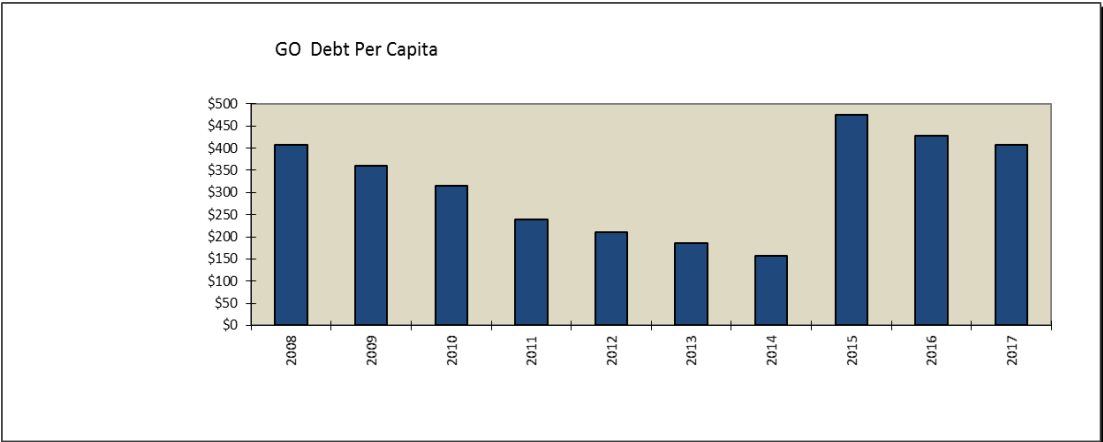
(1) See Table 15 for personal income and population data. These ratios were calculated using personal income and population for the calendar year.

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
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
2017	23,080	4,500,292,789	9,428,013	46,687	9,381,326	0.2%	406.47

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



**City of Camas, Washington**  
Direct and Overlapping Governmental Activities Debt  
As of December 31, 2017

Governmental Unit	Debt Outstanding	Estimated Percent Applicable (1)	Estimated Share of Overlapping Debt
City of Camas Direct Debt	\$ 12,479,498	100%	\$ 12,479,498
Overlapping Debt:			
Debt repaid with property taxes			
Camas School District	\$ 175,485,000	74.36%	\$ 130,490,646
Washougal School District	\$ 53,435,216	0.40%	\$ 213,741
Evergreen School District	\$ 95,300,000	0.41%	\$ 390,730
Port of Camas-Washougal	\$ 11,670,000	50.61%	\$ 5,906,187
Port of Vancouver	\$ 42,135,000	1.46%	\$ 615,171
Clark County	\$ 104,030,136	7.25%	\$ 7,542,185
Total Overlapping Debt			\$ 145,158,660
Total Direct and Overlapping Debt			\$ 157,638,158

**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%
2017	152,627,702	13,417,963	139,209,739	8.79%

#### Legal Debt Margin Calculation for Fiscal Year 2017

Taxable Assessed value (2016 Assessment for 2017 Revenue)	\$ 4,151,141,637
<b>Debt Limit</b>	
Debt limit with vote (2.5% of assessed value)	103,778,541
Debt applicable to with vote limit:	
General obligation bonds	1,740,000
Less: assets available	<u>46,687</u>
Total debt applicable to limit with vote	<u>1,693,313</u>
Total legal debt margin with vote	<u>\$ 102,085,228</u>
<b>Debt limit without vote (1.5% of assessed value)</b>	
Debt applicable to without vote limit:	
General obligation bonds	6,820,000
Other	4,904,650 <sup>1</sup>
Total net debt applicable to limit without vote	<u>\$ 11,724,650</u>
Total legal debt margin without vote	<u>\$ 50,542,474</u>
Legal Debt Margin	<u>\$ 152,627,702</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.

**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	
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
2017	12,488,469	6,558,803	5,929,666	695,000	836,475	3.87

