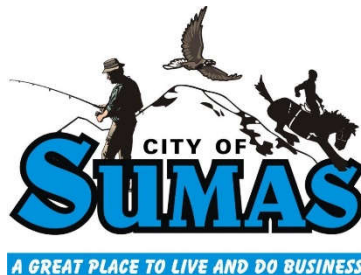


# CITY OF SUMAS WASHINGTON

## 2019 Annual Financial Report

Prepared by:

Jennifer Bell, Finance Director



### Legislative Body

Kyle Christensen	Mayor
Bruce Bosch	Council Position #1
Rich Postma	Council Position #2
Deborah Morgan	Council Position #3
Josh Clawson	Council Position #4
Jesse Clawson	Council Position #5

### Administration

Daniel DeBruin	Chief of Police
Michelle Quinn	City Clerk
Jennifer Bell	Finance Director
Sunny Aulakh	Public Works Director
Jim Wright	City Attorney, Contracted
Rollin Harper	City Planner, Contracted

# ANNUAL REPORT CERTIFICATION

City of Sumas

(Official Name of Government)

0793

MCAG No.

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

For the Fiscal Year Ended 12/31/2019

## GOVERNMENT INFORMATION:

Official Mailing Address PO Box 9  
Sumas, WA 98295

Official Website Address https://www.cityofsumas.com

Official E-mail Address jbell@cityofsumas.com

Official Phone Number 360-988-5711

## AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title Jennifer Bell Finance Director

Contact Phone Number 360-988-5711

Contact E-mail Address jbell@cityofsumas.com

I certify 27th day of May, 2020, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

Jennifer Bell (jbell@cityofsumas.com)

**City of Sumas**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2019**

		<u>Total for All Funds (Memo Only)</u>	<u>001 Current Expense</u>	<u>104 Ec. Dev. Fund</u>	<u>105 Civic Imp</u>
<b>Beginning Cash and Investments</b>					
30810	Reserved	522,064	13,713	164,575	14,599
30880	Unreserved	3,296,383	1,099,244	-	-
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	1,557,502	1,453,534	-	3,990
320	Licenses and Permits	119,035	119,035	-	-
330	Intergovernmental Revenues	142,541	141,541	-	-
340	Charges for Goods and Services	3,821,739	137,365	-	-
350	Fines and Penalties	55,343	55,343	-	-
360	Miscellaneous Revenues	20,215	5,993	2,982	-
Total Revenues:		<u>5,716,375</u>	<u>1,912,811</u>	<u>2,982</u>	<u>3,990</u>
<b>Expenditures</b>					
510	General Government	455,947	455,947	-	-
520	Public Safety	1,185,240	1,181,270	-	-
530	Utilities	3,486,866	55,304	-	-
540	Transportation	120,055	120,055	-	-
550	Natural and Economic Environment	6,088	5,838	-	250
560	Social Services	2,509	2,509	-	-
570	Culture and Recreation	70,167	70,167	-	-
Total Expenditures:		<u>5,326,872</u>	<u>1,891,090</u>	<u>-</u>	<u>250</u>
Excess (Deficiency) Revenues over Expenditures:		389,503	21,721	2,982	3,740
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	244,217	-	67,591	-
381, 382, 395, 398	Other Resources	10,407	-	-	-
Total Other Increases in Fund Resources:		<u>254,624</u>	<u>-</u>	<u>67,591</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	200,520	88,075	-	-
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	160,806	-	-	-
581, 582	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>361,326</u>	<u>88,075</u>	<u>-</u>	<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b>282,801</b>	<b>(66,354)</b>	<b>70,573</b>	<b>3,740</b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	690,517	10,963	235,148	18,340
5088000	Unreserved	3,410,738	1,035,644	-	-
<b>Total Ending Cash and Investments</b>		<b>4,101,255</b>	<b>1,046,607</b>	<b>235,148</b>	<b>18,340</b>

The accompanying notes are an integral part of this statement.

**City of Sumas**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2019**

		<u>107 CJ Lo-Pop</u>	<u>301 REET I</u>	<u>302 REET II</u>	<u>401 Water-Sewer</u>
<b>Beginning Cash and Investments</b>					
30810	Reserved	23,603	149,940	117,019	-
30880	Unreserved	-	-	-	1,474,947
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	50,554	49,424	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	1,000	-	-	-
340	Charges for Goods and Services	-	-	-	1,189,599
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	-	144	144	1
Total Revenues:		<u>1,000</u>	<u>50,698</u>	<u>49,568</u>	<u>1,189,600</u>
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	3,970	-	-	-
530	Utilities	-	-	-	1,036,616
540	Transportation	-	-	-	-
550	Natural and Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>3,970</u>	<u>-</u>	<u>-</u>	<u>1,036,616</u>
Excess (Deficiency) Revenues over Expenditures:		<u>(2,970)</u>	<u>50,698</u>	<u>49,568</u>	<u>152,984</u>
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
386 / 389	Custodial Activities	-	-	-	73,439
381, 382, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>73,439</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	76,485
591-593, 599	Debt Service	-	-	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
586 / 589	Custodial Activities	-	-	-	73,853
581, 582	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>-</u>	<u>-</u>	<u>150,338</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>(2,970)</u></b>	<b><u>50,698</u></b>	<b><u>49,568</u></b>	<b><u>76,085</u></b>
<b>Ending Cash and Investments</b>					
5081000	Reserved	20,633	200,638	166,588	-
5088000	Unreserved	-	-	-	1,551,032
<b>Total Ending Cash and Investments</b>		<b><u>20,633</u></b>	<b><u>200,638</u></b>	<b><u>166,588</u></b>	<b><u>1,551,032</u></b>

The accompanying notes are an integral part of this statement.

