

**CITY OF CARNATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**January 1, 2022 through December 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Carnation was incorporated in 1912 and operates under the laws of the state of Washington applicable to a council-manager form of government. The City of Carnation is a general-purpose local government and provides general administrative services, water and sewer utility services, storm drainage and street maintenance and improvements, parks and recreation, contracted garbage, and public safety services. The City of Carnation 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.

### Debt Service Funds

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

### Capital Projects Funds

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

### Permanent Funds

These funds account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support programs for the benefit of the government or its citizenry.

## 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 of Carnation also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

## C. Cash and Investments – See Note 4 – Deposits and Investments

## D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of 10 years. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave is accrued at the following monthly rates for full-time employees, and is pro-rated for part-time employees:

Years of Service	Union and Non-Union Employees Monthly Vacation Accrual Rate
1 through 5	6.66 hours
6 through 10	10 hours**
11 through 19	13.33 hours
20 and thereafter	16.66 hours

\*\* The City Manager may in his/her discretion deviate from the above schedule by allowing new employees with relevant prior work experience to begin individually accruing vacation time as if they had 6-10 years of continuous city employment.

Unused vacation accrual may be carried over to the following year, up to a maximum of eighty (80) hours. With the approval of the City Manager, an employee may carry over more than eighty (80) hours, up to a maximum of two hundred forty (240) hours. Over-limit unused vacation hours are paid to the employee with the first paycheck in September. Upon the effective date of termination of employment or retirement, any earned vacation leave time which has not been used is compensated to the employee.

Sick leave is accrued at a rate of eight (8) hours per month for full-time employees, and is pro-rated for part-time employees, accumulated indefinitely. Sick leave lapses on termination of employment or retirement and employees are not compensated for unused sick leave accrual upon separation.

The City Manager may award up to five (5) days per year of discretionary Management Leave to each exempt employee. Accrued management leave lapses on the anniversary date of the employee, and is not carried over from year to year. Management leave also lapses on termination of employment, and employees are not compensated for any accrued management leave upon separation.

Payments are recognized as expenditures when paid.

F. Long-Term Debt – See Note 5, Debt Service Requirements

G. Restricted and Committed Portion of Ending Cash and Investments

Beginning and Ending Cash and Investment is reported as restricted or committed when it is subject to restrictions on use imposed by external parties or due to internal commitments established by CMC or Council direction. 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 ARPA Fund (103), Contingency Fund (105), Cemetery Capital (306), Water Bond Reserve (405), Cemetery Endowment Fund (601) and Trust Fund (633).

**NOTE 2 – BUDGET COMPLIANCE**

A. Budgets

The City adopts annual appropriated budgets for all 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 budget were as follows:

<b>Fund #</b>	<b>Fund</b>	<b>Final Appropriated</b>	<b>Actual Expenditures</b>	<b>Variance</b>
001	General	\$ 2,033,689.33	\$ 2,924,248.99	\$ 890,559.66
002	Revenue Stabilization	\$ -	\$ -	\$ -
101	Street	\$ 429,936.00	\$ 283,473.21	\$ (146,462.79)
103	ARPA	\$ -	\$ 637,880.00	\$ 637,880.00
105	Contingency	\$ -	\$ -	\$ -
106	Cemetary	\$ 27,960.00	\$ 43,892.66	\$ 15,932.66
107	Equipment Replacement	\$ 55,000.00	\$ 8,420.03	\$ (46,579.97)
108	Park Development	\$ 205,764.76	\$ 59,009.27	\$ (146,755.49)
109	Traffic Impact Fees	\$ -	\$ -	\$ -
201	LTGO Bond Redemption	\$ 240,000.00	\$ 200,561.33	\$ (39,438.67)
301	Street Capital Improvement	\$ 935,100.00	\$ 3,754,308.86	\$ 2,819,208.86
302	Capital Facilities	\$ 4,250,000.00	\$ 1,069,776.88	\$ (3,180,223.12)
306	Cemetary Capital Improvement	\$ -	\$ -	\$ -
401	Water & Sewer	\$ 2,270,291.90	\$ 4,870,710.04	\$ 2,600,418.14
402	Water Capital Replacement	\$ 1,764,070.00	\$ 519,186.70	\$ (1,244,883.30)
404	Water Bond Redemption	\$ 104,197.60	\$ -	\$ (104,197.60)
406	Landfill Financial Assurance	\$ 83,725.00	\$ 79,230.36	\$ (4,494.64)
407	Sewer Debt Service	\$ 481,011.40	\$ 478,533.04	\$ (2,478.36)
408	Sewer Capital	\$ 444,129.00	\$ 48,538.86	\$ (395,590.14)
409	Stormwater Operations	\$ -	\$ 71,018.13	\$ 71,018.13
411	Sewer Operations	\$ -	\$ -	\$ -
601	Cemetary Endowment	\$ -	\$ -	\$ -
633	Trust	\$ 402,500.00	\$ 45,545.22	\$ (356,954.78)
<b>Total</b>		<b>\$ 13,727,374.99</b>	<b>\$ 15,094,333.58</b>	<b>\$ 1,366,958.59</b>

