



**THE CITY OF MARYSVILLE, WASHINGTON  
ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**(For the Year Ending December 31, 2023)**



Annual Comprehensive Financial Report  
For the Fiscal Year Ending  
December 31, 2023

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**TABLE OF CONTENTS**

**INTRODUCTORY SECTION**

Letter of Transmission ..... 3  
 GFOA Certificate of Achievement ..... 6  
 Organization Chart ..... 7  
 City of Marysville Public Officials ..... 8

**FINANCIAL SECTION**

Independent Auditors Report ..... 9  
 Management’s Discussion and Analysis ..... 12

**Basic Financial Statements**

Government Wide Financial Statements  
     Statement of Net Position ..... 23  
     Statement of Activities ..... 25  
 Fund Financial Statements  
     Balance Sheet – Governmental Funds ..... 26  
     Reconciliation of Balance Sheet – Governmental Funds to the  
         Statement of Net Position ..... 27  
     Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 28  
     Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of  
         Governmental Funds to the Statement of Activities ..... 29  
     Statement of Net Position – Proprietary Funds ..... 30  
     Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds ..... 31  
     Statement of Cash Flows – Proprietary Funds ..... 32  
     Statement of Net Position – Fiduciary Funds ..... 34  
     Statement of Changes in Fiduciary Net Position – Fiduciary Funds ..... 35  
 Notes to Financial Statements ..... 37

**Required Supplementary Information**

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual  
     General Fund ..... 73  
     School Mitigation ..... 74  
 Schedule of Proportionate Share of the Net Pension Liability ..... 75  
 Schedule of Employer Contributions ..... 78  
 Schedule of Changes in Total OPEB Liability ..... 79

**Combining and Individual Fund Statements and Schedules:**

**Governmental Funds**

Combining Balance Sheet – Non-major Governmental Funds ..... 80  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
     Non-major Governmental Funds ..... 81  
 Combining Balance Sheet – Non-major Special Revenue Funds ..... 82  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
     Non-major Special Revenue Funds ..... 84  
 Combining Balance Sheet – Non-major Debt Service Funds ..... 87  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
     Non-major Debt Service Funds ..... 88  
 Combining Balance Sheet – Non-major Capital Project Funds ..... 89  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
     Non-major Capital Project Funds ..... 90

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:

Street Maintenance Fund ..... 91  
 Drug Seizure Fund ..... 92  
 Tribal Gaming Fund ..... 93  
 Hotel/Motel Fund ..... 94  
 I/Net ..... 95

Community Development Block Grant (CDBG) .....	96
GMA REET I Fund .....	97
GMA REET II Fund .....	98
Transportation Benefit District .....	99
Affordable Housing Tax .....	100
COVID 19 .....	101
LTGO Debt Service Fund .....	102
Local Improvement District 71 (LID71) .....	103
LID Guaranty Fund .....	104
Street Construction Fund .....	105
Parks Construction Fund .....	106
General Capital Improvement .....	107
<b>Proprietary Funds</b>	
Combining Statement of Net Position – Internal Service Funds .....	108
Combining Statement of Revenues, Expenses, and Changes in Net Position Internal Service Funds .....	109
Combining Statement of Cash Flows – Internal Service Funds .....	110
<b>Fiduciary Funds</b>	
Combining Statement of Net Position– Fiduciary Funds .....	112
Combining Statement of Changes – Fiduciary Funds .....	113
<b>STATISTICAL SECTION</b>	
Statistical Section Overview .....	114
Financial Trends:	
Net Position by Component – Last Ten Fiscal Years .....	116
Changes in Net Position – Last Ten Fiscal Years .....	117
Fund Balances by Governmental Funds – Last Ten Fiscal Years .....	119
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years .....	120
Governmental Tax Revenues by Source – Last Ten Fiscal Years .....	121
Revenue Capacity:	
Water Produced, Consumed & Wastewater Treated – Last Ten Fiscal Years .....	122
Annual Connections – Last Ten Fiscal Years .....	123
Number of Water and Sewer Customers by Type – Last Ten Fiscal Years .....	124
Water and Sewer Rates – Last Ten Fiscal Years .....	125
Largest Water/Sewer Customers – Current Year and Ten Years Ago .....	126
Taxable Assessed Value and Estimated Actual Value of Property – Last Ten Fiscal Years .....	127
Property Tax Levies and Collections – Last Ten Fiscal Years .....	128
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years .....	129
Principal Property Tax Payers – Current Year and Ten Years Ago .....	130
Principle Sales Tax Payers – Last Ten Fiscal Years .....	131
Direct and Overlapping Sales Tax Rates – Last Ten Fiscal Years .....	132
Debt Capacity:	
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years .....	133
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years .....	134
Direct and Overlapping Governmental Activities Debt – Current Year .....	135
Legal Debt Margin Information – Last Ten Fiscal Years .....	136
Pledged-Revenue Coverage – Last Ten Fiscal Years .....	137
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Fiscal Years .....	138
Major Employers – Current Year and Ten Years Ago .....	140
Operating Information:	
Full-Time Equivalent City Government Employees by Function – Last Ten Fiscal Years .....	141
Operating Indicators by Function/Program – Last Ten Years .....	142
Capital Asset Statistic by Function/Program – Last Ten Years .....	143



XX June 2024

Honorable Mayor  
The Marysville City Council,  
Citizens of the City of Marysville:

This correspondence will formally transmit the Annual Comprehensive Financial Report (ACFR) of the City of Marysville for the year ended December 31, 2023. This submittal is in accordance with Washington State Statutes and Marysville code provisions. This report of the financial condition of the City also provides full financial disclosure in accordance with generally accepted accounting principles (GAAP).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Cities and counties of the State of Washington use the Budgeting, Accounting and Reporting System (BARS) developed and prescribed by the State Auditor's Office. The City's financial statements have been audited by the Washington State Auditor's office. The goal of an independent audit is to provide reasonable assurance that City financial statements for the fiscal year ended December 31, 2023 are free of material misstatements. The State Auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Marysville's statements are fairly presented in conformity with GAAP. The State Auditor's report is presented at the first component of the financial section of this report.

As the recipient of federal, state, and county financial assistance if the annual receipts exceed \$750,000 the City is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). This audit is conducted by the State Auditor's Office in conjunction with the City's annual independent audit. During this reporting period the receipt of federal financial assistance did meet the threshold, so a single audit was performed.

GAAP requires that the City provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a "*Management's Discussion and Analysis*" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### **Profile of the Government**

The City of Marysville is located 35 miles north of downtown Seattle and 4 miles north of Everett in Snohomish County. To the west of the City are Interstate 5 and the Tulalip Indian Reservation and to the east lie the city of Lake Stevens and the foothills of the Cascade Mountains. The City and the immediate area is primarily suburban and rural residential with supporting retail and commercial enterprises. Light industrial and manufacturing business are located in the northern portion of the City. On December 30, 2009, Marysville became the second largest City in the county with a current population of 732,380 when the City annexed in the remaining Urban Growth Area. Incorporated in 1891, Marysville has developed into an ideally located economic center, one that offers residents and businesses a way of life that provides opportunities to prosper, while preserving the unhurried qualities we have all come to treasure in this fast-growing region.

Marysville is approximately 20.99 square miles in size. Visitors and residents can enjoy 444.58 acres of recreational attractions including parks, soccer fields, nature trails, a boat launch and golf course. The City also offers visitors a number of new retail shopping areas, restaurants and hotels.

The City of Marysville is a non-charter code city operating under a Council-Mayor form of government. City Council elections are held every two years with Council members elected to staggered four-year terms. The Mayoral elections are held every four years. Citizens of Marysville may run for Mayor or City Council if they are at least 18 years old and residents of the City for the previous twelve months.

The Chief Administrative Officer (CAO) along with the Mayor, are responsible for implementing the policies and goals of the City Council and provides leadership, coordination and development of City departments. The CAO is appointed by, reports directly to, and serves at the pleasure of the Mayor.

The City of Marysville provides a full range of municipal services, including police, community development, street maintenance and construction, parks and recreation, courts, and general administrative services. The City operates enterprise funds for water, sewer, stormwater, solid waste, and golf course.

The City prepares a biennial budget in accordance with the Revised Code of Washington (RCW) 35.A.34. Biennial budgets must be adopted by the City council prior to the first of each odd-numbered calendar year. This budget serves as the foundation for the City of Marysville's financial planning and control. The budget is prepared by fund and department. A budget increase or decrease to a fund must be authorized by the City Council. Appropriation changes within a fund may be authorized by the Chief Administrative Officer.

### **Long Term Financial Planning and Relevant Financial Policies**

Because the city has been fiscally prudent in these past several years, we have a solid financial foundation from which to work. An improving economy provides its own set of challenges: investing in economic development, diversifying our employment base and providing the infrastructure to meet the needs of businesses coming our way. This high growth phase coupled with the fiscal discipline of the last several years provides the opportunity to move forward and complete long-term projects that the city has planned for quite some time.

The stewardship of public funds is one of the greatest responsibilities given to the officials and managers of the City of Marysville. Therefore, the establishment and maintenance of wise fiscal policies enables City officials to protect public interests and ensure public trust. These policies have been established to provide general fiscal guidelines and are intended to provide sound direction in the management of the City's financial affairs. They address topics that include the operating and enterprise fund budgets, revenues and expenditures, cash management and investment, reserve and fund balance and debt management.

To ensure the City keeps abreast of and incorporates economic conditions into its financial plan, revenues are projected for six years and the forecast is updated annually. Operating expenses are supported by ongoing revenues per City policy. Reserve replenishment continues to be a high priority, with the objective of meeting and maintaining the reserve requirements. In 2021 S&P Global Rating upgraded the City's bond rating from AA to AA+.

### **Major Initiatives**

The 2023-2024 biennial budget approved by the City Council included the following major initiatives:

#### Transportation

- \$9 million to complete the last phase of the State Avenue widening project between 104th and 116th Streets NE
- \$3 million for preliminary work to widen 88th Street east of State Avenue to 67th Street NE
- \$3.2 million in 2023 and \$3 million in 2024 for street pavement repairs and overlays funded through the voter-approved Transportation Benefit District

Note: The city's First Street Bypass that opened in 2020 will directly connect to the state's new south Marysville freeway interchange at I-5 and SR 529. It is scheduled to begin construction in 2023, with completion in 2025

#### Water and Sewer Services

- \$6.5 million for Downtown Stormwater Treatment design and construction
- \$800,000 for site cleanup of the former Geddes Marina property
- \$500,000 to complete stormwater and traffic safety improvements on 2nd Street east of State Avenue

#### City Parks

- \$1.62 million for Strawberry Fields improvements
- \$1.2 million for improvements to Jennings Nature Park
- \$1 million to expand Ebey Waterfront Trail
- \$1 million to replace playground equipment at various parks
- \$800,000 toward phased public opening of Mother Nature's Window

#### Personnel

- 30.5 new positions to meet the needs of our growing community

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marysville for its annual comprehensive financial report for the fiscal year

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ended December 31, 2022. The City has received the award each year beginning in 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this Annual Comprehensive Financial Report would not have been possible without the efficient and dedicated service of the Finance Department. Thank you to our department heads for understanding the importance of the financial status of this organization and as such, worked diligently to provide quality service within our financial means. It is to their credit that the citizens of the City of Marysville can rely on this report as the definitive discussion of all City financial operations.

Respectively Submitted:  
Jennifer Ferrer-Santa Ines  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Marysville  
Washington**

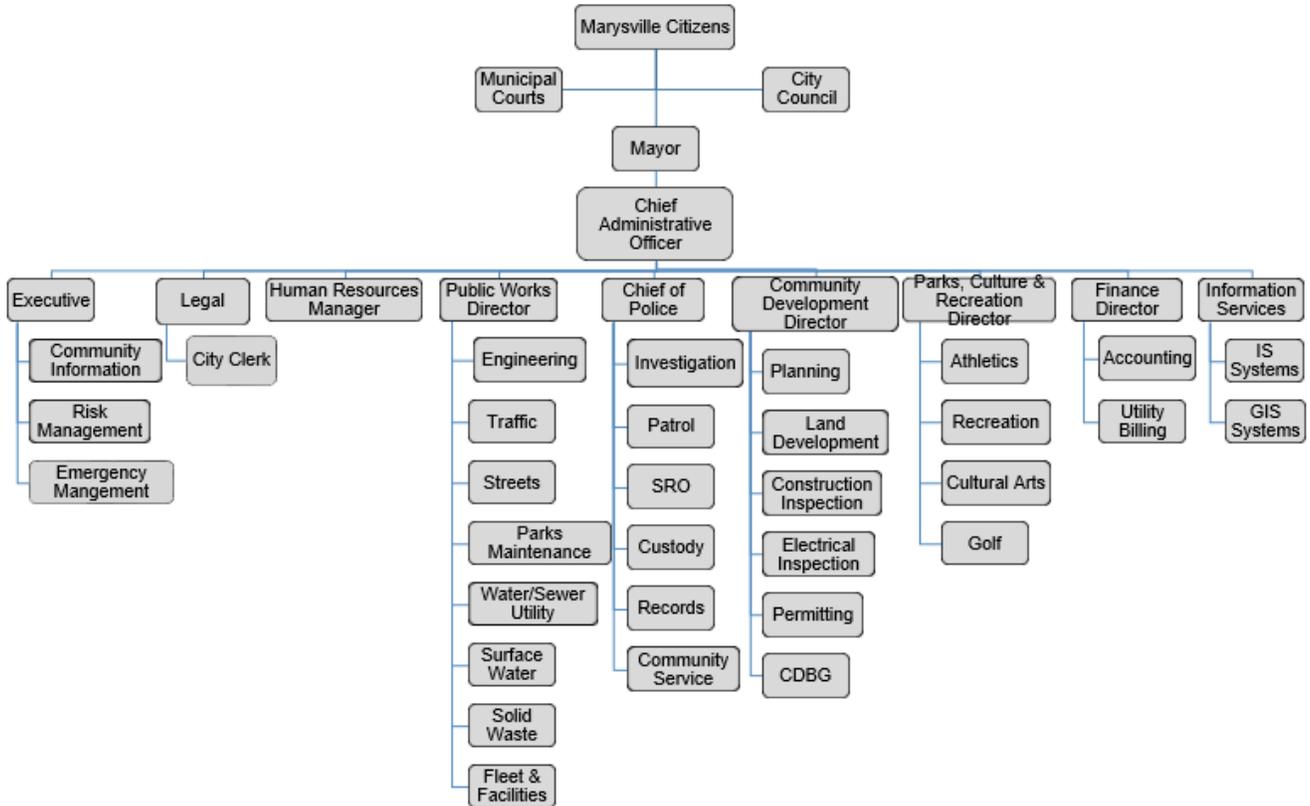
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

# CITY OF MARYSVILLE ORGANIZATIONAL CHART



ELECTED OFFICIALS AS OF DECEMBER 31, 2023



MAYOR  
Jon Nehring



Peter Condyles  
Position 1



Mark James  
Position 2



Tom King  
Position 3



Michael Stevens  
Position 4



Kelly Richards  
Position 5



Steve Mueller  
Position 6



Kamille Norton  
Council President  
Position 7

ADMINISTRATIVE STAFF

Chief Administrative Officer  
City Attorney  
Community Development Director  
Court Administrator  
Information Services Director  
Finance Director  
Human Resource Director  
Parks, Culture and Recreation Director  
Police Chief  
Public Works Director

Gloria Hirashima  
Jon Walker  
Haylie Miller  
Suzanne Elsner  
Stephen Doherty  
Jennifer Ferrer-Santa Ines  
Megan Hodgson  
Tara Mizell  
Erik Scairpon  
Jeff Laycock



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

**INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE  
FINANCIAL STATEMENTS**

Mayor and City Council  
City of Marysville  
Marysville, Washington

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

**Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Marysville as of and for the year then ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Marysville, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements;
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time; and
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management

about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditor's report thereon. Management is responsible for the other information included in the financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or provide any assurance thereon.

In connection with the audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with Government Auditing Standards, we will also issue our report dated September 30, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Sincerely,



Pat McCarthy, State Auditor  
Olympia, WA  
September 30, 2024

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The City of Marysville presents this discussion and analysis of its financial performance to provide an overview of the City's financial activities for fiscal year ended December 31, 2023. We encourage readers to consider the information presented here in conjunction with the accompanying basic financial statements and the associated notes.

**FINANCIAL HIGHLIGHTS**

- The total assets and deferred outflows of the City of Marysville exceed its liabilities and deferred inflows at the close of December 31, 2023 by approximately \$533.6 million (net position) an increase of \$46 million or 9.4%. Of this amount, unrestricted net position totals \$77.2 million and may be used to meet the City's ongoing obligations to citizens and creditors. Restricted net position totals \$42.1 million and are subject to external restrictions on how it may be used.
- As of December 31, 2023, the City's governmental activities reported a combined net position of \$295.1 million, an increase of \$17.1 million from 2022. Approximately 8% of this amount, \$22.1 million, is available for spending at the City's discretion.
- The City's total long-term outstanding debt decreased by \$8.6 million during calendar year 2023.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction the City of Marysville's basic financial statements. The basic statements include three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements and required information.

**Government-Wide Financial Statements**

The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities and business-type activities separately. Additionally, certain eliminations have occurred in regards to interfund activity, payable and receivables.

The Statement of Net Position presents financial information on all of the City of Marysville's assets, liabilities and deferred inflows/outflow resources, with the difference reported as net position. Evaluating increases or decreases over time can serve as a useful indicator of whether the financial position of the city is improving or declining.

The Statement of Activities present information on the net cost of each governmental and business-type function during the fiscal year. The statement distinguishes revenue generated by specific functions from revenue provided by taxes and other sources not related to a specific function. The revenue generated by the specific functions (charges for services, grants, and contributions) is compared to the expenses for those functions to show the degree to which each function supports itself or relies on taxes and other general funding sources for support. All activity on this statement is reported on the accrual basis of accounting requiring the revenues to be reported when they are earned and expenses are reported when they are incurred, regardless of when cash is received or disbursed.

In the Statement of Activities, we separate the City activities as follows:

**Governmental Activities** – most of the City's basic services are reported in this category, including General Government, Municipal Court, Police, Fire, Engineering, Parks/Recreation, Community Development, Street Maintenance, and General Government Debt Service. Property and sales taxes, user fees, interest income, franchise fees, and state and federal shared revenues and grants generally finance these activities.

**Business-Type Activities** – The City's Waterworks Utility, Solid Waste, and Golf Course Funds are reported in this category. These types of activities are funded by the City charging a fee to customers to cover all or most of the cost of certain services it provides.

**Fund Financial Statements**

The Fund Financial Statements include statements for each of the three categories of activities – governmental, business-type and fiduciary. The governmental activities are prepared using the current financial resources measurement focus and modified accrual basis of accounting. The business-type activities are prepared using the economic resources measurement focus and the accrual basis of accounting. The fiduciary activities are custodial funds, and are prepared using the economic resources measurement focus and full accrual. Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

The City, like other state and local governments, uses fund accounting to account for a number of funding sources and activities. In general, fund accounting provides a mechanism for separately accounting for a variety of different funding sources, and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds. Thus, the accompanying fund financial statements present individual funds, organized into one of three groups based on the nature of the activities and the purpose: Governmental, Proprietary or Fiduciary Funds. Note that the fund financial statements also include “other governmental funds” on the governmental funds, and “other enterprise funds” on the proprietary funds. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the Government-Wide Financial Statements.

**Governmental Funds** – Most of the City’s basic services are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides to its citizens. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences between the results shown in the Governmental fund financial statements and those shown in the Government-Wide financial statements are explained in a reconciliation schedule following each Governmental Fund financial statement.

**Proprietary Funds** – When the City charges customers for the service it provides, whether to outside City customers or to other units of the City, these services are generally reported in proprietary funds. Proprietary funds include two components 1) enterprise funds and 2) internal service funds. Proprietary funds are reported in the same manner that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In fact, the City’s enterprise funds are the same as the business-type activities reported in the governmental-wide statement, but provide more detail and additional information, such as cash flows, for proprietary funds. Internal service funds are used to report activities that provide supplies and services for the City’s other programs and activities – such as fleet maintenance, facility maintenance, computer maintenance and insurance funds. Because these funds largely benefit government rather than business-type functions, they are reported with governmental activities in the government-wide financial statements.

**Fiduciary Fund** – The City is the trustee, or fiduciary for certain funds held on behalf of various third parties. The City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. These type of activities are excluded from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**Notes to the Financial Statements**

The notes to the financial statements provide information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to the financial statements immediately follow the basic financial statements in this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the Schedule of Proportionate Share of the Net Pension Liability, the Schedule Employer Contributions, and the funding progress for the Other Post-Employment Benefits. Also included as required supplementary information are the Schedules Revenues, Expenditures and Changes in Fund Balances – Budget and Actual the general fund and major special revenue funds.

**Combining Statements**

The combining statements for other governmental funds, internal service funds and custodial funds are presented immediately following the required supplementary information.

**Statistical Section**

This section includes unaudited trend information and demographics.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position**

Following is a condensed version of the government-wide statement of net position for 2023 compared to 2022:

Condensed Statement of Net Position						
(in thousands)						
	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2023	2022	2023	2022	2023	2022
<b>ASSETS</b>						
Current and other assets	56,504	73,074	55,209	60,874	111,713	133,948
Capital assets (net of accumulated depreciation)	320,920	293,538	205,413	178,883	526,333	472,421
<b>TOTAL ASSETS</b>	<b>\$ 377,424</b>	<b>\$ 366,612</b>	<b>\$ 260,622</b>	<b>\$ 239,757</b>	<b>\$ 638,046</b>	<b>\$ 606,369</b>
Deferred outflows	9,087	9,138	1,733	1,803	10,821	10,942
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 386,512</b>	<b>\$ 375,751</b>	<b>\$ 262,355</b>	<b>\$ 241,560</b>	<b>\$ 648,867</b>	<b>\$ 617,311</b>
<b>LIABILITIES</b>						
Current and other liabilities	12,761	13,239	5,902	9,275	18,663	22,514
Long-term liabilities	73,323	76,120	16,994	20,944	90,317	97,064
<b>TOTAL LIABILITIES</b>	<b>\$ 86,084</b>	<b>\$ 89,359</b>	<b>\$ 22,896</b>	<b>\$ 30,219</b>	<b>\$ 108,979</b>	<b>\$ 119,578</b>
Deferred inflows	5,265	8,352	1,009	1,650	6,273	10,002
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<b>\$ 91,349</b>	<b>\$ 97,711</b>	<b>\$ 23,904</b>	<b>\$ 31,868</b>	<b>\$ 115,253</b>	<b>\$ 129,579</b>
<b>NET POSITION</b>						
Net Investment in capital assets	238,551	220,679	175,752	152,510	414,304	373,189
Restricted	34,418	35,477	7,682	6,771	42,100	42,248
Unrestricted	22,194	21,884	55,017	50,411	77,210	72,295
<b>TOTAL NET POSITION</b>	<b>\$ 295,163</b>	<b>\$ 278,039</b>	<b>\$ 238,451</b>	<b>\$ 209,692</b>	<b>\$ 533,614</b>	<b>\$ 487,731</b>

**Governmental Activities**

During the 2023 fiscal year, the net position for governmental activities increased by \$17.1 million or 6.2% from 2022. Key elements of the increase are as follows:

- Capital assets, net of accumulated depreciation increased by \$27.4 million. There was an increase of \$3 million in land and an increase in construction in progress of \$13 million. The \$13 million consists of \$554K for Waterfront Redevelopment, \$2.5 million for Police Evidence Building, \$2.6 for various Parks and Trails improvements and \$7.4 million in multiple roads and sidewalk projects.
- Deferred outflows saw a decrease related primarily to pensions and debt refunding.
- Current liabilities reflect a decrease of \$478,000 from normal fluctuations in accounts payable activity and OPEB liability.
- Long-term liabilities decreased by \$3 million, a result of annual debt service payments, offset by adjustments to the net pension and OPEB liability.
- The \$3.1 million decrease in deferred inflows is related to pensions.

**Business-Type Activities**

Business-type activities of the City’s utilities and golf course realized a \$28.8 million increase in net position. Key elements of the increase are as follows:

- Total assets and deferred outflows increased by \$20.8 million. This is comprised of a \$5.7 million decrease in current and other assets and, a \$26.5 million increase in capital assets net of accumulated depreciation.
- Total liabilities and deferred inflows decreased \$8 million as a result of annual debt service and change in OPEB liability.

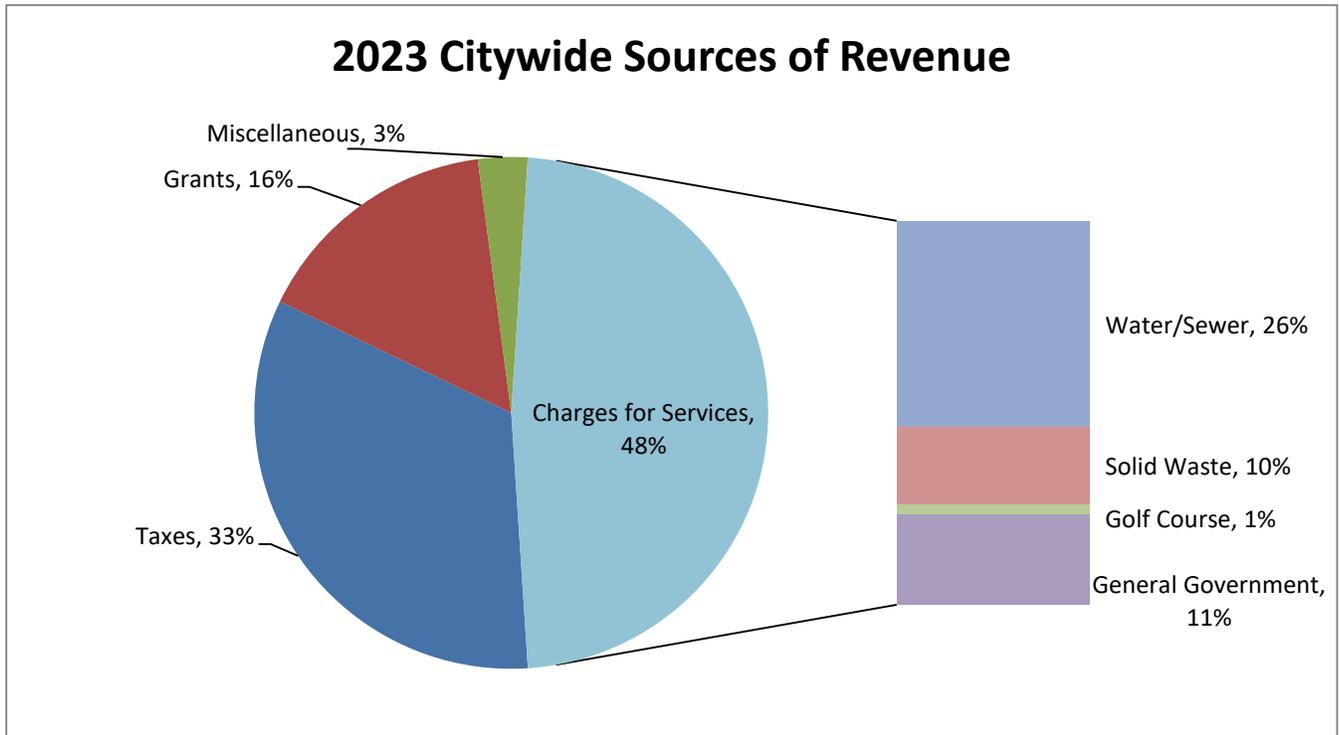
**Changes in Net Position**

As discussed earlier, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time. The Statement of Activities provides details on how net position changed from the beginning of the year to the end of the year and whether net position increased or decreased. Therefore the Statement of Activities provides information as to whether the City as a whole is better off financially by yearend as illustrated in the following table.

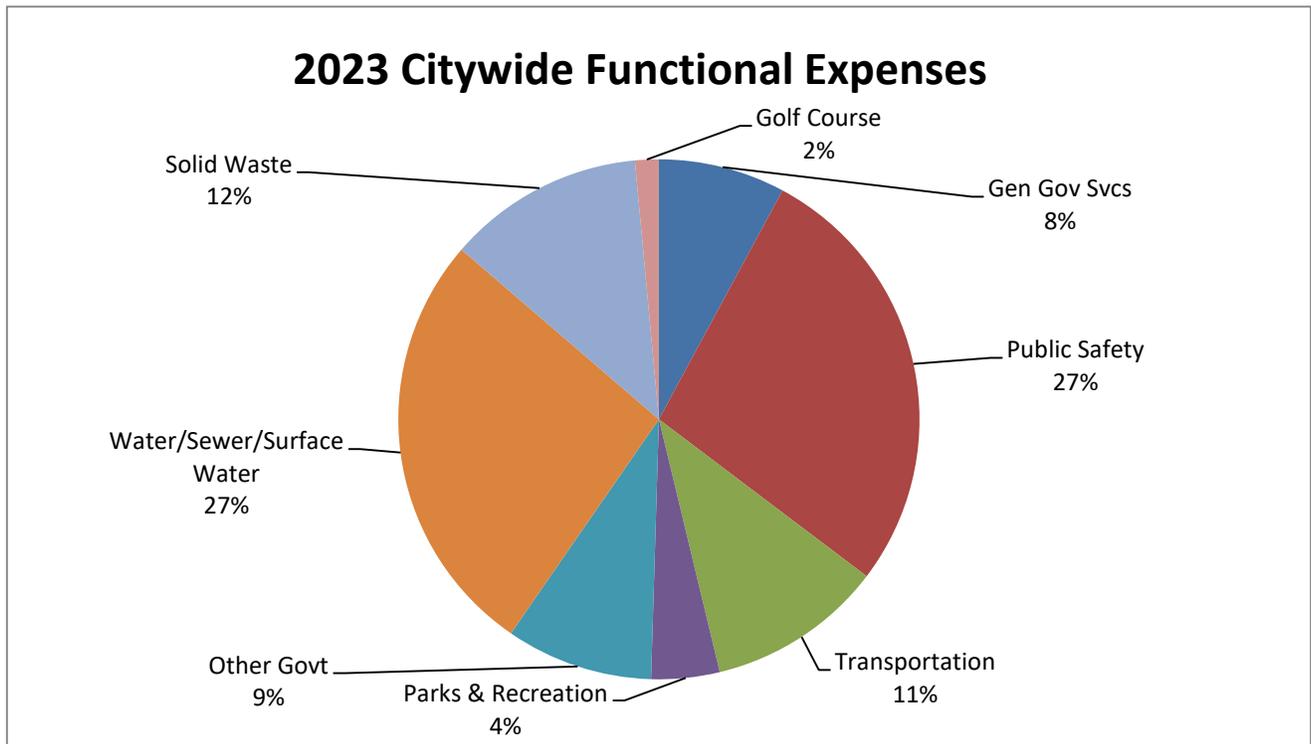
Changes in Net Position  
For Year Ended December 31, 2023  
(in thousands)

	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
<b>Program Revenue:</b>						
Charges for Services	\$ 18,952	\$ 10,816	\$ 61,646	\$ 52,595	\$ 80,597	\$ 63,412
Operating Grants and Contributions	2,628	2,806	2,867	5,142	5,495	7,947
Capital Grants and Contributions	4,725	1,961	16,257	10,407	20,981	12,368
<b>General Revenues:</b>						
Property Taxes	17,307	16,126			17,307	16,126
Sales Taxes	25,470	24,451			25,470	24,451
Other Taxes	13,038	13,990			13,038	13,990
Interest and Investment Earnings	2,655	(303)	2,362	(556)	5,016	(859)
Gain on sale of capital assets	-	-			-	-
Miscellaneous	225	741			225	740
Total Revenue	85,000	70,589	83,131	67,588	168,130	138,175
<b>Program Expenses</b>						
<b>Governmental Activities</b>						
Judicial	1,608	1,427	-	-	1,608	1,427
General Government	8,655	8,192	-	-	8,655	8,192
Public Safety	32,652	29,535	-	-	32,652	29,535
Physical Environment	760	476	-	-	760	476
Transportation	13,642	10,290	-	-	13,642	10,290
Economic Environment	6,274	3,689	-	-	6,274	3,689
Health	621	321	-	-	621	321
Culture & Recreation	4,890	3,402	-	-	4,890	3,402
Interest on Long-term Debt	2,429	2,553	-	-	2,429	2,553
<b>Business-Type Activities</b>						
Water/Sewer/Surface Water	-	-	33,559	31,601	33,559	31,601
Garbage & Solid Waste	-	-	15,188	13,960	15,188	13,960
Golf Course	-	-	1,972	1,537	1,972	1,537
Total Expenses	71,531	59,885	50,718	47,098	122,249	106,982
Increase in Net Position Before Transfers	13,469	10,703	32,413	20,490	45,882	31,193
Transfers	3,655	822	(3,655)	(822)	-	-
Increase in Net Position	17,123	11,525	28,759	19,667	45,882	31,193
Net Position - Beginning of Year	278,039	262,084	209,692	190,022	487,731	452,107
Prior Period Adjustment	-	129	-	-	-	129
Net Position - End of Year	\$ 295,163	\$ 273,739	\$ 238,451	\$ 209,691	\$ 533,613	\$ 483,429

As shown in the chart below, charges for services made up 48% of the total revenue received by the city as a whole in 2023. Taxes made up 33% of the revenue sources, comprised of property taxes, sales taxes, and from business and other taxes. The remaining sources of revenue is attributable to grants and other miscellaneous receipts.



The following chart compares the functional expenses of the City. Public Safety, General Government, and the Water/Sewer Utility Fund make up 62% of the total City expenses.



