

**NEW ISSUE
BOOK-ENTRY ONLY**

**S&P GLOBAL RATING: AA
(See “UNDERWRITING AND LEGAL—Rating” herein)**

In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals. However, interest on the Bonds will be taken into account in determining adjusted financial statement income that may be subject to the alternative minimum tax applicable to certain corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. Receipt of interest on the Bonds may have other federal tax consequences for certain taxpayers. See “TAX MATTERS.”



**CITY OF MONROE, WASHINGTON
\$16,390,000
LIMITED TAX GENERAL OBLIGATION BONDS, 2023**

Dated: Date of Initial Delivery

Due: December 1, as shown on inside cover

The City of Monroe, Washington (the “City”), is issuing its Limited Tax General Obligation Bonds, 2023 (the “Bonds”), in fully registered form under a book-entry only system. When issued, the Bonds initially will be registered to Cede & Co., as bond owner and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as initial securities depository for the Bonds (the “Securities Depository”). Individual purchases of the Bonds will be made in the principal amount of \$5,000 or integral multiples thereof within a maturity. Purchasers of the Bonds (the “Beneficial Owners”) will not receive certificates representing their beneficial ownership interest in the Bonds purchased. The fiscal agent of the State of Washington (the “State”) will act as the registrar, paying agent, transfer agent and authenticating agent for the Bonds (the “Bond Registrar”).

Interest on the Bonds will be payable semiannually on each June 1 and December 1, commencing December 1, 2023, to the maturity or earlier redemption of the Bonds. The Bonds will mature on the dates and in the amounts and bear interest at the rates set forth on the inside cover. For so long as the Bonds are held in book-entry only form, the principal of and interest on the Bonds will be paid by the Bond Registrar to the Securities Depository, which in turn is obligated to remit such payments to its broker-dealer participants for subsequent disbursement to the Beneficial Owners. See “DESCRIPTION OF THE BONDS—Registration and Bond Registrar” and Appendix B—“DTC AND ITS BOOK-ENTRY SYSTEM.”

MATURITY SCHEDULE – SEE INSIDE COVER

Certain of the Bonds are subject to redemption prior to their stated maturity dates. See “DESCRIPTION OF THE BONDS—Redemption Provisions and Purchase of Bonds.”

The Bonds are being issued to finance the cost of municipal campus improvements and other capital purposes. See “PURPOSE AND USE OF PROCEEDS.”

The Bonds constitute a general indebtedness of the City and are payable from tax revenues of the City and such other money as is lawfully available and pledged by the City for the payment of principal of and interest on the Bonds, including real estate excise taxes. For as long as any of the Bonds are outstanding, the City irrevocably has pledged that it will, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, to pay principal of and interest on the Bonds as the same become due. The full faith, credit and resources of the City have been pledged irrevocably for the prompt payment of the principal of and interest on the Bonds and such pledge is enforceable in mandamus against the City. The City’s authority to collect taxes, including its property tax levy, is subject to various limitations. See “SECURITY FOR THE BONDS” and “TAXING AUTHORITY—Property Taxes and Limitations.” The Bonds do not constitute a debt or indebtedness of the State or any political subdivision thereof other than the City.

The City has not designated the Bonds as “qualified tax-exempt obligations” for banks, thrift institutions and other financial institutions under Section 265(b)(3) of the Code. See “TAX MATTERS.”

The Bonds are offered when, as and if issued, subject to the approving legal opinion of Foster Garvey P.C., Seattle, Washington, Bond Counsel. The form of Bond Counsel’s opinion is attached as Appendix A. It is expected that the Bonds will be available for delivery in New York, New York, through the facilities of DTC or to the Bond Registrar on behalf of DTC by Fast Automated Securities Transfer on or about June 29, 2023.

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

D.A. DAVIDSON & CO.

Dated June 14, 2023

MATURITY SCHEDULE, INTEREST RATES, YIELDS, PRICES AND CUSIP NUMBERS

CITY OF MONROE, WASHINGTON

**\$16,390,000
LIMITED TAX GENERAL OBLIGATION BONDS, 2023**

Due December 1	Principal Amounts	Interest Rates	Yields	Prices	CUSIP Nos.*
2023	\$ 80,000	5.00%	3.36%	100.677%	611373BX8
2024	195,000	5.00	3.34	102.284	611373BY6
2025	205,000	5.00	3.23	104.089	611373BZ3
2026	215,000	5.00	3.17	105.888	611373CA7
2027	225,000	5.00	3.14	107.621	611373CB5
2028	235,000	5.00	3.14	109.204	611373CC3
2029	250,000	5.00	3.14	110.739	611373CD1
2030	260,000	5.00	3.09	112.579	611373CE9
2031	275,000	5.00	3.09	114.066	611373CF6
2032	285,000	5.00	3.10	115.419	611373CG4
2033	300,000	5.00	3.19	115.288**	611373CH2

\$1,745,000 5.00% Term Bond due December 1, 2038; yield 3.74%; price 110.361%**; CUSIP No. 611373CJ8*

\$2,230,000 5.00% Term Bond due December 1, 2043; yield 3.95%; price 108.547%**; CUSIP No. 611373CK5*

\$2,845,000 5.00% Term Bond due December 1, 2048; yield 4.17%; price 106.684%**; CUSIP No. 611373CL3*

\$2,800,000 4.25% Term Bond due December 1, 2052; yield 4.41%; price 97.374%; CUSIP No. 611373CM1*

\$4,245,000 4.50% Term Bond due December 1, 2057; yield 4.59%; price 98.447%; CUSIP No. 611373CN9*

* The CUSIP numbers herein have been provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems. The CUSIP numbers are not intended to create a database and do not serve in any way as a substitute for CUSIP service. CUSIP numbers have been assigned by an independent company not affiliated with the City and are provided solely for convenience and reference. The CUSIP numbers for a specific maturity are subject to change after the issuance of the Bonds. Neither the City nor the Underwriter takes any responsibility for the accuracy of the CUSIP numbers.

** Priced to the June 1, 2033 par call date.

CITY OF MONROE, WASHINGTON
806 West Main Street
Monroe, Washington 98272
www.monroewa.gov⁽¹⁾

Mayor and City Council

Geoffrey Thomas	Mayor
Kevin Hanford	Council Member
Tami Kinney	Council Member
Kyle Fisher	Council Member
Heather Fulcher	Council Member
Ed Davis	Council Member
Jason Gamble	Council Member
Kirk Scarboro	Council Member

Certain Appointed Officials

Deborah L. Knight	City Administrator
Rabeca (Becky) Hasart	Finance Director
Greg Piland	Finance Manager

Bond Registrar

Washington State Fiscal Agent
currently, U.S. Bank Trust Company, National Association

Bond Counsel and Disclosure Counsel

Foster Garvey P.C.
Seattle, Washington

⁽¹⁾ The City's website is not part of this Official Statement and investors should not rely on information presented in the City's website in determining whether to purchase the Bonds. This inactive textual reference to the City's website is not a hyperlink and does not incorporate the City's website by reference.

The information in this Official Statement has been compiled from official and other sources that the City considers reliable and, while not guaranteed as to accuracy, the City believes to be correct as of its date. The City makes no representation regarding the accuracy or completeness of the information in Appendix B—“DTC AND ITS BOOK-ENTRY SYSTEM,” which has been obtained from DTC’s website, or regarding the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made by use of this Official Statement shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

Information on website addresses set forth in this Official Statement, including the City’s, is not incorporated into this Official Statement and cannot be relied upon to be accurate as of the date of this Official Statement, nor should any such information be relied upon in making investment decisions regarding the Bonds.

No dealer, broker, salesperson, or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Bonds other than those contained in this Official Statement and, if given or made, such information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The Underwriter has provided the following three sentences for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. In connection with this offering, the Underwriter may over allot or effect transactions which stabilize or maintain the market price of the Bonds at levels above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued or recommenced at any time without prior notice to any person.

The Bonds have not been registered under the Securities Act of 1933, as amended, and the Bond Ordinance has not been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such acts. The Bonds have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

The presentation of certain information, including tables of receipts from taxes and other revenues, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future. Information relating to debt and tax limitations is based on existing statutes and constitutional provisions. Changes in State law could also alter these provisions.

Certain statements contained in this Official Statement do not reflect historical facts, but rather are forecasts and “forward-looking statements.” No assurance can be given that the future results shown herein will be achieved, and actual results may differ materially from the forecasts shown. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe” and other similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Official Statement. These forward-looking statements speak only as of the date they were prepared. The City specifically disclaims any obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of this Official Statement, except as otherwise expressly provided in “CONTINUING DISCLOSURE.”

The order and placement of materials in this Official Statement, including the appendices, are not to be deemed to be a determination of relevance, materiality or importance, and this Official Statement, including the appendices, must be considered in its entirety. The offering of the Bonds is made only by means of this entire Official Statement.

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OFFICIAL STATEMENT
\$16,390,000
CITY OF MONROE, WASHINGTON
LIMITED TAX GENERAL OBLIGATION BONDS, 2023

INTRODUCTION

The City of Monroe, Washington (the “City”), a municipal corporation duly organized and existing under and by virtue of the laws of the State of Washington (the “State”), furnishes this Official Statement in connection with the offering of \$16,390,000 aggregate principal amount of its Limited Tax General Obligation Bonds, 2023 (the “Bonds”). This Official Statement, which includes the cover page, the inside cover page, the table of contents and appendices, provides information concerning the City and the Bonds.

All of the summaries of provisions of the Constitution and laws of the State, of ordinances and resolutions of the City, and of other documents contained herein are subject to the complete provisions thereof and do not purport to be complete statements of such laws or documents, copies of which may be obtained from the City upon request. A full review should be made of this entire Official Statement. The offering of the Bonds to prospective investors is made only by means of the entire Official Statement.

Unless otherwise defined in this Official Statement, capitalized terms used herein have the meanings set forth in the Bond Ordinance described below.

For information relating to how COVID-19 impacted the City and its finances, see “THE CITY—Impact of COVID-19.”

DESCRIPTION OF THE BONDS

Authorization

The Bonds are issued under the provisions of the Constitution, chapters 39.36 and 39.46 of the Revised Code of Washington (“RCW”) and other applicable laws of the State, and pursuant to Ordinance No. 003/2023 of the City passed on March 14, 2023 (the “Bond Ordinance”).

Principal Amount, Date, Interest Rates and Maturities

The Bonds will be issued in the aggregate principal amount of \$16,390,000 and will be dated and bear interest from the date of their initial delivery. The Bonds will mature on the dates and in the principal amounts, and will bear interest (payable semiannually on each June 1 and December 1, commencing December 1, 2023) until maturity or earlier redemption, if applicable, at the rates set forth on the inside cover page of this Official Statement. Interest on the Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months.

Registration and Bond Registrar

Book-Entry System. The Bonds will be issued as fully registered bonds and, when issued, will be registered in the name of Cede & Co. as nominee for The Depository Trust Company (“DTC”). DTC will act as the initial Securities Depository for the Bonds (the “Securities Depository”). Individual purchases and sales of the Bonds will be made in book-entry form only in minimum denominations of \$5,000 or integral multiples thereof within a maturity (“Authorized Denominations”). Purchasers (“Beneficial Owners”) will not receive certificates representing their interests in the Bonds. So long as Cede & Co. is the Registered Owner of the Bonds, as nominee of DTC, references herein to the Registered Owners will mean Cede & Co. or its successor and will not mean the Beneficial Owners of the Bonds. For information about DTC and its book-entry system, see Appendix B—“DTC AND ITS BOOK-ENTRY SYSTEM.” The City makes no representation as to the accuracy or completeness of the information in Appendix B provided by DTC. Purchasers of the Bonds should confirm this information with DTC or its broker-dealer participants.

Bond Registrar. The principal of and interest on the Bonds will be payable by the fiscal agent of the State (the “Bond Registrar”), currently U.S. Bank Trust Company, National Association (or such other fiscal agent or agents as the State may from time to time designate). So long as Cede & Co. is the Registered Owner of the Bonds, principal of and interest on the Bonds will be payable by wire transfer by the Bond Registrar to DTC, which, in turn, is obligated to remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds, as further described in Appendix B—“DTC AND ITS BOOK-ENTRY SYSTEM.”

Transfer and Exchange; Record Date. The Bond Registrar is not obligated to exchange any Bond or transfer registered ownership during the period between the applicable Record Date and the next interest payment or redemption date. For purposes hereof, Record Date means in the case of each interest payment date, the Bond Registrar’s close of business on the 15th day of the month immediately preceding such interest payment date, and, with respect to redemption of a Bond prior to its maturity, the Bond Registrar’s close of business on the date on which the Bond Registrar sends the notice of redemption in accordance with the Bond Ordinance. Registered ownership of any Bond registered in the name of the Securities Depository may not be transferred except (1) to any successor Securities Depository; (2) to any substitute Securities Depository appointed by the City; or (3) to any person if the Bond is no longer to be held in book-entry only form.

Termination of Book-Entry System. If the Bonds are no longer held in book-entry only form by the Securities Depository, the City will execute, authenticate and deliver, at no cost to the Beneficial Owners, Bonds in fully registered form, in Authorized Denominations. The principal of the Bonds will then be payable upon due presentment and surrender to the Bond Registrar, and interest on the Bonds will then be payable by electronic transfer on the interest payment date, or by check or draft of the Bond Registrar mailed on the interest payment date, to the Registered Owners, at the address appearing upon the registration books on the Record Date. The City is not required to make electronic transfers except pursuant to a request by a Registered Owner in writing received on or prior to the Record Date and at the sole expense of the Registered Owner.

Redemption Provisions and Purchase of Bonds

Optional Redemption. The Bonds maturing in the years 2023 through 2032, inclusive, are not subject to redemption prior to their stated maturity dates. The Bonds maturing on and after December 1, 2033, are subject to redemption at the option of the City prior to their stated maturity dates at any time on or after June 1, 2033, as a whole or in part, at a price equal to the principal amount to be redeemed plus accrued interest, if any, to the date fixed for redemption.

Mandatory Redemption. The Bonds maturing in 2038, 2043, 2048, 2052 and 2057 are Term Bonds and, if not optionally redeemed or purchased, will be called for redemption at a price equal to the principal amount to be redeemed plus accrued interest, if any, to the date fixed for redemption, on December 1 in the years and principal amounts as follows:

Term Bond Maturing on December 1, 2038	
Mandatory Redemption Year (December 1)	Mandatory Redemption Amount
2034	\$315,000
2035	330,000
2036	350,000
2037	365,000
2038*	385,000

*Maturity.

Term Bond Maturing on December 1, 2043	
Mandatory Redemption Year (December 1)	Mandatory Redemption Amount
2039	\$405,000
2040	425,000
2041	445,000
2042	465,000
2043*	490,000

*Maturity.

Term Bond Maturing on December 1, 2048	
Mandatory Redemption Year (December 1)	Mandatory Redemption Amount
2044	\$515,000
2045	540,000
2046	570,000
2047	595,000
2048*	625,000

*Maturity.

Term Bond Maturing on December 1, 2052	
Mandatory Redemption Year (December 1)	Mandatory Redemption Amount
2049	\$655,000
2050	685,000
2051	715,000
2052*	745,000

*Maturity.

Term Bond Maturing on December 1, 2057	
Mandatory Redemption Year (December 1)	Mandatory Redemption Amount
2053	\$775,000
2054	810,000
2055	850,000
2056	885,000
2057*	925,000

*Final maturity.

If a Term Bond is redeemed under the optional redemption provisions, defeased or purchased by the City and surrendered for cancellation, the principal amount of the Term Bond so redeemed, defeased or purchased (irrespective of its actual redemption or purchase price) will be credited against one or more scheduled mandatory redemption installments for that Term Bond in the manner described below regarding the selection of Bonds for redemption.

Selection of Bonds for Redemption; Partial Redemption. If fewer than all of the outstanding Bonds are to be redeemed at the option of the City, the City will select the maturities to be redeemed. If fewer than all of the outstanding Bonds of a maturity are to be redeemed, so long as the Bonds are held by the Securities Depository in book-entry form, selection of Bonds for redemption will be made in accordance with the operational arrangements

between the City and the Securities Depository (the “Letter of Representations”), and the Bond Registrar will select all other Bonds to be redeemed randomly in such manner as the Bond Registrar shall determine. All or a portion of the principal amount of any Bond that is to be redeemed may be redeemed in Authorized Denominations. If less than all of the outstanding principal amount of any Bond is redeemed, upon surrender of that Bond to the Bond Registrar, there will be issued to the Registered Owner, without charge therefor, a new Bond (or Bonds, at the option of the Registered Owner) of the same maturity and interest rate in any Authorized Denomination in the aggregate principal amount remaining outstanding.

Notice of Redemption. While the Bonds are held by the Securities Depository in book-entry only form, any notice of redemption will be given at the time, to the entity and in the manner required by the Letter of Representations, and the Bond Registrar will not be required to give any other notice of redemption. If the Bonds cease to be in book-entry only form, unless waived by any Registered Owner of the Bonds to be redeemed, notice of any redemption of Bonds will be given by the Bond Registrar on behalf of the City by mailing a copy of a redemption notice by first-class mail, postage prepaid, not less than 20 nor more than 60 days prior to the date fixed for redemption, to the Registered Owners of the Bonds to be redeemed at the addresses appearing on the registration books at the time the Bond Registrar prepares the notice.

Rescission of Optional Redemption Notice. In the case of an optional redemption, the City has reserved the right to rescind any redemption notice and the related optional redemption of Bonds by giving a notice of rescission to the affected Registered Owners at any time on or prior to the date fixed for redemption. Any notice of optional redemption that is so rescinded will be of no effect, and the Bonds for which the notice of redemption has been rescinded will remain outstanding.

Effect of Call for Redemption. Interest on each Bond called for redemption will cease to accrue on the date fixed for redemption, unless either the notice of optional redemption is rescinded as described above, or money sufficient to effect such redemption is not on deposit in the City’s Limited Tax General Obligation Bond Fund, 2023 (the “Bond Fund”) or in a trust account established to refund or defease the Bond.

Purchase of Bonds. The City has reserved the right to purchase any or all of the Bonds offered to the City at any time at any price acceptable to the City plus accrued interest to the date of purchase.

Failure to Pay Bonds

If the principal of any Bond is not paid when properly presented at its maturity or date fixed for redemption, as applicable, the City will be obligated to pay interest on that Bond at the same rate provided in the Bond from and after its maturity or date fixed for redemption until that Bond, both principal and interest, is paid in full or until sufficient money for its payment in full is on deposit in the Bond Fund, or in a trust account established to refund or defease the Bond, and the Bond has been called for payment by giving notice of that call to the Registered Owner thereof.

Refunding or Defeasance

The City may issue refunding bonds or use money available from any other lawful source to carry out a refunding or defeasance plan, which may include (1) paying when due the principal of and interest on any or all of the Bonds (the “defeased Bonds”); (2) redeeming the defeased Bonds prior to their maturity; and (3) paying the costs of the refunding or defeasance. If the City sets aside in a special trust fund or escrow account irrevocably pledged to that redemption or defeasance (the “trust account”), money and/or noncallable, nonprepayable “government obligations” (as defined in RCW 39.53.010, as now in effect or hereafter amended) maturing at a time or times and bearing interest in amounts sufficient to redeem, refund or defease the defeased Bonds in accordance with their terms, then all right and interest of the owners of the defeased Bonds in the covenants of the Bond Ordinance and in the funds and accounts obligated to the payment of the defeased Bonds will cease and become void. Thereafter, the Registered Owners of defeased Bonds will have the right to receive payment of the principal of and interest on the defeased Bonds solely from the trust account and the defeased Bonds will be deemed no longer outstanding. In that event, the City may apply money remaining in any fund or account (other than the trust account) established for the payment and redemption of the defeased bonds to any lawful purpose.

As currently defined in RCW 39.53.010, “government obligations” means (1) direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and bank certificates

of deposit secured by such obligations; (2) bonds, debentures, notes, participation certificates or other obligations issued by the Banks for Cooperatives, the Federal Intermediate Credit Bank, the Federal Home Loan Bank System, the Export-Import Bank of the United States, federal land banks or the Federal National Mortgage Association; (3) public housing bonds and project notes fully secured by contracts with the United States; and (4) obligations of financial institutions insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, to the extent insured or to the extent guaranteed as permitted under any other provision of State law.

PURPOSE AND USE OF PROCEEDS

Purpose

The proceeds from the sale of the Bonds will be used to finance municipal campus improvements, which may include remodeling and an addition of the existing City Hall and Municipal Court Building, relocation costs, and other capital improvements, and to pay the costs of issuing the Bonds.

Sources and Uses of Proceeds

The proceeds from the Bonds are expected to be applied as follows:

Sources	
Principal Amount	\$ 16,390,000
Net Original Issue Premium	674,961
Total Sources	\$ 17,064,961
Uses	
Project Fund	\$ 16,902,962
Costs of Issuance ⁽¹⁾	161,999
Total Uses	\$ 17,064,961

(1) Includes underwriter’s discount, bond counsel fee, rating fee, and other costs associated with the issuance of the Bonds.

SECURITY FOR THE BONDS

The Bonds constitute a general obligation of the City and are payable from property tax revenues of the City and such other money as is lawfully available. For as long as any of the Bonds are outstanding, the City irrevocably has pledged that it will, in the manner provided by law within the constitutional and statutory limitations provided by law without the assent of the voters, include in its annual property tax levy amounts sufficient, together with other money that is lawfully available, including real estate excise taxes, to pay principal of and interest on the Bonds as the same become due. Any such tax levy is subject to certain limitations, as more fully described under the caption “TAXING AUTHORITY—Property Taxes and Limitations” and “—Other Major Taxes.” The full faith, credit, and resources of the City have been pledged irrevocably for the prompt payment of the principal of and interest on the Bonds.

The Bonds do not constitute a debt or indebtedness of the State or any political subdivision thereof other than the City and are not payable from any proprietary or enterprise fund of the City (including the City’s utilities). The Bonds are not secured by any lien or any other security interest in City property.

The Bonds are not subject to acceleration upon the occurrence of a default. The City therefore would be liable only for principal and interest payments as they become due. In the event of multiple defaults in payment of principal of or interest on the Bonds, the Registered Owner of each Bond would be required to bring a separate action for each such payment not made. This could give rise to a difference in interests between Registered Owners of earlier and later maturing Bonds.

State law provides that the payment of general obligation bonds shall be enforceable in mandamus against the issuer. There is no express provision in the State Constitution or statutes on the priority of payment of debt service on or granting a security interest in property taxes securing general obligations incurred by a Washington municipality. Additionally, certain taxes and other money deposited in the City’s governmental funds are restricted by State law to

specific purposes and may not be available to pay debt service on the Bonds. Under the State laws and Constitution, excess levies approved by the voters for the purpose of retiring any outstanding voter-approved indebtedness may not be used for any other purpose. The rights and remedies of anyone seeking enforcement of the Bonds are subject to laws of bankruptcy and insolvency and to other laws affecting the rights and remedies of creditors and to the exercise of judicial discretion. See “CERTAIN INVESTMENT CONSIDERATIONS—Limitations on Remedies; Bankruptcy.”

DEBT AND DEBT LIMITATIONS

Authorization of Debt

The power of the City to incur debt of any kind is controlled and limited by State law. All debt must be incurred in accordance with detailed budget procedures and paid for out of identifiable receipts and revenues. The budget must be balanced for each fiscal year. It is unlawful for an officer or employee of the City to incur liabilities in excess of budgetary appropriations.

In an emergency, the City Council may put a plan into effect and authorize indebtedness outside the current budget. All expenditures for emergency purposes must be paid by checks from any available money in the fund properly chargeable with such expenditures.

Limitations on Indebtedness

The State Constitution and statutes limit the City’s ability to incur general obligation indebtedness based on a percentage of the assessed value of the taxable property within the City at the time the indebtedness is incurred. See “PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES—Assessed Value.”

Non-Voted Debt. The Bonds are issued as non-voted debt. State law provides that the City may, without voter approval, incur general obligation debt in an amount not to exceed 1.5% of the assessed value of all taxable property within the City. The amount of non-voted debt plus the outstanding voter-approved debt for general municipal purposes also is subject to the aggregate debt limitation described below. Non-voted general obligation debt may be issued as follows: (1) pursuant to an ordinance specifying the amount and object of the expenditure of the proceeds, the City may borrow money for corporate purposes and issue bonds or notes within the constitutional and statutory limitations on indebtedness; (2) the City may execute conditional sales contracts for the purchase of real or personal property; and (3) the City may execute financing leases with or without an option to purchase.

Voter-Approved Debt. Subject to 60% voter approval meeting minimum voter turnout requirements, the City may incur general obligation debt in an amount not to exceed 2.5% of assessed value for general municipal purposes (when combined with any outstanding non-voted debt), 2.5% for certain utility purposes, and 2.5% for certain parks, open space, and economic development purposes. The minimum turnout must be at least 40% of City voters who voted at the last preceding State general election. If the ballot proposition approving the issuance of voter-approved debt also approved the levy of taxes without limitation in amounts sufficient to repay those voter-approved bonds, then the bonds will be payable from a special excess tax levy. See “TAXING AUTHORITY—Property Taxes and Limitations.”

Aggregate Debt Limitations. The combination of voter-approved and non-voted general obligation debt for “general” municipal purposes may not exceed 2.5% of assessed value. The total of all general obligation debt for all purposes may not exceed 7.5% of the City’s assessed value.

Short-Term Obligations. Within the limitations described above, State law permits municipal corporations to borrow money and issue short-term obligations for any lawful purpose and in anticipation of the receipt of revenues, taxes, grants or the sale of bonds, if the bonds have been authorized by the governing body or the voters, as applicable. Short-term obligations issued in anticipation of taxes must be repaid within six months after the end of the fiscal year in which they are issued. The City does not have any outstanding short-term general obligation debt.

Outstanding General Obligation Debt

The City’s general obligation debt outstanding as of February 28, 2023, and the Bonds are listed below.

Outstanding General Obligation Debt⁽¹⁾				
	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Amount Issued</u>	<u>Amount Outstanding</u>
<u>Non-Voted General Obligation Debt</u>				
<u>Non-Voted General Obligation Notes/Bonds</u>				
The Bonds	06/29/2023	12/01/2057	\$16,390,000	\$16,390,000
Total Non-Voted General Obligation Debt			\$16,390,000	\$16,390,000
<u>Voted General Obligation Bonds</u>				
None	N/A	N/A	\$ 0	\$ 0
Total Outstanding General Obligation Debt			<u>\$16,390,000</u>	<u>\$16,390,000</u>

(1) While the City uses property tax revenues for the payment of a portion of debt service on the City’s Water and Sewer Revenue Bonds, 2016 (the “2016 Revenue Bonds”), the 2016 Revenue Bonds are secured by a pledge of net revenues of the City’s water and sewer system and stormwater management utility and are not general obligations of the City.

Source: The City

Debt Capacity Computation

The City may incur general obligation debt only if, at the time debt is incurred, the City has sufficient debt capacity. Once the debt has been incurred, changes in assessed value have no effect on the validity of outstanding debt or the City’s ability to refund outstanding debt. Declines in assessed value can limit the ability to incur additional general obligation debt. The following information shows the assessed value of property within the City and the outstanding general obligation debt of the City, with adjustments for the Bonds.

Computation of Debt Capacity
(as of February 28, 2023)

2023 Collection Year Assessed Value⁽¹⁾	\$ 4,589,831,362
General Purposes	
Non-Voted Debt Capacity (1.5%)	\$ 68,847,470
Less: Outstanding Non-Voted Debt	--
Less: The Bonds	(16,390,000)
Remaining Non-Voted Debt Capacity	\$ <u>52,457,470</u>
Percentage of Non-Voted Debt Capacity Used	23.81%
Total (Voter-Approved and Non-Voted) Debt Capacity (2.5%)	\$ 114,745,784
Less: Outstanding Voter-Approved Debt	--
Less: Outstanding Non-Voted Debt	--
Less: The Bonds	(16,390,000)
Total Remaining (Voter-Approved and Non-Voted) Debt Capacity	\$ <u>98,355,784</u>
Percentage of Total Debt Capacity Used	14.28%
Utility Purposes	
Voter-Approved Debt Capacity (2.5%)	\$ 114,745,784
Less: Outstanding Voter-Approved Debt	--
Remaining Voter-Approved Debt Capacity	\$ <u>114,745,784</u>
Percentage of Voter-Approved Debt Capacity Used	0.00%
Parks, Open Space and Economic Development Purposes	
Voter-Approved Debt Capacity (2.5%)	\$ 114,745,784
Less: Outstanding Voter-Approved Debt	--
Remaining Voter-Approved Debt Capacity	\$ <u>114,745,784</u>
Percentage of Voter-Approved Debt Capacity Used	0.00%

(1) See "PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES—Assessed Value."

Source: The City.

Direct and Estimated Overlapping Debt

The following tables show the outstanding principal amount of general obligation debt incurred by the City ("Direct Debt") and the estimated allocable share of the outstanding principal amount of general obligation bonds of other taxing districts whose boundaries overlap a part or all of the City ("Overlapping Debt"). The estimated allocable share of Overlapping Debt is calculated based on a percentage of the overlapping taxing district's assessed value that lies within the boundaries of the City. The following tables are adjusted to reflect the issuance of the Bonds where indicated.

The City has obtained the information regarding the Overlapping Debt from the overlapping taxing districts and Snohomish County (the "County") and other sources the City believes to be reliable, but has not independently verified the accuracy or completeness of such information. The amounts described below show general obligation bonds issued by the various taxing districts and may not reflect certain leases or other contracts that may constitute indebtedness under State law. The tables below do not reflect any special revenue obligations (e.g., utility revenue bonds) issued by any taxing district. The taxing districts listed below may have issued additional general obligation debt since the dates indicated below and may have plans to issue future general obligation debt.

Direct Debt
(as of February 28, 2023)

	<u>Amount Outstanding</u>
Voter-Approved General Obligation Debt	\$ 0
Non-Voted General Obligation Debt (including the Bonds)	16,390,000
Total Direct Debt	\$16,390,000

Source: The City.

Estimated Overlapping Debt
(as of February 28, 2023)

Overlapping Taxing District	2023 Assessed Value	Percentage of Overlap⁽¹⁾	Outstanding General Obligation Debt⁽²⁾	Estimated Overlapping Debt
Snohomish County	\$219,454,345,012	2.09%	\$ 401,041,688	\$ 8,387,684
Public Hospital District No. 1 ⁽³⁾	55,701,007,182	13.99	23,136,734	3,236,009
Snohomish Regional Fire & Rescue	43,721,382,973	10.45	4,803,000	501,820
Monroe School District	11,636,835,852	37.16	85,140,000	31,634,107
Snohomish School District	17,034,060,762	1.56	209,780,009	3,277,337
Total Overlapping Debt				\$47,036,957
Total Direct Debt				\$16,390,000⁽⁴⁾
Total Direct and Overlapping Debt				\$63,426,957⁽⁴⁾

(1) Represents the approximate percentage of each taxing district's assessed value that lies within the City.

(2) Includes only general obligation bonds outstanding and financing agreements entered into with the State with respect to its Local Option Capital Asset Lending Program, financed through the issuance of State Certificates of Participation. Does not include other types of general obligation indebtedness or utility revenue debt.

(3) As of February 3, 2023.

(4) Includes the Bonds.

Source: Snohomish County Assessor's and Treasurer's offices and certain municipalities.

Debt Ratios
(as of February 28, 2023)

2023 Collection Year Assessed Value	\$4,589,831,362
City Population (2022) ⁽¹⁾	19,700
Ratio of:	
Direct Debt to Assessed Value	0.36%
Direct and Estimated Overlapping Debt to Assessed Value	1.38%
Per Capita:	
Assessed Value	\$232,986
Direct Debt	\$832
Direct and Estimated Overlapping Debt	\$3,220

(1) *Source: State Office of Financial Management.*

Debt Service Requirements

The following table provides the debt service schedule for the Bonds.

Debt Service Requirements – Non-Voted General Obligation Bonds

<u>The Bonds</u>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 80,000	\$ 328,183	\$ 408,183
2024	195,000	773,275	968,275
2025	205,000	763,525	968,525
2026	215,000	753,275	968,275
2027	225,000	742,525	967,525
2028	235,000	731,275	966,275
2029	250,000	719,525	969,525
2030	260,000	707,025	967,025
2031	275,000	694,025	969,025
2032	285,000	680,275	965,275
2033	300,000	666,025	966,025
2034	315,000	651,025	966,025
2035	330,000	635,275	965,275
2036	350,000	618,775	968,775
2037	365,000	601,275	966,275
2038	385,000	583,025	968,025
2039	405,000	563,775	968,775
2040	425,000	543,525	968,525
2041	445,000	522,275	967,275
2042	465,000	500,025	965,025
2043	490,000	476,775	966,775
2044	515,000	452,275	967,275
2045	540,000	426,525	966,525
2046	570,000	399,525	969,525
2047	595,000	371,025	966,025
2048	625,000	341,275	966,275
2049	655,000	310,025	965,025
2050	685,000	282,188	967,188
2051	715,000	253,075	968,075
2052	745,000	222,688	967,688
2053	775,000	191,025	966,025
2054	810,000	156,150	966,150
2055	850,000	119,700	969,700
2056	885,000	81,450	966,450
2057	925,000	41,625	966,625
TOTALS ⁽¹⁾	\$16,390,000	\$ 16,903,233	\$ 33,293,233

(1) Totals may not foot due to rounding.

Debt Payment Record

The City has always met principal and interest payments on all of its general obligation bonds when due. The City has never issued refunding bonds for the purpose of preventing an impending default.

Future General Obligation Debt

The City anticipates issuing a limited tax general obligation bond in the approximate amount of \$2 million later in 2023 to finance property acquisition and parking and restroom improvements. Other than described in the preceding sentence, the City does not anticipate incurring additional long term general obligation debt within the next 12 months. The City is considering issuing water and sewer revenue bonds in 2024, which would be secured by a pledge of net revenues of the City’s water and sewer system and stormwater management utility. The City periodically reviews outstanding debt for refunding opportunities and may pursue a refunding transaction if warranted by market conditions.

TAXING AUTHORITY

Below are general descriptions of the City’s property taxing authority and relevant statutory and constitutional limitations and descriptions of tax revenues other than property taxes. The City is authorized to levy regular property tax levies and excess property tax levies, and to impose various other taxes described below. See “DEBT AND DEBT LIMITATIONS.” In some cases, State law specifies the purposes for which various taxes can be used. The City’s major sources of governmental fund tax revenue are its regular property tax levy, sales and use taxes, utility taxes and real estate excise taxes. Neither the State nor any municipal corporation collects a tax on net income.

In 2008, the County and the City entered into a joint agreement to plan for annexation of the communities within Monroe’s urban growth area (“UGA”), with the goal of better supporting growing communities adjacent to the City. The City completed the Monroe Woodlands annexation in 2022, adding 517 lots (1,396 in population) to the City. There are currently three additional annexations pending, commonly known as the Conner annexation, the North 41 annexation and the Woods Creek Vista annexation, which, in aggregate, have the potential to add approximately 300 to 400 lots to the City within the next two to five years.

The General Fund is the City’s primary operating fund and is used to track the revenues and expenses associated with basic City services that are not required to be accounted for in other funds, including services such as police and general administration. The City’s Governmental Funds are funds that account for the activities of the City that are of a governmental nature, including the General Fund, special revenue funds, capital project funds and general obligation bond debt service funds. See “FINANCIAL INFORMATION.”

