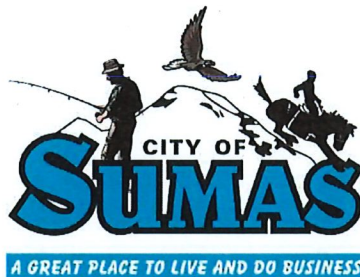


# CITY OF SUMAS WASHINGTON

## 2023 Annual Financial Report

Prepared by:

Mollie Bost, Finance Director



### 2023 Legislative Body

Bruce Bosch	Mayor
Todd Daniels	Council Position #1
Rich Postma	Council Position #2
Bob Bromley	Council Position #3 (Jan. 2023 – Nov. 2023)
Jessica Koehler	Council Position #3 (Dec. 2023)
Josh Clawson	Council Position #4
Jesse Clawson	Council Position #5

### Administration

Daniel DeBruin	Chief of Police
Michelle Quinn	City Clerk
Mollie Bost	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 12/31/2023

## GOVERNMENT INFORMATION:

Official Mailing Address PO Box 9  
Sumas, WA 98295

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

Official E-mail Address [mbost@cityofsumas.com](mailto:mbost@cityofsumas.com)

Official Phone Number \_\_\_\_\_

## AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title MOLLIE Bost Finance Director

Contact Phone Number \_\_\_\_\_

Contact E-mail Address [mbost@cityofsumas.com](mailto:mbost@cityofsumas.com)

I certify 24th day of May, 2024, 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

MOLLIE Bost ([mbost@cityofsumas.com](mailto:mbost@cityofsumas.com))

**City of Sumas**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2023**

		Total for All Funds (Memo Only)	001 Current Expense	104 Ec. Dev. Fund	105 Civic Imp
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	3,308,174	183,589	250,986	24,762
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	1,744,473	1,643,101	-	4,428
320	Licenses and Permits	73,207	73,207	-	-
330	Intergovernmental Revenues	4,938,071	4,133,124	-	-
340	Charges for Goods and Services	4,610,667	374,197	-	-
350	Fines and Penalties	16,210	16,210	-	-
360	Miscellaneous Revenues	67,849	16,975	4,116	277
Total Revenues:		11,450,477	6,256,814	4,116	4,705
<b>Expenditures</b>					
510	General Government	498,777	498,417	-	-
520	Public Safety	2,573,512	2,567,612	-	-
530	Utilities	3,906,698	34,721	-	-
540	Transportation	172,822	172,822	-	-
550	Natural/Economic Environment	39,966	35,956	114	3,011
560	Social Services	1,138	888	-	-
570	Culture and Recreation	139,195	139,195	-	-
Total Expenditures:		7,332,108	3,449,611	114	3,011
Excess (Deficiency) Revenues over Expenditures:		4,118,369	2,807,203	4,002	1,694
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	17,404	13,461	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	1,336,003	1,102,332	17,167	-
Total Other Increases in Fund Resources:		1,353,407	1,115,793	17,167	-
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	1,815,149	989,471	-	-
591-593, 599	Debt Service	2,040	-	-	-
597	Transfers-Out	17,404	17,404	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	209,124	200,000	-	-
Total Other Decreases in Fund Resources:		2,043,717	1,206,875	-	-
<b>Increase (Decrease) in Cash and Investments:</b>		<b>3,428,059</b>	<b>2,716,121</b>	<b>21,169</b>	<b>1,694</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	885,519	7,290	-	26,455
50841	Committed	272,154	-	272,154	-
50851	Assigned	3,185,693	499,555	-	-
50891	Unassigned	2,392,869	2,392,869	-	-
<b>Total Ending Cash and Investments</b>		<b>6,736,235</b>	<b>2,899,714</b>	<b>272,154</b>	<b>26,455</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, 2023**

	107 CJ Lo-Pop	301 REET I	302 REET II	401 Water-Sewer	
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	17,472	385,875	346,373	1,032,393
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	48,472	48,472	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	3,221	-	-	351,535
340	Charges for Goods and Services	-	-	-	1,547,474
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	227	4,198	3,726	17,775
Total Revenues:		3,448	52,670	52,198	1,916,784
<b>Expenditures</b>					
510	General Government	-	189	171	-
520	Public Safety	5,900	-	-	-
530	Utilities	-	-	-	1,643,746
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		5,900	189	171	1,643,746
Excess (Deficiency) Revenues over Expenditures:		(2,452)	52,481	52,027	273,038
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	2,629
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	200,000
Total Other Increases in Fund Resources:		-	-	-	202,629
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	470,227
591-593, 599	Debt Service	-	-	-	1,360
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		-	-	-	471,587
<b>Increase (Decrease) in Cash and Investments:</b>		(2,452)	52,481	52,027	4,080
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	15,019	438,356	398,399	-
50841	Committed	-	-	-	-
50851	Assigned	-	-	-	1,036,474
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		15,019	438,356	398,399	1,036,474

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, 2023**

		410 Storm Sewer Fund	411 Light
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	73,358	993,366
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	411,755	38,436
340	Charges for Goods and Services	34,827	2,654,169
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	1,945	18,610
Total Revenues:		448,527	2,711,215
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	36,574	2,191,657
540	Transportation	-	-
550	Natural/Economic Environment	-	885
560	Social Services	-	250
570	Culture and Recreation	-	-
Total Expenditures:		36,574	2,192,792
Excess (Deficiency) Revenues over Expenditures:		411,953	518,423
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	-	1,314
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	16,504
Total Other Increases in Fund Resources:		-	17,818
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	77,855	277,596
591-593, 599	Debt Service	-	680
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	9,124
Total Other Decreases in Fund Resources:		77,855	287,400
<b>Increase (Decrease) in Cash and Investments:</b>		<b>334,098</b>	<b>248,841</b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	407,457	1,242,207
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b>407,457</b>	<b>1,242,207</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, 2023**

