

**CITY OF EVERSON
WASHINGTON**

2017 Annual Financial Report

Prepared by:

Jennifer Bell, Clerk/Treasurer



Legislative Body

John Perry

John Hammond

Jennifer Lautenbach

Andy Jewell

Eric Oettel

Travis Remy

Mayor

Councilmember #1

Councilmember #2, Mayor Pro Tem

Councilmember #3

Councilmember #4

Councilmember #5

Administration

Daniel MacPhee

David Schoonover

Jennifer Bell

Jon Sitkin

Rollin Harper

Chief of Police

Public Works Director

Clerk/Treasurer

City Attorney, Contracted

City Planner, Contracted

ANNUAL REPORT CERTIFICATION

City of Everson
(Official Name of Government)

0784
MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the Fiscal Year Ended 12/31/2017

GOVERNMENT INFORMATION:

Official Mailing Address PO Box 315
Everson, WA 98247

Official Website Address www.ci.everson.wa.us

Official E-mail Address jbell@thecityofeverson.com

Official Phone Number 360-966-3411 x6

AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title Jennifer Bell Clerk/Treasurer

Contact Phone Number 360-966-3411 x6

Contact E-mail Address jbell@thecityofeverson.com

I certify 10th day of May, 2018, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

Jennifer Bell (jbell@thecityofeverson.com)

TABLE OF CONTENTS:

1. Financial Statements

- C-4 – Fund Resources & Uses Arising from Cash Transactions
- C-5 – Fiduciary Fund Resources & Uses Arising from Cash Transactions
- Schedule 01 – 2017 Revenue & Expense by BARS Line Item

2. Notes to the Financial Statements

3. Schedules

- Schedule 09 – 2017 Liabilities
- Schedule 15 – Schedule of State Financial Assistance
- Schedule 16 – Schedule of Expenditures of Federal Awards (SEFA)
 - Notes to the Schedule of Expenditures of Federal Awards
- Schedule 06 – Summary of Bank Reconciliation
- Schedule 19 – Labor Relations Consultants

4. Annual Report Submission & Review

Fund Key

Statement	Reporting Fund #	Local Fund #	Fund Name
C-4	001	001	General Fund
		*106	Community Development Fund
	101	101	City Street
	102	102	Asset Seizure
	108	108	Park Impact Fees
	110	110	Ramstead Park Fund
	301	301	Capital Improvements - Street
	304	304	Building Capital Fund
	401	401	Water Sewer
		*402	Capital Improvements – Water
		*403	Capital Improvements – Sewer
*404		W/S Bond Redemption	
C-5	631	631	Agency Funds
		635	Municipal Court
	* Rolled Funds: 106 rolled into 001; 402, 403, 404, 405 rolled into 401.		

City of Everson
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017

		<u>Total for All Funds (Memo Only)</u>	<u>001 General Fund</u>	<u>101 City Street</u>	<u>102 Asset Seizure</u>
Beginning Cash and Investments					
30810	Reserved	123,016	-	-	2,578
30880	Unreserved	1,847,128	346,613	119,784	-
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	1,209,635	1,042,841	49,768	-
320	Licenses and Permits	84,063	83,658	-	-
330	Intergovernmental Revenues	1,221,919	136,134	59,042	-
340	Charges for Goods and Services	1,851,770	240,401	-	-
350	Fines and Penalties	63,732	63,732	-	-
360	Miscellaneous Revenues	31,681	26,965	55	5
Total Revenues:		<u>4,462,800</u>	<u>1,593,731</u>	<u>108,865</u>	<u>5</u>
Expenditures					
510	General Government	469,633	469,470	-	-
520	Public Safety	1,042,901	1,040,318	-	2,583
530	Utilities	1,076,216	-	-	-
540	Transportation	141,885	-	94,575	-
550	Natural and Economic Environment	65,985	65,985	-	-
560	Social Services	495	495	-	-
570	Culture and Recreation	65,304	65,304	-	-
Total Expenditures:		<u>2,862,419</u>	<u>1,641,572</u>	<u>94,575</u>	<u>2,583</u>
Excess (Deficiency) Revenues over Expenditures:		1,600,381	(47,841)	14,290	(2,578)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	62,341	-	-	-
397	Transfers-In	40,000	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	55,654	55,654	-	-
Total Other Increases in Fund Resources:		<u>157,996</u>	<u>55,654</u>	<u>-</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	1,195,617	-	-	-
591-593, 599	Debt Service	386,475	-	-	-
597	Transfers-Out	40,000	20,000	20,000	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>1,622,091</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		136,284	(12,187)	(5,710)	(2,578)
Ending Cash and Investments					
5081000	Reserved	101,242	-	-	-
5088000	Unreserved	2,005,187	334,426	114,074	-
Total Ending Cash and Investments		2,106,429	334,426	114,074	-

The accompanying notes are an integral part of this statement.

City of Everson
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017

		<u>108 Park Impact Fees</u>	<u>110 Ramstead Park</u>	<u>301 Capital Improvements - Street</u>	<u>304 Building Capital Fund</u>
Beginning Cash and Investments					
30810	Reserved	33,881	17,505	-	-
30880	Unreserved	-	-	313,326	61,333
388 / 588	Prior Period Adjustments, Net	-	-	-	-
Revenues					
310	Taxes	-	-	117,026	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	794,214	-
340	Charges for Goods and Services	15,135	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	21	-	142	24
Total Revenues:		<u>15,156</u>	<u>-</u>	<u>911,382</u>	<u>24</u>
Expenditures					
510	General Government	-	-	50	8
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	47,310	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>-</u>	<u>-</u>	<u>47,360</u>	<u>8</u>
Excess (Deficiency) Revenues over Expenditures:		<u>15,156</u>	<u>-</u>	<u>864,022</u>	<u>16</u>
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	40,000	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	-
381, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>-</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	848,297	19,041
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	-
581	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>-</u>	<u>848,297</u>	<u>19,041</u>
Increase (Decrease) in Cash and Investments:		<u>15,156</u>	<u>-</u>	<u>55,725</u>	<u>(19,025)</u>
Ending Cash and Investments					
5081000	Reserved	49,038	17,505	-	-
5088000	Unreserved	-	-	369,051	42,308
Total Ending Cash and Investments		<u>49,038</u>	<u>17,505</u>	<u>369,051</u>	<u>42,308</u>