The following table lists the collection of certain taxes received by the City in the years 2017 through 2022. Although COVID-19 had an impact on the amount of taxes collected by some of these sources, almost all taxes have returned to pre-pandemic levels. See “THE CITY—Impact of COVID-19.”

Governmental Funds Tax Revenues by Source

	2017	2018	2019	2020	2021	2022 ⁽¹⁾
Property Taxes	\$2,578,765	\$2,664,221	\$3,214,783	\$3,313,769	\$3,383,331	\$3,601,958
Sales & Use Taxes ⁽²⁾	5,975,192	6,035,499	6,344,135	6,387,993	7,442,604	7,781,416
Utility Taxes	2,205,863	2,325,812	3,299,205	3,245,521	3,338,955	3,340,005
REET 1 ⁽³⁾	811,520	691,333	668,176	574,585	900,831	1,060,257
REET 2 ⁽³⁾	810,696	666,673	667,317	570,107	862,619	1,054,723
Hotel/Motel Taxes	83,861	88,063	91,463	62,132	87,476	115,039
Other Taxes ⁽⁴⁾	163,070	161,974	160,571	80,966	61,009	156,915
Total Taxes	\$12,628,967	\$12,633,575	\$14,445,650	\$14,235,073	\$16,076,825	\$17,110,313

(1) Unaudited.

(2) Includes voted public safety sales tax, State shared criminal justice sales tax and affordable housing sales tax. Excludes sales and uses taxes collected by the City’s transportation benefit district, the financial activity of which is reported as a separate entity from the City.

(3) Real estate excise tax. See “TAXING AUTHORITY – Other Major Taxes – *Real Estate Excise Tax*” below.

(4) Includes leasehold excise, admissions and gambling taxes.

Source: *The City*.

Property Taxes and Limitations

The following section provides a general description of the City's authority to levy *ad valorem* property taxes and applicable limitations.

In General. Under the State's laws and Constitution, property taxes are classified as either "regular" property taxes or "excess" property taxes. The City is authorized to levy both types of taxes. The City adopts a levy ordinance each November. It submits a levy amount request to the County Assessor, who calculates the levy rate by spreading the levy amount on the tax rolls, following procedures established by the State Department of Revenue ("DOR"). The County Assessor confirms that the levy is within applicable statutory and constitutional limitations and makes any necessary reductions before the County Treasurer may begin to collect the levy on behalf of the City. See "PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES" below.

Regular Property Taxes. Regular property taxes are subject to constitutional and statutory limitations as to rate and amount. See "*—Limitations on Regular Property Taxes*" below. They are usually levied for any general municipal purposes, although certain statutes authorize additional levies for particular limited purposes. General purpose levies may be used for the payment of debt service on limited tax general obligation indebtedness, such as the Bonds, but State law does not provide any priority of use. In general, regular property taxes for general purposes do not require voter approval, although certain statutes authorizing limited purpose levies may require voter approval. Certain tax limitations may be exceeded upon voter approval.

Excess Property Taxes. Excess property taxes are not subject to constitutional or statutory limitation as to rate or amount, but must be authorized by a 60% approving vote meeting minimum voter turnout requirements (except for certain levies by school districts, which require only a simple majority approval). Excess property tax levies may be made (1) by any taxing district for the repayment of voter-approved general obligation bonds issued for capital purposes, excluding replacement of equipment; (2) by any taxing district for one year for any governmental purpose; or (3) without a vote when necessary to prevent impairment of an obligation of contract, if ordered by a court of last resort. Excess levies for the repayment of voter-approved general obligation bonds must meet a minimum voter turnout of 40% of the number who voted at the last November general election.

Uniformity Requirement. The State Constitution requires that property taxes be levied at a uniform rate upon the same class of property within the territorial limits of a taxing district levying the tax. The Constitution also provides that all real estate constitutes a single class, except for certain agricultural properties eligible for special use classification, which may be valued based on current use. It is possible, because of overlapping taxing district boundaries, the maximum permissible levy might vary within the boundaries of a particular taxing district. In that event, to comply with the constitutional requirement for uniformity of taxation, the lowest permissible rate for any part of the taxing district would be applied to the entire taxing district.

Limitations on Regular Property Taxes. The authority of a taxing district to levy taxes without a vote for general municipal purposes, including the payment of debt service on limited tax general obligation indebtedness, such as the Bonds, is subject to the limitations described below. The following list of tax limitations is not intended to be a comprehensive list of all possible overlapping levies or limitations. Information relating to regular property tax limitations is based on existing statutes and constitutional provisions. Changes in State law could alter the impact of other interrelated tax limitations on the City.

City Regular Levy Rates and Limitations. For general city purposes, a city may levy regular property taxes up to \$3.375/\$1,000 of assessed value. The maximum levy rate for a city that is annexed into a library district or a fire protection district is \$3.60/\$1,000 of assessed value, less the levy rates imposed by those districts (up to a maximum of \$1.50/\$1,000 of assessed value for a fire protection district and \$0.50/\$1,000 of assessed value for a library district). The City is annexed into Sno-Isle Intercounty Rural Library District and is annexed into Snohomish Regional Fire & Rescue. The City's maximum levy rate, therefore, is \$3.60 per \$1,000 of assessed value, less the levy actually imposed by the library district and the fire district in any given year. Cities are also permitted to impose certain additional levies for specific purposes, each of which is subject to its own statutory limitations. Examples of these include a levy for a firefighter pension fund (which may be used for general municipal purposes if not needed for the pension fund), a levy for the maintenance of a local improvement guaranty fund and a voter-approved levy for emergency medical services. The City does not have any such levies.

For the purpose of maintaining a local improvement guaranty fund (the “guaranty fund”), a city or town is required to provide for the levy of a sum sufficient to pay warrants or obligations issued against the guaranty fund during the prior fiscal year and not paid by other revenue sources of the guaranty fund. The levy must not exceed the greater of (1) 12% of the outstanding obligations guaranteed by the guaranty fund, or (2) the total amount of delinquent assessments and interest accumulated on the delinquent assessments. The taxes levied for the maintenance of the guaranty fund will be in addition to and, if need be, in excess of all statutory and charter limitations applicable to tax levies in any city or town. The City does not currently have any local improvement district or utility local improvement districts.

In 2023, the City’s regular levy rate is \$0.864/\$1,000 of assessed value on all taxable property within the City. See “PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES—Current and Historical Assessed Value and Property Tax Levy Rates and Amounts for the City.”

Aggregate Levy Rate Limitations. The State Constitution and statutes limit the aggregate of all regular property tax levies imposed on any tax parcel by the State and all overlapping taxing districts, except port districts and public utility districts, to 1% of the true and fair value of property. Within the 1% limitation, the levy by the State may not exceed \$3.60/\$1,000 of assessed value and the aggregate of all regular levies by all taxing districts (other than the State and other than certain specified levies) may not exceed \$5.90/\$1,000 of assessed value. Those specified levies excluded from the \$5.90/\$1,000 of assessed value limitation include port or public utility district levies; excess property tax levies; levies for acquiring conservation futures; levies for emergency medical care or emergency medical services; levies to finance affordable housing for very low-income housing; certain portions of levies by metropolitan park districts; certain levies imposed by ferry districts; levies for criminal justice purposes; certain portions of levies by fire protection districts and regional fire protection service authorities; levies by counties for transit-related purposes; levies by regional transit authorities; and portions of certain levies by certain flood control zone districts.

Because various taxing districts may overlap, the aggregate levy rate applied to any two tax parcels within a single taxing district may not be identical. If the aggregate levy rate exceeds the aggregate rate limitation on any single parcel within a taxing district, the regular levy rates of each taxing district that includes that parcel may be reduced. Because of the constitutional requirement for uniformity of taxation within a taxing district (described above), any reduction affects the entire taxing district. If reductions are required, they are made by the County Assessor, in accordance with State statutes and guidance from the DOR setting forth a prioritization of regular levies. The regular levies of the State, counties, road districts, cities, towns, port districts, and public utility districts are considered “senior” levies; the regular levies of all other taxing districts are considered “junior” levies. State statute prescribes the order in which the levies of the various junior levies are reduced or eliminated in order to comply with the aggregate rate limitations. Senior levies, such as the City’s, are not subject to reduction or elimination based on aggregate rate limitations. See the table titled “Overlapping and Aggregate Levy Rates Levied for Collection in 2023” below.

Maximum Amount Increase Limitation. State law also limits the amount of a regular levy for any particular year to the highest amount that could have been levied in any prior year, multiplied by a specified percentage (the “limit factor”) plus an adjustment for new construction, annexations, certain improvements to property, and state assessed property. The limit factor is defined as the greater of (1) the least of 101% or 100% plus inflation or (2) if approved by a majority plus one vote of the governing body upon a finding of substantial need, any percentage up to 101%. If a taxing district levies less than its highest allowable levy, the amount not levied is nonetheless included in the base for determining the maximum amount increase limitation for succeeding years. This difference between the highest allowable levy amount and the amount actually levied is sometimes referred to as “banked” levy capacity. At the beginning of 2023, the City had \$120,976 in “banked” levy capacity. See the table titled “Overlapping and Aggregate Levy Rates Levied for Collection in 2023.”

The maximum amount increase limitation may be exceeded upon approval of a simple majority of voters. This is known as a “levy lid lift.” A levy lid lift permits a levy amount increase greater than would otherwise be allowed, which increase may be effective indefinitely or for a limited period of time. Tax receipts from the incremental increase may be (but are not required to be) restricted in the ballot proposition to satisfy a limited purpose. A levy lid lift will not increase the levy if it would cause the taxing district’s levy to exceed the applicable maximum rate limitations or the aggregate rate limitations described above. The City does not have any levy lid lifts in effect.

Relationship Between Rate and Amount Limitations. Regular levies are limited by both the rate limitation and the amount limitations described above and, therefore, may need to be reduced below one threshold to avoid exceeding

the other. Because the regular property tax increase limitation applies to the total dollar amount levied rather than to the levy rate, increases in the assessed value of all property in the taxing district (excluding new construction, improvements and State-assessed property), which exceed the rate of growth in taxes allowed by the limit factor, may result in decreased regular tax levy rates, unless voters authorize a higher levy or the taxing district uses banked levy capacity. Decreases in the assessed value of all property in the taxing district (including new construction, improvements and State-assessed property) or increases in such assessed value that are less than the rate of growth in taxes imposed, among other events, may result in increased regular tax levy rates. As assessed values rise, the levy amount increase limitations may restrict levy amount growth or reduce the levy amount below existing levies. As assessed values fall, the levy rate limitation may restrict levy amount growth. See “PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES—Current and Historical Assessed Value and Property Tax Levy Rates and Amounts for the City” herein for a table showing the City’s historical assessed value, and regular property tax levy rates and amounts.

Tax Increment Financing. In 2021, the State Legislature enacted a form of tax increment financing that permits each city, county, and port district in the State (or combination of any of them), upon satisfaction of certain requirements, to designate up to two active, non-overlapping “increment areas” within which regular property tax revenues are to be apportioned for up to 25 years to pay the costs of certain public improvements. The aggregate value of the increment areas designated by each local government cannot exceed \$200 million or 20% of the total assessed valuation of the local government, whichever is less. Following the designation of an increment area, (1) each taxing district is to receive the portion of its regular property taxes produced by the rate of tax levied by the taxing district on the value of real property located within the increment area for taxes imposed in the year in which the increment area was designated; and (2) the local government that designated the increment area is also entitled to receive the amount derived from the regular property taxes levied by each taxing district on any increase in the value of real property in the increment area after the increment area is designated. The local government that designated the increment area may not receive more than is needed to pay or repay costs directly associated with the public improvements identified for purposes of the designation. Neither the City nor the County has designated an increment area. There can be no assurance that the designation of increment areas by the County will not have an adverse effect on the collection of regular property taxes levied by the City.

Overlapping Levy Rates

The following table shows the *ad valorem* property tax rates of the overlapping taxing districts that levied *ad valorem* taxes within the City for collection in 2023. The taxing districts listed below may have additional authority to levy taxes not listed below. Other overlapping taxing districts may exist or may in the future be created with authority to impose taxes within the City.

Overlapping and Aggregate Levy Rates Levied for Collection in 2023⁽¹⁾ (\$ per \$1,000 of Assessed Value)

Regular Levies by Taxing District	2023 Levy Rates	Maximum Statutory Levy Rate
<u>Regular Levies Subject to \$5.90 Limitation and 1% Limitation</u>		
Senior Taxing Districts		
The City	\$0.8637	\$3.6000
County	0.4575	1.8000
Junior Taxing Districts		
Public Hospital District Regular Levy	0.1566	0.7500
Fire Protection District Regular Levy	1.1394	1.5000
Library District	0.3109	0.5000
Total Levies Subject to \$5.90 and 1% Limitations	\$2.9280	
<u>Regular Levies Subject to 1% Limitation</u>		
Fire Protection District EMS Levy	0.2626	0.5000
County Conservation Futures Levy	0.0200	0.0625
Total Levies Subject to 1% Limitation	\$0.2826	
<u>All Levies Subject to 1% (\$10) Limitation:</u>		
State of Washington	2.2294	3.6000
Total Levies Subject to \$5.90 Limitation and 1% Limitation	2.9280	
Total Levies Subject to 1% Limitation	0.2826	
Total of All Levies Subject to 1% Limitation	\$5.4400	
<u>Excess Levies and Other Levies Not Subject to 1% Limitation</u>		
Excess Levies		
School District	\$2.0064	None
<u>Other Levies Not Subject to 1% Limitation</u>		
None	-	-
Total Excess Levies and Other Levies	\$2.0064	
Combined Total of All Overlapping Levies within the City	\$7.4464	

(1) For tax code area 00530.

Source: Snohomish County Assessor; Washington State Department of Revenue.

Other Major Taxes

In addition to regular property taxes, the City also collects various other taxes, including a retail sales tax, a utility tax, a real estate excise tax, gambling tax, admissions tax, and a hotel/motel tax, among others. See the introduction of this section for a table with the amounts collected from the various taxes.

Retail Sales and Use Tax. Under State law, the State imposes a statewide sales and use tax of 6.5%. Local governments (cities, counties and certain other municipal corporations) are authorized to levy additional “local option” sales and use taxes for general governmental purposes. In general, sales taxes are imposed on the purchase by consumers of a broad base of tangible personal property and selected services, including construction (labor and materials), machinery and supplies, services and repair of real and personal property and many other transactions not typically taxed in other states. The use tax supplements the sales tax by taxing the use of certain services and by taxing personal property on which a sales tax has not been paid (such as items purchased in a state that imposes no sales tax). Sales taxes upon applicable retail sales are collected by the seller from the consumer. Use taxes are payable by the consumer upon applicable rendering of services or uses of personal property. Each seller is required to hold taxes collected in trust until remitted to DOR, which usually occurs on a monthly basis. DOR collects and distributes all sales and use tax revenue in the State and retains 1% of all taxes collected to offset administration costs. Distribution to the local governments occurs on a monthly basis and lags approximately two months behind collection.

Among the items currently exempt from sales and use taxes are most personal services, motor vehicle fuel, most food sold for consumption off premises, trade-ins and purchases for resale. The State Legislature, and the voters through the initiative process, have changed the base of the sales and use tax on occasion. State law does not provide a general exemption for businesses, nonprofits or governmental entities from payment of sales and use taxes. Following the 2018 U.S. Supreme Court decision in *South Dakota v. Wayfair, Inc.*, the State requires that remote sellers collect and remit sales tax.

Local option sales and use taxes are imposed on the same goods and services as the State retail sales and use tax. Receipts from certain local option retail sales and use taxes are restricted to a specific purpose. Some are required to be shared with other local governments. For example, the City receives a portion of the 0.1% sales tax for criminal justice purposes imposed by the County. This tax is distributed with 10% going to the County and the remaining 90% distributed to cities and the County based on population within each city and within the unincorporated areas of the County.

The City is authorized to impose a local sales and use tax of 1.0%, of which 0.15% is required to be remitted to the County. An aggregate sales and use tax of 9.4% is currently imposed by the City. The 9.4% is allocated as follows: 0.85% to the City and 0.15% to the County for general purposes, 6.5% to the State, 0.1% to the City for public safety purposes, 0.1% to the County for criminal justice purposes, 0.1% to the County for chemical dependency, mental health treatment services and therapeutic court programs, 0.1% to the County for housing and related services, 0.1% to the County for emergency communication systems and facilities, 1.2% to Snohomish County Public Transportation Benefit Area Corporation (“Community Transit”) for public transit and 0.2% to the City’s transportation benefit district.

Utility Taxes. The City is authorized to impose a utility tax on the gross receipts of utilities providing service in the City, including investor-owned utilities and utilities owned by the City. Legal authority to impose the tax on public utilities owned by other municipal corporations is not settled. The following table displays the maximum utility tax rate permitted under State law without voter approval and the City’s current utility tax rates.

Maximum Utility Tax Rates and City's Current Utility Taxes

Utility	Maximum Statutory Limit	Current Rate
Investor-owned		
Telephone	6.0%	6.0%
Electric	6.0	6.0
Natural Gas	6.0	6.0
Cable Television	6.0 ⁽¹⁾	5.0 ⁽²⁾
Solid Waste	None	N/A
City-owned		
Water	None	10.0%
Sewer	None	10.0
Stormwater	None	N/A

(1) The rate must not be unduly discriminatory against cable operators and subscribers and therefore should be consistent with the other utility rates charged.

(2) Constitutes a quarterly franchise fee.

Real Estate Excise Tax. An excise tax is levied on all sales of real estate, measured by the full selling price, including the amount of any liens, mortgages, and other debts given to secure the purchase (“REET”). Effective January 1, 2020, the REET tax is imposed under a tiered structure based on the selling price and ranges from 1.1% to 3.0%. Cities are authorized to impose a local option tax on the sale of real property of up to 0.50% of the selling price, which has been imposed by the City. The first 0.25% of the City’s tax (“REET 1”) is required to be used solely for financing certain “capital projects” identified in a capital facilities plan element of the City’s comprehensive plan. Eligible “capital projects” for REET 1 include: public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, parks, recreational facilities, law enforcement facilities, fire protection facilities, trails, libraries, administrative and judicial facilities. The second 0.25% of the City’s tax (“REET 2”) is required to be used to fund certain “capital projects” identified in a capital facilities plan element of the City’s comprehensive plan. Eligible “capital projects” for REET 2 include: public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets, roads, highways, sidewalks, street and road lighting systems, traffic signals, bridges, domestic water systems, storm and sanitary sewer systems, planning, construction, reconstruction, repair, rehabilitation, or improvement of parks, and until January 1, 2026, planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of facilities for those experiencing homelessness and affordable housing projects. REET 2 excludes the use of funds to acquire land for parks. The City must deposit and account for real estate excise tax proceeds in a separate capital projects fund or account. REET 1 and REET 2 revenues must be tracked separately because the uses to which they may be put are different.

Real estate excise taxes are collected by the County Treasurer and distributed to the City periodically. Distributions may be suspended if the City is in noncompliance with certain growth management requirements under RCW 36.70A.340.

PROPERTY TAX ASSESSMENT AND COLLECTION PROCEDURES

Assessed Value

The County Assessor (the “Assessor”) determines the value of all real property and personal property throughout the County that is subject to *ad valorem* taxation, except certain utility properties that are valued by DOR. The Assessor is an elected official whose duties and methods of determining value are prescribed and controlled by statute and by detailed regulations promulgated by DOR.

The assessed value is equal to 100% of fair market value, as determined by the Assessor using procedures prescribed by DOR. State law provides for “current use” valuation for certain properties designated as farm and agricultural lands or as timber lands, in accordance with DOR regulations. Three approaches may be used to determine the fair

market value of real property: market data, replacement cost and income generating capacity. In the County, all property is subject to a revaluation every year based on market statistics and an on-site appraisal every six years. Though the intent is that the assessed value reflect 100% of market value, the infrequency of on-site appraisals can lead to assessed values that lag market and other adjustments. Personal property is valued each year based on affidavits filed by the property owner. The property is listed by the Assessor on a roll at its current assessed value and the roll is filed in the Assessor’s office. The Assessor’s determinations are subject to revisions by the County Board of Equalization and, for certain property, subject to further revisions by the State Board of Tax Appeals.

Current and Historical Assessed Value and Property Tax Levy Rates and Amounts for the City

The following table shows the current and historical assessed value and property tax levy rates and levy amounts for the City from 2019 to 2023.

Current and Historical Assessed Value and Regular Property Tax Levy Rates and Amounts

Collection Year (ending December 31)	Assessed Value⁽¹⁾	Regular Levy Rate (per \$1,000)	Regular Levy Amount
2023	\$4,589,831,362	\$0.8637	\$3,964,090
2022	3,395,678,937	1.0216	3,469,175
2021	3,115,841,466	1.0919	3,402,070
2020	2,884,711,378	1.1550	3,331,804
2019	2,600,459,852	1.2312	3,201,628

(1) Total assessed value used for computation of debt capacity.

Source: Snohomish County Assessor’s Office.

Largest Property Taxpayers

The following table lists the ten largest property taxpayers within the City for tax collection year 2023 listed in declining order of assessed value.

Largest Property Taxpayers

Taxpayer	Nature of Business	Assessed Value (AV)⁽¹⁾	Percentage of Total AV⁽²⁾
CEP III Morning Run 13 LLC	Real Estate Investment	\$47,045,259	1.02%
Canyon Creek Cabinet Co.	Cabinetry Manufacturing	39,457,700	0.86
Monroe Investment Properties LLC	Real Estate Investment	37,110,000	0.81
Wal-Mart Real Estate Business Trust	Retail	27,750,200	0.60
Monroe Storage Partners 1 LLC	Self-Storage	24,846,228	0.54
Roundup Co.	Retail	24,367,760	0.53
Beta-Monroe Plaza LLC	Commercial Property	23,683,600	0.52
R G Property Investments Inc.	Real Estate Investment	22,865,000	0.50
Lowe’s HIW Inc.	Retail	22,089,700	0.48
CBYW Monroe Prop Co. LLC	Assisted Living Facility	19,561,000	0.43
Total		\$288,776,447	6.29%

(1) Based on assessed value for taxes payable in 2023.

(2) Totals may not foot due to rounding.

Source: Snohomish County Assessor’s Office.

Property Tax Collection Procedure

Property taxes are levied in specific amounts by the taxing districts. The levy rate is calculated and fixed by the Assessor based upon the assessed value of the taxable property within the taxing district and adjusted, in accordance with detailed guidelines from DOR, to comply with statutory and constitutional rate and amount limitations. See “TAXING AUTHORITY—Property Taxes and Limitations” above.

The method of giving notice of payment of taxes due, the accounting for the money collected, the division of the taxes among the various taxing districts, notices of delinquency, and collection procedures are all covered by statute and regulation. The Assessor extends the taxes to be levied within each taxing district upon a tax roll which contains the total amount of taxes to be so levied and collected. The tax roll is delivered to the County Treasurer (the “Treasurer”) (an elected official) by January 15 of each year, who creates a tax account for each taxpayer and is responsible for the collection of taxes due for each account. All such taxes are due and payable on April 30 of each year, but if the amount due from a taxpayer exceeds \$50, half may be paid by April 30 and the balance no later than October 31. Delinquent taxes are subject to interest at the rate of 12% per year computed on a monthly basis from the date of delinquency until paid. In addition, a penalty of 3% is imposed on June 1 of the year in which the tax is due and 8% on December 1 of that year. Penalties are credited to the account of the taxing district; interest on delinquent taxes is credited to the County’s current expense fund.

Pursuant to State law, the Governor, after proclaiming a state of emergency, may issue an order or orders concerning a waiver or suspension of the application of tax due dates and penalties related to the collection of taxes. Further, during a state of emergency declared by the Governor, a county treasurer may grant extensions of the due date of any property taxes as the treasurer deems proper.

On February 29, 2020, the Governor proclaimed a state of emergency for all counties throughout the State as a result of COVID-19. See “THE CITY—Impact of COVID-19.” In March 2020, the Treasurer postponed the April 30, 2020 property tax deadline to June 1, 2020 for certain taxpayers. This postponement did not materially adversely affect the City’s collection of property taxes. The City cannot predict what additional actions the Governor or the Treasurer may take, if any, regarding the collection of property taxes or what effect, if any, such action or subsequent events may have on the financial condition or operations of the City, or on the repayment of the Bonds or the City’s other outstanding limited tax general obligation bonds.

The lien on property taxes is prior to all other liens or encumbrances of any kind on real or personal property subject to taxation except for federal civil judgment liens and the possible application of the State “homestead exemption” described below. A federal lien on personal property that is filed before the personal property tax is levied is senior to the local personal property tax lien. In addition, a federal civil judgment lien (but not a federal tax lien) is senior to real property taxes that are levied after the judgment lien has been recorded. By law the Treasurer may not commence foreclosure of a tax lien on real property until three years have passed since the first delinquency. The State’s courts have not decided whether the Homestead Law (chapter 6.13 RCW) gives to the owner of real or personal property used as a residence by the owner or a dependent of the owner the right to retain certain proceeds of the forced sale of such property for delinquent general property taxes. The United States Bankruptcy Court for the Western District of Washington has held that the homestead exemption applies to the lien securing property taxes, while the State Attorney General has taken the position that it does not. See also *Algonia v. Sharp*, 30 Wn. App. 837, 638 P.2d 627 (1982) (holding that liens securing improvement district assessments are subject to the homestead exemption). The amount of proceeds that may be retained by the owner of such property has been increased from time to time and is currently the greater of \$125,000 or the median sale price of a single-family home in the preceding calendar year in the county the property is located.

Collection Record

The following table shows the City’s property tax collection record for 2018 through 2023.

Collection Year Ending December 31	Total Levy Amount ⁽¹⁾	Property Tax Collection Record		Tax Collected as of April 30, 2023	
		Tax Collected In Year of Levy		Amount	%
		Amount	%		
2023	\$3,964,088	\$1,763,594 ⁽¹⁾	44.49% ⁽¹⁾	\$1,763,594 ⁽¹⁾	44.49% ⁽¹⁾
2022	3,469,172	3,433,842	98.98	3,452,094	99.51
2021	3,402,067	3,341,415	98.22	3,396,135	99.83
2020	3,331,803	3,290,562	98.76	3,329,425	99.93
2019	3,201,627	3,161,205	98.74	3,200,820	99.97
2018	2,674,640	2,630,339	98.34	2,673,817	99.97

(1) Collected through April 30, 2023.

Source: Snohomish County Assessor’s and Treasurer’s offices

FINANCIAL INFORMATION

Accounting and Financial Reporting

Basis of Accounting. 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 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: (i) financial transactions are recognized on a cash basis of accounting as described below; (ii) component units are required to be disclosed but are not included in the financial statements; (iii) government-wide statements, as defined in GAAP, are not presented; (iv) all funds are presented, rather than a focus on major funds; (v) the schedule of liabilities is required to be presented with the financial statements as supplementary information; (vi) supplementary information required by GAAP is not presented; and (vii) ending balances for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications in GAAP.

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 total column is presented as “memo only” because any interfund activities are not eliminated.

Auditing of City Finances. Accounting systems and budgetary controls are prescribed by the Office of the State Auditor in accordance with State law. The City complies with the systems and controls prescribed by the Office of the State Auditor and establishes procedures and records designed to reasonably assure safeguarding of assets and the reliability of financial reporting.

The State Auditor is required to examine the affairs of cities regularly and on a schedule determined by risk factors and financial activity. The City currently undergoes financial statement and accountability audits every year. Financial statement audits are performed for the purpose of forming an opinion on the financial statements taken as a whole. Also considered are the City’s internal controls over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. Accountability audits include, among other things, review of the financial condition and resources of the City, whether the laws and Constitution of the State are being complied with, the methods and accuracy of the accounts and reports as well as other matters (potential areas of risk related to citizen concerns, payroll, inter-fund transactions, etc.). Reports of the auditor’s examinations are required to be filed in the Office of the State Auditor and in the auditing department of the City.

The most recent financial audit of the City covers the year ended December 31, 2021, and is attached as Appendix C.

Budgetary Process

In April 2022, the City Council of the City adopted an ordinance to establish a biennium budget process in lieu of an annual budget process, commencing with the biennium beginning January 1, 2023. The City adopts biennially appropriated budgets for all funds except fiduciary funds. These budgets are appropriated at the fund level. The budget constitutes the legal authority for expenditures at that level. Biennial appropriations for these funds lapse at the fiscal period end. Biennial appropriated budgets are adopted on the same basis of accounting as used for financial reporting. 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. Variances from actual to appropriations in the capital improvement plan funds are due to the timing of construction project expenditures.

Under the biennium budget process, between eight months after the start of the first year of the fiscal biennium and the end of the first fiscal year of the fiscal biennium, the Mayor or Mayor’s designee prepares proposed budget modifications to be effective as of January 1 of the following year. Such proposed modifications are subject to public hearings as provided for in RCW 35A.34.130.

City Investments and Investment Policy

A formal investment policy adopted by resolution guides the management of the City’s investment portfolio. The City conforms to State statutes that govern the investment of public funds. Cash is invested in a diverse portfolio and in a manner that provides maximum security with the best investment return. Sufficient cash is maintained to provide adequate funds for current operating expenditures before cash is invested. It is the City’s policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

As of December 31, 2022, the City had total cash and investments in the amount of \$55,064,535. The City’s investments comprise the following:

**Cash and Investments
(as of December 31, 2022)**

	Amount as of December 31, 2022
Bank Deposits	\$ 3,861,661
LGIP	22,424,054
U.S. Government Securities	28,778,820
Total Cash and Investments	\$55,064,535

See also Note 4 in Appendix C and Appendix D for further information on the investments of the City.

Authorized Investments. Chapter 39.59 RCW limits the investment of public funds by local governments to the following authorized instruments: (i) bonds of the State or any local government in the State, (ii) general obligation bonds of any other state or local government thereof which have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency, (iii) registered warrants of a local government in the same county as the local government making the investment, (iv) obligations of the U.S. government, its agencies and wholly owned corporations, or obligations issued or guaranteed by supranational institutions, provided, that at the time of investment, the United States government must be the largest shareholder of such institution, (v) obligations of the Federal Home Loan Bank, Fannie Mae and other government-sponsored corporations, (vi) bankers’ acceptances purchased on the secondary market, (vii) commercial paper purchased on the secondary market, subject to state investment board policies, and (viii) corporate notes purchased on the secondary market, subject to state investment board policies.

Money available for investment may be invested on an individual fund basis or may, unless otherwise restricted by law, be commingled within one common investment portfolio. All income derived from such investments is apportioned and used as prescribed by State law. Funds derived from the sale of bonds or other instruments of indebtedness will be invested or used in such manner as the authorizing ordinances, resolutions or bond covenants may lawfully prescribe.

Local Government Investment Pool. The State Treasurer’s Office administers the Washington State Local Government Investment Pool (the “LGIP”), a \$19.724 billion dollar (as of March 31, 2023) fund that invests money on behalf of more than 600 participants. In its management of the LGIP, the State Treasurer is required to adhere, at all times, to the principles appropriate for the prudent investment of public funds. These are, in priority order, (i) the safety of principal; (ii) the assurance of sufficient liquidity to meet cash flow demands; and (iii) to attain the highest possible yield within the constraints of the first two goals. Historically, the LGIP has had sufficient liquidity to meet all cash flow demands.

The LGIP, authorized by chapter 43.250 RCW, is a voluntary pool which provides its participants the opportunity to benefit from the economies of scale inherent in pooling. It is also intended to offer participants increased safety of principal and the ability to achieve a higher investment yield than would otherwise be available to them. Although not regulated by the U.S. Securities and Exchange Commission (the “SEC”), the LGIP is invested in a manner generally consistent with the SEC guidelines for Rule 2a-7 money market funds; for example, currently it has a maximum weighted average maturity of 60 days and a maximum weighted average life of 120 days. The maximum final maturity is 397 days except for floating- and variable-rate securities and securities that are used for repurchase agreements. The weighted average maturity of the LGIP generally ranges from 30 to 60 days. Investments permitted under the LGIP’s guidelines include U.S. government and agency securities, bankers’ acceptances, high quality commercial paper, repurchase and reverse repurchase agreements, motor vehicle fund warrants, and certificates of deposit issued by qualified Washington State depositories.

Authorized Investments for Bond Proceeds. In addition to the eligible investments discussed above, bond proceeds also may be invested in certain mutual funds with portfolios consisting of U.S. government and guaranteed agency securities with average maturities of less than four years; municipal securities rated in one of the four highest categories; and certain money market funds consisting of the same, so long as municipal securities held in the fund(s) are in one of the two highest rating categories of a nationally recognized rating agency. Bond proceeds may also be invested in certain shares of money market funds with portfolios of securities otherwise authorized by law for investment by local governments.

Historical Operating Results

The following shows the City’s statement of revenues and expenditures for the City’s General Fund and the balance sheet for the City’s General Fund for the fiscal years ended December 31, 2017 through 2022. The City’s General Fund and Streets Fund, among others, comprise the City’s governmental funds. For fiscal year 2021, the General Fund represented approximately 69.0% of the total revenues of the governmental funds, and approximately 97.8% of the total expenses of the governmental funds. Funds in the General Fund will be used to pay debt service on the Bonds. Additional information that may interpret, clarify or modify the data presented below is contained in the complete financial statements, including the accompanying footnotes. See Appendix C—“AUDITED FINANCIAL STATEMENTS FOR YEAR ENDED DECEMBER 31, 2021” and Appendix D—“UNAUDITED FINANCIAL STATEMENTS FOR YEAR ENDED DECEMBER 31, 2022.”