		Total for All Funds (Memo Only)	Custodial
308	Beginning Cash and Investments	3,650	3,650
388 & 588	Net Adjustments	-	-
310-390	Additions	59,586	59,586
510-590	Deductions	63,036	63,036
	Net Increase (Decrease) in Cash and Investments:	(3,450)	(3,450)
508	Ending Cash and Investments	200	200

*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, 2023**

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

# Notes to Financial Statements - 2023

## 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 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, 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 240 hours 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. 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 the most restricted resources first.

Restrictions and commitments of Ending Cash and Investments consist of:

Fund	Restricted/ Committed Ending Balance	Restricted by:
001 Current Expense	\$7,289.67	*Asset Seizure "Guide to Equitable Sharing for State, Local, and Tribal Law Enforcement Agencies"
104 Economic Dev. Fund	\$272,153.81	Ordinance 1298
105 Civic Improvement Fund	\$26,454.75	RCW 67.28.180, RCW 67.28.1815, RCW 67.28.1816
107 CJ Lo-Pop Fund	\$15,019.41	RCW 82.14.330
301 REET I Fund	\$438,355.72	RCW 82.46.010(2)
302 REET II Fund	\$398,399.49	RCW 82.46.035(2)
631 Treasurer's Trust Fund	\$200.00	Funds held in trust pending distribution to owners

## 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 follow:

FUND	Final Appropriated Amounts**	Actual Expenditures	Variance
001 Current Expense	\$3,640,101	\$3,821,811	(\$181,710)
101 Street Fund*	\$833,278	\$799,949	\$33,329
103 Cemetery Fund*	\$39,964	\$34,721	\$5,243
104 Economic Dev. Fund	\$120	\$114	\$6
105 Civic Improvement Fund	\$3,020	\$3,011	\$9
107 Criminal Justice Lo-Pop Fund	\$5,913	\$5,901	\$12
301 REET I Fund	\$200	\$189	\$11
302 REET II Fund	\$200	\$171	\$29
401 Water-Sewer Fund	\$1,963,961	\$1,893,373	\$70,588
403 Water-Sewer Hookups Fund*	\$226,700	\$221,960	\$4,740
410 Storm Sewer Fund	\$97,997	\$114,429	(\$16,432)
411 Light Fund	\$2,536,474	\$2,471,069	\$65,405
412 Light Deposit Fund*	\$10,000	\$9,123	\$877

\*Financial Statements were prepared with funds accounted for in another fund: Funds 101 & 103 were rolled into Fund 001; Fund 403 was rolled into Fund 401; Fund 412 was rolled into 411

\*\*Ordinance 1812

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

Investments are reported at original cost. Deposits and investments by type at December 31, 2023 are as follows:

Type of Deposit or Investment	City's Own Deposits & Investments	Deposits held by the City as Custodian for	Total
Bank Deposits	\$6,749,229	\$200	\$6,749,429
Investments	\$500,000		\$500,000
Cash of Hand (Petty Cash)	\$600		\$600
<b>Total</b>	<b>\$7,249,829</b>	<b>\$200</b>	<b>\$7,250,029</b>

The interest on these investments is prorated to the various funds.

### 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 federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

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

#### **Note 4 - Interfund Loans**

The following table displays interfund loan activity during 2023:

<b>Borrowing Fund</b>	<b>Lending Fund</b>	<b>Balance 1/1/2023</b>	<b>New Loans</b>	<b>Repayments</b>	<b>Balance 12/31/2023</b>
001	403	\$200,000	\$0	\$200,000	\$0

#### **Note 5 - Other Disclosures**

The City of Sumas experienced a natural disaster flood event in November 2021 that caused major damage throughout the City and to multiple city owned properties including City hall, Police Department, Public Works offices, Senior Center/Library, Historical society building, parks, streets, vehicles, drainage systems and utilities. The City is working with FEMA for Public Assistance Grant funding and with our Insurance Risk Pool and NFIP insurance coverages to repair damages.

#### **Note 6 - 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 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](http://www.drs.wa.gov).

## 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.

At June 30, 2023 (*the measurement date of the plans*), the City's proportionate share of the collective net pension liabilities (assets), was as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$33,311	0.004888%	\$111,580
PERS 2/3	\$55,523	0.006315%	(\$258,832)
LEOFF 2	\$30,995	0.013732%	(\$329,375)

Only the net pension liabilities are reported on the Schedule of Liabilities.

## Note 7 - 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 2023 was \$2.40 per \$1,000 on an assessed valuation of \$292,656,572 for a total regular levy of \$704,415.47.

Washington State Constitution and Washington State law, RCW 84.55.010, limit the rate.

## Note 8 - Risk Management

### A. Property and Liability

The City of Sumas 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 169 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, 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 \$1,000,000, 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.

## **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, 2023, 264 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 Blue Shield, 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 2023, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$2 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, there three 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 9 - Subscription Based Information Technology Arrangements (SBITA)**

During the year ended December 31, 2023, the City adopted guidance for the presentation and disclosure of Subscription Based Information Technology Arrangements (SBITA), as required by the BARS manual. This requirement resulted in the addition of a subscription liability reported on the Schedule of Liabilities.