City of Everson
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017

		401 Water Sewer
Beginning Cash and Investments		
30810	Reserved	69,052
30880	Unreserved	1,006,071
388 / 588	Prior Period Adjustments, Net	-
Revenues		
310	Taxes	-
320	Licenses and Permits	405
330	Intergovernmental Revenues	232,530
340	Charges for Goods and Services	1,596,235
350	Fines and Penalties	-
360	Miscellaneous Revenues	4,469
Total Revenues:		1,833,638
Expenditures		
510	General Government	104
520	Public Safety	-
530	Utilities	1,076,216
540	Transportation	-
550	Natural and Economic Environment	-
560	Social Services	-
570	Culture and Recreation	-
Total Expenditures:		1,076,320
Excess (Deficiency) Revenues over Expenditures:		757,319
Other Increases in Fund Resources		
391-393, 596	Debt Proceeds	62,341
397	Transfers-In	-
385	Special or Extraordinary Items	-
386 / 389	Custodial Activities	-
381, 395, 398	Other Resources	-
Total Other Increases in Fund Resources:		62,341
Other Decreases in Fund Resources		
594-595	Capital Expenditures	328,279
591-593, 599	Debt Service	386,475
597	Transfers-Out	-
585	Special or Extraordinary Items	-
586 / 589	Custodial Activities	-
581	Other Uses	-
Total Other Decreases in Fund Resources:		714,754
Increase (Decrease) in Cash and Investments:		104,906
Ending Cash and Investments		
5081000	Reserved	34,700
5088000	Unreserved	1,145,328
Total Ending Cash and Investments		1,180,028

City of Everson
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2017

		Total for All Funds (Memo Only)	Agency
308	Beginning Cash and Investments	25,209	25,209
388 & 588	Prior Period Adjustment, Net	-	-
310-390	Additions	245,059	245,059
510-590	Deductions	244,660	244,660
	Net Increase (Decrease) in Cash and Investments:	399	400
508	Ending Cash and Investments	25,608	25,608

The accompanying notes are an integral part of this statement.

City of Everson

Schedule 01

For the year ended December 31, 2017

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	3088000	Unreserved Cash and Investments - Beginning	\$346,613
0784	001	General Fund	3111000	Property Tax	\$199,071
0784	001	General Fund	3131100	Local Retail Sales and Use Tax	\$265,569
0784	001	General Fund	3131500	Special Purpose Sales and Use Tax	\$34,255
0784	001	General Fund	3137100	Criminal Justice Sales and Use Tax	\$47,881
0784	001	General Fund	3161000	Business and Occupation Taxes	\$213,822
0784	001	General Fund	3164100	Business and Occupation Taxes on Utilities	\$76,235
0784	001	General Fund	3164200	Business and Occupation Taxes on Utilities	\$23,072
0784	001	General Fund	3164300	Business and Occupation Taxes on Utilities	\$31,950
0784	001	General Fund	3164400	Business and Occupation Taxes on Utilities	\$52,243
0784	001	General Fund	3164500	Business and Occupation Taxes on Utilities	\$16,056
0784	001	General Fund	3164600	Business and Occupation Taxes on Utilities	\$31,395
0784	001	General Fund	3164700	Business and Occupation Taxes on Utilities	\$39,836
0784	001	General Fund	3172000	Leasehold Excise Tax	\$11,455
0784	001	General Fund	3216000	Professional and Occupations	\$5,580
0784	001	General Fund	3219100	Franchise Fees and Royalties	\$26,288
0784	001	General Fund	3221000	Buildings, Structures and Equipment	\$48,002
0784	001	General Fund	3221001	Buildings, Structures and Equipment	\$2,538

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	3223000	Animal Licenses	\$360
0784	001	General Fund	3229000	Other Non-Business Licenses and Permits	\$889
0784	001	General Fund	3332060	Federal Indirect Grant from Department of Transportation	\$1,400
0784	001	General Fund	3339706	Federal Indirect Grant from Department of Homeland Security	\$39,060
0784	001	General Fund	3360098	City-County Assistance	\$52,117
0784	001	General Fund	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0784	001	General Fund	3360626	Criminal Justice - Special Programs	\$2,668
0784	001	General Fund	3360651	DUI and Other Criminal Justice Assistance	\$394
0784	001	General Fund	3360694	Liquor/Beer Excise Tax	\$13,163
0784	001	General Fund	3360695	Liquor Control Board Profits	\$24,082
0784	001	General Fund	3370000	Local Grants, Entitlements and Other Payments	\$2,250
0784	001	General Fund	3413300	District/Municipal Court - Administrative Fees	\$3,456
0784	001	General Fund	3414201	Treasurers' Fees	\$392
0784	001	General Fund	3414202	Treasurers' Fees	\$265
0784	001	General Fund	3414300	Budgeting and Accounting Services	\$257
0784	001	General Fund	3418100	Data/Word Processing, Printing, Duplicating and IT Services	\$142
0784	001	General Fund	3419900	Passport and Naturalization Services	\$17,010
0784	001	General Fund	3421000	Law Enforcement Services	\$1,330
0784	001	General Fund	3421100	Law Enforcement Services	\$158,488
0784	001	General Fund	3421200	Law Enforcement Services	\$6,434
0784	001	General Fund	3423300	Detention and Correction Services	\$20,356
0784	001	General Fund	3423306	Detention and Correction Services	\$10,120

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	3423307	Detention and Correction Services	\$540
0784	001	General Fund	3423600	Detention and Correction Services	\$9,632
0784	001	General Fund	3423801	Detention and Correction Services	\$389
0784	001	General Fund	3452300	Animal Control and Shelter Services	\$300
0784	001	General Fund	3458100	Zoning and Subdivision Services	\$217
0784	001	General Fund	3458900	Other Planning and Development Services	\$5,814
0784	001	General Fund	3473000	Activity Fees	\$5,260
0784	001	General Fund	3523000	Proof of Motor Vehicle Insurance	\$903
0784	001	General Fund	3529003	Other Civil Penalties	\$111
0784	001	General Fund	3531000	Traffic Infraction Penalties	\$42,087
0784	001	General Fund	3537000	Non-Traffic Infraction Penalties	\$2,706
0784	001	General Fund	3552000	Driving Under Influence (DUI) Fines	\$3,324
0784	001	General Fund	3558000	Other Criminal Traffic Misdemeanor Fines	\$4,030
0784	001	General Fund	3558002	Other Criminal Traffic Misdemeanor Fines	\$976
0784	001	General Fund	3565003	Investigative Fund Assessments	\$47
0784	001	General Fund	3569000	Other Criminal Non-Traffic Fines	\$711
0784	001	General Fund	3569008	Other Criminal Non-Traffic Fines	\$913
0784	001	General Fund	3569014	Other Criminal Non-Traffic Fines	\$612
0784	001	General Fund	3573300	Public Defense Cost	\$6,418
0784	001	General Fund	3573600	Collection Agency Cost	\$457
0784	001	General Fund	3573700	District/Municipal Court Cost Recoupments	\$439
0784	001	General Fund	3614000	Other Interest	\$1
0784	001	General Fund	3614000	Other Interest	\$277
0784	001	General Fund	3614001	Other Interest	\$163