Statement of Revenues and Expenditures for the City's General Fund
(For Years Ended December 31)

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022⁽¹⁾</u>
BEGINNING CASH AND INVESTMENTS	\$ 3,664,888	\$ 5,517,787	\$ 5,284,098	\$ 5,966,056	\$ 6,956,722	\$ 9,980,285
Prior Period Adjustments, Net	-	-	351,756	558,099	-	-
REVENUES						
Taxes	10,924,505	11,188,813	13,018,795	12,628,254	13,825,898	14,480,293
Licenses and Permits	806,562	943,596	792,171	651,805	754,936	649,222
Intergovernmental Revenues ⁽²⁾	611,525	510,908	499,978	1,338,903	3,512,517	3,496,558
Charges for Goods and Services	1,097,796	1,507,062	1,688,885	907,595	1,139,198	830,474
Fines and Penalties	283,163	238,987	240,707	150,647	92,953	75,439
Miscellaneous Revenues	79,169	120,748	166,351	146,006	76,080	159,317
TOTAL REVENUES	<u>13,802,720</u>	<u>14,510,114</u>	<u>16,406,887</u>	<u>15,823,210</u>	<u>19,401,582</u>	<u>19,691,303</u>
EXPENDITURES						
General Government	2,501,221	2,574,108	2,870,329	3,208,263	2,656,450	3,798,738
Public Safety	7,707,918	8,017,711	8,130,002	8,157,203	8,861,163	8,929,672
Utilities	-	-	-	-	151,332	72,129
Natural and Economic Environment	1,231,426	1,569,708	1,601,236	1,644,396	1,512,756	2,019,335
Social Services	18,563	20,917	20,129	147,197	211,288	162,888
Culture and Recreation	1,323,568	1,394,043	1,593,339	1,669,150	1,581,450	1,728,589
TOTAL EXPENDITURES	<u>12,782,696</u>	<u>13,576,487</u>	<u>14,215,035</u>	<u>14,826,209</u>	<u>14,974,439</u>	<u>16,711,351</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	1,020,024	933,627	2,191,852	997,001	4,427,143	2,979,952
OTHER INCREASES IN FUND RESOURCES						
Transfers-In	1,129,200	-	-	135,659	-	56,014
Other Resources	6,174	3,380	250	112,747	227,665	52,910
TOTAL OTHER INCREASES IN FUND RESOURCES	<u>1,135,374</u>	<u>3,380</u>	<u>250</u>	<u>248,406</u>	<u>227,665</u>	<u>108,924</u>
OTHER DECREASES IN FUND RESOURCES						
Capital Expenditures	38,937	46,958	40,619	4,520	-	174,949
Debt Service	4,276	-	-	-	-	22,226
Transfers-Out	259,292	1,123,739	1,821,286	545,450	1,336,274	1,094,800
Other Uses	-	-	-	262,868	294,973	71,835
TOTAL OTHER DECREASES IN FUND RESOURCES	<u>302,505</u>	<u>1,170,697</u>	<u>1,861,905</u>	<u>812,838</u>	<u>1,631,247</u>	<u>1,363,810</u>
INCREASE (DECREASE) IN FUND RESOURCES	<u>1,852,893</u>	<u>(233,690)</u>	<u>330,197</u>	<u>432,569</u>	<u>3,023,561</u>	<u>1,725,066</u>
ENDING CASH AND INVESTMENTS						
Restricted	375,076	73,863	74,391	-	-	120,792
Unreserved	5,142,710	5,210,235	5,891,665	-	-	-
Assigned	-	-	-	1,496,209	1,496,208	1,648,605
Unassigned	-	-	-	5,460,514	8,484,078	9,935,957
TOTAL ENDING CASH AND INVESTMENTS	<u>\$ 5,517,786</u>	<u>\$ 5,284,098</u>	<u>\$ 5,966,056</u>	<u>\$ 6,956,723</u>	<u>\$ 9,980,286</u>	<u>\$11,705,354</u>

(1) Unaudited.

(2) Intergovernmental Revenues in 2021 and 2022 include the City's receipt of \$5.5 million in American Rescue Plan Act funds, with the first half received in June 2021 and the remaining received in July 2022.

Source: City financial records.

General Fund Budget

The following is the City's 2023-2024 General Fund biennial budget.

	2023-2024 Biennium
Beginning Fund Balance	<u>\$ 9,054,648</u>
Revenues	
Taxes	\$28,785,907
License and Permits	1,025,075
Intergovernmental	1,114,902
Charges for Services	3,362,094
Fines and Forfeitures	122,300
Interest and Other Revenues	689,358
Total Revenues	<u>\$35,099,636</u>
Expenditures	
Personnel	\$27,723,286
Supplies	777,338
Professional Services	9,752,598
Intergovernmental	1,736,269
Transfers Out	683,784
Capital	45,000
Total Expenditures	<u>\$40,718,275</u>
Estimated Ending Fund Balance	\$ 3,436,009

Source: The City.

Discussion of Operating Results.

Preliminary analysis of the 2022 fiscal year operations indicate the General Fund ending net cash and investments position increased \$1,725,160 over 2021. Net revenues remained steady, showing a modest increase of \$33,518. While development revenue showed a decrease, tax revenues increased over 2021 by \$654,395 or 4.6% in the General Fund. Real estate excise tax receipts in 2022 increased \$351,530 or 19.9% over 2021 receipts. To date in 2023, City revenues have continued to grow. Property tax collections are following normal trends and are expected to meet the budgeted amount. Sales tax received shows growth of 1.4% over 2022 year-to-date through April 2023 and utility tax received shows growth of 7.7% over 2022 for the same period. 2022 General Fund expenditures were budgeted to exceed anticipated revenues due to the receipt of American Rescue Plan Act ("ARPA") money. Without consideration of ARPA funds, 2022 General Fund expenditures came in under budget by \$2,157,035. 2023 General Fund expenditures are following normal trends.

THE CITY

The City was incorporated in 1902 and is located in south-central Snohomish County, approximately 17 miles east of the City of Everett and 32 miles northeast of the City of Seattle. The City provides a range of municipal services authorized by State law, including public safety, street improvements, parks and recreation, planning, zoning, building permits, and general administrative services. In addition, the City owns and operates a sewer system and treatment plant, a water utility and a stormwater system.

In April 2022, the City Council affirmed organizing the City's strategic priorities around *Imagine Monroe*, an update to the City's mission and core values statements around the City's strategic goals, planning, budgeting, policy development and projects (the "Strategic Plan"), aligning specific goals and projects of the City with the following six strategic categories, which are also incorporated in the City's 2023-2024 biennial budget: (i) accessible parks and

healthy waterways; (ii) build community; (iii) create connections; (iv) support local; (v) friendly and responsive; and (vi) ensure a safe place. The Strategic Plan serves as the tool to prioritize initiatives, resources, goals, department operations, and projects. Goals and projects included in the Strategic Plan are aligned with the City’s adopted six-year Capital Improvement Plan, Parks Recreation & Open Space (PROS) Plan, Community Needs Assessment, Information Technology (IT) Plan, and Municipal Campus Master Plan.

City Governance

The City operates under State laws applicable to a non-charter optional code city with a mayor-council form of government. The City is governed by a mayor (the “Mayor”) and seven council members (the “City Council”). Members of the City Council are elected at-large to staggered four-year terms. The Mayor, through a City Administrator, is responsible for the day-to-day operations of the City and its departments. The Mayor and City Administrator work closely with the City Council to implement polices and city ordinances that are established by the City Council.

City Council. The City Council is responsible for, among other things, passing ordinances and resolutions, adopting the budget, and adopting general policies and goals for the City. The City Council holds regular meetings and special meetings as needed. All meetings are open to the public as provided by law, and agenda items are prepared in advance. The current Mayor and City Council members and their terms of office are listed in the following table.

Mayor and City Council

<u>Elected Official</u>	<u>Position</u>	<u>Term Expires</u>
Geoffrey Thomas	Mayor	December 31, 2025
Kevin Hanford	Council Member	December 31, 2025
Tami Kinney	Council Member	December 31, 2025
Kyle Fisher	Council Member	December 31, 2025
Heather Fulcher	Council Member	December 31, 2023 ⁽¹⁾
Ed Davis	Council Member	December 31, 2023
Jason Gamble	Council Member	December 31, 2023 ⁽¹⁾
Kirk Scarboro	Council Member	December 31, 2025

(1) Has announced intention to run for re-election.

Key City Staff. Administration of the City is performed under the direction of the City Administrator. The City Administrator is appointed by the City Council. City officials are appointed by the City Administrator. Principal City officials include the following:

Deborah L. Knight, City Administrator. Ms. Knight was appointed City Administrator in June 2017. She has over 25 years of public administration experience in the State, including serving for six years as the City Administrator for the City of Sultan and for five years as the City Administrator for the City of Stanwood. Her experience also includes serving as a Public Works Assistant, Interim Public Works Director and Assistant to the City Manager for the City of Woodinville. Ms. Knight holds a Master of Business Administration from City University of Seattle and a Bachelor of Science in economics from University of California, Davis.

Rabeca (Becky) Hasart, Finance Director. Ms. Hasart was appointed Finance Director in February 2017. She has over 30 years of experience in local government finance in the State, including serving as Director of Financial Services for the City of Bremerton for three years, Finance Director/City Clerk for the City of Washougal for seven years, Interim Public Works Director for the City of Washougal for nine months and Finance Manager to the City of DuPont for six years. In addition, she spent three years as an independent Finance Management Consultant working with the Town of Cathlamet, City of Edgewood, Yakima Health District and Clallam County Fire Protection District No. 3. Ms. Hasart is a CPA-Inactive Certificate Holder in the State and holds the CGMA (Chartered Global Management Accountant) designation from the AICPA (American Institute of Certified Public Accountants). Ms.Hasart holds a Bachelor’s Degree in Business Administration from the University of Washington.

Greg Piland, Finance Manager. Mr. Piland was appointed Finance Manager in November 2021. He has over nine years of experience in local government finance, including serving as Deputy Director of Finance for the City of North

Bend and as Financial Operations Manager for the City of Kirkland. Mr. Piland holds a Bachelor’s Degree in Public Policy from Arizona State University. Mr. Piland hold the CPPB (Certified Public Professional Buyer) designation from NASPA (National Association of State Procurement Officials).

Impact of COVID-19

In response to the COVID-19 pandemic, the Mayor of the City proclaimed an emergency on March 2, 2020. In addition, the Mayor issued Emergency Executive Order 2020-007 – Limiting Certain Expenditures Without Approval of the City Administrator. This executive order was designed to limit expenditures of the City to match revenue reduction measures in anticipation of COVID mitigation impacts.

In 2020, the General Fund realized minimal negative impact to its tax revenues. Certain of the taxes realized modest growth, some realized a modest decrease and some had no material effect over 2019 levels. Coupled with the limitations on spending imposed by Executive Order 2020-007, the City did not experience an adverse effect from the COVID-19 mitigation efforts. With the exception of admissions taxes, all tax categories have returned to pre-pandemic levels.

The State and County allocated approximately just under \$1 million in federal Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) funds to the City in 2020.

In April 2021, the U.S. Government established ARPA to provide emergency funding related to the ongoing COVID-19 crisis. The plan included \$350 billion in funding for state, local, territorial and tribal governments. The funds were distributed to the State and then allocated to local jurisdictions. The City was allocated \$5.5 million in Coronavirus State and Local Fiscal Recovery Funds. Half of the funding was received in June 2021, with the other half received in July 2022.

Program guidelines provide substantial flexibility for each jurisdiction to meet local needs, including support for households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. Within the categories of eligible uses listed, recipients have broad flexibility to decide how best to use this funding to meet the needs of their communities. Program rules include a methodology for using funds to recover lost revenues.

Based on guidance from the U.S. Treasury Department, the City has designated its ARPA allocation to recovery of lost revenues. This has allowed the City to expand support to its Human Services and Economic Development programs. All ARPA funds received by the City have been recognized.

Labor Relations

The City currently employs 137 full-time and part-time employees. The City enters into written bargaining agreements with bargaining organizations; agreements contain provisions on such matters as salaries, vacation, sick leave, medical and dental insurance, working conditions, and grievance procedures. The City has current agreements with the following labor unions:

City Bargaining Units

Labor Union	Employees Covered	Effective Through
Teamsters (Office-Clerical Employees)	23	December 31, 2026
Teamsters (Public Works and Parks Employees)	33	December 31, 2026
Teamsters (Law Enforcement Sergeants and Lieutenants)	6	December 31, 2023
Teamsters (Supervisory Employees)	6	December 31, 2026
Monroe Police Officer’s Guild (Law Enforcement Officers)	26	December 31, 2025

The City strives to be fair with all employees, consistent with all applicable State laws, to ensure equity and promote labor relation policies mutually beneficial to management and employees. City officials consider all current labor relations to be satisfactory.

Diversity, Equity and Inclusion

In 2021, the City implemented a Diversity, Equity and Inclusion Team (the “DEI Team”). City employees representing all departments across the organization comprise the DEI Team. While the City does not currently have a diversity, equity and inclusion (“DEI”) policy, it is the practice of the City to review all policies and procedures through a DEI lens when creating or reviewing existing policies. The current DEI Team meets twice per month focusing on education, trainings, staff development, and to ensure that the City remains informed of current best practices with respect to DEI.

Pensions

The City provides all of its public employee pensions through the following statewide cost-sharing multiple-employer plans administered by the State’s Department of Retirement Systems (“DRS”): the Public Employees Retirement System (“PERS”) or the Law Enforcement Officers and Fire Fighters Retirement System (“LEOFF”).

PERS Plans 1 and 2 and LEOFF are defined benefit plans and PERS Plan 3 contains a hybrid defined benefit/defined contribution option. All systems are administered by DRS. Contributions by both employees and employers are based on gross wages. PERS and LEOFF participants who joined the system by September 30, 1977 are Plan 1 members. PERS participants who joined on or after October 1, 1977, are Plan 2 members, unless they exercise an option to transfer to Plan 3. PERS participants who joined on or after September 1, 2002, have the irrevocable option of choosing membership in PERS Plan 2 or PERS Plan 3. LEOFF participants who joined on or after October 1, 1977, are Plan 2 members.

State law requires systematic actuarial funding to finance the retirement plans. Actuarial calculations to determine employer and employee contributions are prepared by the Office of the State Actuary (“OSA”), a nonpartisan legislative agency charged with advising the State Legislature and Governor on pension benefits and funding policy. To calculate employer and employee contribution rates necessary to pre-fund the plans’ benefits, OSA uses actuarial cost and asset valuation methods selected by the State Legislature as well as economic and demographic assumptions. The State Legislature adopted the following economic assumptions for contribution rates beginning July 1, 2021: (1) 7.0% rate of investment return; (2) general salary increases of 3.25%; (3) 2.75% rate of Consumer Price Index increase; and (4) 1.00% growth in membership. The long-term investment return assumption is used as the discount rate for determining the liabilities for a plan. The 10-year annualized return on the investment as of June 30, 2022 on the retirement funds was 10.44%.

The information under this heading has been obtained from the City’s financial statements and information on the OSA and DRS websites, which are not incorporated herein by reference.

Plan Funding; Contribution Rates and Amounts. All DRS-administered retirement plans are funded by a combination of funding sources: (1) contributions from the State; (2) contributions from employers (including the State as employer and other governmental employers); (3) contributions from employees; and (4) investment returns. Retirement funds are invested by the Washington State Investment Board, a 15-member board created by the State Legislature in 1981.

The City’s total contribution for the year ended December 31, 2022, was \$1,141,195, representing 8.3% of covered payroll. The City contributed \$1,135,311 to PERS and LEOFF in 2021 for all of the City’s employees that are covered under PERS and LEOFF.

Under State statute, contribution rates are adopted by the Pension Funding Council (“PFC”) (and, for LEOFF 2, by the LEOFF 2 Board) in even-numbered years for the next ensuing State biennium. The rate-setting process begins with an actuarial valuation by the OSA, who makes non-binding recommendations to the Select Committee on Pension Policy who then recommends contribution rates to the PFC and the LEOFF 2 Board. No later than the end of July in even-numbered years, the PFC and LEOFF 2 Board adopt contribution rates, which are subject to revision by the Legislature. The following table outlines the contribution rates of employees and employers for the current biennium.

**Contribution Rates for the 2021-23 Biennium
Expressed as a Percentage of Covered Payroll**

	Contribution Rates 2021-23 Biennium			
	From 07/01/2021 to 08/31/2022		Beginning 09/01/2022	
	Employer ⁽¹⁾	Employee	Employer ⁽¹⁾	Employee
PERS Plan 1	10.25%	6.00%	10.39%	6.00%
PERS Plan 2	10.25	6.36	10.39	6.36
PERS Plan 3	10.25	Variable ⁽²⁾	10.39	Variable ⁽²⁾
LEOFF Plan 1	0.18	0.00	0.18	0.00
LEOFF Plan 2	5.30 ⁽³⁾	8.53	5.30 ⁽³⁾	8.53

(1) Includes a 0.18% DRS administration fee.

(2) Rates vary from 5.0% minimum to 15.0% maximum based on the rate selected by the PERS 3 member.

(3) In addition, the State contributes 3.41% for the 2021-23 Biennium.

Source: Department of Retirement Systems.

Plan Funding Status and Unfunded Actuarial Liability. While the City’s contributions represent its full current liability under the retirement systems, any unfunded pension benefit obligations could be reflected in future years as higher contribution rates. It is expected that the contribution rates for employees and employers in the PERS Plans 2 and 3 will increase in the coming years. The OSA website includes information regarding the values, funding levels and investments of these retirement plans.

Historically, OSA used the Projected Unit Credit (“PUC”) cost method and the Actuarial Value of Assets (“AVA”) to report a plan’s funded status. PUC was one of several acceptable measures of a plan’s funded status under current GASB rules. In September 2015, OSA adopted the Entry Age Normal (“EAN”) cost method to estimate accrued pension liabilities for the purposes of reporting funded status. The EAN method represents each plan member’s benefits as a constant share of payroll throughout the member’s career. This liability estimate incorporates the statutorily set discount rate and fully reflects the updated demographic assumptions from OSA’s 2013-2018 Demographic Experience Study, June 2020.

During the years 2001 through 2010 the rates adopted by the State Legislature were lower than those that would have been required to produce actuarially required contributions to PERS Plan 1, a closed plan with a large proportion of the retirees.

PERS Plans 2 and 3 are accounted for in the same pension trust fund and may legally be used to pay the defined benefits of any PERS Plans 2 and 3 member. Assets for one plan may not be used to fund benefits for another plan; however, all employers in PERS are required to make contributions at a rate (percentage of payroll) determined by the OSA every two years for the sole purpose of amortizing the PERS Plan 1 unfunded actuarial accrued liability within a rolling 10-year period. The State Legislature established certain maximum contribution rates from 2009 to 2015 and certain minimum contribution rates became effective in 2015 and remain in effect until the actuarial value of assets in PERS Plan 1 equals 100% of the actuarial accrued liability of PERS Plan 1. These rates are subject to change by future legislation enacted by the State Legislature to address future changes in actuarial and economic assumptions and investment performance.

The following table shows the funded status of PERS and LEOFF for 2017 through 2021.

**Funded Status On An Actuarial Value Basis
(\$ in millions)**

	PERS		LEOFF	
	Plan 1	Plans 2/3	Plan 1	Plan 2
Accrued Liability	\$11,368	\$52,039	\$4,209	\$15,819
Valuation Assets	8,064	49,451	6,143	16,494
Unfunded Liability	3,303	2,588	(1,934)	(676)
	Funded Ratio (%)			
2021	71%	95%	146%	104%
2020	69	98	148	113
2019	65	96	141	111
2018	60	91	135	108
2017	57	89	131	109

Source: Office of the State Actuary, 2021 Actuarial Valuation Report.

The information in this section has been obtained from the City’s financial statements and information on the OSA and DRS websites.

GASB Liabilities. The Government Accounting Standard Board (“GASB”) has implemented pension standards that require employers, including the City, to report their pension liabilities on an actuarial basis rather than a funding basis. Beginning with its 2015 financial statements, the City reported its proportionate share of the net plan asset or liability for each pension plan in which City employees participate. The liability is based on the actuarial present value of projected benefit payments to periods of employee service, a discount rate that considers the availability of plan assets and recognition of projected investment earnings. DRS determines each participating employers’ proportionate share of the plan liability and OSA determines each plan’s accounting valuation. The GASB rules impact accounting for pensions and not the funding status of the plans calculated by OSA or pension contribution rates that are set based on statutory assumptions.

DRS has calculated the collective net pension liability for the various retirement plans based on the new GASB reporting requirements as well as the City’s share of such liability. Net pension liability equals the total pension liability (a measure of the total cost of future pension benefit payments already earned, stated in current dollars) minus the value of the assets in the pension trust that can be used to make benefit payments. Contributions from plan members and employers are assumed to continue to be made at contractually required rates, the assumed long-term rate of investment return is 7.00%, the assumed economic inflation is 2.75%, and the assumed salary inflation is 3.25%. The following table shows the City’s share of the net pension liability for the plans it participates in for the State fiscal year ended June 30, 2022, based on its share of contributions for the year.

**City’s Share of Pension Liabilities/(Assets)
For Year Ended June 30, 2022**

	Net Liability/(Assets)	City Percent	City’s Share of Net Liability/(Assets)
PERS 1	\$ 2,784,367,000	0.052027%(1)	\$ 1,448,623
PERS 2/3	(3,708,781,000)	0.067656	(2,509,213)
LEOFF 1	(2,868,613,000)	0.006547	(187,808)
LEOFF 2	(2,717,698,000)(2)	0.097754	(2,656,659)

(1) Consists of unfunded actuarial accrued liability.

(2) The State Legislature passed HB 2144, which includes a pension fund transfer of \$300 million out of the LEOFF Plan 2 account and into a subaccount to pay for unidentified new pension benefits. This transfer will reduce the funded status of LEOFF Plan 2, which are held to provide current member benefits.

Source: DRS Participating Employer Financial Information Report for Fiscal Year Ended June 30, 2022.

Western Conference Teamsters Pension Trust. Each bargaining unit of City employees in the Teamsters union (*i.e.* Office-Clerical Employees, Supervisory Employees, Public Works and Parks Employees, and Law Enforcement Sergeants and Lieutenants) has independently voted to be in the Western Conference Teamsters Pension Trust (“WCTPT”). The WCTPT is a multiemployer defined contribution pension plan (Taft-Hartley Pension Plan) established in 1955 and administered by a board of trustees consisting of employer and union representatives from among all its participants. The WCTPT provides a lifetime monthly pension benefit along with death, survivor and disability benefits.

Each bargaining unit votes on the hourly amount it will contribute to the pension fund. Each unit negotiates with the City on an amount the City will contribute hourly to this pension fund. This is paid monthly. There is no unfunded liability on the City’s part. This is an additional benefit supplemental to the PERS system. With the exception of the Supervisory Employees and Law Enforcement Sergeants and Lieutenants bargaining units, the City pays into the WCTPT on account of each member of the bargaining unit seventy-five cents (\$0.75) for each hour compensated. Supervisory Employees bargaining unit employees receive seventy cents (\$0.70) and the Law Enforcement Sergeants and Lieutenants bargaining unit employees receive ninety cents (\$0.90) for each hour compensated. In 2021 and 2022, the City paid a total of \$110,288 and \$112,091, respectively, to the WCTPT for its portion of the contribution.

See also Note 7 in Appendix C and Note 6 in Appendix D for further information on the WCTPT.

HRA/VEBA Plan. The current collective bargaining agreement between the City and the Law Enforcement Sergeants and Lieutenants bargaining unit provides that the City is to make payments into the voluntary employees’ beneficiary association/health reimbursement arrangement (“HRA/VEBA”) account of retired members of the Law Enforcement Sergeants and Lieutenants bargaining unit as shown in the table below. In 2022 and 2021, the City contributed \$4,800 and \$9,600, respectively, to the HRA/VEBA plan.

Retirement Age	Years of Service (Minimum)	Time in Grade	Annual Amount	Number of Years at Amount	Total Paid
50-52	20 years	3 years	\$4,800	5 years	\$24,000
53-54	20 years	3 years	4,800	4 years	19,200
55	20 years	3 years	4,800	3 years	14,400

For further information relating to the City’s bargaining units, see “THE CITY—Labor Relations.”

Other Post-Employment Benefits (“OPEB”)

The LEOFF 1 Retiree Medical Plan (the “Plan”) is a closed, single-employer, defined-benefit OPEB plan administered by the City. The Plan pays for 100% of eligible retirees’ healthcare costs on a pay-as-you-go basis. For the year ended December 31, 2022, the Plan had three members, all retirees. A former employee, who is not retired but is no longer employed by the City, has a severance agreement that commits the City to the same postemployment benefits as a LEOFF 1 retiree.

The City does not purchase any retiree medical insurance for the former employee. The City purchases retiree medical insurance for the three LEOFF 1 retirees through the Washington Teamsters Welfare Trust for retired LEOFF 1 employees with Medicare under Plan A. The City pays 100% of the monthly insurance premium. For 2022, the City paid \$24,406 in premium payments. Any remaining out of pocket expenses are paid on a pay-as-you-go basis as required by the LEOFF 1 Retiree Medical Plan.

As of December 31, 2022, the City’s total OPEB liability was \$2,210,484, as calculated using the alternative measurement method. For the year ended December 31, 2022, the City paid \$54,716 in pay-as-you-go benefits. Total paid for medical premiums and pay-as-you-go for 2022 was \$79,122.

See also Note 8 in Appendix C and Note 7 in Appendix D for further information on OPEB of the City.

Health and Welfare

The City is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (“AWC Trust HCP”). The AWC Trust HCP was formed in January 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State 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 AWC Trust HCP. As of December 31, 2022, 262 cities/towns/non-city entities participate and have enrollment 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. In April 2020, the board of trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, the AWC Trust HCP pools claims without regard to individual member experience. Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2022, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an individual stop loss (ISL) of \$1.5 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust 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 six months in advance of the 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 AWC Trust 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 AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP account.

Risk Management

Washington Cities Insurance Authority. 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 166 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. While the liability program assumes no liability deductibles apply, claims deductible levels of \$25,000, \$50,000, \$100,000 and \$250,000 are potential coverage options for members that may at the sole discretion of WCIA be extended to members. The City carries a \$25,000 per claim deductible. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The WCIA board of directors determines the limits and terms of coverage annually.

All members are provided a separate cyber risk policy and premises pollution liability coverage group purchased by WCIA. The cyber risk policy provides coverage and separate limits for security and privacy, event management, and cyber extortion, with limits up to \$1 million and subject to member deductibles, sublimits, and a \$5 million pool aggregate. Premises pollution liability provides members with a \$2 million incident limit and \$10 million pool aggregate subject to a \$100,000 per incident member deductible.

Insurance for property, automobile physical damage, fidelity, inland marine, and equipment breakdown 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 \$400 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 agreement, 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 WCIA 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. City premiums paid to the WCIA were \$687,484 in 2022.

Additionally, the City maintains a Risk Management Reserve managerial fund to cover unforeseen claims or deductibles. As of December 31, 2022, the balance of the Risk Management Reserve managerial fund was \$20,724, but will increase to \$168,959 during the 2023-2024 biennium, representing full funding per the City's Reserve Policy.

Unemployment Compensation. The City self-insures as an individual program for unemployment compensation risk. Claims for unemployment are administered by the Washington State Employment Security Department and invoices are submitted to the City on a quarterly basis, if applicable. Total claims received and paid during the year ended December 31, 2022 were \$8,361. Unemployment claims are recorded when paid from the relevant department's operations budget. However, the City maintains a contingency reserve account (part of the current expense fund) to cover the costs of unemployment claims should they become material. The ending balance of the contingency reserve account for the year ended December 31, 2022 was \$1,279,867.

Cyber Security

The City's information technology team is entrusted with the critical tasks of establishing and enforcing information technology standards, promptly responding to security incidents, and providing staff training. To ensure the safety of its network and data, the City has also secured cyber security insurance and participates in periodic cybersecurity audits to comply with industry best practices. As a result of these proactive measures, the City has remained incident-free from any significant cyber security threats to date.

Seismic Activity, Other Natural Disasters and Climate Change

The State is in an area of seismic activity, with frequent small earthquakes and occasionally moderate and larger earthquakes. Certain soil types and property in certain areas of the State could become subject to liquefaction (the transformation of soil from a solid state to a liquid state) following a major earthquake, to landslides caused by an earthquake and to ongoing shaking that could follow a major earthquake. The State contains identified geologic faults. In addition to various faults beneath the State, the State is within the Cascadia subduction zone, a fault beneath the Pacific Ocean, which produced a giant earthquake several hundred years ago and is thought to be capable of causing extensive damage if another such earthquake occurs. The most recent notable earthquake in the State, which measured 6.8 on the Richter Scale, occurred in 2001. Areas of the State also could experience the effects of a tsunami following a major earthquake on the West Coast or in areas outside the United States. The Cascade Range in Western Washington also has volcanoes. Mount St. Helens erupted in 1980. Other natural disasters, including mudslides,

floods, wind storms, wildfires, drought, and avalanches are possible. Much of the State experienced drought conditions in 2015 and 2018. The State has experienced a number of large wildfire seasons during the past decade.

The City can give no assurance regarding the effect of an earthquake, seismic activity in Washington or in other areas, volcano, wind storms, wildfires, mudslides or other natural disaster or that proceeds of insurance carried by the City would be sufficient, if available, to rebuild and reopen facilities of the City or that surrounding facilities and infrastructure could or would be rebuilt and reopened in a timely manner following a major earthquake or other natural disaster.

Climate change may intensify and increase the frequency of extreme weather events, such as drought, wildfires, wind storms, floods and heat waves, and raise sea levels along the coast. The loss of life and property damage that could result from a major earthquake or other major natural disasters could have a material and adverse impact on the City and the local community and economy. Under Washington law, any person, firm or corporation may be liable if it creates or allows extreme fire hazards to exist and which hazards contribute to the spread of the fires.

GENERAL AND ECONOMIC INFORMATION

The City is located at the confluence of three major highways (U.S. Route 2, and State Routes 203 and 522) and is uniquely situated as the economic hub of commerce for the more than 90,000 people residing in the Skykomish Valley, between the City of Snohomish and Stevens Pass. The area’s economy is diversified, including healthcare facilities, small industrial businesses and retail activity. The City is adjacent to the Evergreen State Fair Park, which holds the Evergreen State Fair annually and includes several year-round facilities, among them the only NASCAR venue in the State, and plays a major role in the local economy. The Monroe Correctional Complex, a men’s prison with a capacity of approximately 2,400 inmates, is located in the City, and is among the largest prisons in the State; however recent closures at the prison have reduced the inmate population.

Population

Historical population of the City and the County are shown below.

Historical Population

Year	Monroe	Snohomish County		Total
		Incorporated	Unincorporated	
2022	19,700	475,385	371,915	847,300
2021	19,900	466,500	371,300	837,800
2020	19,699	460,241	367,716	827,957
2019	19,144	452,314	362,105	814,419
2018	18,781	446,188	355,035	801,223

Source: Washington State Office of Financial Management.

Economic Indicators

The following tables show certain economic indicators for the City and the County.

Major Employers in the County (2021)⁽¹⁾

Employer	Product/Service	Approximate Number of Employees
The Boeing Company	Aircraft manufacturing	27,700
Providence Regional Medical Center	Medical services	7,350
The Everett Clinic	Health care	6,951
Naval Station Everett	U.S. Navy Base	4,300
The Tulalip Tribes	Gaming, real estate, government services	3,413
State of Washington	State government	3,319
Snohomish County Government	County government	2,877
Edmonds School District	School district	2,850
Everett Public Schools	School district	2,533
Mukilteo School District	School district	2,500
Albertsons / Safeway (25 locations)	Retail – grocery	2,322
Walmart (8 locations)	Retail	2,200
Premera Blue Cross	Health insurer	2,175
Swedish Medical Center Edmonds campus	Health care	2,026
Kroger (Fred Meyer / QFC) (19 locations)	Retail – grocery	1,764
Marysville School District	School district	1,600
U.S. Federal Government	Government, federal	1,468
Philips Healthcare	Ultrasound technology	1,387
Seagen	Biotechnology	1,200
Fluke Corp (Fortive)	Electronic testing	960

(1) Latest available data.

Source: *Economic Alliance Snohomish County*.

Taxable Retail Sales

Year	Snohomish County	City of Monroe
2022 ⁽¹⁾	\$16,053,715,484	\$357,682,984
2021	20,277,789,997	453,545,540
2020	17,079,322,746	408,373,978
2019	16,861,829,385	331,424,636
2018	15,673,374,445	274,988,379
2017	14,509,899,633	242,010,057

(1) Through the third quarter of 2022. The taxable retail sales through the third quarter of 2021 for the County were \$14,846,140,327 and were \$326,090,506 for the City.

Source: *Washington State Department of Revenue*.

**Snohomish County and State of Washington
Personal and Per Capita Income**

Year	Snohomish County		State of Washington	
	Total Personal Income (000s)	Per Capita Income	Total Personal Income (000s)	Per Capita Income
2021 ⁽¹⁾	\$57,396,085	\$68,858	\$570,920,801	\$73,775
2020	52,643,791	63,477	527,581,834	68,350
2019	48,238,677	58,706	490,322,144	64,189
2018	44,703,853	54,954	454,583,523	60,221
2017	41,659,029	51,910	426,442,657	57,265

(1) Latest available data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

**Snohomish County and State of Washington
Median Household Income**

Year	Snohomish County	Washington State
2021 ⁽¹⁾	\$98,283	\$81,998
2020 ⁽²⁾	93,589	80,319
2019	89,119	78,674
2018	86,435	72,297
2017	81,779	69,288

(1) Projection.

(2) Estimate.

Source: Washington State Office of Financial Management.

**City of Monroe
Residential Building Permit Activity**

Year	Single Family		Multi-Family		Total Construction Cost
	Number	Construction Cost	Number of Units	Construction Cost	
2022	58	\$22,889,053	3	\$ 927,543	\$23,816,596
2021	81	34,534,923	38	3,990,470	38,525,393
2020	85	31,398,416	34	4,126,100	35,524,516
2019	119	43,360,692	218	24,989,099	68,349,791
2018	174	65,939,512	--	--	65,939,512

Source: United States Census Bureau.

**Snohomish County
Labor Force, Unemployment and
Nonagricultural Wage and Salary Workers**

	Annual Averages					
	2018	2019	2020	2021	2022	2023 ⁽¹⁾
Civilian Labor Force	430,205	438,686	440,759	437,498	449,837	455,121
Employment	414,869	425,807	402,395	416,532	435,227	440,813
Unemployment	15,336	12,879	38,364	20,966	14,610	14,308
Percent of Labor Force	3.6%	2.9%	8.7%	4.8%	3.2%	3.1%
Total Nonfarm	290,142	295,542	277,825	277,267	287,167	289,200
Mining, Logging and Construction	24,208	24,350	23,400	24,842	25,500	25,050
Manufacturing	58,500	60,592	56,825	49,917	51,508	52,850
Trade, Transportation and Utilities	48,392	48,967	47,017	49,167	49,508	49,350
Information	5,242	4,558	3,733	3,292	3,492	3,400
Financial Activities	12,950	13,083	13,558	13,367	13,525	13,500
Professional and Business Services	28,500	29,267	28,233	28,442	30,217	30,050
Education and Health Services	35,600	36,492	34,858	36,892	37,883	38,050
Leisure and Hospitality	26,500	26,967	22,017	23,950	26,558	26,550
Other Services	10,258	10,825	10,392	9,808	10,133	10,200
Government	39,992	40,442	37,792	37,592	38,842	40,200

(1) Average through February 2023.

Source: Washington State Employment Security Department.

TAX MATTERS

Tax Exemption

Exclusion From Gross Income. In the opinion of Bond Counsel, under existing federal law and assuming compliance with applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issue date of the Bonds, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals. However, interest on the Bonds will be taken into account in determining adjusted financial statement income that may be subject to the alternative minimum tax applicable to certain corporations.

Continuing Requirements. The City is required to comply with certain requirements of the Code after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Bond proceeds and the facilities financed or refinanced with Bond proceeds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances, and the requirement to comply with the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with those requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. Bond Counsel has not undertaken and does not undertake to monitor the City’s compliance with such requirements.

Tax on Certain Passive Investment Income of S Corporations. Under Section 1375 of the Code, certain excess net passive investment income, including interest on the Bonds, received by an S corporation (a corporation treated as a partnership for most federal tax purposes) that has Subchapter C earnings and profits at the close of the taxable year may be subject to federal income taxation at the highest rate applicable to corporations if more than 25% of the gross receipts of such S corporation is passive investment income.

Foreign Branch Profits Tax. Interest on the Bonds may be subject to the foreign branch profits tax imposed by Section 884 of the Code when the Bonds are owned by, and effectively connected with a trade or business of, a United States branch of a foreign corporation.

Possible Consequences of Tax Compliance Audit. The Internal Revenue Service (the “IRS”) has established a general audit program to determine whether issuers of tax-exempt obligations, such as the Bonds, are in compliance with requirements of the Code that must be satisfied in order for interest on those obligations to be, and continue to be, excluded from gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS would commence an audit of the Bonds. Depending on all the facts and circumstances and the type of audit involved, it is possible that commencement of an audit of the Bonds could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of its ultimate outcome.