**City of Sumas**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2019**

		<u>410 Storm Sewer Fund</u>	<u>411 Light</u>
<b>Beginning Cash and Investments</b>			
30810	Reserved	-	38,615
30880	Unreserved	72,485	649,707
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	29,784	2,464,991
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	-	10,951
Total Revenues:		<u>29,784</u>	<u>2,475,942</u>
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	29,261	2,365,685
540	Transportation	-	-
550	Natural and Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		<u>29,261</u>	<u>2,365,685</u>
Excess (Deficiency) Revenues over Expenditures:		523	110,257
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	-	-
385	Special or Extraordinary Items	-	-
386 / 389	Custodial Activities	-	103,187
381, 382, 395, 398	Other Resources	-	10,407
Total Other Increases in Fund Resources:		<u>-</u>	<u>113,594</u>
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	-	35,960
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
586 / 589	Custodial Activities	-	86,953
581, 582	Other Uses	-	-
Total Other Decreases in Fund Resources:		<u>-</u>	<u>122,913</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b>523</b>	<b>100,938</b>
<b>Ending Cash and Investments</b>			
5081000	Reserved	-	38,207
5088000	Unreserved	73,008	751,054
<b>Total Ending Cash and Investments</b>		<b><u>73,008</u></b>	<b><u>789,261</u></b>

The accompanying notes are an integral part of this statement.

**City of Sumas**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2019**

		<b>Total for All Funds (Memo Only)</b>	<b>Custodial</b>
308	Beginning Cash and Investments	2,086	2,086
388 & 588	Net Adjustments	-	-
310-390	Additions	104,546	104,546
510-590	Deductions	105,492	105,492
	Net Increase (Decrease) in Cash and Investments:	(946)	(946)
508	Ending Cash and Investments	1,140	1,140

*The accompanying notes are an integral part of this statement.*

# Notes to Financial Statements – 2019

## Note 1 – Summary of Significant Accounting Policies

The City of Sumas was incorporated in 1891 and operates under the laws of the state of Washington applicable to a non-charter code city operating under the mayor-council plan of government. The City is a general-purpose local government and provides public safety, street improvements, parks and recreation, building inspection, municipal court, cemetery, and general administrative services. In addition, the City owns and operates public utilities for water, sewer, storm-sewer, and electric.

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

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

### **A. Fund Accounting**

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

### Capital Projects Funds

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

#### PROPRIETARY FUND TYPES:

### Enterprise Funds

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

#### FIDUCIARY FUND TYPES:

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

### Custodial Funds

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

## **B. Basis of Accounting and Measurement Focus**

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

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

## **C. 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 5 years. Capital assets and inventory are recorded as capital expenditures when purchased.

## **E. Compensated Absences**

Vacation leave may be accumulated up to 30 days and is payable upon separation or retirement. Sick leave may be accumulated up to 1136 hours. Upon separation or retirement employees with 10 years or more of service will receive payment for unused sick leave at a rate of 25% of the balance. Comp leave may be accumulated up to 40 hours and is payable upon separation or retirement. Payments are recognized as expenditures when paid.

## **F. Reserved Portion of Ending Cash and Investments**

Beginning and Ending Cash and Investments are reported as reserved when they are 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 reserved resources first before using unreserved amounts.

Reservations of Ending Cash and Investments consist of:

<b>Fund</b>	<b>Reserved Balance</b>	<b>Restricted by:</b>
001 Current Expense	\$10,963.09	*Asset Seizure "Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies"
104 Economic Dev. Fund	\$235,148.21	Ordinance 1298
105 Civic Improvement Fund	\$18,339.84	RCW 37.28.1815 & RCW 67.28.1816
107 CJ Lo-Pop Fund	\$20,633.03	RCW 82.14.340
301 REET I Fund	\$200,638.35	RCW 82.46.010(2)(a)
302 REET II Fund	\$166,587.72	RCW 82.46.035(3)
631 Treasurer's Trust Fund	\$383.50	Custodial Fund – State's portion of CPL fees
634 Court Trust Fund	\$756.00	Custodial Fund – Court Bonds held in trust

## **Note 2 – Budget Compliance**

### **A. Budgets**

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

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

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

<b>FUND</b>	<b>Final Appropriated Amounts</b>	<b>Actual Expenditures</b>	<b>Variance</b>
001 Current Expense Fund	\$2,147,081.99	-\$1,770,268.06	\$376,813.93
101 Street Fund *	\$1,349,049.40	-\$153,591.12	\$1,195,458.28
103 Cemetery Fund *	\$53,575.00	-\$55,305.26	(\$1,730.26)
104 Economic Dev. Fund	\$235,146.30	-\$0.00	\$235,146.30
105 Civic Improvement Fund	\$16,500.00	-\$250.00	\$16,250.00
107 Criminal Justice Lo-Pop Fund	\$25,000.00	-\$3,970.00	\$21,030.00
301 REET I Fund	\$158,000.00	-\$0.00	\$158,000.00
302 REET II Fund	\$125,000.00	-\$0.00	\$125,000.00
401 Water-Sewer Fund	\$1,946,600.00	-\$1,142,004.31	\$804,595.69
403 Water-Sewer Hookups Fund*	\$490,000.00	-\$44,949.98	\$445,050.02
410 Storm Sewer Fund	\$92,000.00	-\$29,260.64	\$62,739.36
411 Light Fund	\$3,099,300.00	-\$2,477,783.05	\$621,516.95
<b>Totals</b>	<b>\$9,737,252.69</b>	<b>-\$5,677,382.42</b>	<b>\$4,059,870.27</b>

\*Rolled Funds (combined for reporting): Funds 101 & 103 were rolled into Fund 001; Fund 403 was rolled into Fund 401

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.