(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

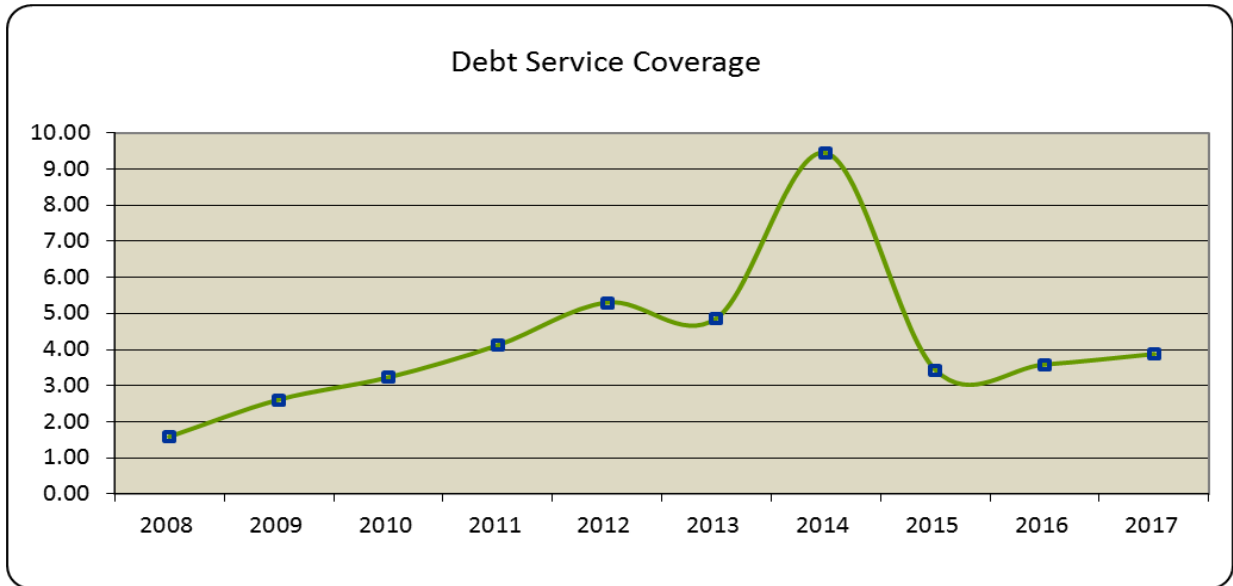


Table 15

**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)
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	21,986,307	47,078	7,018	6.0%
2017	23,080	not available	not available	7,084	5.0%

Sources:

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

Table 16

## City of Camas, Washington

Principal Employers

Current Year and Nine Years Ago

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fisher Investments	1,330	1	16.4%	-		-
Camas School District	1,051	2	13.0%	750		13.4%
Wafertech	1,000	3	12.3%	1,000		17.8%
Georgia Pacific	447	4	5.5%	460		8.2%
Linear Technology	300	5	3.7%	300		5.4%
Underwriters Laboratories	249	6	3.1%	268		4.8%
Karcher North America	226	7	2.8%	257		4.6%
City of Camas	188	8	2.3%	184		3.3%
Sigma	136	9	1.7%	-		-
Fuel Medical	93	10	1.1%	-		-
	<u>5,007</u>		<u>61.8%</u>	<u>3,554</u>		<u>57.5%</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, 2017

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government										
Judicial	-	-	-	-	-	-	-	1.00	1.00	1.55
Executive	1.50	1.45	1.45	1.45	1.45	1.60	1.45	2.67	2.40	2.54
Finance	8.00	7.88	8.00	7.75	7.75	7.75	9.00	9.00	9.00	9.00
Human Resources	1.10	1.15	1.15	1.15	1.15	1.15	1.27	1.66	-	-
Administrative Services	-	-	-	-	-	-	-	-	6.60	6.46
Other	3.25	3.25	4.25	4.35	3.25	3.5	4.28	6.67	-	-
Public Safety										
Police	33.53	32.35	32.13	31.38	31.45	31.45	31.45	32.45	32.50	32.00
Fire	39.76	45.96	45.50	41.00	41.00	44.00	41.00	54.00	54.00	54.00
Physical environment	14.73	13.40	12.40	12.80	12.80	12.80	12.20	14.00	14.00	16.00
Transportation	12.64	11.79	11.49	10.65	10.60	9.60	11.85	9.60	9.60	9.60
Economic environment	11.01	9.01	9.01	7.30	7.60	7.80	7.60	6.00	6.00	6.00
Parks and recreation	16.86	16.14	16.14	13.59	13.62	12.10	12.71	9.05	9.25	9.05
Cemetery	1.50	1.25	1.25	1.05	1.30	1.30	0.93	1.05	1.05	1.05
Library	15.91	15.41	15.41	15.10	14.77	14.78	14.78	14.50	14.30	13.50
Water/Sewer	17.84	19.00	19.00	19.25	19.50	19.50	19.00	20.00	20.15	20.15
Storm Water	2.80	3.05	4.35	4.50	4.50	4.50	4.50	3.50	3.20	3.20
Solid Waste	4.11	4.11	4.11	4.10	4.10	4.10	4.10	4.10	4.25	4.25
<b>Total</b>	<u>184.54</u>	<u>185.20</u>	<u>185.64</u>	<u>175.42</u>	<u>174.84</u>	<u>175.93</u>	<u>176.12</u>	<u>189.25</u>	<u>187.30</u>	<u>188.35</u>