Certain Other Federal Tax Consequences

Bonds Not “Qualified Tax-Exempt Obligations” for Financial Institutions. Section 265 of the Code provides that 100% of any interest expense incurred by banks and other financial institutions for interest allocable to tax-exempt obligations acquired after August 7, 1986, will be disallowed as a tax deduction. However, if the tax-exempt obligations are obligations other than private activity bonds, are issued by a governmental unit that, together with all entities subordinate to it, does not reasonably anticipate issuing more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) in the current calendar year, and are designated by the governmental unit as “qualified tax-exempt obligations,” only 20% of any interest expense deduction allocable to those obligations will be disallowed.

The City is a governmental unit that, together with all subordinate entities, reasonably anticipates issuing more than \$10,000,000 of tax-exempt obligations (other than private activity bonds and other obligations not required to be included in such calculation) during the current calendar year and has **not** designated the Bonds as “qualified tax-exempt obligations” for purposes of the 80% financial institution interest expense deduction. Therefore, no interest expense of a financial institution allocable to the Bonds is deductible for federal income tax purposes.

Original Issue Discount. The Bonds maturing in 2052 and 2057 have been sold at prices reflecting original issue discount (“Discount Bonds”). Under existing law, the original issue discount in the selling price of each Discount Bond, to the extent properly allocable to each owner of such Discount Bond, is excluded from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over the initial offering price to the public, excluding underwriters and other intermediaries, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (i) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (ii) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), less (iii) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excluded from gross income for federal income tax purposes, and will increase the owner's tax basis in such Discount Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Discount Bond will be treated as gain from the sale or exchange of such Discount Bond.

The portion of original issue discount that accrues in each year to an owner of a Discount Bond may result in certain collateral federal income tax consequences.

Owners who purchase Discount Bonds in the initial public offering but at a price different from the first offering price at which a substantial amount of those Discount Bonds were sold to the public, or who do not purchase Discount Bonds in the initial public offering, should consult their own tax advisors with respect to the tax consequences of the ownership of such Discount Bonds. Owners of Discount Bonds who sell or otherwise dispose of such Discount Bonds prior to maturity should consult their own tax advisors with respect to the amount of original issue discount accrued over the period such Discount Bonds have been held and the amount of taxable gain or loss to be recognized upon that sale or other disposition of Discount Bonds. Owners of Discount Bonds also should consult their own tax advisors with respect to state and local tax consequences of owning such Discount Bonds.

Original Issue Premium. The Bonds maturing in 2023 through 2033, inclusive, 2038, 2043 and 2048 have been sold at prices reflecting original issue premium (“Premium Bonds”). An amount equal to the excess of the purchase price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. A purchaser of a Premium Bond must amortize any premium over such Premium Bond's term using constant yield principles, based on the purchaser's yield to maturity. The amount of amortizable premium allocable to an interest accrual period for a Premium Bond will offset a like amount of qualified stated interest on such Premium Bond allocable to that accrual period. As premium is amortized, the purchaser's basis in such Premium Bond is reduced by a corresponding amount, resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser's basis is reduced, no federal income tax deduction is allowed. Purchasers of Premium Bonds, whether at the time of initial issuance or subsequent thereto, should consult with their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Premium Bonds.

Reduction of Loss Reserve Deductions for Property and Casualty Insurance Companies. Under Section 832 of the Code, interest on the Bonds received by property and casualty insurance companies will reduce tax deductions for loss reserves otherwise available to such companies by an amount equal to 25% of tax-exempt interest received during the taxable year.

Effect on Certain Social Security and Retirement Benefits. Section 86 of the Code requires recipients of certain Social Security and certain Railroad Retirement benefits to take receipts or accruals of interest on the Bonds into account in determining gross income.

Other Possible Federal Tax Consequences. Receipt of interest on the Bonds may have other federal tax consequences as to which prospective purchasers of the Bonds may wish to consult their own tax advisors.

Potential Future Federal Tax Law Changes. From time to time, there are legislative proposals in Congress which, if enacted into law, could adversely affect the tax treatment, market value or marketability of the Bonds. It cannot be predicted whether future legislation may be proposed or enacted that would affect the federal tax treatment of interest received on the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors regarding any proposed or pending legislation that would change the federal tax treatment of interest on the Bonds.

CONTINUING DISCLOSURE

Basic Undertaking to Provide Annual Financial Information and Notice of Listed Events. To meet the requirements of paragraph (b)(5) of United States Securities and Exchange Commission (“SEC”) Rule 15c2-12 (“Rule 15c2-12”), as applicable to a participating underwriter for the Bonds, the City will undertake (the “Undertaking”) for the benefit of holders of the Bonds to provide or cause to be provided, either directly or through a designated agent, to the Municipal Securities Rulemaking Board (“MSRB”), in an electronic format as prescribed by the MSRB, accompanied by identifying information as prescribed by the MSRB: (a) annual financial information and operating data of the type included in this Official Statement as generally described below (“annual financial information”); and (b) timely notice (not in excess of ten business days after the occurrence of the event) of the occurrence of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment-related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notice of Proposed Issue (IRS Form 5701 – TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls (other than scheduled mandatory redemptions of Term Bonds), if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City, as such “Bankruptcy Events” are defined in Rule 15c2-12; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the City or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

financial obligation of the City or obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City or obligated person, any of which reflect financial difficulties. The term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term “financial obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

The City also will provide to the MSRB timely notice of a failure by the City to provide required annual financial information on or before the date specified below.

Type of Annual Financial Information Undertaken to be Provided. The annual financial information that the City undertakes to provide will consist of: (1) annual financial statements prepared (except as noted in the financial statements) in accordance with the applicable generally accepted accounting principles applicable to local governmental units of the State such as the City, as such principles may be changed from time to time, which statements may be unaudited, provided, that if and when audited financial statements are prepared and available they will be provided; (2) principal amount of general obligation bonds outstanding at the end of the applicable fiscal year; (3) assessed valuation for that fiscal year; and (4) regular property tax levy rate for the fiscal year. The annual financial information will be provided to the MSRB not later than the last day of the ninth month after the end of each fiscal year of the City (currently, a fiscal year ending December 31), as such fiscal year may be changed as required or permitted by State law, commencing with the City’s fiscal year ending December 31, 2023.

The annual financial information may be provided in a single or multiple documents, and may be incorporated by specific reference to documents available to the public on the Internet website of the MSRB or filed with the SEC.

Amendment of Undertaking. The Undertaking is subject to amendment after the primary offering of the Bonds without the consent of any holder of any Bond, or of any broker, dealer, municipal securities dealer, participating underwriter, rating agency or the MSRB, under the circumstances and in the manner permitted by Rule 15c2-12. The City will give notice to the MSRB of the substance (or provide a copy) of any amendment to the Undertaking and a brief statement of the reasons for the amendment. If the amendment changes the type of annual financial information to be provided, the annual financial information containing the amended financial information will include a narrative explanation of the effect of that change on the type of information to be provided.

Termination of Undertaking. The City’s obligations under the Undertaking will terminate upon the legal defeasance, prior redemption or maturity of all of the Bonds. In addition, the City’s obligations under the Undertaking will terminate if those provisions of Rule 15c2-12 which require the City to comply with the Undertaking become legally inapplicable in respect of the Bonds for any reason, as confirmed by an opinion of nationally recognized bond counsel or other counsel familiar with federal securities laws delivered to the City, and the City provides timely notice of such termination to the MSRB.

Remedy for Failure to Comply with Undertaking. As soon as practicable after the City learns of any failure to comply with the Undertaking, the City will proceed with due diligence to cause such noncompliance to be corrected. No failure by the City or other obligated person to comply with the Undertaking will constitute an event of default in respect of the Bonds. The sole remedy of any holder of a Bond shall be to take action to compel the City or other obligated person to comply with the Undertaking, including seeking an order of specific performance from an appropriate court.

Prior Compliance with Continuing Disclosure. The City has entered into written undertakings under Rule 15c2-12 with respect to all of its obligations subject thereto. During the previous five years, although the City timely filed its unaudited financial statements for fiscal years ended December 31, 2017 through 2021, inclusive, the City failed to timely file the audited financial statements when they became available. The City filed such audited financial statements, along with a notice of the failure to timely file such information, on May 11, 2023.

CERTAIN INVESTMENT CONSIDERATIONS

Limitations on Remedies; Bankruptcy

Any remedies available to the owners of the Bonds upon the occurrence of an event of default under the Bond Ordinance are in many respects dependent upon judicial actions which are in turn often subject to discretion and delay and could be both expensive and time-consuming to obtain. If the City fails to comply with its covenants under the Bond Ordinance or to pay principal of or interest on the Bonds, there can be no assurance that available remedies will be adequate to fully protect the interests of the owners of the Bonds.

In addition to the limitations on remedies contained in the Bond Ordinance, the rights and obligations under the Bonds and the Bond Ordinance may be limited by and are subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other laws relating to or affecting creditors' rights, to the application of equitable principles, and the exercise of judicial discretion in appropriate cases. The opinion to be delivered by Foster Garvey P.C., as Bond Counsel, concurrently with the issuance of the Bonds, will be subject to limitations regarding bankruptcy, insolvency, and other laws relating to or affecting creditors' rights. The various other legal opinions to be delivered concurrently with the issuance of the Bonds will be similarly qualified. A copy of the proposed form of opinion of Bond Counsel is set forth in Appendix A.

A municipality such as the City must be specifically authorized under State law in order to seek relief under Chapter 9 of the United States Bankruptcy Code (the "Bankruptcy Code"). Washington state law permits any "taxing district" (defined to include any municipality or other political subdivision, such as the City) to voluntarily petition for relief under the predecessor statute to the Bankruptcy Code. A creditor cannot bring an involuntary bankruptcy proceeding against a municipality, including the City. Under Chapter 9, a federal bankruptcy court may not appoint a receiver for a municipality or order the dissolution or liquidation of the municipality. Unless a municipality in a Chapter 9 proceeding consents or the plan approved by the bankruptcy court so provides, the court may not interfere with (i) any of the political or governmental powers of the municipality, (ii) any of the property or revenues of the municipality, or (iii) the municipality's use or enjoyment of any income-producing property.

The federal bankruptcy courts have certain discretionary powers under the Bankruptcy Code. Taxing districts in the State, including the City, are expressly authorized to carry out a plan of readjustment if approved by the appropriate court.

As described under "SECURITY FOR THE BONDS," State law does not provide for a statutory lien on tax revenues to secure general obligation bonds and there is no express provision on the priority of payment of debt service on general obligation bonds. The Bond Ordinance does not provide for the appointment of a trustee in the event of a bankruptcy; each bond owner would need to individually participate in the proceeding in order to protect their interests.

Initiatives and Referendum

State Initiative and Referendum. Under the State Constitution, the voters of the State have the ability to initiate legislation and require the State Legislature to refer legislation to the voters through the powers of initiative and referendum, respectively. The initiative power in the State may not be used to amend the State Constitution. Initiatives and referenda are submitted to the voters upon receipt of a petition signed by at least 8% (initiatives) and 4% (referenda) of the number of voters registered and voting for the office of Governor at the preceding regular gubernatorial election. Any law approved in this manner by a majority of the voters may not be amended or repealed by the State Legislature within a period of two years following enactment, except by a vote of two-thirds of all the members elected to each house of the State Legislature. After two years, the law is subject to amendment or repeal by the State Legislature in the same manner as other laws.

In recent years there has been an increase in the number of initiatives and referenda filed in the State, including initiatives affecting the powers of local jurisdictions. The City cannot predict whether this trend will continue, whether any filed initiatives will receive the requisite signatures to be certified to the ballot, and whether such initiatives will be approved by the voters and, if challenged, upheld by the courts.

Local Initiative and Referendum. The City has adopted the powers of initiative and referendum for the qualified electors of the City as provided under State law. Referendum powers are not applicable to: ordinances initiated by petition; ordinances necessary for immediate preservation of public peace, health, and safety or for the support of City government and its existing public institutions which contain a statement of urgency and are passed by unanimous vote of the City Council; ordinances providing for local improvement districts; ordinances appropriating money; ordinances providing for or approving collective bargaining; ordinances providing for the compensation of or working conditions of City employees; and ordinances authorizing or repealing the levy of taxes. From time to time voters may submit petitions for initiatives and referenda within the City. The City cannot predict when or if any such measures would be filed, or what the subject or effect of any such potential measure may be.

UNDERWRITING AND LEGAL

Underwriting

The Bonds are being purchased by D.A. Davidson & Co. (the “Underwriter”) at a price of \$16,966,620.75 (representing the par amount of the Bonds plus a net original issue premium of \$674,960.75 less an underwriter’s discount of \$98,340). The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the initial offering prices set forth on the inside cover page of this Official Statement, and such initial offering prices may be changed from time to time by the Underwriter.

Rating

As noted on the cover page of this Official Statement, S&P Global Ratings has assigned its rating of “AA” to the Bonds. The rating was applied for by the City and certain information was supplied by the City to such rating agency to be considered in evaluating the Bonds. The rating reflects only the views of the rating agency and an explanation of the significance of the rating may be obtained from the rating agency. There is no assurance that the rating will be retained for any given period of time or that the rating will not be revised downward, suspended or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward revision, suspension or withdrawal of the rating will be likely to have an adverse effect on the market price and marketability of the Bonds.

Absence of Material Litigation

There is no litigation pending or threatened questioning the validity of the Bonds or the power and authority of the City to issue the Bonds. There is no litigation pending or threatened which would materially affect the City’s ability to meet debt service requirements on the Bonds. Because of the nature of its activities, the City is subject to certain pending legal actions which arise in the ordinary course of business. Based on the information presently known, the City believes that the ultimate liability for any of such legal actions will not be material to the financial position of the City.

Approval of Counsel

Legal matters incident to the authorization, issuance and sale of the Bonds by the City are subject to the approving legal opinion of Foster Garvey P.C., Bond Counsel, Seattle, Washington. The form of the opinion of Bond Counsel with respect to the Bonds is attached as Appendix A. The opinion of Bond Counsel is given based on factual representations made to Bond Counsel, and under existing law, as of the date of initial delivery of the Bonds, and Bond Counsel assumes no obligation to revise or supplement its opinion to reflect any facts or circumstances that may thereafter come to its attention, or any changes in law that may thereafter occur. The opinion of Bond Counsel is an expression of its professional judgment on the matters expressly addressed in its opinion and does not constitute a guarantee of result. Bond Counsel will be compensated only upon the issuance and sale of the Bonds.

Conflicts of Interest

All or a portion of the fees of Bond Counsel are contingent upon the issuance and sale of the Bonds. Bond Counsel from time to time serves as counsel to the Underwriter with respect to issuers other than the City and transactions other than the issuance of the Bonds. None of the members of the City Council or other officers of the City have any conflict of interest relating to the issuance of the Bonds that is prohibited by applicable law.

Approval of Official Statement

At the time of delivery of the Bonds, one or more officials of the City will furnish a certificate stating that to the best of his, her or their knowledge this Official Statement, as of its date and as of the date of delivery of the Bonds, does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements herein, in light of the circumstances under which they were made, not misleading.

The execution and distribution of this Official Statement have been authorized by the City.

APPENDIX A

FORM OF BOND COUNSEL OPINION

City of Monroe, Washington

Re: City of Monroe, Washington, \$16,390,000
Limited Tax General Obligation Bonds, 2023

We have served as bond counsel to the City of Monroe, Washington (the “City”), in connection with the issuance of the above referenced bonds (the “Bonds”), and in that capacity have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. As to matters of fact material to this opinion, we have relied upon representations contained in the certified proceedings and other certifications of public officials furnished to us, without undertaking to verify the same by independent investigation.

The Bonds are issued by the City pursuant to Ordinance No. 003/2023 (the “Bond Ordinance”) for general City purposes to provide the funds to the municipal campus improvements and to pay the costs of issuance and sale of the Bonds, all as set forth in the Bond Ordinance.

Reference is made to the Bonds and the Bond Ordinance for the definitions of capitalized terms used and not otherwise defined herein.

We express no opinion herein concerning the completeness or accuracy of any official statement, offering circular or other sales or disclosure material relating to the issuance of the Bonds or otherwise used in connection with the Bonds.

Under the Internal Revenue Code of 1986, as amended (the “Code”), the City is required to comply with certain requirements after the date of issuance of the Bonds in order to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes, including, without limitation, requirements concerning the qualified use of Bond proceeds and the facilities financed or refinanced with Bond proceeds, limitations on investing gross proceeds of the Bonds in higher yielding investments in certain circumstances and the arbitrage rebate requirement to the extent applicable to the Bonds. The City has covenanted in the Bond Ordinance to comply with those requirements, but if the City fails to comply with those requirements, interest on the Bonds could become taxable retroactive to the date of issuance of the Bonds. We have not undertaken and do not undertake to monitor the City’s compliance with such requirements.

Based upon the foregoing, as of the date of initial delivery of the Bonds to the purchaser thereof and full payment therefor, it is our opinion that under existing law:

1. The City is a code city under the laws of the State of Washington.
2. The Bonds have been duly authorized and executed by the City and are issued in full compliance with the provisions of the Constitution and laws of the State of Washington and the ordinances of the City relating thereto.
3. The Bonds constitute valid and binding general obligations of the City payable from tax revenue of the City and such other money as is lawfully available and pledged by the City, including real estate excise taxes, to be levied within the constitutional and statutory limitations provided by law without the assent of the voters, except only to the extent that enforcement of payment may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights and by the application of equitable principles and the exercise of judicial discretion in appropriate cases.

4. Assuming compliance by the City after the date of issuance of the Bonds with applicable requirements of the Code, the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax applicable to individuals; however, interest on the Bonds will be taken into account in determining adjusted financial statement income that may be subject to the alternative minimum tax applicable to certain corporations, interest on the Bonds received by certain S corporations may be subject to tax, and interest on the Bonds received by foreign corporations with United States branches may be subject to a foreign branch profits tax. We express no opinion regarding any other federal tax consequences of receipt of interest on the Bonds.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

We bring to your attention the fact that the foregoing opinions are expressions of our professional judgment on the matters expressly addressed and do not constitute guarantees of result.

Respectfully submitted,

APPENDIX B

DTC AND ITS BOOK-ENTRY SYSTEM

The following information has been provided by DTC. The City takes no responsibility for the accuracy or completeness thereof, or for the absence of material changes in such information subsequent to the date hereof. Beneficial Owners should confirm the following with DTC or the Participants (as hereinafter defined).

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount represented by such Bonds, and will be deposited with DTC.

2. DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of Bond certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are expected, however, to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are to be registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. When notices are given, they shall be sent by the Bond Registrar to DTC only. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Bond Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or any other nominee as may be requested by an authorized representative of DTC) are the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the City or the Bond Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bonds are required to be printed and delivered.

10. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.

APPENDIX C

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

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Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

City of Monroe

For the period January 1, 2021 through December 31, 2021

Published September 29, 2022

Report No. 1031171



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

September 29, 2022

Mayor and City Council
City of Monroe
Monroe, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the City of Monroe's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the City's financial condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

City of Monroe January 1, 2021 through December 31, 2021

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the City of Monroe are summarized below in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the City’s financial statements in accordance with its regulatory basis of accounting. Separately, we issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared using a basis of accounting other than GAAP.

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the City.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the City’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
20.205	Highway Planning and Construction Cluster – Highway Planning and Construction

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The City did not qualify as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

City of Monroe January 1, 2021 through December 31, 2021

This schedule presents the status of findings reported in prior audit periods.

Audit Period: 2020	Report Reference No.: 1030148	Finding Ref. No.: 2020-001	CFDA Number(s): 21.019
Federal Program Name and Granting Agency: COVID-19 – Coronavirus Relief Fund U.S. Department of the Treasury		Pass-Through Agency Name: Washington State Dept. of Commerce, Economic Alliance Snohomish County, and Snohomish County	
Finding Caption: The City’s internal controls were inadequate for ensuring compliance with federal requirements for subrecipient monitoring and allowable costs.			
Background: The City did not have internal controls in place to ensure it followed the requirements for subawards with federal funds. Specifically, the City did not perform risk assessments and did not have documentation of monitoring for program compliance. Additionally, the City awarded relief grants to local business affected by the pandemic. The City did not obtain documentation from these businesses to demonstrate how they met the three eligibility criteria established by the City. Questioned costs were \$42,270.			
Status of Corrective Action: (check one) <input checked="" type="checkbox"/> Fully Corrected <input type="checkbox"/> Partially Corrected <input type="checkbox"/> Not Corrected <input type="checkbox"/> Finding is considered no longer valid			
Corrective Action Taken: <i>With regards to the COVID-19 Coronavirus Relief Fund, more commonly known as the CARES Act, this program has expired, so no further corrective action is required. Regarding additional</i>			

COVID-19 relief funds, specifically the American Rescue Plan Act, timelines are not as severe as the CARES Act, thus the City is able to perform appropriate compliance reviews with subrecipients and direct awardees prior to execution of related contracts and prior to distribution of funds. This includes, but is not limited to, workshops held to educate potential awardees on federal requirements and appropriate documentation, a dedicated web page, a checklist for and review of answers to include testing where appropriate for subrecipients, review of all documentation before distribution of reimbursements, etc.

INDEPENDENT AUDITOR'S REPORT

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

City of Monroe January 1, 2021 through December 31, 2021

Mayor and City Council
City of Monroe
Monroe, Washington

We have audited, 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, the financial statements of the City of Monroe, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements, and have issued our report thereon dated September 20, 2022.

We issued an unmodified opinion on the fair presentation of the City's financial statements in accordance with its regulatory basis of accounting. We issued an adverse opinion on the fair presentation with regard to accounting principles generally accepted in the United States of America (GAAP) because the financial statements are prepared by the City using accounting practices prescribed by state law and the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual described in Note 1, which is a basis of accounting other than GAAP. The effects on the financial statements of the variances between the basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

REPORT ON COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this

report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large, sweeping initial "P".

Pat McCarthy, State Auditor

Olympia, WA

September 20, 2022

INDEPENDENT AUDITOR'S REPORT

Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance

City of Monroe January 1, 2021 through December 31, 2021

Mayor and City Council
City of Monroe
Monroe, Washington

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM

Opinion on Each Major Federal Program

We have audited the compliance of the City of Monroe, with the types of compliance requirements identified as subject to audit in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

Performing an audit in accordance with GAAS, *Government Auditing Standards* and the Uniform Guidance includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

September 20, 2022

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Financial Statements

City of Monroe January 1, 2021 through December 31, 2021

Mayor and City Council
City of Monroe
Monroe, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Unmodified and Adverse Opinions

We have audited the financial statements of the City of Monroe, as of and for the year ended December 31, 2021, and the related notes to the financial statements, as listed in the table of contents.

Unmodified Opinion on the Regulatory Basis of Accounting (BARS Manual)

As described in Note 1, the City has prepared these financial statements to meet the financial reporting requirements of state law and accounting practices prescribed by the State Auditor's *Budgeting, Accounting and Reporting System* (BARS) manual. Those accounting practices differ from accounting principles generally accepted in the United States of America (GAAP). The differences in these accounting practices are also described in Note 1.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash and investments of the City of Monroe, and its changes in cash and investments, for the year ended December 31, 2021, on the basis of accounting described in Note 1.

Adverse Opinion on U.S. GAAP

The financial statements referred to above were not intended to, and in our opinion, they do not, present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Monroe, as of December 31, 2021, or the changes in financial position or cash flows thereof for the year then ended, because of the significance of the matter discussed below.

Basis for Unmodified and Adverse Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit unmodified and adverse opinions.

Matter Giving Rise to Adverse Opinion on U.S. GAAP

Auditing standards issued by the American Institute of Certified Public Accountants (AICPA) require auditors to formally acknowledge when governments do not prepare their financial statements, intended for general use, in accordance with GAAP. As described in Note 1 of the financial statements, the financial statements are prepared by the City in accordance with state law using accounting practices prescribed by the BARS manual, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of state law and the BARS manual described in Note 1. This includes determining that the basis of accounting is acceptable for the presentation of the financial statements in the circumstances. Management is also responsible for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and

Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Performing an audit in accordance with GAAS and *Government Auditing Standards* includes the following responsibilities:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The Schedule of Liabilities is also presented for purposes of additional analysis, as required by the prescribed BARS manual. These schedules are not a required part of the 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. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2022 on our consideration of the City's internal control over financial reporting and on the tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's 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.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

September 20, 2022

City of Monroe
January 1, 2021 through December 31, 2021

FINANCIAL STATEMENTS

Fund Resources and Uses Arising from Cash Transactions – 2021
Fiduciary Fund Resources and Uses Arising from Cash Transactions – 2021
Notes to the Financial Statements – 2021

SUPPLEMENTARY AND OTHER INFORMATION

Schedule of Liabilities – 2021
Schedule of Expenditures of Federal Awards – 2021
Notes to the Schedule of Expenditures of Federal Awards – 2021

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		<u>Total for All Funds (Memo Only)</u>	<u>001 General Fund</u>	<u>105 Streets</u>	<u>109 Tourism</u>
Beginning Cash and Investments					
308	Beginning Cash and Investments	45,754,975	6,956,722	571,396	74,591
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	16,076,824	13,825,898	400,000	87,476
320	Licenses and Permits	996,446	754,936	241,510	-
330	Intergovernmental Revenues	7,365,797	3,512,517	402,097	-
340	Charges for Goods and Services	25,995,090	1,139,198	117,920	-
350	Fines and Penalties	92,953	92,953	-	-
360	Miscellaneous Revenues	2,693,904	76,080	5,466	373
Total Revenues:		<u>53,221,014</u>	<u>19,401,582</u>	<u>1,166,993</u>	<u>87,849</u>
Expenditures					
510	General Government	5,178,570	2,656,450	-	-
520	Public Safety	8,929,403	8,861,163	-	-
530	Utilities	13,357,262	151,332	-	-
540	Transportation	1,755,744	-	960,234	-
550	Natural/Economic Environment	1,560,431	1,512,756	-	-
560	Social Services	211,288	211,288	-	-
570	Culture and Recreation	1,581,450	1,581,450	-	-
Total Expenditures:		<u>32,574,148</u>	<u>14,974,439</u>	<u>960,234</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		20,646,866	4,427,143	206,759	87,849
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	40,597	-	-	-
397	Transfers-In	6,320,337	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	720,561	227,665	-	-
Total Other Increases in Fund Resources:		<u>7,081,495</u>	<u>227,665</u>	<u>-</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	15,024,495	-	-	-
591-593, 599	Debt Service	2,987,302	-	-	-
597	Transfers-Out	6,320,337	1,336,274	1,689	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	760,494	294,973	-	-
Total Other Decreases in Fund Resources:		<u>25,092,628</u>	<u>1,631,247</u>	<u>1,689</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		<u>2,635,733</u>	<u>3,023,561</u>	<u>205,070</u>	<u>87,849</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	5,011,963	-	-	162,440
50841	Committed	-	-	-	-
50851	Assigned	34,894,661	1,496,208	776,466	-
50891	Unassigned	8,484,078	8,484,078	-	-
Total Ending Cash and Investments		<u>48,390,702</u>	<u>9,980,286</u>	<u>776,466</u>	<u>162,440</u>

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		114 Narcotic/Drug Buy Fund	117 REET	203 Governmental Debt Fund	307 Capital Improvements CIP
Beginning Cash and Investments					
308	Beginning Cash and Investments	51,902	5,104,295	3,476	2,642
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	1,763,450	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	338,746
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	4,070	27,975	19	215
Total Revenues:		4,070	1,791,425	19	338,961
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		4,070	1,791,425	19	338,961
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	137,836	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	190,000
Total Other Increases in Fund Resources:		-	-	137,836	190,000
Other Decreases in Fund Resources					
594-595	Capital Expenditures	-	-	-	235,262
591-593, 599	Debt Service	-	-	137,836	140
597	Transfers-Out	-	4,982,374	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	275,000
Total Other Decreases in Fund Resources:		-	4,982,374	137,836	510,402
Increase (Decrease) in Cash and Investments:		4,070	(3,190,949)	19	18,559
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	55,973	1,913,345	-	-
50841	Committed	-	-	-	-
50851	Assigned	-	-	3,495	21,202
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		55,973	1,913,345	3,495	21,202

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		<u>317 Parks CIP Fund</u>	<u>318 Streets CIP Fund</u>	<u>319 North Kelsey Development</u>	<u>330 Building Capital</u>
Beginning Cash and Investments					
308	Beginning Cash and Investments	1,315,093	2,072,040	149,979	-
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	1,231,401	1,696,701	-	-
340	Charges for Goods and Services	330,153	2,026,269	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	15,013	10,968	840	-
Total Revenues:		<u>1,576,567</u>	<u>3,733,938</u>	<u>840</u>	<u>-</u>
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	2,272	45,403
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>-</u>	<u>-</u>	<u>2,272</u>	<u>45,403</u>
Excess (Deficiency) Revenues over Expenditures:		<u>1,576,567</u>	<u>3,733,938</u>	<u>(1,432)</u>	<u>(45,403)</u>
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	3,884,689	275,000	-	1,652,107
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>3,884,689</u>	<u>275,000</u>	<u>-</u>	<u>1,652,107</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	5,779,695	4,241,881	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>5,779,695</u>	<u>4,241,881</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		<u>(318,439)</u>	<u>(232,943)</u>	<u>(1,432)</u>	<u>1,606,704</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	37,085	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	959,569	1,839,096	148,547	1,606,704
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		<u>996,654</u>	<u>1,839,096</u>	<u>148,547</u>	<u>1,606,704</u>

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

	411 Water Maintenance & Operations	421 Sewer Maintenance & Operations	431 Stormwater Maint & Operations	510 Information & Tech Services	
Beginning Cash and Investments					
308	Beginning Cash and Investments	8,915,169	13,576,577	1,224,661	302,406
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	12,544	171,791	-
340	Charges for Goods and Services	7,480,595	8,378,084	2,485,740	714,339
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	702,692	1,692,359	8,136	6,907
	Total Revenues:	8,183,287	10,082,987	2,665,667	721,246
Expenditures					
510	General Government	-	-	-	1,019,589
520	Public Safety	22,699	22,699	22,842	-
530	Utilities	5,766,346	5,181,771	2,257,813	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
	Total Expenditures:	5,789,045	5,204,470	2,280,655	1,019,589
	Excess (Deficiency) Revenues over Expenditures:	2,394,242	4,878,517	385,012	(298,343)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	40,597	-
397	Transfers-In	-	-	-	336,274
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	531	3,028	-
	Total Other Increases in Fund Resources:	-	531	43,625	336,274
Other Decreases in Fund Resources					
594-595	Capital Expenditures	3,394,546	793,532	127,964	-
591-593, 599	Debt Service	752,401	1,879,744	217,181	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	521	-	-
	Total Other Decreases in Fund Resources:	4,146,947	2,673,797	345,145	-
	Increase (Decrease) in Cash and Investments:	(1,752,705)	2,205,251	83,492	37,931
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	700,955	1,885,874	256,291	-
50841	Committed	-	-	-	-
50851	Assigned	6,461,506	13,895,952	1,051,862	340,336
50891	Unassigned	-	-	-	-
	Total Ending Cash and Investments	7,162,461	15,781,826	1,308,153	340,336

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		520 Equipment & Fleet Management	530 Facilities Management
Beginning Cash and Investments			
308	Beginning Cash and Investments	5,295,571	138,455
388 / 588	Net Adjustments	-	-
Revenues			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	1,894,715	1,428,077
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	132,218	10,573
Total Revenues:		2,026,933	1,438,650
Expenditures			
510	General Government	-	1,502,531
520	Public Safety	-	-
530	Utilities	-	-
540	Transportation	795,510	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		795,510	1,502,531
Excess (Deficiency) Revenues over Expenditures:		1,231,423	(63,881)
Other Increases in Fund Resources			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	-	34,431
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	299,337	-
Total Other Increases in Fund Resources:		299,337	34,431
Other Decreases in Fund Resources			
594-595	Capital Expenditures	366,657	84,958
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	190,000	-
Total Other Decreases in Fund Resources:		556,657	84,958
Increase (Decrease) in Cash and Investments:		974,103	(114,408)
Ending Cash and Investments			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	6,269,673	24,045
50891	Unassigned	-	-
Total Ending Cash and Investments		6,269,673	24,045

The accompanying notes are an integral part of this statement.

City of Monroe
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2021

		Total for All Funds (Memo Only)	Custodial
308	Beginning Cash and Investments	2,239,967	2,239,967
388 & 588	Net Adjustments	-	-
310-390	Additions	1,618,983	1,618,983
510-590	Deductions	1,638,085	1,638,085
	Net Increase (Decrease) in Cash and Investments:	(19,102)	(19,102)
508	Ending Cash and Investments	2,220,863	2,220,863

The accompanying notes are an integral part of this statement.

City of Monroe
Notes to the Financial Statements
For the year ended December 31, 2021

Note 1 - Summary of Significant Accounting Policies

The City of Monroe was incorporated in 1902 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 city is a general purpose local government and provides general government services including public safety, street improvements, parks and recreation, planning, zoning, building permits, and general administrative services. In addition, the city owns and operates a sewer system and treatment plant, a water utility, and a stormwater 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 total column is presented as "memo only" because any Interfund activities are not eliminated. 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.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and related costs on general long-term debt.

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.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

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

Custodial Funds

These funds are used to account for 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. Cash and Investments

See Note 3, *Deposits and Investments*.

D. Capital Assets

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

E. Compensated Absences

Upon separation or retirement, the amount of hours of accrued vacation payout is as follows:

Clerical, Public Works & Parks, and Supervisors	100 hours maximum paid
Police Guild	200 hours maximum paid
Police Sergeants and Non-represented employees	Total of earned vacation leave (no maximum)

Upon separation or retirement, the amount of accrued sick leave paid out is as follows:

Non-represented employees hired before 1/1/13	75% of accrued sick leave paid
Non-represented employees hired after 1/1/13	No vested payments of accrued sick leave
Police Guild employees hired before 4/5/06	75% of accrued sick leave paid, with a maximum of 700 hours paid out
Police Guild employees hired after 4/5/06 and before 1/1/15	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Guild employees hired after 1/1/15	No vested payments of accrued sick leave unless employment ends due to death, disability, layoff or retirement with 15 years of service
Clerical, Public Works & Parks, and Supervisors hired before 12/21/05	75% of accrued sick leave paid, with a maximum of 800 hours paid out
Clerical, Public Works & Parks, and Supervisors hired after 12/21/05 and before 1/1/13	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Clerical, Public Works & Parks, and Supervisors hired after 1/1/13	No vested payments of accrued sick leave
Police Sergeant employees hired before 12/12/06	75% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Sergeant employees hired after 12/12/06 and before 1/1/13	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Sergeant employees hired after 1/1/13	Payout only if laid off, retire with 20 years of service, die or are disabled: 25% of accrued sick leave paid.

Payments are recognized as expenditures when paid. Upon separation or retirement, sick leave payouts are paid from the Sick Leave Reserve managerial fund.

F. Long-Term Debt

See Note 4, Long-term Debt (*Formerly Debt Service Requirements*).

G. Other Increases or Decreases

The government's *Other Increases or Decreases* consist of operating transfers-in and operating transfers-out, and the issuance of revenue debt, and the activities of the General Fund's various managerial fund activities, such as construction retainage payments and refundable deposits.

H. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investments is reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by ordinance or resolution. When expenditures that meet restrictions are incurred, the city intends to use restricted resources first before using unrestricted amounts.