### Note 3 – Deposits and Investments

Deposits and investments by type at December 31, 2019 are as follows:

Type of Deposit	City's Own Deposits & Investments
Bank Deposits	\$4,001,007.66
Certificates of Deposit	\$100,287.75
Cash on Hand (Petty Cash)	\$1,100.00
<b>Total</b>	<b>\$4,102,395.41</b>

#### Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in 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 and certificates of deposit are mostly covered by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000; the remaining balance is covered by a Peoples Bank Surety Bond on favor of the City of Sumas.

All investments are insured, registered or held by the City in the government's name.

### Note 4 – Pension Plans

#### A. State Sponsored Pension Plans

Substantially all City 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) and Law Enforcement Officers' 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 comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement Systems  
Communications Unit  
P.O. Box 48380  
Olympia, WA 98504-8380

Also, the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

At June 30, 2019 (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:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$33,923	0.004731%	\$181,924
PERS 2/3	\$49,917	0.006112%	\$59,368
LEOFF 2	\$26,074	0.014142%	(\$327,627)

#### LEOFF Plan 2

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

#### Note 5 - 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 2019 was \$2.89 per \$1,000 on an assessed valuation of \$203,962,886 for a total regular levy of \$588,816.99.

#### Note 6 – Risk Management

##### A. Property and Liability

As of December 1, 2019, the City of Sumas became 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 163 members.

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

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

Insurance for property, automobile physical damage, fidelity, inland marine, and boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Property coverage is self-funded from the members' deductible to \$750,000, for all perils other than flood and earthquake, and insured above that to \$300 million per occurrence subject to aggregates and sublimits. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

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

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

## **B. Health and Welfare**

The City of Sumas 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, 2019, 261 cities/towns/non-city entities participate in the AWC Trust HCP.

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

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2019, 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.

## **Note 7 – Other Disclosures**

### **A. 2018 Ending Fund Balance**

The 2018 Ending Fund Balance was overstated by \$1,100 over the 2019 Beginning Fund Balance. A discrepancy was identified during the 2017-2018 audit for less than \$1,000 but after review and reconciling all bank statements for 2019, the 2018 balance included an addition error which added the Petty Cash fund balance of \$1,100 twice.

**City of Sumas**

## Schedule 01

For the year ended December 31, 2019

<b>MCAG</b>	<b>Fund #</b>	<b>Fund Name</b>	<b>BARS Account</b>	<b>BARS Name</b>	<b>Amount</b>
0793	001	Current Expense	3081000	Reserved Cash and Investments - Beginning	\$13,713
0793	001	Current Expense	3088000	Unreserved Cash and Investments - Beginning	\$1,099,244
0793	001	Current Expense	3111100	Property Tax	\$596,658
0793	001	Current Expense	3131100	Local Retail Sales and Use Tax	\$398,932
0793	001	Current Expense	3131500	Special Purpose Sales and Use Tax	\$23,029
0793	001	Current Expense	3136100	Brokered Natural Gas Sales and Use Tax	\$18,324
0793	001	Current Expense	3137100	Criminal Justice Sales and Use Tax	\$32,044
0793	001	Current Expense	3138400	Border Area Jurisdictions Sales and Use Tax	\$58,154
0793	001	Current Expense	3164100	Business and Occupation Taxes on Utilities	\$137,963
0793	001	Current Expense	3164200	Business and Occupation Taxes on Utilities	\$38,288
0793	001	Current Expense	3164400	Business and Occupation Taxes on Utilities	\$53,714
0793	001	Current Expense	3164500	Business and Occupation Taxes on Utilities	\$25,297
0793	001	Current Expense	3164501	Business and Occupation Taxes on Utilities	\$25,013
0793	001	Current Expense	3164600	Business and Occupation Taxes on Utilities	\$5,528
0793	001	Current Expense	3164700	Business and Occupation Taxes on Utilities	\$26,243
0793	001	Current Expense	3172000	Leasehold Excise Tax	\$14,347
0793	001	Current Expense	3213000	Police and Protective	\$25
0793	001	Current Expense	3215000	Public Utilities	\$25,068

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3221000	Buildings, Structures and Equipment	\$92,790
0793	001	Current Expense	3223000	Animal Licenses	\$360
0793	001	Current Expense	3229000	Other Non-Business Licenses and Permits	\$792
0793	001	Current Expense	3339706	Federal Indirect Grant from Department of Homeland Security	\$38,002
0793	001	Current Expense	3340420	State Grant from Department of Commerce	\$5,770
0793	001	Current Expense	3360071	Multimodal Transportation - Cities	\$2,201
0793	001	Current Expense	3360087	Motor Vehicle Fuel Tax - City Streets	\$33,521
0793	001	Current Expense	3360626	Criminal Justice - Special Programs	\$1,715
0793	001	Current Expense	3360651	DUI and Other Criminal Justice Assistance	\$222
0793	001	Current Expense	3360694	Liquor/Beer Excise Tax	\$16,855
0793	001	Current Expense	3360695	Liquor Control Board Profits	\$12,961
0793	001	Current Expense	3360695	Liquor Control Board Profits	\$25,754
0793	001	Current Expense	3370000	Local Grants, Entitlements and Other Payments	\$4,540
0793	001	Current Expense	3417000	Sales of Merchandise	\$2
0793	001	Current Expense	3419100	Election Candidate Filing Services	\$89
0793	001	Current Expense	3419600	Personnel Services	\$36,070
0793	001	Current Expense	3419900	Passport and Naturalization Services	\$6,615
0793	001	Current Expense	3421000	Law Enforcement Services	\$1,140
0793	001	Current Expense	3423300	Detention and Correction Services	\$15,551
0793	001	Current Expense	3423600	Detention and Correction Services	\$5,179
0793	001	Current Expense	3436000	Cemetery Sales and Services	\$2,360
0793	001	Current Expense	3436001	Cemetery Sales and Services	\$450