The City makes subscription payments of \$170 per month for a cloud based payment portal. The SBITA contract is for 3 years and auto-renews for an additional 3 years until either party cancels the subscription.

The total amount paid for SBITAs in 2023 was \$2,040. As of December 31, 2023, the future SBITA payments are as follows:



<b>Year Ended December 31</b>	<b>Total</b>
2024	\$2,040
2025	\$1,870
<b>Total</b>	<b>\$3,910</b>

# City of Sumas

## Schedule 01

For the year ended December 31, 2023

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3083100	Restricted Cash and Investments - Beginning	\$7,290
0793	001	Current Expense	3085100	Assigned Cash and Investments - Beginning	\$98,707
0793	001	Current Expense	3089100	Unassigned Cash and Investments - Beginning	\$77,592
0793	001	Current Expense	3111100	Property Tax	\$672,953
0793	001	Current Expense	3131100	Local Retail Sales and Use Tax	\$475,756
0793	001	Current Expense	3131500	Special Purpose Sales and Use Tax	\$32,489
0793	001	Current Expense	3136100	Brokered Natural Gas Sales and Use Tax	\$20,253
0793	001	Current Expense	3137100	Criminal Justice Sales and Use Tax	\$46,654
0793	001	Current Expense	3138400	Border Area Jurisdictions Sales and Use Tax	\$34,427
0793	001	Current Expense	3164100	Business and Occupation Taxes on Utilities	\$154,905
0793	001	Current Expense	3164200	Business and Occupation Taxes on Utilities	\$50,585
0793	001	Current Expense	3164400	Business and Occupation Taxes on Utilities	\$67,035
0793	001	Current Expense	3164500	Business and Occupation Taxes on Utilities	\$32,596
0793	001	Current Expense	3164501	Business and Occupation Taxes on Utilities	\$24,263
0793	001	Current Expense	3164600	Business and Occupation Taxes on Utilities	\$7,176
0793	001	Current Expense	3164700	Business and Occupation Taxes on Utilities	\$18,019
0793	001	Current Expense	3172000	Leasehold Excise Tax	\$5,990
0793	001	Current Expense	3213000	Police and Protective	\$25

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3215000	Public Utilities	\$32,382
0793	001	Current Expense	3219100	Franchise Fees and Royalties	\$6,846
0793	001	Current Expense	3219900	Other Business Licenses and Permits	\$5,173
0793	001	Current Expense	3221000	Buildings, Structures and Equipment	\$28,083
0793	001	Current Expense	3223000	Animal Licenses	\$130
0793	001	Current Expense	3229000	Other Non-Business Licenses and Permits	\$568
0793	001	Current Expense	3339700	Federal Indirect Grant from Department of Homeland Security	\$3,368,675
0793	001	Current Expense	3339706	Federal Indirect Grant from Department of Homeland Security	\$3,736
0793	001	Current Expense	3340180	State Grant from Military Department	\$218,966
0793	001	Current Expense	3340180	State Grant from Military Department	\$44,067
0793	001	Current Expense	3340380	State Grant from Transportation Improvement Board (TIB)	\$26,249
0793	001	Current Expense	3340420	State Grant from Department of Commerce	\$262,708
0793	001	Current Expense	3340420	State Grant from Department of Commerce	\$107,502
0793	001	Current Expense	3360071	Multimodal Transportation - Cities	\$2,259
0793	001	Current Expense	3360087	Motor Vehicle Fuel Tax - City Streets	\$32,218
0793	001	Current Expense	3360651	DUI and Other Criminal Justice Assistance	\$120
0793	001	Current Expense	3360694	Liquor/Beer Excise Tax	\$17,566
0793	001	Current Expense	3360695	Liquor Control Board Profits	\$13,304
0793	001	Current Expense	3360695	Liquor Control Board Profits	\$25,754

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3370000	Local Grants, Entitlements, Tribal Government Distributions, and Other Payments	\$10,000
0793	001	Current Expense	3417000	Sales of Merchandise	\$33,109
0793	001	Current Expense	3419100	Election Candidate Filing Services	\$72
0793	001	Current Expense	3419600	Personnel Services	\$14,227
0793	001	Current Expense	3419900	Passport and Naturalization Services	\$8,435
0793	001	Current Expense	3421000	Law Enforcement Services	\$2,877
0793	001	Current Expense	3421002	Law Enforcement Services	\$58,046
0793	001	Current Expense	3423300	Detention and Correction Services	\$9,359
0793	001	Current Expense	3423600	Detention and Correction Services	\$4,277
0793	001	Current Expense	3436000	Cemetery Sales and Services	\$2,750
0793	001	Current Expense	3436001	Cemetery Sales and Services	\$550
0793	001	Current Expense	3436100	Cemetery Sales and Services	\$440
0793	001	Current Expense	3451400	Diking/Drainage Services	\$203,579
0793	001	Current Expense	3458100	Zoning and Subdivision Services	\$17,811
0793	001	Current Expense	3458300	Plan Checking Services	\$12,091
0793	001	Current Expense	3473000	Activity Fees	\$3,160
0793	001	Current Expense	3473001	Activity Fees	\$1,095
0793	001	Current Expense	3473003	Activity Fees	\$105
0793	001	Current Expense	3473004	Activity Fees	\$16
0793	001	Current Expense	3479000	Other Culture and Recreation Fees	\$1,028
0793	001	Current Expense	3479001	Other Culture and Recreation Fees	\$1,170
0793	001	Current Expense	3531000	Traffic Infraction Penalties	\$10,165
0793	001	Current Expense	3552000	Driving Under Influence (DUI) Fines	\$1,276