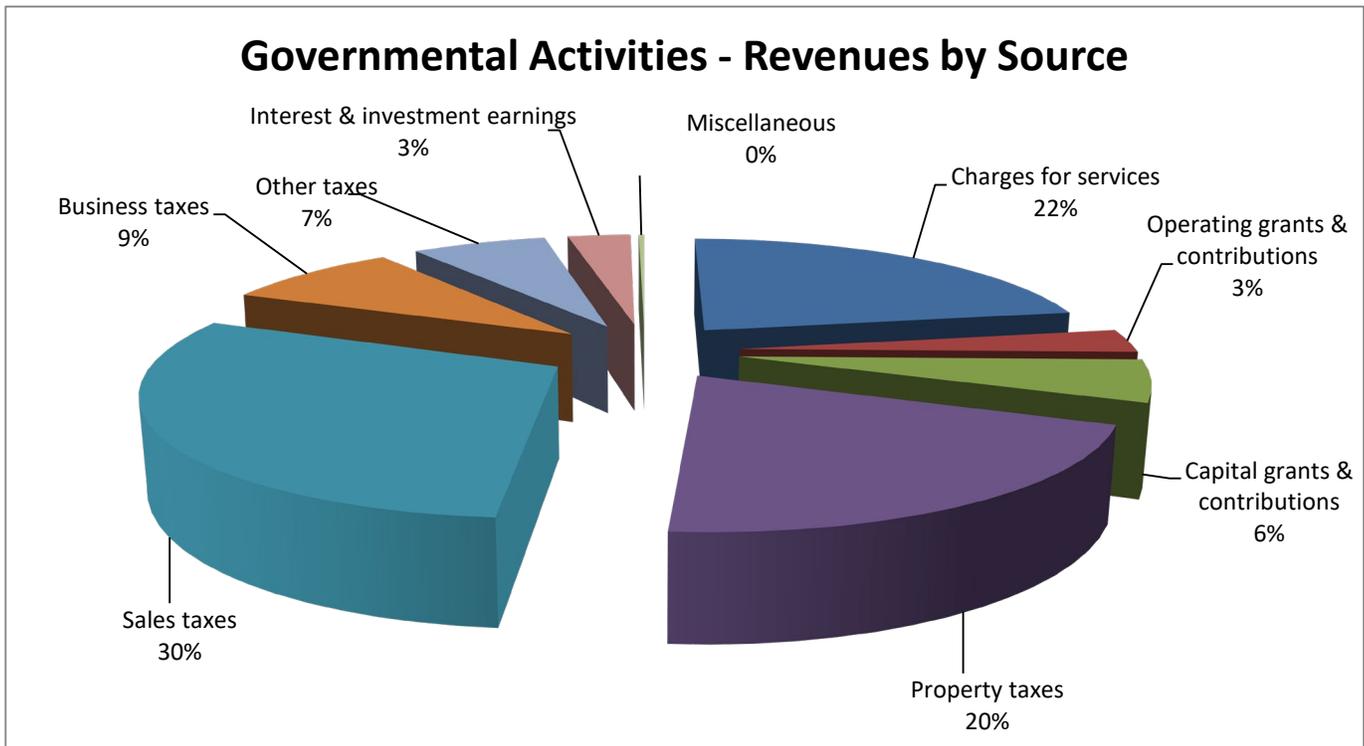
**GOVERNMENTAL ACTIVITIES ANALYSIS**

As shown in the Statement of Activities, the total cost of all governmental activities in 2023 was \$71.3 million. Of this amount \$26.3 million was paid either by those who directly benefited from the programs or by other governments and organizations that subsidized certain programs with grants and contributions. The net expense (total expenses less program revenues) of \$45 million was the cost of governmental activity services paid primarily by city taxpayers.

**Revenues**

Total governmental activity revenue (excluding transfers) increased by \$ 14 million or 20%. The increase is primarily associated with grants and contributions and charge for services. As the chart below depicts, the majority of governmental activity revenue, 66% is from taxes. Combined taxes were up \$1 million, or 2% from 2022.

Sales tax increased by \$1 million or 4.2% from 2022 as a result of increased sales from construction activity and non-retail financial service categories. Property taxes increased \$1 million or 6.2% a result of the increased assessed values and new construction. Other taxes decreased 6.8% from 2022. This category includes utility taxes assessed on utilities, such as water, sewer, solid waste, storm water, telephone, electric and natural gas for services sold within the city limits.



**Expenses**

Total governmental activity expenses increased by \$11.7 million or 19.6%, compared to 2022. Highlights of the change in governmental activity expenses are:

- Increase of \$3.1 million in Public Safety is due to increase in staffing. Economic environment increased \$2.5 million as a result of capital purchases. The \$3.4 million increase in Transportation is a result of the widening of State Ave. project and overlays.

**BUSINESS-TYPE ACTIVITIES ANALYSIS**

Total expenses of business-type activities in 2023 were \$50.7 million. Total program revenue covered \$80.7 million resulting in an increase in net position before transfers of \$30.0 million.

**Revenues**

Total revenues (excluding transfers) were up \$15.5 million or 23% from the prior year. Charges for services increased by \$9.1 million from 2022 due to a garbage and solid waste annexation and increase in recovery fees

Capital grants and contributions consist of infrastructure constructed by the developer and then turned over to the City. Business-type capital contributions increased by \$5.8 million.

In 2023, interest earnings on investments increased by \$2.9 million. The increase is due to an increase and change in fair market value and higher interest rate earnings in investments.

**Expenses**

Total business-type expenses saw an increase of \$3.6 million or 7.65% from 2022. This increase is a result of higher maintenance and operation costs.

**FUND-LEVEL FINANCIAL ANALYSIS**

As discussed earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Fund**

The focus of the City's governmental funds is to provide information on near-term revenues/financial resources and expenditures. This information helps determine the City's financing requirements in the near future. In particular, unassigned fund balance measures the City's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year the City's governmental funds reported a combined ending fund balance of \$42.9 million, a increase of \$3 million from 2022.

Revenues for the governmental funds in 2023 were \$85.1 million, up \$10.6 million or 14.2% from 2022 and expenditures were \$91.4 million up \$10.1 million or 12.4%.

*General Fund* - The general fund is the main operating fund of the City through which all receipts and payments of ordinary City operations are processed, unless legally required to be accounted for in another fund. Taxes are the major revenue source. At the end of 2023, the fund balance of the General Fund was \$25.5 million up \$4.3 million from 2022. As a measure of fund's liquidity, the ending fund balance is 44% of the fund's 2023 expenditures. As of December 31, 2023, total revenue was \$60.6 million, an increase of \$2.9 million or 5.0% and total expenditures were \$57.5 million. Of the \$25.5 million fund balance, \$25.4 is unassigned and is available for discretionary spending with the remainder assigned restricted funds related to the Opioid Settlement total \$95,591. The City remains committed to managing costs and balancing current year revenue and expenses to ensure the financial security of the City.

*General Capital Improvements* – The General Capital Improvements fund tracks the bond proceeds and expenditures associated with the construction of the new city campus and other general capital facilities. The fund reported an increase of \$71,346 of fund balance at year end with the completion of the Civic Campus.

*Local Improvement District 71 Fund (LID71)* – The LID 71 Fund accounts for assessments related to the LID and provides payment to the Fiscal Agent for principal and interest on bonds issued in September 2014. The fund fluctuates based off the assessments collected and the bonds called during the current year.

*Other Governmental Funds* – The City has eleven other special revenue funds, two other debt service funds and two non-major capital project funds.

Combined, the Other Governmental Funds reported total assets of \$17.9 million with a combined fund balance of \$16 million. Liabilities increased due to the addition of the Street Capital Improvement fund to this category. The cash and investments decreased by \$6.2 million. This decrease is a result from the Growth Management Act Real Estate Excise Tax funds and the real estate market activity.

Revenue for the Other Government Funds in 2023 was \$13.7 million, a decrease of \$2.7 million over 2022, primarily due to decreased collection of charge for services.

Expenditures for the Other Government Funds in 2023 were \$19.7 million, an increase of \$ 1.7 million primarily due to the addition of the Street Capital Improvement fund to this category.

**Proprietary Funds**

The City's proprietary fund statements are similar regarding the information found in the government-wide financial statements, but more detail is provided due to the assortment of activities. These funds include the Waterworks Utility and Solid Waste as the major funds for the purpose of this report. As a result, all statements related to the enterprise funds are presented at the entity-wide level. The Cedarcrest Golf Course is the only enterprise fund that is not considered a major fund. The City does have Internal Service funds which are reported in the fund statements.

*Waterworks Utility Fund* – The Waterworks Utility Fund accounts for the operations, maintenance, and construction of activities related to the supplying of water, sewer, and storm drainage/surface water services to the community. The fund reported total assets and deferred outflow of \$248.5 million, total liabilities and deferred inflows of \$22.4 million, and net position of \$226.1 million, an increase of \$27 million from the prior year. Key elements for the change include:

- The annual 2% rate increase in utilities.
- Decrease in outstanding bonds, notes and loans payable.
- Increase in net pension asset.

*Solid Waste Fund* – The Solid Waste Fund accounts for the operations and maintenance of providing solid waste services to citizens within the city limits. The fund reported total assets and deferred outflows of \$10.8 million, total liabilities and deferred inflows of \$1.3 million and net position of \$9.5 million, an increase of 11.8% from the prior year.

*Other Enterprise Funds* – The City's other enterprise fund includes only one activity and that is the Cedarcrest Golf Course. The fund reported total assets and deferred outflows of \$2.7 million, total liabilities and deferred inflows of \$ 0.2 million, and net position of a \$ 2.4 million, an increase of \$ 0.1 million. The increase is due to an increase in rounds played.

**General Fund Budgetary Highlights**

The 2023/2024 biennial budget was adopted in October 2022 by the City Council.

The General Fund budget for the fiscal year ending December 31, 2023, was designed to contain costs while meeting service-level needs. The adopted budget for General Fund 001 totaled \$66.1 million. Six amendments to the budget throughout the year resulted in a revised expenditure budget totaling \$72.8 million. The majority of the amendments were in capital outlay, which included 2 million dollars for potential real estate options. Actual expenditures through year-end 2023, totaled \$66.5 million, of which 59% were attributable to personnel costs.

The 2023 adopted revenue was \$63.9 million. Year-end results exceeded the adopted budget by three percent, or \$4.8 million. Licenses and permits revenue were up 61% more than projections contributing \$1.7 million in receipts. The charge for services category, particularly with development service charges, which include engineering services and plan checking fees brought in \$1.1 million more than budget.

Staffing levels in the General Fund increased by 54.5 full-time equivalent positions. Most of the changes were in Police with 24 and Streets with 10 additional authorized positions.

**CAPITAL ASSET AND DEBT ADMINISTRATION****Capital Assets**

The City's investment in capital assets, including construction in progress, for its governmental and business-type activities as of December 31, 2023 amounts to \$506.4 million (net of accumulated depreciation) an increase of \$34 million from 2022.

Capital Assets at Year End, Net of Depreciation  
(in thousands)

	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2023	2022	2023	2022	2023	2022
Land	\$ 40,730	\$ 37,678	\$ 10,808	\$ 10,600	\$ 51,538	\$ 48,278
Buildings	73,325	74,605	4,459	4,871	77,785	79,476
Infrastructure	136,227	138,318	-	-	136,227	138,318
Improvements other than buildings	9,250	9,662	163,705	149,338	172,955	159,001
Machinery and Equipment	9,742	8,561	1,787	1,861	11,529	10,422
Construction in Progress	37,466	24,463	17,115	12,147	54,581	36,610
Intangibles/Leases/SBITA	1,393	252	359	65	1,753	318
	<b>\$ 308,133</b>	<b>\$ 293,538</b>	<b>\$ 198,234</b>	<b>\$ 178,883</b>	<b>\$ 506,367</b>	<b>\$ 472,421</b>

Key changes to major capital assets during 2023 included the following:

- Increase of \$14 million in Improvements other than buildings resulting from Water/Sewer projects.
- Increase of \$18 million in Construction In Progress associated with the construction of large street projects, utility improvements.

Additional information on the City's capital assets can be found in Note 4 to the financial statements.

Long Term Debt

At the end of the fiscal year, the City had total debt outstanding of \$88.1 million, a decrease of \$8.7 million associated with the annual debt service payments. Of this amount, \$ 60.6 million is general obligation debt, \$6.3 million in bond premiums and the City also has \$ 1.5 million is special assessment debt.

Long-Term Debt  
(in thousands)

	GOVERNMENTAL		BUSINESS-TYPE		TOTAL	
	ACTIVITIES		ACTIVITIES			
	2023	2022	2023	2022	2023	2022
General Obligation Debt	\$ 60,575	\$ 64,355	\$ -	\$ -	\$ 60,575	\$ 64,355
GO Bond premiums	6,256	6,620	-	-	6,256	6,620
Revenue Bonds	-	-	17,840	21,010	17,840	21,010
Revenue Bonds Issuance Premiums	-	-	1,390	1,668	1,390	1,668
Public Work Trust Fund Loans	-	-	526	1,275	526	1,275
Special Assessment (w/government commitment)	1,525	1,815	-	-	1,525	1,815
Total Long-Term Debt	<b>\$ 68,356</b>	<b>\$ 72,790</b>	<b>\$ 19,756</b>	<b>\$ 23,953</b>	<b>\$ 88,113</b>	<b>\$ 96,742</b>

On August 18, 2020, Moody's Investor Service assigned a rating of Aa2 to the City's limited tax general obligation bonds.

Standards & Poor's notified the city on April 15, 2021 of an upgrade in its rating of Water and Sewer Revenue Refunding Bonds-2014 from AA to AA+.

Washington State statutes limit the amount of debt a governmental entity may issue to 7.5% of its total assessed valuation, subject to 60% majority vote of qualified electors. Of the 7.5% limit, 2.5% is for general purposes, 2.5% for open space/park facilities, and 2.5% for utilities. Non-voted general purpose indebtedness is limited to 1.5% of assessed valuation and the combination of voted and non-voted general purpose indebtedness cannot exceed 2.5% of assessed valuation.

The City's assessed valuation for 2024 was \$13.8 billion and the total amount of additional debt that the city may issue is \$973 million. Remaining debt capacity is categorized as follows (in thousands):

**Debt Capacity Available**

<u>Item</u>	<u>Capacity</u>
General	\$ 284,135
Open Space/Park Facilities	344,543
Utilities	344,543
Total	<u>\$ 973,221</u>

Additional information on the City's long-term debt can be found in Note 8 to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The City of Marysville Council voted not to increase the regular property tax levy by 1% allowed under initiative 747 in 2023. Assessed values (AV) for 2023 are estimated to increase by 32% from the 2023 assessed values. The levy rate for 2024 is \$0.83 per \$ 1,000 of assessed valuation, a decrease of 349% from the prior year of \$ 1.259. The decrease is due to the rise in assessed value and the decision not to increase regular property tax levy by the allowed 1%.

Total General Fund revenues for 2024 are estimated to decrease by \$7.4 million from 2023 before transfers and the total General Fund expenditures are estimated to decrease by \$6.1 million from 2023 before transfers. This decrease is due to the reduction of EMS levy collection on behalf of the Regional Fire Authority. The City is continuing to review and prioritize the strategic investments necessary to lay the groundwork for a prosperous future.

**Requests for Information**

The City's financial statements are designed to provide users with a general overview of the City's finances as well as to demonstrate the City's accountability to its citizens, investors, creditors, and other customers. If you have a question about the

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Statement of Net Position  
December 31, 2023

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
<i>Current Assets</i>			
Cash and cash equivalents	17,001,061	14,130,417	31,131,478
Investments	28,515,071	29,439,818	57,954,889
Receivables (net)	8,855,913	10,198,644	19,054,557
Lease receivables	55,277	60,153	115,430
Special assessment receivable	2,957,705	-	2,957,705
Internal balances	(1,224,959)	1,224,959	-
Inventories	344,148	154,674	498,822
<b>Total Current Assets</b>	<b>56,504,216</b>	<b>55,208,665</b>	<b>111,712,881</b>
<i>Noncurrent Assets</i>			
Restricted investments	-	5,393,495	5,393,495
Lease receivables	320,354	6,765	327,119
Investment in joint venture	1,625,931	-	1,625,931
<i>Capital Assets:</i>			
Land	40,729,708	10,808,403	51,538,111
Depreciable assets (net)	229,937,815	170,310,645	400,248,460
Construction in progress	37,465,877	17,114,643	54,580,520
Net pension asset	10,840,464	1,779,046	12,619,510
<b>Total Noncurrent Assets</b>	<b>320,920,149</b>	<b>205,412,997</b>	<b>526,333,146</b>
<b>Total Assets</b>	<b>377,424,365</b>	<b>260,621,662</b>	<b>638,046,027</b>
<b>Deferred Outflows of Resources</b>			
Debt refunding	164,044	210,072	374,116
Related to pensions	8,838,287	1,523,255	10,361,542
Related to OPEB	85,068	-	85,068
<b>Total Deferred Outflows of Resources</b>	<b>9,087,399</b>	<b>1,733,327</b>	<b>10,820,726</b>
<b>Total Assets and Deferred Outflows</b>	<b>386,511,764</b>	<b>262,354,989</b>	<b>648,866,753</b>

The accompanying notes are an integral part of this statement

Page 1 of 2

Statement of Net Position  
December 31, 2023

	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
<i>Current Liabilities</i>			
Accounts payable and accrued expenses	6,988,245	1,217,176	8,205,421
Unearned revenue	178,448	-	178,448
Other current liabilities	535,896	311,993	847,889
Current portion - bonds, notes and loans payable	3,488,162	4,134,278	7,622,440
Current portion - leases	44,281	12,272	56,553
Current Portion - Subscription Payables	36,507	11,103	47,610
Current portion - compensated absences	1,307,805	215,094	1,522,899
Current portion - total OPEB liability	181,636	-	181,636
<b>Total Current Liabilities</b>	<b>12,760,980</b>	<b>5,901,916</b>	<b>18,662,896</b>
<i>Non-Current Liabilities</i>			
Bonds, notes and loans payable	64,868,319	15,621,859	80,490,178
Leases	349,726	17,113	366,839
Subscription Payables	959,237	290,395	1,249,632
Compensated absences	1,307,805	215,094	1,522,899
Net pension liability	2,243,012	849,199	3,092,211
Total OPEB liability	3,594,765	-	3,594,765
<b>Total Noncurrent Liabilities</b>	<b>73,322,864</b>	<b>16,993,660</b>	<b>90,316,524</b>
<b>Total Liabilities</b>	<b>86,083,843</b>	<b>22,895,576</b>	<b>108,979,419</b>
<b>Deferred Inflows of Resources</b>			
Related to leases	353,357	12,301	365,658
Related to pensions	4,911,357	996,401	5,907,758
<b>Total Deferred Inflows of Resources</b>	<b>5,264,714</b>	<b>1,008,702</b>	<b>6,273,416</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>91,348,557</b>	<b>23,904,278</b>	<b>115,252,835</b>
<b>Net Position</b>			
Net investment in capital assets	238,551,212	175,752,462	414,303,674
Restricted for:			
Net pension assets	14,720,675	2,288,212	17,008,887
Debt service	3,348,422	5,393,495	8,741,917
Law enforcement	73,364	-	73,364
Opioid settlement	63,204	-	63,204
Capital	1,527,055	-	1,527,055
Tourism	414,995	-	414,995
Technology infrastructure	582,907	-	582,907
REET	5,821,114	-	5,821,114
Transportation Benefit District	7,731,424	-	7,731,424
Grants	135,280	-	135,280
Unrestricted	22,193,555	55,016,542	77,210,097
<b>Total Net Position</b>	<b>295,163,207</b>	<b>238,450,711</b>	<b>533,613,918</b>

The accompanying notes are an integral part of this statement

Page 2 of 2

Statement of Activities  
For the Year Ended December 31, 2023

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating	Capital	Governmental Activities	Business-Type Activities	Total
<b>Governmental Activities:</b>							
Judicial	1,608,299	157,014	53,830	-	(1,397,455)	-	(1,397,455)
General Government	8,654,810	2,228,627	(71,263)	55,345	(6,442,101)	-	(6,442,101)
Public Safety	32,652,054	443,630	707,341	-	(31,501,081)	-	(31,501,081)
Physical Environment	759,989	-	-	-	(759,989)	-	(759,989)
Transportation	13,641,915	5,803,527	1,434,183	3,557,859	(2,846,346)	-	(2,846,346)
Economic Environment	6,273,665	8,473,810	468,929	-	2,669,074	-	2,669,074
Health	621,112	-	19,311	-	(601,801)	-	(601,801)
Culture & Recreation	4,890,277	1,845,078	15,878	1,111,440	(1,917,881)	-	(1,917,881)
Interest on long-term debt	2,429,072	-	-	-	(2,429,072)	-	(2,429,072)
<b>Total Governmental Activities</b>	<b>71,531,193</b>	<b>18,951,686</b>	<b>2,628,209</b>	<b>4,724,644</b>	<b>(45,226,652)</b>	<b>-</b>	<b>(45,226,652)</b>
<b>Business-Type Activities:</b>							
Water/Sewer/Surface Water	33,559,478	43,284,094	2,867,212	16,256,832	-	28,848,660	28,848,660
Solid Waste	15,187,687	16,301,475	-	-	-	1,113,788	1,113,788
Golf Course	1,971,550	2,060,662	-	-	-	89,112	89,112
<b>Total Business-Type Activities</b>	<b>50,718,715</b>	<b>61,646,231</b>	<b>2,867,212</b>	<b>16,256,832</b>	<b>-</b>	<b>30,051,560</b>	<b>30,051,560</b>
<b>Total Government</b>	<b>122,249,908</b>	<b>80,597,917</b>	<b>5,495,421</b>	<b>20,981,476</b>	<b>(45,226,652)</b>	<b>30,051,560</b>	<b>(15,175,092)</b>
<b>General Revenues</b>							
					17,307,360	-	17,307,360
					25,470,382	-	25,470,382
					7,377,860	-	7,377,860
					4,184,683	-	4,184,683
					1,475,438	-	1,475,438
					2,654,851	2,361,644	5,016,495
					225,409	-	225,409
<b>Transfers</b>					3,654,501	(3,654,501)	-
<b>Total General Revenues and Transfers</b>					<b>62,350,484</b>	<b>(1,292,857)</b>	<b>61,057,627</b>
<b>Change in Net Position</b>					<b>17,123,832</b>	<b>28,758,703</b>	<b>45,882,535</b>
Net Position - Beginning					278,039,375	209,692,008	487,731,383
Prior Period Adjustments					-	-	-
<b>Net Position - Ending</b>					<b>295,163,207</b>	<b>238,450,711</b>	<b>533,613,918</b>

The accompanying notes are an integral part of this statement

**Balance Sheet  
Governmental Funds  
December 31, 2023**

	General Fund	School Mitigation Fees	Street Capital Improvements	Local Improvement District 71	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash and cash equivalents	7,420,850	1,770,071	771,862	21,275	5,239,765	15,223,823
Investments	14,272,923	-	-	47,420	11,367,521	25,687,864
Receivables (net)	5,467,401	-	1,965,114	113,988	1,309,410	8,855,913
Due from other funds	200,778	-	-	-	-	200,778
Lease Receivables	348,052	-	-	-	27,579	375,631
Special Assessment Receivable	-	-	-	2,957,705	-	2,957,705
<b>Total Assets</b>	<b>27,710,004</b>	<b>1,770,071</b>	<b>-</b>	<b>2,736,976</b>	<b>3,140,388</b>	<b>17,944,275</b>
<b>Liabilities</b>						
Accounts payable and accrued expenses	667,902	1,861,389	1,254,669	-	807,692	4,591,652
Due to other funds	-	-	-	-	1,021,434	1,021,434
Unearned revenue	64,460	-	-	113,988	-	178,448
Deposits payable	97,566	-	-	-	82,955	180,521
<b>Total Liabilities</b>	<b>829,928</b>	<b>1,861,389</b>	<b>-</b>	<b>1,254,669</b>	<b>1,912,081</b>	<b>5,972,055</b>
<b>Deferred Inflows of Resources</b>						
Property taxes	176,478	-	-	-	-	176,478
Special assessments	-	-	-	2,957,705	-	2,957,705
Other unavailable revenue	625,789	-	-	-	-	625,789
Leases	326,671	-	-	-	26,686	353,357
Court receivables	269,917	-	-	-	-	269,917
<b>Total Deferred Inflows of Resources</b>	<b>1,398,855</b>	<b>-</b>	<b>-</b>	<b>2,957,705</b>	<b>26,686</b>	<b>4,383,246</b>
<b>Fund Balances</b>						
<i>Restricted for:</i>						
Law Enforcement	-	-	-	-	73,364	73,364
Opioid Settlement	95,591	-	-	-	-	95,591
Tourism	-	-	-	-	414,995	414,995
Technology Infrastructure	-	-	-	-	582,907	582,907
REET	-	-	-	-	5,821,114	5,821,114
Transportation Benefit District	-	-	-	-	7,731,424	7,731,424
Debt Service	-	-	-	68,695	677,397	746,092
Capital Outlay	-	-	1,482,307	-	44,748	1,527,055
Grants	-	-	-	-	135,280	135,280
<i>Committed to:</i>						
Law Enforcement	-	-	-	-	45,272	45,272
<i>Assigned to:</i>						
Street Construction & Maintenance	-	-	-	-	883,430	883,430
Debt Service	-	-	-	-	166,570	166,570
<i>Unassigned</i>	25,385,630	(91,318)	-	-	(570,993)	24,723,319
<b>Total Fund Balances</b>	<b>25,481,221</b>	<b>(91,318)</b>	<b>1,482,307</b>	<b>68,695</b>	<b>16,005,508</b>	<b>42,946,413</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>27,710,004</b>	<b>1,770,071</b>	<b>2,736,976</b>	<b>3,140,388</b>	<b>17,944,275</b>	<b>53,301,714</b>

The accompanying notes are an integral part of this statement

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position  
December 31, 2023**

<b>Total Governmental Fund Balances</b>		42,946,413
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>		
 Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets).		
Land	40,729,708	
Depreciable assets (including infrastructure)	267,496,661	
Construction in progress	37,465,877	
Less accumulated depreciation	(47,811,821)	297,880,425
 The investment in joint ventures (Sno911) is not reported at the fund financial reporting level but is reported on the government-wide statement of net position.		
		1,625,931
 Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds - property taxes, special assessments, grants and fines.		
		4,029,889
 Deferred inflows and outflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet.		
		3,758,315
 Deferred outflows for OPEB reported on the government-wide statement of net position but not reported on the government balance sheet.		
		85,068
 The net pension assets are not available to retire current year expenditures, therefore they are not reported in the funds but are reported in the government-wide statement of net position.		
		10,271,095
 The internal service fund is used by management to charge the costs of the equipment rental to individual funds. The assets and liabilities of the internal service funds are included in governmental activities column on the government-wide statement of net position.		
		12,116,971
 The internal service fund chargeback to enterprise funds is not reported in the governmental funds, but is reported on the government-wide financial statements.		
		(404,303)
 Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position (excludes internal service funds).		
General obligation/special assessment bonds payable	(68,356,481)	
Leases payable	(200,266)	
SBITA payable	(221,945)	
Deferred outflows - bond related	164,044	
Accrued interest payable	(355,375)	
Other postemployment benefits payable	(3,776,401)	
Net pension liability payable	(1,971,234)	
Compensated absences payable	(2,428,939)	(77,146,597)
 <b>Net Position Of Governmental Activities</b>		 <b>295,163,207</b>

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

Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds  
 For the Year Ended December 31, 2023

	General Fund	School Mitigation Fees	Street Capital Improvements	Local Improvement District 71	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	46,016,282	-	-	-	8,410,322	54,426,604
Licenses and permits	4,401,970	-	-	-	-	4,401,970
Intergovernmental	2,106,472	-	3,610,007	-	2,143,212	7,859,691
Charges for services	5,939,070	2,915,925	3,946,731	-	1,261,276	14,063,002
Fines and forfeitures	326,716	-	-	-	-	326,716
Investment earnings	1,485,274	-	-	882	849,639	2,335,795
Rent and leases	171,275	-	-	-	26,686	197,961
Special assessments	-	-	-	382,103	-	382,103
Miscellaneous	120,814	-	13	178	972,251	1,093,256
<b>Total Revenues</b>	<b>60,567,873</b>	<b>2,915,925</b>	<b>7,556,751</b>	<b>383,163</b>	<b>13,663,386</b>	<b>85,087,098</b>
<b>Expenditures</b>						
<b>Current:</b>						
Judicial	1,726,328	-	-	-	-	1,726,328
General government	6,299,789	-	-	-	26,763	6,326,552
Public safety	33,610,100	-	-	-	49,489	33,659,589
Physical environment	916,817	-	-	-	-	916,817
Transportation	6,439,656	-	-	-	4,212,298	10,651,954
Health & human services	621,112	-	-	-	-	621,112
Economic environment	3,205,231	3,007,243	-	-	374,232	6,586,706
Culture & recreation	4,129,114	-	-	-	22,364	4,151,478
<b>Capital Outlay:</b>						
General government	400,155	-	-	-	-	400,155
Transportation	-	-	10,807,407	-	4,284,350	15,091,757
Economic environment	-	-	-	-	477,445	477,445
Culture & recreation	-	-	-	-	3,855,201	3,855,201
<b>Debt Service:</b>						
Principal	169,028	-	-	290,000	3,780,000	4,239,028
Interest and fiscal charges	3,969	-	-	75,673	2,629,805	2,709,447
Other	-	-	-	3,262	-	3,262
<b>Total Expenditures</b>	<b>57,521,299</b>	<b>3,007,243</b>	<b>10,807,407</b>	<b>368,935</b>	<b>19,711,947</b>	<b>91,416,831</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>3,046,574</b>	<b>(91,318)</b>	<b>(3,250,656)</b>	<b>14,228</b>	<b>(6,048,561)</b>	<b>(6,329,733)</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds from sale of capital assets	1,175,000	-	-	-	-	1,175,000
Insurance recoveries	163,064	-	-	-	-	163,064
SBITA	337,184	-	-	-	-	337,184
Transfers in	5,340,680	-	6,876,459	-	13,631,744	25,848,883
Transfers out	(9,143,296)	-	(1,938,419)	-	(11,112,667)	(22,194,382)
<b>Total Other Financing Sources (Uses)</b>	<b>(2,127,368)</b>	<b>-</b>	<b>4,938,040</b>	<b>-</b>	<b>2,519,077</b>	<b>5,329,749</b>
<b>Net Change in Fund Balances</b>	<b>919,206</b>	<b>(91,318)</b>	<b>1,687,384</b>	<b>14,228</b>	<b>(3,529,484)</b>	<b>(999,984)</b>
<b>Fund Balances Beginning of Year</b>	<b>24,562,015</b>	<b>-</b>	<b>(205,077)</b>	<b>54,467</b>	<b>19,534,992</b>	<b>43,946,397</b>
<b>Fund Balances End of Year</b>	<b>25,481,221</b>	<b>(91,318)</b>	<b>1,482,307</b>	<b>68,695</b>	<b>16,005,508</b>	<b>42,946,413</b>

The accompanying notes are an integral part of this statement

**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended December 31, 2023**

<b>Net Changes In Fund Balances - Total Governmental Funds</b>		(999,984)
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>		
<p>Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.</p>		
Depreciation expense	(4,334,150)	
Capital outlay	17,667,504	
Capital contributions	<u>-</u>	13,333,354
<p>The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental fund's operating statement.</p>		
		(699,610)
<p>Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes, special assessments, grants and court receivables:		
Deferred as of 12/31/23	4,029,889	
Deferred as of 12/31/22	<u>(5,912,503)</u>	(1,882,614)
<p>Governmental funds do not report the change in the investment in the joint venture, but the change is reported on the government-wide statement of activity.</p>		
		478,144
<p>Elimination of transfers between governmental funds:</p>		
Transfers in	(22,194,382)	
Transfers out	<u>22,194,382</u>	-
<p>Internal service funds are used by management to charge the cost equipment, maintenance of facilities, computer costs and insurance to individual funds. The net revenue (expense) of internal service funds is reported with the governmental activities.</p>		
		994,950
<p>The internal service fund chargeback to enterprise funds is not reported in the governmental funds, but is reported on the government-wide financial statements.</p>		
		(656,960)
<p>Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net position.</p>		
		4,239,028
<p>Amortization of bond-related items is reported in the government-wide statement of activities, but does not require the use of current financial resources and therefore is not reported in the governmental funds.</p>		
		342,711
<p>Issuance of debt, including leases, is reported as an other financing source in the governmental funds, but is reported as a liability on the government-wide financial statements.</p>		
		(337,184)
<p>Other postemployment expenses are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
		(313,902)
<p>Pension expenses and related intergovernmental revenues (LEOFF 2 special funding) are reported in the statement of activities, but do not require the use of current financial resources and are therefore not reported as expenditures in governmental funds.</p>		
		2,939,386
<p>A one-month portion of interest on long-term debt is accrued in the governmental-activities but not on the governmental funds statement of revenues expenditures and changes and fund balance.</p>		
		(59,074)
<p>Compensated absences are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p>		
Liability as of 12/31/23	(2,428,939)	
Liability as of 12/31/22	<u>2,174,526</u>	(254,413)
<b>Change In Net Position of Governmental Activities</b>		<u>17,123,832</u>