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3436100	Cemetery Sales and Services	\$660
0793	001	Current Expense	3441000	Roads/Streets Maintenance/Repair/Construction Services	\$2,038
0793	001	Current Expense	3451600	Weed Control Services	\$1,328
0793	001	Current Expense	3458100	Zoning and Subdivision Services	\$16,125
0793	001	Current Expense	3458300	Plan Checking Services	\$41,461
0793	001	Current Expense	3473000	Activity Fees	\$3,293
0793	001	Current Expense	3473001	Activity Fees	\$938
0793	001	Current Expense	3473002	Activity Fees	\$1,410
0793	001	Current Expense	3473003	Activity Fees	\$255
0793	001	Current Expense	3473004	Activity Fees	\$28
0793	001	Current Expense	3479000	Other Fees	\$830
0793	001	Current Expense	3479001	Other Fees	\$1,543
0793	001	Current Expense	3531000	Traffic Infraction Penalties	\$45,596
0793	001	Current Expense	3552000	Driving Under Influence (DUI) Fines	\$2,196
0793	001	Current Expense	3558000	Other Criminal Traffic Misdemeanor Fines	\$4,616
0793	001	Current Expense	3569000	Other Criminal Non-Traffic Fines	\$700
0793	001	Current Expense	3569000	Other Criminal Non-Traffic Fines	\$365
0793	001	Current Expense	3569000	Other Criminal Non-Traffic Fines	\$459
0793	001	Current Expense	3573300	Public Defense Cost	\$1,411
0793	001	Current Expense	3611100	Investment Earnings	\$1,030
0793	001	Current Expense	3614000	Other Interest	\$808
0793	001	Current Expense	3621000	Rents and Leases	\$1,210
0793	001	Current Expense	3625145	Rents and Leases	\$675
0793	001	Current Expense	3671000	Contributions and Donations from Nongovernmental Sources	\$373
0793	001	Current Expense	3698100	Cash Adjustments	\$1,100
0793	001	Current Expense	3699100	Miscellaneous Other	\$407

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3699101	Miscellaneous Other	\$390
0793	104	Ec. Dev. Fund	3081000	Reserved Cash and Investments - Beginning	\$164,575
0793	104	Ec. Dev. Fund	3614000	Other Interest	\$2,982
0793	105	Civic Imp	3081000	Reserved Cash and Investments - Beginning	\$14,599
0793	105	Civic Imp	3133100	Hotel/Motel Sales and Use Tax	\$3,990
0793	107	CJ Lo-Pop	3081000	Reserved Cash and Investments - Beginning	\$23,603
0793	107	CJ Lo-Pop	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0793	301	REET I	3081000	Reserved Cash and Investments - Beginning	\$149,940
0793	301	REET I	3183400	REET 1 - First Quarter Percent	\$50,554
0793	301	REET I	3611100	Investment Earnings	\$144
0793	302	REET II	3081000	Reserved Cash and Investments - Beginning	\$117,019
0793	302	REET II	3183500	REET 2 - Second Quarter Percent	\$49,424
0793	302	REET II	3611100	Investment Earnings	\$144
0793	401	Water-Sewer	3088000	Unreserved Cash and Investments - Beginning	\$1,474,947
0793	401	Water-Sewer	3417000	Sales of Merchandise	\$104
0793	401	Water-Sewer	3434000	Water Sales and Services	\$425,421
0793	401	Water-Sewer	3434002	Water Sales and Services	\$72,420
0793	401	Water-Sewer	3435000	Sewer/Reclaimed Water Sales and Services	\$596,825
0793	401	Water-Sewer	3435002	Sewer/Reclaimed Water Sales and Services	\$91,810
0793	401	Water-Sewer	3462000	Public Health Services	\$1,995
0793	401	Water-Sewer	3462001	Public Health Services	\$1,024
0793	401	Water-Sewer	3614001	Other Interest	\$1
0793	410	Storm Sewer Fund	3088000	Unreserved Cash and Investments - Beginning	\$72,485
0793	410	Storm Sewer Fund	3431000	Storm Drainage Sales and Services	\$15,559