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	3558000	Other Criminal Traffic Misdemeanor Fines	\$2,781
0793	001	Current Expense	3569000	Other Criminal Non- Traffic Fines	\$1,140
0793	001	Current Expense	3569000	Other Criminal Non- Traffic Fines	\$197
0793	001	Current Expense	3569000	Other Criminal Non- Traffic Fines	\$200
0793	001	Current Expense	3573300	Public Defense Cost	\$451
0793	001	Current Expense	3614000	Other Interest	\$1,559
0793	001	Current Expense	3614000	Other Interest	\$13
0793	001	Current Expense	3614010	Other Interest	\$8,163
0793	001	Current Expense	3621000	Rents and Leases	\$1,000
0793	001	Current Expense	3625100	Rents and Leases	\$100
0793	001	Current Expense	3625145	Rents and Leases	\$1,350
0793	001	Current Expense	3671000	Contributions and Donations from Nongovernmental Sources	\$50
0793	001	Current Expense	3691000	Sale of Surplus	\$4,250
0793	001	Current Expense	3694000	Judgments and Settlements	\$300
0793	001	Current Expense	3698100	Cash Adjustments	(\$20)
0793	001	Current Expense	3699101	Miscellaneous Other Operating	\$210
0793	104	Ec. Dev. Fund	3084100	Committed Cash and Investments - Beginning	\$250,986
0793	104	Ec. Dev. Fund	3614000	Other Interest	\$1,006
0793	104	Ec. Dev. Fund	3614010	Other Interest	\$3,110
0793	105	Civic Imp	3083100	Restricted Cash and Investments - Beginning	\$24,762
0793	105	Civic Imp	3133100	Hotel/Motel Sales and Use Tax	\$4,428
0793	105	Civic Imp	3614010	Other Interest	\$277
0793	107	CJ Lo-Pop	3083100	Restricted Cash and Investments - Beginning	\$17,472
0793	107	CJ Lo-Pop	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0793	107	CJ Lo-Pop	3360626	Criminal Justice - Special Programs	\$2,221

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	107	CJ Lo-Pop	3614010	Other Interest	\$227
0793	301	REET I	3083100	Restricted Cash and Investments - Beginning	\$385,875
0793	301	REET I	3183400	REET 1 - First Quarter Percent	\$48,472
0793	301	REET I	3611100	Investment Earnings	\$294
0793	301	REET I	3614010	Other Interest	\$3,904
0793	302	REET II	3083100	Restricted Cash and Investments - Beginning	\$346,373
0793	302	REET II	3183500	REET 2 - Second Quarter Percent	\$48,472
0793	302	REET II	3611100	Investment Earnings	\$294
0793	302	REET II	3614010	Other Interest	\$3,432
0793	401	Water-Sewer	3085100	Assigned Cash and Investments - Beginning	\$1,032,393
0793	401	Water-Sewer	3339700	Federal Indirect Grant from Department of Homeland Security	\$333,033
0793	401	Water-Sewer	3340180	State Grant from Military Department	\$18,502
0793	401	Water-Sewer	3434000	Water Sales and Services	\$564,058
0793	401	Water-Sewer	3434002	Water Sales and Services	\$18,550
0793	401	Water-Sewer	3434004	Water Sales and Services	\$1,925
0793	401	Water-Sewer	3435000	Sewer/Reclaimed Water Sales and Services	\$744,829
0793	401	Water-Sewer	3435002	Sewer/Reclaimed Water Sales and Services	\$18,705
0793	401	Water-Sewer	3435031	Sewer/Reclaimed Water Sales and Services	\$192,264
0793	401	Water-Sewer	3462000	Public Health Services	\$7,143
0793	401	Water-Sewer	3611100	Investment Earnings	\$881
0793	401	Water-Sewer	3614010	Other Interest	\$16,894
0793	410	Storm Sewer Fund	3085100	Assigned Cash and Investments - Beginning	\$73,358
0793	410	Storm Sewer Fund	3339700	Federal Indirect Grant from Department of Homeland Security	\$390,084
0793	410	Storm Sewer Fund	3340180	State Grant from Military Department	\$21,671

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	410	Storm Sewer Fund	3431000	Storm Drainage Sales and Services	\$33,162
0793	410	Storm Sewer Fund	3431001	Storm Drainage Sales and Services	\$1,665
0793	410	Storm Sewer Fund	3614010	Other Interest	\$1,945
0793	411	Light	3085100	Assigned Cash and Investments - Beginning	\$993,366
0793	411	Light	3339700	Federal Indirect Grant from Department of Homeland Security	\$36,413
0793	411	Light	3340180	State Grant from Military Department	\$2,023
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$2,581,751
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$660
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$18,724
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$2,000
0793	411	Light	3433010	Electricity/Gas Sales and Services	\$50,007
0793	411	Light	3452900	Other Environmental Services	\$1,027
0793	411	Light	3614010	Other Interest	\$11,870
0793	411	Light	3670000	Contributions and Donations from Nongovernmental Sources	\$250
0793	411	Light	3691000	Sale of Surplus	\$6,490
0793	631	Treasurer's Trust	3083100	Restricted Cash and Investments - Beginning	\$50
0793	634	Court Trust Fund	3083100	Restricted Cash and Investments - Beginning	\$3,600
0793	001	Current Expense	5083100	Restricted Cash and Investments - Ending	\$7,290
0793	001	Current Expense	5085100	Assigned Cash and Investments - Ending	\$499,555
0793	001	Current Expense	5089100	Unassigned Cash and Investments - Ending	\$2,392,869
0793	001	Current Expense	5116010	Legislative Activities	\$9,000
0793	001	Current Expense	5116020	Legislative Activities	\$803