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	3614001	Other Interest	\$1,054
0784	001	General Fund	3614002	Other Interest	\$1,054
0784	001	General Fund	3620040	Rents and Leases	\$3,900
0784	001	General Fund	3620050	Rents and Leases	\$10,825
0784	001	General Fund	3620060	Rents and Leases	\$8,158
0784	001	General Fund	3671100	Contributions and Donations from Nongovernmental Sources	\$40
0784	001	General Fund	3691000	Sale of Surplus	\$1,397
0784	001	General Fund	3698100	Cash Adjustments	\$0
0784	001	General Fund	3699100	Miscellaneous Other	\$95
0784	001	General Fund	3981000	Insurance Recoveries	\$55,654
0784	101	City Street	3088000	Unreserved Cash and Investments - Beginning	\$119,784
0784	101	City Street	3111000	Property Tax	\$49,768
0784	101	City Street	3360071	Multimodal Transportation - Cities	\$2,733
0784	101	City Street	3360087	Motor Vehicle Fuel Tax - City Streets	\$56,309
0784	101	City Street	3614000	Other Interest	\$55
0784	102	Asset Seizure	3081000	Reserved Cash and Investments - Beginning	\$2,578
0784	102	Asset Seizure	3614000	Other Interest	\$5
0784	108	Park Impact Fees	3081000	Reserved Cash and Investments - Beginning	\$33,881
0784	108	Park Impact Fees	3458500	Growth Management Act (GMA) Impact Fees	\$15,135
0784	108	Park Impact Fees	3614000	Other Interest	\$21
0784	110	Ramstead Park	3081000	Reserved Cash and Investments - Beginning	\$17,505
0784	301	Capital Improvements - Street	3088000	Unreserved Cash and Investments - Beginning	\$313,326
0784	301	Capital Improvements - Street	3183400	REET 1 - First Quarter Percent	\$58,513
0784	301	Capital Improvements - Street	3183500	REET 2 - Second Quarter Percent	\$58,513
0784	301	Capital Improvements - Street	3332020	Federal Indirect Grant from Department of Transportation	\$35,261

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	301	Capital Improvements - Street	3332020	Federal Indirect Grant from Department of Transportation	\$72,101
0784	301	Capital Improvements - Street	3332020	Federal Indirect Grant from Department of Transportation	\$7,501
0784	301	Capital Improvements - Street	3332020	Federal Indirect Grant from Department of Transportation	\$1,804
0784	301	Capital Improvements - Street	3332020	Federal Indirect Grant from Department of Transportation	\$53,169
0784	301	Capital Improvements - Street	3340380	State Grant from Transportation Improvement Board (TIB)	\$44,945
0784	301	Capital Improvements - Street	3340384	State Grant from Transportation Improvement Board (TIB)	\$5,503
0784	301	Capital Improvements - Street	3340384	State Grant from Transportation Improvement Board (TIB)	\$8,886
0784	301	Capital Improvements - Street	3340384	State Grant from Transportation Improvement Board (TIB)	\$1,171
0784	301	Capital Improvements - Street	3340384	State Grant from Transportation Improvement Board (TIB)	\$211
0784	301	Capital Improvements - Street	3340385	State Grant from Transportation Improvement Board (TIB)	\$17,415
0784	301	Capital Improvements - Street	3340385	State Grant from Transportation Improvement Board (TIB)	\$436,504
0784	301	Capital Improvements - Street	3340385	State Grant from Transportation Improvement Board (TIB)	\$89,742
0784	301	Capital Improvements - Street	3376100	Local Grants, Entitlements and Other Payments	\$20,000

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	301	Capital Improvements - Street	3611000	Investment Earnings	\$142
0784	301	Capital Improvements - Street	3970000	Transfers-In	\$40,000
0784	304	Building Capital Fund	3088000	Unreserved Cash and Investments - Beginning	\$61,333
0784	304	Building Capital Fund	3611000	Investment Earnings	\$24
0784	401	Water Sewer	3081000	Reserved Cash and Investments - Beginning	\$69,052
0784	401	Water Sewer	3088000	Unreserved Cash and Investments - Beginning	\$1,006,071
0784	401	Water Sewer	3216000	Professional and Occupations	\$155
0784	401	Water Sewer	3221000	Buildings, Structures and Equipment	\$250
0784	401	Water Sewer	3376300	Local Grants, Entitlements and Other Payments	\$232,530
0784	401	Water Sewer	3414300	Budgeting and Accounting Services	\$241
0784	401	Water Sewer	3434000	Water Sales and Services	\$68,000
0784	401	Water Sewer	3434000	Water Sales and Services	\$391,550
0784	401	Water Sewer	3434000	Water Sales and Services	\$875
0784	401	Water Sewer	3434000	Water Sales and Services	\$11,419
0784	401	Water Sewer	3435000	Sewer/Reclaimed Water Sales and Services	\$108,800
0784	401	Water Sewer	3435000	Sewer/Reclaimed Water Sales and Services	\$870,563
0784	401	Water Sewer	3435051	Sewer/Reclaimed Water Sales and Services	\$144,786
0784	401	Water Sewer	3611000	Investment Earnings	\$469
0784	401	Water Sewer	3691000	Sale of Surplus	\$4,000
0784	401	Water Sewer	3918000	Intergovernmental Loans	\$62,341
0784	631	Agency Funds	3088000	Unreserved Cash and Investments - Beginning	\$19,759
0784	631	Agency Funds	3861200	Court Remittances	\$1,161
0784	631	Agency Funds	3868300	Court Remittances	\$1,778