Budgeted amounts are authorized to be transferred between departments within any fund and object classes within departments; 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 – COVID 19 PANDEMIC**

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

The City saw a deferral of several revenue streams in both our general fund and our water/sewer fund. The General Fund was impacted due to the halt in the construction industry/permit revenues and the deferral of electric, natural gas & telecommunication charges being paid. The City's utility tax, which is remitted to the General Fund, for these utilities was impacted as these are remitted on a percentage of gross receipts. As citizens did not pay their electric, natural gas, telecommunication or water/sewer bills, the utility tax remitted to our General Fund was correspondingly reduced. Our water/sewer fund has also seen an increase in the aged receivables as we work with our citizens to get their balances current.

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

### **NOTE 4 – DEPOSITS AND INVESTMENTS**

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

<b>TYPE OF DEPOSIT OR INVESTMENT</b>	<b>CITY'S OWN DEPOSIT AND INVESTMENT</b>	<b>TOTAL</b>
BANK of AMERICA	\$4,240,053.12	\$4,240,053.12
LGIP	\$3,060,047.47	\$3,060,047.47
<b>TOTAL</b>	<b>\$ 7,300,100.59</b>	<b>\$7,300,100.59</b>

It is the City's policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds. The exception to this would be 106 Cemetery Operations fund which also receives the interest accrued from the 601 Cemetery Endowment Fund, which is allowed per the 601 fund requirements. Those requirements state that the interest is allowed to go to Cemetery Operations but the principal in the 601 fund is not allowed to be expensed.

#### **Investments in the State Local Government Investment Pool (LGIP)**

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

The Office of the State Treasurer prepares a stand-alone financial report for the pool. A copy of the report is available from the Office of the State Treasurer, P.O. Box 40200, Olympia, Washington 98504-0200, online at [www.tre.wa.gov](http://www.tre.wa.gov).

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

Custodial Risk

Custodial credit risk for deposits is the risk that, in the event of a failure of the depository financial institution, the City would not be able to recover deposits or would not be able to recover collateral securities that are in possession of an outside party. The City's deposits are mostly covered by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by 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 5 – LONG-TERM DEBT**

The accompanying Schedule of Liabilities (09) provides more details of the outstanding debt and liabilities of the city and summarizes the City's debt transactions for year ended December 31, 2021.

The debt service requirements, including both principal and interest, are as follows:

	Principal	Interest	Total
2023	\$ 665,264.29	\$ 140,300.70	\$ 805,564.99
2024	\$ 758,217.51	\$ 135,705.46	\$ 893,922.97
2025	\$ 764,511.26	\$ 128,297.53	\$ 892,808.79
2026	\$ 770,845.44	\$ 121,129.15	\$ 891,974.59
2027	\$ 777,221.31	\$ 113,826.08	\$ 891,047.39
2028-2032	\$ 2,420,496.92	\$ 456,487.09	\$ 2,876,984.01
2033-2037	\$ 1,455,659.09	\$ 275,985.91	\$ 1,731,645.00
2038-2042	\$ 339,003.13	\$ 181,984.87	\$ 520,988.00
2043-2047	\$ 395,388.02	\$ 125,599.98	\$ 520,988.00
2048-2052	\$ 461,151.17	\$ 59,836.81	\$ 520,987.98
2053-2057	\$ 100,591.13	\$ 3,143.47	\$ 103,734.60
TOTALS	\$ 8,908,349.27	\$ 1,742,297.05	\$ 10,650,646.32

**NOTE 6 – PENSION PLANS**

The City of Carnation participates in two retirement plans. The Primary plan (offered to all employees) is administered by the WA State Department of Retirement Systems (DRS) and the other is administered by the International City Manager’s Association (ICMA) and is only offered to the City Manager who may choose to opt out of the City’s primary retirement plan options through DRS.