Restrictions and commitments of Ending Cash and Investments consist of the following:

- \$162,440 in Fund 109 Tourism for tourism based programs and facilities as defined by state statute.
- \$55,973 in Fund 114 Narcotic/Drug Buy Fund for drug enforcement actions taken by law enforcement. Resources are derived from drug seizures and are restricted by statute.
- \$1,913,345 in Fund 117 Real Estate Excise Taxes for use on capital projects as identified in the City's Capital Facilities Plan and as allowed by state statute.
- \$37,085 in the Parks CIP Fund. This is the accumulation of 0.42% of the fuel tax revenue received each year. By state statute this revenue must be spent on paths and trails.
- \$700,956 in the Water Fund is reserved to comply with the revenue bond covenants in the bond ordinances for the 2005 Revenue Bonds and the 2011 Revenue Bonds.
- \$1,885,875 in the Sewer Fund is reserved to comply with the revenue bond covenants in the bond ordinances for the 2005 Revenue Bonds, the 2009 Revenue Bonds, and the 2011 Revenue Bonds.
- \$256,292 in the Stormwater Fund is reserved to comply with the revenue bond covenants in the bond ordinance for the 2011 Revenue Bonds.

Note 2 – Budget Compliance

The city adopts annual appropriated budgets for all funds except fiduciary 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
General Fund #001	\$23,593,370	\$16,618,506	(\$6,974,864)
Contingency Fund #002	1,168,656	0	(\$1,168,656)
Donation Fund #008	18,384	6,275	(\$12,109)
Street Fund #105	1,669,727	961,922	(\$707,805)
Tourism Fund #109	114,741	0	(\$114,741)
Narcoctics Fund #114	51,928	0	(\$51,928)
Real Estate Excise Tax Fund #117	6,031,014	4,982,374	(\$1,048,640)
Governmental Debt Fund #203	141,326	137,836	(\$3,490)
General Capital Projects #307	1,597,318	510,402	(\$1,086,916)
Parks CIP Fund #317	7,788,364	5,779,695	(\$2,008,669)
Streets CIP Fund #318	7,683,712	4,241,881	(\$3,441,831)
N. Kelsey Dev Fund #319	150,479	2,272	(\$148,207)
Building Capital Fund #330	1,652,607	44,359	(\$1,608,248)
Water Fund #411	7,885,731	7,023,472	(\$862,259)
Water CIP Fund #412	8,763,920	4,013,714	(\$4,750,206)
Sewer Fund #421	9,946,044	8,847,818	(\$1,098,226)
Sewer CIP Fund #422	14,892,694	1,315,974	(\$13,576,720)
Stormwater Fund #431	2,896,913	2,484,871	(\$412,042)
Stormwater CIP Fund #432	4,045,230	448,296	(\$3,596,934)
Revenue Bond Reserve #450	2,832,844	0	(\$2,832,844)
Info Tech Services Fund #510	1,322,362	1,019,589	(\$302,773)
Fleet & Equipment Fund #520	7,206,785	1,352,167	(\$5,854,618)
Facilities Management Fund #530	\$1,609,463	\$1,587,489	(\$21,974)
Totals	\$113,063,612	\$61,378,913	(\$51,684,699)

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. Variances from actual to appropriations in the CIP funds are due to the timing of construction project expenditures.

The city adopted the final amended budget on September 28, 2021 by ordinance number 009/2021. The following funds were amended by more than five (5) percent:

- General Fund #001 – Amended estimated beginning fund balance of \$3,886,207 to actual beginning fund balance of \$5,190,271, increased new revenues by \$1,023,446, and acknowledged the first American Rescue Plan Act tranche receipt of \$2,762,912 received in July 2021. Corresponding expenditures were also included in the amended budget.
- Street Operations & Maintenance Fund #105 – Amended estimated beginning fund balance of \$465,372 to actual beginning fund balance of \$571,395.
- Tourism Fund #109 – Amended estimated beginning fund balance of \$29,580 to actual beginning fund balance of \$74,591.

- Real Estate Excise Tax Fund #117 – Amended beginning fund balance of \$1,106,896 to actual beginning fund balance of \$5,104,294. Reappropriated budgeted transfers from 2020 which did not occur before year end due to timing.
- General Capital Projects Fund #307 – Amended beginning fund balance of \$18,397 to actual beginning fund balance of \$2,642. Increased new grant award revenue by \$572,676.
- Parks CIP Fund #317 – Amended estimated beginning fund balance of \$5,009,874 to actual beginning fund balance of \$1,315,093. Reappropriated transfers in from 2020 REET which did not occur before year end due to project timing.
- Streets CIP Fund #318 – Amended estimated beginning fund balance of \$1,254,538 to actual of \$2,072,039. Acknowledged new grant awards of \$1,487,817 along with related expenditures. Acknowledged REET transfer of \$68,050 and related expenditure for roadway signage project.
- North Kelsey Development Fund #319 – Amended estimated beginning fund balance of \$105,427 to actual of \$149,979.
- Building Fund #330 – Increased transfers in by \$1,285,107.
- Water CIP Fund #412 – Amended estimated beginning fund balance of \$4,887,240 to actual of \$7,247,257.
- Information Technology Services Fund #510 – Amended the estimated beginning fund balance of \$191,880 to the actual beginning fund balance of \$302,405. Acknowledged transfer in of \$242,274 to fund new IT Manager position.

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 2021 was \$1.09186242211 per \$1,000 on an assessed valuation of \$3,115,841,466 for a total regular levy of \$3,402,070.

Note 4 – 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.

Investments are reported at original cost. Investments by type at December 31, 2021 are as follows:

<u>Type of Investment</u>	City’s own investments	Investments held by the city as an agent for other local governments, individuals or private organizations.	Total
Bank Deposits	\$18,136,638	\$ 831,727	\$18,968,365
LGIP	7,798,489	358,073	8,156,562
U.S. Government Securities	<u>22,455,579</u>	<u>1,031,064</u>	<u>23,486,643</u>
Total	<u>\$48,390,706</u>	<u>\$2,220,864</u>	<u>\$50,611,570</u>

Investments in the State Local Government Investment Pool (LGIP)

The city is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, the oversight is provided by the Washington State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

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

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the city would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The city’s deposits are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the city or its agent in the city’s name.

Note 5 – Interfund Loans

The City of Monroe’s Council adopted Resolution 014/2020 on August 25, 2020 approving an interfund loan between Fund 307 General Capital Projects (borrowing fund) and Fund 520 Fleet and Equipment (lending fund). The City adopted Resolution 012/2021 on December 14, 2021 extending the due date for the interfund loan previously adopted by Resolution 014/2020. The following table displays the interfund loan activity during 2021:

Borrowing Fund	Lending Fund	Balance 01/01/2021	New Loan(s)	Repayments	Balance 12/31/2021
F307	F520	\$85,000	\$190,000	\$275,000	\$0

Note 6 – Long Term Debt

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, 2021.

The debt service requirements for general obligation bonds, revenue bonds, Public Works Trust Fund Loans, and Department of Ecology Loans are as follows:

	Principal	Interest	Total
2021	2,334,592	652,570	2,987,162
2022	1,815,197	576,812	2,392,009
2023	1,280,000	524,494	1,804,494
2024	1,325,000	474,750	1,799,750
2025	1,115,000	424,200	1,539,200
2026-2036	9,490,000	1,765,600	11,255,600
Totals	17,359,789	4,418,426	21,778,216

During 2019, the City was awarded a Department of Ecology Clean Water State Revolving Fund low interest loan for up to \$877,750 for its Blueberry Lane Stormwater project. The effective interest rate is two percent (2%). The City has drawn to date \$127,798. Payments will not begin until the project is finalized, anticipated to be prior to October 2023.

Note 7 – Pension Plans

A. State Sponsored Pension Plans

Substantially all of the 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) Plans 1, 2 and 3, or Law Enforcement and Fire Fighters Retirement System (LEOFF).

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 Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be obtained by writing to:

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

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

At June 30, 2021 (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	0.050542%	\$617,236
PERS 2 and 3	0.065011%	\$(6,476,142)
LEOFF 1	0.006372%	(\$218,277)
LEOFF 2	0.092119%	(\$5,350,653)

LEOFF Plan 1

The city also participates in 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.

B. Other Pension Plans

Each bargaining unit of city employees in the Teamster union (Office-Clerical Employees, Supervisory Employees, Public Works and Parks Employees, and Sergeants) has independently voted to also be in the Western Conference Teamsters Pension Trust (WCTPT). The WCTPT is a multiemployer defined contribution pension plan (Taft-Hartley Pension Plan) established in 1955 and administered by a Board of Trustees consisting of employer and union representatives from among all its participants. The WCTPT provides a lifetime monthly pension benefit along with death, survivor, and disability benefits. Additional information regarding benefits and the plan may be obtained by writing to Western Conference of Teamster Pension Plan, 2323 Eastlake Avenue East, Seattle, WA 98102.

Each bargaining unit votes on the hourly amount they will contribute to the pension fund. Each unit negotiates with the city on an amount the city will contribute hourly to this pension fund. This is paid monthly. There is no unfunded liability on the city’s part. This is merely an additional benefit on top of the PERS system. With the exception of the Supervisors and Sergeants, the city pays into the WCTPT on account of each member of the bargaining unit seventy-five cents (\$0.75) for each hour compensated. Supervisors receive seventy cents (\$0.70) and the Sergeants receive ninety cents (\$0.90) for each hour compensated. In 2021, the city paid a total of \$110,288 to the WCTPT for its portion of the contribution.

Beginning in 2020, the collective bargaining agreement between the City and the Police Sergeants (Public, Professional & Office Clerical Employees and Drivers Local Union No. 763) will make a payment into the HRA/VEBA account of a Sergeant upon retirement based on the following table:

Retirement Age	Years of Service (Minimum)	Time in Grade	Annual Amount	Number of Years at Amount	Total Paid
50-52	20 years	3 years	\$4,800	5 years	\$24,000
53-54	20 years	3 years	\$4,800	4 years	\$19,200
55	20 years	3 years	\$4,800	3 years	\$14,400

There were two payments made in 2021; the first in March for \$4,800 and the second processed in November 2021 for \$4,800 (remitted in 2022).

Note 8 – Other Post-Employment Benefits (OPEB)

The LEOFF 1 Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by the city. The plan pays for 100% of eligible retirees' healthcare costs on a pay-as-you-go basis. For the year ended December 31, 2021, the plan had three members, all retirees. A former employee, who is not retired but is no longer employed by the city, has a severance agreement that commits the city to the same post-employment benefits as a LEOFF 1 retiree.

The city does not purchase any retiree medical insurance for the former employee. The city does purchase retiree medical insurance for the three LEOFF 1 retirees through the Washington Teamsters Welfare Trust for Retired LEOFF 1 Employees with Medicare under Plan A. The city pays 100% of the monthly insurance premium. For 2021, the city paid \$23,460 in premium payments. Any remaining out of pocket expenses are paid on the pay-as-you-go basis as required by the LEOFF 1 Retiree Medical Plan.

As of December 31, 2021, the city's total OPEB liability was \$2,507,628, as calculated using the alternative measurement method. For the year ended December 31, 2021, the city paid \$27,380 in pay-as-you-go benefits. Total paid for medical premiums and pay-as-you-go for 2021 was \$50,839.

Note 9 – Significant Commitments or Obligations - Construction Commitment

The city has active construction projects as of December 31, 2021. At year-end the city’s commitments with contractors are as follows:

Project	\$ Spent before 01/01/2021	\$ Spent between 01/01/2021 & 12/31/2021	Future \$ under contract as of 12/31/2021	Future \$ not under contract at year end
147th Signal	\$ 628.11	\$ 84,530.02	\$ 58,696.98	
179th Ave Sidewalk		\$ 589.12		\$ 213,721.00
2020 Annual Rd Maintenance	\$ 993,612.00	\$ 46,096.00		
2021 Annual Rd Maintenance		\$ 1,396,088.38		
ADA Transition	\$ 45,134.00	\$ 39,166.00		
Blueberry Infiltration	\$ 328,451.29	\$ 117,524.00	\$ 76,131.00	\$ 3,049,000.00
Chain Lake Road Phase 2a Civil	\$ 327,826.76	\$ 6,441.91		
Chain Lake Road Phase 2a ROW	\$ 1,170,892.41	\$ 14,208.50		
Chain Lake Road Construction		\$ 1,884,300.89	\$ 263,873.00	\$ 349,604.00
DOC Reservoir #2	\$ 457,285.71	\$ 2,514,079.17	\$ 385,942.79	
Facilities Assessment		\$ 44,358.93	\$ 36,441.07	\$ 1,643,721.00
Madison Combined Sewer Separation	\$ 25,473.69	\$ 3,753.67		\$ 3,612,653.00
Powell Street Reconstruction	\$ 2,858.25	\$ 162.49		\$ 1,225,000.00
Quiet Zone	\$ 53,839.62	\$ 40,789.29		
Rainier View Rd PRV	\$ 59,129.53	\$ 75,720.00		
S. Taft Sewer Replacement	\$ 4,956.25	\$ 390,241.73		
Tjerne Place Phase III (ROW)	\$ 57,060.48	\$ 304,933.00	\$ 27,160.00	\$ 80,000.00
Strawberry Ln		\$ 83,448.59	\$ 36,422.67	
US 2 Non Motorized Path	\$ 511.50	\$ 128,577.69	\$ 39,757.61	
Wayfinding	\$ 49,250.00	\$ 3,821.01	\$ 1,238,352.61	
Woods Creek Road WM Replac.	\$ 12,878.00	\$ 527,331.89		
WWTP CIP 1	\$ 296,418.15	\$ 552,861.50	\$ 1,881,965.80	
Engineering Report	\$ 336,982.15	\$ 50,593.65	\$ 36,234.20	
ADA Ramps		\$ 28,470.00		
ADA Door Operator Installation			\$ 49,077.87	
N Hill Park	\$ 14,100.50	\$ 10,239.65		
Lake Tye Park All Weather Fields	\$ 204,705.09	\$ 4,155,372.60		
SMAP		\$ 10,241.25	\$ 55,738.75	
WWTP Fuel Cleaning		\$ 5,225.09		
WWTP AMI Meter		\$ 8,194.77		
2021 Tree Installation		\$ 28,308.70		
Monroe Campus-Security Card Reader		\$ 35,345.43		
Sky River Apartment Tree Removal		\$ 5,847.55		
PD HVAC Repair		\$ 5,189.56		
WWTP North Fence		\$ 22,364.97		
UV 641 PECO Repair/Replacement		\$ 10,081.83		
Park Place Pump 1 Repairs		\$ 10,393.52		
PW Fence Repair & Gate Replacement		\$ 29,215.89		
Sidewalk Trip Hazard Grinding		\$ 19,999.17		
PD Evidence Room Fire Alarm Install			\$ 11,897.31	
Totals	\$ 4,441,993.49	\$ 12,694,107.41	\$ 4,197,691.66	\$ 10,173,699.00

All committed construction projects are funded through awarded grants, impact fees, capital utility fees, utility revenues, and/or excise taxes. There are no unfunded contract commitments.

Note 10 – Joint Ventures and Jointly Governed Organizations

Snohomish County 911

The City of Monroe and other police and fire entities jointly operate Snohomish County 911. Snohomish County 911, a cash basis special purpose district, was created under the Interlocal Cooperation Act, as codified in RCW 39.34. This established the statutory authority necessary for Snohomish County, the cities, towns, fire districts, police districts, and other service districts to enter into a contract and agreement to jointly establish, maintain, and operate a support communications center. Control of Snohomish County 911 is with a 16 member Board of Directors which is specified in the Interlocal Agreement. Snohomish County 911 takes 911 calls and performs emergency dispatch services for local governmental agencies including police, fire, and medical aid.

In the event of the dissolution of Snohomish County 911, any money in the possession of Snohomish County 911 or the Board of Directors after payment of all costs, expenses, and charges validly incurred under this Agreement shall be returned to the parties of this Agreement and shall be apportioned between Principals based on the ratio that the average of each Principals' contributions to the operating budget over the preceding five (5) years bears to the total of all then remaining Principals' User Fees paid during such five-year period. Before deducting the payment of all costs, expenses and charges validly incurred, the City of Monroe's share was \$464,696 on December 31, 2021.

Snohomish County 911's 2020 operating budget was \$24,429,390, operating revenues received were \$24,450,056, and total operating expenditures were \$23,395,721. Complete financial statements for Snohomish County 911 can be obtained from Snohomish County 911's administrative office at 1121 SE Everett Mall Way, Suite 200, Everett, WA 98208.

French Slough Flood Control District:

In December 2010 the city entered into an Interlocal Agreement with the French Slough Flood Control District to replace a 1992 Interlocal Agreement with the Snohomish County Drainage Improvement Districts Number 4 and 4A and the French Slough Flood Control District. The agreement is to maintain a Joint Advisory Board for the purpose of improving communications regarding their combined drainage system and service area. The city maintains the property that is within the district boundary and city limits. The district maintains the property that is within the district boundary and not the city limits. The two areas of responsibility are mutually exclusive.

The Joint Advisory Board meets not less than four times annually to recommend the annual budget of the drainage system. Approximately 27.73% of the land in the Flood District is in city limits, therefore the city pays 27.73% of the assessments each year to the District. The city's annual assessment for 2021 was \$124,052 and was paid from the Stormwater Utility Fund #431.

The 2010 agreement had an initial term of five years with three additional renewal periods of five years each. Either party may terminate the agreement with 180 days written notice to the other party.

Note 11 – Health and Welfare

The City of Monroe 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, 2021, 262 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.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, 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 2020, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an individual stop loss (ISL) of \$1.5 million through Commencement Bay Risk Management, 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 Trust 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 AWC Trust 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 AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust 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 AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. 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.

Note 12 – Risk Management

Self-Insurance – Unemployment

The city self-insures as an individual program for unemployment compensation risk. Claims for unemployment are administered by the Washington State Employment Security Department and invoices are submitted to the city on a quarterly basis, if applicable. Total claims received and paid during the year ending December 31, 2021 was \$8,733. Unemployment claims are recorded when paid from the relevant department's operations budget. However, the city maintains a contingency reserve account (part of the current expense fund) to cover the costs of unemployment claims should they become material. For 2021, the ending balance of the contingency reserve account was \$1,169,260.

Washington Cities Insurance Authority (WCIA)

The City of Monroe 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 166 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. While the liability program assumes no liability deductibles apply, claims deductible levels of \$25,000, \$50,000, \$100,000, \$250,000, \$500,000, and \$1,000,000 are potential coverage options for members that may at the sole discretion of WCIA be extended to members. The City of Monroe carries a \$25,000 per claim deductible. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$400 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 investigation, 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.

Further information on the WCIA can be obtained in writing to Washington Cities Insurance Authority, PO Box 88030, Tukwila, WA 98138.

The City of Monroe also maintains a Risk Management Reserve managerial fund to cover unforeseen claims or deductibles. The current balance is \$20,541.

Note 13 –COVID-19 Pandemic

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of COVID-19. Precautionary measures to slow the spread of the virus continued throughout 2021. These measures included limitations on business operations, public events, gatherings, travel, and in-person interactions.

In response to the pandemic, city facilities were closed until such time as the Governor's proclamations, more widespread vaccinations, and mask mandates allowed for the safe opening of City Hall in July 2021. Many city employees worked remotely and new procedures have been put in place to continue to foster a safe environment in public facilities for all. While some activities have been limited or temporarily curtailed, the City continues to operate all major functions and meet its public mandate. The City has remained economically stable and continues to adapt to the changing conditions.

The length of time these measures will continue to be in place, and the full extent of the financial impact on the City is unknown at this time.

Note 14 – Subsequent Events

With the passage of the American Rescue Plan Act (ARPA), the City of Monroe is anticipating receiving approximately \$5.5 million to help mitigate the impacts from the COVID-19 pandemic. These funds are anticipated to be received in two tranches with the first 50% (\$2,762,912) received June 2021 and the second 50% to be received approximately 12 months later. Final guidance on the allowable uses of these funds has been released by the U.S. Treasury. The funds must be substantially encumbered by the end of 2024 and fully expended by the end of 2026.

The City has not expended any ARPA funds during fiscal year 2021. During fiscal year 2022, the City will determine what amount will be retained as lost revenue per U.S. Treasury guidance and what amount will be distributed throughout the community to help businesses and non-profits offset the impacts from COVID mitigation efforts.

Note 15 – Other Disclosures

Monroe Transportation Benefit District

In 2012 the Monroe City Council adopted an ordinance to create a Transportation Benefit District (TBD), with the same boundaries as the city limits. Per the ordinance, funding sources for this district can only be created through a vote of the citizens of Monroe, regardless of the type of revenue source. The board is comprised of whoever are the current residing city council members. In 2014 the citizens voted to impose a 0.2% sales tax to fund street related projects. The sales tax levy commenced January 1, 2015. \$786,778 in sales tax revenue was collected by the district in 2015, \$1,058,999 in sales tax revenue was collected in 2016, \$1,220,039 in 2017, \$1,229,117 was collected in 2018, \$1,287,809 was collected in 2019, \$1,292,822 in 2020, and \$1,498,449 was collected in 2021.

The City of Monroe reports the TBD financial activities in a custodial fund and the TBD reports their financial activity to the state auditor's office as a separate entity from the city. Prior to 2019, the custodial fund was classified as fund number 623. Beginning in 2019, this fund was reclassified as per the BARS manual to fund number 643.

City of Monroe
Schedule of Liabilities
For the Year Ended December 31, 2021

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	2016 Revenue Bonds - PW Shop	12/1/2036	1,613,300	-	76,500	1,536,800
	Total General Obligation Debt/Liabilities:		1,613,300	-	76,500	1,536,800
Revenue and Other (non G.O.) Debt/Liabilities						
263.88	Public Works Trust Fund Loan	6/1/2022	270,292	-	135,144	135,148
263.82	Department of Ecology Loan	9/5/2022	728,921	-	361,737	367,184
263.82	Department of Ecology Loan	7/30/2022	154,464	-	76,711	77,753
263.84	Department of Ecology CWSRF Loan	10/31/2043	87,201	40,597	-	127,798
252.11	2005 W&S Refunding Bonds	12/1/2021	571,000	-	571,000	-
252.11	2011 W/S/Storm Revenue Bonds	12/1/2023	2,235,000	-	725,000	1,510,000
252.11	2016 Revenue Bonds - PW Shop	12/1/2036	3,131,700	-	148,500	2,983,200
252.11	2017 Revenue Bonds - Partial refunding 2009 & 2011 Bonds	12/1/2031	8,655,000	-	240,000	8,415,000
259.12	Compensated Absences		2,477,066	-	219,530	2,257,536
264.30	Net Pension Liabilities		2,480,733	-	1,863,497	617,236
264.40	OPEB Liabilities		2,478,030	29,598	-	2,507,628
	Total Revenue and Other (non G.O.) Debt/Liabilities:		23,269,407	70,195	4,341,119	18,998,483
	Total Liabilities:		24,882,707	70,195	4,417,619	20,535,283

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

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		
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Bulletproof Vest Partnership Program	16.607	N/A	-	2,506	2,506	-	1, 2,3
Highway Planning and Construction Cluster								
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-2629(001)	1,783,252	-	1,783,252	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-0002(864)	98,975	-	98,975	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-2673 (001)	74,273	-	74,273	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-2673(002)	2,736	-	2,736	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	RAIL-2632(001)	1,908	-	1,908	-	1, 2,3
Total Highway Planning and Construction Cluster:				1,961,144	-	1,961,144	-	
Highway Safety Cluster								

The accompanying notes are an integral part of this schedule.

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

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		
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Assoc of Sheriffs & Police Chiefs)	State and Community Highway Safety	20.600	N/A	248	-	248	-	1, 3
Total Highway Safety Cluster:				248	-	248	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4539-DR -WA	13,139	-	13,139	-	1, 2,3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via King County Emergency Management)	Preparing for Emerging Threats and Hazards	97.133	EMW-2016-GR- 00145-S01	2,878	-	2,878	-	1, 2,3
Total Federal Awards Expended:				1,977,409	2,506	1,979,915	-	

The accompanying notes are an integral part of this schedule.

City of Monroe

**Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021**

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as the city of Monroe's financial statements. The city of Monroe uses the cash basis accounting method.

Note 2 – Indirect Cost Rate

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

Note 3 – 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 Monroe's portion, are more than shown. Such expenditures are recognized following, as applicable, either the cost principles in 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.

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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APPENDIX D

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022**

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ANNUAL REPORT CERTIFICATION

City of Monroe

(Official Name of Government)

0685

MCAG No.

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

For the Fiscal Year Ended 12/31/2022

GOVERNMENT INFORMATION:

Official Mailing Address 806 W Main St
Monroe, WA 98272

Official Website Address www.monroewa.gov

Official E-mail Address bhasart@monroewa.gov

Official Phone Number (360) 863-4518

AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title Becky Hasart Finance Director

Contact Phone Number (360) 863-4518

Contact E-mail Address bhasart@monroewa.gov

I certify 17th day of April, 2023, 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

Gregory Piland (gpiland@monroewa.gov)

Becky Hasart (bhasart@monroewa.gov)

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		Total for All Funds (Memo Only)	001 General Fund	105 Streets	109 Tourism
Beginning Cash and Investments					
308	Beginning Cash and Investments	48,390,699	9,980,285	776,466	162,440
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	17,110,313	14,480,293	400,000	115,039
320	Licenses and Permits	953,571	649,222	263,892	-
330	Intergovernmental Revenues	6,582,173	3,496,558	406,693	-
340	Charges for Goods and Services	26,263,600	830,474	184,939	-
350	Fines and Penalties	75,439	75,439	-	-
360	Miscellaneous Revenues	1,538,680	159,317	8,351	1,803
Total Revenues:		<u>52,523,776</u>	<u>19,691,303</u>	<u>1,263,875</u>	<u>116,842</u>
Expenditures					
510	General Government	6,452,658	3,798,738	-	-
520	Public Safety	8,985,573	8,929,672	-	-
530	Utilities	13,236,509	72,129	-	-
540	Transportation	2,100,282	-	1,131,019	-
550	Natural/Economic Environment	2,749,624	2,019,335	-	118,510
560	Social Services	162,888	162,888	-	-
570	Culture and Recreation	1,728,589	1,728,589	-	-
Total Expenditures:		<u>35,416,123</u>	<u>16,711,351</u>	<u>1,131,019</u>	<u>118,510</u>
Excess (Deficiency) Revenues over Expenditures:		17,107,653	2,979,952	132,856	(1,668)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	34,205	-	-	-
397	Transfers-In	4,366,722	56,014	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	112,577	52,910	4,627	-
Total Other Increases in Fund Resources:		<u>4,513,504</u>	<u>108,924</u>	<u>4,627</u>	<u>-</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	10,040,735	174,949	-	-
591-593, 599	Debt Service	2,439,723	22,226	-	-
597	Transfers-Out	4,366,722	1,094,800	1,708	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	94,770	71,835	-	-
Total Other Decreases in Fund Resources:		<u>16,941,950</u>	<u>1,363,810</u>	<u>1,708</u>	<u>-</u>
Increase (Decrease) in Cash and Investments:		<u>4,679,207</u>	<u>1,725,066</u>	<u>135,775</u>	<u>(1,668)</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	5,384,220	120,792	-	160,772
50841	Committed	-	-	-	-
50851	Assigned	37,749,745	1,648,605	912,243	-
50891	Unassigned	9,935,957	9,935,957	-	-
Total Ending Cash and Investments		<u>53,069,922</u>	<u>11,705,354</u>	<u>912,243</u>	<u>160,772</u>

The accompanying notes are an integral part of this statement.

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		114 Narcotic/Drug Buy Fund	117 REET	203 Governmental Debt Fund	307 Capital Improvements CIP
Beginning Cash and Investments					
308	Beginning Cash and Investments	55,973	1,913,345	3,495	21,202
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	2,114,981	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	49,193
340	Charges for Goods and Services	-	-	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	35	26,148	31	244
Total Revenues:		35	2,141,129	31	49,437
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	-
Excess (Deficiency) Revenues over Expenditures:		35	2,141,129	31	49,437
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	1,000,000	137,241	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		-	1,000,000	137,241	-
Other Decreases in Fund Resources					
594-595	Capital Expenditures	35,613	-	-	49,193
591-593, 599	Debt Service	-	-	137,241	-
597	Transfers-Out	-	2,115,549	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		35,613	2,115,549	137,241	49,193
Increase (Decrease) in Cash and Investments:		(35,578)	1,025,580	31	244
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	20,396	2,938,924	-	-
50841	Committed	-	-	-	-
50851	Assigned	-	-	3,526	21,446
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		20,396	2,938,924	3,526	21,446

The accompanying notes are an integral part of this statement.

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		317 Parks CIP Fund	318 Streets CIP Fund	319 North Kelsey Development	330 Building Capital
Beginning Cash and Investments					
308	Beginning Cash and Investments	996,654	1,839,096	148,547	1,606,704
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	1,044,599	1,245,080	-	-
340	Charges for Goods and Services	273,853	2,152,468	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	8,265	10,196	104	21,301
Total Revenues:		1,326,717	3,407,744	104	21,301
Expenditures					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	-	-	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	611,779
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		-	-	-	611,779
Excess (Deficiency) Revenues over Expenditures:		1,326,717	3,407,744	104	(590,478)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	41,708	502,649	-	1,934,310
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		41,708	502,649	-	1,934,310
Other Decreases in Fund Resources					
594-595	Capital Expenditures	605,794	4,017,126	-	218,076
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	1,000,000	-	148,651	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		1,605,794	4,017,126	148,651	218,076
Increase (Decrease) in Cash and Investments:		(237,369)	(106,733)	(148,547)	1,125,756
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	38,793	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	720,494	1,732,363	-	2,732,461
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		759,287	1,732,363	-	2,732,461

The accompanying notes are an integral part of this statement.

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		411 Water Maintenance & Operations	421 Sewer Maintenance & Operations	431 Stormwater Maint & Operations	510 Information & Tech Services
Beginning Cash and Investments					
308	Beginning Cash and Investments	7,162,461	15,781,824	1,308,153	340,336
388 / 588	Net Adjustments	-	-	-	-
Revenues					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	40,457
330	Intergovernmental Revenues	-	236,269	103,781	-
340	Charges for Goods and Services	7,593,762	8,860,533	2,834,288	740,327
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	445,189	756,197	16,141	11,025
Total Revenues:		<u>8,038,951</u>	<u>9,852,999</u>	<u>2,954,210</u>	<u>791,809</u>
Expenditures					
510	General Government	-	-	-	1,154,773
520	Public Safety	18,610	18,609	18,682	-
530	Utilities	5,723,681	5,179,015	2,261,684	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>5,742,291</u>	<u>5,197,624</u>	<u>2,280,366</u>	<u>1,154,773</u>
Excess (Deficiency) Revenues over Expenditures:		2,296,660	4,655,375	673,844	(362,964)
Other Increases in Fund Resources					
391-393, 596	Debt Proceeds	-	-	34,205	-
397	Transfers-In	-	-	-	394,800
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	47,162	3,820	-	-
Total Other Increases in Fund Resources:		<u>47,162</u>	<u>3,820</u>	<u>34,205</u>	<u>394,800</u>
Other Decreases in Fund Resources					
594-595	Capital Expenditures	734,787	3,690,592	219,380	-
591-593, 599	Debt Service	637,424	1,400,269	217,075	25,488
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	758	22,177	-	-
Total Other Decreases in Fund Resources:		<u>1,372,969</u>	<u>5,113,038</u>	<u>436,455</u>	<u>25,488</u>
Increase (Decrease) in Cash and Investments:		<u>970,853</u>	<u>(453,843)</u>	<u>271,594</u>	<u>6,348</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	-
50831	Restricted	479,594	1,464,843	160,106	-
50841	Committed	-	-	-	-
50851	Assigned	7,653,722	13,863,140	1,419,640	346,685
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		<u>8,133,316</u>	<u>15,327,983</u>	<u>1,579,746</u>	<u>346,685</u>

The accompanying notes are an integral part of this statement.

City of Monroe
Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		520 Equipment & Fleet Management	530 Facilities Management
		<hr/>	<hr/>
Beginning Cash and Investments			
308	Beginning Cash and Investments	6,269,673	24,045
388 / 588	Net Adjustments	-	-
Revenues			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	1,420,867	1,372,089
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	64,505	9,828
Total Revenues:		<hr/> 1,485,372	<hr/> 1,381,917
Expenditures			
510	General Government	-	1,499,147
520	Public Safety	-	-
530	Utilities	-	-
540	Transportation	969,263	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		<hr/> 969,263	<hr/> 1,499,147
Excess (Deficiency) Revenues over Expenditures:		516,109	(117,230)
Other Increases in Fund Resources			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	-	300,000
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	4,058	-
Total Other Increases in Fund Resources:		<hr/> 4,058	<hr/> 300,000
Other Decreases in Fund Resources			
594-595	Capital Expenditures	287,305	7,920
591-593, 599	Debt Service	-	-
597	Transfers-Out	6,014	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	-
Total Other Decreases in Fund Resources:		<hr/> 293,319	<hr/> 7,920
Increase (Decrease) in Cash and Investments:		226,848	174,850
Ending Cash and Investments			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	6,496,523	198,897
50891	Unassigned	-	-
Total Ending Cash and Investments		<hr/> 6,496,523	<hr/> 198,897

The accompanying notes are an integral part of this statement.

City of Monroe
Fiduciary Fund Resources and Uses Arising from Cash Transactions
For the Year Ended December 31, 2022

		Total for All Funds (Memo Only)	Custodial
308	Beginning Cash and Investments	2,220,863	2,220,863
388 & 588	Net Adjustments	-	-
310-390	Additions	1,673,016	1,673,016
510-590	Deductions	1,899,359	1,899,359
	Net Increase (Decrease) in Cash and Investments:	(226,343)	(226,343)
508	Ending Cash and Investments	1,994,520	1,994,520

The accompanying notes are an integral part of this statement.

City of Monroe
Notes to the Financial Statements
For the year ended December 31, 2022

Note 1 - Summary of Significant Accounting Policies

The City of Monroe was incorporated in 1902 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 city is a general purpose local government and provides general government services including public safety, street improvements, parks and recreation, human services, planning, zoning, building permits, and general administrative services. In addition, the city owns and operates a sewer system and treatment plant, a water utility, and a stormwater 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 for proprietary and fiduciary funds are presented using classifications that are different from the ending net position classifications 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 total column is presented as “memo only” because any Interfund activities are not eliminated. 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.

Debt Service Funds

These funds account for the financial resources that are restricted, committed, or assigned to expenditures for principal, interest, and related costs on general long-term debt.

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.

Internal Service Funds

These funds account for operations that provide goods or services to other departments or funds of the government on a cost reimbursement basis.

FIDUCIARY FUND TYPES:

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

Custodial Funds

These funds are used to account for 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. Cash and Investments

See Note 4, *Deposits and Investments*.