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	631	Agency Funds	3868307	Court Remittances	\$3,509
0784	631	Agency Funds	3868332	Court Remittances	\$654
0784	631	Agency Funds	3868501	Court Remittances	\$233
0784	631	Agency Funds	3869200	Court Remittances	\$16,242
0784	631	Agency Funds	3869201	Court Remittances	\$28,913
0784	631	Agency Funds	3869202	Court Remittances	\$795
0784	631	Agency Funds	3869602	Court Remittances	\$666
0784	631	Agency Funds	3869603	Court Remittances	\$143
0784	631	Agency Funds	3869700	Court Remittances	\$9,628
0784	631	Agency Funds	3869900	Court Remittances	\$246
0784	631	Agency Funds	3891000	Refundable Deposits	\$150
0784	631	Agency Funds	3891000	Refundable Deposits	\$1,800
0784	631	Agency Funds	3891000	Refundable Deposits	\$850
0784	631	Agency Funds	3893000	Agency Type Collections	\$117
0784	631	Agency Funds	3893000	Agency Type Collections	\$1,052
0784	631	Agency Funds	3893000	Agency Type Collections	\$2,796
0784	635	Municipal Court	3088000	Unreserved Cash and Investments - Beginning	\$5,450
0784	635	Municipal Court	3860200	Court Remittances	\$174,326
0784	001	General Fund	5088000	Unreserved Cash and Investments - Ending	\$334,426
0784	001	General Fund	5113040	Official Publication Services	\$299
0784	001	General Fund	5113040	Official Publication Services	\$3,118
0784	001	General Fund	5116010	Legislative Activities	\$9,000
0784	001	General Fund	5116020	Legislative Activities	\$689
0784	001	General Fund	5116030	Legislative Activities	\$61
0784	001	General Fund	5116030	Legislative Activities	\$586
0784	001	General Fund	5116030	Legislative Activities	\$2,810
0784	001	General Fund	5116040	Legislative Activities	\$2,346
0784	001	General Fund	5116040	Legislative Activities	\$796
0784	001	General Fund	5116040	Legislative Activities	\$3,344
0784	001	General Fund	5116040	Legislative Activities	\$90
0784	001	General Fund	5125010	Municipal Court	\$54,741
0784	001	General Fund	5125010	Municipal Court	\$19,555

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	5125020	Municipal Court	\$29,770
0784	001	General Fund	5125020	Municipal Court	\$150
0784	001	General Fund	5125030	Municipal Court	\$1,373
0784	001	General Fund	5125030	Municipal Court	\$3,841
0784	001	General Fund	5125040	Municipal Court	\$4,313
0784	001	General Fund	5125040	Municipal Court	\$1,312
0784	001	General Fund	5125040	Municipal Court	\$3,011
0784	001	General Fund	5125040	Municipal Court	\$193
0784	001	General Fund	5125040	Municipal Court	\$868
0784	001	General Fund	5125040	Municipal Court	\$114
0784	001	General Fund	5125040	Municipal Court	\$494
0784	001	General Fund	5125040	Municipal Court	\$879
0784	001	General Fund	5125040	Municipal Court	\$3,344
0784	001	General Fund	5131010	Executive Office	\$6,000
0784	001	General Fund	5131020	Executive Office	\$18,613
0784	001	General Fund	5131030	Executive Office	\$446
0784	001	General Fund	5131040	Executive Office	\$2,346
0784	001	General Fund	5131040	Executive Office	\$1,914
0784	001	General Fund	5131040	Executive Office	\$216
0784	001	General Fund	5131040	Executive Office	\$3,038
0784	001	General Fund	5142310	Financial Services	\$60,949
0784	001	General Fund	5142320	Financial Services	\$17,435
0784	001	General Fund	5142320	Financial Services	\$156
0784	001	General Fund	5142330	Financial Services	\$941
0784	001	General Fund	5142330	Financial Services	\$946
0784	001	General Fund	5142340	Financial Services	\$14,173
0784	001	General Fund	5142340	Financial Services	\$875
0784	001	General Fund	5142340	Financial Services	\$6,484
0784	001	General Fund	5142340	Financial Services	\$193
0784	001	General Fund	5142340	Financial Services	\$868
0784	001	General Fund	5142340	Financial Services	\$37
0784	001	General Fund	5142340	Financial Services	\$1,046
0784	001	General Fund	5142340	Financial Services	\$879
0784	001	General Fund	5142340	Financial Services	\$4,130

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	5142340	Financial Services	\$285
0784	001	General Fund	5144050	Election Services	\$3,465
0784	001	General Fund	5153040	Legal Services	\$26,905
0784	001	General Fund	5153040	Legal Services	\$22,447
0784	001	General Fund	5159140	General Indigent Defense	\$18,780
0784	001	General Fund	5181040	Personnel Services	\$884
0784	001	General Fund	5182040	Property Management Services	\$3,324
0784	001	General Fund	5182040	Property Management Services	\$20
0784	001	General Fund	5183020	Maintenance/Security/Insurance/Janitorial Services	\$136
0784	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$9,570
0784	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$477
0784	001	General Fund	5183030	Maintenance/Security/Insurance/Janitorial Services	\$1,685
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$4,668
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$20
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$4,108
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$868
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$3,925
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$94
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$527

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$7,670
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$6,371
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$58,905
0784	001	General Fund	5183040	Maintenance/Security/Insurance/Janitorial Services	\$90
0784	001	General Fund	5188640	Information Technology Services	\$5,464
0784	001	General Fund	5211010	Administration	\$478,644
0784	001	General Fund	5211010	Administration	\$19,292
0784	001	General Fund	5211020	Administration	\$207,092
0784	001	General Fund	5211020	Administration	\$7,101
0784	001	General Fund	5211020	Administration	\$7,984
0784	001	General Fund	5211030	Administration	\$4,688
0784	001	General Fund	5211030	Administration	\$15,149
0784	001	General Fund	5211040	Administration	\$7,604
0784	001	General Fund	5211040	Administration	\$20
0784	001	General Fund	5211040	Administration	\$5,588
0784	001	General Fund	5211040	Administration	\$2,610
0784	001	General Fund	5211040	Administration	\$94
0784	001	General Fund	5211040	Administration	\$23,329
0784	001	General Fund	5211040	Administration	\$1,170
0784	001	General Fund	5212040	Police Operations	\$38,026
0784	001	General Fund	5213030	Crime Prevention	\$970
0784	001	General Fund	5214040	Training	\$2,188
0784	001	General Fund	5215030	Facilities	\$3,058
0784	001	General Fund	5215040	Facilities	\$7,112
0784	001	General Fund	5215040	Facilities	\$1,699
0784	001	General Fund	5215040	Facilities	\$2,334
0784	001	General Fund	5215040	Facilities	\$1,152
0784	001	General Fund	5215040	Facilities	\$9,224
0784	001	General Fund	5215040	Facilities	\$15,830