A. State Sponsored Pension Plans

Substantially all City of Carnation 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 PERS 1 UAAL, PERS 2 and PERS 3.

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

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

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

At June 30, 2021 (the measurement date of the plans), the City of Carnation’s proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

	Employer Contributions	Allocation %	Liability (Asset)
PERS 1	\$26,885	0.004387%	\$122,150
PERS 2/3	\$45,800	0.005701%	\$(211,438)

B. Non State Sponsored Pension Plans

Only the City Manager, who may elect to not participate in the City’s pension plan thru DRS, may participate in this option.

Employer and Participant contribution rates for the City of Carnation ICMA-RC City Manager Retirement Plan shall match the adopted contribution rates for the Washington State Department of Retirement Systems (DRS) PERS 2 Plan.

The Governmental Money Purchase Plan & Trust is a qualified plan – “a defined contribution plan” registered through the Internal Revenue Service (*IRS*) as a section 401 (a) and is administered by ICMA-RC, PO Box 96220, Washington, DC 20090-6220. Details and specific terms & conditions of this plan may be found on the ICMA-RC website [www.icmarc.org](http://www.icmarc.org) or may be requested in writing at the above aforementioned address.

The City of Carnation did not contribute to this plan in 2021.

#### **NOTE 7 – PROPERTY TAXES**

The King County Treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed periodically during the month.

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

The City of Carnation’s regular levy for 2022 was \$0.87143 per \$1,000 on an assessed valuation of \$488,184,814 for a total regular levy of \$422,739.

#### **NOTE 8 – RISK MANAGEMENT**

The City of Carnation is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance, or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2022, 262 cities/towns/non-city entities participate and have enrollment in the AWC Trust HCP .

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members.

In April 2020, the Board of Trustees adopted a large employer policy, requiring newly enrolling groups with 600 or more employees to submit medical claims experience data in order to receive a quote for medical coverage. Outside of this, the AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members.

The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, Willamette Dental Group, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-city entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is



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

Participating employers contract to remain in the AWC Trust HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the AWC Trust HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the AWC Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The AWC Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). In 2018, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

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

		<u>Total for All Funds (Memo Only)</u>	<u>001 General Fund</u>	<u>101 Street Fund</u>	<u>103 ARPA Fund</u>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	8,900,085	848,259	143,982	318,986
388 / 588	Net Adjustments	61	61	-	-
<b>Revenues</b>					
310	Taxes	1,807,474	1,439,065	-	-
320	Licenses and Permits	236,880	229,580	5,700	-
330	Intergovernmental Revenues	3,225,286	455,908	43,205	318,894
340	Charges for Goods and Services	2,734,596	343,155	11,789	-
350	Fines and Penalties	4,208	-	-	-
360	Miscellaneous Revenues	805,957	130,956	505	49
Total Revenues:		<u>8,814,401</u>	<u>2,598,664</u>	<u>61,199</u>	<u>318,943</u>
<b>Expenditures</b>					
510	General Government	750,858	738,423	2,433	9,750
520	Public Safety	559,863	558,708	318	-
530	Utilities	2,446,777	18,044	73	-
540	Transportation	454,220	5,870	279,089	-
550	Natural/Economic Environment	574,030	496,929	-	-
560	Social Services	14,654	14,654	-	-
570	Culture and Recreation	119,135	73,722	-	-
Total Expenditures:		<u>4,919,537</u>	<u>1,906,350</u>	<u>281,913</u>	<u>9,750</u>
Excess (Deficiency) Revenues over Expenditures:		3,894,864	692,314	(220,714)	309,193
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	11,785	-	-	-
397	Transfers-In	4,166,531	54,130	216,021	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	960	820	100	-
Total Other Increases in Fund Resources:		<u>4,179,276</u>	<u>54,950</u>	<u>216,121</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	5,010,984	-	1,558	-
591-593, 599	Debt Service	705,877	-	-	-
597	Transfers-Out	4,166,530	768,400	-	628,130
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>9,883,391</u>	<u>768,400</u>	<u>1,558</u>	<u>628,130</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>(1,809,251)</u></b>	<b><u>(21,136)</u></b>	<b><u>(6,151)</u></b>	<b><u>(318,937)</u></b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	13,049	-	-	49
50841	Committed	120,000	-	-	-
50851	Assigned	6,957,842	827,177	137,829	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b><u>7,090,891</u></b>	<b><u>827,177</u></b>	<b><u>137,829</u></b>	<b><u>49</u></b>

The accompanying notes are an integral part of this statement.