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

Statement of Net Position  
Proprietary Funds  
December 31, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waterworks Utility	Solid Waste	Nonmajor Enterprise Golf	Total Enterprise Funds	
<b>Assets</b>					
Current Assets:					
Cash and cash equivalents	11,320,334	2,483,493	326,590	14,130,417	1,777,238
Investments	25,201,582	3,669,631	568,605	29,439,818	2,827,207
Receivables (net)	7,072,288	3,126,356	-	10,198,644	-
Lease receivables	5,716	-	54,437	60,153	-
Interfund loan receivable	-	820,656	-	820,656	-
Inventories	78,325	-	76,349	154,674	344,148
<b>Total Current Assets</b>	<b>43,678,245</b>	<b>10,100,136</b>	<b>1,025,981</b>	<b>54,804,362</b>	<b>4,948,593</b>
Noncurrent Assets:					
Investments - Restricted	5,393,495	-	-	5,393,495	-
Lease receivables	6,765	-	-	6,765	-
Capital assets:					
Land	9,990,391	-	818,012	10,808,403	-
Depreciable assets (net)	169,352,568	148,334	809,743	170,310,645	10,252,975
Construction in progress	17,114,643	-	-	17,114,643	-
Net pension asset	1,458,904	320,142	-	1,779,046	569,369
<b>Total Noncurrent Assets</b>	<b>203,316,766</b>	<b>468,476</b>	<b>1,627,755</b>	<b>205,412,997</b>	<b>10,822,344</b>
<b>TOTAL ASSETS</b>	<b>246,995,011</b>	<b>10,568,612</b>	<b>2,653,736</b>	<b>260,217,359</b>	<b>15,770,937</b>
<b>Deferred Outflows of Resources</b>					
Debt refunding	210,072	-	-	210,072	-
Related to pensions	1,249,143	274,112	-	1,523,255	487,505
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>1,459,215</b>	<b>274,112</b>	<b>-</b>	<b>1,733,327</b>	<b>487,505</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>248,454,226</b>	<b>10,842,724</b>	<b>2,653,736</b>	<b>261,950,686</b>	<b>16,258,442</b>
<b>Liabilities</b>					
Current Liabilities:					
Accounts payable and accrued expenses	259,800	871,127	86,249	1,217,176	2,396,593
Accrued interest payable	130,295	-	-	130,295	-
Compensated absences payable	188,214	26,880	-	215,094	93,335
Bonds, notes, loans payable	4,134,278	-	-	4,134,278	-
Leases	12,272	-	-	12,272	44,281
Subscription Payable	9,954	1,149	-	11,103	36,507
Deposits payable	28,900	-	3,500	32,400	-
Other current liabilities	23,254	-	126,044	149,298	-
<b>Total Current Liabilities</b>	<b>4,786,967</b>	<b>899,156</b>	<b>215,793</b>	<b>5,901,916</b>	<b>2,570,716</b>
Noncurrent Liabilities					
Bonds, notes, loans payable	15,621,859	-	-	15,621,859	-
Leases	17,113	-	-	17,113	149,460
Subscription Payable	228,480	61,915	-	290,395	737,292
Net pension liability	696,384	152,815	-	849,199	271,778
Compensated absences	188,214	26,880	-	215,094	93,335
<b>Total Noncurrent Liabilities</b>	<b>16,752,050</b>	<b>241,610</b>	<b>-</b>	<b>16,993,660</b>	<b>1,251,865</b>
<b>TOTAL LIABILITIES</b>	<b>21,539,017</b>	<b>1,140,766</b>	<b>215,793</b>	<b>22,895,576</b>	<b>3,822,581</b>
<b>Deferred Inflows of Resources</b>					
Related to leases	12,301	-	-	12,301	-
Related to pensions	817,097	179,304	-	996,401	318,890
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>829,398</b>	<b>179,304</b>	<b>-</b>	<b>1,008,702</b>	<b>318,890</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS</b>	<b>22,368,415</b>	<b>1,320,070</b>	<b>215,793</b>	<b>23,904,278</b>	<b>4,141,471</b>
<b>Net Position</b>					
Net investment in capital assets	174,039,437	85,270	1,627,755	175,752,462	9,285,435
Restricted for net pension assets	1,876,445	411,767	-	2,288,212	732,324
Restricted for debt service	5,393,495	-	-	5,393,495	-
Unrestricted	44,776,434	9,025,617	810,188	54,612,239	2,099,212
<b>TOTAL NET POSITION</b>	<b>226,085,811</b>	<b>9,522,654</b>	<b>2,437,943</b>	<b>238,046,408</b>	<b>12,116,971</b>

The net effect of activities allocated from internal service funds is presented as an internal balance on the statement of net position

404,303

**Adjusted Total Net Position**

**238,450,711**

The accompanying notes are an integral part of this statement

**Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended December 31, 2023**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waterworks Utility	Solid Waste	Nonmajor Enterprise Golf	Total Enterprise Funds	
<b>Operating Revenues</b>					
<i>Charges for services:</i>					
Water/Sewer/Surface Water	35,013,602	-	-	35,013,602	-
Golf	-	-	1,938,523	1,938,523	-
Garbage & Solid Waste	-	16,304,977	-	16,304,977	-
Fleet Maintenance	-	-	-	-	4,428,801
Facilities Maintenance	-	-	-	-	996,387
Information Services	-	-	-	-	2,771,344
Liability Insurance	-	-	-	-	1,309,515
Medical Insurance	-	-	-	-	6,628,855
<b>Total Operating Revenues</b>	<b>35,013,602</b>	<b>16,304,977</b>	<b>1,938,523</b>	<b>53,257,102</b>	<b>16,134,902</b>
<b>Operating Expenses</b>					
Maintenance and operations	20,806,581	13,804,922	1,921,185	36,532,688	13,597,036
Taxes	3,702,567	1,715,911	24,760	5,443,238	-
Depreciation	7,940,999	21,657	34,208	7,996,864	1,752,190
<b>Total Operating Expenses</b>	<b>32,450,147</b>	<b>15,542,490</b>	<b>1,980,153</b>	<b>49,972,790</b>	<b>15,349,226</b>
Operating Income (loss)	2,563,455	762,487	(41,630)	3,284,312	785,676
<b>Non-Operating Revenues (Expenses)</b>					
Investment earnings	2,076,710	248,635	36,299	2,361,644	135,525
Connection and capital surcharges	8,127,844	-	-	8,127,844	-
Miscellaneous nonoperating revenue	142,648	(3,502)	122,139	261,285	-
Interest expense	(422,243)	-	-	(422,243)	(6,521)
Non-operating grants	2,867,212	-	-	2,867,212	40,080
Insurance recoveries	-	-	-	-	40,190
Gain (loss) on disposal of capital assets	(240,063)	-	-	(240,063)	-
Non capitalized repairs and improvements	(740,579)	-	-	(740,579)	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>11,811,529</b>	<b>245,133</b>	<b>158,438</b>	<b>12,215,100</b>	<b>209,274</b>
Income (Loss) Before Contributions and Transfers	14,374,984	1,007,620	116,808	15,499,412	994,950
<b>Capital contributions</b>	16,256,832	-	-	16,256,832	-
<b>Transfers In</b>	-	-	-	-	-
<b>Transfers Out</b>	(3,654,501)	-	-	(3,654,501)	-
<b>Change in Net Position</b>	<b>26,977,315</b>	<b>1,007,620</b>	<b>116,808</b>	<b>28,101,743</b>	<b>994,950</b>
<b>Net Position Beginning of Year</b>	<b>199,108,496</b>	<b>8,515,034</b>	<b>2,321,135</b>	<b>209,944,665</b>	<b>11,122,021</b>
<b>Net Position End of Year</b>	<b>226,085,811</b>	<b>9,522,654</b>	<b>2,437,943</b>	<b>238,046,408</b>	<b>12,116,971</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				656,960	
<b>Adjusted Change in Net Position</b>				<u>28,758,703</u>	

The accompanying notes are an integral part of this statement

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2023**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Waterworks Utility	Solid Waste	Nonmajor Enterprise Golf	Total Enterprise Funds	
<b>Cash Flows from Operating Activities</b>					
Cash received from customers	44,550,440	16,034,262	1,960,287	62,544,989	-
Cash received from interfund charges	-	-	-	-	16,134,902
Cash received from other sources	-	-	69,057	69,057	-
Cash payments to suppliers for goods and services	(18,216,546)	(16,205,030)	(1,933,259)	(36,354,835)	(10,328,109)
Cash payments to employees for services	(7,067,729)	1,923,863	-	(5,143,866)	(3,370,175)
Cash paid for taxes	(3,702,402)	(1,715,911)	(24,760)	(5,443,073)	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>15,563,763</b>	<b>37,184</b>	<b>71,325</b>	<b>15,672,272</b>	<b>2,436,618</b>
<b>Cash Flows from Non-Capital financing activities</b>					
Proceeds from federal, state and local grants	312,821	-	-	312,821	40,080
Interfund loan payments	-	410,578	-	410,578	-
Insurance recoveries	-	-	-	-	40,190
Transfer out to other funds	(3,654,501)	-	-	(3,654,501)	-
<b>Net Cash Flows from non-Capital and related financing activities</b>	<b>(3,341,680)</b>	<b>410,578</b>	<b>-</b>	<b>(2,931,102)</b>	<b>80,270</b>
<b>Cash Flows from Capital and Related Financing Activities</b>					
Acquisition/construction - capital	(10,948,323)	(91,932)	(23,631)	(11,063,886)	(2,665,821)
Payments on debt principal	(3,925,600)	-	-	(3,925,600)	(80,102)
Payments on debt interest	(700,310)	-	-	(700,310)	(6,521)
Proceeds from federal, state and local grants	2,554,391	-	-	2,554,391	-
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(13,019,842)</b>	<b>(91,932)</b>	<b>(23,631)</b>	<b>(13,135,405)</b>	<b>(2,752,444)</b>
<b>Cash Flows from Investing Activities</b>					
Purchase of investments	(8,010,540)	(1,181,211)	(176,211)	(9,367,962)	(654,227)
Proceeds from sale of investment securities	-	-	-	-	(73,136)
Interest on investments	2,076,710	248,635	36,299	2,361,644	135,525
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(5,933,830)</b>	<b>(932,576)</b>	<b>(139,912)</b>	<b>(7,006,318)</b>	<b>(591,838)</b>
Net Increase (Decrease) in Cash and Cash Equivalents	(6,731,589)	(576,746)	(92,218)	(7,400,553)	(827,394)
Cash and Cash Equivalents Beginning of Year	18,051,923	3,060,239	418,808	21,530,970	2,604,632
<b>Cash and Cash Equivalents End of Year</b>	<b>11,320,334</b>	<b>2,483,493</b>	<b>326,590</b>	<b>14,130,417</b>	<b>1,777,238</b>

The accompanying notes are an integral part of this statement

**Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2023**

(continued)

	Business-type Activities - Enterprise Funds			Total Enterprise Funds	Governmental Activities - Internal Service Fund
	Waterworks Utility	Solid Waste	Nonmajor Enterprise Golf		
<b>Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities</b>					
Operating Income (Loss)	2,563,455	762,487	(41,630)	3,284,312	785,676
<b>Adjustments:</b>					
Depreciation	7,940,999	21,657	34,208	7,996,864	1,752,190
Other nonoperating receipts	8,270,492	(3,502)	69,057	8,336,047	-
Other nonoperating payments	(740,579)	-	-	(740,579)	-
<b>Changes in assets and liabilities</b>					
(Increase)/Decrease in inventories	(19,051)	-	(9,947)	(28,998)	(34,712)
(Increase)/Decrease in receivables	1,263,646	(267,213)	-	996,433	-
(Increase)/Decrease in lease receivables and DI	400	-	-	400	-
Increase/(Decrease) in net pension liability, DO, DI	(762,232)	(148,723)	-	(910,955)	(265,256)
Increase/(Decrease) in accounts payable	(2,975,354)	(336,112)	(2,127)	(3,313,593)	243,001
Increase/(Decrease) other current liabilities	21,987	8,590	21,764	52,341	(44,281)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>15,563,763</b>	<b>37,184</b>	<b>71,325</b>	<b>15,672,272</b>	<b>2,436,618</b>
<b>Schedule of Non-Cash Capital and Related Financing Activities</b>					
Capital assets contributed by private developers	16,256,832	-	-	16,256,832	-
Capital assets acquired through lease financing	(29,524)	-	-	(29,524)	-
<b>Total Non-Cash Activities</b>	<b>16,227,308</b>	<b>-</b>	<b>-</b>	<b>16,227,308</b>	<b>-</b>

The accompanying notes are an integral part of this statement

Page 2 of 2

**Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2023**

	<b>Custodial Funds</b>
<b>Assets</b>	
Cash and cash equivalents	73,387
<b>Total Assets</b>	<b>73,387</b>
<b>Liabilities</b>	
Accounts payable	2,167
<b>Total Liabilities</b>	<b>2,167</b>
<b>Total Net Position - Restricted for Other Governments</b>	<b>71,220</b>

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

**Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2023**

	<b>Custodial Funds</b>
<b>Additions:</b>	
Drug seizures	15,021
State court fees collected	361,068
Leasehold taxes	5,310
Weapons permitting	13,702
Building advisory	10,605
Fingerprinting fees collected for other agencies	4,134
Other fees collected for other agencies	875
<b>Total Additions</b>	<b>410,715</b>
<b>Deductions:</b>	
Drug seizures	347
State court fees remitted	361,068
Leasehold taxes	5,310
Weapons permitting	14,103
Building advisory	10,740
Fingerprinting fees collected for other agencies	4,200
Other fees collected for other agencies	875
<b>Total Deductions</b>	<b>396,643</b>
Net increase (decrease) in fiduciary net position	14,072
Net Position Beginning of Year	57,148
<b>Net Position End of Year</b>	<b>71,220</b>

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

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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

<b>NOTE 1</b> – Summary of Significant Accounting Policies .....	38
<b>NOTE 2</b> – Deposits and Investments.....	44
<b>NOTE 3</b> – Property Taxes .....	46
<b>NOTE 4</b> – Capital Assets and Depreciation .....	47
<b>NOTE 5</b> – Pension Plans.....	51
<b>NOTE 6</b> – Defined Benefit Other Postemployment Benefit (OPEB) Plan .....	58
<b>NOTE 7</b> – Risk Management.....	60
<b>NOTE 8</b> – Long-Term Debt.....	62
<b>NOTE 9</b> – Leases.....	65
<b>NOTE 10</b> – Subscription-Based Information Technology Arrangement (SBITA) .....	66
<b>NOTE 11</b> – Changes in Long Term Liabilities .....	68
<b>NOTE 12</b> – Receivables .....	69
<b>NOTE 13</b> – Contingencies and Litigation .....	69
<b>NOTE 14</b> – Interfund Transactions and Balances .....	69
<b>NOTE 15</b> – Joint Ventures and Related Organizations .....	70
<b>NOTE 16</b> – Pollution Remediation .....	72
<b>NOTE 17</b> – Accounting and Reporting Changes.....	72

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

The financial statements of the City of Marysville have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

**A. Reporting Entity**

The City of Marysville was incorporated on March 20, 1891 and operates under the laws of the State of Washington applicable to a non-charter code city with a mayor-council form of government. The accounting and reporting policies of the city conform to generally accepted accounting principles (GAAP) of local governments.

The city is a general-purpose government and provides public safety, road improvement, parks and recreation, judicial administration and general governmental services. In addition, the city owns and operates a water/sewer/surface water utility, a golf course and provides garbage collection and recycling services. The accompanying statements include all funds, agencies and boards controlled by or dependent on the city. The financial statements include as well the assets and liabilities of all funds for which the city has a custodial or trust responsibility. The financial statements do not include the financial position or results of operations of the Marysville School District, which is a separate municipal corporation.

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Preparation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. The fiduciary funds presented are custodial funds, use the accrual basis of accounting and use the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Under modified accrual basis of accounting, property taxes, sales taxes, utility taxes and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Grant

revenue is recognized for cost reimbursement grants when the expenditure occurs in accordance with GAAP. When the expenditure is incurred, grant revenue is considered to have been earned and therefore available and recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the city.

The city reports the following major government funds:

- The General Fund is the city's operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund includes police, parks, culture and recreation, parks maintenance, community development, courts, executive, finance, human resources, and legal.
- The Street Capital Improvement fund accounts for the construction and improvements to roadway infrastructure.
- The School Mitigation fund accounts for collected developer fees to ensure adequate school facilities are available to serve new growth and development.
- The Local Improvement District (LID) #71 accounts for assessments related to the LID and provides payment to the fiscal agent for principal and interest on bonds issued in September 2014.

The city reports the following major enterprise funds:

- The Waterworks Utility operating fund accounts for the distribution and filtration of water, the collection and treatment of wastewater, as well as the collection and treatment of sewage, and the design and construction of all water/sewer/surface water capital projects. Also included in the waterworks utility fund are all debt service payments.
- The Solid Waste fund accounts for the collection of commercial and residential solid waste as well as curb side recycling program.

Additionally, the government reports the following fund types:

- Special revenue funds account for the proceeds of specific revenue sources to finance specific activities as required by law or administrative regulations.
- Debt service funds account for the accumulation of resources and the payment of general long-term debt principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.
- Capital project funds account for the design and construction of city infrastructure and city parks and recreational facilities and other governmental facilities.
- Internal service funds account for the city's fleet management, facility services, information services, unemployment insurance and liability insurance provided to other departments on a cost reimbursement basis.
- Custodial funds account for the funds received for drug seizure, weapon permits and other county mitigation fees.

As a general rule, the effect of interfund activity has been eliminated for the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. The city has allocated certain indirect costs that are included in the program expense reported for individual functions and activities.

Amounts reported as program revenues include 1) charges to customers, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. General revenues include all taxes.

The proprietary statements are reported using the economic resources measurement focus and full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred regardless of the timing of cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the city are the Waterworks Utility Fund, Solid Waste Fund, Golf Fund, and the internal service fund charges to customers for sales and services. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available to use, it is the City of Marysville's policy to use restricted resources first, and then unrestricted resources as needed.

#### D. Budgetary Information

##### Scope of Budget

In accordance with the Revised Code of Washington (RCW) 35A.34, the City budgets for all operating funds. These budgets are prepared in accordance with generally accepted accounting principles. Budgetary accounts are integrated in fund ledgers for all budgeted funds, but the financial statements include budgetary comparisons for budgeted governmental funds only.

The budget, as adopted, constitutes the legal authority for expenditures. Appropriations are authorized for two years, but must be reviewed by the City Council at the midpoint of the biennial period. The appropriated budgets are adopted at the fund level where expenditures may not exceed appropriations. Subsidiary revenue and expenditure ledgers are used to compare the budgeted amounts with actual revenues and expenditures. As a management control device, the subsidiary ledgers monitor expenditures for individual functions and activities by object class. Any unexpended appropriation balances lapse at the end of the biennium.

##### Amending the Budget

The City Administrative Officer is authorized to transfer appropriations between programs within any fund; however, any revisions that alter the total expenditures of a fund must be approved by the City Council. When City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund, it may do so by ordinance approved by a simple majority.

The financial statements contain the original and final budget information. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

As of December 31, 2023, the following funds reported deficits in fund balance or net position:

Fund 116 – School Mitigation Fees has a deficit fund balance of \$91,318 due to payment made in period 13 and cash received in 2024.

Fund 650 – Intergovernment has a deficit fund balance of \$355 due to payment made in period 13 and cash received in 2024.

#### E. Assets, Liabilities, Fund Balances and Net Position

##### Cash and Cash Equivalents

The City of Marysville invests all short-term cash surpluses. Monies from all City funds are internally pooled for investment purposes. The interest earned from the pooled investments is prorated to individual funds at the end of each month based on the cash balance in each fund at the end of the month. The City considers all highly-liquid assets, including investment in the Washington State's Local Government Investment Pool, and short-term investments with a maturity of three months or less when purchased, to be cash equivalents.

##### Investments (see note 2 – Deposits and Investments)

Investments are recorded at fair value in accordance with GAAP, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

##### Receivables (see note 11 – Receivables)

The City of Marysville recognizes receivables in its various funds based on the account basis required for that fund. These receivables include the following:

1. Property Taxes (see note 4 – Property Taxes) - Uncollected property taxes levied for the current year are reported as receivables at year-end. When property taxes become three years delinquent, the county is required by state statute to foreclose on the property. Historically, all taxes have been collected; therefore, no allowance for uncollectible taxes is recorded.
2. Sales Tax - There is a running two-month lag in remittance of sales tax to the city. Sales taxes collected in November and December are not remitted by the state to the city until January and February of the following year and are reported as receivables at year-end. There is no allowance for uncollectible sales taxes because all sales taxes are required by law to be collected by businesses at the time of sale and remitted to the state.
3. Other Taxes - Electric, telephone, natural gas taxes remitted after the end of the year for activity occurring during the prior year are reported as receivables at year-end.

4. Interest Receivable - Interest receivable consists of amounts earned, but not received, on investments.
5. Accounts Receivable - Customer accounts receivable consist of amounts owed by private individuals or organization for goods and services provided. Unbilled services provided to utility customers are estimated at year-end and included in accounts receivable.

**Amounts Due to and from Other Funds: Interfund Loans and Advances Receivable**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans receivable/payable" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Separate schedules of interfund loans, amounts due to and from other funds and advances are furnished in Note 13 – Interfund Transactions and Balances.

**Amounts Due to and from Other Governmental Units**

These accounts include amounts due to or from other governments for grants, entitlements, temporary loans, taxes and charges for services.

**Special Assessments**

Special assessments are amounts levied against benefited properties to recover costs associated with the construction of local improvement district (LID) projects. A lien is recorded against benefited properties until the assessment has been paid. Special assessments receivable represent all outstanding assessment amounts including current assessments billed but not collected, unpaid delinquent assessments, and special assessment amounts due in future years, which are recorded in a deferred inflow of resources account. Since special assessments are secured by liens against related properties, no allowance for uncollectible amounts is made. The City has one Special Assessment LID for the 152<sup>nd</sup> ST Overcrossing, located in the Smokey Point Area. This created access over I-5 to the shopping area west of I-5 and south of 172<sup>nd</sup> st. This area is also part of the Cascade Industrial Center, with a planned on and off ramp from I-5 in the future. Total assessment principal billed in 2023 was \$194,115 and total principal collected was \$225,157. As of December 31, 2023, \$5,179 of special assessments receivable were delinquent.

**Inventories**

Inventories in proprietary funds use a perpetual inventory method in which an expense is recorded when related items are consumed. Physical inventories are taken at year-end and the value of items remaining in inventory is calculated for financial reporting purposes. Inventories in proprietary funds are valued by the FIFO method, which approximates the market value. Inventories associated with Golf Course are held for resale. All other inventories are held for internal use only.

**Restricted Assets and Liabilities**

Constraints imposed by debt covenants and laws and regulations of other governments require that the City maintain cash accounts, investments and receivables for certain purposes. These accounts contain resources to ensure compliance with the revenue debt bond covenants. Specific debt service reserve requirements are described in note 8 – Long-Term Debt. The restricted assets of the enterprise funds is composed of \$5,393,495 of investments for debt service.

**Capital Assets (see note 4 – Capital Assets and Depreciation)**

The City began prospective reporting of general infrastructure assets in January 1, 2005 and incorporated the retrospective values in 2007.

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and estimated useful life in excess of one year. Infrastructure assets are capitalized when cost equals or exceeds \$300,000. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets purchased, constructed, or leased by a governmental fund type are recorded as expenditures in that fund at the time the related expenditures are incurred. The associated capital assets are capitalized in the Governmental Activities column on the Government Wide Statement of Net Position. Capital assets of internal service funds are reported with governmental assets.

Costs of normal maintenance and repair for general capital assets are not capitalized. However, any improvement that increases an asset's value, capacity or materially extends its life is added to that asset's capitalized costs.

All project costs are included in construction in progress in the government-wide statement of net position. At completion, capital costs are reclassified to the appropriate capital asset account. In the governmental fund financial statements, lease and contract payments are reported as expenditures.

Property, plant and equipment of the primary government, are depreciated using the straight line method over the following estimated useful lives:

<b>ESTIMATED SERVICE LIFE</b>	
Buildings & Structures	25-50 Years
Infrastructure	13-100 Years
Improvement Other Than Buildings	5-50 Years
Machinery & Equipment	2-20 Years

**Leases (see note 9 – Leases)**

Lessee & SBITA

The City is a lessee for noncancelable leases. The City recognizes lease liabilities and intangible right-to-use lease assets in the government-wide and proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized using the straight-line basis over its useful life.

Governmental funds recognize a capital outlay and other financing source at the commencement of a new lease. Lease payments in governmental funds are reported as debt service principal and debt service interest expenditures.

Key estimates and judgements include how the City determines the discount rate it uses to discount expected lease payments to present value, lease term, and lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided the City generally uses its incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lessor

The City is a lessor for noncancelable leases. The City recognizes lease receivables and related deferred inflows of resources in the government-wide and fund financial statements.

At the commencement of a lease the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term using the straight-line basis.

Key estimates and judgements include how the City determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease liability are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Pensions (see note 5 – Pension Plans)**

For purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For purposes of calculating the restricted net position related to the net pension asset, the City includes the net pension asset and the related deferred outflows and deferred inflows.

**Other Post-Employment Benefits (OPEB) Plans (see note 6– Defined Benefit Other Post-Employment Benefits (OPEB) Plans)**

Lifetime full medical coverage is provided to uniformed Police and Fire personnel who became members of the Law Enforcement Officers and Fire Fighters (LEOFF) retirement system prior to October 1, 1977. A liability for the accumulated unfunded actuarially required contributions is reported in the Statement of Net Position. Actual medical costs are reported as expenditures in the general fund in the year they are incurred.

**Compensated Absences**

Employees may accumulate up to 180 days of sick leave. However, since the city does not have a policy to pay any amounts when employees separate from service with the government, there is no liability recorded for unpaid accumulated sick leave. Sick leave pay is recorded as an expense/expenditure upon usage. Eligible employees accumulate 10 to 25 days of vacation annually depending upon the employee's length of service, but may not accumulate more than two full years of earned accrual.

At the time of retirement or separation from the City, employees will be compensated for any unpaid accumulated vacation leave up to 240 hours.

**Unearned Revenues**

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

**Deferred Outflow/Inflows of Resources**

Deferred outflow of resources is the consumption of net position that is applicable to a future reporting period. A deferred outflow of resources involved no consumption of resources that results in either a net decrease in assets or a net increase in liabilities. It also represents access to present service capability that is under the government's controls. Deferred outflows of resources presented in this manner on the accompanying financial statements are related to outstanding debt, pensions and OPEB.

Deferred inflow of resources is the acquisition of net position that is applicable to a future reporting period. A deferred inflow of resources involved no acquisition of resources resulting in either a net increase in assets or a new decrease in liabilities. It represents a present obligation to sacrifice resources that the government has little or no discretion to avoid. Deferred inflow of resources presented in this manner on the accompanying financial statements are related to outstanding debt, leases, pensions, and timing-related revenue adjustments.

**Long-term Debt (see note 8-Long-Term Debt)**

Liabilities for long-term debt are recorded in the government-wide statement of net position and in the proprietary funds balance sheet. The liabilities include bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

For governmental funds financial statements, bond issuance costs are expended at the time of issuance. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bond proceeds are reported as other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as a debt service expenditure. The nature of debt in the governmental activity is specific to a program and, therefore; debt service costs are not an allocated expenditure.

**Net Position and Fund Balance**

Net Position is segregated into three categories on the government-wide statement of net position: 1) net investment in capital assets; 2) restricted; and 3) unrestricted. The flow assumption of the City is to use restricted assets before unrestricted assets. Restricted assets are usually set aside in a separate fund, specifically used for the purpose of debt service or capital.

Fund balances, presented in the governmental fund financial statements represent the difference between assets and liabilities reported within the government fund. Fund balance is classified into the following categories:

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Non-spendable – items that cannot be spent due to form; inventories, prepaid amounts, long-term loan receivables, or amounts that must be maintained intact legally.

Spendable - amounts are further segregated into categories based on the degree to which the uses of resources are constrained. When an expenditure is incurred for which restricted and unrestricted amounts are available, the City considers restricted amounts to be used first, followed by committed, then assigned, and lastly, unassigned amounts.

Restricted – amounts constrained for specific purposes imposed by external parties, such as those resulting from federal and state legislation, grant awards, bond covenants, and inter-local service agreements.

Committed – fund balance constrained by ordinance or resolution is adopted by City council and requires the same action to remove the constraint. In Washington State, ordinances and resolutions carry the same force of law.

Assigned – constraints that are neither restricted or committed, are considered assigned. Assignments are adopted by City Council through the budget ordinance. Special revenue funds typically report the majority of assigned fund balance and are created through ordinance by City Council. Fund balance in special revenue funds that are intended to be used for specific purposes, but are neither restricted or committed, include transfers from other funds, investment interest not constrained by contract or covenant, fees for services and rents.

Unassigned – any remaining fund balance in the general fund not classified as non-spendable, restricted, committed or assigned is considered unassigned. Also negative fund balance in any other governmental fund is unassigned. Also, the City’s financial policies require a minimum of 10% of General Funds budgeted revenues (less beginning fund balance) be held in reserve. The reserves can be used for anything that council feels is necessary and therefore is reported as unassigned. Any and all expenditures from the reserve require a super majority vote by the entire City Council.

**NOTE 2 - DEPOSITS AND INVESTMENTS**

**Deposits**

The City’s deposits and certificates of deposit are entirely 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).

Cash and Deposits	Total
Cash on Hand	4,050
FDIC Insured Bank Deposits	10,723,652
<b>Total Cash and Deposits</b>	<b>\$ 10,727,702</b>

**Investments**

As required by state law, all investments of the City’s funds are obligations of the U.S. Government, U.S. agency issues, obligations of the State of Washington, the State of Washington Local Government Investment Pool, or certificates of deposit with Washington State Banks.

The City is a participant in the Local Government Investment Pool (LGIP) which was authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually and proposed changes are reviewed by the LGIP advisory Committee.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

The Office of the State Treasurer prepared a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at <http://www.tre.wa.gov>.

*Credit Risk* - Safety of principal is the foremost objective of the City's investment program. City investments are undertaken in a conservative manner that seeks to ensure the preservation of the portfolio's capital. The City holds investments in government agencies all of which hold AAA ratings from Standard & Poor's and Aaa from Moody's Investor Services.

*Custodial Credit Risk* is the risk that in the event of a bank failure, the City's investments may not be recovered. All City securities are held for safekeeping by US Bank.

*Concentration of Credit Risk* – Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. Safety of the principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

*Interest Rate Risk* – Interest rate risk is the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. To mitigate the effect of interest rate risk, the portfolio is invested in high quality, highly liquid obligations with limited maximum and average maturities. The City's investment policy limits the effective duration of the portfolio to a maximum of five with a weighted average maturity of two years.

**Investments that are not measured at fair value**

As of December 31, 2023, the City had the following investments at amortized cost reported as cash equivalents:

Investment Type	Maturities	Total
CD – Bank of America	6/16/2024	11,688
Deposit Account – Opus Bank	-	2,994,321
State Pool Primary	-	24,821,177
<b>Total Deposits</b>		<b>\$ 27,827,186</b>

**Investments measured at fair value**

Investment Type	Fair Value	Less Than 1 Year	1 to 4 Years
Federal Farm Credit Bank	14,605,533	-	14,605,533
Federal Home Loan Bank	13,705,442	1,018,653	12,686,789
Federal National Mortgage Association	731,587	498,673	232,915
Federal Home Loan Mortgage Association	1,837,241	-	1,837,241
US Treasury Notes	27,491,914	16,107,980	11,383,934
Municipal Bonds	1,868,958	-	1,868,958
Corporate Bonds	2,289,270	-	2,289,270
International Bonds	755,405	-	755,405
<b>Total Investments</b>	<b>\$ 63,285,350</b>	<b>\$ 17,625,305</b>	<b>\$ 45,660,045</b>

The City measures and reports investments at fair value using the valuation input hierarchy established by generally accepted account principles as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities
- Level 2 – These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 – Unobservable inputs for an asset or liability

Investment Type	Fair Value	Quotes Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)
Federal Agency Securities	30,879,803	-	30,879,803
US Treasury Securities	27,491,914	27,491,914	-
Municipal Bonds	1,868,958	1,868,958	-
Corporate Bonds	2,289,270	-	1,868,958
International Bonds	755,405	-	755,405
<b>Total Investments</b>	<b>\$ 63,285,350</b>	<b>\$ 29,360,871</b>	<b>\$ 33,504,166</b>

Reconciliation of cash deposits and investments are detailed in the following table

Cash Deposits and Investments	Fair Value	Cost Based Measure	Total
Federal Farm Credit Bank	14,605,533	-	14,605,533
Federal Home Loan Bank	13,705,442	-	13,705,442
Federal National Mortgage Association	731,587	-	731,587
Federal Home Loan Mortgage Association	1,837,241	-	1,837,241
US Treasury Notes	27,491,914	-	27,491,914
Municipal Bonds	1,868,958	-	1,868,958
Corporate Bonds	2,289,270	-	2,289,270
International Bonds	755,405	-	755,405
Cash on Hand	-	4,050	4,050
FDIC Insured Deposits (KeyBank)	-	10,723,652	10,723,652
State Pool	-	24,821,177	24,821,177
CD – Bank of America	-	11,688	11,688
Deposit Account – Opus Bank	-	2,994,321	2,994,321
Period 13 Claims Paid 123123A (01/04/2024)		(523,258)	(523,258)
Period 13 Claims Paid 123123B (01/11/2024)		(8,039,941)	(8,039,941)
Period 13 Claims Paid 123123C (01/19/2024)		(1,867,901)	(1,867,901)
Period 13 Payroll Paid (01/10/2024)		(1,889,761)	(1,889,761)
Wires/ACH in Outstanding Balance (01/04/2024)		249,294	249,294
Wires/ACH in Outstanding Balance (01/11/2024)		4,734,184	4,734,184
<b>Total Cash Deposits &amp; Investments</b>	<b>\$ 63,285,350</b>	<b>\$ 38,554,888</b>	<b>\$ 94,502,854</b>

**NOTE 3 - PROPERTY TAXES:**

The county treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Collections are distributed at/after the end of each month. Properties listed on the County tax rolls as of May 31 are included in the annual tax levy January 1. New construction through August 31 is included in the annual tax levy the following January 1.

Property Tax Calendar	
January 1	Taxes are levied and become an enforceable lien against properties
February 14	Tax bills are mailed
April 30	First of two equal installment payments is due
May 31	Assessed value of property established for next year's levy at 100% of market value
October 31	Second installment is due

Property tax revenues are recognized in the year levied. At year-end, property tax revenues are recognized for collections to be distributed by the County Treasurer within sixty days and an adjustment to taxes receivable and deferred revenue is made to account for delinquent taxes. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.

The City may levy up to \$3.60 per \$1,000 of assessed valuation for general governmental services, subject to two limitations:

- a. Washington State law in RCW 84.55.010 limits the growth of regular property taxes to 1 percent per year, after adjustments for new construction.
- b. The Washington State Constitution limits the total regular property taxes to 1 percent of all assessed valuation of \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the 1 percent limit.

The City's regular levy for 2023 was \$.8141 per \$1,000 on an assessed valuation of \$11,185,397.