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	5233040	Probation and Parole Services	\$30,191
0784	001	General Fund	5236040	Care and Custody of Prisoners	\$60,263
0784	001	General Fund	5241010	Administration	\$29,777
0784	001	General Fund	5241020	Administration	\$16,078
0784	001	General Fund	5241020	Administration	\$113
0784	001	General Fund	5241030	Administration	\$988
0784	001	General Fund	5241030	Administration	\$227
0784	001	General Fund	5241040	Administration	\$20
0784	001	General Fund	5241040	Administration	\$5,063
0784	001	General Fund	5241040	Administration	\$19
0784	001	General Fund	5241040	Administration	\$1,219
0784	001	General Fund	5241040	Administration	\$37
0784	001	General Fund	5241040	Administration	\$2,247
0784	001	General Fund	5241040	Administration	\$879
0784	001	General Fund	5241040	Administration	\$1,851
0784	001	General Fund	5241040	Administration	\$475
0784	001	General Fund	5242040	Inspections, Permits, Certificates and Licenses	\$180
0784	001	General Fund	5251040	Administration	\$28,733
0784	001	General Fund	5535040	Diking/Drainage	\$500
0784	001	General Fund	5537040	Pollution Control and Remediation	\$910
0784	001	General Fund	5543030	Animal Control	\$1,650
0784	001	General Fund	5586040	Planning	\$19,733
0784	001	General Fund	5586040	Planning	\$43,193
0784	001	General Fund	5624050	Public Health Services	\$495
0784	001	General Fund	5721030	Administration	\$2
0784	001	General Fund	5721040	Administration	\$843
0784	001	General Fund	5725040	Facilities	\$744
0784	001	General Fund	5768010	General Parks	\$7,985
0784	001	General Fund	5768010	General Parks	\$13,926
0784	001	General Fund	5768020	General Parks	\$3,574
0784	001	General Fund	5768020	General Parks	\$2,180
0784	001	General Fund	5768020	General Parks	\$30

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	001	General Fund	5768030	General Parks	\$6,593
0784	001	General Fund	5768030	General Parks	\$474
0784	001	General Fund	5768030	General Parks	\$781
0784	001	General Fund	5768030	General Parks	\$1,554
0784	001	General Fund	5768040	General Parks	\$2,641
0784	001	General Fund	5768040	General Parks	\$3,667
0784	001	General Fund	5768040	General Parks	\$20
0784	001	General Fund	5768040	General Parks	\$797
0784	001	General Fund	5768040	General Parks	\$80
0784	001	General Fund	5768040	General Parks	\$4,916
0784	001	General Fund	5768040	General Parks	\$2,243
0784	001	General Fund	5768040	General Parks	\$5,322
0784	001	General Fund	5768040	General Parks	\$6,855
0784	001	General Fund	5768040	General Parks	\$78
0784	001	General Fund	5970000	Transfers-Out	\$20,000
0784	101	City Street	5088000	Unreserved Cash and Investments - Ending	\$114,074
0784	101	City Street	5423030	Roadway	\$1,381
0784	101	City Street	5423040	Roadway	\$3,350
0784	101	City Street	5424040	Drainage	\$10,436
0784	101	City Street	5426340	Street Lighting	\$23,390
0784	101	City Street	5426430	Traffic Control Devices	\$1,645
0784	101	City Street	5426640	Snow and Ice Control	\$178
0784	101	City Street	5426740	Street Cleaning	\$5,940
0784	101	City Street	5427040	Roadside	\$2,535
0784	101	City Street	5429030	Maintenance Administration and Overhead	\$1,349
0784	101	City Street	5429030	Maintenance Administration and Overhead	\$1,595
0784	101	City Street	5429040	Maintenance Administration and Overhead	\$4,656
0784	101	City Street	5429040	Maintenance Administration and Overhead	\$5,139
0784	101	City Street	5431010	Management	\$17,965

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	101	City Street	5431020	Management	\$8,040
0784	101	City Street	5431040	Management	\$27
0784	101	City Street	5433020	General Services	\$68
0784	101	City Street	5433040	General Services	\$54
0784	101	City Street	5433040	General Services	\$21
0784	101	City Street	5433040	General Services	\$3,667
0784	101	City Street	5433040	General Services	\$858
0784	101	City Street	5433040	General Services	\$103
0784	101	City Street	5433040	General Services	\$2,177
0784	101	City Street	5970000	Transfers-Out	\$20,000
0784	102	Asset Seizure	5215030	Facilities	\$2,583
0784	108	Park Impact Fees	5081000	Reserved Cash and Investments - Ending	\$49,038
0784	110	Ramstead Park	5081000	Reserved Cash and Investments - Ending	\$17,505
0784	301	Capital Improvements - Street	5088000	Unreserved Cash and Investments - Ending	\$369,051
0784	301	Capital Improvements - Street	5142040	Financial Services	\$50
0784	301	Capital Improvements - Street	5450040	Roads/Streets Extraordinary Operations	\$47,310
0784	301	Capital Improvements - Street	5951060	Capital Expenditures/Expenses - Engineering	\$22,551
0784	301	Capital Improvements - Street	5951060	Capital Expenditures/Expenses - Engineering	\$95,261
0784	301	Capital Improvements - Street	5951060	Capital Expenditures/Expenses - Engineering	\$77,646
0784	301	Capital Improvements - Street	5951060	Capital Expenditures/Expenses - Engineering	\$53,169
0784	301	Capital Improvements - Street	5952060	Capital Expenditures/Expenses - Right-Of-Way	\$9,845
0784	301	Capital Improvements - Street	5952060	Capital Expenditures/Expenses - Right-Of-Way	\$2,246

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	301	Capital Improvements - Street	5952060	Capital Expenditures/Expenses - Right-Of-Way	\$100,485
0784	301	Capital Improvements - Street	5953060	Capital Expenditures/Expenses - Roadway	\$487,094
0784	304	Building Capital Fund	5088000	Unreserved Cash and Investments - Ending	\$42,308
0784	304	Building Capital Fund	5142040	Financial Services	\$8
0784	304	Building Capital Fund	5941860	Capital Expenditures/Expenses - Centralized/General Services	\$19,041
0784	401	Water Sewer	5081000	Reserved Cash and Investments - Ending	\$34,700
0784	401	Water Sewer	5088000	Unreserved Cash and Investments - Ending	\$1,145,328
0784	401	Water Sewer	5142040	Financial Services	\$104
0784	401	Water Sewer	5341010	Water Utilities	\$142,490
0784	401	Water Sewer	5341020	Water Utilities	\$76,027
0784	401	Water Sewer	5341020	Water Utilities	\$548
0784	401	Water Sewer	5341040	Water Utilities	\$1,080
0784	401	Water Sewer	5341040	Water Utilities	\$10,094
0784	401	Water Sewer	5341040	Water Utilities	\$37
0784	401	Water Sewer	5341040	Water Utilities	\$1,059
0784	401	Water Sewer	5341040	Water Utilities	\$879
0784	401	Water Sewer	5341040	Water Utilities	\$12,580
0784	401	Water Sewer	5341040	Water Utilities	\$807
0784	401	Water Sewer	5341050	Water Utilities	\$21,652
0784	401	Water Sewer	5345040	Water Utilities	\$112
0784	401	Water Sewer	5345040	Water Utilities	\$6,526
0784	401	Water Sewer	5348030	Water Utilities	\$8,555
0784	401	Water Sewer	5348030	Water Utilities	\$3,154
0784	401	Water Sewer	5348030	Water Utilities	\$11,425
0784	401	Water Sewer	5348030	Water Utilities	\$3,354
0784	401	Water Sewer	5348040	Water Utilities	\$10,026
0784	401	Water Sewer	5348040	Water Utilities	\$3,584
0784	401	Water Sewer	5348040	Water Utilities	\$28,298