<b>MCA#</b>	<b>Fund #</b>	<b>Fund Name</b>	<b>BARS Account</b>	<b>BARS Name</b>	<b>Amount</b>
0793	001	Current Expense	5116030	Legislative Activities	\$5,882
0793	001	Current Expense	5116040	Legislative Activities	\$3,994
0793	001	Current Expense	5116040	Legislative Activities	\$1,493
0793	001	Current Expense	5125110	Non-Contracted Court	\$56,032
0793	001	Current Expense	5125120	Non-Contracted Court	\$17,807
0793	001	Current Expense	5125130	Non-Contracted Court	\$1,671
0793	001	Current Expense	5125140	Non-Contracted Court	\$15,100
0793	001	Current Expense	5125140	Non-Contracted Court	\$22,253
0793	001	Current Expense	5131010	Executive Office	\$7,200
0793	001	Current Expense	5131020	Executive Office	\$605
0793	001	Current Expense	5131040	Executive Office	\$1,592
0793	001	Current Expense	5142010	Financial Services	\$103,965
0793	001	Current Expense	5142020	Financial Services	\$33,359
0793	001	Current Expense	5142030	Financial Services	\$65
0793	001	Current Expense	5142040	Financial Services	\$1,730
0793	001	Current Expense	5142040	Financial Services	\$164
0793	001	Current Expense	5142040	Financial Services	\$249
0793	001	Current Expense	5142340	Financial Services	\$19,913
0793	001	Current Expense	5142340	Financial Services	\$2,803
0793	001	Current Expense	5144040	Election Services	\$2,656
0793	001	Current Expense	5153140	Internal Legal Services - Advice	\$49,396
0793	001	Current Expense	5181040	Personnel Services	\$385
0793	001	Current Expense	5182040	Property Management Services	\$6,545
0793	001	Current Expense	5182040	Property Management Services	\$1,446
0793	001	Current Expense	5182040	Property Management Services	\$1,690
0793	001	Current Expense	5182040	Property Management Services	\$3,398
0793	001	Current Expense	5183010	Maintenance/Security/In surance/Janitorial Services	\$2,958
0793	001	Current Expense	5183020	Maintenance/Security/In surance/Janitorial Services	\$269



MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5183030	Maintenance/Security/Insurance/Janitorial Services	\$10,646
0793	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$581
0793	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$22,080
0793	001	Current Expense	5184040	Purchasing Services	\$89,512
0793	001	Current Expense	5189040	Other Centralized Services	\$1,175
0793	001	Current Expense	5212010	Police Operations	\$647,094
0793	001	Current Expense	5212010	Police Operations	\$12,797
0793	001	Current Expense	5212020	Police Operations	\$281,139
0793	001	Current Expense	5212020	Police Operations	\$4,406
0793	001	Current Expense	5212030	Police Operations	\$10,847
0793	001	Current Expense	5212030	Police Operations	\$20,116
0793	001	Current Expense	5212030	Police Operations	\$28,055
0793	001	Current Expense	5212040	Police Operations	\$1,559
0793	001	Current Expense	5212040	Police Operations	\$10,234
0793	001	Current Expense	5212040	Police Operations	\$45,957
0793	001	Current Expense	5212040	Police Operations	\$14,069
0793	001	Current Expense	5212040	Police Operations	\$13,028
0793	001	Current Expense	5212040	Police Operations	\$8,209
0793	001	Current Expense	5214040	Training	\$1,764
0793	001	Current Expense	5214040	Training	\$2,212
0793	001	Current Expense	5215040	Facilities	\$29,747
0793	001	Current Expense	5222040	Fire Suppression and Emergency Medical Services	\$21,659
0793	001	Current Expense	5222040	Fire Suppression and Emergency Medical Services	\$221,129
0793	001	Current Expense	5233040	Probation and Parole Services	\$21,478
0793	001	Current Expense	5235040	Facilities	\$42,039
0793	001	Current Expense	5242010	Inspections, Permits, Certificates and Licenses	\$24,831

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5242020	Inspections, Permits, Certificates and Licenses	\$11,121
0793	001	Current Expense	5242040	Inspections, Permits, Certificates and Licenses	\$7,764
0793	001	Current Expense	5251040	Administration	\$12,023
0793	001	Current Expense	5253030	Disaster Recovery	\$1,033,216
0793	001	Current Expense	5256040	Disaster Preparedness	\$41,119
0793	001	Current Expense	5361010	Cemetery	\$18,307
0793	001	Current Expense	5361020	Cemetery	\$10,636
0793	001	Current Expense	5361040	Cemetery	\$358
0793	001	Current Expense	5362030	Cemetery	\$1,658
0793	001	Current Expense	5362040	Cemetery	\$10
0793	001	Current Expense	5362040	Cemetery	\$1,149
0793	001	Current Expense	5362040	Cemetery	\$2,598
0793	001	Current Expense	5362040	Cemetery	\$5
0793	001	Current Expense	5423010	Roadway	\$45,380
0793	001	Current Expense	5423020	Roadway	\$23,287
0793	001	Current Expense	5423040	Roadway	\$74,304
0793	001	Current Expense	5423040	Roadway	\$1,733
0793	001	Current Expense	5426140	Sidewalks	\$877
0793	001	Current Expense	5426440	Traffic Control Devices	\$1,049
0793	001	Current Expense	5426640	Snow and Ice Control	\$5,364
0793	001	Current Expense	5426740	Street Cleaning	\$10,293
0793	001	Current Expense	5433030	General Services	\$6,460
0793	001	Current Expense	5433040	General Services	\$2,453
0793	001	Current Expense	5433040	General Services	\$1,602
0793	001	Current Expense	5433040	General Services	\$20
0793	001	Current Expense	5543040	Animal Control	\$300
0793	001	Current Expense	5549040	Other Environmental Services	\$1,740
0793	001	Current Expense	5586040	Planning	\$33,916
0793	001	Current Expense	5660040	Chemical Dependency Services	\$888
0793	001	Current Expense	5725040	Facilities	\$3,522
0793	001	Current Expense	5739030	Other Cultural and Community Events	\$3,333