Purpose of Levy	Levy Rate Per \$1,000	Total Levy Amount
General Government	.8141	\$ 11,185,397
Emergency Medical Service (EMS)	.4450	6,115,136
<b>Total City Levy</b>	<b>\$ 1.2591</b>	<b>\$ 17,300,533</b>

**NOTE 4 - CAPITAL ASSETS AND DEPRECIATION**

A summary of changes in governmental capital assets follows:

GOVERNMENTAL ACTIVITIES	BEGINNING BALANCE 01/01/2023	ADDITIONS	DELETIONS	ENDING BALANCE 12/31/2023
Capital assets, not being depreciated:				
Land	37,677,608	3,052,099	-	40,729,708
Construction in progress	24,462,722	13,106,327	(103,172)	37,465,877
<b>Total capital assets not being depreciated</b>	<b>62,140,330</b>	<b>16,158,426</b>	<b>(103,172)</b>	<b>78,195,585</b>
Capital assets, being depreciated:				
Buildings and structures	77,413,249	949,819	(764,521)	77,598,547
Improvements other than buildings	14,730,723	69,517	-	14,800,240
Infrastructure	173,063,148	33,322	-	173,096,470
Machinery and equipment	21,447,380	2,654,824	-	24,102,205
Right to use assets - Leases	296,336	230,977	-	527,313
Right to use assets - Subscriptions		1,388,809		1,388,809
	<b>286,950,837</b>	<b>5,327,268</b>	<b>(764,521)</b>	<b>291,513,585</b>
Less accumulated depreciation for:				
Buildings	(2,808,414)	(1,529,759)	64,912	(4,273,261)
Improvements other than buildings	(5,068,233)	(481,728)	-	(5,549,961)
Infrastructure	(34,745,514)	(2,124,194)	-	(36,869,708)
Machinery and equipment	(12,886,636)	(1,473,538)	-	(14,360,174)
Right to use lease assets - Leases	(43,989)	(84,174)	-	(128,163)
Right to use lease assets - Subscriptions		(394,500)		(394,500)
<b>Total accumulated depreciation</b>	<b>(55,552,786)</b>	<b>(6,087,893)</b>	<b>64,912</b>	<b>(61,575,768)</b>
<b>Total assets being depreciated, net</b>	<b>231,398,051</b>	<b>(760,625)</b>	<b>(699,610)</b>	<b>229,937,816</b>
<b>Governmental activities capital assets, net</b>	<b>293,538,381</b>	<b>15,397,802</b>	<b>(802,781)</b>	<b>308,133,402</b>

A summary of changes in business-type capital asset follows:

BUSINESS-TYPE ACTIVITES	BEGINNING BALANCE			ENDING BALANCE
	1/1/2023	ADDITIONS	DELETIONS	
Capital assets, not being depreciated:				
Land	10,600,464	207,939	-	10,808,403
Construction in progress	12,146,867	10,559,653	(5,591,876)	17,114,643
Total capital assets not being depreciated	22,747,331	10,767,592	(5,591,876)	27,923,046
Capital assets, being depreciated:				
Buildings and structures	9,849,871	39,193	(291,497)	9,597,567
Improvements other than buildings	284,358,998	21,919,937	-	306,278,936
Machinery and equipment	5,209,057	78,955	-	5,288,012
Right to use assets - Leases	72,749		(31,078)	41,671
Right to use assets - Subscriptions		418,682		418,682
	299,490,676	22,456,768	(322,575)	321,624,869
Less accumulated depreciation for:				
Buildings	(4,978,961)	(192,856)	33,572	(5,138,245)
Improvements other than buildings	(135,020,757)	(7,553,374)	-	(142,574,131)
Machinery and equipment	(3,347,842)	(152,865)	-	(3,500,707)
Right to use assets - Leases	(7,354)	(5,401)	-	(12,755)
Right to use assets - Subscriptions		(88,385)		(88,385)
Total accumulated depreciation	(143,354,914)	(7,992,881)	33,572	(151,314,223)
Total assets being depreciated, net	156,135,762	14,463,887	(289,003)	170,310,646
Business-type activities capital assets, net	\$ 178,883,093	\$ 25,231,479	\$ (5,880,879)	\$ 198,233,692

**Net Investment in capital assets**

**Governmental Activities**

Net Capital Assets	308,133,402
Less Noncurrent Debt	(62,100,000)
Less leases payable	(394,007)
Less Subscriptions payable	(995,744)
Less Debt Premium	(6,256,482)
Plus Deferred Outflow Related to Debt	164,044
Net investments in capital assets	238,551,212

**Business Activities**

Net Capital Assets	198,233,692
Less Noncurrent Debt	\$ (18,366,318)
Less Debt Premium	(1,389,821)
Less Leases	(29,385)
Subscriptions Payable	(301,498)
Less Accounts & Retainage Payable	(2,604,280)
Plus Deferred Outflow Related to Debt	210,072
Net investments in capital assets	175,752,462

**Depreciation**

Depreciation expense was charged to the following functions/programs of the primary government as follows:

**Governmental Activities**

General Government Services	\$ 1,789,821
Protection of Persons & Property	22,789
Physical Environment	6,479
Transportation	2,271,725
Physical Health	5,887
Culture & Recreation	243,846
Internal Service	1,752,190
<b>Total Depreciation-Governmental Activities</b>	<b>\$ 6,092,737</b>

**Business-type Activities**

Waterworks Utility	\$ 7,940,999
Golf	34,208
Solid Waste	21,657
<b>Total Depreciation-Business-Type Activities</b>	<b>\$ 7,996,863</b>

**Construction Commitments**

As of December 31, 2023, the City had other outstanding contractual commitments, which include construction and engineering contracts for capital projects currently in progress. The City's outstanding contract obligations are included below:

Project	Expended To Date	Remaining Commitment
Centennial Trail Connector	1,314,450	128,186
Olympic View Park	819,704	27,508
Jennings Park Pickleball Courts	231,600	7,796
Comeford Park Redesign	1,697,614	42,732
Lake Stevens Trail Connector	369,850	125,610
Strawberry Fields Turf	1,629,560	310,614
Ebey Waterfront Park Improvement	149,507	921
Nature Park Improvements	311,519	601,961
Playground Replacements - North Pointe Park	21,436	-
Playground Replacements - Comeford Park	276,786	-
Playground Replacements - Harborview Park	153,955	4,949
Deering Wildflower Renovation	333,285	24,893
<b>Parks Total</b>	<b>7,309,266</b>	<b>1,275,171</b>

Project	Expended To Date	Remaining Commitment
2023 Roadway Re-Striping Project	165,580	9,331
88th St Corridor Improvement Project	2,242,749	1,222,252
State Ave - City Safety Program	1,548,092	95,496
State Ave Widening (100th-116th)	3,319,626	348,876
Grove, Cedar & State Overcrossings at BNSF	40,817	2,368,283
80th St NE / Non-Motorized Project	867,152	73,097
Citywide HSIP Project	619,357	35
53rd & Sunnyside Intersection Improvements	1,612,784	219,487
Quiet Zone Evaluation	348,991	15,474
156th St NE Improvements	314,343	183,177
State Ave Grove - 1st St	120,323	81,871
116th I-5- State Ave	83,655	52,095
Transportation Comp Plan Update	108,546	150,332
2023 Pavement Preservation Program	5,255,245	886,714
<b>Streets Total</b>	<b>16,647,260</b>	<b>5,706,520</b>

Project	Expended To Date	Remaining Commitment
WWTP O&M Manual Update	33,515	33,784
Watershed Planning Project	180,604	14,655
Wildlife Control	3,365	12,541
PW Facility Needs Assessment	44,555	34,632
Downtown Stormwater Treatment	12,921,087	375,314
Geddes Marina Phase 2	304,041	70,898
Armar Road Retrofit Design Project	89,262	45,929
LID Improvements for Cedar Avenue	3,413,651	1,817,373
Cascade Shoultes SRTS	-	358,270
Whiskey Ridge Sewer Pump Station	325,575	63,118
WWTP Headworks	4,162,541	19,924
Sanitary Sewer Comprehensive Plan Update	108,164	355,166
WWTP Near Term Improvement Design	1,664,500	1,761,374
Sewer Comprehensive Plan	81,482	381,848
Comeford Reservoir Recoat	544,782	18,407
Lake Goodwin Standpipe Replacement	41,985	27,215
LCRR Inventory and Outreach	39,703	16,827
SR 528 Water Main Replacement	114,994	185,006
Water Comp Plan Update	53,796	311,383
On-Call Sewer and SW Analysis	1,538	97,462
On-Call Water System Engineering Support	84,286	14,714
On-Call WWTP Engineering Support 2021-2022	42,510	57,489
On-Call Transportation Engineering Svcs	70,598	28,402
<b>Utility Total</b>	<b>24,326,535.90</b>	<b>6,101,729.27</b>

Summary totals of outstanding contractual commitments as listed above:

Project	Expended To Date	Remaining Commitment
Parks Construction	7,309,266	1,275,171
Street Construction	16,647,260	5,706,520
Utility Construction	24,326,536	6,101,729
<b>Total</b>	<b>48,283,062</b>	<b>13,083,420</b>

**NOTE 5 - PENSION PLANS**

The following table represents the aggregate pension amounts for all plans for the year 2023:

<b>Aggregate Pension Amounts – All Plans</b>	
Pension liabilities	(3,092,212)
Pension assets	12,619,509
Deferred outflows of resources	10,361,543
Deferred inflows of resources	(5,907,757)
Pension expense/expenditures	(676,714)

**State Sponsored Pension Plans**

Substantially all City full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), 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).

**Public Employees' Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

**Contributions**

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.20 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

<b>PERS Plan 1</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
January – June 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
<b>TOTAL</b>	<b>10.39%</b>	<b>6.00%</b>
July – August 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
<b>TOTAL</b>	<b>9.39%</b>	<b>6.00%</b>
September – December 2023		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
<b>TOTAL</b>	<b>9.53%</b>	<b>6.00%</b>

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

**Contributions**

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.20 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

<b>PERS Plan 2/3</b>		
<b>Actual Contribution Rates:</b>	<b>Employer 2/3</b>	<b>Employee 2</b>
January – June 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	3.85%	
Administrative Fees	0.18%	
Employee PERS Plan 3		Varies
<b>TOTAL</b>	<b>10.39%</b>	<b>6.36%</b>
July – August 2023		
PERS Plan 2/3	6.36%	6.36%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
<b>TOTAL</b>	<b>9.39%</b>	<b>6.36%</b>
September – December 2023		
PERS Plan 1	6.36%	6.36%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
Employee PERS Plan 3		Varies
<b>TOTAL</b>	<b>9.53%</b>	<b>6.36%</b>

The City's actual PERS plan contributions were \$891,631 to PERS Plan 1 and \$1,496,511 to PERS Plan 2/3 for the year ended December 31, 2023.

**Public Safety Employees’ Retirement System (PSERS)**

PSERS Plan 2 was created by the 2004 Legislature and became effective July 1, 2006. To be eligible for membership, an employee must work on a full time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the above criteria.

PSERS membership includes:

- PERS 2 or 3 employees hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to September 30 2006; and
- Employees hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS eligibility criteria.

PSERS covered employers include:

- Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling Commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol),
- Washington State Counties,
- Washington State Cities (except for Seattle, Spokane, and Tacoma),
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) for each year of service. The AFC is based on the member’s 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member’s age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit. Members are eligible for retirement at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. Retirement before age 60 is considered an early retirement. PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. PSERS Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PSERS Plan 2 members are vested after completing five years of eligible service.

**Contributions**

The **PSERS Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The Plan 2 employer rates include components to address the PERS Plan 1 unfunded actuarial accrued liability and administrative expense currently set at 0.20 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates.

The PSERS Plan 2 required contribution rates (expressed as a percentage of current-year covered payroll) for 2023 were as follows:

<b>PSERS Plan 2</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
January – June 2023		
PSERS Plan 2	6.60%	6.60%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
<b>TOTAL</b>	<b>10.63%</b>	<b>6.60%</b>
July – August 2023		
PSERS Plan 2	6.60%	6.60%
PERS Plan 1 UAAL	2.85%	
Administrative Fee	0.18%	
<b>TOTAL</b>	<b>9.63%</b>	<b>6.60%</b>
September – December 2023		
PSERS Plan 2	6.73%	6.73%
PERS Plan 1 UAAL	2.97%	
Administrative Fee	0.20%	
<b>TOTAL</b>	<b>9.90%</b>	<b>6.73%</b>

The City’s actual contributions to the PSERS 2 plan were \$176,181 for the year ended December 31, 2023.

**Law Enforcement Officers’ and Fire Fighters’ Retirement System (LEOFF)**

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service            2.0% of FAS
- 10-19 years of service        1.5% of FAS
- 5-9 years of service            1.0% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months’ salary within the last ten years of service. Members are eligible for retirement with five years of service at the age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

**Contributions**

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2021. Employers paid only the administrative expense of 0.18 percent of covered payroll.

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

**Contributions**

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.20 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

Effective July 1, 2017, when a LEOFF employer charges a fee or recovers costs for services rendered by a LEOFF 2 member to a non-LEOFF employer, the LEOFF employer must cover both the employer and state contributions on the LEOFF 2 basic salary earned for those services. The state contribution rate (expressed as a percentage of covered payroll) was 3.41% in 2023.

The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2023 were as follows:

<b>LEOFF Plan 2</b>		
<b>Actual Contribution Rates:</b>	<b>Employer</b>	<b>Employee</b>
January – August 2023		
State and local governments	5.12%	8.53%
Administrative Fee	0.18%	
<b>TOTAL</b>	<b>5.30%</b>	<b>8.53%</b>
September – December 2023		
State and local governments	5.12%	8.53%
Administrative Fee	0.20%	
<b>TOTAL</b>	<b>5.32%</b>	<b>8.53%</b>

The City’s actual contributions to the plan were \$552,111 for the year ended December 31, 2023.

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. For the state fiscal year ending June 30, 2023, the state contributed \$87,966,142 to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$322,451

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2023 with a valuation date of June 30, 2022. The actuarial assumptions used in the June 30, 2022 valuation were based on the results of the Office of the State Actuary’s (OSA) 2013-2018 Demographic Experience Study and the 2021 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2022 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2023. Plan liabilities were rolled forward from June 30, 2022, to June 30, 2023, reflecting each plan’s normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by service-based salary increases.
- **Investment rate of return:** 7.00%

Mortality rates were developed using the Society of Actuaries’ Pub. H-2010 mortality rates, which vary by member status, as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

Methods did not change from the prior contribution rate setting June 30, 2021, Actuarial Valuation Report (AVR). There was the following assumption change:

- OSA made adjustments to TRS Plan 1 assets, LEOFF Plan 1/2 assets, and LEOFF participant data to reflect certain material changes occurring after the June 30, 2022, measurement date.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.0 percent.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan’s fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA’s assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0 percent was used to determine the total liability.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.0 percent was determined using a building-block-method. In selecting this assumption, the OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered capital market assumptions and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times.

**Estimated Rates of Return by Asset Class**

The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2023. The inflation component used to create the table is 2.2% and represents the WSIB’s long-term estimate of broad economic inflation consistent with their 2021 CMAs.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.50%
Tangible Assets	7%	4.70%
Real Estate	18%	5.40%
Global Equity	32%	5.90%
Private Equity	23%	8.90%
	<b>100%</b>	

**Sensitivity of Net Pension Liability/(Asset)**

The table below presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.0 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.0 percent) or 1-percentage point higher (8.0 percent) than the current rate.

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
PERS 1	\$ 4,320,053	\$ 3,092,212	\$ 2,020,595
PERS 2/3	7,045,701	(6,478,091)	(17,588,742)
PSERS 2	495,247	(319,395)	(962,326)
LEOFF 1	(404,528)	(456,215)	(501,035)
LEOFF 2	888,433	(5,365,808)	(10,484,366)

**Pension Plan Fiduciary Net Position**

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

**Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2023, the City reported a total pension liability of \$3,092,212 and a total pension asset of (\$12,619,509) for its proportionate share of the net pension liabilities as follows:

	Liability (or Asset)
PERS 1	\$ 3,092,212
PERS 2/3	(6,478,091)
PSERS 2	(319,395)
LEOFF 1	(456,215)
LEOFF 2	(5,365,808)

The amount of the liability/(asset) reported above for LEOFF Plans 1 and 2 reflects a reduction for State pension support provided to the City. The amount recognized by the City as its proportionate share of the net pension asset the related State support, and the total portion of the net pension asset that was associated with the City were as follows:

	LEOFF 1 Asset	LEOFF 2 Asset
Employer's proportionate share	(456,215)	(5,365,808)
State's proportionate share of the net pension liability/(asset) associated with the employer	(3,085,827)	(3,426,550)
<b>TOTAL</b>	<b>(3,542,042)</b>	<b>(8,792,358)</b>

At June 30, the City's proportionate share of the collective net pension liabilities was as follows:

	Proportionate Share 6/30/22	Proportionate Share 6/30/23	Change in Proportion
PERS 1	.134578%	.135461%	.000883%
PERS 2/3	.163231%	.158053%	(.005178%)
PSERS 2	.227146%	.301205%	.074059%
LEOFF 1	.016012%	.015371%	(.000641%)
LEOFF 2	.222006%	.223706%	.001700%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2020. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2020, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2023, the state of Washington contributed 38.97 percent of LEOFF 2 employer contributions pursuant to RCW 41.26.725 and all other employers contributed the remaining 61.03 percent of employer contributions.

**Pension Expense**

For the year ended December 31, 2023, the City recognized pension expense as follows:

	Pension Expense
PERS 1	\$ (4,053)
PERS 2/3	(718,585)
PSERS 2	71,831
LEOFF 1	(23,994)
LEOFF 2	(1,913)
TOTAL	(676,714)

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<b>PERS 1</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Net difference between projected and actual investment earnings on pension plan investments	-	(348,815)
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	413,223	-
TOTAL	413,223	(348,815)
<b>PERS 2/3</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	1,319,580	(72,380)
Net difference between projected and actual investment earnings on pension plan investments	-	(2,441,336)
Changes of assumptions	2,719,727	(592,793)
Changes in proportion and differences between contributions and proportionate share of contributions	306,508	(172,897)
Contributions subsequent to the measurement date	787,634	-
TOTAL	5,133,449	(3,279,406)
<b>PSERS 2</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	99,941	(82,187)
Net difference between projected and actual investment earnings on pension plan investments	-	(85,957)
Changes of assumptions	142,897	(55,578)
Changes in proportion and differences between contributions and proportionate share of contributions	-	(93,219)
Contributions subsequent to the measurement date	91,679	-
TOTAL	334,517	(316,941)
<b>LEOFF 1</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Net difference between projected and actual investment earnings on pension plan investments	-	(30,251)
Changes of assumptions	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
TOTAL	-	(30,251)
<b>LEOFF 2</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	2,191,780	(44,146)
Net difference between projected and actual investment earnings on pension plan investments	-	(1,135,393)
Changes of assumptions	1,370,676	(440,759)
Changes in proportion and differences between contributions and proportionate share of contributions	630,998	(312,045)
Contributions subsequent to the measurement date	286,899	-
TOTAL	4,480,353	(1,932,343)

Deferred outflows of resources related to pensions resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**NOTE 6 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS**

The	Year ended December 31:	PERS 1	PERS 2/3	PSERS 2	LEOFF1	LEOFF 2
	2024	(237,319)	(1,110,815)	(62,029)	(20,741)	(409,739)
	2025	(298,457)	(1,353,320)	(74,810)	(26,028)	(593,090)
	2026	184,024	2,010,717	53,919	16,146	1,022,562
	2027	2,937	737,509	(51)	372	397,508
	2028	-	730,831	747	-	435,808
	Thereafter	-	51,486	8,122	-	1,408,063
	<b>Total</b>	<b>(348,815)</b>	<b>1,066,408</b>	<b>(74,102)</b>	<b>(30,251)</b>	<b>2,261,112</b>

following table represents the OPEB amounts for all plans subject to the GAAP requirements of for the year 2023.

Aggregate OPEB Amounts – All Plans	
OPEB liabilities	(3,776,401)
Deferred outflows of resources	85,068
OPEB expense/expenditures	461,741

**OPEB Plan Description**

As required by the Revised Code of Washington (RCW) Chapter 41.26, the City provides lifetime medical care for 7 LEOFF 1 retirees. The City provides medical insurance and reimbursements for all necessary hospital, medical, and nursing care expenses not payable by worker’s compensation, social security, insurance provided by another employer, other pension plan, or any other similar source. Medical insurance for the retirees is provided by the City’s employee medical insurance program. Under the authorization of the LEOFF Disability Board, direct payment is made for other retiree medical expenses not covered by standard medical plan benefit provisions.

The City provides health coverage for LEOFF 1 retirees through a medical plan purchased through the Association of Washington Cities (AWC) Employees Benefit Trust as a single employer plan. In addition, the City pays or reimburses eligible retired LEOFF 1 police officers the necessary usual and customary medical expenses in excess of those covered by the applicable insurance plan. The City also purchases a long-term care insurance plan for eligible LEOFF 1 members. Dental costs and dependents are not covered. Funding for LEOFF retiree healthcare costs is provided entirely by the City on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust.

Employees covered by benefit terms – At December 31, 2023, the following employees were covered by the benefit terms:

Covered Employees	
Inactive employees or beneficiaries currently receiving benefits	7
Inactive employees entitled to but not yet receiving benefits	-
Active employees	-
<b>Total</b>	<b>7</b>

Funding for LEOFF 1 retiree healthcare costs is provided by the City as required by RCW. These medical benefits are funded on a pay-as-you-go basis through the General Fund and paid out of the Police Department budget. Health insurance premiums are paid monthly and long-term care insurance is paid annually. Other medical services are paid as billings are presented for reimbursement. The City reimbursed 100 percent of the amount of validated claims for medical costs incurred by these individuals.

**Assumptions and Other Inputs**

The City's Net OPEB Liability (OPEB) was calculated using the alternative measurement method in accordance with the parameters of GAAP for employers in plans with fewer than one hundred total plan members utilizing the interactive tool developed by the Office of the State Actuary (OSA) for use by local government. The following assumptions were used to measure the total Net OPEB Liability:

<b>Discount Rate</b>	
Beginning of Measurement Year	3.54%
End of Measurement Year	3.65%
<b>Healthcare Trend Rates</b>	
Medical Costs	Approximately 4.5%, varies by year
Long-Term Care	4.75%
Medicare Part B Premiums	Approximately 5.0%, varies by year
<b>Mortality Rates (assume 100% male population)</b>	
Base Mortality Table	PubS.H-2010 (Public Safety)
	Blended 50%/50% Healthy/Disabled
Age Setback	-1 year Healthy/ 0 years Disabled
Mortality Improvements	MP-2017 Long-Term Rates
Projection Period	Generational
<b>Medicare Participation Rate</b>	100%

The following presents the total OPEB liability for the City of Marysville calculated using the current healthcare cost trend rate as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher that the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 3,434,301	\$ 3,776,401	\$ 3,419,241

The following presents the total OPEB liability of the City of Marysville calculated using the current discount rate, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher that the current rate.

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 4,192,942	\$ 3,776,401	\$ 4,166,263

**Changes in the Total OPEB Liability**

For 2023, a schedule of changes in the total OPEB liability is reported below.

LEOFF 1	
Total OPEB Liability at 1/1/2023	3,460,205
Interest	119,938
Changes of experience data & assumption	341,803
Estimated benefit payments	(145,545)
<b>Total OPEB Liability as 12/31/2023</b>	<b>3,776,401</b>

The measurement date of 6/30/2023 was used in the calculation. The city uses the alternative measurement method in accordance with GAAP. The City paid benefits of \$69,514 for the year ended December 31, 2023.

At December 31, 2023 the city reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

LEOFF 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	-	-
Changes of assumptions	-	-
Payments subsequent to the measurement date	85,068	-
TOTAL	85,068	-

**NOTE 7 – RISK MANAGEMENT**

The City is exposed to financial loss resulting from city-caused damage to property or persons, bodily injuries, natural disasters, and unemployment compensation benefits paid to former employees. Individual internal service funds are used to account for and finance self-insurance activities. These include unemployment compensation and general liability. The city purchases commercial insurance for claims in excess of anticipated self-insured losses. Premiums paid to these funds by other governmental funds are used to pay for administrative costs, claims, and risk transfer/insurance.

Unemployment Compensation Insurance Fund

In October 2018, the City Council signed resolution 2453 changing the payment method for the City's Unemployment Insurance. In January, 2019, Fund 510 was established and the City started collecting premiums from other governmental funds and making payments to reimburse the State of Washington Employment Security Department on a quarterly basis for unemployment compensation claims paid to former employees.

Liability Insurance Fund

The City of Marysville purchases a variety of insurance coverages to protect itself from unexpected financial loss. Liability coverage is in force with limits up to \$25,000,000, subject to a self-insured retention of \$100,000, which applies on a per occurrence basis. Coverage includes automobile liability, general liability, law enforcement liability, and public officials liability, employment practices liability, employee benefit liability, and Washington Stop Gap coverage. Claims are administered by the City with the assistance from Defense Counsel depending on the need, and subject to involvement from our excess insurers should a loss exceed our self-insured retention. Insurance for property, equipment breakdown, automobile physical damage, cyber, and pollution related exposures is also in place. A brief summary of insurance in force is as follows:

Policy Type	Limits of insurance	Carrier	Deductible
Commercial Property, Equipment Breakdown, Automobile Physical Damage, and Boiler & Machinery Insurance	\$200,000,000 All Risk \$100,000,000 Boiler & Machinery \$25,000,000 Flood \$ 5,000,000 Flood Zones A&V \$ 100,000 Unscheduled Business Interruption \$50,000,000 Extra Expense	Various Carriers	\$10,000
Earthquake	\$5,000,000	Everest Indemnity Insurance Company	\$250,000
Commercial Cyber Liability Insurance	\$2,000,000 Aggregate \$ 500,000 Privacy Notification/Monitoring Costs	Lloyd's of London - Beazley Syndicate	\$75,000
Pollution	\$2,000,000 Aggregate	Interstate Fire and Casualty Company	\$150,000
Crime	\$2,500,000	National Union Fire Insurance Company of Pittsburgh, PA	\$10,000
General Liability	\$2,000,000 Each Occurrence	Safety National Casualty Corp	\$100,000 Self-Insured Retention

Policy Type	Limits of insurance	Carrier	Deductible
Auto Liability	\$2,000,000 Combined Single Limit Bodily Injury & Property Damage	Safety National Casualty Corp	\$100,000 Self-Insured Retention
Public Officials Liability	\$2,000,000 Each Wrongful Act	Safety Specialty Insurance Co.	\$100,000 Self-Insured Retention
Law Enforcement Liability	\$200,000,000 Each Occurrence Limit	Safety Specialty Insurance Co.	\$100,000 Self-Insured Retention
Excess Liability	\$3,000,000 Each Occurrence Limit xs \$2,000,000	Safety National Casualty Corp.	N/A
Excess Liability	\$15,000,000 xs \$5,000,000	Allied World Assurance Co. & Evanston Insurance Company	N/A
Excess Liability	\$5,000,000 xs \$20,000,000	Hallmark Specialty Insurance Co.	N/A

Since the city began to self-insure in 2019 and creating fund 511, there have been no claims which have exceeded the city's self-insurance limit.

At December 31, 2023, the city had available cash and investments in the Unemployment Compensation Insurance fund of \$ 134,088 and in the Liability Insurance fund of \$ 622,910. The claims liability reported in the self-insurance funds is based on the requirements of GAAP. Prior to the issuance of the financial statements, requires that a liability for claim be reported if it is probable that a liability has been incurred at the date of the financial statements and can be reasonably estimated. This estimated liability is not discounted to present value.

Changes in the self –insurance funds' claims liabilities in 2023 are shown in the table below:

	Insurance Fund	Unemployment Compensation Fund
<b>December 31, 2023</b>		
Beginning Liability	*101,178	*547
Claims Incurred	8,204	5,863
Claims Paid	89,382	2,924
<b>Ending Liability</b>	<b>20,000</b>	<b>3,486</b>

*\*Beginning balance differs from PY ending. This reporting method will be followed moving forward*

Medical Insurance Fund

In 2020, the City created a self-insured health benefits program for its employees as a means to contain rising health benefit costs. Medical Insurance Fund 512 was established to account for the distribution of actual medical expense, associated administrative costs and reserves for the program. The Association of Washington Cities continues to provide medical coverage for LEOFF 1 retirees, long term disability insurance and employees who chose Kaiser or Group Health insurance.

In order to mitigate its risk exposure, the City holds individual and aggregate stop loss insurance and maintains both claims fluctuation and liability reserves. The claims fluctuation liability reserve was \$1,751,081 at December 31, 2023 based on an analysis of the recent twelve months of incurred claims with applied monthly completion factors, as required by Washington Administrative Code (WAC) 200-110-040(a). At December 31, 2023, the city had available cash and investments in the Medical Insurance fund of \$ 2,427,575

	Medical Insurance Fund
<b>December 31, 2022</b>	
Beginning Liability	1,106,781
Claims Incurred	3,781,827
Claims Paid	3,483,527
<b>Ending Liability</b>	<b>1,405,081</b>
<b>December 31, 2023</b>	
Beginning Liability	1,405,081
Claims Incurred	5,009,698
Claims Paid	4,663,698
<b>Ending Liability</b>	<b>1,751,081</b>

**NOTE 8 – LONG-TERM DEBT**

The city issues general obligation bonds to finance the purchase, acquisition, and construction of significant capital assets. General obligation bonds have been issued for both general government and business-type activities and are being repaid from the applicable resources. Federal obligation bonds are direct obligations and pledge the full faith and credit of the government.

General government obligation bonds outstanding at December 31, 2023 are as follows:

DESCRIPTION	DATE OF ISSUE	DATE OF FINAL MATURITY	INTEREST RATE (S)	AMOUNT ORIGINALLY ISSUED	REDEMPTION TO DATE	DEBT OUTSTANDING
<b>Governmental Activities</b>						
LTGO Refunding Bonds 2013	10/16/13	12/01/23	3.00-5.00	6,315,000	6,315,000	-
LTGO Bonds Series 2016 Refunding	09/01/14	12/01/27	2.00	4,990,000	2,865,000	2,125,000
LTGO Bonds 2013	10/16/13	12/01/30	3.00-5.00	9,005,000	4,570,000	4,435,000
LTGO Bonds 2018	06/28/18	12/01/38	3.00-5.00	11,375,000	945,000	10,430,000
LTGO Bonds 2018B	10/09/18	12/01/48	5.00	31,280,000	1,690,000	29,590,000
LTGO Bonds 2020A	08/18/20	12/01/40	2.00-5.00	11,590,000	1,200,000	10,390,000
LTGO Bonds 2020B	09/10/20	12/01/34	2.00	4,320,000	715,000	3,605,000
<b>Total Governmental Activities</b>				<b>\$ 78,875,000</b>	<b>\$ 18,300,000</b>	<b>\$ 60,575,000</b>
<b>Special Assessments (w/government commitment)</b>						
LID 71 - 156th Street Overpass	09/23/14	06/01/36	2.05-4.15	6,022,846	4,497,846	1,525,000
<b>Total Special Assessments</b>				<b>6,022,846</b>	<b>4,497,846</b>	<b>1,525,000</b>
<b>TOTAL GENERAL OBLIGATION BONDS</b>				<b>\$ 84,897,846</b>	<b>\$ 22,797,846</b>	<b>\$ 62,100,000</b>

Annual debt service requirements to maturity for general obligation bonds are as follows:

YEAR ENDING 12/31	GOVERNMENTAL ACTIVITIES			SPECIAL ASSESSMENT		
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL
2024	2,890,000	2,467,019	5,357,019	-	75,323	75,323
2025	3,005,000	2,354,994	5,359,994	-	75,323	75,323
2026	3,125,000	2,238,019	5,363,019	-	75,323	75,323
2027	3,245,000	2,114,469	5,359,469	-	-	-
2028	2,920,000	1,984,731	4,904,731	-	-	-
2029-2033	14,185,000	8,104,194	22,289,194	-	376,613	376,613
2034-2038	13,525,000	5,683,200	19,208,200	1,525,000	376,613	1,901,613
2039-2043	8,590,000	3,418,950	12,008,950	-	-	-
2044-2048	9,090,000	1,408,000	10,498,000	-	-	-
<b>TOTAL</b>	<b>\$ 60,575,000</b>	<b>\$ 29,773,575</b>	<b>\$ 90,348,575</b>	<b>\$ 1,525,000</b>	<b>\$ 979,193</b>	<b>\$ 2,504,193</b>

The LTGO Bond issue 2020B was a direct borrowing issue and the debt service requirements are included in the governmental activities table above and shown separately below:

YEAR ENDING 12/31	LTGO 2020B		
	PRINCIPAL	INTEREST	TOTAL
2024	235,000	72,100	307,100
2025	235,000	67,400	302,400
2026	250,000	62,700	312,700
2027	250,000	57,700	307,700
2028	355,000	52,700	407,700
2029-2033	1,880,000	154,300	2,034,300
2034	400,000	8,000	408,000
<b>TOTAL</b>	<b>\$ 3,605,000</b>	<b>\$ 474,900</b>	<b>\$ 4,079,900</b>

**Business-type Long-Term Debt**

The City issues revenue bonds to finance construction projects for the City's utilities. Revenue bonds are payable from revenues generated by the user fees, and are backed by the Waterworks Utility fund. Revenue debt outstanding as of December 31, 2023 is as follows:

DESCRIPTION	DATE OF ISSUE	DATE OF FINAL MATURITY	INTEREST RATE (S)	AMOUNT	REDEMPTION TO DATE	DEBT OUTSTANDING
				ORIGINALLY ISSUED		
Water Revenue Bonds	05/29/14	04/01/28	2.00-5.00	39,945,000	22,105,000	17,840,000
<b>TOTAL REVENUE BONDS</b>				<b>\$ 39,945,000</b>	<b>\$ 22,105,000</b>	<b>\$ 17,840,000</b>

Annual debt service requirements to maturity for revenue bonds are as follows:

YEAR ENDING 12/31	REVENUE BONDS BUSINESS-TYPE ACTIVITY		
	PRINCIPAL	INTEREST	TOTAL
2024	3,330,000	518,550	3,848,550
2025	3,465,000	383,325	3,848,325
2026	3,575,000	277,725	3,852,725
2027	3,680,000	168,900	3,848,900
2028	3,790,000	56,850	3,846,850
<b>TOTAL</b>	<b>\$ 17,840,000</b>	<b>\$ 1,405,350</b>	<b>\$ 19,245,350</b>

The City's other business type activities consist of multiple Public Works Trust Funds Loans and a Drinking Water Revolving Fund Loan used to update the Wastewater Treatment Plant and to construct a new filtration plant.

Other Business-type long-term debt outstanding as of December 31, 2023, is as follows:

DESCRIPTION	DATE OF ISSUE	DATE OF FINAL MATURITY	INTEREST RATE (S)	AMOUNT ORIGINALLY ISSUED	REDEMPTION TO DATE	DEBT OUTSTANDING
PWTFL-WWTP Phase II	05/13/04	07/01/24	0.50	10,000,000	9,473,683	526,317
DWRFL-Stilly Well	12/12/03	10/01/23	1.50	4,080,000	4,080,000	-
<b>Total Other Long Term Obligations</b>				<b>14,080,000</b>	<b>13,553,683</b>	<b>526,317</b>
<b>TOTAL OTHER BUSINESS-TYPE LONG TERM OBLIGATIONS</b>				<b>\$ 14,080,000</b>	<b>\$ 13,553,683</b>	<b>\$ 526,317</b>

Annual debt service requirements to maturity for other Business-type long term debt are as follows:

YEAR ENDING 12/31	OTHER BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	526,316	2,632	528,947
<b>TOTAL</b>	<b>\$ 526,316</b>	<b>\$ 2,632</b>	<b>\$ 528,947</b>

Total Business-type debt service requirements to maturity is as follows:

YEAR ENDING 12/31	TOTAL BUSINESS-TYPE ACTIVITY		
	PRINCIPAL	INTEREST	TOTAL
2024	3,856,316	521,182	4,377,497
2025	3,465,000	383,325	3,848,325
2026	3,575,000	277,725	3,852,725
2027	3,680,000	168,900	3,848,900
2028	3,790,000	56,850	3,846,850
<b>TOTAL</b>	<b>\$ 18,366,316</b>	<b>\$ 1,407,982</b>	<b>\$ 19,774,297</b>

At December 31, 2023, the City has \$677,397 restricted and 166,570 assigned funds available in governmental debt service funds to service the general bonded debt. Restricted assets in proprietary funds contain \$5,393,495 in sinking funds and reserves as required by bond indentures.