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	410	Storm Sewer Fund	3431001	Storm Drainage Sales and Services	\$14,225
0793	411	Light	3081000	Reserved Cash and Investments - Beginning	\$38,615
0793	411	Light	3088000	Unreserved Cash and Investments - Beginning	\$649,707
0793	411	Light	3417000	Sales of Merchandise	\$59,406
0793	411	Light	3432011	Television/Cable/Internet Sales and Services	\$116
0793	411	Light	3432012	Television/Cable/Internet Sales and Services	\$93,330
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$2,299,391
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$1,760
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$9,551
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$1,437
0793	411	Light	3614000	Other Interest	\$4
0793	411	Light	3629000	Rents and Leases	\$131
0793	411	Light	3629001	Rents and Leases	\$120
0793	411	Light	3629002	Rents and Leases	\$9,350
0793	411	Light	3694000	Judgments and Settlements	\$1,346
0793	631	Treasurer's Trust	3081000	Reserved Cash and Investments - Beginning	\$36
0793	634	Court Trust Fund	3081000	Reserved Cash and Investments - Beginning	\$2,050
0793	001	Current Expense	5081000	Reserved Cash and Investments - Ending	\$10,963
0793	001	Current Expense	5088000	Unreserved Cash and Investments - Ending	\$1,035,644
0793	001	Current Expense	5116010	Legislative Activities	\$9,000
0793	001	Current Expense	5116020	Legislative Activities	\$773
0793	001	Current Expense	5116040	Legislative Activities	\$4,946
0793	001	Current Expense	5116040	Legislative Activities	\$2,478
0793	001	Current Expense	5125010	Municipal Court	\$64,601
0793	001	Current Expense	5125020	Municipal Court	\$25,857
0793	001	Current Expense	5125030	Municipal Court	\$1,358

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5125040	Municipal Court	\$16,781
0793	001	Current Expense	5125040	Municipal Court	\$35,406
0793	001	Current Expense	5131010	Executive Office	\$7,200
0793	001	Current Expense	5131020	Executive Office	\$581
0793	001	Current Expense	5131040	Executive Office	\$3,711
0793	001	Current Expense	5142010	Financial Services	\$53,895
0793	001	Current Expense	5142020	Financial Services	\$17,198
0793	001	Current Expense	5142030	Financial Services	\$1,647
0793	001	Current Expense	5142040	Financial Services	\$1,562
0793	001	Current Expense	5142040	Financial Services	\$897
0793	001	Current Expense	5142040	Financial Services	\$75
0793	001	Current Expense	5142340	Financial Services	\$40,894
0793	001	Current Expense	5142340	Financial Services	\$1,976
0793	001	Current Expense	5144040	Election Services	\$2,366
0793	001	Current Expense	5153140	Internal Legal Services - Advice	\$32,569
0793	001	Current Expense	5182040	Property Management Services	\$2,340
0793	001	Current Expense	5182040	Property Management Services	\$2,378
0793	001	Current Expense	5182040	Property Management Services	\$17,824
0793	001	Current Expense	5182040	Property Management Services	\$480
0793	001	Current Expense	5183010	Maintenance/Security/In surance/Janitorial Services	\$7,078
0793	001	Current Expense	5183030	Maintenance/Security/In surance/Janitorial Services	\$38
0793	001	Current Expense	5183040	Maintenance/Security/In surance/Janitorial Services	\$349
0793	001	Current Expense	5183040	Maintenance/Security/In surance/Janitorial Services	\$217
0793	001	Current Expense	5183040	Maintenance/Security/In surance/Janitorial Services	\$1,443
0793	001	Current Expense	5184040	Purchasing Services	\$95,332

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5184040	Purchasing Services	\$1,196
0793	001	Current Expense	5184040	Purchasing Services	\$530
0793	001	Current Expense	5189040	Other Centralized Services	\$971
0793	001	Current Expense	5217010	Traffic Policing	\$488,580
0793	001	Current Expense	5217010	Traffic Policing	\$33,483
0793	001	Current Expense	5217020	Traffic Policing	\$205,294
0793	001	Current Expense	5217030	Traffic Policing	\$3,279
0793	001	Current Expense	5217030	Traffic Policing	\$5,970
0793	001	Current Expense	5217030	Traffic Policing	\$22,005
0793	001	Current Expense	5217040	Traffic Policing	\$9,617
0793	001	Current Expense	5217040	Traffic Policing	\$2,750
0793	001	Current Expense	5217040	Traffic Policing	\$7,083
0793	001	Current Expense	5217040	Traffic Policing	\$9,618
0793	001	Current Expense	5217040	Traffic Policing	\$8,214
0793	001	Current Expense	5217040	Traffic Policing	\$340
0793	001	Current Expense	5217040	Traffic Policing	\$2,319
0793	001	Current Expense	5217040	Traffic Policing	\$16,069
0793	001	Current Expense	5217040	Traffic Policing	\$54,532
0793	001	Current Expense	5217040	Traffic Policing	\$3,428
0793	001	Current Expense	5222040	Fire Suppression and Emergency Medical Services	\$15,353
0793	001	Current Expense	5222040	Fire Suppression and Emergency Medical Services	\$217,715
0793	001	Current Expense	5233040	Probation and Parole Services	\$15,930
0793	001	Current Expense	5235040	Facilities	\$49,661
0793	001	Current Expense	5242040	Inspections, Permits, Certificates and Licenses	\$5,127
0793	001	Current Expense	5251040	Administration	\$4,903
0793	001	Current Expense	5361010	Cemetery	\$23,264
0793	001	Current Expense	5361020	Cemetery	\$7,638
0793	001	Current Expense	5361040	Cemetery	\$3,106
0793	001	Current Expense	5361040	Cemetery	\$4,050
0793	001	Current Expense	5362030	Cemetery	\$4,374