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

	105 Contingency Fund	106 Cemetery Fund	107 Equipment Replacement Fund
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	-	-
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	16,256	-
350	Fines and Penalties	324	-
360	Miscellaneous Revenues	20	11
Total Revenues:		16,600	11
<b>Expenditures</b>			
510	General Government	27	217
520	Public Safety	-	-
530	Utilities	43,866	-
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		43,893	217
Excess (Deficiency) Revenues over Expenditures:		(27,293)	(206)
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	120,000	108,420
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	-
Total Other Increases in Fund Resources:		120,000	108,420
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	-	8,203
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	-
Total Other Decreases in Fund Resources:		-	8,203
<b>Increase (Decrease) in Cash and Investments:</b>		<b>120,000</b>	<b>100,011</b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	120,000	-
50851	Assigned	63,704	100,011
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b>120,000</b>	<b>100,011</b>

The accompanying notes are an integral part of this statement.

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

	<b>108 Park Development Fund</b>	<b>109 Traffic Impact Fee</b>	<b>201 LTGO Bond Redemption</b>	<b>301 Street Capital Improvement</b>	
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	-	-	79,423	789,488
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	26,655	-	-	170,877
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	2,407,279
340	Charges for Goods and Services	6,246	8,854	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	10	6	-	1
	<b>Total Revenues:</b>	<b>32,911</b>	<b>8,860</b>	<b>-</b>	<b>2,578,157</b>
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	3,090	-	-	-
540	Transportation	-	-	-	169,261
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	45,367	-	-	-
	<b>Total Expenditures:</b>	<b>48,457</b>	<b>-</b>	<b>-</b>	<b>169,261</b>
	<b>Excess (Deficiency) Revenues over Expenditures:</b>	<b>(15,546)</b>	<b>8,860</b>	<b>-</b>	<b>2,408,896</b>
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	124,396	200,000	321,138	886,246
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
	<b>Total Other Increases in Fund Resources:</b>	<b>124,396</b>	<b>200,000</b>	<b>321,138</b>	<b>886,246</b>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	10,553	-	-	3,585,050
591-593, 599	Debt Service	-	-	200,561	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
	<b>Total Other Decreases in Fund Resources:</b>	<b>10,553</b>	<b>-</b>	<b>200,561</b>	<b>3,585,050</b>
	<b>Increase (Decrease) in Cash and Investments:</b>	<b>98,297</b>	<b>208,860</b>	<b>120,577</b>	<b>(289,908)</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	98,298	208,860	200,000	499,581
50891	Unassigned	-	-	-	-
	<b>Total Ending Cash and Investments</b>	<b>98,298</b>	<b>208,860</b>	<b>200,000</b>	<b>499,581</b>

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

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

		<b>302 Capital Facilities</b>	<b>306 Cemetery Capital Improvement</b>	<b>401 Water &amp; Sewer Utility Fund</b>
<b>Beginning Cash and Investments</b>				
308	Beginning Cash and Investments	2,919,924	-	3,501,613
388 / 588	Net Adjustments	-	-	-
<b>Revenues</b>				
310	Taxes	170,877	-	-
320	Licenses and Permits	-	-	1,600
330	Intergovernmental Revenues	-	-	-
340	Charges for Goods and Services	-	-	2,143,432
350	Fines and Penalties	-	-	3,884
360	Miscellaneous Revenues	41	-	11,910
Total Revenues:		<u>170,918</u>	<u>-</u>	<u>2,160,826</u>
<b>Expenditures</b>				
510	General Government	-	-	8
520	Public Safety	-	-	837
530	Utilities	-	-	2,303,455
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	46
Total Expenditures:		<u>-</u>	<u>-</u>	<u>2,304,346</u>
Excess (Deficiency) Revenues over Expenditures:		<u>170,918</u>	<u>-</u>	<u>(143,520)</u>
<b>Other Increases in Fund Resources</b>				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	13,000	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	40	-	-
Total Other Increases in Fund Resources:		<u>40</u>	<u>13,000</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>				
594-595	Capital Expenditures	869,777	-	-
591-593, 599	Debt Service	-	-	-
597	Transfers-Out	200,000	-	2,570,000
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		<u>1,069,777</u>	<u>-</u>	<u>2,570,000</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>(898,819)</u></b>	<b><u>13,000</u></b>	<b><u>(2,713,520)</u></b>
<b>Ending Cash and Investments</b>				
50821	Nonspendable	-	-	-
50831	Restricted	-	13,000	-
50841	Committed	-	-	-
50851	Assigned	2,021,105	-	788,093
50891	Unassigned	-	-	-
<b>Total Ending Cash and Investments</b>		<b><u>2,021,105</u></b>	<b><u>13,000</u></b>	<b><u>788,093</u></b>