**NOTE 9 – LEASES**

**Lessee**

The City leases a postage machine under a 60-month noncancelable lease, ending in 2024 and six vehicles under 60-month noncancelable leases ending in 2027 and 2028. The City leases numerous copiers under several different lease agreements with Copiers Northwest. The copier leases have 48-month initial term plus a 48-month extension option which the City is likely to exercise.

Leased assets for the year ended December 31, 2023, are summarized as follows:

Description	Beginning	GOVERNMENTAL ACTIVITIES		Ending
		Increases	Decreases	
Postage Machine	5,188	-	-	5,188
Copiers	291,148	-	-	291,148
Vehicles	-	230,977	-	230,977
<b>Total</b>	<b>296,336</b>	<b>230,977</b>	<b>-</b>	<b>527,313</b>
Accumulated Depreciation	(43,989)	(84,174)	-	(128,163)
	<b>\$ 252,347</b>	<b>\$ 146,802</b>	<b>\$ -</b>	<b>\$ 399,150</b>

Description	Beginning	BUSINESS-TYPE ACTIVITIES		Ending
		Increases	Decreases	
Postage Machine	576	-	-	576
Copiers	41,095	-	-	41,095
Vehicles	31,078	-	(31,078)	-
<b>Total</b>	<b>72,749</b>	<b>-</b>	<b>(31,078)</b>	<b>41,671</b>
Accumulated Depreciation	(7,354)	(5,401)	-	(12,755)
	<b>\$ 65,394</b>	<b>\$ (5,401)</b>	<b>\$ (31,078)</b>	<b>\$ 28,916</b>

As of December 31, 2023, the principal and interest requirements to maturity are as follows:

YEAR ENDING 12/31	GOVERNMENTAL ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	44,281	6,331	50,612
2025	88,347	6,630	94,977
2026	89,853	4,282	94,135
2027	89,960	2,855	92,814
2028	42,505	1,359	43,865
2029	39,061	997	40,058
<b>TOTAL</b>	<b>\$ 394,007</b>	<b>\$ 22,453</b>	<b>\$ 416,461</b>

YEAR ENDING 12/31	BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	12,271	413	12,685
2025	5,597	328	5,925
2026	5,683	242	5,925
2027	2,782	157	2,939
2028	1,507	89	1,596
2029	1,544	30	1,574
<b>TOTAL</b>	<b>\$ 29,385</b>	<b>\$ 1,259</b>	<b>\$ 30,644</b>

**Lessor**

The City is a lessor in three real property space leases, under non-cancelable agreements of varying lengths and termination dates. In 2023, the City received \$48,130 in principal and \$12,344 in interest on governmental leases and \$59,072 in principal and \$1,916 in interest on business-type leases. The leases include Tower Rental Agreements to rent tower space on existing City towers, one is for 12 years with TMobile and one is for 4 years with Island County and a building rental by the Boys and Girls Club which will expire in June of 2024 with an option to purchase.

The Business lease is for a Restaurant at the City Owned Golf Course. This contract expires January 31, 2029.

As of December 31, 2023, future lease receivable principal and interest payments are as follows:

YEAR ENDING 12/31	GOVERNMENTAL ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	55,277	10,607	65,883
2025	28,528	8,732	37,260
2026	29,384	7,876	37,260
2027	30,266	6,994	37,260
2028	31,640	6,086	37,726
2029-2033	200,535	13,710	214,245
<b>TOTAL</b>	<b>\$ 375,631</b>	<b>\$ 54,003</b>	<b>\$ 429,634</b>

YEAR ENDING 12/31	BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	6,327	420	6,747
2025	6,765	185	6,950
<b>TOTAL</b>	<b>\$ 13,092</b>	<b>\$ 605</b>	<b>\$ 13,697</b>

**NOTE 10 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

For the year ended 12/31/2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. The City included subscription contracts with a threshold of \$10,000 or more in annual costs. For additional information, refer to the disclosures below.

Subscriptions for the year ended December 31, 2023, are summarized as follows:

Description	Beginning	GOVERNMENTAL ACTIVITIES		Ending
		Increases	Decreases	
AKTIVOV	-	123,093	-	123,093
GOV QA GRANICUS	-	26,750	-	26,750
MUNIS - ERP SOFTWARE	-	501,416	-	501,416
PEAK AGENDA GRANICUS	-	124,269	-	124,269
TOPCON SOLUTIONS	-	19,231	-	19,231
TRAKIT	-	78,090	-	78,090
Total	-	872,849	-	872,849
Accumulated Depreciation	-	(213,484)	-	(213,484)
	<b>\$ -</b>	<b>\$ 659,365</b>	<b>\$ -</b>	<b>\$ 659,365</b>

Description	BUSINESS-TYPE ACTIVITIES			
	Beginning	Increases	Decreases	Ending
120WATER	-	105,779	-	105,779
ABSOLUTE	-	123,093	-	123,093
AKTIVOV	-	88,845	-	88,845
ALLEN BRADLEY	-	40,547	-	40,547
CUSTOMER FIRST	-	70,782	-	70,782
LASERFICHE	-	245,265	-	245,265
MICROSOFT 365	-	556,588	-	556,588
NEARMAP	-	86,064	-	86,064
RUBICONSMARTCITY	-	103,257	-	103,257
SOCRATA - OPEN FINANCE	-	40,614	-	40,614
TOPCON SOLUTIONS	-	9,472	-	9,472
Total	-	1,470,306	-	1,470,306
Accumulated Depreciation	-	(394,754)	-	(394,754)
	\$ -	\$ 1,075,552	\$ -	\$ 1,075,552

As of December 31, 2023, the principal and interest requirements to maturity are as follows:

YEAR ENDING 12/31	GOVERNMENTAL ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	36,507	31,749	68,256
2025	192,685	21,372	214,057
2026	203,090	10,967	214,057
<b>TOTAL</b>	<b>\$ 432,282</b>	<b>\$ 64,088</b>	<b>\$ 496,370</b>

YEAR ENDING 12/31	BUSINESS-TYPE ACTIVITIES		
	PRINCIPAL	INTEREST	TOTAL
2024	11,103	11,260	22,363
2025	390,477	34,236	424,713
2026	191,960	13,150	205,110
2027	51,559	2,784	54,343
<b>TOTAL</b>	<b>\$ 645,099</b>	<b>\$ 61,430</b>	<b>\$ 706,529</b>

**NOTE 11 – CHANGES IN LONG-TERM LIABILITIES**

During the year ended December 31, 2023, the following changes occurred in long-term liabilities:

	Beginning Balance	Additions	Deductions	Ending Balance	Due Within One Year
<b>Governmental Activities</b>					
Bonds payable:					
General obligation bonds	\$ 64,355,000	\$ -	\$ (3,780,000)	\$ 60,575,000	\$ 2,890,000
For issuance premiums	6,619,644	-	(363,162)	6,256,482	363,162
Total bonds Payable	70,974,644	-	(4,143,162)	66,831,482	3,253,162
Special Assessment (w /government commitment)	1,815,000	-	(290,000)	1,525,000	235,000
Pension Liability	2,814,871	-	(571,859)	2,243,012	-
OPEB Liability	3,460,205	3,623,784	(3,460,205)	3,623,784	153,597
Leases	254,055	230,977	(84,174)	399,150	87,803
Subscriptions	-	1,388,809	(394,500)	994,309	192,176
Compensated absences	2,306,376	309,231	-	2,615,607	1,307,804
Governmental activity long-term liabilities:	\$ 81,625,151	\$ 5,552,801	\$ (8,943,900)	\$ 78,232,344	\$ 5,229,541
				78,228,636	
<b>Business-Type Activities</b>					
Bonds payable:					
Revenue Bond	21,010,000	-	(3,170,000)	17,840,000	3,330,000
For issuance premiums	1,667,785	-	(277,964)	1,389,821	277,964
Total bonds Payable	22,677,785	-	(3,447,964)	19,229,821	3,607,964
Public Works Trust Fund Loans	1,275,032	-	(748,714)	526,318	526,316
Pension Liabilities	932,273	-	(83,074)	849,199	-
Leases	65,394	-	(36,479)	28,916	5,705
Subscriptions	-	418,682	(88,385)	330,297	375,083
Compensated absences	401,911	28,277	-	430,188	215,094
Business-type activity long-term liabilities:	\$ 25,352,395	\$ 446,959	\$ (4,404,616)	\$ 21,394,739	\$ 4,730,162

The general fund has been used to liquidate other post-employment benefits.

Since internal service funds predominantly serve the governmental funds, their long-term liabilities are included as part of the above totals for governmental activities. At year end the governmental balances above include \$271,778 related to the internal service funds' net pension liability and \$93,335 related to internal service funds' compensated absences. Also, for the governmental activities compensated absences are generally liquidated by the general fund.

**Arbitrage**

Arbitrage occurs when the City invests funds borrowed at tax-exempt rates of interest in higher yielding securities. These interest earnings in excess of interest expense must be remitted to the federal government. At the fund level, the City recognizes this liability only when it is due and payable. The City had no arbitrage excess earnings liability in 2023.

**NOTE 12 – RECEIVABLES**

Receivables as of December 31, 2023 appear as follows:

	Governmental Activities	Business-Type Activities	Total
<b>Taxes Receivable</b>			
Property Taxes	279,284	-	279,284
Sales & Use Taxes	4,518,881	-	4,518,881
Real Estate Excise Taxes	305,418	-	305,418
Utility Taxes	402,435	-	402,435
<b>Total Tax Receivable</b>	<b>5,506,018</b>	<b>-</b>	<b>5,506,018</b>
<b>Customer Receivables</b>			
Due from Other Governments	1,965,113	1,063,735	3,028,848
Miscellaneous	1,599,590	-	1,599,590
Utility Accounts	-	8,962,300	8,962,300
<b>Total Customer Receivable</b>	<b>3,564,703</b>	<b>10,026,036</b>	<b>11,991,149</b>
<b>Interest</b>	<b>(214,809)</b>	<b>172,609</b>	<b>(42,200)</b>
<b>Total Receivables</b>	<b>8,855,912</b>	<b>10,198,645</b>	<b>17,454,967</b>

**NOTE 13 - CONTINGENCIES AND LITIGATION**

The city participates in a number of federal and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. City management believes that any such potential disallowances, if any, would be immaterial.

The City of Marysville is the defendant in certain legal actions. At this time the City Attorney is unable to determine the probability of the outcomes in these cases. However, in all cases of legal actions against the city, the City Attorney believes there are meritorious defenses to the plaintiffs' claims, and that both separately and collectively the alleged damages in these cases are within the coverage limits of the city's insurance policies. Therefore, the city believes that the costs of defending these claims, and any awards, if any, will not be material to the city's financial position.

**NOTE 14 - INTERFUND TRANSACTIONS AND BALANCES**

Loans between funds are classified as interfund loans receivable and payable, or advances to and from other funds depending on the time period for which the loan was made. Advances to other funds are typically loans that are not expected to be repaid within one year from the date of the financial statements. Interfund loans receivable and payable are used primarily to meet short-term cash flow requirements while waiting for other financing instruments to be put in place.

Interfund transfers are the flow of assets without a reciprocal return of assets, goods, or services in return. The City uses transfers to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected in one fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund activity for the year is as follows:

Funds	Interfund Loans Receivable	Interfund Loans Payable
001- General	200,778	-
115- Affordable Housing Tax	-	200,778
310 - Parks Construction	-	820,656
410 - Solid Waste	820,656	-
<b>Total</b>	<b>\$ 1,021,434</b>	<b>\$ 1,021,434</b>

Current year transfers were to fund street maintenance, street construction, debt service, and vehicle purchases. The Waterworks Utility provides annual funding to Street Maintenance for surface water activities.

Fund	General	Street Construction	Nonmajor Governmental	Total Transfer Out
General Fund	2,356,533	-	6,786,763	9,143,296
Nonmajor Governmental	2,057,393	6,876,459	4,117,233	13,051,085
Waterworks Utility	926,753	-	2,727,748	3,654,501
<b>Total Transfer In</b>	<b>\$ 5,340,680</b>	<b>\$ 6,876,459</b>	<b>\$ 13,631,744</b>	<b>\$ 25,848,883</b>

**NOTE 15 – JOINT VENTURES & OTHER RELATED ORGANIZATIONS**

**Marysville Fire District RFA**

A RFA Planning Committee consisting of three elected officials from the district and four elected officials from the City of Marysville, supported by leadership and staff, was established in February 2018 to evaluate the feasibility of creating a new and separate regional fire authority to provide the fire protection and emergency services within the boundaries of the City of Marysville and District 12. After one year of review, analysis, outreach and planning, the committee proposed a RFA plan document providing for the governance, design, financing and development of fire protection and emergency services. The Fire District Board and Marysville City Council passed resolutions in February 2019 to forward the RFA plan to a public vote on April 23, 2019. Voters in Marysville and Fire District 12 approved the plan authorizing and creating the Marysville Fire District RFA effective October 1, 2019.

The RFA is governed by a Board of Directors consisting of five (5) voting members consisting of four (4) elected officials of the Marysville City Council and (1) elected official from District 12. There is an additional non-voting member who shall be one (1) elected official from the District.

Separate financial statements for the new RFA may be obtained from Marysville Fire District RFA, Finance Department, 1094 Cedar Ave, Marysville, WA 98270.

As a result of the RFA, the City of Marysville, beginning in 2024, will stop levying and collecting EMS taxes.

**Snohomish County 911**

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

In the event of the dissolution of Snohomish County 911, any money in the possession of Snohomish County 911 or the Board of Directors after payment of all costs, expenses and charges validly incurred under this agreement shall be returned to the parties to this agreement and shall be apportioned between the parties based on the average ratio of each parties' contributions to the operating budget over the preceding five years. Before deducting the payment of all costs, expenses and charges validly incurred, the city's share was \$1,625,931 on December 31, 2023. The City's equity interest of \$1,625,931 was recorded in government activities on the statement of net position.

Snohomish County 911's 2023 operating budget was \$28,409,308, operating revenues received were \$28,409,308 and total operating expenditures were \$28,409,308 Complete financial statements for Snohomish County 911 can be obtained from Snohomish County 911's administrative office at 1121 SE Everett Mall Way, Suite 200, Everett, WA 98208.

**Alliance of Housing Affordability**

In September 2013, the City of Marysville joined the cities of Edmonds, Everett, Granite Falls, Lake Stevens, Lynnwood, Marysville, Mill Creek, Mountlake Terrace, Mukilteo, and Snohomish, the Town of Woodway, and Snohomish County to establish the Alliance for Housing Affordability (AHA). The agreement was amended in May 2014 to add the City of Arlington and in June 2014 to add the City of Stanwood.

The purpose of AHA is to cooperatively formulate affordable housing goals and policies and to foster efforts to provide affordable housing by providing expertise and information to member jurisdictions. Operating funding is provided by the member cities.

AHA is governed by a Joint Board composed of an elected official from each member. The Joint Board is responsible for review and approval of all budgetary, financial, policy, and contractual matters. The Board is assisted by an administrative staff housed at the Housing Authority for Snohomish County (HASCO). Fiscal agent duties were transferred to HASCO during fiscal year 2018. The values included in the table below were audited and updated by the new fiscal agent and may be different than what was reported in prior years.

Each member city is responsible for contributing operating revenues as determined from the AHA annual budget. Contributions from the member cities are based on each member's population. A grant from the Gates Foundation provided \$50,000 to assist with the first few years of organizational start-up. The City of Marysville's equity share to date is:

Fiscal Year	AHA Budget	Marysville's share of Budget	% of Budget
2014	\$ 89,850	\$ 3,613	4.0%
2015	92,543	3,721	4.0%
2016	93,651	3,702	4.0%
2017	97,934	3,675	3.8%
2018	102,586	5,513	5.4%
2019	107,391	6,541	6.1%
2020	112,408	6,939	6.2%
2021	117,673	7,002	6.0%
2022	118,200	7,014	9.4%
2023	135,522	7,405	9.2%
2024	157,674	9,448	9.3%

Members withdrawing from the agreement relinquish all rights to any reserve funds, equipment, or material purchased. Upon dissolution, the agreement provides for distribution of net assets among the members based on the percentage of the total annual contributions during the period of the Agreement paid by each member.

Budget monitoring information can be obtained from Pam Frost, Director of Finance, HASCO, 12711 4<sup>th</sup> Ave W, Everett WA 98204 (email: [pfrost@hasco.org](mailto:pfrost@hasco.org)) or from Chris Collier, Program Manager, Alliance for Housing Affordability, 12711 4<sup>th</sup> Ave W, Everett WA 98204.

**AWC Employee Benefit Trust**

The City of Marysville 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 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 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, the retiree medical plan subsidy was eliminated, and is noted as such in the report for the fiscal year ending December 31, 2018. Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

#### **NOTE 16- POLLUTION REMEDIATION OBLIGATION**

On December 20, 2016, the City purchased the WELCO Lumber company property located at 1218 1<sup>st</sup> Street, Marysville, WA. After conducting both a Phase I and Phase II Environmental Site Assessments analytical data from the consultant's investigation indicated concentrations of TPH above the MTCA Method A cleanup levels were present in the site soils. In addition soil and water impacts identified were in multiple areas all over the site and likely represent multiple, separate releases none of which have been fully characterized with respect to lateral or vertical extend. In order to assess the full impacts to the property and develop accurate clean-up costs, further investigations are required. Currently we do not know the remediation costs or what those activities would be, as this would be dependent on the future use of the property. Typically the remediation would often involve some soil removal to address hot spots and then capping the property with a barrier to prevent migration of contaminants.

#### **NOTE 17 – ACCOUNTING AND REPORTING CHANGES**

##### Public Private Partnership

The City contracts with Premier Golf Centers for operation of Cedarcrest Golf Course. This agreement took effect in 2015 and expires in 2025. The City pays Premier Golf for providing services in the form of management and incentive fees. Premier Golf does not provide payments to the City under this agreement. As such, there is no receivable balance recognized on the financial statements.

##### New Accounting Standards

In 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement 96, *Subscription-based information technology arrangements*. This Statement requires the recognition of subscription assets, and the related accumulated amortization, disclosed separately from other capital assets. The threshold, as determined by the City is \$10,000 and higher.

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

GASB 96 requires new qualitative and quantitative disclosures which did not previously exist for subscription-based information technology arrangements.

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
General Fund  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	47,154,943	47,154,943	46,016,282	(1,138,661)
Licenses and permits	2,730,167	2,730,167	4,401,970	1,671,803
Intergovernmental	1,937,062	2,237,062	2,106,472	(130,590)
Charges for services	9,011,114	9,400,889	5,939,070	(3,461,819)
Fines and forfeitures	455,516	455,516	326,716	(128,800)
Investment interest	271,497	271,497	1,485,274	1,213,777
Rents and leases	143,133	143,133	171,275	28,142
Miscellaneous	141,341	141,466	120,814	(20,652)
<b>Total Revenues</b>	<b>61,844,773</b>	<b>62,534,673</b>	<b>60,567,873</b>	<b>(1,966,800)</b>
<b>Expenditures</b>				
<b>Current:</b>				
Judicial	1,667,057	1,669,457	1,726,328	(56,871)
General government	10,200,713	10,225,862	6,299,789	3,926,073
Public safety	30,091,987	30,191,342	33,610,100	(3,418,758)
Physical environment	994,302	995,492	916,817	78,675
Transportation	8,969,434	9,307,115	6,439,656	2,867,459
Health & human services	671,081	671,411	621,112	50,299
Economic environment	3,431,773	3,466,430	3,205,231	261,199
Culture & recreation	4,510,561	4,444,222	4,129,114	315,108
<b>Capital Outlay:</b>				
General government	315,451	2,090,451	400,155	1,690,296
Public safety	-	-	-	-
Culture & recreation	-	-	-	-
<b>Debt Service:</b>				
Principal	-	-	169,028	(169,028)
Interest and fiscal charges	-	-	3,969	(3,969)
<b>Total Expenditures</b>	<b>60,852,359</b>	<b>63,061,782</b>	<b>57,521,299</b>	<b>5,540,483</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>992,414</b>	<b>(527,109)</b>	<b>3,046,574</b>	<b>3,573,683</b>
<b>Other Financing Uses</b>				
Proceeds from sale of capital assets	3,675,000	3,675,000	1,175,000	(2,500,000)
Insurance recoveries	-	-	163,064	163,064
Leases (lessee) & SBITA	-	-	337,184	337,184
Transfers in	2,012,399	4,368,952	5,340,680	971,728
Transfers out	(7,336,707)	(13,027,322)	(9,143,296)	3,884,026
<b>Total other financing uses</b>	<b>(1,649,308)</b>	<b>(4,983,370)</b>	<b>(2,127,368)</b>	<b>2,856,002</b>
<b>Net Change in Fund Balances</b>	<b>(656,894)</b>	<b>(5,510,479)</b>	<b>919,206</b>	<b>6,429,685</b>
<b>Fund Balances Beginning of Year</b>	<b>14,637,003</b>	<b>21,180,050</b>	<b>24,562,015</b>	<b>3,381,965</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>13,980,109</b>	<b>15,669,571</b>	<b>25,481,221</b>	<b>9,811,650</b>

The city's budget is adopted on a GAAP basis.

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 116 - School Mitigation  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Charges for services	1,000,000	1,000,000	2,915,925	1,915,925
<b>Total Revenues</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>2,915,925</b>	<b>1,915,925</b>
<b>Expenditures</b>				
Current:				
Economic environment	1,000,000	1,000,000	3,007,243	(2,007,243)
<b>Total Expenditures</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>3,007,243</b>	<b>(2,007,243)</b>
<b>Net Change in Fund Balances</b>	-	-	(91,318)	(91,318)
<b>Fund Balances Beginning of Year</b>	-	-	-	-
<b>Fund Balances End of Year</b>	-	-	<b>(91,318)</b>	<b>(91,318)</b>

REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans (PERS, PSERS, LEOFF)

City of Marysville  
 Schedule of Proportionate Share of the Net Pension Liability (Asset)  
 Public Employees' Retirement System - Plan 1  
 As of June 30, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.135461%	0.134578%	0.130211%	0.129246%	0.138175%	0.126504%	0.127933%	0.129243%	0.129963%
Employer's proportionate share of the net pension liability (asset)	\$ 3,092,212	\$ 3,747,145	\$ 1,590,181	\$ 4,563,082	\$ 5,313,319	\$ 5,649,712	\$ 6,070,521	\$ 6,940,958	\$ 6,798,274
Covered payroll	\$ 24,157,654	\$ 21,957,928	\$ 19,959,916	\$ 19,400,482	\$ 19,025,986	\$ 16,536,432	\$ 15,818,704	\$ 15,267,909	\$ 14,122,963
Employer's proportionate share of the net pension liability as a percentage of covered payroll	12.80%	17.07%	7.97%	23.52%	27.93%	34.17%	38.38%	45.46%	48.14%
Plan fiduciary net position as a percentage of the total pension liability	80.16%	76.56%	88.74%	68.64%	67.12%	63.22%	61.24%	57.03%	59.10%

City of Marysville  
 Schedule of Proportionate Share of the Net Pension Liability (Asset)  
 Public Employees' Retirement System - Plan 2/3  
 As of June 30, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	(0.158053%)	(0.163231%)	(0.156564%)	0.156557%	0.164246%	0.147999%	0.150640%	0.150858%	0.153107%
Employer's proportionate share of the net pension liability (asset)	\$ (6,478,091)	\$ (6,053,880)	\$ (15,596,294)	\$ 2,002,275	\$ 1,595,387	\$ 2,526,951	\$ 5,234,020	\$ 7,595,581	\$ 5,470,600
Covered payroll	\$ 21,853,865	\$ 20,417,879	\$ 18,725,806	\$ 18,249,119	\$ 17,855,996	\$ 15,457,811	\$ 14,768,762	\$ 14,200,149	\$ 13,645,668
Employer's proportionate share of the net pension liability as a percentage of covered payroll	-29.64%	-29.65%	-83.29%	10.97%	8.93%	16.35%	35.44%	53.49%	40.09%
Plan fiduciary net position as a percentage of the total pension liability	107.02%	106.73%	120.29%	97.22%	97.77%	95.77%	90.97%	85.82%	89.20%

Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.

City of Marysville  
**Schedule of Proportionate Share of the Net Pension Liability (Asset)**  
**Public Safety Employees' Retirement System - Plan 2**  
 As of June 30, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	(0.301205%)	(0.227146%)	(0.177195%)	(0.166369%)	(0.197848%)	(0.215048%)	0.228550%	0.247658%	0.306379%
Employer's proportionate share of the net pension liability (asset)	\$ (319,395)	\$ (162,409)	\$ (407,086)	\$ (22,892)	\$ (25,728)	\$ (2,664)	\$ 44,780	\$ 105,250	\$ 55,920
Covered payroll	\$ 2,303,788	\$ 1,540,049	\$ 1,201,164	\$ 1,021,273	\$ 912,697	\$ 844,430	\$ 809,195	\$ 803,986	\$ 888,526
Employer's proportionate share of the net pension liability as a percentage of covered payroll	-13.86%	-10.55%	-33.89%	-2.24%	-2.82%	-0.32%	5.53%	13.09%	6.29%
Plan fiduciary net position as a percentage of the total pension liability	107.90%	105.96%	123.67%	101.68%	101.85%	99.79%	96.26%	90.41%	95.08%

City of Marysville  
**Schedule of Proportionate Share of the Net Pension Liability (Asset)**  
**\*\*Law Enforcement Officers' and Fire Fighters' Retirement-Plan 1**  
 As of June 30, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	(0.015371%)	(0.016012%)	(0.015584%)	(0.015209%)	(0.015669%)	(0.016013%)	(0.015846%)	(0.015624%)	(0.015457%)
Employer's proportionate share of the net pension liability (asset)	\$ (456,215)	\$ (459,322)	\$ (533,840)	\$ (287,223)	\$ (309,715)	\$ (290,716)	\$ (240,419)	\$ (160,972)	\$ (186,291)
State's proportionate share of the net pension liability (asset) associated with the employer	\$ (3,085,827)	\$ (3,106,845)	\$ (3,610,878)	\$ (1,942,771)	\$ (2,094,906)	\$ (1,966,398)	\$ (1,626,186)	\$ (1,088,810)	\$ -
<b>Total</b>	<b>\$ (3,542,042)</b>	<b>\$ (3,566,167)</b>	<b>\$ (4,144,718)</b>	<b>\$ (2,229,994)</b>	<b>\$ (2,404,621)</b>	<b>\$ (2,257,114)</b>	<b>\$ (1,866,605)</b>	<b>\$ (1,249,782)</b>	<b>\$ (186,291)</b>
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's proportionate share of the net pension liability as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	175.99%	169.62%	187.45%	146.88%	148.78%	144.42%	135.96%	123.74%	127.36%

**Notes to Schedule:**  
 \*Until a full 10-year trend is compiled, only information for those years available is presented.  
 \*\*LEOFF 1 is closed and no longer accepts contributions

City of Marysville  
**Schedule of Proportionate Share of the Net Pension Liability (Asset)**  
**Law Enforcement Officers' and Fire Fighters' Retirement-Plan 2**  
 As of June 30, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	(0.223706%)	(0.222006%)	(0.240518%)	(0.225716%)	(0.240505%)	(0.244296%)	(0.235422%)	(0.227940%)	(0.222857%)
Employer's proportionate share of the net pension liability (asset)	\$ (5,365,808)	\$ (6,033,453)	\$ (13,970,281)	\$ (4,604,277)	\$ (5,571,762)	\$ (4,959,741)	\$ (3,266,895)	\$ (1,325,767)	\$ (2,290,524)
State's proportionate share of the net pension liability (asset) associated with the employer	\$ (3,426,550)	\$ (3,908,339)	\$ (9,012,356)	\$ (2,944,086)	\$ (3,648,758)	\$ (3,211,339)	\$ (2,119,173)	\$ (864,304)	\$ (1,514,498)
<b>Total</b>	<b>\$ (8,792,358)</b>	<b>\$ (9,941,792)</b>	<b>\$ (22,982,637)</b>	<b>\$ (7,548,363)</b>	<b>\$ (9,220,520)</b>	<b>\$ (8,171,080)</b>	<b>\$ (5,386,068)</b>	<b>\$ (2,190,071)</b>	<b>\$ (3,805,022)</b>
Covered payroll	\$ 9,862,587	\$ 8,974,309	\$ 9,309,867	\$ 8,564,003	\$ 8,446,163	\$ 8,098,539	\$ 7,364,424	\$ 6,905,245	\$ 6,467,801
Employer's proportionate share of the net pension liability as a percentage of covered payroll	54.41%	67.23%	150.06%	53.76%	65.97%	61.24%	44.36%	19.20%	35.41%
Plan fiduciary net position as a percentage of the total pension liability	113.17%	116.09%	142.00%	115.83%	119.43%	118.50%	113.36%	106.04%	111.67%

**Notes to Schedule:**  
 \*Until a full 10-year trend is compiled, only information for those years available is presented.

REQUIRED SUPPLEMENTARY INFORMATION For State Sponsored Plans (PERS, PSERS, LEOFF)

City of Marysville  
 Schedule of Employer Contributions  
 Public Employees' Retirement System - Plan 1  
 As of December 31, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015**
Statutorily or contractually required contributions	\$ 891,631	\$ 865,022	\$ 887,474	\$ 959,408	\$ 947,320	\$ 898,917	\$ 803,900	\$ 744,788	\$ 665,362
Contributions in relation to the statutorily or contractually required contributions	\$ (891,631)	\$ (865,022)	\$ (887,474)	\$ (959,408)	\$ (947,320)	\$ (898,917)	\$ (803,900)	\$ (744,788)	\$ (665,362)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$26,183,790	\$23,061,709	\$20,546,529	\$19,891,189	\$18,613,660	\$17,859,775	\$16,211,486	\$15,418,859	\$15,082,608
Contributions as a percentage of covered payroll	3.41%	3.75%	4.32%	4.82%	5.09%	5.03%	4.96%	4.83%	4.41%

City of Marysville  
 Schedule of Employer Contributions  
 Public Employees' Retirement System - Plan 2/3  
 As of December 31, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015**
Statutorily or contractually required contributions	\$ 1,496,511	\$ 1,349,172	\$ 1,383,355	\$ 1,478,169	\$ 1,370,023	\$ 1,222,074	\$ 1,030,587	\$ 877,097	\$ 817,579
Contributions in relation to the statutorily or contractually required contributions	\$ (1,496,511)	\$ (1,349,172)	\$ (1,383,355)	\$ (1,478,169)	\$ (1,370,023)	\$ (1,222,074)	\$ (1,030,587)	\$ (877,097)	\$ (817,579)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$23,530,021	\$21,170,554	\$19,266,198	\$18,661,638	\$17,490,694	\$16,758,726	\$15,148,685	\$14,394,571	\$14,116,258
Contributions as a percentage of covered payroll	6.36%	6.37%	7.18%	7.92%	7.83%	7.29%	6.80%	6.09%	5.79%

Notes to Schedule:

\*Until a full 10-year trend is compiled, only information for those years available is presented.

\*\*In the 2015 RSI, the statutorily required contributions were not distributed correctly between PERS1, PERS2/3, and PSERS.

The 2015 numbers above reflect the revised distribution

City of Marysville  
 Schedule of Employer Contributions  
 Public Safety Employees' Retirement System - Plan 2  
 As of December 31, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015**
Statutorily or contractually required contributions	\$ 176,181	\$ 123,558	\$ 87,864	\$ 82,717	\$ 65,578	\$ 58,825	\$ 55,562	\$ 53,412	\$ 55,473
Contributions in relation to the statutorily or contractually required contributions	<u>\$ (176,181)</u>	<u>\$ (123,558)</u>	<u>\$ (87,864)</u>	<u>\$ (82,717)</u>	<u>\$ (65,578)</u>	<u>\$ (58,825)</u>	<u>\$ (55,562)</u>	<u>\$ (53,412)</u>	<u>\$ (55,473)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 2,653,770	\$ 1,891,155	\$ 1,280,331	\$ 1,154,439	\$ 918,893	\$ 829,259	\$ 833,865	\$ 788,947	\$ 838,497
Contributions as a percentage of covered payroll	6.64%	6.53%	6.86%	7.17%	7.14%	7.09%	6.66%	6.77%	6.62%

City of Marysville  
 Schedule of Employer Contributions  
 Law Enforcement Officers & Fire Fighters' Retirement System - Plan 2  
 As of December 31, 2023  
 Last 9 Fiscal Years\*

	2023	2022	2021	2020	2019	2018	2017	2016	2015**
Statutorily or contractually required contributions	\$ 552,111	\$ 472,454	\$ 460,176	\$ 459,350	\$ 432,288	\$ 435,467	\$ 396,548	\$ 373,246	\$ 350,634
Contributions in relation to the statutorily or contractually required contributions	<u>\$ (552,111)</u>	<u>\$ (472,454)</u>	<u>\$ (460,176)</u>	<u>\$ (459,350)</u>	<u>\$ (432,288)</u>	<u>\$ (435,467)</u>	<u>\$ (396,548)</u>	<u>\$ (373,246)</u>	<u>\$ (350,634)</u>
Contribution deficiency (excess)	<u>\$ -</u>								
Covered payroll	\$ 10,783,512	\$ 9,228,279	\$ 8,958,329	\$ 8,942,844	\$ 8,315,309	\$ 8,294,618	\$ 7,696,906	\$ 7,136,631	\$ 6,721,887
Contributions as a percentage of covered payroll	5.12%	5.12%	5.14%	5.14%	5.20%	5.25%	5.15%	5.23%	5.22%

**Notes to Schedule:**  
 \*Until a full 10-year trend is compiled, only information for those years available is presented.  
 \*\*In the 2015 RSI, the statutorily required contributions were not distributed correctly between PERS1, PERS2/3, and PSERS.  
 The 2015 numbers above reflect the revised distribution

City of Marysville  
 Schedule of Changes in Total OPEB Liability and Related Ratios  
 LEOFF 1  
 For the year ended December 31, 2023  
 Last 6 Fiscal Years\*

	2023	2022	2021	2020	2019	2018
<b>Total OPEB liability - beginning</b>	\$ 3,460,205	\$ 4,008,111	\$ 3,864,599	\$ 3,646,105	\$ 3,466,170	\$ 3,579,606
Service cost	-	-	-	-	-	-
Interest	119,938	84,870	83,850	125,054	132,016	125,984
Changes in benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	341,803	(474,076)	201,392	240,987	158,802	(117,331)
Changes of assumptions	-	-	-	-	-	-
Benefit payments	(145,545)	(158,700)	(141,730)	(147,547)	(110,883)	(122,089)
Other changes	-	-	-	-	-	-
<b>Total OPEB liability - ending</b>	<u>\$ 3,776,401</u>	<u>\$ 3,460,205</u>	<u>\$ 4,008,111</u>	<u>\$ 3,864,599</u>	<u>\$ 3,646,105</u>	<u>\$ 3,466,170</u>
<b>Covered-employee payroll</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total OPEB liability as a % of covered-employee payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

\* Until a full 10-year trend is compiled, only information for those years available is presented.  
 No assets are accumulated in a qualifying trust.

**Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2023**

	Special Revenue Funds	Debt Service Fund	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents	4,636,248	261,379	342,138	5,239,765
Investments	10,205,619	582,588	579,314	11,367,521
Receivables	1,269,681	-	39,729	1,309,410
Lease receivables	-	-	27,579	27,579
<b>Total Assets</b>	<b>16,111,548</b>	<b>843,967</b>	<b>988,760</b>	<b>17,944,275</b>
<b>Liabilities, Deferred Inflows and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	323,010	-	484,682	807,692
Due to other funds	200,778	-	820,656	1,021,434
Deposits payable	82,955	-	-	82,955
<b>Total Liabilities</b>	<b>606,743</b>	<b>-</b>	<b>1,305,338</b>	<b>1,912,081</b>
<b>Deferred Inflows of Resources</b>				
Grants	-	-	-	-
Leases	-	-	26,686	26,686
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>26,686</b>	<b>26,686</b>
<b>Fund Balances</b>				
<b>Restricted for:</b>				
Law Enforcement	73,364	-	-	73,364
Hotel/Motel	414,995	-	-	414,995
Technology Infrastructure	582,907	-	-	582,907
REET	5,821,114	-	-	5,821,114
Transportation Benefit District	7,731,424	-	-	7,731,424
Debt Service Guaranty	-	677,397	-	677,397
Capital Outlay	-	-	44,748	44,748
Grants	135,280	-	-	135,280
<b>Committed to:</b>				
Law Enforcement	45,272	-	-	45,272
<b>Assigned to:</b>				
Debt Service	-	166,570	-	166,570
Street Maintenance	883,430	-	-	883,430
<b>Unassigned</b>	<b>(182,981)</b>	<b>-</b>	<b>(388,012)</b>	<b>(570,993)</b>
<b>Total Fund Balances</b>	<b>15,504,805</b>	<b>843,967</b>	<b>(343,264)</b>	<b>16,005,508</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>16,111,548</b>	<b>843,967</b>	<b>988,760</b>	<b>17,944,275</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2023**

	<b>Special Revenue Funds</b>	<b>Debt Service Fund</b>	<b>Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>				
Taxes	8,410,322	-	-	8,410,322
Licenses and permits	-	-	-	-
Intergovernmental	1,948,115	-	195,097	2,143,212
Charges for services	-	-	1,261,276	1,261,276
Fines & forfeitures	-	-	-	-
Investment earnings	731,287	112,925	5,427	849,639
Rents & leases	-	-	26,686	26,686
Miscellaneous revenues	26,624	-	945,627	972,251
<b>Total Revenues</b>	<b>11,116,348</b>	<b>112,925</b>	<b>2,434,113</b>	<b>13,663,386</b>
<b>Expenditures</b>				
<b>Current:</b>				
General government	26,763	-	-	26,763
Public safety	49,489	-	-	49,489
Transportation	4,212,298	-	-	4,212,298
Economic environment	374,232	-	-	374,232
<b>Capital Outlay:</b>				
Transportation	-	-	4,284,350	4,284,350
Economic environment	477,445	-	-	477,445
Culture & recreation	-	-	3,855,201	3,855,201
<b>Debt Service:</b>				
Principal retirement	-	3,780,000	-	3,780,000
Interest and fiscal charges	200	2,618,519	11,086	2,629,805
<b>Total Expenditures</b>	<b>5,140,427</b>	<b>6,398,519</b>	<b>8,173,001</b>	<b>19,711,947</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>5,975,921</b>	<b>(6,285,594)</b>	<b>(5,738,888)</b>	<b>(6,048,561)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	491,626	6,396,769	6,743,349	13,631,744
Transfers (out)	(10,955,653)	-	(157,014)	(11,112,667)
<b>Total Other Financing Sources (Uses)</b>	<b>(10,464,027)</b>	<b>6,396,769</b>	<b>6,586,335</b>	<b>2,519,077</b>
Net Change in Fund Balances	(4,488,106)	111,175	847,447	(3,529,484)
Fund Balances Beginning of Year	19,992,911	732,792	(1,190,711)	19,534,992
Prior Period Adjustment	-	-	-	-
<b>Fund Balances End of Year</b>	<b>15,504,805</b>	<b>843,967</b>	<b>(343,264)</b>	<b>16,005,508</b>

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2023**

	101 Street Maintenance	103 Drug Seizure	104 Tribal Gaming	105 Hotel/ Motel	108 I/NET
<b>Assets</b>					
Cash and cash equivalents	292,117	22,721	2,313	118,220	180,528
Investments	651,100	50,643	188	263,502	402,379
Receivables	23,168	-	45,000	33,273	-
<b>Total Assets</b>	<b>966,385</b>	<b>73,364</b>	<b>47,501</b>	<b>414,995</b>	<b>582,907</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable and accrued expenses	-	-	2,229	-	-
Due to other funds	-	-	-	-	-
Deposits payable	82,955	-	-	-	-
<b>Total Liabilities</b>	<b>82,955</b>	<b>-</b>	<b>2,229</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>					
<b>Restricted for:</b>					
Law Enforcement	-	73,364	-	-	-
Hotel/Motel	-	-	-	414,995	-
Technology Infrastructure	-	-	-	-	582,907
REET	-	-	-	-	-
Transportation Benefit District	-	-	-	-	-
Grants	-	-	-	-	-
<b>Committed to:</b>					
Law Enforcement	-	-	45,272	-	-
<b>Assigned to:</b>					
Street Maintenance	883,430	-	-	-	-
<b>Unassigned</b>					
	-	-	-	-	-
<b>Total Fund Balances</b>	<b>883,430</b>	<b>73,364</b>	<b>45,272</b>	<b>414,995</b>	<b>582,907</b>
<b>Total Liabilities and Fund Balances</b>	<b>966,385</b>	<b>73,364</b>	<b>47,501</b>	<b>414,995</b>	<b>582,907</b>

**Combining Balance Sheet  
Nonmajor Special Revenue Funds  
December 31, 2023**

	109	110	111	114	115	119	Total
	CDBG	GMA- REET 1	GMA- REET II	Transportation Benefit District	Affordable Housing Tax	COVID 19	Nonmajor Special Revenue Funds
<b>Assets</b>							
Cash and cash equivalents	54,578	890,620	817,607	2,248,519	526	8,499	4,636,248
Investments	2,283	1,985,104	1,822,365	5,009,113	-	18,942	10,205,619
Receivables	107,839	152,709	152,709	737,186	17,797	-	1,269,681
<b>Total Assets</b>	<b>164,700</b>	<b>3,028,433</b>	<b>2,792,681</b>	<b>7,994,818</b>	<b>18,323</b>	<b>27,441</b>	<b>16,111,548</b>
<b>Liabilities and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	56,861	-	-	263,394	526	-	323,010
Due to other funds	-	-	-	-	200,778	-	200,778
Deposits payable	-	-	-	-	-	-	82,955
<b>Total Liabilities</b>	<b>56,861</b>	<b>-</b>	<b>-</b>	<b>263,394</b>	<b>201,304</b>	<b>-</b>	<b>606,743</b>
<b>Fund Balances</b>							
<b>Restricted for:</b>							
Law Enforcement	-	-	-	-	-	-	73,364
Hotel/Motel	-	-	-	-	-	-	414,995
Technology Infrastructure	-	-	-	-	-	-	582,907
REET	-	3,028,433	2,792,681	-	-	-	5,821,114
Transportation Benefit District	-	-	-	7,731,424	-	-	7,731,424
Grants	107,839	-	-	-	-	27,441	135,280
<b>Committed to:</b>							
Law Enforcement	-	-	-	-	-	-	45,272
<b>Assigned to:</b>							
Street Maintenance	-	-	-	-	-	-	883,430
Unassigned	-	-	-	-	(182,981)	-	(182,981)
<b>Total Fund Balances</b>	<b>107,839</b>	<b>3,028,433</b>	<b>2,792,681</b>	<b>7,731,424</b>	<b>(182,981)</b>	<b>27,441</b>	<b>15,504,805</b>
<b>Total Liabilities and Fund Balances</b>	<b>164,700</b>	<b>3,028,433</b>	<b>2,792,681</b>	<b>7,994,818</b>	<b>18,323</b>	<b>27,441</b>	<b>16,111,548</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2023**

	<b>101</b>	<b>103</b>	<b>104</b>	<b>105</b>	<b>108</b>
	<b>Street</b>	<b>Drug</b>	<b>Tribal</b>	<b>Hotel/</b>	
	<b>Maintenance</b>	<b>Seizure</b>	<b>Gaming</b>	<b>Motel</b>	<b>I/NET</b>
<b>Revenues</b>					
Taxes	-	-	-	255,391	84,339
Intergovernmental	1,434,186	-	45,000	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment interest	-	5,784	86	13,813	18,103
<b>Total Revenues</b>	<b>1,460,571</b>	<b>5,822</b>	<b>45,151</b>	<b>269,204</b>	<b>102,442</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	-	-	-	-	19,952
Transportation	-	-	-	-	-
Economic environment	-	-	-	60,000	-
<b>Capital Outlay:</b>					
Economic environment	-	-	-	-	-
<b>Debt Service:</b>					
Interest and fiscal charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>42,489</b>	<b>7,000</b>	<b>60,000</b>	<b>19,952</b>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over (Under) Expenditures</b>	<b>1,460,571</b>	<b>(36,667)</b>	<b>38,151</b>	<b>209,204</b>	<b>82,490</b>
<b>Other Financing Sources (Uses)</b>					
Transfer in	-	-	-	-	-
Transfers out	(1,930,223)	-	-	(71,051)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(1,930,223)</b>	<b>-</b>	<b>-</b>	<b>(71,051)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(469,652)</b>	<b>(36,667)</b>	<b>38,151</b>	<b>138,153</b>	<b>82,490</b>
<b>Fund Balances Beginning of Year</b>	<b>1,353,082</b>	<b>110,031</b>	<b>7,121</b>	<b>276,842</b>	<b>500,417</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>883,430</b>	<b>73,364</b>	<b>45,272</b>	<b>414,995</b>	<b>582,907</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Year Ended December 31, 2023**

	109 CDBG	110 GMA- REET 1	111 GMA- REET II	114 Transportation Benefit District	115 Affordable Housing Tax	119 COVID 19	Total Nonmajor Special Revenue Funds
<b>Revenues</b>							
Taxes	-	1,910,814	1,910,814	4,154,847	94,117	-	8,410,322
Intergovernmental	468,929	-	-	-	-	-	1,948,115
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Investment interest	-	193,681	185,437	313,423	-	960	731,287
<b>Total Revenues</b>	<b>468,929</b>	<b>2,104,495</b>	<b>2,096,251</b>	<b>4,468,319</b>	<b>94,204</b>	<b>960</b>	<b>11,116,348</b>
<b>Expenditures</b>							
<b>Current:</b>							
General government	-	-	-	6,811	-	-	26,763
Transportation	-	-	-	4,212,298	-	-	4,212,298
Economic environment	310,590	-	-	-	3,642	-	374,232
<b>Capital Outlay:</b>							
Economic environment	-	-	-	-	477,445	-	477,445
<b>Debt Service:</b>							
Interest and fiscal charges	-	-	-	-	200	-	200
<b>Total Expenditures</b>	<b>310,590</b>	<b>-</b>	<b>-</b>	<b>4,219,109</b>	<b>481,287</b>	<b>-</b>	<b>5,140,427</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	158,339	2,104,495	2,096,251	249,210	(387,083)	960	5,975,921
<b>Other Financing Sources</b>							
Transfers in	27,420	-	-	-	464,206	-	491,626
Transfers out	(77,920)	(4,275,729)	(4,275,730)	(325,000)	-	-	(10,955,653)
<b>Total Other Financing Sources (Uses)</b>	<b>(50,500)</b>	<b>(4,275,729)</b>	<b>(4,275,730)</b>	<b>(325,000)</b>	<b>464,206</b>	<b>-</b>	<b>(10,464,027)</b>
<b>Net Change in Fund Balances</b>	107,839	(2,171,234)	(2,179,479)	(75,790)	77,123	960	(4,488,106)
<b>Fund Balances Beginning of Year</b>	-	5,199,667	4,972,160	7,807,214	(260,104)	26,481	19,992,911
<b>Prior Period Adjustment</b>	-	-	-	-	-	-	-
<b>Fund Balances End of Year</b>	<b>107,839</b>	<b>3,028,433</b>	<b>2,792,681</b>	<b>7,731,424</b>	<b>(182,981)</b>	<b>27,441</b>	<b>15,504,805</b>

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**Combining Balance Sheet  
Nonmajor Debt Service Funds  
December 31, 2023**

	206 LTGO Bond	299 LID Guaranty	Total Nonmajor Debt Service Funds
<b>Assets</b>			
Cash and cash equivalents	51,587	209,792	261,379
Investments	114,983	467,605	582,588
<b>Total Assets</b>	<b>166,570</b>	<b>677,397</b>	<b>843,967</b>
<b>Total Liabilities</b>	-	-	-
<b>Fund Balances</b>			
<b>Restricted for:</b>			
Debt Service Guaranty	-	677,397	677,397
<b>Assigned to:</b>			
Debt Service	166,570	-	166,570
Total Fund Balances	166,570	677,397	843,967
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>166,570</b>	<b>677,397</b>	<b>843,967</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Debt Service Funds  
For the Year Ended December 31, 2023**

	<b>206 LTGO Bond</b>	<b>299 LID Guaranty</b>	<b>Total Nonmajor Debt Service Funds</b>
<b>Revenues</b>			
Investment interest	89,824	23,101	112,925
<b>Total Revenues</b>	<b>89,824</b>	<b>23,101</b>	<b>112,925</b>
<b>Debt Service:</b>			
Principal retirement	3,780,000	-	3,780,000
Interest and fiscal charges	2,618,519	-	2,618,519
<b>Total Expenditures</b>	<b>6,398,519</b>	<b>-</b>	<b>6,398,519</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(6,308,695)</b>	<b>23,101</b>	<b>(6,285,594)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	6,396,769	-	6,396,769
<b>Total Other Financing Sources (Uses)</b>	<b>6,396,769</b>	<b>-</b>	<b>6,396,769</b>
<b>Net Change in Fund Balances</b>	<b>88,074</b>	<b>23,101</b>	<b>111,175</b>
<b>Fund Balances Beginning of Year</b>	<b>78,496</b>	<b>654,296</b>	<b>732,792</b>
<b>Fund Balances End of Year</b>	<b>166,570</b>	<b>677,397</b>	<b>843,967</b>

**Combining Balance Sheet  
Nonmajor Capital Projects Funds  
December 31, 2023**

	310 Parks Construction	314 General Capital Construction	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Cash and cash equivalents	204,230	137,908	342,138
Investments	300,238	279,076	579,314
Receivables (net)	33,036	6,693	39,729
Lease receivables	27,579	-	27,579
<b>Total Assets</b>	<b>565,083</b>	<b>423,677</b>	<b>988,760</b>
<b>Liabilities</b>			
Accounts payable and accrued expenses	105,753	378,929	484,682
Due to other funds	820,656	-	820,656
<b>Total Liabilities</b>	<b>926,409</b>	<b>378,929</b>	<b>1,305,338</b>
<b>Deferred Inflows of Resources</b>			
Grants	-	-	-
Leases	26,686	-	26,686
<b>Total Deferred Inflows of Resources</b>	<b>26,686</b>	<b>-</b>	<b>26,686</b>
<b>Fund Balances</b>			
<b>Restricted for:</b>			
Capital Outlay	-	44,748	44,748
<b>Unassigned</b>	<b>(388,012)</b>	<b>-</b>	<b>(388,012)</b>
<b>Total Fund Balances</b>	<b>(388,012)</b>	<b>44,748</b>	<b>(343,264)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>565,083</b>	<b>423,677</b>	<b>988,760</b>

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2023**

	<b>310 Parks Construction</b>	<b>314 General Capital Construction</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues</b>			
Intergovernmental	142,949	52,148	195,097
Charges for services	1,261,276	-	1,261,276
Investment interest	5,427	-	5,427
Rents and leases	26,686	-	26,686
Miscellaneous	941,964	3,663	945,627
<b>Total Revenues</b>	<b>2,378,302</b>	<b>55,811</b>	<b>2,434,113</b>
<b>Expenditures</b>			
<b>Current:</b>			
Culture and recreation	22,364	-	22,364
<b>Capital:</b>			
General Government	-	4,284,350	4,284,350
Culture and recreation	3,855,201	-	3,855,201
<b>Debt service:</b>			
Interest	11,086	-	11,086
<b>Total Expenditures</b>	<b>3,888,651</b>	<b>4,284,350</b>	<b>8,173,001</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(1,510,349)</b>	<b>(4,228,539)</b>	<b>(5,738,888)</b>
<b>Other Financing Sources (Uses)</b>			
Transfers in	2,443,464	4,299,885	6,743,349
Transfers (out)	(157,014)	-	(157,014)
<b>Other Financing Sources (Uses)</b>	<b>2,286,450</b>	<b>4,299,885</b>	<b>6,586,335</b>
<b>Net Change in Fund Balance</b>	<b>776,101</b>	<b>71,346</b>	<b>847,447</b>
<b>Fund Balances Beginning of Fiscal Year</b>	<b>(1,164,113)</b>	<b>(26,598)</b>	<b>(1,190,711)</b>
<b>Fund Balances End of Fiscal Year</b>	<b>(388,012)</b>	<b>44,748</b>	<b>(343,264)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 101 - Street Maintenance  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Licenses and permits			-	-
Intergovernmental	1,494,073	1,494,073	1,434,186	(59,887)
Investment interest			-	-
<b>Total Revenues</b>	<b>1,494,073</b>	<b>1,494,073</b>	<b>1,460,571</b>	<b>(33,502)</b>
<b>Expenditures</b>				
<b>Current:</b>				
Transportation	-	-	-	-
<b>Capital Outlay:</b>				
Transportation	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,494,073</b>	<b>1,494,073</b>	<b>1,460,571</b>	<b>(33,502)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers out	(1,493,608)	(1,493,608)	(1,930,223)	(436,615)
<b>Total other financing sources (uses)</b>	<b>(1,493,608)</b>	<b>(1,493,608)</b>	<b>(1,930,223)</b>	<b>(436,615)</b>
<b>Net Change in Fund Balances</b>	<b>465</b>	<b>465</b>	<b>(469,652)</b>	<b>(470,117)</b>
<b>Fund Balances Beginning of Year</b>	<b>851,968</b>	<b>851,968</b>	<b>1,353,082</b>	<b>501,114</b>
<b>Fund Balances End of Year</b>	<b>852,433</b>	<b>852,433</b>	<b>883,430</b>	<b>30,997</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 103 - Drug Seizure  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Fines and forfeitures	10,000	10,000	-	(10,000)
Investment interest	150	150	5,784	5,634
<b>Total Revenues</b>	<b>10,150</b>	<b>10,150</b>	<b>5,822</b>	<b>(4,328)</b>
<b>Expenditures</b>				
Current:				
Public safety	42,489	42,489	42,489	-
<b>Total Expenditures</b>	<b>42,489</b>	<b>42,489</b>	<b>42,489</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(32,339)</b>	<b>(32,339)</b>	<b>(36,667)</b>	<b>(4,328)</b>
<b>Net Change in Fund Balances</b>	<b>(32,339)</b>	<b>(32,339)</b>	<b>(36,667)</b>	<b>(4,328)</b>
<b>Fund Balances Beginning of Year</b>	<b>111,662</b>	<b>111,662</b>	<b>110,031</b>	<b>(1,631)</b>
<b>Fund Balances End of Year</b>	<b>79,323</b>	<b>79,323</b>	<b>73,364</b>	<b>(5,959)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 104 - Tribal Gaming  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Investment interest	-	-	86	86
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>45,151</b>	<b>45,151</b>
<b>Expenditures</b>				
Current:				
Public safety	7,000	7,000	7,000	-
<b>Total Expenditures</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(7,000)</b>	<b>(7,000)</b>	<b>38,151</b>	<b>45,151</b>
<b>Net Change in Fund Balances</b>	<b>(7,000)</b>	<b>(7,000)</b>	<b>38,151</b>	<b>45,151</b>
<b>Fund Balances Beginning of Year</b>	<b>7,059</b>	<b>7,059</b>	<b>7,121</b>	<b>62</b>
<b>Fund Balances End of Year</b>	<b>59</b>	<b>59</b>	<b>45,272</b>	<b>45,213</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 105 - Hotel/Motel  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	110,000	110,000	255,391	145,391
Investment interest	500	500	13,813	13,313
<b>Total Revenues</b>	<b>110,500</b>	<b>110,500</b>	<b>269,204</b>	<b>158,704</b>
<b>Expenditures</b>				
Current:				
Economic environment	110,000	110,000	60,000	50,000
<b>Total Expenditures</b>	<b>110,000</b>	<b>110,000</b>	<b>60,000</b>	<b>50,000</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>500</b>	<b>500</b>	<b>209,204</b>	<b>208,704</b>
<b>Other Financing Uses</b>				
Transfers out	-	-	(71,051)	(71,051)
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>(71,051)</b>	<b>(71,051)</b>
<b>Net Change in Fund Balances</b>	<b>500</b>	<b>500</b>	<b>138,153</b>	<b>137,653</b>
<b>Fund Balances Beginning of Year</b>	<b>325,498</b>	<b>325,498</b>	<b>276,842</b>	<b>(48,656)</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>325,998</b>	<b>325,998</b>	<b>414,995</b>	<b>88,997</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 108 - I/NET  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	100,000	100,000	84,339	(15,661)
Investment interest	2,500	2,500	18,103	15,603
<b>Total Revenues</b>	<b>102,500</b>	<b>102,500</b>	<b>102,442</b>	<b>(58)</b>
<b>Expenditures</b>				
Current:				
General government	551,000	21,000	19,952	1,048
<b>Total Expenditures</b>	<b>551,000</b>	<b>21,000</b>	<b>19,952</b>	<b>1,048</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(448,500)</b>	<b>81,500</b>	<b>82,490</b>	<b>990</b>
<b>Net Change in Fund Balances</b>	<b>(448,500)</b>	<b>81,500</b>	<b>82,490</b>	<b>990</b>
<b>Fund Balances Beginning of Year</b>	<b>513,859</b>	<b>513,859</b>	<b>500,417</b>	<b>(13,442)</b>
<b>Fund Balances End of Year</b>	<b>65,359</b>	<b>595,359</b>	<b>582,907</b>	<b>(12,452)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 109 - CDBG  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Intergovernmental	354,000	354,000	468,929	114,929
<b>Total Revenues</b>	<b>354,000</b>	<b>354,000</b>	<b>468,929</b>	<b>114,929</b>
<b>Expenditures</b>				
Economic environment	288,000	288,000	310,590	(22,590)
<b>Total Expenditures</b>	<b>288,000</b>	<b>288,000</b>	<b>310,590</b>	<b>(22,590)</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>66,000</b>	<b>66,000</b>	<b>158,339</b>	<b>92,339</b>
<b>Other Financing Uses</b>				
Transfers in			27,420	27,420
Transfers out	(66,000)	(66,000)	(77,920)	(11,920)
<b>Total other financing uses</b>	<b>(66,000)</b>	<b>(66,000)</b>	<b>(50,500)</b>	<b>15,500</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>107,839</b>	<b>107,839</b>
<b>Fund Balances Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>-</b>	<b>-</b>	<b>107,839</b>	<b>107,839</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Fund 110 - GMA - REET 1**  
**For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	2,500,000	2,500,000	1,910,814	(589,186)
Investment interest	15,000	15,000	193,681	178,681
<b>Total Revenues</b>	<b>2,515,000</b>	<b>2,515,000</b>	<b>2,104,495</b>	<b>(410,505)</b>
<b>Total Expenditures</b>	-	-	-	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	2,515,000	2,515,000	2,104,495	(410,505)
<b>Other Financing Uses</b>				
Transfers out	(5,000,000)	(5,000,000)	(4,275,729)	724,271
<b>Total other financing uses</b>	(5,000,000)	(5,000,000)	(4,275,729)	724,271
<b>Net Change in Fund Balances</b>	(2,485,000)	(2,485,000)	(2,171,234)	313,766
<b>Fund Balances Beginning of Year</b>	6,491,560	6,491,560	5,199,667	(1,291,893)
<b>Prior Period Adjustment</b>	-	-	-	-
<b>Fund Balances End of Year</b>	<b>4,006,560</b>	<b>4,006,560</b>	<b>3,028,433</b>	<b>(978,127)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 111 - GMA - REET 2  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	2,500,000	2,500,000	1,910,814	(589,186)
Investment interest	15,000	15,000	185,437	170,437
<b>Total Revenues</b>	<b>2,515,000</b>	<b>2,515,000</b>	<b>2,096,251</b>	<b>(418,749)</b>
<b>Total Expenditures</b>	-	-	-	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	2,515,000	2,515,000	2,096,251	(418,749)
<b>Other Financing Uses</b>				
Transfers out	(5,025,000)	(5,025,000)	(4,275,730)	749,270
<b>Total other financing uses</b>	(5,025,000)	(5,025,000)	(4,275,730)	749,270
<b>Net Change in Fund Balances</b>	(2,510,000)	(2,510,000)	(2,179,479)	330,521
<b>Fund Balances Beginning of Year</b>	5,072,986	5,072,986	4,972,160	(100,826)
<b>Prior Period Adjustment</b>	-	-	-	-
<b>Fund Balances End of Year</b>	<b>2,562,986</b>	<b>2,562,986</b>	<b>2,792,681</b>	<b>229,695</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 114 - Transportation Benefit District  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	2,537,483	2,537,483	4,154,847	1,617,364
Investment interest	15,000	15,000	313,423	298,423
Miscellaneous	-	-	49	49
<b>Total Revenues</b>	<b>2,552,483</b>	<b>2,552,483</b>	<b>4,468,319</b>	<b>1,915,836</b>
<b>Expenditures</b>				
Current:				
General government	-	-	6,811	(6,811)
Transportation	1,600,000	5,850,000	4,212,298	1,637,702
<b>Total Expenditures</b>	<b>1,600,000</b>	<b>5,850,000</b>	<b>4,219,109</b>	<b>1,630,891</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>952,483</b>	<b>(3,297,517)</b>	<b>249,210</b>	<b>3,546,727</b>
<b>Other Financing Uses</b>				
Transfers out	(325,000)	(325,000)	(325,000)	-
<b>Total other financing uses</b>	<b>(325,000)</b>	<b>(325,000)</b>	<b>(325,000)</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>627,483</b>	<b>(3,622,517)</b>	<b>(75,790)</b>	<b>3,546,727</b>
<b>Fund Balances Beginning of Year</b>	<b>8,770,299</b>	<b>8,770,299</b>	<b>7,807,214</b>	<b>(963,085)</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>9,397,782</b>	<b>5,147,782</b>	<b>7,731,424</b>	<b>2,583,642</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 115 - Affordable Housing Tax  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Taxes	90,490	90,490	94,117	3,627
Intergovernmental	-	475,645	-	(475,645)
Miscellaneous	-	-	87	87
<b>Total Revenues</b>	<b>90,490</b>	<b>566,135</b>	<b>94,204</b>	<b>(471,931)</b>
<b>Expenditures</b>				
Current:				
Economic environment	-	-	3,642	(3,642)
Capital Outlay	90,000	567,445	477,445	90,000
<b>Debt Service:</b>				
Interest and fiscal charges	-	-	200	(200)
<b>Total Expenditures</b>	<b>90,000</b>	<b>567,445</b>	<b>481,287</b>	<b>86,158</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>490</b>	<b>(1,310)</b>	<b>(387,083)</b>	<b>(385,773)</b>
<b>Other Financing Uses</b>				
Transfers in	-	-	464,206	464,206
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>464,206</b>	<b>464,206</b>
<b>Net Change in Fund Balances</b>	<b>490</b>	<b>(1,310)</b>	<b>77,123</b>	<b>78,433</b>
<b>Fund Balances Beginning of Year</b>	<b>138,006</b>	<b>138,006</b>	<b>(260,104)</b>	<b>(398,110)</b>
<b>Prior Period Adjustment</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances End of Year</b>	<b>138,496</b>	<b>136,696</b>	<b>(182,981)</b>	<b>(319,677)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 119 - COVID 19  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Investment interest	-	-	960	960
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>960</b>	<b>960</b>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>960</b>	<b>960</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>960</b>	<b>960</b>
<b>Fund Balances Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>26,481</b>	<b>26,481</b>
<b>Fund Balances End of Year</b>	<b>-</b>	<b>-</b>	<b>27,441</b>	<b>27,441</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 206 - LTGO Bond  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Investment interest	4,000	4,000	89,824	85,824
<b>Total Revenues</b>	<b>4,000</b>	<b>4,000</b>	<b>89,824</b>	<b>85,824</b>
<b>Expenditures</b>				
<b>Debt Service:</b>				
Principal	3,780,000	3,780,000	3,780,000	-
Interest and fiscal charges	2,619,269	2,619,269	2,618,519	750
<b>Total Expenditures</b>	<b>6,399,269</b>	<b>6,399,269</b>	<b>6,398,519</b>	<b>750</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(6,395,269)</b>	<b>(6,395,269)</b>	<b>(6,308,695)</b>	<b>86,574</b>
<b>Other Financing Uses</b>				
Transfers In	6,396,769	6,396,769	6,396,769	-
<b>Total other financing uses</b>	<b>6,396,769</b>	<b>6,396,769</b>	<b>6,396,769</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>1,500</b>	<b>1,500</b>	<b>88,074</b>	<b>86,574</b>
<b>Fund Balances Beginning of Year</b>	<b>98,503</b>	<b>98,503</b>	<b>78,496</b>	<b>(20,007)</b>
<b>Fund Balances End of Year</b>	<b>100,003</b>	<b>100,003</b>	<b>166,570</b>	<b>66,567</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 271 - LID 71  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Investment interest	1,000	1,000	882	(118)
Special assessments	418,000	418,000	382,103	(35,897)
Miscellaneous	3,500	3,500	178	(3,322)
<b>Total Revenues</b>	<b>422,500</b>	<b>422,500</b>	<b>383,163</b>	<b>(39,337)</b>
<b>Expenditures</b>				
<b>Debt Service:</b>				
Principal	350,000	350,000	290,000	60,000
Interest and fiscal charges	82,122	82,122	78,935	3,187
<b>Total Expenditures</b>	<b>432,122</b>	<b>432,122</b>	<b>368,935</b>	<b>63,187</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(9,622)</b>	<b>(9,622)</b>	<b>14,228</b>	<b>23,850</b>
<b>Net Change in Fund Balances</b>	<b>(9,622)</b>	<b>(9,622)</b>	<b>14,228</b>	<b>23,850</b>
<b>Fund Balances Beginning of Year</b>	<b>217,334</b>	<b>217,334</b>	<b>54,467</b>	<b>(162,867)</b>
<b>Fund Balances End of Year</b>	<b>207,712</b>	<b>207,712</b>	<b>68,695</b>	<b>(139,017)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 299 - LID Guaranty  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Investment interest	3,000	3,000	23,101	20,101
<b>Total Revenues</b>	<b>3,000</b>	<b>3,000</b>	<b>23,101</b>	<b>20,101</b>
<b>Expenditures</b>				
Current:				
General government	10,000	10,000	-	10,000
<b>Total Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(7,000)</b>	<b>(7,000)</b>	<b>23,101</b>	<b>30,101</b>
<b>Net Change in Fund Balances</b>	<b>(7,000)</b>	<b>(7,000)</b>	<b>23,101</b>	<b>30,101</b>
<b>Fund Balances Beginning of Year</b>	<b>651,767</b>	<b>651,767</b>	<b>654,296</b>	<b>2,529</b>
<b>Fund Balances End of Year</b>	<b>644,767</b>	<b>644,767</b>	<b>677,397</b>	<b>32,630</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 305 - Street Capital Improvements  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Intergovernmental	10,688,003	10,688,003	3,610,007	(7,077,996)
Charges for services	2,000,000	2,000,000	3,946,731	1,946,731
Investment interest	5,000	5,000	-	(5,000)
<b>Total Revenues</b>	<b>12,693,003</b>	<b>12,693,003</b>	<b>7,556,751</b>	<b>(5,136,252)</b>
<b>Expenditures</b>				
<b>Capital Outlay:</b>				
Transportation	25,095,000	20,629,572	10,807,407	9,822,165 *
<b>Total Expenditures</b>	<b>25,095,000</b>	<b>20,629,572</b>	<b>10,807,407</b>	<b>9,822,165</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(12,401,997)</b>	<b>(7,936,569)</b>	<b>(3,250,656)</b>	<b>4,685,913</b>
<b>Other Financing Uses</b>				
Transfers in	13,400,000	14,050,000	6,876,459	(7,173,541)
Transfers out	(1,938,419)	(1,938,419)	(1,938,419)	-
<b>Total other financing uses</b>	<b>11,461,581</b>	<b>12,111,581</b>	<b>4,938,040</b>	<b>(7,173,541)</b>
<b>Net Change in Fund Balances</b>	<b>(940,416)</b>	<b>4,175,012</b>	<b>1,687,384</b>	<b>(2,487,628)</b>
<b>Fund Balances Beginning of Year</b>	<b>940,416</b>	<b>940,416</b>	<b>(205,077)</b>	<b>(1,145,493)</b>
<b>Fund Balances End of Year</b>	<b>-</b>	<b>5,115,428</b>	<b>1,482,307</b>	<b>(3,633,121)</b>