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5362040	Cemetery	\$9,457
0793	001	Current Expense	5362040	Cemetery	\$3,415
0793	001	Current Expense	5423010	Roadway	\$47,622
0793	001	Current Expense	5423020	Roadway	\$18,349
0793	001	Current Expense	5423040	Roadway	\$38,918
0793	001	Current Expense	5423040	Roadway	\$1,460
0793	001	Current Expense	5426140	Sidewalks	\$910
0793	001	Current Expense	5426440	Traffic Control Devices	\$8,462
0793	001	Current Expense	5426640	Snow and Ice Control	\$3,731
0793	001	Current Expense	5426740	Street Cleaning	\$603
0793	001	Current Expense	5543040	Animal Control	\$1,013
0793	001	Current Expense	5549040	Other Environmental Services	\$550
0793	001	Current Expense	5586040	Planning	\$1,233
0793	001	Current Expense	5586040	Planning	\$1,469
0793	001	Current Expense	5587040	Economic Development	\$1,573
0793	001	Current Expense	5629040	Public Health Services	\$2,509
0793	001	Current Expense	5739030	Other	\$652
0793	001	Current Expense	5754930	Fairgrounds and Convention Centers	\$1,110
0793	001	Current Expense	5755040	Multipurpose and Community Centers	\$1,896
0793	001	Current Expense	5755040	Multipurpose and Community Centers	\$11,323
0793	001	Current Expense	5755040	Multipurpose and Community Centers	\$1,721
0793	001	Current Expense	5764030	Ball Courts	\$107
0793	001	Current Expense	5764030	Ball Courts	\$280
0793	001	Current Expense	5764040	Ball Courts	\$1,649
0793	001	Current Expense	5764040	Ball Courts	\$4,100
0793	001	Current Expense	5764040	Ball Courts	\$3,475
0793	001	Current Expense	5768010	General Parks	\$19,539
0793	001	Current Expense	5768020	General Parks	\$4,999
0793	001	Current Expense	5768030	General Parks	\$10,432
0793	001	Current Expense	5768040	General Parks	\$8,884
0793	104	Ec. Dev. Fund	5081000	Reserved Cash and Investments - Ending	\$235,148

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	105	Civic Imp	5081000	Reserved Cash and Investments - Ending	\$18,340
0793	105	Civic Imp	5573040	Tourism	\$250
0793	107	CJ Lo-Pop	5081000	Reserved Cash and Investments - Ending	\$20,633
0793	107	CJ Lo-Pop	5213040	Crime Prevention	\$3,970
0793	301	REET I	5081000	Reserved Cash and Investments - Ending	\$200,638
0793	302	REET II	5081000	Reserved Cash and Investments - Ending	\$166,588
0793	401	Water-Sewer	5088000	Unreserved Cash and Investments - Ending	\$1,551,032
0793	401	Water-Sewer	5341010	Water Utilities	\$128,053
0793	401	Water-Sewer	5341020	Water Utilities	\$56,473
0793	401	Water-Sewer	5343430	Water Utilities	\$2,511
0793	401	Water-Sewer	5343430	Water Utilities	\$79,396
0793	401	Water-Sewer	5343430	Water Utilities	\$2,230
0793	401	Water-Sewer	5343440	Water Utilities	\$28,147
0793	401	Water-Sewer	5343440	Water Utilities	\$1,484
0793	401	Water-Sewer	5343440	Water Utilities	\$3,042
0793	401	Water-Sewer	5343440	Water Utilities	\$1,450
0793	401	Water-Sewer	5343440	Water Utilities	\$10,114
0793	401	Water-Sewer	5343440	Water Utilities	\$2,411
0793	401	Water-Sewer	5343440	Water Utilities	\$996
0793	401	Water-Sewer	5343440	Water Utilities	\$39,541
0793	401	Water-Sewer	5343440	Water Utilities	\$38,288
0793	401	Water-Sewer	5343440	Water Utilities	\$26,132
0793	401	Water-Sewer	5351010	Sewer/Reclaimed Water Utilities	\$94,825
0793	401	Water-Sewer	5351020	Sewer/Reclaimed Water Utilities	\$39,964
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$1,984
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$4,707
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$2,053
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$43,678

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$20,172
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$6,276
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$4,281
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$71
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$23,755
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$3,110
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$996
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$3,023
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$53,714
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$20,844
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$292,895
0793	410	Storm Sewer Fund	5088000	Unreserved Cash and Investments - Ending	\$73,008
0793	410	Storm Sewer Fund	5313840	Storm Drainage Utilities	\$29,261
0793	411	Light	5081000	Reserved Cash and Investments - Ending	\$38,207
0793	411	Light	5088000	Unreserved Cash and Investments - Ending	\$751,054
0793	411	Light	5321010	Television/Cable/Internet Utilities	\$5,837
0793	411	Light	5321040	Television/Cable/Internet Utilities	\$104,861
0793	411	Light	5321040	Television/Cable/Internet Utilities	\$468
0793	411	Light	5323240	Television/Cable/Internet Utilities	\$1,122
0793	411	Light	5331010	Electric/Gas Utilities	\$320,376
0793	411	Light	5331020	Electric/Gas Utilities	\$141,132
0793	411	Light	5333330	Electric/Gas Utilities	\$10,734
0793	411	Light	5333330	Electric/Gas Utilities	\$122,519
0793	411	Light	5333330	Electric/Gas Utilities	\$11,019