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5739030	Other Cultural and Community Events	\$2,514
0793	001	Current Expense	5755040	Multipurpose and Community Centers	\$34,455
0793	001	Current Expense	5755040	Multipurpose and Community Centers	\$4,126
0793	001	Current Expense	5764030	Ball Courts	\$214
0793	001	Current Expense	5764040	Ball Courts	\$8,260
0793	001	Current Expense	5768010	General Parks	\$18,861
0793	001	Current Expense	5768020	General Parks	\$9,467
0793	001	Current Expense	5768030	General Parks	\$20,627
0793	001	Current Expense	5768040	General Parks	\$9,857
0793	001	Current Expense	5768040	General Parks	\$23,959
0793	104	Ec. Dev. Fund	5084100	Committed Cash and Investments - Ending	\$272,154
0793	104	Ec. Dev. Fund	5587040	Economic Development	\$114
0793	105	Civic Imp	5083100	Restricted Cash and Investments - Ending	\$26,455
0793	105	Civic Imp	5573040	Tourism	\$3,000
0793	105	Civic Imp	5573040	Tourism	\$11
0793	107	CJ Lo-Pop	5083100	Restricted Cash and Investments - Ending	\$15,019
0793	107	CJ Lo-Pop	5213040	Crime Prevention	\$5,892
0793	107	CJ Lo-Pop	5213040	Crime Prevention	\$8
0793	301	REET I	5083100	Restricted Cash and Investments - Ending	\$438,356
0793	301	REET I	5142040	Financial Services	\$189
0793	302	REET II	5083100	Restricted Cash and Investments - Ending	\$398,399
0793	302	REET II	5142040	Financial Services	\$171
0793	401	Water-Sewer	5085100	Assigned Cash and Investments - Ending	\$1,036,474
0793	401	Water-Sewer	5341010	Water Utilities	\$210,781
0793	401	Water-Sewer	5341020	Water Utilities	\$103,154
0793	401	Water-Sewer	5342040	Water Utilities	\$238
0793	401	Water-Sewer	5343430	Water Utilities	\$3,983
0793	401	Water-Sewer	5343430	Water Utilities	\$62,051
0793	401	Water-Sewer	5343430	Water Utilities	\$7,929

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	401	Water-Sewer	5343440	Water Utilities	\$12,798
0793	401	Water-Sewer	5343440	Water Utilities	\$12,322
0793	401	Water-Sewer	5343440	Water Utilities	\$11,609
0793	401	Water-Sewer	5343440	Water Utilities	\$11,865
0793	401	Water-Sewer	5343440	Water Utilities	\$3,782
0793	401	Water-Sewer	5343440	Water Utilities	\$17,305
0793	401	Water-Sewer	5343440	Water Utilities	\$1,414
0793	401	Water-Sewer	5343440	Water Utilities	\$17,464
0793	401	Water-Sewer	5343440	Water Utilities	\$676
0793	401	Water-Sewer	5343440	Water Utilities	\$37,168
0793	401	Water-Sewer	5343440	Water Utilities	\$50,585
0793	401	Water-Sewer	5343440	Water Utilities	\$13,163
0793	401	Water-Sewer	5343440	Water Utilities	\$217
0793	401	Water-Sewer	5343440	Water Utilities	\$188
0793	401	Water-Sewer	5351010	Sewer/Reclaimed Water Utilities	\$180,144
0793	401	Water-Sewer	5351020	Sewer/Reclaimed Water Utilities	\$75,723
0793	401	Water-Sewer	5352040	Sewer/Reclaimed Water Utilities	\$171
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$3,988
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$10,050
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$217,690
0793	401	Water-Sewer	5353530	Sewer/Reclaimed Water Utilities	\$6,429
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$1,266
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$7,869
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$30,764
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$10,918
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$1,085
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$31,163