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

	402 Water Capital Replacement	404 Water Bond Redemption Fund	406 Landfill Financial Assurance	407 Sewer Debt Service	
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	-	-	298,010	-
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	-	-	77,959	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	255,088	-	231	345,695
Total Revenues:		255,088	-	78,190	345,695
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	1,136	-	2,130	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	77,101	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		1,136	-	79,231	-
Excess (Deficiency) Revenues over Expenditures:		253,952	-	(1,041)	345,695
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	11,785
397	Transfers-In	464,131	132,000	-	421,052
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-	-
Total Other Increases in Fund Resources:		464,131	132,000	-	432,837
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	490,982	-	-	285
591-593, 599	Debt Service	27,068	-	-	478,248
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		518,050	-	-	478,533
<b>Increase (Decrease) in Cash and Investments:</b>		<b>200,033</b>	<b>132,000</b>	<b>(1,041)</b>	<b>299,999</b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	200,032	132,000	296,969	300,000
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b>200,032</b>	<b>132,000</b>	<b>296,969</b>	<b>300,000</b>

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

	<b>408 Sewer Capital Fund</b>	<b>409 Stormwater Operations Fund</b>	<b>411 Sewer Operations</b>
<b>Beginning Cash and Investments</b>			
308	Beginning Cash and Investments	-	400
388 / 588	Net Adjustments	-	-
<b>Revenues</b>			
310	Taxes	-	-
320	Licenses and Permits	-	-
330	Intergovernmental Revenues	-	-
340	Charges for Goods and Services	-	126,905
350	Fines and Penalties	-	-
360	Miscellaneous Revenues	61,114	320
Total Revenues:		<u>61,114</u>	<u>127,225</u>
<b>Expenditures</b>			
510	General Government	-	-
520	Public Safety	-	-
530	Utilities	3,964	71,019
540	Transportation	-	-
550	Natural/Economic Environment	-	-
560	Social Services	-	-
570	Culture and Recreation	-	-
Total Expenditures:		<u>3,964</u>	<u>71,019</u>
Excess (Deficiency) Revenues over Expenditures:		<u>57,150</u>	<u>56,206</u>
<b>Other Increases in Fund Resources</b>			
391-393, 596	Debt Proceeds	-	-
397	Transfers-In	200,000	815,000
385	Special or Extraordinary Items	-	-
381, 382, 389, 395, 398	Other Resources	-	-
Total Other Increases in Fund Resources:		<u>200,000</u>	<u>815,000</u>
<b>Other Decreases in Fund Resources</b>			
594-595	Capital Expenditures	44,576	-
591-593, 599	Debt Service	-	-
597	Transfers-Out	-	-
585	Special or Extraordinary Items	-	-
581, 582, 589	Other Uses	-	-
Total Other Decreases in Fund Resources:		<u>44,576</u>	<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>212,574</u></b>	<b><u>56,206</u></b>
<b>Ending Cash and Investments</b>			
50821	Nonspendable	-	-
50831	Restricted	-	-
50841	Committed	-	-
50851	Assigned	212,576	815,000
50891	Unassigned	-	-
<b>Total Ending Cash and Investments</b>		<b><u>212,576</u></b>	<b><u>56,607</u></b>

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

		<b>Total for All Funds (Memo Only)</b>	<b>Investment Trust</b>	<b>Custodial</b>
308	Beginning Cash and Investments	63,039	-	63,039
388 & 588	Net Adjustments	-	-	-
310-390	Additions	20,715	-	20,715
510-590	Deductions	41,410	-	41,410
	Net Increase (Decrease) in Cash and Investments:	(20,695)	-	(20,695)
508	Ending Cash and Investments	42,134	-	42,134

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

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