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	401	Water Sewer	5348040	Water Utilities	\$1,602
0784	401	Water Sewer	5351010	Sewer/Reclaimed Water Utilities	\$121,859
0784	401	Water Sewer	5351010	Sewer/Reclaimed Water Utilities	\$122,801
0784	401	Water Sewer	5351020	Sewer/Reclaimed Water Utilities	\$64,858
0784	401	Water Sewer	5351020	Sewer/Reclaimed Water Utilities	\$67,331
0784	401	Water Sewer	5351020	Sewer/Reclaimed Water Utilities	\$552
0784	401	Water Sewer	5351020	Sewer/Reclaimed Water Utilities	\$489
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$9,990
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$6,418
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$37
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$879
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$879
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$9,914
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$11,214
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$213
0784	401	Water Sewer	5351040	Sewer/Reclaimed Water Utilities	\$4,211
0784	401	Water Sewer	5351050	Sewer/Reclaimed Water Utilities	\$24,869
0784	401	Water Sewer	5354040	Sewer/Reclaimed Water Utilities	\$740
0784	401	Water Sewer	5354040	Sewer/Reclaimed Water Utilities	\$1,670
0784	401	Water Sewer	5355040	Sewer/Reclaimed Water Utilities	\$56
0784	401	Water Sewer	5355040	Sewer/Reclaimed Water Utilities	\$168
0784	401	Water Sewer	5355040	Sewer/Reclaimed Water Utilities	\$25,335

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	401	Water Sewer	5355040	Sewer/Reclaimed Water Utilities	\$5,319
0784	401	Water Sewer	5356040	Sewer/Reclaimed Water Utilities	\$96,530
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$694
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$36,308
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$3,176
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$2,469
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$3,545
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$2,412
0784	401	Water Sewer	5358030	Sewer/Reclaimed Water Utilities	\$2,936
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$6,590
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$6,759
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$5,837
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$4,640
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$8,388
0784	401	Water Sewer	5358040	Sewer/Reclaimed Water Utilities	\$71,128
0784	401	Water Sewer	5359040	Sewer/Reclaimed Water Utilities	\$1,080
0784	401	Water Sewer	5359040	Sewer/Reclaimed Water Utilities	\$30
0784	401	Water Sewer	5913470	Debt Repayment - Water Utilities	\$27,667
0784	401	Water Sewer	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$15,789
0784	401	Water Sewer	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$26,742

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	401	Water Sewer	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$208,100
0784	401	Water Sewer	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$68,591
0784	401	Water Sewer	5923480	Interest and Other Debt Service Cost - Water Utilities	\$1,522
0784	401	Water Sewer	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$2,684
0784	401	Water Sewer	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$31,957
0784	401	Water Sewer	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$3,422
0784	401	Water Sewer	5943460	Capital Expenditures/Expenses - Water Utilities	\$15,697
0784	401	Water Sewer	5943460	Capital Expenditures/Expenses - Water Utilities	\$9,808
0784	401	Water Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$7,989
0784	401	Water Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$257,352
0784	401	Water Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$37,433
0784	631	Agency Funds	5088000	Unreserved Cash and Investments - Ending	\$24,308
0784	631	Agency Funds	5860000	Court Remittances	\$59,528
0784	631	Agency Funds	5861200	Court Remittances	\$1,069
0784	631	Agency Funds	5891000	Refund of Deposits	\$100
0784	631	Agency Funds	5891000	Refund of Deposits	\$1,670

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0784	631	Agency Funds	5893000	Agency Type Remittances	\$1,100
0784	631	Agency Funds	5893000	Agency Type Remittances	\$2,717
0784	635	Municipal Court	5088000	Unreserved Cash and Investments - Ending	\$1,300
0784	635	Municipal Court	5860200	Court Remittances	\$178,476

City of Everson
Notes to the Financial Statements
For the year ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies

The City of Everson was incorporated on May 15, 1929 and operates under the laws of the state of Washington applicable to an Optional Municipal Code City (Title 35A RCW) with a Mayor-Council form of government. The City is a general purpose local government and provides public safety, street improvements, parks and recreation, animal control, municipal court, building inspection services, and general administrative services. Additionally, the City owns and operates a water/sewer utility system.

The City reports financial activity in accordance with the *Cash Basis Budgeting, Accounting and Reporting System* (BARS) Manual prescribed by the State Auditor's Office under the authority of Washington State law, Chapter 43.09 RCW. This manual prescribes a financial reporting framework that differs from generally accepted accounting principles (GAAP) in the following manner:

- Financial transactions are recognized on a cash basis of accounting as described below.
- Component units are required to be disclosed but are not included in the financial statements.
- Government-wide statements, as defined in GAAP, are not presented.
- All funds are presented, rather than a focus on major funds.
- The *Schedule of Liabilities* is required to be presented with the financial statements as supplementary information.
- Supplementary information required by GAAP is not presented.
- Ending balances are not presented using the classifications defined in GAAP.

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds

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

Capital Projects Funds

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

PROPRIETARY FUND TYPES:

Enterprise Funds

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

FIDUCIARY FUND TYPES:

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

Agency Funds

These funds are used to account assets that the government holds on behalf of others in a custodial capacity.

B. Basis of Accounting and Measurement Focus

Financial statements are prepared using the cash basis of accounting and measurement focus. Revenues are recognized when cash is received, and expenditures are recognized when paid.

In accordance with state law the City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

C. Budgets

The City adopts annual appropriated budgets for governmental and proprietary funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

Annual appropriated budgets are adopted on the same basis of accounting as used for financial reporting.