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$17,487
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$676
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$4,182
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$67,035
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$13,465
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$384,573
0793	401	Water-Sewer	5353540	Sewer/Reclaimed Water Utilities	\$376
0793	410	Storm Sewer Fund	5085100	Assigned Cash and Investments - Ending	\$407,457
0793	410	Storm Sewer Fund	5312040	Storm Drainage Utilities	\$22
0793	410	Storm Sewer Fund	5312040	Storm Drainage Utilities	\$23
0793	410	Storm Sewer Fund	5312040	Storm Drainage Utilities	\$56
0793	410	Storm Sewer Fund	5313840	Storm Drainage Utilities	\$32,410
0793	410	Storm Sewer Fund	5313840	Storm Drainage Utilities	\$4,063
0793	411	Light	5085100	Assigned Cash and Investments - Ending	\$1,242,207
0793	411	Light	5331010	Electric/Gas Utilities	\$349,522
0793	411	Light	5331020	Electric/Gas Utilities	\$171,376
0793	411	Light	5332040	Electric/Gas Utilities	\$251
0793	411	Light	5332040	Electric/Gas Utilities	\$502
0793	411	Light	5333330	Electric/Gas Utilities	\$4,173
0793	411	Light	5333330	Electric/Gas Utilities	\$57,829
0793	411	Light	5333330	Electric/Gas Utilities	\$9,556
0793	411	Light	5333330	Electric/Gas Utilities	\$1,164,691
0793	411	Light	5333330	Electric/Gas Utilities	\$87
0793	411	Light	5333340	Electric/Gas Utilities	\$62,993
0793	411	Light	5333340	Electric/Gas Utilities	\$11,609
0793	411	Light	5333340	Electric/Gas Utilities	\$11,804
0793	411	Light	5333340	Electric/Gas Utilities	\$6,367
0793	411	Light	5333340	Electric/Gas Utilities	\$109,204
0793	411	Light	5333340	Electric/Gas Utilities	\$17,536

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	411	Light	5333340	Electric/Gas Utilities	\$2,028
0793	411	Light	5333340	Electric/Gas Utilities	\$34,475
0793	411	Light	5333340	Electric/Gas Utilities	\$154,905
0793	411	Light	5333340	Electric/Gas Utilities	\$18,797
0793	411	Light	5333340	Electric/Gas Utilities	\$3,952
0793	411	Light	5549040	Other Environmental Services	\$885
0793	411	Light	5651040	Welfare	\$250
0793	631	Treasurer's Trust	5083100	Restricted Cash and Investments - Ending	\$200
0793	001	Current Expense	3952000	Compensation for Loss/Impairment of Capital Assets (Cash Basis Only)	\$1,101,832
0793	001	Current Expense	3970000	Transfers-In	\$13,461
0793	001	Current Expense	3981000	Insurance Recoveries (Cash Basis)	\$500
0793	104	Ec. Dev. Fund	3899000	Holding and Clearing Account Transactions	\$17,167
0793	401	Water-Sewer	3812000	Interfund Loan Repayment Received	\$200,000
0793	401	Water-Sewer	3970000	Transfers-In	\$2,629
0793	411	Light	3821000	Refundable Deposits	\$16,504
0793	411	Light	3970000	Transfers-In	\$1,314
0793	631	Treasurer's Trust	3893001	Custodial Type Collections	\$834
0793	631	Treasurer's Trust	3893002	Custodial Type Collections	\$532
0793	631	Treasurer's Trust	3893003	Custodial Type Collections	\$3,398
0793	632	Court Remittances	3893000	Custodial Type Collections	\$48,322
0793	634	Court Trust Fund	3860000	Court Remittances	\$6,500
0793	001	Current Expense	5812000	Interfund Loan Repayments	\$200,000
0793	001	Current Expense	5941860	Capital Expenditures/Expenses - Centralized/General Services	\$67,162

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	001	Current Expense	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$907
0793	001	Current Expense	5947660	Capital Expenditures/Expenses - Park Facilities	\$264,339
0793	001	Current Expense	5947660	Capital Expenditures/Expenses - Park Facilities	\$29,935
0793	001	Current Expense	5953060	Capital Expenditures/Expenses - Roadway	\$617,357
0793	001	Current Expense	5953060	Capital Expenditures/Expenses - Roadway	\$6,826
0793	001	Current Expense	5953060	Capital Expenditures/Expenses - Roadway	\$2,945
0793	001	Current Expense	5970000	Transfers-Out	\$17,404
0793	401	Water-Sewer	5913470	Debt Repayment - Water Utilities	\$680
0793	401	Water-Sewer	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$680
0793	401	Water-Sewer	5943460	Capital Expenditures/Expenses - Water Utilities	\$219,662
0793	401	Water-Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$248,671
0793	401	Water-Sewer	5943560	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$1,894
0793	410	Storm Sewer Fund	5943160	Capital Expenditures/Expenses - Storm Drainage Utilities	\$77,855
0793	411	Light	5821000	Refund of Deposits	\$9,124
0793	411	Light	5913370	Debt Repayment - Electric/Gas Utilities	\$680
0793	411	Light	5943360	Capital Expenditures/Expenses - Electric/Gas Utilities	\$258,152

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0793	411	Light	5943360	Capital Expenditures/Expenses - Electric/Gas Utilities	\$19,444
0793	631	Treasurer's Trust	5893000	Custodial Type Remittances	\$834
0793	631	Treasurer's Trust	5893000	Custodial Type Remittances	\$3,248
0793	631	Treasurer's Trust	5893000	Custodial Type Remittances	\$532
0793	632	Court Remittances	5893000	Custodial Type Remittances	\$48,322
0793	634	Court Trust Fund	5860000	Court Remittances	\$10,100