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	411	Light	5333330	Electric/Gas Utilities	\$1,288,325
0793	411	Light	5333330	Electric/Gas Utilities	\$5,000
0793	411	Light	5333340	Electric/Gas Utilities	\$35,945
0793	411	Light	5333340	Electric/Gas Utilities	\$3,489
0793	411	Light	5333340	Electric/Gas Utilities	\$88,451
0793	411	Light	5333340	Electric/Gas Utilities	\$5,660
0793	411	Light	5333340	Electric/Gas Utilities	\$2,621
0793	411	Light	5333340	Electric/Gas Utilities	\$22,184
0793	411	Light	5333340	Electric/Gas Utilities	\$137,963
0793	411	Light	5333340	Electric/Gas Utilities	\$53,609
0793	411	Light	5333340	Electric/Gas Utilities	\$3,983
0793	411	Light	5333340	Electric/Gas Utilities	\$387
0793	631	Treasurer's Trust	5081000	Reserved Cash and Investments - Ending	\$384
0793	634	Court Trust Fund	5081000	Reserved Cash and Investments - Ending	\$756
0793	104	Ec. Dev. Fund	3899000	Other Custodial Activities	\$67,591
0793	401	Water-Sewer	3893501	Custodial Type Collections	\$73,439
0793	411	Light	3821000	Refundable Deposits	\$10,390
0793	411	Light	3821000	Refundable Deposits	\$17
0793	411	Light	3893301	Custodial Type Collections	\$103,187
0793	631	Treasurer's Trust	3893001	Custodial Type Collections	\$1,108
0793	631	Treasurer's Trust	3893002	Custodial Type Collections	\$366
0793	631	Treasurer's Trust	3899000	Other Custodial Activities	\$4,939
0793	632	Court Remittances	3899000	Other Custodial Activities	\$95,236
0793	634	Court Trust Fund	3860000	Court Remittances	\$2,897
0793	001	Current Expense	5941860	Capital Expenditures/Expenses - Centralized/General Services	\$11,957

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5944260	Capital Expenditures/Expenses - Roads/Streets Ordinary Maintenance	\$7,538
0793	001	Current Expense	5947660	Capital Expenditures/Expenses - Park Facilities	\$42,580
0793	001	Current Expense	5953060	Capital Expenditures/Expenses - Roadway	\$26,000
0793	401	Water-Sewer	5893500	Custodial Type Remittances	\$73,853
0793	401	Water-Sewer	5943460	Capital Expenditures/Expenses - Water Utilities	\$22,475
0793	401	Water-Sewer	5943460	Capital Expenditures/Expenses - Water Utilities	\$12,495
0793	401	Water-Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$22,475
0793	401	Water-Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$19,040
0793	411	Light	5893300	Custodial Type Remittances	\$76,138
0793	411	Light	5899000	Other Custodial Activities	\$10,760
0793	411	Light	5899000	Other Custodial Activities	\$55
0793	411	Light	5943360	Capital Expenditures/Expenses - Electric/Gas Utilities	\$35,960
0793	631	Treasurer's Trust	5893000	Custodial Type Remittances	\$1,090
0793	631	Treasurer's Trust	5899000	Other Custodial Activities	\$4,975
0793	632	Court Remittances	5899000	Other Custodial Activities	\$95,236
0793	634	Court Trust Fund	5899000	Other Custodial Activities	\$4,191

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Name	Type	County	BARS Account	BARS Name	Amount
Sumas	City	Whatcom	311	Property Tax	\$ -
Sumas	City	Whatcom	3131	Sales and Use Taxes	\$ -
Sumas	City	Whatcom	31384	Border Area Jurisdictions Sales and Use Tax	\$ 58,154.00
Sumas	City	Whatcom	3164	Business and Occupation Taxes on Utilities	\$ -
Sumas	City	Whatcom	3172	Leasehold Excise Tax	\$ -
Sumas	City	Whatcom	3183	Real Estate Excise Tax	\$ -
Sumas	City	Whatcom	321	Business Licenses and Permits	\$ -
Sumas	City	Whatcom	322	Non-Business Licenses and Permits	\$ -
Sumas	City	Whatcom	33397	Federal Indirect Grant from Department of Homeland Security	\$ -
Sumas	City	Whatcom	334	State Grants Other	\$ -
Sumas	City	Whatcom	336	Other State Shared/Entitlement Revenue	\$ -
Sumas	City	Whatcom	3360071	Multimodal Transportation - Cities	\$ 2,201.00
Sumas	City	Whatcom	3360087	Motor Vehicle Fuel Tax - City Streets	\$ 33,521.00
Sumas	City	Whatcom	337	Local Grants Entitlements and Other Payments	\$ -
Sumas	City	Whatcom	34	Charges for Services	\$ -
Sumas	City	Whatcom	35	Fines and Penalties	\$ -
Sumas	City	Whatcom	36	Other Miscellaneous	\$ -
Sumas	City	Whatcom	361	Interest and Other Earnings	\$ -
<b>Total Revenues</b>					<b>\$ 93,876.00</b>
Sumas	City	Whatcom	52170	Traffic Policing	\$ -
Sumas	City	Whatcom	54230	Roadway	\$ 106,349.00
Sumas	City	Whatcom	54261	Sidewalks	\$ 910.00
Sumas	City	Whatcom	54264	Traffic Control Devices	\$ 8,462.00
Sumas	City	Whatcom	54266	Snow and Ice Control	\$ 3,731.00
Sumas	City	Whatcom	54267	Street Cleaning	\$ 603.00
Sumas	City	Whatcom	59442	Capital Expenditures/Expenses - Roads/Streets Ordinary Maintenance	\$ 7,538.00
Sumas	City	Whatcom	59530	Capital Expenditures/Expenses - Roadway	\$ 26,000.00
<b>Total Expenditures</b>					<b>\$ 153,593.00</b>