D. Capital Assets

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

E. Compensated Absences

Upon separation or retirement, the amount of hours of accrued vacation payout is as follows:

Clerical, Public Works & Parks, and Supervisors	100 hours maximum paid
Police Guild	200 hours maximum paid
Police Sergeants and Non-represented employees	Total of earned vacation leave (no maximum)

Upon separation or retirement, the amount of accrued sick leave paid out is as follows:

Non-represented employees hired before 1/1/13	75% of accrued sick leave paid
Non-represented employees hired after 1/1/13	No vested payments of accrued sick leave
Police Guild employees hired before 4/5/06	75% of accrued sick leave paid, with a maximum of 700 hours paid out
Police Guild employees hired after 4/5/06 and before 1/1/15	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Guild employees hired after 1/1/15	No vested payments of accrued sick leave unless employment ends due to death, disability, layoff or retirement with 15 years of service
Clerical, Public Works & Parks, and Supervisors hired before 12/21/05	75% of accrued sick leave paid, with a maximum of 800 hours paid out
Clerical, Public Works & Parks, and Supervisors hired after 12/21/05 and before 1/1/13	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Clerical, Public Works & Parks, and Supervisors hired after 1/1/13	No vested payments of accrued sick leave
Police Sergeant employees hired before 12/12/06	75% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Sergeant employees hired after 12/12/06 and before 1/1/13	50% of accrued sick leave paid, with a maximum of 800 hours paid out
Police Sergeant employees hired after 1/1/13	Payout only if laid off, retire with 20 years of service, die or are disabled: 25% of accrued sick leave paid.

Payments are recognized as expenditures when paid. Upon separation or retirement, sick leave payouts are paid from the Sick Leave Reserve managerial fund.

F. Long-Term Debt

See Note 5, Long-term Debt.

G. Other Increases or Decreases

The government's *Other Increases or Decreases* consist of operating transfers-in and operating transfers-out, and the issuance of revenue debt, and the activities of the General Fund's various managerial fund activities, such as construction retainage payments and refundable deposits.

H. Restricted and Committed Portion of Ending Cash and Investments

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

Restrictions and commitments of Ending Cash and Investments consist of the following:

- \$120,792 in Fund 001 General Fund for affordable and supportive housing tax (SHB 1406).
- \$160,772 in Fund 109 Tourism for tourism based programs and facilities as defined by state statute.
- \$20,396 in Fund 114 Narcotic/Drug Buy Fund for drug enforcement actions taken by law enforcement. Resources are derived from drug seizures and are restricted by statute.
- \$2,938,924 in Fund 117 Real Estate Excise Taxes for use on capital projects as identified in the City's Capital Facilities Plan and as allowed by state statute.
- \$38,793 in the Parks CIP Fund. This is the accumulation of 0.42% of the fuel tax revenue received each year. By state statute this revenue must be spent on paths and trails.
- \$479,594 in the Water Fund is reserved to comply with the revenue bond covenants associated with outstanding water utility revenue debt.
- \$1,464,843 in the Sewer Fund is reserved to comply with the revenue bond covenants associated with outstanding sewer utility revenue debt.
- \$160,106 in the Stormwater Fund is reserved to comply with the revenue bond covenants associated with outstanding stormwater utility revenue debt.

Note 2 – Budget Compliance

For fiscal year 2022 the city adopted an annual appropriated budgets for all funds except fiduciary 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
General Fund #001	\$27,771,709	\$18,817,004	(\$8,954,705)
Contingency Fund #002	1,273,360	0	(\$1,273,360)
Donation Fund #008	30,585	6,378	(\$24,207)
Street Fund #105	1,940,017	1,132,726	(\$807,291)
Tourism Fund #109	232,440	118,510	(\$113,930)
Narcoctics Fund #114	55,976	35,613	(\$20,363)
Real Estate Excise Tax Fund #117	4,019,645	2,115,549	(\$1,904,096)
Governmental Debt Fund #203	140,756	137,241	(\$3,515)
General Capital Projects #307	1,223,762	49,193	(\$1,174,569)
Parks CIP Fund #317	2,963,026	1,605,793	(\$1,357,233)
Streets CIP Fund #318	8,263,658	4,017,128	(\$4,246,530)
N. Kelsey Dev Fund #319	148,652	148,651	(\$1)
Building Capital Fund #330	3,547,515	829,854	(\$2,717,661)
Water Fund #411	8,765,366	6,864,303	(\$1,901,063)
Water CIP Fund #412	6,494,407	1,248,291	(\$5,246,116)
Sewer Fund #421	9,809,439	8,953,926	(\$855,513)
Sewer CIP Fund #422	18,073,299	4,053,908	(\$14,019,391)
Stormwater Fund #431	3,432,724	2,992,683	(\$440,041)
Stormwater CIP Fund #432	4,697,959	530,406	(\$4,167,553)
Revenue Bond Reserve #450	2,843,121	761,276	(\$2,081,845)
Info Tech Services Fund #510	1,473,794	1,180,260	(\$293,534)
Fleet & Equipment Fund #520	7,756,040	1,262,580	(\$6,493,460)
Facilities Management Fund #530	\$1,702,634	\$1,507,049	(\$195,585)
Totals	\$116,659,884	\$58,368,320	(\$58,291,564)

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. Variances from actual to appropriations in the CIP funds are due to the timing of construction project expenditures.

The city adopted the final amended budget on June 28, 2022 by ordinance number 018/2022. The following funds were amended by more than five (5) percent:

- General Fund #001 – Amended estimated beginning fund balance of \$4,347,614 to actual beginning fund balance of \$8,427,622 with tax revenues coming in higher than expected. Specifically, general sales taxes (exclusive of public safety) came in \$632,000 better than budget; utility taxes came in \$163,000 better than budget. Revenue associated with development was higher than expected by \$284,000. And the City received its first tranche of ARPA money, which carried over into fiscal year 2022. In addition to higher than expected revenues, expenditures were less than budgeted by approximately \$1.3 million. A good portion of expenditure savings is due to staffing turnover and the challenges with filling approved positions.

- Tourism Fund #109 – Amended estimated beginning fund balance of \$138,740 to actual beginning fund balance of \$162,440.
- Real Estate Excise Tax Fund #117 – Amended estimated beginning fund balance of \$2,358,175 to actual beginning fund balance of \$1,913,345. Budgeted beginning fund balance included receiving a \$1,000,000 RCO grant reimbursement for the purchase of North Hill Park. The RCO grant was received in 2022. Without the RCO grant, revenues were higher than anticipated due to increased real estate sales activity in Monroe.
- Parks CIP Fund #317 – Amended estimated beginning fund balance of \$815,533 to actual beginning fund balance of \$996,654. Impact fees were higher than anticipated; capital costs were less than estimated due to timing on actual construction.
- Streets CIP Fund #318 – Amended estimated beginning fund balance of \$1,668,892 to actual of \$1,839,096. Impact fees were higher than anticipated; capital costs were less than estimated due to timing on actual construction.
- North Kelsey Development Fund #319 – Amended estimated beginning fund balance of \$116,079 to actual of \$148,547. Interest earnings for all funds were higher than anticipated. Expenditures associated with development of the area were less than estimated.
- Building Fund #330 – Amended estimated beginning fund balance of \$1,606,704 to actual of \$1,549,307. Increased expenditures of \$1,036,000 for design costs associated with the Municipal Campus Project Phase II.
- Water Fund #411 – Amended estimated beginning fund balance of \$744,807 to actual of \$1,437,252. Water revenues were higher than budgeted by approximately \$500,000 as were development related revenues.
- Water CIP Fund #412 – Amended estimated beginning fund balance of \$5,609,913 to actual of \$5,024,254. Capital maintenance projects anticipated to carry over into 2022 were completed prior to year end.
- Sewer CIP Fund #422 – Amended estimated beginning fund balance of \$11,878,765 to actual of \$12,822,094. Capital fees came in higher than anticipated and expenses were less than estimated.
- Storm CIP Fund #432 – Amended estimated beginning fund balance of \$1,418,677 to actual of \$549,887. Due to timing of capital projects, reimbursement based grant revenues have not yet been received.
- Information Technology Services Fund #510 – Amended estimated beginning fund balance of \$433,919 to actual beginning fund balance of \$340,336 with carryover COVID related expenses higher than projected. Acknowledge transfer in of \$100,000 to fund ongoing IT expenses. Increase expenditures for COVID mitigation infrastructure and strategic planning by \$184,000.
- Facilities Management Fund #530 – Amended estimated beginning fund balance of \$83,768 to actual of \$24,045. Utility costs associated with city owned facilities were higher than anticipated. Cost recovery is done on a two year lookback basis, causing revenues to lag behind operating expenses.

The city adopted ordinance number 011/2022 on April 26, 2022 changing its budget period from an annual to biennial budget beginning with fiscal years 2023-2024.

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 2022 was \$1.02164388458 per \$1,000 on an assessed valuation of \$3,395,678,937 for a total regular levy of \$3,469,175.

Note 4 – 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.

Investments are reported at original cost. Investments by type at December 31, 2022 are as follows:

<u>Type of Investment</u>	City’s own investments	Investments held by the city as an agent for other local governments, individuals or private organizations.	Total
Bank Deposits	\$ 3,721,786	\$ 139,875	\$ 3,861,661
LGIP	21,611,821	812,233	22,424,054
U.S. Government Securities	<u>27,736,408</u>	<u>1,042,412</u>	<u>28,778,820</u>
Total	<u>\$53,070,015</u>	<u>\$1,994,520</u>	<u>\$55,064,535</u>

Investments in the State Local Government Investment Pool (LGIP)

The city is a voluntary participant in the Local Government Investment Pool, an external investment pool operated by the Washington State Treasurer. The pool is not rated and not registered with the SEC. Rather, the oversight is provided by the Washington State Finance Committee in accordance with Chapter 43.250 RCW. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool per share. The LGIP does not impose any restrictions on participant withdrawals.

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

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of a depository financial institution, the city would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The city’s deposits are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by Washington Public Deposit Protection Commission (PDPC).

All investments are insured, registered, or held by the city or its agent in the city’s name.

Note 5 – Long Term Debt

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, 2022.

The debt service requirements for general obligation bonds, revenue bonds, Public Works Trust Fund Loans, and Department of Ecology Loans are as follows:

	Principal	Interest	Total
2022	1,815,197	576,812	2,392,009
2023	1,280,000	524,494	1,804,494
2024	1,325,000	474,750	1,799,750
2025	1,115,000	424,200	1,539,200
2026	1,160,000	379,600	1,539,600
2027-2036	8,330,000	1,386,000	9,716,000
Totals	15,025,197	3,765,856	18,791,053

Information on long term lease obligations may be found in Note 12 Leases.

During 2019, the City was awarded a Department of Ecology Clean Water State Revolving Fund low interest loan for up to \$877,750 for its Blueberry Lane Stormwater project. The effective interest rate is two percent (2%). The City has drawn to date \$162,003. Payments will not begin until the project is finalized, anticipated to be prior to December 2023.

The decrease in future long term debt obligations is associated with final debt service payments being made for two DOE loans and a PWTF loan in 2022. The 2011 revenue bond is scheduled to be paid in full in 2023.

On March 14, 2023, the City Council approved Ordinance No. 003/2023, authorizing the issuance of limited tax general obligation bonds not to exceed \$17,100,000 for financing the municipal campus improvements and the costs of issuance and sale of the bonds. Bonds are anticipated to be funded no later than July 2023 with first payments anticipated in June 2024.

Note 6 – Pension Plans

A. State Sponsored Pension Plans

Substantially all of the 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) Plans 1, 2 and 3, or Law Enforcement and Fire Fighters Retirement System (LEOFF).

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 Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

At June 30, 2022 (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	0.052027%	\$1,448,623
PERS 2 and 3	0.067656%	\$(2,509,213)
LEOFF 1	0.006547%	\$(187,808)
LEOFF 2	0.097754%	\$(2,656,659)

LEOFF Plan 1

The city also participates in 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.

B. Defined Contribution Pension Plans

Each bargaining unit of city employees in the Teamster union (Office-Clerical Employees, Supervisory Employees, Public Works and Parks Employees, and Sergeants) has independently voted to also be in the Western Conference Teamsters Pension Trust (WCTPT). The WCTPT is a multiemployer defined contribution pension plan (Taft-Hartley Pension Plan) established in 1955 and administered by a Board of Trustees consisting of employer and union representatives from among all its participants. The WCTPT provides a lifetime monthly pension benefit along with death, survivor, and disability benefits. Additional information regarding benefits and the plan may be obtained by writing to Western Conference of Teamster Pension Plan, 2323 Eastlake Avenue East, Seattle, WA 98102.

Each bargaining unit votes on the hourly amount they will contribute to the pension fund. Each unit negotiates with the city on an amount the city will contribute hourly to this pension fund. This is paid monthly. There is no unfunded liability on the city’s part. This is merely an additional benefit on top of the PERS system. With the exception of the Supervisors and Sergeants, the city pays into the WCTPT on account of each member of the bargaining unit seventy-five cents (\$0.75) for each hour compensated. Supervisors receive seventy cents (\$0.70) and the Sergeants receive ninety cents (\$0.90) for each hour compensated. In 2022, the city paid a total of \$112,091 to the WCTPT for its portion of the contribution.

Beginning in 2020, the collective bargaining agreement between the City and the Police Sergeants (Public, Professional & Office Clerical Employees and Drivers Local Union No. 763) will make a payment into the HRA/VEBA account of a Sergeant upon retirement based on the following table:

Retirement Age	Years of Service (Minimum)	Time in Grade	Annual Amount	Number of Years at Amount	Total Paid
50-52	20 years	3 years	\$4,800	5 years	\$24,000

53-54	20 years	3 years	\$4,800	4 years	\$19,200
55	20 years	3 years	\$4,800	3 years	\$14,400

There was one payment made in 2022 \$4,800.

Note 7 – Other Post-Employment Benefits (OPEB)

The LEOFF 1 Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by the city. The plan pays for 100% of eligible retirees’ healthcare costs on a pay-as-you-go basis. For the year ended December 31, 2022, the plan had three members, all retirees. A former employee, who is not retired but is no longer employed by the city, has a severance agreement that commits the city to the same post-employment benefits as a LEOFF 1 retiree.

The city does not purchase any retiree medical insurance for the former employee. The city does purchase retiree medical insurance for the three LEOFF 1 retirees through the Washington Teamsters Welfare Trust for Retired LEOFF 1 Employees with Medicare under Plan A. The city pays 100% of the monthly insurance premium. For 2022, the city paid \$24,406 in premium payments. Any remaining out of pocket expenses are paid on the pay-as-you-go basis as required by the LEOFF 1 Retiree Medical Plan.

As of December 31, 2022, the city’s total OPEB liability was \$2,210,484, as calculated using the alternative measurement method. For the year ended December 31, 2022, the city paid \$54,716 in pay-as-you-go benefits. Total paid for medical premiums and pay-as-you-go for 2022 was \$79,122.

Note 8 – Significant Commitments or Obligations - Construction Commitment

The city has active construction projects as of December 31, 2022. At year-end the city’s commitments with contractors are as follows:

Project	\$ Spent before 01/01/2022	\$ Spent between 01/01/2022 & 12/31/2022	Future \$ under contract as of 12/31/2022	Future \$ not under contract at year end
147th Signal	\$84,530.02	\$52,920.73	\$43,918.50	\$59,200.00
179th Ave Sidewalk	\$589.12	\$106,389.73	\$109,252.77	\$55,100.00
Blueberry Infiltration	\$117,524.00	\$179,369.48	\$76,131.00	\$3,774,000.00
Chain Lake Road Construction	\$1,884,300.89	\$509,918.06	\$100,000.00	
DOC Reservoir #2	\$2,514,079.17	\$202,433.81	\$76,220.28	
Facilities Assessment	\$44,358.93	\$619,617.17	\$139,018.60	\$16,500,000.00
Madison Combined Sewer Separation	\$3,753.67	\$2,803,862.39	\$74,084.42	
Powell Street Reconstruction	\$162.49	\$50,631.82	\$35,131.75	\$700,000.00
Tjerne Place Phase III (ROW)	\$304,933.00	\$3,067.24	\$22,757.79	
Strawberry Ln	\$83,448.59	\$15,014.78	\$19,810.17	\$636,540.00
US 2 Non Motorized Path	\$128,577.69	\$914,507.90	\$879,890.18	
Wayfinding	\$3,821.01	\$589,012.46	\$660,718.65	
WWTP CIP 1	\$5,525,861.50	\$1,928,665.50		
Engineering Report	\$50,953.65	\$16,786.12		
SMAP	\$10,241.25	\$22,526.25	\$27,212.50	
Sidewalk Trip Hazard Grinding	\$19,999.17	\$29,461.25		
2024 City of Monroe Comp Plan		\$149,409.67	\$1,650,590.33	
177th Avenue SE Sewer Replacement		\$54,058.55	\$73,655.45	
Kelsey Street Railroad	\$564.56	\$60,142.88	\$95,561.87	
Transportation Analysis Report		\$11,500.00		
Lewis Street Park Fence Installation		\$5,738.25		
Boys and Girls Club Tree Removal		\$5,027.80		
Fuel Station #2 Gauge Replacement		\$7,920.13		
2022 Reservoir Cleaning		\$4,740.59		
Lewis-Trombley Tree Removal		\$9,299.00		
Sound Salmon Solutions		\$2,131.33		
PD Roof and Vaport Barrier Replacement		\$165,404.05		
New WWTP Roof		\$249,837.53		
Ventures Property		\$24,936.38		
Skykomish and Snohomish River Regulatory Signage		\$20,512.50		
Totals	\$10,777,698.71	\$8,814,843.35	\$4,083,954.26	\$21,724,840.00

All committed construction projects are funded through awarded grants, impact fees, capital utility fees, utility revenues, and/or excise taxes. There are no unfunded contract commitments.

Note 9 – Joint Ventures and Jointly Governed Organizations

Snohomish County 911

The city and other Police and Fire entities jointly operate SNOHOMISH COUNTY 911. SNOHOMISH COUNTY 911, a cash basis, special purpose district, was created under the Interlocal Cooperation Act, as codified in RCW 39.34. This established the statutory authority necessary for Snohomish County, the cities, towns, fire districts, police districts and other service districts to enter into a contract and agreement to jointly establish, maintain and operate a support communications center. Control of SNOHOMISH COUNTY 911 is with a 16 member Board of Directors which is specified in the Interlocal Agreement. SNOHOMISH COUNTY 911 takes 911 calls and performs emergency dispatch services for local governmental agencies including police, fire, and medical aid.

In the event of the dissolution of SNOHOMISH COUNTY 911, any money in the possession of SNOHOMISH COUNTY 911 or the Board of Directors after payment of all costs, expenses, and charges validly incurred under this Agreement shall be returned to the parties of this Agreement and shall be apportioned between

Principals based on the ratio that the average of each Principals' contributions to the operating budget over the preceding five (5) years bears to the total of all then remaining Principals' User Fees paid during such five-year period. Before deducting the payment of all costs, expenses, and charges validly incurred, the city's share was \$299,286 on December 31, 2022.

Snohomish County 911's 2021 operating budget was \$26,034,697, operating revenues received were \$26,904,022 and total operating expenditures were \$25,119,101. Complete financial statements for SNOHOMISH COUNTY 911 can be obtained from SNOHOMISH COUNTY 911's administrative office at 1121 SE Everett Mall Way, Suite 200, Everett, WA 98208.

French Slough Flood Control District:

In December 2010 the city entered into an Interlocal Agreement with the French Slough Flood Control District to replace a 1992 Interlocal Agreement with the Snohomish County Drainage Improvement Districts Number 4 and 4A and the French Slough Flood Control District. The agreement is to maintain a Joint Advisory Board for the purpose of improving communications regarding their combined drainage system and service area. The city maintains the property that is within the district boundary and city limits. The district maintains the property that is within the district boundary and not the city limits. The two areas of responsibility are mutually exclusive.

The Joint Advisory Board meets not less than four times annually to recommend the annual budget of the drainage system. Approximately 27.73% of the land in the Flood District is in city limits, therefore the city pays 27.73% of the assessments each year to the District. The city's annual assessment for 2022 was \$108,919 and was paid from the Stormwater Utility Fund #431.

The 2010 agreement had an initial term of five years with three additional renewal periods of five years each. Either party may terminate the agreement with 180 days written notice to the other party.

Note 10 – Health and Welfare

The City of Monroe 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, 2022, 262 cities/towns/non-city entities participate and have enrollment 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.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical

coverage. Outside of this, 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, Willamette Dental Group, 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 2022, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$1.5 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust 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 AWC Trust 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 AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust 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 AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. 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.

Note 11 – Risk Management

Self-Insurance – Unemployment

The city self-insures as an individual program for unemployment compensation risk. Claims for unemployment are administered by the Washington State Employment Security Department and invoices are submitted to the city on a quarterly basis, if applicable. Total claims received and paid during the year ending December 31, 2022 was \$8,361. Unemployment claims are recorded when paid from the relevant department's operations budget. However, the city maintains a contingency reserve account (part of the

current expense fund) to cover the costs of unemployment claims should they become material. For 2022, the ending balance of the contingency reserve account was \$1,279,867.

Washington Cities Insurance Authority (WCIA)

The City of Monroe 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 166 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. While the liability program assumes no liability deductibles apply, claims deductible levels of \$25,000, \$50,000, \$100,000, and \$250,000, are potential coverage options for members that may at the sole discretion of WCIA be extended to members. The City of Monroe carries a \$25,000 per claim deductible. Coverage includes general, automobile, police, errors or omissions, stop gap, employment practices, prior wrongful acts, and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

All Members are provided a separate cyber risk policy and premises pollution liability coverage group purchased by WCIA. The cyber risk policy provides coverage and separate limits for security & privacy, event management, and cyber extortion, with limits up to \$1 million and subject to member deductibles, sublimits, and a \$5 million pool aggregate. Premises pollution liability provides Members with a \$2 million incident limit and \$10 million pool aggregate subject to a \$100,000 per incident Member deductible.

Insurance for property, automobile physical damage, fidelity, inland marine, and equipment breakdown 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 \$400 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. Further information on the WCIA can be obtained in writing to Washington Cities Insurance Authority, PO Box 88030, Tukwila, WA 98138.

The City of Monroe also maintains a Risk Management Reserve managerial fund to cover unforeseen claims or deductibles. The current balance is \$20,724.

Note 12 –Leases

During the year ended December 31, 2022, the city adopted guidance for the presentation and disclosure of leases, as required by the BARS manual. This requirement resulted in the addition of a lease liability reported on the Schedule of Liabilities (09).

The city leases eight copiers from Ricoh USA, Inc. with a 2022 annual cost of \$24,023. Copier machines are under a 3-year lease agreement commencing when the machine is received. The lease agreements are non-cancelable for the term of the lease. The eight leased copiers have varying start and end dates with the latest lease end date of April 2025.

The city leases one postage machine from Quadient Leasing for \$366 per quarter under a 4-year non-cancelable lease agreement. The lease agreement ends February 28, 2025.

The city leases laptop computers and modems for police vehicles from Snohomish County 911 with an average monthly cost of \$1,852 under a 5-year agreement that can be cancelled after mutual acceptance and agreement of penalty. The lease agreement ends April 30, 2023.

The total amount paid for leases in 2022 was \$47,715. As of December 31, 2022, the future lease payments are as follows:

Year ended December 31	Total
2023	\$23,983.69
2024	\$7,503.08
2025	\$2,418.63
Total	\$33,905.40

Note 13 – Subsequent Events

The city adopted ordinance number 011/2022 on April 26, 2022 changing its budget period from an annual to biennial budget beginning with fiscal years 2023-2024.

On March 14, 2023, the City Council approved Ordinance No. 003/2023, authorizing the issuance of limited tax general obligation bonds not to exceed \$17,100,000 for financing the municipal campus improvements and the costs of issuance and sale of the bonds. Bonds are anticipated to be funded no later than July 2023 with first payments anticipated in June 2024.

Note 14 – Other Disclosures

Monroe Transportation Benefit District

In 2012 the Monroe City Council adopted an ordinance to create a Transportation Benefit District (TBD), with the same boundaries as the city limits. Per the ordinance, funding sources for this district can only be created

through a vote of the citizens of Monroe, regardless of the type of revenue source. The board is comprised of whoever are the current residing city council members. In 2014 the citizens voted to impose a 0.2% sales tax to fund street related projects. The sales tax levy commenced January 1, 2015. \$786,778 in sales tax revenue was collected by the district in 2015, \$1,058,999 in sales tax revenue was collected in 2016, \$1,220,039 in 2017, \$1,229,117 was collected in 2018, \$1,287,809 was collected in 2019, \$1,292,822 in 2020, \$1,498,449 was collected in 2021, and \$1,562,996 was collected in 2022.

The City of Monroe reports the TBD financial activities in a custodial fund and the TBD reports their financial activity to the state auditor's office as a separate entity from the city. Prior to 2019, the custodial fund was classified as fund number 623. Beginning in 2019, this fund was reclassified as per the BARS manual to fund number 643.

City of Monroe

Schedule 01

For the year ended December 31, 2022

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	3085100	Assigned Cash and Investments - Beginning	\$1,496,208
0685	001	General Fund	3089100	Unassigned Cash and Investments - Beginning	\$8,484,077
0685	001	General Fund	3111000	Property Tax	\$3,601,958
0685	001	General Fund	3131100	Local Retail Sales and Use Tax	\$5,936,867
0685	001	General Fund	3131101	Local Retail Sales and Use Tax	\$705,116
0685	001	General Fund	3131500	Special Purpose Sales and Use Tax	\$538,610
0685	001	General Fund	3131501	Special Purpose Sales and Use Tax	\$65,130
0685	001	General Fund	3132700	Affordable and Supportive Housing Sales and Use Tax	\$46,061
0685	001	General Fund	3137100	Criminal Justice Sales and Use Tax	\$489,631
0685	001	General Fund	3164100	Business and Occupation Taxes on Utilities	\$926,432
0685	001	General Fund	3164300	Business and Occupation Taxes on Utilities	\$480,612
0685	001	General Fund	3164700	Business and Occupation Taxes on Utilities	\$178,267
0685	001	General Fund	3164800	Business and Occupation Taxes on Utilities	\$800,749
0685	001	General Fund	3164900	Business and Occupation Taxes on Utilities	\$553,946
0685	001	General Fund	3168100	Gambling Tax - Punch Boards and Pull Tabs	\$70,601
0685	001	General Fund	3172000	Leasehold Excise Tax	\$25,104
0685	001	General Fund	3181100	Admissions Tax	\$61,209
0685	001	General Fund	3219100	Franchise Fees and Royalties	\$155,558
0685	001	General Fund	3219900	Other Business Licenses and Permits	\$96,086
0685	001	General Fund	3219902	Other Business Licenses and Permits	(\$746)
0685	001	General Fund	3221000	Buildings, Structures and Equipment	\$392,320
0685	001	General Fund	3223000	Animal Licenses	\$1,862
0685	001	General Fund	3229000	Other Non-Business Licenses and Permits	\$4,122
0685	001	General Fund	3229900	Other Non-Business Licenses and Permits	\$20
0685	001	General Fund	3311200	Federal Direct Grant from Department of Defense	\$11,916

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	3329210	COVID-19 Non-Grant Assistance	\$2,762,911
0685	001	General Fund	3331600	Federal Indirect Grant from Department of Justice	\$3,360
0685	001	General Fund	3332060	Federal Indirect Grant from Department of Transportation	\$2,126
0685	001	General Fund	3332060	Federal Indirect Grant from Department of Transportation	\$3,236
0685	001	General Fund	3332061	Federal Indirect Grant from Department of Transportation	\$810
0685	001	General Fund	3340120	State Grant from Other Judicial Agencies	\$158,779
0685	001	General Fund	3340120	State Grant from Other Judicial Agencies	\$11,000
0685	001	General Fund	3340151	State Grant from Department of Corrections	\$2,567
0685	001	General Fund	3350091	PUD Privilege Tax	\$114,032
0685	001	General Fund	3360621	Criminal Justice - Violent Crimes/Population	\$6,956
0685	001	General Fund	3360626	Criminal Justice - Special Programs	\$24,664
0685	001	General Fund	3360642	Marijuana Excise Tax Distribution	\$32,809
0685	001	General Fund	3360651	DUI and Other Criminal Justice Assistance	\$2,323
0685	001	General Fund	3360694	Liquor/Beer Excise Tax	\$143,017
0685	001	General Fund	3360695	Liquor Control Board Profits	\$156,898
0685	001	General Fund	3372000	Local Grants, Entitlements and Other Payments	\$25,232
0685	001	General Fund	3340110	State Grant from Criminal Justice Training Commission	\$27,897
0685	001	General Fund	3372102	Local Grants, Entitlements and Other Payments	\$6,025
0685	001	General Fund	3413200	District/Municipal Court Records Services	\$463
0685	001	General Fund	3413300	District/Municipal Court - Administrative Fees	\$244
0685	001	General Fund	3413300	District/Municipal Court - Administrative Fees	\$116
0685	001	General Fund	3413303	District/Municipal Court - Administrative Fees	\$246
0685	001	General Fund	3414301	Budgeting and Accounting Services	\$375
0685	001	General Fund	3414302	Budgeting and Accounting Services	\$30
0685	001	General Fund	3417000	Sales of Merchandise	\$815
0685	001	General Fund	3418100	Data/Word Processing, Printing, Duplicating and IT Services	\$859

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	3418107	Data/Word Processing, Printing, Duplicating and IT Services	\$228
0685	001	General Fund	3418107	Data/Word Processing, Printing, Duplicating and IT Services	\$827
0685	001	General Fund	3421000	Law Enforcement Services	\$47,244
0685	001	General Fund	3421001	Law Enforcement Services	\$20,560
0685	001	General Fund	3421002	Law Enforcement Services	\$69,000
0685	001	General Fund	3421003	Law Enforcement Services	\$282
0685	001	General Fund	3422100	Fire Protection and Emergency Medical Services	\$16
0685	001	General Fund	3423300	Detention and Correction Services	\$5,411
0685	001	General Fund	3423306	Detention and Correction Services	\$300
0685	001	General Fund	3423700	Detention and Correction Services	\$1,644
0685	001	General Fund	3425000	Disaster Preparation Services	\$2,500
0685	001	General Fund	3437000	Solid Waste Sales and Services	(\$61)
0685	001	General Fund	3452300	Animal Control and Shelter Services	\$826
0685	001	General Fund	3458100	Zoning and Subdivision Services	\$89,235
0685	001	General Fund	3458102	Zoning and Subdivision Services	\$1,323
0685	001	General Fund	3458301	Plan Checking Services	\$191,863
0685	001	General Fund	3458315	Plan Checking Services	\$12,581
0685	001	General Fund	3458315	Plan Checking Services	\$480
0685	001	General Fund	3458316	Plan Checking Services	\$7,231
0685	001	General Fund	3458316	Plan Checking Services	\$288
0685	001	General Fund	3458500	Growth Management Act (GMA) Impact Fees	\$29,633
0685	001	General Fund	3458500	Growth Management Act (GMA) Impact Fees	\$258,668
0685	001	General Fund	3458900	Other Planning and Development Services	\$3,000
0685	001	General Fund	3458901	Other Planning and Development Services	\$34
0685	001	General Fund	3473000	Activity Fees	\$81,545
0685	001	General Fund	3473002	Activity Fees	\$2,668
0685	001	General Fund	3531000	Traffic Infraction Penalties	\$52,182
0685	001	General Fund	3537000	Non-Traffic Infraction Penalties	\$916
0685	001	General Fund	3540000	Civil Parking Infraction Penalties	\$1,129
0685	001	General Fund	3552000	Driving Under Influence (DUI) Fines	\$2,756

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	3558000	Other Criminal Traffic Misdemeanor Fines	\$4,677
0685	001	General Fund	3569000	Other Criminal Non- Traffic Fines	\$2,537
0685	001	General Fund	3573700	District/Municipal Court Cost Recoupments	\$3,155
0685	001	General Fund	3590000	Non-Court Fines and Penalties	\$7,465
0685	001	General Fund	3599002	Non-Court Fines and Penalties	\$622
0685	001	General Fund	3611100	Investment Earnings	\$86,542
0685	001	General Fund	3611100	Investment Earnings	\$11,106
0685	001	General Fund	3611100	Investment Earnings	\$608
0685	001	General Fund	3611100	Investment Earnings	\$183
0685	001	General Fund	3614000	Other Interest	\$3,420
0685	001	General Fund	3614000	Other Interest	\$834
0685	001	General Fund	3614000	Other Interest	\$160
0685	001	General Fund	3614000	Other Interest	\$5,382
0685	001	General Fund	3614000	Other Interest	\$101
0685	001	General Fund	3614000	Other Interest	\$133
0685	001	General Fund	3614000	Other Interest	\$2,501
0685	001	General Fund	3614000	Other Interest	\$503
0685	001	General Fund	3614000	Other Interest	\$61
0685	001	General Fund	3614001	Other Interest	\$8,211
0685	001	General Fund	3614003	Other Interest	\$1,165
0685	001	General Fund	3620000	Rents and Leases	\$12
0685	001	General Fund	3620000	Rents and Leases	\$1
0685	001	General Fund	3620000	Rents and Leases	\$1,200
0685	001	General Fund	3620003	Rents and Leases	\$1
0685	001	General Fund	3671100	Contributions and Donations from Nongovernmental Sources	\$1,200
0685	001	General Fund	3671100	Contributions and Donations from Nongovernmental Sources	\$3,303
0685	001	General Fund	3671103	Contributions and Donations from Nongovernmental Sources	\$2,000
0685	001	General Fund	3671104	Contributions and Donations from Nongovernmental Sources	\$800
0685	001	General Fund	3671105	Contributions and Donations from Nongovernmental Sources	\$200
0685	001	General Fund	3671106	Contributions and Donations from Nongovernmental Sources	\$2,600

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	3672100	Contributions and Donations from Nongovernmental Sources	\$4,000
0685	001	General Fund	3691000	Sale of Surplus	\$2,579
0685	001	General Fund	3692000	Unclaimed Cash and Proceeds from Sales of Unclaimed Property	\$3,886
0685	001	General Fund	3694000	Judgments and Settlements	\$17,000
0685	001	General Fund	3694002	Judgments and Settlements	\$73
0685	001	General Fund	3698100	Cash Adjustments	(\$429)
0685	001	General Fund	3698100	Cash Adjustments	(\$19)
0685	105	Streets	3085100	Assigned Cash and Investments - Beginning	\$776,466
0685	105	Streets	3164900	Business and Occupation Taxes on Utilities	\$400,000
0685	105	Streets	3219100	Franchise Fees and Royalties	\$263,892
0685	105	Streets	3360071	Multimodal Transportation - Cities	\$26,645
0685	105	Streets	3360087	Motor Vehicle Fuel Tax - City Streets	\$380,048
0685	105	Streets	3441000	Roads/Streets Maintenance/Repair/Construction Services	\$76,725
0685	105	Streets	3458301	Plan Checking Services	\$8,363
0685	105	Streets	3458302	Plan Checking Services	\$15,770
0685	105	Streets	3458310	Plan Checking Services	\$84,081
0685	105	Streets	3611100	Investment Earnings	\$7,421
0685	105	Streets	3614000	Other Interest	\$930
0685	109	Tourism	3083100	Restricted Cash and Investments - Beginning	\$162,440
0685	109	Tourism	3133100	Hotel/Motel Sales and Use Tax	\$115,039
0685	109	Tourism	3611100	Investment Earnings	\$1,803
0685	114	Narcotic/Drug Buy Fund	3083100	Restricted Cash and Investments - Beginning	\$55,973
0685	114	Narcotic/Drug Buy Fund	3611100	Investment Earnings	\$33
0685	114	Narcotic/Drug Buy Fund	3611103	Investment Earnings	\$2
0685	117	REET	3083100	Restricted Cash and Investments - Beginning	\$1,913,345
0685	117	REET	3183400	REET 1 - First Quarter Percent	\$5,535
0685	117	REET	3183400	REET 1 - First Quarter Percent	\$1,054,723
0685	117	REET	3183500	REET 2 - Second Quarter Percent	\$1,054,723
0685	117	REET	3611100	Investment Earnings	\$26,148
0685	203	Governmental Debt Fund	3085100	Assigned Cash and Investments - Beginning	\$3,495
0685	203	Governmental Debt Fund	3611100	Investment Earnings	\$31