**City of Sumas**  
**SCHEDULE 06 - SUMMARY OF BANK RECONCILIATION**  
 For the Calendar Year ending December 31, 2023

Bank & Investment Account name  (1)	FROM BANK STATEMENTS					Ending Bank Balance  (7)	Check Figure
	Beginning Bank Balance  (2)	Deposits		Withdrawals			
		Receipts  (3)	Inter-bank transfers In  (4)	Disbursements  (5)	Inter-bank transfers out  (6)		
Peoples Bank - Money Market-5930	\$ 2,798,094.98	\$ 48,044.31	\$ -	\$ -	\$ 500,000.00	\$ 2,346,139.29	OK
Peoples Bank-Treasurer's Acct-8083	\$ 410,907.55	\$ 12,276,843.45	\$ 500,000.00	\$ 9,027,504.02	\$ -	\$ 4,160,246.98	OK
Petty Cash	\$ 600.00	\$ -	\$ -	\$ -	\$ -	\$ 600.00	OK
US Bank-CC Clearing Acct-1297	\$ 241,520.09	\$ 3,245.73	\$ -	\$ 1,722.84	\$ -	\$ 243,042.98	OK
US Bank-Safekeeping-0028	\$ 500,000.00	\$ -	\$ -	\$ -	\$ -	\$ 500,000.00	OK
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	OK
<b>Bank Totals</b>	<b>\$ 3,951,122.62</b>	<b>\$ 12,328,133.49</b>	<b>\$ 500,000.00</b>	<b>\$ 9,029,226.86</b>	<b>\$ 500,000.00</b>	<b>\$ 7,250,029.25</b>	OK

RECONCILING ITEMS					Check Figure
Beginning Deposits in Transit (8)	\$ 2,654	\$ (2,654)			OK
Year-end Deposits in Transit (9)		\$ 4,041		\$ 4,041	OK
Beginning Outstanding & Open Period Items (10)	\$ (641,953)		\$ (641,953)		OK
Year-end Outstanding & Open Period Items (11)			\$ 517,635.11	\$ (517,635)	OK
NSF Checks (12)		\$ (1,255)	\$ (1,255)		OK
Cancellation of unredeemed checks/warrants (13)		+			
Interfund transactions (14)		\$ 583,221	\$ 583,221		OK
Netted Transactions (15)		\$ (19,877)	\$ (19,877)		OK
Authorized balance of revolving, petty cash and change funds (16)	\$ -			\$ -	
Other Reconciling Items, net (17)	\$ -	\$ (27,000)	\$ (27,000)	\$ -	
<b>Reconciling Items Totals</b>	<b>\$ (639,299.38)</b>	<b>\$ 536,475</b>	<b>\$ 410,770</b>	<b>\$ (513,595)</b>	

FROM GENERAL LEDGER						Check Figure
	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>\$ 3,311,823.24</b>	<b>\$ 12,864,609</b>		<b>\$ 9,439,997</b>	<b>\$ 6,736,435</b>	OK
<b>Unreconciled Variance (23)</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	

**City of Sumas**  
**Schedule of Liabilities**  
**For the Year Ended December 31, 2023**

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
259.12		12/31/2023	81,841	2,100	-	83,941
264.30		12/31/2023	121,231	-	9,651	111,580
263.57	Invoice Cloud: Online Payment Portal - 3-year subscription that auto-renews every 3 years	11/30/2025	5,950	-	2,040	3,910
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>209,022</b>	<b>2,100</b>	<b>11,691</b>	<b>199,431</b>
<b>Total Liabilities:</b>			<b>209,022</b>	<b>2,100</b>	<b>11,691</b>	<b>199,431</b>

**City of Sumas**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Year Ended December 31, 2023**

State Agency Name	Program Title	Identification Number	Total
State Grant from Department of Commerce	2020 Local & Community Projects Program	20-966-27-246	29,935
State Grant from Department of Commerce	2023 Local & Community Projects Programs	23-96643-045	218,534
State Grant from Department of Commerce	Emergency Rapid Response	23-61310-001	13,158
State Grant from Department of Commerce	Emergency Rapid Response	24-62511-002	10,686
State Grant from Department of Commerce	Emergency Rapid Response	23-61310-004	83,330
State Grant from Department of Commerce	2020 Local & Community Projects Program	20-96627-110	14,240
		<b>Sub-Total:</b>	<b>369,883</b>
State Grant from Military Department	732IA-State IA Proviso	U23-007	40,800
State Grant from Military Department	Public Assistance Grant	D17-136	47,724
State Grant from Military Department	Public Assistance Grant	D22-102	107,917
		<b>Sub-Total:</b>	<b>196,441</b>
		<b>Total State Grants Expended:</b>	<b>566,324</b>

**City of Sumas**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2023**

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 EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4309-DR -WA	286,323	-	286,323	-	1, 2, 3
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via WA State Military Department)	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4635-DR -WA	1,942,500	-	1,942,500	-	1, 2, 3
			<b>Total ALN 97.036:</b>	<b>2,228,823</b>	<b>-</b>	<b>2,228,823</b>	<b>-</b>	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Whatcom County Sheriff's Office)	Homeland Security Grant Program	97.067	EMW-2020-SS- 00080	10,787	-	10,787	-	1, 2, 3
			<b>Total Federal Awards Expended:</b>	<b>2,239,610</b>	<b>-</b>	<b>2,239,610</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, 2023

### 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 – Federal Indirect Cost Rate

The city 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 award portion of the program costs. Entire program costs, including the city'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.

**City of Sumas**  
**Schedule 21 Questions 1-6 (unaudited)**  
**For Fiscal Year Ended: 2023**

<b>Property and Liability Insurance</b>	<b>Health and Welfare Insurance</b>	<b>Unemployment Compensation Obligations</b>	<b>Workers Compensation Obligations</b>
Belong to a public entity risk pool	Belong to a public entity risk pool	Pay taxes to the Department of Employment Security ("Taxable")	Pay premiums to the Department of Labor and Industries

Washington PFML Program	Entity	Government Type
Pay premiums to the State's program for both benefits	City of Sumas	City/Town