The appropriated and actual expenditures for the legally adopted budgets were as follow:

Fund	Final Appropriated Amounts	Actual Expenditures	Variance
001 General Fund	\$1,716,190.00	\$1,661,572.18	\$54,617.82
*106 Community Develop. Fund	\$0.00	\$0.00	\$0.00
Total 001 General Fund	\$1,716,190.00	\$1,661,572.18	\$54,617.82
101 City Street	\$121,655.00	\$114,575.28	\$7,079.72
102 Asset Seizure	\$2,590.00	\$2,583.01	\$6.99
108 Park Impact Fees	\$0.00	\$0.00	\$0.00
110 Ramstead Park	\$0.00	\$0.00	\$0.00
301 Capital Improvements Street	\$1,103,660.00	\$895,656.87	\$208,003.13
304 Building Capital Fund	\$20,020.00	\$19,049.33	\$970.67
401 Water Sewer	\$1,378,459.00	\$1,349,022.33	\$29,436.67
*402 Capital Improvement Water	\$15,040.00	\$9,844.71	\$5,195.29
*403 Capital Improvement Sewer	\$452,803.00	\$437,555.06	\$15,247.94
*404 W/S Bond Redemption	\$30,169.00	\$30,163.36	\$5.64
*405 W/S Bond Reserve	\$65,400.00	\$65,397.45	\$2.55
Total 401 Water Sewer	\$1,941,871.00	\$1,891,982.91	\$49,888.09
Grand Total	\$4,905,986.00	\$4,585,419.58	\$320,566.42

* Rolled Funds: 106 was rolled into 001 for reporting purposes.
402, 403, 404, and 405 were rolled into 401 for reporting purposes.

Budgeted amounts are authorized to be transferred 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, hours, or other conditions of employment must be approved by the City’s legislative body.

D. Cash and Investments

See Note 2, *Deposits and Investments*.

E. Capital Assets

Capital assets are assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of 5 years. Capital assets and inventory are recorded as capital expenditures when purchased.

F. Compensated Absences

Vacation leave may be accumulated up to 30 days and is payable upon separation or retirement. Sick leave may be accumulated up to 960 hours. Upon separation or retirement, employees will receive pay for twenty-five percent (25%) of accumulated sick leave, unless terminated for just cause. Payments are recognized as expenditures when paid.

G. Long-Term Debt

See Note 4, *Debt Service Requirements*.

H. Reserved Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as reserved when it is subject to restrictions on use imposed by external parties or due to internal commitments established by Ordinance of the City Council. When expenditures that meet restrictions are incurred, the city intends to use reserved resources first before using unreserved amounts.

Reservations of Ending Cash and Investments consist of: 108 Park Impact Fees Fund in the amount of \$49,038 to be used in accordance with Ordinance 648 for the purpose of improvement and development of City parks in relationship to new development; 110 Ramstead Park Fund in the amount of \$17,505 to be used in accordance with Ordinance 753 for the development of public athletic fields and related amenities; 401 Water Sewer Fund in the amount of \$34,700 is reserved for the purpose of loan reserve and redemption.

Note 2 – Deposits and Investments

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

All deposits and certificates of deposit are covered by the Federal Deposit Insurance Corporation up to \$250,000; the remaining balance is covered by a Peoples Bank Surety Bond on favor of the City of Everson. All investments are insured, registered or held by the City or its agent in the government's name.

Investments are reported at original cost; interest earnings are recorded only when received. Investments by type at December 31, 2017 are as follows:

<u>Type of Investment</u>	<u>City's Own Investments</u>	<u>Investments held by city as an agent for other local governments, individuals or private organizations</u>	<u>Total</u>
US Treasury Bond	\$499,090.68	\$0.00	\$499,090.68
Total	\$499,090.68	\$0.00	\$499,090.68

Note 3 - Property Tax

The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month.

Property tax revenues are recognized when cash is received by the City. Delinquent taxes are considered fully collectible because a lien affixes to the property after tax is levied.

The City's regular levy for the year 2017 was \$1.5847 per \$1,000 on an assessed valuation of \$155,251,993 for a total regular levy of \$246,034.07.

Note 4 – Debt Service Requirements

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the City and summarizes the City's debt transactions for year ended December 31, 2017.

The debt service requirements for revenue debt including public works loans are as follows:

	Principal	Interest	Total
2018	\$174,164.50	\$74,298.29	\$248,462.79
2019	\$177,202.68	\$70,963.89	\$248,166.57
2020	\$180,311.46	\$67,558.88	\$247,870.34
2021	\$183,492.51	\$64,081.59	\$247,574.10
2022	\$186,747.51	\$60,530.37	\$247,277.88
2023-2027	\$985,272.82	\$246,673.04	\$1,231,945.86
2028-2032	\$940,437.96	\$147,148.11	\$1,087,586.07
2033-2037	\$779,908.52	\$40,423.52	\$820,332.04
Totals	\$3,607,537.96	\$771,677.69	\$4,379,215.65

Note 5 - Pension Plans

A. State Sponsored Pension Plans

Substantially all City's full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans Public Employees' Retirement System (PERS) Plan 2 & 3, and Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2.

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

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available 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
 PO Box 48380
 Olympia, WA 98504-8380

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

At June 30, 2017 (the measurement date of the plans), the City's proportionate share of the collective net pension liabilities, as reported on the Schedule 09, was as follows:

	Allocation %	Liability (Asset)
PERS 1 UAAL	0.004816%	\$228,523
PERS 2/3	0.006195%	\$215,247
LEOFF 1	0.000596%	(\$9,043)
LEOFF 2	0.013960%	(\$193,720)

LEOFF Plan 1

The LEOFF Plan 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. Starting on July 1, 2000, employers and employees contribute zero percent.

LEOFF Plan 2

The City also participates in the LEOFF Plan 2. The Legislature, by means of a special funding arrangement, appropriates money from the state general fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute.

Note 6 – Risk Management

The City of Everson is a member of 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.

Note 7 - Other Disclosures

A. Health & Welfare

The City of Everson provided Medical, Dental, and Vision Benefits through Washington Teamsters Welfare Trust beginning on January 1, 2016 and is committed through December 31, 2019.

The City of Everson continues to provide Long Term Disability coverage and Employee Assistance through the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP).