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	307	Capital Improvements CIP	3085100	Assigned Cash and Investments - Beginning	\$21,202
0685	307	Capital Improvements CIP	3340420	State Grant from Department of Commerce	\$49,193
0685	307	Capital Improvements CIP	3611100	Investment Earnings	\$179
0685	307	Capital Improvements CIP	3614000	Other Interest	\$65
0685	317	Parks CIP Fund	3083100	Restricted Cash and Investments - Beginning	\$35,396
0685	317	Parks CIP Fund	3085100	Assigned Cash and Investments - Beginning	\$961,258
0685	317	Parks CIP Fund	3340270	State Grant from Recreation and Conservation Office	\$1,044,599
0685	317	Parks CIP Fund	3458500	Growth Management Act (GMA) Impact Fees	\$273,853
0685	317	Parks CIP Fund	3611100	Investment Earnings	\$7,733
0685	317	Parks CIP Fund	3614000	Other Interest	\$222
0685	317	Parks CIP Fund	3670000	Contributions and Donations from Nongovernmental Sources	\$310
0685	318	Streets CIP Fund	3085100	Assigned Cash and Investments - Beginning	\$1,839,096
0685	318	Streets CIP Fund	3312000	Federal Direct Grant from Department of Transportation	\$63,796
0685	318	Streets CIP Fund	3332020	Federal Indirect Grant from Department of Transportation	\$63,058
0685	318	Streets CIP Fund	3332020	Federal Indirect Grant from Department of Transportation	\$713,622
0685	318	Streets CIP Fund	3332020	Federal Indirect Grant from Department of Transportation	\$366,147
0685	318	Streets CIP Fund	3332020	Federal Indirect Grant from Department of Transportation	\$38,457
0685	318	Streets CIP Fund	3441000	Roads/Streets Maintenance/Repair/Construction Services	\$1,738,427
0685	318	Streets CIP Fund	3458500	Growth Management Act (GMA) Impact Fees	\$414,041
0685	318	Streets CIP Fund	3611100	Investment Earnings	\$10,043
0685	318	Streets CIP Fund	3614000	Other Interest	\$153
0685	319	North Kelsey Development	3085100	Assigned Cash and Investments - Beginning	\$148,547
0685	319	North Kelsey Development	3611100	Investment Earnings	\$104
0685	330	Building Capital	3085100	Assigned Cash and Investments - Beginning	\$1,606,704
0685	330	Building Capital	3611100	Investment Earnings	\$21,004
0685	330	Building Capital	3614000	Other Interest	\$297
0685	411	Water Maintenance & Operations	3083100	Restricted Cash and Investments - Beginning	\$700,955

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	411	Water Maintenance & Operations	3085100	Assigned Cash and Investments - Beginning	\$6,461,506
0685	411	Water Maintenance & Operations	3434000	Water Sales and Services	\$6,780,061
0685	411	Water Maintenance & Operations	3434001	Water Sales and Services	\$93,474
0685	411	Water Maintenance & Operations	3434003	Water Sales and Services	\$216
0685	411	Water Maintenance & Operations	3434004	Water Sales and Services	\$538,879
0685	411	Water Maintenance & Operations	3434009	Water Sales and Services	\$1,557
0685	411	Water Maintenance & Operations	3434009	Water Sales and Services	\$138,000
0685	411	Water Maintenance & Operations	3434009	Water Sales and Services	\$1,707
0685	411	Water Maintenance & Operations	3434009	Water Sales and Services	\$4,415
0685	411	Water Maintenance & Operations	3458301	Plan Checking Services	\$7,808
0685	411	Water Maintenance & Operations	3458302	Plan Checking Services	\$25,941
0685	411	Water Maintenance & Operations	3458309	Plan Checking Services	\$624
0685	411	Water Maintenance & Operations	3458317	Plan Checking Services	\$1,080
0685	411	Water Maintenance & Operations	3611100	Investment Earnings	\$21,903
0685	411	Water Maintenance & Operations	3611100	Investment Earnings	\$44,653
0685	411	Water Maintenance & Operations	3611100	Investment Earnings	\$6,802
0685	411	Water Maintenance & Operations	3614000	Other Interest	\$1,822
0685	411	Water Maintenance & Operations	3614000	Other Interest	\$18
0685	411	Water Maintenance & Operations	3674340	Contributions and Donations from Nongovernmental Sources	\$369,990
0685	411	Water Maintenance & Operations	3699101	Miscellaneous Other Operating	\$1
0685	421	Sewer Maintenance & Operations	3083100	Restricted Cash and Investments - Beginning	\$1,885,874
0685	421	Sewer Maintenance & Operations	3085100	Assigned Cash and Investments - Beginning	\$13,895,950
0685	421	Sewer Maintenance & Operations	3340310	State Grant from Department of Ecology	\$236,269
0685	421	Sewer Maintenance & Operations	3435005	Sewer/Reclaimed Water Sales and Services	\$1,091
0685	421	Sewer Maintenance & Operations	3435000	Sewer/Reclaimed Water Sales and Services	\$7,592,638
0685	421	Sewer Maintenance & Operations	3435008	Sewer/Reclaimed Water Sales and Services	\$1,232,782
0685	421	Sewer Maintenance & Operations	3435012	Sewer/Reclaimed Water Sales and Services	\$5,790

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	3458301	Plan Checking Services	\$7,387
0685	421	Sewer Maintenance & Operations	3458302	Plan Checking Services	\$20,845
0685	421	Sewer Maintenance & Operations	3611100	Investment Earnings	\$20,015
0685	421	Sewer Maintenance & Operations	3611100	Investment Earnings	\$12,940
0685	421	Sewer Maintenance & Operations	3611100	Investment Earnings	\$105,074
0685	421	Sewer Maintenance & Operations	3614000	Other Interest	\$3,047
0685	421	Sewer Maintenance & Operations	3614000	Other Interest	\$1
0685	421	Sewer Maintenance & Operations	3675003	Contributions and Donations from Nongovernmental Sources	\$615,120
0685	431	Stormwater Maint & Operations	3083100	Restricted Cash and Investments - Beginning	\$256,291
0685	431	Stormwater Maint & Operations	3085100	Assigned Cash and Investments - Beginning	\$1,051,862
0685	431	Stormwater Maint & Operations	3340310	State Grant from Department of Ecology	\$1,165
0685	431	Stormwater Maint & Operations	3340310	State Grant from Department of Ecology	\$102,616
0685	431	Stormwater Maint & Operations	3431000	Storm Drainage Sales and Services	\$2,794,013
0685	431	Stormwater Maint & Operations	3458301	Plan Checking Services	\$9,540
0685	431	Stormwater Maint & Operations	3458302	Plan Checking Services	\$30,735
0685	431	Stormwater Maint & Operations	3611100	Investment Earnings	\$6,884
0685	431	Stormwater Maint & Operations	3611100	Investment Earnings	\$2,955
0685	431	Stormwater Maint & Operations	3611100	Investment Earnings	\$5,545
0685	431	Stormwater Maint & Operations	3614000	Other Interest	\$741
0685	431	Stormwater Maint & Operations	3614000	Other Interest	\$16
0685	510	Information & Tech Services	3085100	Assigned Cash and Investments - Beginning	\$340,336
0685	510	Information & Tech Services	3219100	Franchise Fees and Royalties	\$40,457
0685	510	Information & Tech Services	3418101	Data/Word Processing, Printing, Duplicating and IT Services	\$45,810
0685	510	Information & Tech Services	3488100	Internal Service Funds Sales and Services	\$694,517
0685	510	Information & Tech Services	3611100	Investment Earnings	\$3,943
0685	510	Information & Tech Services	3614000	Other Interest	\$7,082
0685	520	Equipment & Fleet Management	3085100	Assigned Cash and Investments - Beginning	\$6,269,673

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	520	Equipment & Fleet Management	3484000	Internal Service Funds Sales and Services	\$1,420,867
0685	520	Equipment & Fleet Management	3611100	Investment Earnings	\$57,834
0685	520	Equipment & Fleet Management	3614000	Other Interest	\$5,071
0685	520	Equipment & Fleet Management	3620052	Rents and Leases	\$1,600
0685	530	Facilities Management	3085100	Assigned Cash and Investments - Beginning	\$24,045
0685	530	Facilities Management	3489300	Internal Service Funds Sales and Services	\$1,372,089
0685	530	Facilities Management	3611100	Investment Earnings	\$1,176
0685	530	Facilities Management	3614000	Other Interest	\$8,652
0685	631	Custodial Fund	3083100	Restricted Cash and Investments - Beginning	\$40,102
0685	643	Transportation Benefit Dist	3083100	Restricted Cash and Investments - Beginning	\$2,180,761
0685	001	General Fund	5083100	Restricted Cash and Investments - Ending	\$120,792
0685	001	General Fund	5085100	Assigned Cash and Investments - Ending	\$1,648,605
0685	001	General Fund	5089100	Unassigned Cash and Investments - Ending	\$9,935,957
0685	001	General Fund	5113040	Official Publication Services	\$740
0685	001	General Fund	5113040	Official Publication Services	\$7,297
0685	001	General Fund	5116010	Legislative Activities	\$32,224
0685	001	General Fund	5116020	Legislative Activities	\$1,998
0685	001	General Fund	5116020	Legislative Activities	\$467
0685	001	General Fund	5116020	Legislative Activities	\$164
0685	001	General Fund	5116020	Legislative Activities	\$52
0685	001	General Fund	5116030	Legislative Activities	\$281
0685	001	General Fund	5116040	Legislative Activities	\$7,838
0685	001	General Fund	5116040	Legislative Activities	\$2,275
0685	001	General Fund	5116040	Legislative Activities	\$4,684
0685	001	General Fund	5116040	Legislative Activities	\$448
0685	001	General Fund	5116040	Legislative Activities	\$317
0685	001	General Fund	5117040	Lobbying Activities	\$24,935
0685	001	General Fund	5125140	Non-Contracted Court	\$349
0685	001	General Fund	5125110	Non-Contracted Court	\$429,546
0685	001	General Fund	5125120	Non-Contracted Court	\$26,491
0685	001	General Fund	5125120	Non-Contracted Court	\$6,196
0685	001	General Fund	5125120	Non-Contracted Court	\$42,418
0685	001	General Fund	5125120	Non-Contracted Court	\$1,898
0685	001	General Fund	5125120	Non-Contracted Court	\$61,895
0685	001	General Fund	5125120	Non-Contracted Court	\$691
0685	001	General Fund	5125120	Non-Contracted Court	\$7,442
0685	001	General Fund	5125120	Non-Contracted Court	\$17
0685	001	General Fund	5125120	Non-Contracted Court	\$3,281

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5125120	Non-Contracted Court	\$1,560
0685	001	General Fund	5125130	Non-Contracted Court	\$2,136
0685	001	General Fund	5125130	Non-Contracted Court	\$328
0685	001	General Fund	5125140	Non-Contracted Court	\$19,872
0685	001	General Fund	5125140	Non-Contracted Court	\$400
0685	001	General Fund	5125140	Non-Contracted Court	\$13,595
0685	001	General Fund	5125140	Non-Contracted Court	\$152
0685	001	General Fund	5125140	Non-Contracted Court	\$13,303
0685	001	General Fund	5125140	Non-Contracted Court	\$9,989
0685	001	General Fund	5125140	Non-Contracted Court	\$1,885
0685	001	General Fund	5125140	Non-Contracted Court	\$1,218
0685	001	General Fund	5125140	Non-Contracted Court	\$1,103
0685	001	General Fund	5125140	Non-Contracted Court	\$1,467
0685	001	General Fund	5125140	Non-Contracted Court	\$391
0685	001	General Fund	5125140	Non-Contracted Court	\$690
0685	001	General Fund	5131010	Executive Office	\$177,148
0685	001	General Fund	5131020	Executive Office	\$9,293
0685	001	General Fund	5131020	Executive Office	\$2,565
0685	001	General Fund	5131020	Executive Office	\$17,874
0685	001	General Fund	5131020	Executive Office	\$486
0685	001	General Fund	5131020	Executive Office	\$18,836
0685	001	General Fund	5131020	Executive Office	\$240
0685	001	General Fund	5131020	Executive Office	\$9,810
0685	001	General Fund	5131020	Executive Office	\$1,254
0685	001	General Fund	5131030	Executive Office	\$5,685
0685	001	General Fund	5131040	Executive Office	\$3,372
0685	001	General Fund	5131040	Executive Office	\$27,167
0685	001	General Fund	5131040	Executive Office	\$2,886
0685	001	General Fund	5131040	Executive Office	\$14,620
0685	001	General Fund	5131040	Executive Office	\$293
0685	001	General Fund	5131040	Executive Office	\$1,464
0685	001	General Fund	5131040	Executive Office	\$498
0685	001	General Fund	5131040	Executive Office	\$1,303
0685	001	General Fund	5131040	Executive Office	\$1,287
0685	001	General Fund	5131040	Executive Office	\$1,454
0685	001	General Fund	5131040	Executive Office	\$1,349
0685	001	General Fund	5142010	Financial Services	\$113,570
0685	001	General Fund	5142020	Financial Services	\$6,820
0685	001	General Fund	5142020	Financial Services	\$1,595
0685	001	General Fund	5142020	Financial Services	\$11,688
0685	001	General Fund	5142020	Financial Services	\$391
0685	001	General Fund	5142020	Financial Services	\$21,540
0685	001	General Fund	5142020	Financial Services	\$183
0685	001	General Fund	5142020	Financial Services	\$2,416
0685	001	General Fund	5142020	Financial Services	\$35

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5142020	Financial Services	\$846
0685	001	General Fund	5142030	Financial Services	\$93
0685	001	General Fund	5142140	Financial Services	\$417
0685	001	General Fund	5142140	Financial Services	\$3,324
0685	001	General Fund	5142140	Financial Services	\$620
0685	001	General Fund	5142140	Financial Services	\$410
0685	001	General Fund	5142140	Financial Services	\$198
0685	001	General Fund	5142140	Financial Services	\$960
0685	001	General Fund	5142310	Financial Services	\$325,466
0685	001	General Fund	5142320	Financial Services	\$18,956
0685	001	General Fund	5142320	Financial Services	\$4,679
0685	001	General Fund	5142320	Financial Services	\$33,392
0685	001	General Fund	5142320	Financial Services	\$966
0685	001	General Fund	5142320	Financial Services	\$58,541
0685	001	General Fund	5142320	Financial Services	\$500
0685	001	General Fund	5142320	Financial Services	\$8,733
0685	001	General Fund	5142320	Financial Services	\$54
0685	001	General Fund	5142320	Financial Services	\$3,097
0685	001	General Fund	5142320	Financial Services	\$2,145
0685	001	General Fund	5142330	Financial Services	\$1,757
0685	001	General Fund	5142340	Financial Services	\$21,088
0685	001	General Fund	5142340	Financial Services	\$25,125
0685	001	General Fund	5142340	Financial Services	\$12,617
0685	001	General Fund	5142340	Financial Services	\$169
0685	001	General Fund	5142340	Financial Services	\$19,648
0685	001	General Fund	5142340	Financial Services	\$1,930
0685	001	General Fund	5142340	Financial Services	\$229
0685	001	General Fund	5142340	Financial Services	\$81
0685	001	General Fund	5142340	Financial Services	\$545
0685	001	General Fund	5142340	Financial Services	\$721
0685	001	General Fund	5142340	Financial Services	\$1,652
0685	001	General Fund	5144040	Election Services	\$9,262
0685	001	General Fund	5154140	External Legal Services - Advice	\$228,175
0685	001	General Fund	5154140	External Legal Services - Advice	\$46,596
0685	001	General Fund	5154540	External Legal Services - Claims and Litigation	\$139,997
0685	001	General Fund	5159140	General Indigent Defense	\$138,794
0685	001	General Fund	5159140	General Indigent Defense	\$12,000
0685	001	General Fund	5181010	Personnel Services	\$165,694
0685	001	General Fund	5181010	Personnel Services	\$50,841
0685	001	General Fund	5181020	Personnel Services	\$9,441
0685	001	General Fund	5181020	Personnel Services	\$3,152
0685	001	General Fund	5181020	Personnel Services	\$2,379

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5181020	Personnel Services	\$737
0685	001	General Fund	5181020	Personnel Services	\$17,071
0685	001	General Fund	5181020	Personnel Services	\$492
0685	001	General Fund	5181020	Personnel Services	\$437
0685	001	General Fund	5181020	Personnel Services	\$699
0685	001	General Fund	5181020	Personnel Services	\$20,167
0685	001	General Fund	5181020	Personnel Services	\$326
0685	001	General Fund	5181020	Personnel Services	\$4,410
0685	001	General Fund	5181020	Personnel Services	\$3,107
0685	001	General Fund	5181020	Personnel Services	\$1,308
0685	001	General Fund	5181030	Personnel Services	\$2,369
0685	001	General Fund	5181040	Personnel Services	\$12,782
0685	001	General Fund	5181040	Personnel Services	\$1,924
0685	001	General Fund	5181040	Personnel Services	\$5,229
0685	001	General Fund	5181040	Personnel Services	\$155
0685	001	General Fund	5181040	Personnel Services	\$5,772
0685	001	General Fund	5181040	Personnel Services	\$1,888
0685	001	General Fund	5181040	Personnel Services	\$19
0685	001	General Fund	5181040	Personnel Services	\$1,175
0685	001	General Fund	5181040	Personnel Services	\$40
0685	001	General Fund	5181040	Personnel Services	\$183
0685	001	General Fund	5186340	General Grants, Financial Assistance and Other Distributions to Others	\$756,225
0685	001	General Fund	5186540	Impact Fee Distributions to Local Governments	\$29,183
0685	001	General Fund	5186540	Impact Fee Distributions to Local Governments	\$258,668
0685	001	General Fund	5189020	Other Centralized Services	\$34
0685	001	General Fund	5189040	Other Centralized Services	\$13,750
0685	001	General Fund	5189040	Other Centralized Services	\$6,557
0685	001	General Fund	5189040	Other Centralized Services	\$4,047
0685	001	General Fund	5189040	Other Centralized Services	\$24
0685	001	General Fund	5189040	Other Centralized Services	\$44
0685	001	General Fund	5189040	Other Centralized Services	\$740
0685	001	General Fund	5189040	Other Centralized Services	\$89,568
0685	001	General Fund	5189040	Other Centralized Services	\$15,163
0685	001	General Fund	5211040	Administration	\$54,716
0685	001	General Fund	5212010	Police Operations	\$7,339
0685	001	General Fund	5212020	Police Operations	\$455
0685	001	General Fund	5212020	Police Operations	\$106

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5212140	Police Operations	\$152
0685	001	General Fund	5212210	Police Operations	\$4,291,478
0685	001	General Fund	5212210	Police Operations	\$538,039
0685	001	General Fund	5212210	Police Operations	\$12,809
0685	001	General Fund	5212210	Police Operations	\$1,054
0685	001	General Fund	5212210	Police Operations	\$13,536
0685	001	General Fund	5212220	Police Operations	\$839
0685	001	General Fund	5212220	Police Operations	\$265,814
0685	001	General Fund	5212220	Police Operations	\$32,677
0685	001	General Fund	5212220	Police Operations	\$65
0685	001	General Fund	5212220	Police Operations	\$63,122
0685	001	General Fund	5212220	Police Operations	\$7,885
0685	001	General Fund	5212220	Police Operations	\$196
0685	001	General Fund	5212220	Police Operations	\$15
0685	001	General Fund	5212220	Police Operations	\$27,167
0685	001	General Fund	5212220	Police Operations	\$679
0685	001	General Fund	5212220	Police Operations	\$56
0685	001	General Fund	5212220	Police Operations	\$263,003
0685	001	General Fund	5212220	Police Operations	\$136,456
0685	001	General Fund	5212220	Police Operations	\$6,450
0685	001	General Fund	5212220	Police Operations	\$448
0685	001	General Fund	5212220	Police Operations	\$37
0685	001	General Fund	5212220	Police Operations	\$766,480
0685	001	General Fund	5212220	Police Operations	\$14,435
0685	001	General Fund	5212220	Police Operations	\$1,930
0685	001	General Fund	5212220	Police Operations	\$12
0685	001	General Fund	5212220	Police Operations	\$7,821
0685	001	General Fund	5212220	Police Operations	\$197,868
0685	001	General Fund	5212220	Police Operations	\$6,152
0685	001	General Fund	5212220	Police Operations	\$787
0685	001	General Fund	5212220	Police Operations	\$94
0685	001	General Fund	5212220	Police Operations	\$228
0685	001	General Fund	5212220	Police Operations	\$15,853
0685	001	General Fund	5212220	Police Operations	\$7
0685	001	General Fund	5212220	Police Operations	\$26,149
0685	001	General Fund	5212220	Police Operations	\$1,200
0685	001	General Fund	5212230	Police Operations	\$4,484
0685	001	General Fund	5212230	Police Operations	\$33,062
0685	001	General Fund	5212230	Police Operations	\$55,797
0685	001	General Fund	5212230	Police Operations	\$45,301
0685	001	General Fund	5212230	Police Operations	\$40,901
0685	001	General Fund	5212230	Police Operations	\$282
0685	001	General Fund	5212230	Police Operations	\$13,973
0685	001	General Fund	5212230	Police Operations	\$4,345
0685	001	General Fund	5212240	Police Operations	\$124,939

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5212240	Police Operations	\$17,697
0685	001	General Fund	5212240	Police Operations	\$3,653
0685	001	General Fund	5212240	Police Operations	\$13,188
0685	001	General Fund	5212240	Police Operations	\$224,138
0685	001	General Fund	5212240	Police Operations	\$282,616
0685	001	General Fund	5212240	Police Operations	\$401,958
0685	001	General Fund	5212240	Police Operations	\$1,509
0685	001	General Fund	5212240	Police Operations	\$33,066
0685	001	General Fund	5212240	Police Operations	\$36,977
0685	001	General Fund	5212240	Police Operations	\$2,466
0685	001	General Fund	5212240	Police Operations	\$712
0685	001	General Fund	5212240	Police Operations	\$1,827
0685	001	General Fund	5212240	Police Operations	\$1,354
0685	001	General Fund	5213030	Crime Prevention	\$7,676
0685	001	General Fund	5214040	Training	\$42,553
0685	001	General Fund	5214040	Training	\$52,652
0685	001	General Fund	5236040	Care and Custody of Prisoners	\$375,572
0685	001	General Fund	5246010	Enforcement of Codes and Regulation	\$51,719
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$3,107
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$727
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$5,172
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$1,736
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$16,477
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$83
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$492
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$474
0685	001	General Fund	5246020	Enforcement of Codes and Regulation	\$1,114
0685	001	General Fund	5246030	Enforcement of Codes and Regulation	\$46
0685	001	General Fund	5251020	Administration	\$25
0685	001	General Fund	5255040	Facilities	\$37
0685	001	General Fund	5255040	Facilities	\$3,882
0685	001	General Fund	5255040	Facilities	\$67
0685	001	General Fund	5256030	Disaster Preparedness	\$4,191
0685	001	General Fund	5256040	Disaster Preparedness	\$7,477
0685	001	General Fund	5286040	Dispatch Services	\$246,539
0685	001	General Fund	5320010	Television/Cable/Internet Utilities	\$53,370
0685	001	General Fund	5320020	Television/Cable/Internet Utilities	\$3,309

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5320020	Television/Cable/Internet Utilities	\$838
0685	001	General Fund	5341010	Water Utilities	\$10,228
0685	001	General Fund	5351010	Sewer/Reclaimed Water Utilities	\$4,384
0685	001	General Fund	5573040	Tourism	\$32,481
0685	001	General Fund	5586010	Planning	\$11,300
0685	001	General Fund	5586020	Planning	\$759
0685	001	General Fund	5586020	Planning	\$177
0685	001	General Fund	5586010	Planning	\$657,219
0685	001	General Fund	5586010	Planning	\$3,072
0685	001	General Fund	5586020	Planning	\$38,705
0685	001	General Fund	5586020	Planning	\$9,215
0685	001	General Fund	5586020	Planning	\$66,575
0685	001	General Fund	5586020	Planning	\$2,049
0685	001	General Fund	5586020	Planning	\$118,606
0685	001	General Fund	5586020	Planning	\$1,065
0685	001	General Fund	5586020	Planning	\$16,951
0685	001	General Fund	5586020	Planning	\$174
0685	001	General Fund	5586020	Planning	\$6,997
0685	001	General Fund	5586020	Planning	\$2,527
0685	001	General Fund	5586020	Planning	\$8,361
0685	001	General Fund	5586030	Planning	\$2,183
0685	001	General Fund	5586040	Planning	\$80,959
0685	001	General Fund	5586040	Planning	\$2,992
0685	001	General Fund	5586040	Planning	\$57
0685	001	General Fund	5586040	Planning	\$49,413
0685	001	General Fund	5586040	Planning	\$2,443
0685	001	General Fund	5586040	Planning	\$51,667
0685	001	General Fund	5586040	Planning	\$4,209
0685	001	General Fund	5586040	Planning	\$181
0685	001	General Fund	5586040	Planning	\$2,335
0685	001	General Fund	5586040	Planning	\$1,934
0685	001	General Fund	5586040	Planning	\$1,325
0685	001	General Fund	5586040	Planning	\$174
0685	001	General Fund	5587030	Economic Development	\$575
0685	001	General Fund	5587040	Economic Development	\$30,675
0685	001	General Fund	5587040	Economic Development	\$75,992
0685	001	General Fund	5593010	Property Development	\$466,564
0685	001	General Fund	5593010	Property Development	\$5,342
0685	001	General Fund	5593020	Property Development	\$28,854
0685	001	General Fund	5593020	Property Development	\$6,777
0685	001	General Fund	5593020	Property Development	\$45,032
0685	001	General Fund	5593020	Property Development	\$8,950
0685	001	General Fund	5593020	Property Development	\$94,760
0685	001	General Fund	5593020	Property Development	\$756

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5593020	Property Development	\$7,134
0685	001	General Fund	5593020	Property Development	\$111
0685	001	General Fund	5593020	Property Development	\$5,081
0685	001	General Fund	5593020	Property Development	\$2,403
0685	001	General Fund	5593030	Property Development	\$1,414
0685	001	General Fund	5593030	Property Development	\$7,689
0685	001	General Fund	5593030	Property Development	\$95
0685	001	General Fund	5593040	Property Development	\$9,787
0685	001	General Fund	5593040	Property Development	\$27,821
0685	001	General Fund	5593040	Property Development	\$4,015
0685	001	General Fund	5593040	Property Development	\$175
0685	001	General Fund	5593040	Property Development	\$3,371
0685	001	General Fund	5593040	Property Development	\$3,146
0685	001	General Fund	5593040	Property Development	\$100
0685	001	General Fund	5593040	Property Development	\$3,879
0685	001	General Fund	5593040	Property Development	\$2,732
0685	001	General Fund	5654010	Homeless Services	\$13,038
0685	001	General Fund	5654020	Homeless Services	\$804
0685	001	General Fund	5654020	Homeless Services	\$188
0685	001	General Fund	5654020	Homeless Services	\$1,355
0685	001	General Fund	5654020	Homeless Services	\$68
0685	001	General Fund	5654020	Homeless Services	\$21
0685	001	General Fund	5654020	Homeless Services	\$6,443
0685	001	General Fund	5654020	Homeless Services	\$313
0685	001	General Fund	5654020	Homeless Services	\$263
0685	001	General Fund	5654040	Homeless Services	\$41,563
0685	001	General Fund	5654040	Homeless Services	\$79,099
0685	001	General Fund	5666640	Chemical Dependency Services	\$5,983
0685	001	General Fund	5690040	Aging and Disability Services	\$13,750
0685	001	General Fund	5739030	Other Cultural and Community Events	\$1,950
0685	001	General Fund	5739030	Other Cultural and Community Events	\$1,606
0685	001	General Fund	5739040	Other Cultural and Community Events	\$4,046
0685	001	General Fund	5768010	General Parks	\$536,473
0685	001	General Fund	5768010	General Parks	\$52,098
0685	001	General Fund	5768010	General Parks	\$43,015
0685	001	General Fund	5768010	General Parks	\$7,557
0685	001	General Fund	5768020	General Parks	\$32,342
0685	001	General Fund	5768020	General Parks	\$3,093
0685	001	General Fund	5768020	General Parks	\$2,509
0685	001	General Fund	5768020	General Parks	\$7,564
0685	001	General Fund	5768020	General Parks	\$723
0685	001	General Fund	5768020	General Parks	\$587

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	001	General Fund	5768020	General Parks	\$55,291
0685	001	General Fund	5768020	General Parks	\$5,348
0685	001	General Fund	5768020	General Parks	\$17,008
0685	001	General Fund	5768020	General Parks	\$3,388
0685	001	General Fund	5768020	General Parks	\$510
0685	001	General Fund	5768020	General Parks	\$139,604
0685	001	General Fund	5768020	General Parks	\$7,450
0685	001	General Fund	5768020	General Parks	\$72
0685	001	General Fund	5768020	General Parks	\$5,144
0685	001	General Fund	5768020	General Parks	\$13,039
0685	001	General Fund	5768030	General Parks	\$66
0685	001	General Fund	5768030	General Parks	\$7,537
0685	001	General Fund	5768030	General Parks	\$70,049
0685	001	General Fund	5768030	General Parks	\$15,822
0685	001	General Fund	5768030	General Parks	\$4,727
0685	001	General Fund	5768030	General Parks	\$2,658
0685	001	General Fund	5768030	General Parks	\$31
0685	001	General Fund	5768030	General Parks	\$133
0685	001	General Fund	5768040	General Parks	\$23,278
0685	001	General Fund	5768040	General Parks	\$47,685
0685	001	General Fund	5768040	General Parks	\$68,515
0685	001	General Fund	5768040	General Parks	\$85,540
0685	001	General Fund	5768040	General Parks	\$9,099
0685	001	General Fund	5768040	General Parks	\$20,685
0685	001	General Fund	5768040	General Parks	\$1,723
0685	001	General Fund	5768040	General Parks	\$4,547
0685	001	General Fund	5768040	General Parks	\$64
0685	001	General Fund	5768040	General Parks	\$7,401
0685	001	General Fund	5768110	General Parks	\$286,250
0685	001	General Fund	5768110	General Parks	\$698
0685	001	General Fund	5768120	General Parks	\$16,606
0685	001	General Fund	5768120	General Parks	\$4,092
0685	001	General Fund	5768120	General Parks	\$29,561
0685	001	General Fund	5768120	General Parks	\$2,326
0685	001	General Fund	5768120	General Parks	\$57,369
0685	001	General Fund	5768120	General Parks	\$437
0685	001	General Fund	5768120	General Parks	\$7,104
0685	001	General Fund	5768120	General Parks	\$2,514
0685	001	General Fund	5768120	General Parks	\$2,801
0685	001	General Fund	5768130	General Parks	\$2,106
0685	001	General Fund	5768140	General Parks	\$1,742
0685	001	General Fund	5768140	General Parks	\$1,120
0685	001	General Fund	5768140	General Parks	\$3,886
0685	105	Streets	5085100	Assigned Cash and Investments - Ending	\$912,243
0685	105	Streets	5423010	Roadway	\$27,461

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	105	Streets	5423010	Roadway	\$81,540
0685	105	Streets	5423010	Roadway	\$262,974
0685	105	Streets	5423010	Roadway	\$288
0685	105	Streets	5423010	Roadway	\$430
0685	105	Streets	5423010	Roadway	\$8,682
0685	105	Streets	5423020	Roadway	\$1,695
0685	105	Streets	5423020	Roadway	\$4,584
0685	105	Streets	5423020	Roadway	\$16,332
0685	105	Streets	5423020	Roadway	\$397
0685	105	Streets	5423020	Roadway	\$1,072
0685	105	Streets	5423020	Roadway	\$3,826
0685	105	Streets	5423020	Roadway	\$2,849
0685	105	Streets	5423020	Roadway	\$7,044
0685	105	Streets	5423020	Roadway	\$27,875
0685	105	Streets	5423020	Roadway	\$668
0685	105	Streets	5423020	Roadway	\$1,310
0685	105	Streets	5423020	Roadway	\$6,465
0685	105	Streets	5423020	Roadway	\$6,267
0685	105	Streets	5423020	Roadway	\$45
0685	105	Streets	5423020	Roadway	\$12,755
0685	105	Streets	5423020	Roadway	\$125
0685	105	Streets	5423020	Roadway	\$57,090
0685	105	Streets	5423020	Roadway	\$436
0685	105	Streets	5423020	Roadway	\$503
0685	105	Streets	5423020	Roadway	\$1,870
0685	105	Streets	5423020	Roadway	\$4,975
0685	105	Streets	5423020	Roadway	\$13
0685	105	Streets	5423020	Roadway	\$727
0685	105	Streets	5423020	Roadway	\$273
0685	105	Streets	5423020	Roadway	\$273
0685	105	Streets	5423020	Roadway	\$492
0685	105	Streets	5423020	Roadway	\$42
0685	105	Streets	5423020	Roadway	\$2,625
0685	105	Streets	5423020	Roadway	\$3,769
0685	105	Streets	5423030	Roadway	\$2,507
0685	105	Streets	5423030	Roadway	\$57,265
0685	105	Streets	5423040	Roadway	\$21,892
0685	105	Streets	5423040	Roadway	\$15,115
0685	105	Streets	5423040	Roadway	\$18,654
0685	105	Streets	5426130	Sidewalks	\$249
0685	105	Streets	5426140	Sidewalks	\$29,461
0685	105	Streets	5426330	Street Lighting	\$152
0685	105	Streets	5426430	Traffic Control Devices	\$9,068
0685	105	Streets	5426440	Traffic Control Devices	\$2,264
0685	105	Streets	5426630	Snow and Ice Control	\$25,441

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	105	Streets	5427030	Roadside	\$105
0685	105	Streets	5429040	Maintenance Administration and Overhead	\$376
0685	105	Streets	5435040	Facilities	\$24,472
0685	105	Streets	5435040	Facilities	\$332,327
0685	105	Streets	5435040	Facilities	\$43,899
0685	109	Tourism	5083100	Restricted Cash and Investments - Ending	\$160,772
0685	109	Tourism	5573040	Tourism	\$118,510
0685	114	Narcotic/Drug Buy Fund	5083100	Restricted Cash and Investments - Ending	\$20,396
0685	117	REET	5083100	Restricted Cash and Investments - Ending	\$2,938,924
0685	203	Governmental Debt Fund	5085100	Assigned Cash and Investments - Ending	\$3,526
0685	307	Capital Improvements CIP	5085100	Assigned Cash and Investments - Ending	\$21,446
0685	317	Parks CIP Fund	5083100	Restricted Cash and Investments - Ending	\$38,793
0685	317	Parks CIP Fund	5085100	Assigned Cash and Investments - Ending	\$720,494
0685	318	Streets CIP Fund	5085100	Assigned Cash and Investments - Ending	\$1,732,363
0685	330	Building Capital	5085100	Assigned Cash and Investments - Ending	\$2,732,461
0685	330	Building Capital	5586040	Planning	\$611,779
0685	411	Water Maintenance & Operations	5083100	Restricted Cash and Investments - Ending	\$479,594
0685	411	Water Maintenance & Operations	5085100	Assigned Cash and Investments - Ending	\$7,653,722
0685	411	Water Maintenance & Operations	5251010	Administration	\$3,043
0685	411	Water Maintenance & Operations	5251020	Administration	\$172
0685	411	Water Maintenance & Operations	5251020	Administration	\$44
0685	411	Water Maintenance & Operations	5251020	Administration	\$315
0685	411	Water Maintenance & Operations	5251020	Administration	\$49
0685	411	Water Maintenance & Operations	5251020	Administration	\$380
0685	411	Water Maintenance & Operations	5251020	Administration	\$4
0685	411	Water Maintenance & Operations	5251020	Administration	\$91
0685	411	Water Maintenance & Operations	5251020	Administration	\$25
0685	411	Water Maintenance & Operations	5251040	Administration	\$1,782
0685	411	Water Maintenance & Operations	5255040	Facilities	\$38
0685	411	Water Maintenance & Operations	5255040	Facilities	\$3,882