Source: City budget documents

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police</b>										
Police reports	4,023	3,178	3,369	3,313	3,169	3,028	2,721 **	1,867	1,372	1,540
Arrests	861	705	613	737	710	643	591	417	430	459
Traffic stops	7,107	6,498	7,126	6,535	6,268	6,379	6,044	5,258	6,147	5,201
Service calls logged	13,857	11,402	10,658	9,427	9,619	10,220	9,223	8,487	9,081	9,173
<b>Fire</b>										
Fire alarms	85	90	75	91	97	94	108	151	117	145
Total fire responses	1,520	1,596	1,363	1,589	1,631	1,657 *	2,847	3,096	2,880	3,156
Total EMS responses	2,693	2,775	2,774	3,005	3,039	2,977	3,139	3,135	3,473	3,630
Inspections	412	390	627	728	501	500 est. *	754	607	954	1,018
<b>Parks and recreation</b>										
Recreation center visits	37,986	34,552	29,456	28,270	31,781	33,061	36,961	40,144	48,420	43,811
Recreation services participants	14,233	12,032	12,169	12,833	12,542	10,514	13,104	15,029	13,053	14,846
Recreation services events	304	353	302	318	360	236	305	491	331	318
<b>Library</b>										
Registered borrowers	11,985	12,844	10,392	11,899	13,272	14,359	15,274	16,126	17,183	13,659
Total holdings	90,895	97,647	88,872	92,133	104,660	106,225	120,656	126,856	124,503	114,792
Library visits	249,185	289,188	284,576	260,694	252,289	226,806	204,818	199,118	198,234	193,341
<b>Water</b>										
Water residential connections	6,643	6,699	6,857	6,934	7,067	7,184	7,361	7,565	7,817	8,043
Water non-residential connections	493	482	450	474	498	549	567	590	594	611
New connections	14	56	126	101	157	168	195	227	256	243
Average daily consumption (gallons)	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	4,147,914
<b>Sewer</b>										
Average daily sewage treatment (gallons)	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	2,530,000
Sewer residential connections	6,367	6,458	6,599	6,735	6,827	6,926	7,124	7,357	7,558	7,772
Sewer non-residential connections	246	246	246	246	242	271	277	284	284	284
<b>Solid Waste</b>										
Refuse collected (tons)	6,854	6,560	6,334	6,311	6,267	6,694	7,317	6,347	7,164	7,380
Recycling collected (tons)	1,859	1,781	2,374	2,331	2,468	2,353	2,349	2,430	2,566	2,527
Solid waste customers	6,159	6,225	6,433	6,540	6,649	7,108	7,151	7,338	7,537	7,705

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									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	8	8	8	8	8	8	8	8	8	8
<b>Fire</b>										
Stations	2	2	2	2	2	3	3	3	3	3
Engines	4	4	4	4	4	3	7	5	5	5
Ambulances	4	4	4	4	4	4	5	5	5	5
<b>Parks and Recreation</b>										
Parks acreage	143.1	143.1	143.1	197.9	197.9	197.9	197.9	197.9	197.9	197.9
Parks	12	12	13	14	14	14	14	14	14	15
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	2	2	1	1
Skate parks	1	1	1	1	1	1	1	1	1	1
<b>Water</b>										
Water mains (miles)**	147.1	147.1	147.4	149.2	150.9	154.0	158.1	160.5	162.3	164.2
<b>Sewer</b>										
Sanitary sewers (miles)**	110.3	110.3	110.6	111.8	113.0	115.9	118.1	121.0	123.4	125.6
Storm sewers (miles)**	62.7	62.7	63.4	64.0	64.1	65.2	68.7	70.7	72.9	76.2
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
<b>Solid Waste</b>										
Collection trucks	4	4	4	4	4	4	4	4	4	4
<b>City Streets</b>										
Paved streets (miles)**	99.8	105.1	105.1	105.1	105.5	103.5	104.6	106.6	107.9	109.4
Unpaved streets (miles)	3.3	3.3	3.3	3.3	3.3	0*	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 &amp; Storm sewers to include donated assets from 2006 - 2015