**SCHEDULE 06 - SUMMARY OF BANK RECONCILIATION**  
For the Fiscal Year ended December 31, 2019

FROM BANK STATEMENTS						
Bank & Investment Account name  (1)	Beginning Bank Balance  (2)	Deposits		Withdrawals		Ending Bank Balance  (7)
		Receipts  (3)	Inter-bank transfers In  (4)	Disbursements  (5)	Inter-bank transfers out  (6)	
Peoples Bank- Treasurer's Acct-8083	\$ 4,117,878	\$ 3,644,560	\$ -	\$ 5,644,357	\$ -	\$ 2,118,081
Peoples Bank- CC Clearing Acct-4962	\$ 967	\$ 278,092	\$ -	\$ 279,059	\$ -	\$ -
Peoples Bank -Savings CD-5468	\$ 100,000	\$ 288	\$ -	\$ -	\$ -	\$ 100,288
Petty Cash	\$ 1,100	\$ -	\$ -	\$ -	\$ -	\$ 1,100
US Bank -Treasurer's Acct-1289	\$ -	\$ 1,941,145	\$ -	\$ 4,246	\$ -	\$ 1,936,899
US Bank- CC Clearing Acct-1297	\$ -	\$ 602,541	\$ -	\$ 334,224	\$ -	\$ 268,317
<b>Bank Totals</b>	<b>\$ 4,219,945</b>	<b>\$ 6,466,625</b>	<b>\$ -</b>	<b>\$ 6,261,885</b>	<b>\$ -</b>	<b>\$ 4,424,684</b>

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RECONCILING ITEMS						
Beginning Deposits in Transit (8)	\$ -	\$ -				
Year-end Deposits in Transit (9)		\$ -				\$ -
Beginning Outstanding & Open Period Items (10)	\$ (484,752)			\$ (484,752)		
Year-end Outstanding & Open Period Items (11)				\$ 322,286		\$ (322,286)
NSF Checks (12)		\$ (36,492)		\$ (36,492)		
Cancellation of unredeemed checks/warrants (13)		\$ -				
Interfund transactions (14)		\$ 275,733		\$ 275,733		
Netted Transactions (15)		\$ (612,990)		\$ (612,990)		
Authorized balance of revolving, petty cash and change funds (16)	\$ -					\$ -
Other Reconciling Items, net (17)	\$ 85,341	\$ 2,432		\$ 87,776		\$ -
<b>Reconciling Items Totals</b>	<b>\$ (399,412)</b>	<b>\$ (371,317)</b>		<b>\$ (448,439)</b>		<b>\$ (322,286)</b>

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FROM GENERAL LEDGER					
	Beginning Cash & Investment Balance  (19)	Revenues & Other Increases  (20)		Expenditures & Other Decreases  (21)	Ending Cash & Investment Balance  (22)
<b>General Ledger Totals (18)</b>	<b>\$ 3,820,533</b>	<b>\$ 6,095,308</b>		<b>\$ 5,813,446</b>	<b>\$ 4,102,395</b>
<b>Unreconciled Variance (23)</b>	<b>\$ 0</b>	<b>\$ 0</b>		<b>\$ (0)</b>	<b>\$ 3</b>

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**City of Sumas  
Schedule of Liabilities  
For the Year Ended December 31, 2019**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12	Compensated Absences		97,233	-	21,620	75,613
264.30	DRS Net Pension Liabilities		317,097	-	75,805	241,292
	<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>		<b>414,330</b>	<b>-</b>	<b>97,425</b>	<b>316,905</b>
	<b>Total Liabilities:</b>		<b>414,330</b>	<b>-</b>	<b>97,425</b>	<b>316,905</b>

**City of Sumas**  
**SCHEDULE OF STATE FINANCIAL ASSISTANCE (unaudited)**  
**For Fiscal Year ended December 31, 2019**

Grantor	Program Title	Identificaton Number	Amount
State Grant from Department of Commerce			
	Buildable Lands	201808005	4,044
	Buildable Lands	201909016	2,423
	2020 Local and Community Projects	20-96627-110	10,040
	2020 Local and Community Projects	20-96627-246	27,981
			<b>Sub-total: 44,488</b>
State Grant from Department of Ecology			
	Shoreline Master Program	SEASMP-1921-CioSum-00034	187
			<b>Sub-total: 187</b>
State Grant from Military Department			
	Public Assistance Grant	D19-121	5,707
			<b>Sub-total: 5,707</b>
			<b>Grand total: 50,382</b>

**City of Sumas**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2019**

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		
TREASURY, DEPARTMENT OF THE, TREASURY, DEPARTMENT OF THE	Equitable Sharing	21.016	WA0370700	-	2,750	2,750	-	1, 3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4418-DR -WA	34,243	-	34,243	-	1,2,3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military DEPT and Whatcom County)	Homeland Security Grant Program	97.067	EMW-2017-SS- 00101-S01	37,364	-	37,364	-	1,2,3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Dept and Whatcom County)	Homeland Security Grant Program	97.067	EMW-2018-SS- 00088-S01	2,533	-	2,533	-	1,2,3
<b>Total CFDA 97.067:</b>				<b>39,897</b>	<b>-</b>	<b>39,897</b>	<b>-</b>	
<b>Total Federal Awards Expended:</b>				<b>74,140</b>	<b>2,750</b>	<b>76,890</b>	<b>-</b>	

*The accompanying notes are an integral part of this schedule.*

# City of Sumas

## **Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2019**

### Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the city's financial statements. The city uses 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.

### Note 2 – Program Costs

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

### Note 3 – Indirect Cost Rate

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

**Labor Relations Consultant(S)  
For the Year Ended December 31, 2019**

Has your government engaged labor relations consultants? \_\_\_ Yes X No

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

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