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	411	Water Maintenance & Operations	5255040	Facilities	\$68
0685	411	Water Maintenance & Operations	5256030	Disaster Preparedness	\$3,069
0685	411	Water Maintenance & Operations	5256040	Disaster Preparedness	\$5,648
0685	411	Water Maintenance & Operations	5341010	Water Utilities	\$255,207
0685	411	Water Maintenance & Operations	5341010	Water Utilities	\$2,582
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$15,613
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$3,652
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$25,862
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$4,302
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$430
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$49,068
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$6,139
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$44
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$2,515
0685	411	Water Maintenance & Operations	5341020	Water Utilities	\$2,322
0685	411	Water Maintenance & Operations	5341030	Water Utilities	\$250
0685	411	Water Maintenance & Operations	5341040	Water Utilities	\$330,639
0685	411	Water Maintenance & Operations	5341040	Water Utilities	\$26,105
0685	411	Water Maintenance & Operations	5341040	Water Utilities	\$63,398
0685	411	Water Maintenance & Operations	5341040	Water Utilities	\$14,552
0685	411	Water Maintenance & Operations	5345030	Water Utilities	\$44,888
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$4,214
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$64,236
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$824,591
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$31,233
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$288
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$430
0685	411	Water Maintenance & Operations	5348010	Water Utilities	\$24,651

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$274
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$3,529
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$51,115
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$1,855
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$64
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$825
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$11,986
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$434
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$4,571
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$466
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$87,315
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$3,218
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$1,149
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$17
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$18,855
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$2,017
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$8,525
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$93
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$1,158
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$7
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$181,374
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$1,413
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$1,061
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$40
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$15,797
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$42
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$87
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$454

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$449
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$120
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$8,198
0685	411	Water Maintenance & Operations	5348020	Water Utilities	\$13,251
0685	411	Water Maintenance & Operations	5348030	Water Utilities	\$1,424
0685	411	Water Maintenance & Operations	5348030	Water Utilities	\$475
0685	411	Water Maintenance & Operations	5348030	Water Utilities	\$197,976
0685	411	Water Maintenance & Operations	5348030	Water Utilities	\$1,514,719
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$4,293
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$759,285
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$3,462
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$108,275
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$67,919
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$237,548
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$86,136
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$259,658
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$41,464
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$10,346
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$861
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$860
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$132,266
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$428
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$333
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$75,006
0685	411	Water Maintenance & Operations	5348040	Water Utilities	\$3,977
0685	421	Sewer Maintenance & Operations	5083100	Restricted Cash and Investments - Ending	\$1,464,843
0685	421	Sewer Maintenance & Operations	5085100	Assigned Cash and Investments - Ending	\$13,863,140
0685	421	Sewer Maintenance & Operations	5251010	Administration	\$3,043

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$172
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$44
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$315
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$49
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$380
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$4
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$91
0685	421	Sewer Maintenance & Operations	5251020	Administration	\$24
0685	421	Sewer Maintenance & Operations	5251040	Administration	\$77
0685	421	Sewer Maintenance & Operations	5255040	Facilities	\$68
0685	421	Sewer Maintenance & Operations	5255040	Facilities	\$38
0685	421	Sewer Maintenance & Operations	5255040	Facilities	\$3,882
0685	421	Sewer Maintenance & Operations	5256030	Disaster Preparedness	\$3,069
0685	421	Sewer Maintenance & Operations	5256040	Disaster Preparedness	\$7,353
0685	421	Sewer Maintenance & Operations	5351010	Sewer/Reclaimed Water Utilities	\$146,673
0685	421	Sewer Maintenance & Operations	5351010	Sewer/Reclaimed Water Utilities	\$1,549
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$8,990
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$2,102
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$15,074
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$2,369
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$28,603
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$245
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$3,573
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$19
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$1,444
0685	421	Sewer Maintenance & Operations	5351020	Sewer/Reclaimed Water Utilities	\$1,347
0685	421	Sewer Maintenance & Operations	5351040	Sewer/Reclaimed Water Utilities	\$333,967
0685	421	Sewer Maintenance & Operations	5351040	Sewer/Reclaimed Water Utilities	\$1,386

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$15,122
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$53,327
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$267,958
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$540,565
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$288
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$430
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$6,511
0685	421	Sewer Maintenance & Operations	5358010	Sewer/Reclaimed Water Utilities	\$48,403
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$950
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$2,852
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$16,549
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$35,486
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$222
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$667
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$3,880
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$8,299
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$466
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$4,572
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$28,260
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$60,336
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$197
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$969
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$5,207
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$15,885
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$1,158
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$25
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$8,525
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$75

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$61,212
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$441
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$990
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$126,054
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$40
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$1,061
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$5,158
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$11,001
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$42
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$87
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$454
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$449
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$32
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$2,653
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$4,226
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$70
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$5,501
0685	421	Sewer Maintenance & Operations	5358020	Sewer/Reclaimed Water Utilities	\$10,406
0685	421	Sewer Maintenance & Operations	5358030	Sewer/Reclaimed Water Utilities	\$1,514
0685	421	Sewer Maintenance & Operations	5358030	Sewer/Reclaimed Water Utilities	\$133
0685	421	Sewer Maintenance & Operations	5358030	Sewer/Reclaimed Water Utilities	\$55,940
0685	421	Sewer Maintenance & Operations	5358030	Sewer/Reclaimed Water Utilities	\$316,344
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$5,403
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$15,428
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$881,928
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$75,774
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$292,432
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$100,227

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$316,242
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$297,332
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$272,731
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$72,018
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$8,258
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$14,814
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$54,852
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$9,567
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$12,385
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$9,293
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$240
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$369,908
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$11
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$2,268
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$334
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$75,007
0685	421	Sewer Maintenance & Operations	5358040	Sewer/Reclaimed Water Utilities	\$14,230
0685	431	Stormwater Maint & Operations	5083100	Restricted Cash and Investments - Ending	\$160,106
0685	431	Stormwater Maint & Operations	5085100	Assigned Cash and Investments - Ending	\$1,419,640
0685	431	Stormwater Maint & Operations	5251010	Administration	\$3,044
0685	431	Stormwater Maint & Operations	5251020	Administration	\$172
0685	431	Stormwater Maint & Operations	5251020	Administration	\$44
0685	431	Stormwater Maint & Operations	5251020	Administration	\$315
0685	431	Stormwater Maint & Operations	5251020	Administration	\$49
0685	431	Stormwater Maint & Operations	5251020	Administration	\$380
0685	431	Stormwater Maint & Operations	5251020	Administration	\$4
0685	431	Stormwater Maint & Operations	5251020	Administration	\$91
0685	431	Stormwater Maint & Operations	5251020	Administration	\$25

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	431	Stormwater Maint & Operations	5251040	Administration	\$77
0685	431	Stormwater Maint & Operations	5255040	Facilities	\$68
0685	431	Stormwater Maint & Operations	5255040	Facilities	\$38
0685	431	Stormwater Maint & Operations	5255040	Facilities	\$3,882
0685	431	Stormwater Maint & Operations	5256030	Disaster Preparedness	\$3,140
0685	431	Stormwater Maint & Operations	5256040	Disaster Preparedness	\$7,353
0685	431	Stormwater Maint & Operations	5313140	Storm Drainage Utilities	\$43,210
0685	431	Stormwater Maint & Operations	5313540	Storm Drainage Utilities	\$108,919
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$4,214
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$56,997
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$718,613
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$178,775
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$288
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$430
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$21,156
0685	431	Stormwater Maint & Operations	5313810	Storm Drainage Utilities	\$1,463
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$274
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$3,075
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$44,460
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$10,944
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$64
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$719
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$10,425
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$2,559
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$466
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$4,051
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$75,943
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$17,132

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$17
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$988
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$16,225
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$2,947
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$1,158
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$7
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$7,547
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$81
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$158,213
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$1,186
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$32,862
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$299
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$40
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$909
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$13,750
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$4,048
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$42
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$86
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$391
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$449
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$7,130
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$10,569
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$103
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$25
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$1,646
0685	431	Stormwater Maint & Operations	5313820	Storm Drainage Utilities	\$1,612
0685	431	Stormwater Maint & Operations	5313830	Storm Drainage Utilities	\$1,392
0685	431	Stormwater Maint & Operations	5313830	Storm Drainage Utilities	\$30,419

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$7,376
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$73,923
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$61,877
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$183,506
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$75,297
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$112,163
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$9,517
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$17,072
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$30,123
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$16,280
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$333
0685	431	Stormwater Maint & Operations	5313840	Storm Drainage Utilities	\$75,899
0685	510	Information & Tech Services	5085100	Assigned Cash and Investments - Ending	\$346,685
0685	510	Information & Tech Services	5188810	Information Technology Services	\$247,198
0685	510	Information & Tech Services	5188810	Information Technology Services	\$2,711
0685	510	Information & Tech Services	5188820	Information Technology Services	\$15,030
0685	510	Information & Tech Services	5188820	Information Technology Services	\$3,569
0685	510	Information & Tech Services	5188820	Information Technology Services	\$25,735
0685	510	Information & Tech Services	5188820	Information Technology Services	\$719
0685	510	Information & Tech Services	5188820	Information Technology Services	\$41,263
0685	510	Information & Tech Services	5188820	Information Technology Services	\$395
0685	510	Information & Tech Services	5188820	Information Technology Services	\$7,416
0685	510	Information & Tech Services	5188820	Information Technology Services	\$94
0685	510	Information & Tech Services	5188820	Information Technology Services	\$2,772
0685	510	Information & Tech Services	5188830	Information Technology Services	\$71,658
0685	510	Information & Tech Services	5188830	Information Technology Services	\$996
0685	510	Information & Tech Services	5188830	Information Technology Services	\$2,266
0685	510	Information & Tech Services	5188840	Information Technology Services	\$240,438

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	510	Information & Tech Services	5188840	Information Technology Services	\$9,854
0685	510	Information & Tech Services	5188840	Information Technology Services	\$235,152
0685	510	Information & Tech Services	5188840	Information Technology Services	\$92,346
0685	510	Information & Tech Services	5188840	Information Technology Services	\$58,912
0685	510	Information & Tech Services	5188840	Information Technology Services	\$48,819
0685	510	Information & Tech Services	5188840	Information Technology Services	\$10,839
0685	510	Information & Tech Services	5188840	Information Technology Services	\$32,118
0685	510	Information & Tech Services	5188840	Information Technology Services	\$1,742
0685	510	Information & Tech Services	5188840	Information Technology Services	\$2,656
0685	510	Information & Tech Services	5188840	Information Technology Services	\$75
0685	520	Equipment & Fleet Management	5085100	Assigned Cash and Investments - Ending	\$6,496,523
0685	520	Equipment & Fleet Management	5486010	Equipment Rental Services	\$222,716
0685	520	Equipment & Fleet Management	5486010	Equipment Rental Services	\$7,232
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$13,812
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$3,240
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$23,599
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$5,444
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$48,013
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$368
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$4,254
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$35
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$2,216
0685	520	Equipment & Fleet Management	5486020	Equipment Rental Services	\$3,140
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$7,556
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$10,817
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$93,382
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$66,632
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$28,674

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$12,105
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$26,235
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$27,422
0685	520	Equipment & Fleet Management	5486030	Equipment Rental Services	\$29,471
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$77,445
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$153,473
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$23,034
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$683
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$819
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$5,143
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$58,979
0685	520	Equipment & Fleet Management	5486040	Equipment Rental Services	\$13,324
0685	530	Facilities Management	5085100	Assigned Cash and Investments - Ending	\$198,897
0685	530	Facilities Management	5182010	Property Management Services	\$307,562
0685	530	Facilities Management	5182010	Property Management Services	\$10,124
0685	530	Facilities Management	5182020	Property Management Services	\$19,096
0685	530	Facilities Management	5182020	Property Management Services	\$4,474
0685	530	Facilities Management	5182020	Property Management Services	\$32,599
0685	530	Facilities Management	5182020	Property Management Services	\$7,553
0685	530	Facilities Management	5182020	Property Management Services	\$66,684
0685	530	Facilities Management	5182020	Property Management Services	\$510
0685	530	Facilities Management	5182020	Property Management Services	\$5,829
0685	530	Facilities Management	5182020	Property Management Services	\$4,396
0685	530	Facilities Management	5182020	Property Management Services	\$49
0685	530	Facilities Management	5182020	Property Management Services	\$3,068
0685	530	Facilities Management	5182030	Property Management Services	\$96,859
0685	530	Facilities Management	5182040	Property Management Services	\$63,973
0685	530	Facilities Management	5182040	Property Management Services	\$10,819

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	530	Facilities Management	5182040	Property Management Services	\$21,679
0685	530	Facilities Management	5182040	Property Management Services	\$63,078
0685	530	Facilities Management	5182040	Property Management Services	\$94,960
0685	530	Facilities Management	5182040	Property Management Services	\$47,032
0685	530	Facilities Management	5182040	Property Management Services	\$213,192
0685	530	Facilities Management	5182040	Property Management Services	\$295,018
0685	530	Facilities Management	5182040	Property Management Services	\$74,607
0685	530	Facilities Management	5182040	Property Management Services	\$8,488
0685	530	Facilities Management	5183030	Maintenance/Security/Insurance/Janitorial Services	\$608
0685	530	Facilities Management	5183040	Maintenance/Security/Insurance/Janitorial Services	\$46,890
0685	631	Custodial Fund	5083100	Restricted Cash and Investments - Ending	\$43,328
0685	643	Transportation Benefit Dist	5083100	Restricted Cash and Investments - Ending	\$1,951,192
0685	001	General Fund	3821000	Refundable Deposits	\$8,400
0685	001	General Fund	3821000	Refundable Deposits	\$3,000
0685	001	General Fund	3822000	Retainage Deposits	\$38,180
0685	001	General Fund	3970000	Transfers-In	\$50,000
0685	001	General Fund	3970000	Transfers-In	\$6,014
0685	001	General Fund	3981000	Insurance Recoveries (Cash Basis)	\$3,330
0685	105	Streets	3981000	Insurance Recoveries (Cash Basis)	\$4,627
0685	117	REET	3970000	Transfers-In	\$1,000,000
0685	203	Governmental Debt Fund	3970000	Transfers-In	\$137,241
0685	317	Parks CIP Fund	3970000	Transfers-In	\$1,708
0685	317	Parks CIP Fund	3970000	Transfers-In	\$40,000
0685	318	Streets CIP Fund	3970000	Transfers-In	\$502,649
0685	330	Building Capital	3970000	Transfers-In	\$1,835,659
0685	330	Building Capital	3970000	Transfers-In	\$98,651
0685	411	Water Maintenance & Operations	3821000	Refundable Deposits	\$19,916
0685	411	Water Maintenance & Operations	3823000	Non-Fiduciary Collections for Others	\$27,246
0685	421	Sewer Maintenance & Operations	3823000	Non-Fiduciary Collections for Others	\$3,820
0685	431	Stormwater Maint & Operations	3918000	Intergovernmental Loans	\$34,205
0685	510	Information & Tech Services	3970000	Transfers-In	\$394,800
0685	520	Equipment & Fleet Management	3981000	Insurance Recoveries (Cash Basis)	\$4,058

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	530	Facilities Management	3970000	Transfers-In	\$300,000
0685	631	Custodial Fund	3861200	Court Remittances	\$991
0685	631	Custodial Fund	3868300	Court Remittances	\$10,723
0685	631	Custodial Fund	3868800	Court Remittances	\$378
0685	631	Custodial Fund	3868900	Court Remittances	\$1,961
0685	631	Custodial Fund	3869100	Court Remittances	\$28,545
0685	631	Custodial Fund	3869200	Court Remittances	\$16,496
0685	631	Custodial Fund	3869700	Court Remittances	\$11,390
0685	631	Custodial Fund	3893000	Custodial Type Collections	\$5,744
0685	631	Custodial Fund	3893000	Custodial Type Collections	\$4,052
0685	631	Custodial Fund	3893000	Custodial Type Collections	\$625
0685	631	Custodial Fund	3893000	Custodial Type Collections	\$3,215
0685	631	Custodial Fund	3893000	Custodial Type Collections	\$813
0685	643	Transportation Benefit Dist	3894000	Custodial Type Deposits	\$1,562,996
0685	643	Transportation Benefit Dist	3896000	Custodial Type Interest Earnings	\$25,087
0685	001	General Fund	5821000	Refund of Deposits	\$44,804
0685	001	General Fund	5821000	Refund of Deposits	\$5,000
0685	001	General Fund	5822000	Refund of Retainage Deposits	\$22,031
0685	001	General Fund	5912170	Debt Repayment - Law Enforcement Services	\$22,226
0685	001	General Fund	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$174,949
0685	001	General Fund	5970000	Transfers-Out	\$400,000
0685	001	General Fund	5970000	Transfers-Out	\$300,000
0685	001	General Fund	5970000	Transfers-Out	\$394,800
0685	105	Streets	5970000	Transfers-Out	\$1,708
0685	114	Narcotic/Drug Buy Fund	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$35,613
0685	117	REET	5970000	Transfers-Out	\$137,241
0685	117	REET	5970000	Transfers-Out	\$1,435,659
0685	117	REET	5970000	Transfers-Out	\$502,649
0685	117	REET	5970000	Transfers-Out	\$40,000
0685	203	Governmental Debt Fund	5911870	Debt Repayment - Centralized/General Services	\$78,200
0685	203	Governmental Debt Fund	5921880	Interest and Other Debt Service Cost - Centralized/General Services	\$59,041

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	307	Capital Improvements CIP	5947560	Capital Expenditures/Expenses - Cultural and Recreational Facilities	\$49,193
0685	317	Parks CIP Fund	5947610	Capital Expenditures/Expenses - Park Facilities	\$157,193
0685	317	Parks CIP Fund	5947610	Capital Expenditures/Expenses - Park Facilities	\$934
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$9,114
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$2,244
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$16,149
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$2,559
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$26,793
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$241
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$3,883
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$1,400
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$993
0685	317	Parks CIP Fund	5947620	Capital Expenditures/Expenses - Park Facilities	\$6
0685	317	Parks CIP Fund	5947640	Capital Expenditures/Expenses - Park Facilities	\$71,727
0685	317	Parks CIP Fund	5947640	Capital Expenditures/Expenses - Park Facilities	\$7,704
0685	317	Parks CIP Fund	5947640	Capital Expenditures/Expenses - Park Facilities	\$13,820
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$196,147
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$116
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$4,898
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$12,641

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$14,362
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$20,513
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$25,747
0685	317	Parks CIP Fund	5947660	Capital Expenditures/Expenses - Park Facilities	\$16,610
0685	317	Parks CIP Fund	5970000	Transfers-Out	\$1,000,000
0685	318	Streets CIP Fund	5951010	Capital Expenditures/Expenses - Engineering	\$157,793
0685	318	Streets CIP Fund	5951010	Capital Expenditures/Expenses - Engineering	\$1,291
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$9,663
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$2,260
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$16,091
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$2,653
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$30,205
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$264
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$3,928
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$25
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$1,563
0685	318	Streets CIP Fund	5951020	Capital Expenditures/Expenses - Engineering	\$1,265
0685	318	Streets CIP Fund	5951040	Capital Expenditures/Expenses - Engineering	\$4,419
0685	318	Streets CIP Fund	5951040	Capital Expenditures/Expenses - Engineering	\$8,510
0685	318	Streets CIP Fund	5951040	Capital Expenditures/Expenses - Engineering	\$15,265
0685	318	Streets CIP Fund	5951040	Capital Expenditures/Expenses - Engineering	\$39

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	318	Streets CIP Fund	5953060	Capital Expenditures/Expenses - Roadway	\$1,535,432
0685	318	Streets CIP Fund	5956160	Capital Expenditures/Expenses - Sidewalks	\$393,500
0685	318	Streets CIP Fund	5956460	Capital Expenditures/Expenses - Traffic Control Devices	\$94,004
0685	318	Streets CIP Fund	5956960	Capital Expenditures/Expenses - Other Traffic and Pedestrian Services	\$1,376,307
0685	318	Streets CIP Fund	5957060	Capital Expenditures/Expenses - Roadside Development	\$362,649
0685	319	North Kelsey Development	5970000	Transfers-Out	\$50,000
0685	319	North Kelsey Development	5970000	Transfers-Out	\$98,651
0685	330	Building Capital	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$218,076
0685	411	Water Maintenance & Operations	5823000	Non-Fiduciary Remittance for Others	\$758
0685	411	Water Maintenance & Operations	5913470	Debt Repayment - Water Utilities	\$301,550
0685	411	Water Maintenance & Operations	5913470	Debt Repayment - Water Utilities	\$50,600
0685	411	Water Maintenance & Operations	5913470	Debt Repayment - Water Utilities	\$135,144
0685	411	Water Maintenance & Operations	5923480	Interest and Other Debt Service Cost - Water Utilities	\$109,224
0685	411	Water Maintenance & Operations	5923480	Interest and Other Debt Service Cost - Water Utilities	\$38,203
0685	411	Water Maintenance & Operations	5923480	Interest and Other Debt Service Cost - Water Utilities	\$2,703
0685	411	Water Maintenance & Operations	5943460	Capital Expenditures/Expenses - Water Utilities	\$734,787
0685	421	Sewer Maintenance & Operations	5823000	Non-Fiduciary Remittance for Others	\$22,177
0685	421	Sewer Maintenance & Operations	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$46,000
0685	421	Sewer Maintenance & Operations	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$367,183
0685	421	Sewer Maintenance & Operations	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$615,500
0685	421	Sewer Maintenance & Operations	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$77,869

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	421	Sewer Maintenance & Operations	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$34,730
0685	421	Sewer Maintenance & Operations	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$4,136
0685	421	Sewer Maintenance & Operations	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$880
0685	421	Sewer Maintenance & Operations	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$253,971
0685	421	Sewer Maintenance & Operations	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$6,804
0685	421	Sewer Maintenance & Operations	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$3,683,788
0685	431	Stormwater Maint & Operations	5913170	Debt Repayment - Storm Drainage Utilities	\$87,950
0685	431	Stormwater Maint & Operations	5913170	Debt Repayment - Storm Drainage Utilities	\$55,200
0685	431	Stormwater Maint & Operations	5923180	Interest and Other Debt Service Cost - Storm Drainage Utilities	\$32,249
0685	431	Stormwater Maint & Operations	5923180	Interest and Other Debt Service Cost - Storm Drainage Utilities	\$41,676
0685	431	Stormwater Maint & Operations	5943160	Capital Expenditures/Expenses - Storm Drainage Utilities	\$219,380
0685	510	Information & Tech Services	5911870	Debt Repayment - Centralized/General Services	\$25,488
0685	520	Equipment & Fleet Management	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$91,238
0685	520	Equipment & Fleet Management	5944860	Capital Expenditures/Expenses - Public Works Centralized Services	\$196,067
0685	520	Equipment & Fleet Management	5970000	Transfers-Out	\$6,014
0685	530	Facilities Management	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$7,920
0685	631	Custodial Fund	5860000	Court Remittances	\$65,486
0685	631	Custodial Fund	5893000	Custodial Type Remittances	\$1,806
0685	631	Custodial Fund	5893000	Custodial Type Remittances	\$8,090
0685	631	Custodial Fund	5893000	Custodial Type Remittances	\$273

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0685	631	Custodial Fund	5893000	Custodial Type Remittances	\$5,239
0685	631	Custodial Fund	5893000	Custodial Type Remittances	\$813
0685	643	Transportation Benefit Dist	5894000	Custodial Type Disbursements	\$1,815,152
0685	643	Transportation Benefit Dist	5894000	Custodial Type Disbursements	\$2,500

City of Monroe
SCHEDULE SUMMARY OF BANK RECONCILIATION
 For the Fiscal Year ended December 31, 2022

Bank & Investment Account name (1)	FROM BANK STATEMENTS					
	Beginning Bank Balance (2)	Deposits		Withdrawals		Ending Bank Balance (7)
		Receipts (3)	Inter-bank transfers In (4)	Disbursements (5)	Inter-bank transfers out (6)	
Key Bank-General Acct	\$ 15,830,894	\$ 47,768,929		\$ 43,832,934	\$ 14,000,000	\$ 5,766,889
Key Bank-Police Dept	\$ 52,038	\$ 33		\$ 35,613		\$ 16,459
Key Bank-Seizure Acct	\$ 2,478	\$ 2				\$ 2,480
Key Bank-Police Drug Acct	\$ 800					\$ 800
Key Bank-Felony Property	\$ 657					\$ 657
Local Govt Invest Pool	\$ 8,156,562	\$ 267,492	\$ 14,000,000			\$ 22,424,054
US Bank-Muni Invest Acct	\$ 5,506,354	\$ 220,223	\$ 7,545,971		\$ 12,838,148	\$ 434,401
US Bank-Safekeeping	\$ 23,486,643		\$ 12,838,148		\$ 7,545,971	\$ 28,778,820
Bank Totals	\$ 53,036,426	\$ 48,256,679	\$ 34,384,118	\$ 43,868,546	\$ 34,384,118	\$ 57,424,559

RECONCILING ITEMS						
Beginning Deposits in Transit (8)	\$ 363,787	\$ (363,787)				
Year-end Deposits in Transit (9)		\$ 474,559				\$ 474,559
Beginning Outstanding & Open Period Items (10)	\$ (2,790,743)			\$ (2,790,743)		
Year-end Outstanding & Open Period Items (11)				\$ 2,836,683		\$ (2,836,683)
NSF Checks (12)		\$ (254,160)		\$ (254,160)		
Cancellation of unredeemed checks/warrants (13)						
Interfund transactions (14)		\$ 12,433,119		\$ 12,433,119		
Netted Transactions (15)		\$ (1,852,200)		\$ (1,852,200)		
Authorized balance of revolving, petty cash and change funds (16)	\$ 2,100					\$ 2,100
Other Reconciling Items, net (17)		\$ 16,085		\$ 16,085		\$ -
Reconciling Items Totals	\$ (2,424,856)	\$ 10,453,616		\$ 10,388,784		\$ (2,360,024)

FROM GENERAL LEDGER					
	Beginning Cash & Investment Balance (19)	Revenues & Other Increases (20)		Expenditures & Other Decreases (21)	Ending Cash & Investment Balance (22)
C4/C5 or Trial Balance Totals (18)	\$ 50,611,562	\$ 58,710,296		\$ 54,257,432	\$ 55,064,426
Unreconciled Variance (23)	\$ 8	\$ (0)		\$ (102)	\$ 109

**City of Monroe
Schedule of Liabilities
For the Year Ended December 31, 2022**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
251.11	2016 Revenue Bonds - PW Shop	12/1/2036	1,536,800	-	78,200	1,458,600
263.56	Postage machining lease	2/28/2025	4,762	-	1,465	3,297
263.56	Managed laptop program	4/30/2023	30,963	-	22,226	8,737
263.56	Police Department file room copier lease	5/24/2025	-	4,334	843	3,491
263.56	Police Department copier lease	3/20/2023	8,346	-	6,677	1,669
263.56	City Hall central copier lease	4/25/2023	12,007	-	9,005	3,002
263.56	Parks copier lease	1/25/2024	6,012	-	2,886	3,126
263.56	City Hall copier lease	4/24/2025	-	4,871	1,083	3,788
Total General Obligation Debt/Liabilities:			1,598,890	9,205	122,385	1,485,710
Revenue and Other (non G.O.) Debt/Liabilities						
263.88	Public Works Trust Fund Loan	6/1/2022	135,148	-	135,144	4
263.82	Department of Ecology Loan	9/5/2022	367,184	-	367,183	1
263.82	Department of Ecology Loan	7/30/2022	77,753	-	77,869	(116)
263.84	Department of Ecology CWSRF Loan	10/31/2043	127,798	34,205	-	162,003
252.11	2011 W/S/Storm Revenue Bonds	12/1/2023	1,510,000	-	755,000	755,000
252.11	2016 Revenue Bonds - PW Shop	12/1/2036	2,983,200	-	151,800	2,831,400
252.11	2017 Revenue Bonds - Partial refunding 2009 & 2011 Bonds	12/1/2031	8,415,000	-	250,000	8,165,000
263.57	Wastewater treatment copier lease	3/25/2023	2,139	-	1,711	428
263.57	Public Works shop copier lease	4/25/2025	-	3,315	737	2,578
263.57	Public Works engineering copier lease	4/24/2025	-	4,871	1,083	3,788
259.12	Compensated Absences		2,257,536	85,058	-	2,342,594
264.30	Net Pension Liabilities		617,236	831,387	-	1,448,623
264.40	OPEB Liabilities		2,507,628	-	297,144	2,210,484
Total Revenue and Other (non G.O.) Debt/Liabilities:			19,000,622	958,836	2,037,671	17,921,787
Total Liabilities:			20,599,512	968,041	2,160,056	19,407,497

City of Monroe
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2022

State Agency Name	Program Title	Identification Number	Total
State Grant from Criminal Justice Training Commission	Officer Wellness&Behavioral Health Support&Suicide Preventon Grant	WASPC	35,697
State Grant from Criminal Justice Training Commission	GTWO: Training Funding UOF-Duty to Intervene	WASPC	19,745
		Sub-Total:	55,442
State Grant from Other Judicial Agencies	OPD Public Defense Improvement Grant	GRT20021	12,000
State Grant from Other Judicial Agencies	Administrative Office of the Courts	GRT22441	158,779
		Sub-Total:	170,779
State Grant from Department of Corrections	DOC Reimbursable LE Services	LE Services	4,136
		Sub-Total:	4,136
State Grant from Department of Ecology	DOE Water Quality Combined Financial Assistance	WQC-2018-MonrDC-00031	1,223,069
State Grant from Department of Ecology	DOE Water Quality Combined Financial Assistance	WQC-2020-MonrDC-00056	107,666
State Grant from Department of Ecology	DOE Biennial Stormwater Capacity	WQSWCAP-2123-MonrPW-00220	1,165
		Sub-Total:	1,331,900
State Grant from Department of Commerce	Dept of Comm - The 2020 Local and Community Projects Program	20-96627-159	49,193
		Sub-Total:	49,193
State Grant from Other State Agencies	The Alternative Response Team Grant	ART22-05	10,546
		Sub-Total:	10,546

Total State Grants Expended:

1,621,996

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via City of Everett)	Violence Against Women Formula Grants	16.588	N/A	5,938	-	5,938	-	1, 2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Bureau of Justice Assistance)	Bulletproof Vest Partnership Program	16.607	N/A	3,250	-	3,250	-	1, 2,3
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Office of Attorney General)	National Sexual Assault Kit Initiative	16.833	SAKI 2017-AK- BX-0016	3,360	-	3,360	-	1, 2,3
Highway Planning and Construction Cluster								
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-2629(001)	479,971	-	479,971	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-0002(864)	565,169	-	565,169	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	STPUL-2673 (001)	31,585	-	31,585	-	1, 2,3

The accompanying notes are an integral part of this schedule.

City of Monroe
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	CM-2673(002)	66,464	-	66,464	-	1, 2,3
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Dept of Transportation)	Highway Planning and Construction	20.205	RAIL-2632(001)	89,763	-	89,763	-	1, 2,3
Total Highway Planning and Construction Cluster:				1,232,952	-	1,232,952	-	
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Assoc of Sheriffs & Police Chiefs)	State and Community Highway Safety	20.600	N/A	2,936	-	2,936	-	1, 3
Total Highway Safety Cluster:				2,936	-	2,936	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE (via Department of Commerce)	COVID 19 - Coronavirus Relief Fund	21.019	N/A	5,525,823	-	5,525,823	-	123
Total Federal Awards Expended:				6,774,259	-	6,774,259	-	

The accompanying notes are an integral part of this schedule.

City of Monroe

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2022

Note 1 – Basis of Accounting

This schedule is prepared on the same basis of accounting as the city of Monroe's financial statements. The city of Monroe uses the cash basis accounting method.

Note 2 – Indirect Cost Rate

The city of Monroe has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The amount expended includes \$0.00 claimed as an indirect cost recovery using an approved indirect cost rate of 0.00 percent.

Note 3 – Program Costs

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program costs, including the city of Monroe's portion, are more than shown. Such expenditures are recognized following 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.

**Local Government Risk Assumption
For the Year Ended December 31, 2022**

1. Self-Insurance Program Manager: Ben Warthan, HR Director
2. Manager Phone: _360-794-7400
3. Manager Email: bwarthan@monroewa.gov

4. How do you insure property and liability risks, if at all? **B**
 - a. Self-insure some or all risks
 - b. Belong to a public entity risk pool
 - c. Purchase private insurance
 - d. No insurance

5. How do you provide health and welfare insurance (e.g., medical, dental, prescription drug, and/or vision benefits) to employees, if at all? **C**
 - a. Self-insure some or all benefits
 - b. Belong to a public entity risk pool
 - c. All benefits provided by health insurance company or HMO
 - d. Not applicable - no such benefits offered

6. How do you insure unemployment compensation benefits, if any? **A**
 - a. Self-insured (“Reimbursable”)
 - b. Belong to a public entity risk pool
 - c. Pay taxes to the Department of Employment Security (“Taxable”)
 - d. Not applicable – no employees

7. How do you insure workers compensation benefits, if any? **C**
 - a. Self-insured (“Reimbursable”)
 - b. Belong to a public entity risk pool
 - c. Pay premiums to the Department of Labor and Industries
 - d. Not applicable – no employees

8. How do you participate in the Washington Paid Family & Medical Leave Program? **B**
 - a. Self-insured (“Voluntary Plan”) for one or both program benefits
 - b. Pay premiums to the State’s program for both benefits

If the answer to any of the above questions is (a), then answer the rest of the form in relation to the government’s self-insured risks.

9. Does the local government self-insure any risks as an individual program? (yes/no) - **NO**
- i. If answered YES, does the local government allow another separate legal entity into its self-insurance program(s)? (yes/no) For example, employees of a different organization participate in a health and welfare program of a city.
- If so, list the other entity or entities: _____
10. Does the local government self-insure any risks as a joint program? (yes/no) - **NO**
- i. If answered YES, list the other member(s): _____
11. Are any claims administered by contract with a third-party administrator? (yes/no) - **NO**
12. Did the local government (or its third party administrator, if applicable) receive a claims audit within the last three years? (yes/no) - **NO**
13. Were the program's revenues sufficient to cover the program's expenses? (yes/no) - **YES**
14. Did the program use an actuary to determine its liabilities? (yes/no) - **NO**
15. For each type of self-insured risk, describe the risk, the number of claims received during the period, the number of claims paid during the period and the amount of claims paid in the following table:

Description of Risk Type	Number of claims received during the period	Number of claims paid during the period	Total amount of claims paid during the period
Unemployment insurance	1	1	\$8,361