**City of Everson
Schedule of Liabilities
For the Year Ended December 31, 2017**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
Revenue and Other (non G.O.) Debt/Liabilities						
259.12	Compensated Absences		110,250	12,664	-	122,914
264.30	DRS Pension Liabilities		527,621	-	83,851	443,770
263.88	PWTF WWTP Pre-Construction - 01/08/2013	6/1/2033	268,421	-	15,789	252,632
263.82	DWSRF - 10/01/2006	10/1/2027	304,342	-	27,667	276,675
263.82	USDA - 02 - 05/18/1990	5/18/2030	154,845	-	154,845	-
263.82	USDA - 03 - 05/18/1990	5/18/2030	79,997	-	79,997	-
263.82	DOE WWTP Upgrade - 11/10/2016	11/10/2036	3,020,528	126,295	68,591	3,078,232
Total Revenue and Other (non G.O.) Debt/Liabilities:			4,466,004	138,959	430,740	4,174,223
Total Liabilities:			4,466,004	138,959	430,740	4,174,223

City of Everson
SCHEDULE OF STATE FINANCIAL ASSISTANCE (unaudited)
For Fiscal Year ended December 31, 2017

Grantor	Program Title	Identificaton Number	Amount
State Grant from Transportation Improvement Board (TIB)			
	Lincoln St - Phase 1	6-W-838(105)-1	6,674
	Lincoln St - Phase 2	6-W-838(107)-1	8,771
	Kirsch Drive	6-W-838(006)-1	542,645
	2017 Emergency Pavement Repairs	2-W-838(002)-1	44,945
			Sub-total: 603,035
			Grand total: 603,035

**City of Everson
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017**

Federal Agency (Pass-Through Agency)	Federal Program	CFDA Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
Highway Planning and Construction Cluster								
Federal Highway Administration (fhwa), Department Of Transportation (via WSDOT)	Highway Planning and Construction	20.205	STPR-Y372 (001)	42,763	-	42,763	-	1,2,3
Federal Highway Administration (fhwa), Department Of Transportation (via WSDOT)	Highway Planning and Construction	20.205	STPR-Y372 (002)	71,053	-	71,053	-	1,2,3
Federal Highway Administration (fhwa), Department Of Transportation (via WSDOT)	Highway Planning and Construction	20.205	TAP-0544(002)	53,169	-	53,169	-	1,2,3
Total Highway Planning and Construction Cluster:				166,985	-	166,985	-	
Highway Safety Cluster								
National Highway Traffic Safety Administration (nhtsa), Department Of Transportation (via WASPC)	State and Community Highway Safety	20.600	2016-2017 WASPC Traffic Safety Equip Grant	1,400	-	1,400	-	1,2,3
Total Highway Safety Cluster:				1,400	-	1,400	-	
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA ST Military Dept & Whatcom Co.)	Homeland Security Grant Program	97.067	EMW-2015-SS-00013-S01	22,639	-	22,639	-	1,2,3
Federal Emergency Management Agency (fema), Department Of Homeland Security (via WA ST Military Dept. & Whatcom Co.)	Homeland Security Grant Program	97.067	EMW-2016-SS-00005-S01	14,926	-	14,926	-	1,2,3
Total CFDA 97.067:				37,565	-	37,565	-	
Total Federal Awards Expended:				205,950	-	205,950	-	

The accompanying notes are an integral part of this schedule.

CITY OF EVERSON, WASHINGTON

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2017**

NOTE 1 - BASIS OF ACCOUNTING

This schedule is prepared on the same basis of accounting as the City of Everson's financial statements. The City uses the *Cash Basis Budgeting, Accounting and Reporting System (BARS) manual*.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the City of Everson's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in the OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 – INDIRECT COST RATE

The City of Everson has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**SCHEDULE SUMMARY OF BANK RECONCILIATION
For the Fiscal Year ended December 31, 2017**

<i>Bank & Investment Account (1)</i>	FROM BANK STATEMENTS						FROM GL		FYE RECONCILING ITEMS			
	<i>Beginning Balance (2)</i>	<i>Cash Inflows (3)</i>	<i>Cash Outflows (4)</i>	<i>Ending Balance (5)</i>	<i>Non-reported cash inflows (6)</i>	<i>Non-reported cash outflows (7)</i>	<i>Reported increases without cash inflows (8)</i>	<i>Reported decreases without cash outflows (9)</i>	<i>EOY Positive Reconciling Items (Deposits in Transit) (10)</i>	<i>Prior Year Positive Reconciling Items (Deposits in Transit) (11)</i>	<i>EOY Negative Reconciling Items (Outstanding Items & Open Period) (12)</i>	<i>Prior Year Negative Reconciling Items (Outstanding Items & Open Period) (13)</i>
<i>Peoples Bank Treasurer's Account</i>	\$ 2,329,283	\$ 4,643,591	\$ 5,213,629	\$ 1,759,245	\$ 9,395	\$ 508,582	\$ 40,000	\$ 40,000	\$ 18,618	\$ 1,288	\$ 146,716	\$ 343,747
<i>Peoples Bank Court Account</i>	\$ 4,728	\$ 174,087	\$ 166,074	\$ 12,741	\$ 122	\$ 27			\$ 1,151	\$ 790	\$ 12,592	\$ 68
<i>Peoples Bank Asset Seizure Account</i>	\$ 2,578	\$ 5	\$ 2,583	\$ -								
<i>BNY Mellon-Pershing LLC TVI Investment</i>	\$ -	\$ 500,000	\$ 909	\$ 499,091	\$ 500,000	\$ 909						
<i>REOLVING FUNDS Petty Cash (Cash Drawer)</i>	\$ 500			\$ 500								
	\$ 2,337,090	\$ 5,317,682	\$ 5,383,195	\$ 2,271,577	\$ 509,518	\$ 509,518	\$ 40,000	\$ 40,000	\$ 19,769	\$ 2,078	\$ 159,308	\$ 343,815

Labor Relations Consultant(s)
For the Year Ended December 31, 20__

Has your government engaged labor relations consultants? ___ Yes X No

If yes, please provide the following information for each consultant:

Name of firm:
Name of consultant:
Business address:
Amount paid to consultant during fiscal year:
Terms and conditions, as applicable, including: Rates (e.g., hourly, etc.): Maximum compensation allowed: Duration of services: Services provided:

Jennifer Bell

From: Pat McCarthy, State Auditor <WASStateAuditorSubscriptions@sao.wa.gov>
Sent: Thursday, May 10, 2018 11:25 AM
To: Jennifer Bell
Subject: Submission complete 0784: Washington State Auditor's Office annual report filing

Dear Jennifer Bell:

Thank you for filing your 12/31/2017 fiscal year end annual report with the Washington State Auditor's Office on 5/10/2018. Your submission is complete, and we thank you for your attention to this important reporting requirement. Information in your annual report will be published on our website for use by state and federal agencies, as well as our Office's audit teams during your next scheduled audit. If this filing information needs to be corrected, please resubmit per BARS. Please do not send hard copies of items already submitted electronically. For help, please click [here](#).