\* Budget Amendment 5/16/2024 for 2023 Carryover

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Fund 310 - Parks Construction**  
**For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Intergovernmental	1,510,000	1,510,000	142,949	(1,367,051)
Charges for services	400,000	400,000	1,261,276	861,276
Investment interest	-	-	5,427	5,427
Rents and leases	29,000	29,000	26,686	(2,314)
Miscellaneous	-	-	941,964	941,964
<b>Total Revenues</b>	<b>1,939,000</b>	<b>1,939,000</b>	<b>2,378,302</b>	<b>439,302</b>
<b>Expenditures</b>				
<b>Capital Outlay</b>				
General government	-	-	22,364	(22,364)
Culture & recreation	4,928,000	4,362,000	3,855,201	506,799
<b>Debt Service:</b>				
Interest and fiscal charges	6,500	6,500	11,086	(4,586)
<b>Total Expenditures</b>	<b>4,934,500</b>	<b>4,368,500</b>	<b>3,888,651</b>	<b>479,849</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,995,500)</b>	<b>(2,429,500)</b>	<b>(1,510,349)</b>	<b>919,151</b>
<b>Other Financing Uses</b>				
Transfers in	2,000,000	3,945,000	2,443,464	(1,501,536)
Transfers out	(78,507)	(78,507)	(157,014)	(78,507)
<b>Total other financing uses</b>	<b>1,921,493</b>	<b>3,866,493</b>	<b>2,286,450</b>	<b>(1,580,043)</b>
<b>Net Change in Fund Balances</b>	<b>(1,074,007)</b>	<b>1,436,993</b>	<b>776,101</b>	<b>(660,892)</b>
<b>Fund Balances Beginning of Year</b>	<b>1,506,513</b>	<b>1,506,513</b>	<b>(1,164,113)</b>	<b>(2,670,626)</b>
<b>Fund Balances End of Year</b>	<b>432,506</b>	<b>2,943,506</b>	<b>(388,012)</b>	<b>(3,331,518)</b>

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
Fund 314 - General Capital Improvements  
For the Year Ended December 31, 2023**

	Original 2023-2024 Biennial Budget	Amended 2023-2024 Biennial Budget	2023 Actual	Variance With Amended Budget
<b>Revenues</b>				
Intergovernmental	-	-	52,148	52,148
Miscellaneous			3,663	3,663
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>55,811</b>	<b>55,811</b>
<b>Expenditures</b>				
<b>Capital Outlay:</b>				
General government	2,361,364	5,170,237	4,284,350	885,887
<b>Total Expenditures</b>	<b>2,361,364</b>	<b>5,170,237</b>	<b>4,284,350</b>	<b>885,887</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(2,361,364)</b>	<b>(5,170,237)</b>	<b>(4,228,539)</b>	<b>941,698</b>
<b>Other Financing Uses</b>				
Transfers in	3,345,652	7,545,652	4,299,885	(3,245,767)
<b>Total other financing uses</b>	<b>3,345,652</b>	<b>7,544,512</b>	<b>4,299,885</b>	<b>(3,244,627)</b>
<b>Net Change in Fund Balances</b>	<b>984,288</b>	<b>2,374,275</b>	<b>71,346</b>	<b>(2,302,929)</b>
<b>Fund Balances Beginning of Year</b>	<b>15,712</b>	<b>15,712</b>	<b>(26,598)</b>	<b>(42,310)</b>
<b>Fund Balances End of Year</b>	<b>1,000,000</b>	<b>2,389,987</b>	<b>44,748</b>	<b>(2,345,239)</b>

Internal Service Funds  
Combining Statement of Net Position  
December 31, 2023

	501 Fleet Maintenance	502 Facilities Maintenance	503 Information Services	510 Unemployment Insurance	511 Liability Insurance	512 Medical Insurance	Total
<b>Assets</b>							
<b>Current Assets:</b>							
Cash and cash equivalents	180,714	30,983	321,477	41,527	192,917	1,009,620	1,777,238
Investments	175,929	55,303	397,673	92,561	429,993	1,675,748	2,827,207
Inventories	344,148	-	-	-	-	-	344,148
<b>Total Current Assets</b>	<b>700,791</b>	<b>\$86,286</b>	<b>\$719,150</b>	<b>\$134,088</b>	<b>\$622,910</b>	<b>\$2,685,368</b>	<b>\$4,948,593</b>
<b>Noncurrent Assets:</b>							
Capital assets:							
Depreciable, net	9,487,001	20,720	745,254	-	-	-	10,252,975
Net pension asset	150,197	98,027	321,145	-	-	-	569,369
<b>Total Noncurrent Assets:</b>	<b>9,637,198</b>	<b>118,747</b>	<b>1,066,399</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,822,344</b>
<b>Deferred Outflows - pensions</b>	<b>128,602</b>	<b>83,932</b>	<b>274,971</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>487,505</b>
<b>Liabilities</b>							
<b>Current Liabilities:</b>							
Accounts payable and accrued expenses	101,422	6,171	173,125	3,486	10,000	2,102,389	2,396,593
Leases Payable	44,281	-	-	-	-	-	44,281
Subscription Payable	-	-	36,507	-	-	-	36,507
Compensated absences payable	27,167	14,878	51,290	-	-	-	93,335
<b>Total Current Liabilities</b>	<b>172,870</b>	<b>21,049</b>	<b>260,922</b>	<b>3,486</b>	<b>10,000</b>	<b>2,102,389</b>	<b>2,570,716</b>
<b>Noncurrent Liabilities</b>							
Net pension liability	71,694	46,791	153,293	-	-	-	271,778
Leases Payable	149,460	-	-	-	-	-	149,460
Subscription Payable	-	-	737,292	-	-	-	737,292
Compensated absences payable	27,167	14,878	51,290	-	-	-	93,335
<b>Total Liabilities</b>	<b>421,191</b>	<b>82,718</b>	<b>1,202,797</b>	<b>3,486</b>	<b>10,000</b>	<b>2,102,389</b>	<b>3,822,581</b>
<b>Deferred Inflows - pensions</b>	<b>84,122</b>	<b>54,902</b>	<b>179,866</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>318,890</b>
<b>Net Position</b>							
Investment in capital assets	9,293,260	20,720	(28,545)	-	-	-	9,285,435
Restricted for net pension assets	193,184	126,082	413,058	-	-	-	732,324
Unrestricted	474,834	4,543	293,344	130,602	612,910	582,979	2,099,212
<b>Total Net Position</b>	<b>9,961,278</b>	<b>151,345</b>	<b>677,857</b>	<b>130,602</b>	<b>612,910</b>	<b>582,979</b>	<b>12,116,971</b>

**Internal Service Funds**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**For the Year Ended December 31, 2023**

	501 Fleet Maintenance	502 Facilities Maintenance	503 Information Services	510 Unemployment Insurance	511 Liability Insurance	512 Medical Insurance	Total
<b>Operating Revenues</b>							
Charges for services	4,428,801	996,387	2,771,344	-	1,309,515	6,628,855	16,134,902
<b>Total Operating Revenues</b>	<b>4,428,801</b>	<b>996,387</b>	<b>2,771,344</b>	<b>-</b>	<b>1,309,515</b>	<b>6,628,855</b>	<b>16,134,902</b>
<b>Operating Expenses</b>							
Maintenance and operations	1,844,942	1,132,199	2,385,406	5,863	1,127,586	7,101,040	13,597,036
Depreciation	1,443,728	2,092	306,370	-	-	-	1,752,190
<b>Total Operating Expenses</b>	<b>3,288,670</b>	<b>1,134,291</b>	<b>2,691,776</b>	<b>5,863</b>	<b>1,127,586</b>	<b>7,101,040</b>	<b>15,349,226</b>
<b>Operating Income (Loss)</b>	<b>1,140,131</b>	<b>(137,904)</b>	<b>79,568</b>	<b>(5,863)</b>	<b>181,929</b>	<b>(472,185)</b>	<b>785,676</b>
<b>Non-Operating Revenues</b>							
Investment interest	1,167	6,435	24,812	4,770	6,752	91,589	135,525
Interest expense	(6,521)	-	-	-	-	-	(6,521)
Non-operating grants	-	-	-	-	-	40,080	40,080
Insurance recoveries	40,190	-	-	-	-	-	40,190
<b>Total Non-Operating Revenues</b>	<b>34,836</b>	<b>6,435</b>	<b>24,812</b>	<b>4,770</b>	<b>6,752</b>	<b>131,669</b>	<b>209,274</b>
<b>Change in Net Position</b>	<b>1,174,967</b>	<b>(131,469)</b>	<b>104,380</b>	<b>(1,093)</b>	<b>188,681</b>	<b>(340,516)</b>	<b>994,950</b>
<b>Net Position Beginning of Year</b>	<b>8,786,311</b>	<b>282,814</b>	<b>573,477</b>	<b>131,695</b>	<b>424,229</b>	<b>923,495</b>	<b>11,122,021</b>
<b>Net Position End of Year</b>	<b>9,961,278</b>	<b>151,345</b>	<b>677,857</b>	<b>130,602</b>	<b>612,910</b>	<b>582,979</b>	<b>12,116,971</b>

Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Year Ended December 31, 2023

	501 Fleet Maintenance	502 Facilities Maintenance	503 Information Services	510 Unemployment Insurance	511 Liability Insurance	512 Medical Insurance	Total
<b>Cash Flows from Operating Activities</b>							
Cash received from interfund charges	4,428,801	996,387	2,771,344	-	1,309,515	6,628,855	16,134,902
Cash paid to suppliers for goods and services	(897,037)	(476,337)	(1,052,301)	(2,924)	(1,127,586)	(6,771,924)	(10,328,109)
Cash paid to employees for services	(1,024,426)	(729,709)	(1,616,040)	-	-	-	(3,370,175)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>2,507,338</b>	<b>(209,659)</b>	<b>103,003</b>	<b>(2,924)</b>	<b>181,929</b>	<b>(143,069)</b>	<b>2,436,618</b>
<b>Cash Flows from Non-Capital financing activities</b>							
Insurance recoveries	40,190	-	-	-	-	-	40,190
Non-operating grants	-	-	-	-	-	40,080	40,080
<b>Net Cash Flows from non-Capital and related financing activities</b>	<b>40,190</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,080</b>	<b>80,270</b>
<b>Cash Flows from Capital and Related Financing Activities</b>							
Acquisition and construction of capital assets	(2,380,802)	(7,194)	(277,825)	-	-	-	(2,665,821)
Lease principal	(80,102)	-	-	-	-	-	(80,102)
Lease interest	(6,521)	-	-	-	-	-	(6,521)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(2,467,425)</b>	<b>(7,194)</b>	<b>(277,825)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,752,444)</b>
<b>Cash Flows from Investing Activities</b>							
Purchase of investments	-	89,741	(113,339)	(20,952)	(194,857)	(414,820)	(654,227)
Proceeds from sale of investments	(73,136)	-	-	-	-	-	(73,136)
Interest on investments	1,167	6,435	24,812	4,770	6,752	91,589	135,525
<b>Net Cash Provided by (Used in) Investing Activities</b>	<b>(71,969)</b>	<b>96,176</b>	<b>(88,527)</b>	<b>(16,182)</b>	<b>(188,105)</b>	<b>(323,231)</b>	<b>(591,838)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>8,134</b>	<b>(120,677)</b>	<b>(263,349)</b>	<b>(19,106)</b>	<b>(6,176)</b>	<b>(426,220)</b>	<b>(827,394)</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>172,580</b>	<b>151,660</b>	<b>584,826</b>	<b>60,633</b>	<b>199,093</b>	<b>1,435,840</b>	<b>2,604,632</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>180,714</b>	<b>30,983</b>	<b>321,477</b>	<b>41,527</b>	<b>192,917</b>	<b>1,009,620</b>	<b>1,777,238</b>

Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Year Ended December 31, 2023

	501 Fleet Maintenance	502 Facilities Maintenance	503 Information Services	510 Unemployment Insurance	511 Liability Insurance	512 Medical Insurance	Total
<b>Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities</b>							
Operating Income (Loss)	1,140,131	(137,904)	79,568	(5,863)	181,929	(472,185)	785,676
<b>Adjustments:</b>							
Depreciation	1,443,728	2,092	306,370	-	-	-	1,752,190
<b>Change in assets and liabilities:</b>							
(Increase)/Decrease in inventories	(34,712)	-	-	-	-	-	(34,712)
Increase/(Decrease) in accounts payable	62,354	(23,453)	(127,955)	2,939	-	329,116	243,001
Increase (decrease) in other current liabilities	(44,281)						(44,281)
Increase/(Decrease) in net pension liability, DI, DO	(59,882)	(50,394)	(154,980)	-	-	-	(265,256)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>2,507,338</b>	<b>(209,659)</b>	<b>103,003</b>	<b>(2,924)</b>	<b>181,929</b>	<b>(143,069)</b>	<b>2,436,618</b>

**Combining Statement of Net Position  
Fiduciary Funds  
December 31, 2023**

	643 Drug Seizure	650 Intergovernmental	Custodial Funds
<b>Assets</b>			
Cash and cash equivalents	71,719	1,668	73,387
<b>Total Assets</b>	<b>71,719</b>	<b>1,668</b>	<b>73,387</b>
<b>Liabilities</b>			
Other liabilities	144	2,023	2,167
<b>Total Liabilities</b>	<b>144</b>	<b>2,023</b>	<b>2,167</b>
<b>Net Position</b>	<b>71,575</b>	<b>(355)</b>	<b>71,220</b>

The accompanying notes are an integral part of this statement

**Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2023**

	643 Drug Seizure	650 Intergovernmental	Custodial Funds
<b>Additions</b>			
Drug seizures	15,021	-	15,021
State court fees collected	-	361,068	361,068
Leasehold taxes	-	5,310	5,310
Weapons permitting	-	13,702	13,702
Building advisory	-	10,605	10,605
Fingerprinting fees collected for other agencies	-	4,134	4,134
Other fees collected for other agencies	-	875	875
<b>Total additions</b>	<b>15,021</b>	<b>395,694</b>	<b>410,715</b>
<b>Deductions</b>			
Drug seizures	347	-	347
State court fees remitted	-	361,068	361,068
Leasehold taxes	-	5,310	5,310
Weapons permitting	-	14,103	14,103
Building advisory	-	10,740	10,740
Fingerprinting fees collected for other agencies	-	4,200	4,200
Other fees collected for other agencies	-	875	875
<b>Total deductions</b>	<b>347</b>	<b>396,296</b>	<b>396,643</b>
Net increase (decrease) in fiduciary net position	14,674	(602)	14,072
<b>Beginning Net Position</b>	56,901	247	57,148
<b>Ending Net Position</b>	<b>71,575</b>	<b>(355)</b>	<b>71,220</b>

The accompanying notes are an integral part of this statement

**STATISTICAL SECTION OVERVIEW**

This part of the City of Marysville's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information say about the government's overall financial health. The statistical section is organized by major sections described below.

**Financial Trends**

These schedules contain information to assist the reader in understanding how the City's financial position has changed over time.

**Revenue Capacity**

These schedules contain information to assist the reader in understanding and assessing the City's most significant local revenue sources; water/sewer/surface water service fees and property taxes.

**Debt Capacity**

These schedules present information to assist the reader in understanding and assessing the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to assist the reader in understanding the environment within which the City's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the city provides and the activities it performs.

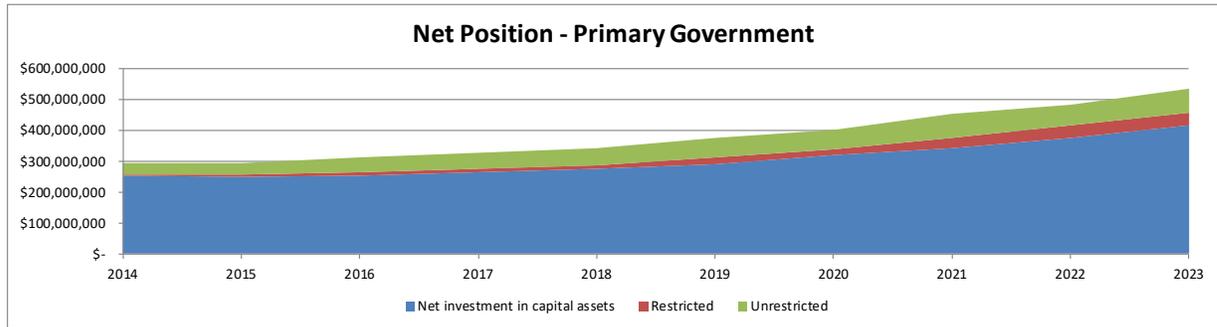
**Sources:** Unless otherwise noted, the information in the schedules is derived from the annual financial reports for the relevant year.

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**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
 (accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 137,368,413	\$ 140,810,400	\$ 144,212,253	\$ 148,708,065	\$ 155,816,528	\$ 159,736,625	\$ 180,596,055	\$ 200,848,851	\$ 220,679,178	\$ 238,551,212
Restricted	989,700	3,839,953	2,262,992	4,308,231	6,056,413	16,623,130	14,295,831	26,790,518	34,764,030	34,418,439
Unrestricted	16,024,164	10,317,772	24,363,378	24,780,759	25,686,947	20,394,419	26,988,768	34,444,795	18,568,299	22,193,555
<b>Total governmental activities net position</b>	<b>\$ 154,382,277</b>	<b>\$ 154,968,125</b>	<b>\$ 170,838,623</b>	<b>\$ 177,797,055</b>	<b>\$ 187,559,888</b>	<b>\$ 196,754,174</b>	<b>\$ 221,880,654</b>	<b>\$ 262,084,164</b>	<b>\$ 274,011,507</b>	<b>\$ 295,163,206</b>
<b>Business-type Activities</b>										
Net investment in capital assets	\$ 114,086,816	\$ 106,818,354	\$ 110,531,409	\$ 116,082,683	\$ 119,473,225	\$ 130,958,557	\$ 138,698,542	\$ 139,310,402	\$ 152,509,879	\$ 175,752,462
Restricted	4,550,455	5,526,424	5,547,716	5,538,711	5,518,347	5,619,108	5,726,082	6,455,961	6,771,138	7,681,708
Unrestricted	20,292,994	26,927,156	23,714,131	25,889,043	29,765,261	40,533,742	34,767,699	44,256,070	50,409,636	55,016,542
<b>Total business-type activities net position</b>	<b>\$ 138,930,265</b>	<b>\$ 139,271,934</b>	<b>\$ 139,793,256</b>	<b>\$ 147,510,437</b>	<b>\$ 154,756,833</b>	<b>\$ 177,111,407</b>	<b>\$ 179,192,323</b>	<b>\$ 190,022,433</b>	<b>\$ 209,690,653</b>	<b>\$ 238,450,712</b>
<b>Primary Government</b>										
Net investment in capital assets	\$ 251,455,229	\$ 247,628,754	\$ 254,743,662	\$ 264,790,748	\$ 275,289,753	\$ 290,695,182	\$ 319,294,597	\$ 340,159,253	\$ 373,189,057	\$ 414,303,674
Restricted	5,540,155	9,366,377	7,810,708	9,846,942	11,574,760	22,242,238	20,021,913	33,246,479	41,535,168	42,100,147
Unrestricted	36,317,158	37,244,928	48,077,509	50,669,802	55,452,208	60,928,161	61,756,467	78,700,865	68,977,935	77,210,097
<b>Total primary government net position</b>	<b>\$ 293,312,542</b>	<b>\$ 294,240,059</b>	<b>\$ 310,631,879</b>	<b>\$ 325,307,492</b>	<b>\$ 342,316,721</b>	<b>\$ 373,865,581</b>	<b>\$ 401,072,977</b>	<b>\$ 452,106,597</b>	<b>\$ 483,702,160</b>	<b>\$ 533,613,918</b>



Source: Entity Wide Statements, Entity Wide Net Position Tab, Net Position Section (around line 42)

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>EXPENSES</b>										
<b>Governmental activities</b>										
Judicial	\$ 1,369,450	\$ 1,350,483	\$ 1,494,861	\$ 1,409,968	\$ 1,372,830	\$ 1,479,415	\$ 1,451,393	\$ 1,123,656	\$ 1,426,978	\$ 1,608,299
General Government	3,586,931	5,507,340	3,603,151	3,833,055	4,310,306	6,520,829	6,682,787	4,052,317	8,191,731	8,654,810
Public Safety	25,154,574	25,654,989	27,246,035	29,378,604	29,615,366	31,485,845	23,954,869	24,302,171	29,535,417	32,652,054
Physical Environment	1,013,456	1,076,714	1,224,366	1,630,297	1,838,623	2,003,083	497,942	337,898	476,412	759,989
Transportation	6,448,078	8,420,679	7,944,384	8,678,946	8,692,781	8,572,406	9,537,250	7,922,978	10,289,903	13,641,915
Economic Environment	2,135,367	2,256,138	2,543,445	1,985,412	2,299,217	2,833,517	3,957,837	4,067,779	3,689,414	6,273,665
Health	33,371	40,693	23,594	12,811	70,863	76,467	156,550	419,018	321,013	621,112
Culture & Recreation	3,165,436	3,160,313	3,840,971	3,377,268	4,369,074	4,451,158	2,724,144	2,936,421	3,401,517	4,890,277
Interest on Long-term Debt	1,453,855	1,224,025	1,288,998	1,038,576	2,039,290	2,809,974	2,867,077	2,642,862	2,552,977	2,429,072
<b>Total governmental activities expenses</b>	<b>44,360,518</b>	<b>48,691,374</b>	<b>49,209,805</b>	<b>51,344,937</b>	<b>54,608,350</b>	<b>60,232,694</b>	<b>51,829,849</b>	<b>47,805,100</b>	<b>59,885,363</b>	<b>71,531,193</b>
<b>Business-type activities</b>										
Water/Sewer/Surface Water	\$ 21,911,544	\$ 23,038,255	\$ 28,221,547	\$ 26,040,860	\$ 27,960,076	\$ 28,380,188	\$ 37,681,845	\$ 31,465,610	\$ 31,601,310	\$ 33,559,478
Solid Waste	5,338,501	5,351,900	5,491,363	6,917,507	7,201,464	7,267,312	8,106,080	8,847,655	13,960,100	15,187,687
Golf	1,050,097	1,195,081	1,135,229	1,216,084	1,119,339	1,207,915	1,199,640	1,309,161	1,536,711	1,971,550
<b>Total business-type activities</b>	<b>28,300,142</b>	<b>29,585,236</b>	<b>34,848,139</b>	<b>34,174,451</b>	<b>36,280,879</b>	<b>36,855,415</b>	<b>46,987,565</b>	<b>41,622,426</b>	<b>47,098,121</b>	<b>50,718,715</b>
<b>Total primary government expenses</b>	<b>\$ 72,660,660</b>	<b>\$ 78,276,610</b>	<b>\$ 84,057,944</b>	<b>\$ 85,519,388</b>	<b>\$ 90,889,229</b>	<b>\$ 97,088,109</b>	<b>\$ 98,817,414</b>	<b>\$ 89,427,526</b>	<b>\$ 106,983,484</b>	<b>\$ 122,249,908</b>
<b>PROGRAM REVENUES</b>										
<b>Governmental activities</b>										
Charges for Services:										
Judicial	\$ 729,959	\$ 746,871	\$ 631,591	\$ 762,199	\$ 934,320	\$ 467,221	\$ 456,881	\$ 292,719	\$ 69,999	\$ 157,014
General Government	4,198,818	3,763,483	3,113,252	3,589,885	3,744,627	2,296,161	1,425,293	1,592,231	2,103,339	2,228,627
Public Safety	999,881	1,103,582	859,651	1,027,128	1,042,593	667,811	1,624,076	945,450	391,254	443,630
Physical Environment	750	3,134	1,500	1,000	1,250	2,250	-	-	-	-
Transportation	660,549	1,138,282	948,281	1,978,549	2,114,883	4,522,527	4,162,731	4,612,630	3,074,021	5,803,527
Economic Environment	2,100,299	1,720,524	2,031,443	1,779,045	2,231,919	5,573,351	4,724,585	5,808,384	4,187,886	8,473,810
Culture & Recreation	349,518	353,895	570,426	1,000,414	829,319	1,084,518	710,527	1,075,564	989,977	1,845,078
Operating grants and contributions	3,053,117	5,958,337	3,026,528	3,676,058	5,514,467	2,797,760	5,928,789	12,766,609	2,805,836	2,628,209
Capital grants and contributions	50,000	273,403	-	13,728	-	1,324,546	4,839,542	4,032,358	1,961,377	4,724,644
<b>Total governmental activities program revenues</b>	<b>12,142,891</b>	<b>15,061,511</b>	<b>11,182,672</b>	<b>13,828,006</b>	<b>16,413,378</b>	<b>18,736,145</b>	<b>23,872,424</b>	<b>31,125,945</b>	<b>15,583,689</b>	<b>26,304,539</b>
<b>Business-type activities:</b>										
Charges for Services:										
Water/Sewer/Surface Water	\$ 26,768,139	\$ 30,258,766	\$ 30,665,035	\$ 33,547,693	\$ 32,712,894	\$ 38,352,476	\$ 33,442,062	\$ 39,902,148	\$ 36,086,355	\$ 43,284,094
Solid Waste	6,866,097	7,037,150	7,269,832	7,520,347	7,624,583	7,860,460	8,055,615	8,564,328	14,810,879	16,301,475
Golf	895,476	1,063,146	1,093,665	978,258	1,139,732	1,325,287	1,576,428	1,770,557	1,698,521	2,060,662
Operating grants and contributions	233,663	70,494	20,876	45,793	-	-	854,987	1,184,658	5,141,871	2,867,212
Capital grants and contributions	1,560,763	771,052	766,209	662,206	2,959,173	12,213,859	6,438,695	3,115,511	10,406,761	16,256,832
<b>Total business-type activities program revenues</b>	<b>36,324,138</b>	<b>39,200,608</b>	<b>39,815,617</b>	<b>42,754,297</b>	<b>44,436,382</b>	<b>59,752,082</b>	<b>50,367,787</b>	<b>54,537,202</b>	<b>68,144,387</b>	<b>80,770,275</b>
<b>Total primary government program revenues</b>	<b>\$ 48,467,029</b>	<b>\$ 54,262,119</b>	<b>\$ 50,998,289</b>	<b>\$ 56,582,303</b>	<b>\$ 60,849,760</b>	<b>\$ 78,488,227</b>	<b>\$ 74,240,211</b>	<b>\$ 85,663,147</b>	<b>\$ 83,728,076</b>	<b>\$ 107,074,814</b>

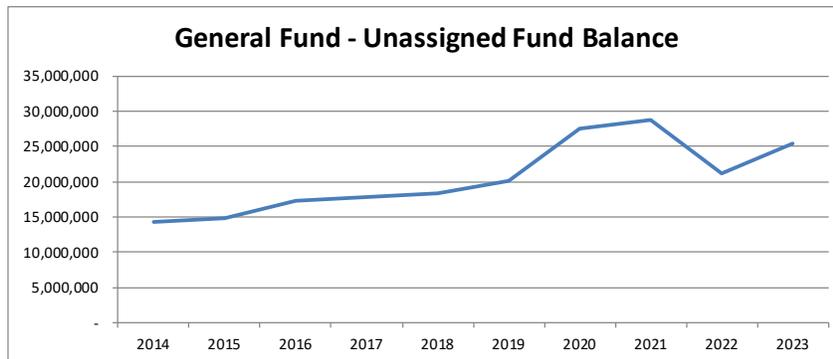
**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Net (expense)/revenue</b>										
Governmental activities	\$ (32,217,627)	\$ (33,629,863)	\$ (38,027,133)	\$ (37,516,931)	\$ (38,194,972)	\$ (41,496,549)	\$ (27,957,425)	\$ (16,679,155)	\$ (44,301,674)	\$ (45,226,654)
Business-type activities	8,023,996	9,615,372	4,967,478	8,579,846	8,155,503	22,896,667	3,380,222	12,914,776	21,046,266	30,051,560
<b>Total primary government net expense</b>	<b>(24,193,631)</b>	<b>(24,014,491)</b>	<b>(33,059,655)</b>	<b>(28,937,085)</b>	<b>(30,039,469)</b>	<b>(18,599,882)</b>	<b>(24,577,203)</b>	<b>(3,764,379)</b>	<b>(23,255,408)</b>	<b>(15,175,094)</b>
<b>GENERAL REVENUES &amp; OTHER CHANGES IN NET POSITION</b>										
<b>Governmental activities:</b>										
Taxes										
Property	\$ 16,146,732	\$ 15,728,430	\$ 15,915,807	\$ 16,432,004	\$ 17,540,346	\$ 18,308,527	\$ 14,586,429	\$ 15,922,571	\$ 16,125,862	\$ 17,307,360
Sales	10,969,729	13,696,505	14,520,863	15,472,713	16,933,902	20,287,870	20,324,163	22,294,486	24,451,472	25,470,382
Business	3,272,989	3,477,925	3,305,925	6,593,380	6,470,971	6,488,053	6,428,258	6,665,515	6,868,797	7,377,860
Other	1,793,736	3,168,967	4,181,263	4,530,484	4,929,761	5,555,908	5,782,928	7,317,339	7,121,354	5,660,121
Investment Earnings	939,124	180,600	287,542	324,561	837,430	1,940,159	1,191,888	179,888	(30,277)	2,654,851
Special & Extraordinary Items	185,440	-	-	-	(744,940)	(9,711,276)	-	3,009,824	740,856	225,409
Transfers	3,721,362	5,103,038	4,747,284	1,122,221	1,436,482	2,474,559	2,039,446	1,678,293	821,776	3,654,501
<b>Total government activities</b>	<b>37,029,112</b>	<b>41,355,465</b>	<b>42,958,684</b>	<b>44,475,363</b>	<b>47,403,952</b>	<b>45,343,800</b>	<b>50,353,112</b>	<b>57,067,916</b>	<b>56,099,840</b>	<b>62,350,484</b>
<b>Business-type activities:</b>										
Investment Earnings	\$ 157,234	\$ 108,266	\$ 301,128	\$ 259,556	\$ 527,375	\$ 923,239	\$ 645,034	\$ (57,476)	\$ (556,270)	\$ 2,361,644
Transfers	(3,721,362)	(5,103,038)	(4,747,284)	1,122,221	(1,436,482)	(2,474,559)	(2,039,446)	(1,678,293)	(821,776)	(3,654,501)
<b>Total business-type activities</b>	<b>(3,564,128)</b>	<b>(4,994,772)</b>	<b>(4,446,156)</b>	<b>1,381,777</b>	<b>(909,107)</b>	<b>(1,551,320)</b>	<b>(1,394,412)</b>	<b>(1,735,769)</b>	<b>(1,378,046)</b>	<b>(1,292,857)</b>
<b>Total primary government general revenues &amp; other changes in net position</b>	<b>\$ 33,464,984</b>	<b>\$ 36,360,693</b>	<b>\$ 38,512,528</b>	<b>\$ 45,857,140</b>	<b>\$ 46,494,845</b>	<b>\$ 43,792,480</b>	<b>\$ 48,958,700</b>	<b>\$ 55,332,147</b>	<b>\$ 54,721,795</b>	<b>\$ 61,057,627</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	4,811,485	7,725,602	4,931,551	6,958,432	9,208,980	3,847,251	22,395,687	40,388,761	11,798,167	17,123,830
Business-type activities	4,459,868	4,620,600	521,322	7,717,181	7,246,396	21,345,347	1,985,810	11,179,007	19,668,220	28,758,703
<b>Total primary government</b>	<b>\$ 9,271,353</b>	<b>\$ 12,346,202</b>	<b>\$ 5,452,873</b>	<b>\$ 14,675,613</b>	<b>\$ 16,455,376</b>	<b>\$ 25,192,598</b>	<b>\$ 24,381,497</b>	<b>\$ 51,567,768</b>	<b>\$ 31,466,387</b>	<b>\$ 45,882,533</b>

Source: Entity Wide Statements, Entity Wide Activities tab

FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General Fund</b>										
Assigned to:										
Restricted for:										
Opioid Settlement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,204	\$ 95,591
Unassigned	14,224,582	14,756,671	17,360,240	17,890,333	18,331,221	20,070,120	27,554,118	28,731,027	21,181,405	25,385,630
<b>Total general fund</b>	<b>\$ 14,224,582</b>	<b>\$ 14,756,671</b>	<b>\$ 17,360,240</b>	<b>\$ 17,890,333</b>	<b>\$ 18,331,221</b>	<b>\$ 20,070,120</b>	<b>\$ 27,554,118</b>	<b>\$ 28,731,027</b>	<b>\$ 21,244,609</b>	<b>\$ 25,481,221</b>
<b>All other governmental funds</b>										
Restricted For:										
Law Enforcement	88,758	187,600	282,976	21,923	77,815	101,039	119,423	99,962	110,031	73,364
Tourism	75,368	63,709	76,982	87,973	117,007	44,758	87,671	194,603	276,842	414,995
Technology Infrastructure	139,057	238,469	312,121	365,335	422,891	528,810	578,366	531,202	500,417	582,907
REET	81,653	274,188	1,237,167	1,939,407	3,962,592	7,949,349	691,169	6,408,556	10,171,827	5,821,114
Transportation Benefit Distric	-	-	-	1,078,334	1,426,639	2,703,739	3,397,479	5,827,551	7,807,214	7,731,424
School Mitigation	-	-	-	-	-	1,837,679	-	-	-	-
Street Construction/Maint	-	-	-	-	-	1,837,679	-	-	-	-
Affordable Housing	-	-	-	-	-	-	86,082	-	-	-
Civic Campus Construction	-	-	-	-	-	29,770,015	15,033,594	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	1,527,055
Debt Service	-	-	-	-	-	847,016	717,325	787,346	654,296	746,092
Grants	-	-	-	-	-	208,487	16,745	16,745	26,481	135,280
Committed to:										
Law Enforcement	85,020	54,161	38,319	38,666	11,125	6,923	6,995	7,036	7,121	45,272
Community Center	10,027	9,119	6,436	5,780	6,269	4,848	5,178	5,178	-	-
Assigned to:										
Civic Campus Construction	-	-	-	-	32,781,000	997,787	1,183,553	-	-	-
Streets	374,189	2,262,876	2,263,429	1,997,033	13,522,538	2,948,889	1,977,064	3,190,581	1,353,082	883,430
Parks Construction	124,804	249,022	34,033	422,661	-	-	-	-	-	-
Debt Service	989,700	1,363,138	776,253	800,917	1,130,253	89,004	43,211	53,184	78,496	166,570
Unassigned	1,045,177	-	-	-	(802,002)	(377,103)	(1,567,438)	(1,307,225)	(1,629,294)	(662,311)
<b>Total all other governmental funds</b>	<b>\$ 3,013,753</b>	<b>\$ 4,702,282</b>	<b>\$ 5,027,716</b>	<b>\$ 6,758,029</b>	<b>\$ 52,656,127</b>	<b>\$ 49,498,919</b>	<b>\$ 22,376,417</b>	<b>\$ 15,814,719</b>	<b>\$ 19,356,513</b>	<b>\$ 17,465,192</b>



CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>REVENUES</b>										
Taxes	\$ 34,542,134	\$ 37,880,120	\$ 39,684,473	\$ 41,815,144	\$ 44,811,311	\$ 49,389,329	\$ 45,921,284	\$ 50,885,099	\$ 53,219,616	\$ 54,426,604
Licenses & Permits	2,251,750	1,856,916	2,245,458	2,163,799	2,387,517	3,104,682	2,727,107	2,947,529	2,959,548	4,401,970
Intergovernmental	4,042,241	7,202,783	4,168,675	4,826,504	6,705,570	5,056,117	9,671,493	16,390,099	9,871,777	7,859,691
Charges for Services	6,191,303	6,578,202	4,280,902	6,214,282	6,749,387	10,395,659	8,659,721	10,221,271	7,268,138	14,063,002
Fines & Forfeitures	585,865	647,959	517,004	443,952	509,396	639,385	506,214	486,364	324,721	326,716
Other Revenues	2,251,696	1,965,996	1,426,012	1,392,120	2,038,236	2,964,635	1,685,440	856,753	932,815	4,009,115
<b>Total Revenues</b>	<b>\$ 49,864,989</b>	<b>\$ 56,131,976</b>	<b>\$ 52,322,524</b>	<b>\$ 56,855,801</b>	<b>\$ 63,201,417</b>	<b>\$ 71,549,807</b>	<b>\$ 69,171,259</b>	<b>\$ 81,787,115</b>	<b>\$ 74,576,615</b>	<b>\$ 85,087,098</b>
<b>EXPENDITURES</b>										
General Government	\$ 6,648,721	\$ 6,921,063	\$ 4,840,595	\$ 5,288,277	\$ 5,905,566	\$ 7,846,481	\$ 8,310,352	\$ 6,494,241	\$ 7,485,396	\$ 8,052,880
Security of Persons and Property	24,504,740	25,720,364	26,908,051	28,763,734	30,775,148	31,432,904	24,551,536	27,053,009	29,020,324	33,659,589
Physical Environment	1,021,108	1,096,568	1,187,622	1,656,661	1,911,924	2,033,124	616,687	641,568	615,703	916,817
Transportation	4,153,612	6,526,990	5,933,816	6,551,949	6,791,948	6,481,940	7,324,345	6,434,838	7,728,555	10,651,954
Economic Environment	2,118,549	2,469,400	2,535,744	2,482,083	2,795,288	3,122,034	4,768,578	4,691,874	3,936,863	6,586,706
Health & Human Services	33,371	40,693	23,594	12,811	70,863	76,467	156,550	419,018	321,013	621,112
Culture & Recreation	2,868,420	2,993,965	3,599,742	3,281,669	4,275,950	4,266,077	2,657,782	2,868,631	3,243,140	4,151,478
Capital Outlay	3,247,469	5,685,748	1,978,410	4,197,764	9,762,064	15,669,297	48,396,074	35,288,449	19,340,869	19,824,558
Debt Service										
Principal	1,191,967	2,225,271	2,215,508	1,736,017	2,044,368	2,473,525	2,200,000	3,180,000	4,082,281	4,239,028
Interest	1,453,855	1,224,025	1,288,998	1,038,576	1,714,991	3,131,505	2,830,581	2,989,964	2,871,098	2,709,447
Other	-	-	-	-	-	6,808	313,426	4,812	4,302	3,262
<b>Total Expenditures</b>	<b>\$ 47,241,812</b>	<b>\$ 54,904,087</b>	<b>\$ 50,512,080</b>	<b>\$ 55,009,541</b>	<b>\$ 66,048,110</b>	<b>\$ 76,540,162</b>	<b>\$ 102,125,911</b>	<b>\$ 90,066,404</b>	<b>\$ 78,649,544</b>	<b>\$ 91,416,831</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 2,623,177</b>	<b>\$ 1,227,889</b>	<b>\$ 1,810,444</b>	<b>\$ 1,846,260</b>	<b>\$ (2,846,693)</b>	<b>\$ (4,990,355)</b>	<b>\$ (32,954,652)</b>	<b>\$ (8,279,289)</b>	<b>\$ (4,072,929)</b>	<b>\$ (6,329,733)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	10,439,187	9,578,841	8,188,285	10,341,720	11,175,076	11,476,987	24,080,896	15,527,158	25,696,922	25,848,883
Transfers out	(10,114,195)	(8,586,112)	(7,167,570)	(9,927,576)	(10,034,453)	(9,742,620)	(22,109,040)	(13,848,865)	(24,875,146)	(22,194,382)
Debt proceeds & capital leases	6,022,846	-	-	-	48,045,053	-	13,141,885	-	-	-
Refunding debt proceeds	-	-	5,207,805	-	-	-	4,320,000	-	-	-
Disposition of capital assets	16,286	-	-	-	-	-	-	1,175,000	1,175,000	1,175,000
Insurance Recoveries	-	-	-	-	-	-	-	41,207	17,434	163,064
SBITA	-	-	-	-	-	-	-	-	-	337,184
Leases (lessee)	-	-	-	-	-	-	-	-	80,554	-
Payment to Refunding bond escrow agent	-	-	(5,109,961)	-	-	-	(4,279,915)	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,364,124</b>	<b>992,729</b>	<b>1,118,559</b>	<b>414,144</b>	<b>49,185,676</b>	<b>1,734,367</b>	<b>15,153,826</b>	<b>2,894,500</b>	<b>2,094,764</b>	<b>5,329,749</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 8,987,301</b>	<b>\$ 2,220,618</b>	<b>\$ 2,929,003</b>	<b>\$ 2,260,404</b>	<b>\$ 46,338,983</b>	<b>\$ (3,255,988)</b>	<b>\$ (17,800,826)</b>	<b>\$ (5,384,789)</b>	<b>\$ (1,978,165)</b>	<b>\$ (999,984)</b>
Debt service as percentage of non-capital expenditures	6.01%	7.01%	7.22%	5.46%	6.68%	9.21%	9.36%	11.26%	11.72%	9.71%

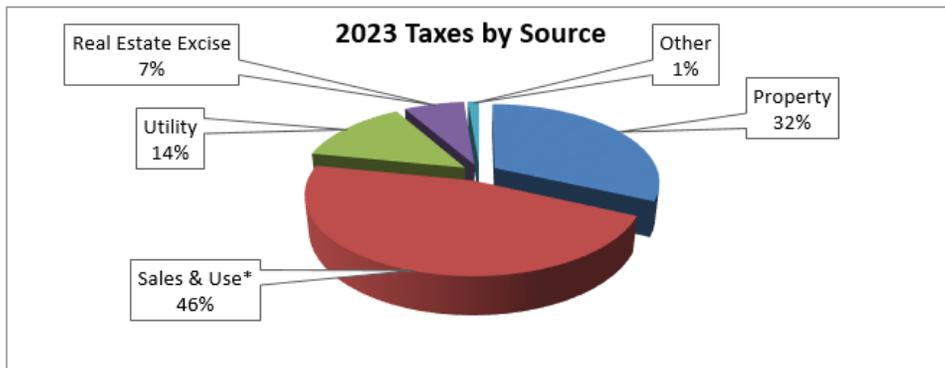
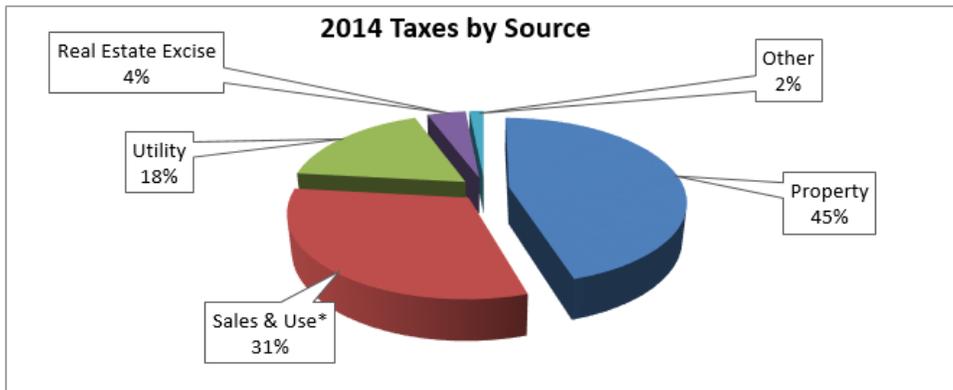
Source: Government Fund Statements, Govt Funds Final Op Stmt

**GOVERNMENTAL TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS**

Year	Regular Property	EMS Property	Sales & Use*	Utility	Gambling	Admission	Real Estate Excise	Other <sup>(1)</sup>	Total
2014	13,323,549	2,320,014	10,872,238	6,036,881	99,215	220,642	1,450,598	218,997	34,542,134
2015	13,364,409	2,353,450	13,629,001	6,171,831	91,936	268,502	1,779,390	221,600	37,880,120
2016	13,548,782	2,401,301	14,429,581	6,176,187	119,476	251,331	2,543,910	213,906	39,684,473
2017	13,887,470	2,481,544	15,373,791	6,485,175	108,542	227,705	3,026,936	223,982	41,815,144
2018	14,088,844	3,578,935	16,836,808	6,348,666	122,280	252,245	3,362,026	221,507	44,811,311
2019	14,314,434	3,967,259	20,191,271	6,363,662	124,391	235,196	3,969,502	223,614	49,389,329
2020	10,256,331	4,406,786	20,266,602	6,429,577	71,640	134,259	4,176,064	180,026	45,921,283
2021	10,897,979	5,048,258	22,148,911	6,667,755	73,909	89,978	5,699,663	258,645	50,885,099
2022	10,747,772	5,403,933	24,265,343	6,872,076	184,684	172,964	5,326,922	245,923	53,219,616
2023	11,204,412	6,108,291	25,211,628	7,377,860	143,270	203,280	3,821,628	356,235	54,426,604
% Change 2014-2023	-15.91%	163.29%	131.89%	22.21%	44.40%	-7.87%	163.45%	62.67%	57.57%

\*Includes regular sales and use tax, natural gas and criminal justice. In 2010, the City began receiving an additional .2% of sales tax from the state associated with the 2009 annexation. This 2% additional tax ended in August of 2020.

(1)Other Includes: Hotel/Motel, Leasehold Excise Taxes, I NET



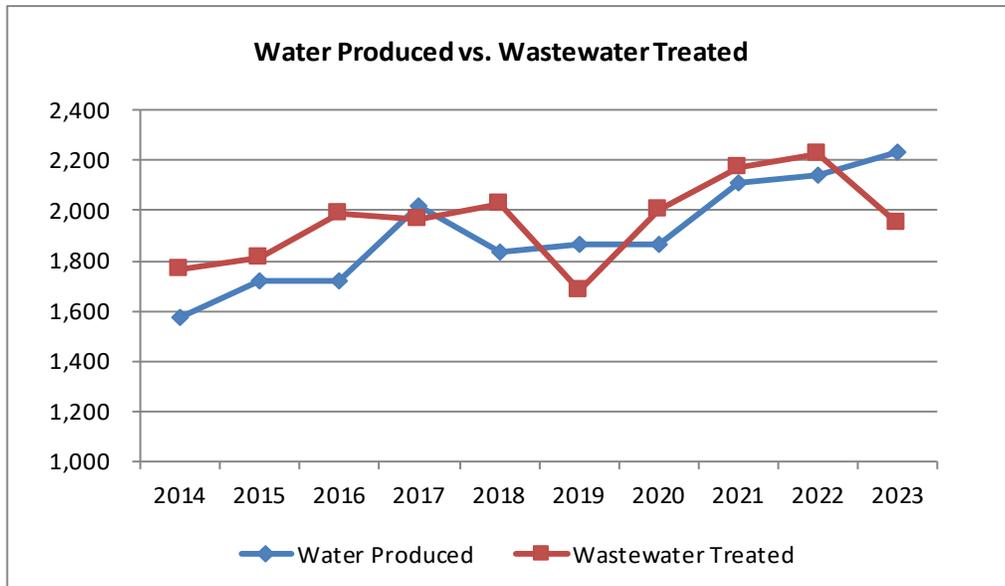
**WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED  
LAST TEN FISCAL YEARS**

Year	(units in millions)		Total Direct Bi-Monthly Rates			
	Gallons of Water Produced	Gallons of Wastewater Treated	Water		Sewer	
			Base Rate*	Usage Rate	Base Rate	Usage Rate
2014	1,572	1,764	\$ 21.36	**	\$ 79.61	\$ 1.67
2015	1,717	1,810	\$ 21.79	**	\$ 81.20	\$ 1.71
2016	1,718	1,988	\$ 22.22	**	\$ 82.73	\$ 1.74
2017	2,021	1,963	\$ 22.66	**	\$ 84.49	\$ 1.77
2018	1,832	2,024	\$ 23.12	**	\$ 86.18	\$ 1.81
2019	1,869	1,679	\$ 23.58	**	\$ 87.90	\$ 1.85
2020	1,864	2,000	\$ 24.05	**	\$ 89.66	\$ 1.88
2021	2,108	2,176	\$ 24.53	**	\$ 91.45	\$ 1.92
2022	2,142	2,223	\$ 25.02	**	\$ 93.28	\$ 1.96
2023	2,231	1,951	\$ 25.52	**	\$ 95.14	\$ 2.00

\*Rate shown is for 5/8" meters (most common meter for single family households).

1st Tier	0 to 6,000 Gal	\$ 1.32
2nd Tier	7,000-20,000 Gal	\$ 4.62
3rd Tier	21,000-30,000 Gal	\$ 5.28
4th Tier	31,000 + Gal	\$ 5.94

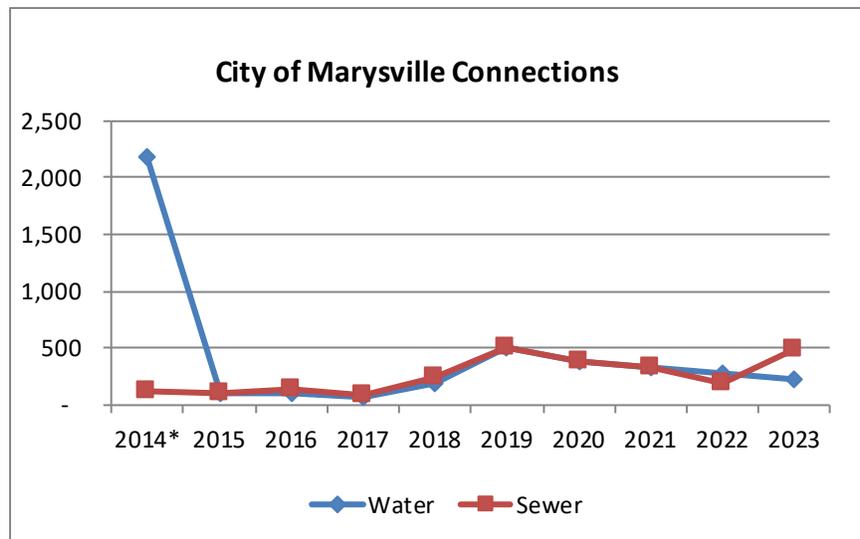
See STAT 6d for other meter sizes and rates.



Source: City of Marysville Water/Sewer Utility Billing Department

**ANNUAL CONNECTIONS  
LAST TEN FISCAL YEAR**

Year	Water Connections	Sewer Connections	Total Connections
2014*	2,182	112	2,294
2015	98	108	206
2016	107	144	251
2017	59	92	151
2018	188	236	424
2019	512	503	1,015
2020	382	382	764
2021	326	326	652
2022	276	186	462
2023	231	483	714



\* The 2014 number includes the acquisition of the PUD Water customers in the Sunnyside area (Southeast Marysville, 2,086 connections)  
 Source: City of Marysville Utility Department

**NUMBER OF WATER AND SEWER CUSTOMERS BY TYPE  
LAST TEN FISCAL YEARS**

<b>WATER</b>				
<b>Year</b>	<b>Residential</b>	<b>Commercial</b>	<b>Other</b>	<b>Total</b>
2014*	19,898	1,024	206	21,128
2015	20,060	956	264	21,280
2016	20,097	985	179	21,261
2017	20,289	952	248	21,489
2018	20,420	951	233	21,604
2019	20,757	959	217	21,933
2020	21,284	981	261	22,526
2021	21,594	1,009	386	22,989
2022	21,836	1,023	406	23,265
2023	22,268	1,039	449	23,756

<b>SEWER</b>				
<b>Year</b>	<b>Residential</b>	<b>Commercial</b>	<b>Other</b>	<b>Total</b>
2014	15,980	909	0	16,889
2015	16,172	900	0	17,072
2016	16,259	887	0	17,146
2017	16,429	901	0	17,330
2018	16,569	901	0	17,470
2019	16,972	905	0	17,877
2020	17,467	925	0	18,392
2021	17,756	941	0	18,697
2022	18,102	959	0	19,061
2023	18,575	969	0	19,544

\* The 2014 number includes the acquisition of the PUD Water customers in the Sunnyside area (Southeast Marysville, 2,086 connections)

Source: City of Marysville Water/Sewer Utility Billing Department

**WATER/SEWER/SURFACE WATER RATES  
LAST TEN FISCAL YEARS**

**WATER RATE HISTORY**

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Bi-Monthly Charge</b>											
<b>3/4" Service (w/ 5/8" meter)</b>											
	first 6,000 gallons	\$ 21.36	\$ 21.79	\$ 22.22	\$ 22.66	\$ 23.12	\$ 23.58	\$ 24.05	\$ 24.53	\$ 25.02	\$ 25.52
	per additional 1,000 gallons										
1st Tier	0 to 6,000 Gal	\$ 1.15	\$ 1.18	\$ 1.20	\$ 1.22	\$ 1.25	\$ 1.27	\$ 1.30	\$ 1.32	\$ 1.35	\$ 1.37
2nd Tier	7,000-20,000 Gal	\$ 4.02	\$ 4.10	\$ 4.18	\$ 4.26	\$ 4.35	\$ 4.44	\$ 4.52	\$ 4.62	\$ 4.71	\$ 4.81
3rd Tier	21,000-30,000 Gal	\$ 4.59	\$ 4.68	\$ 4.78	\$ 4.88	\$ 4.97	\$ 5.07	\$ 5.17	\$ 5.28	\$ 5.39	\$ 5.49
4th Tier	31,000 + Gal	\$ 5.17	\$ 5.27	\$ 5.38	\$ 5.49	\$ 5.60	\$ 5.71	\$ 5.82	\$ 5.94	\$ 6.06	\$ 6.18
<b>3/4" Service (w/ 3/4" meter)</b>											
	first 9,000 gallons	\$ 32.05	\$ 32.69	\$ 33.34	\$ 34.01	\$ 34.69	\$ 35.68	\$ 36.09	\$ 36.81	\$ 37.55	\$ 38.30
	per additional 1,000 gallons										
<b>Commercial Rates</b>											
1st Tier	0 to 6,000 Gal	\$ 1.15	\$ 1.18	\$ 1.20	\$ 1.22	\$ 1.25	\$ 1.27	\$ 1.30	\$ 1.32	\$ 1.35	\$ 1.37
2nd Tier	7,000+	\$ 2.88	\$ 2.93	\$ 2.99	\$ 3.05	\$ 3.11	\$ 3.17	\$ 3.24	\$ 3.30	\$ 3.37	\$ 3.43

**SEWER RATE HISTORY**

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Single Family Residential</b>											
	Bi-Monthly Flat Rate	\$ 79.61	\$ 81.20	\$ 82.83	\$ 84.49	\$ 86.18	\$ 87.90	\$ 89.66	\$ 91.45	\$ 93.28	\$ 95.14
<b>Class 1 Commercial/Industrial</b>											
	(per 1,000 gal) Bi-Monthly*	\$ 1.67	\$ 1.71	\$ 1.74	\$ 1.77	\$ 1.81	\$ 1.85	\$ 1.88	\$ 1.92	\$ 1.96	\$ 2.00
	Minimum Charge*	\$ 79.61	\$ 81.20	\$ 82.83	\$ 84.49	\$ 86.18	\$ 87.90	\$ 89.66	\$ 91.45	\$ 93.28	\$ 95.14

**STORM WATER RATE HISTORY**

		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Residential (1 ERU = 3,200 sq.ft.)</b>											
	1 ERU (bi-monthly rate)	\$ 21.64	\$ 22.08	\$ 22.52	\$ 22.98	\$ 23.42	\$ 23.90	\$ 24.38	\$ 24.86	\$ 25.36	\$ 25.86
<b>Non-Residential (1 ERU = 3,200 sq.ft.)</b>											
	sq.ft. of impervious surface/1 ERU	\$ 21.64	\$ 22.08	\$ 22.52	\$ 22.98	\$ 23.42	\$ 23.90	\$ 24.38	\$ 24.86	\$ 25.36	\$ 25.86

Source: City of Marysville Water/Sewer Utility Billing Department

CURRENT YEAR AND TEN YEARS AGO

Customer	2023 Water Revenue			2014 Water Revenue		
	Amount	Rank	%	Amount	Rank	%
NATIONAL FOOD CORP^	57,615	1	0.50%			
AFFINITY AT ARLINGTON LLC	48,035	2	0.42%			
CITY OF MARYSVILLE	47,690	3	0.42%			
SMOKEY POINT APARTMENTS LLC	45,682	4	0.40%			
VINTAGE AT LAKEWOOD LLC	39,913	5	0.35%			
UTILITY INVOICE PROCESSING GEN	36,845	6	0.32%			
SMOKEY POINT MOBILE PARK	27,539	7	0.24%			
MP SMOKEY POINT LLC	25,695	8	0.23%			
KLEIN FAMILY PROPERTIES LLC	25,667	9	0.22%			
KLEIN FAMILY PROPERTIES LLC	25,469	10	0.22%			
NATIONAL FOOD CORP^	\$			\$ 52,620	1	0.65%
ARMY UTILITY INVOICE PROCESSING CENTER				37,251	2	0.46%
SMOKEY POINT MOBILE PARK				25,190	3	0.31%
CITY OF MARYSVILLE				20,345	4	0.25%
MOBILE MANOR-OFFICE				19,968	5	0.25%
WINDSOR SQUARE APARTMENTS				19,455	6	0.24%
LAKEWOOD SCHOOL DISTRICT #306				19,089	7	0.24%
MIDWAY GARDEN MOBILE HOME PK				18,393	8	0.23%
CASITA APARTMENTS				16,308	9	0.20%
QUILCEDA CREEK APARTMENTS LLC				15,873	10	0.20%
Subtotal	380,149		3.33%	244,493		3.04%
Balance from other customers	11,038,376		96.67%	7,801,148		96.96%
Grand Total	11,418,525		100.00%	8,045,641		100.00%

Customer	2023 Sewer Revenue			2014 Sewer Revenue		
	Amount	Rank	%	Amount	Rank	%
AFFINITY AT ARLINGTON LLC	\$ 137,820	1	0.89%	\$		
VINTAGE AT LAKEWOOD, LLC	106,480	2	0.69%			
MP SMOKEY PT LLC	77,017	3	0.50%			
KLEIN FAMILY PROPERTIES LLC	72,963	4	0.47%			
KLEIN FAMILY PROPERTIES LLC	72,963	5	0.47%			
NATIONAL FOOD NW LLC	67,739	6	0.44%			
SMOKEY POINT MOBILE PARK	67,281	7	0.44%			
BEST WESTERN HOTEL	60,323	8	0.39%			
CMJ66 CORP	58,581	9	0.38%			
GLENWOOD MOBILE ESTATES	56,753	10	0.37%			
SMOKEY POINT MOBILE PARK				\$ 56,457	1	0.52%
NATIONAL FOOD CORP^				50,063	2	0.47%
MEDALLION HOTEL				48,613	3	0.45%
GLENWOOD MOBILE ESTATES				47,623	4	0.44%
WINDSOR SQUARE APARTMENTS				43,465	5	0.40%
GREENMAN III, ROBERT F^				40,820	6	0.38%
BEST WESTERN HOTEL				33,799	7	0.31%
HOLIDAY INN EXPRESS-MARYSVILLE				33,351	8	0.31%
EMERITUS CORP				31,693	9	0.29%
MIDWAY GARDEN MOBILE HOME PK				30,841	10	0.29%
Subtotal	777,922		5.04%	416,725		3.87%
Balance from other customers	14,645,518		94.96%	10,348,259		96.13%
Grand Total	\$ 15,423,440		100.00%	\$ 10,764,984		100.00%

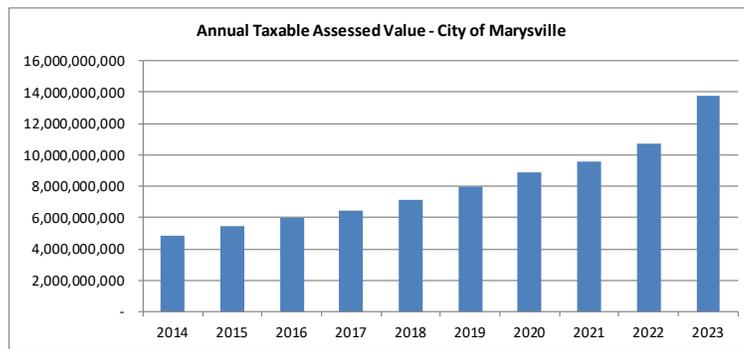
Source: City of Marysville Water/Sewer Utility Billing Department

TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY  
LAST TEN FISCAL YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Multi-Family Property	Other Property	Personal Property	State Assessed Personal Prop.	Changes Post Certification Less: Tax Exempt Property	Total Taxable Assessed Value <sup>1</sup>	Total Direct Tax Rate <sup>2</sup>
2014	3,420,713,877	699,920,514	104,962,300	4,243,800	283,349,800	172,990,543	96,376,676	51,092,852	35,691,959	4,669,342,321	3.189
2015	3,998,010,873	734,832,965	105,795,900	4,007,400	310,384,171	157,507,439	114,477,825	53,916,643	4,765,569	5,483,698,785	2.865
2016	4,397,186,638	761,536,165	109,422,000	4,589,400	331,068,803	191,180,700	122,490,224	55,995,362	3,347,522	5,976,816,814	2.682
2017	4,746,796,849	815,479,265	104,764,100	5,700,300	396,633,317	171,020,966	128,931,009	56,337,411	(514,120)	6,425,149,097	2.548
2018	5,289,535,729	863,754,495	110,322,200	6,514,600	499,825,740	185,271,580	130,138,709	55,963,510	2,763,280	7,144,089,843	2.470
2019	5,934,218,610	972,825,400	119,574,600	9,525,900	554,008,940	193,825,300	140,320,012	61,702,218	-	7,986,000,980	2.280
2020	6,560,204,641	1,056,604,990	127,422,200	10,655,400	640,055,960	87,780,900	147,321,652	64,858,875	168,378,900	8,863,283,518	1.651
2021	7,183,130,486	1,205,972,442	137,874,800	16,252,600	698,796,090	267,686,060	153,821,571	65,960,167	(153,821,571)	9,575,672,645	1.602
2022	8,190,323,443	1,273,057,920	144,687,800	12,581,700	775,251,783	274,923,540	162,927,705	67,010,896	(162,927,705)	10,737,837,082	1.496
2023	10,539,535,335	1,473,590,120	170,963,400	10,385,200	929,570,040	375,745,600	165,942,374	74,271,363	(3,083)	13,740,000,349	1.259

<sup>1</sup>Washington State law requires all property be assessed at 100% of its true and fair market value.

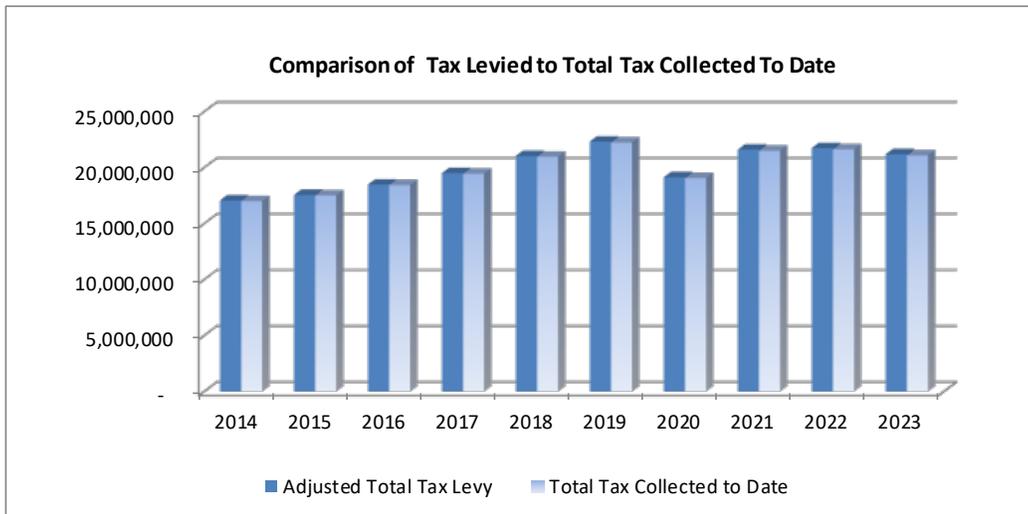
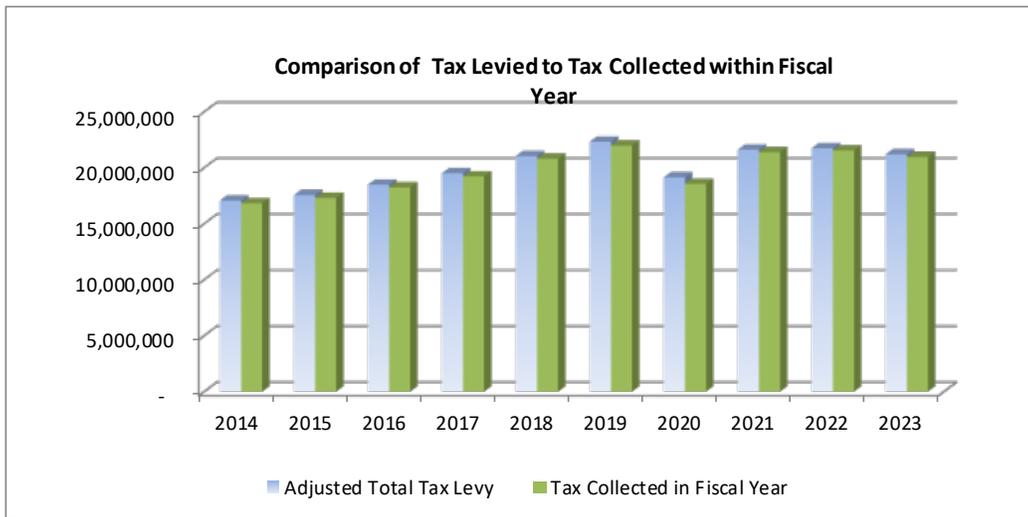
<sup>2</sup>Tax rates are per \$1,000 of assessed value. Detail of tax rates can be found in Stat 7c.



Source: Snohomish County Assessor's Office  
Christoff Huyboom provides the information on personal property and State assessed property  
Laura Washabaugh provides the real property information, columns B to G

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

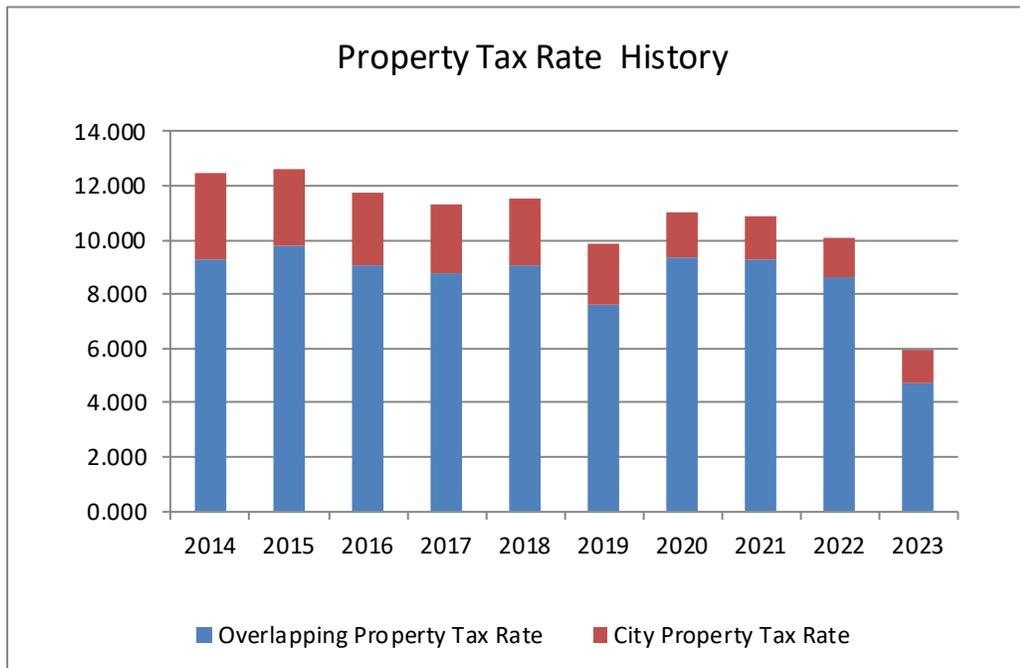
Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Assessor's Certification Adjustments	Adjusted Total Tax levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy
2014	15,528,646	1,531,678	17,060,324	16,813,473	96.1%	199,189	17,012,662	99.7%
2015	15,709,247	1,849,844	17,559,091	17,302,532	95.8%	214,057	17,516,589	99.8%
2016	16,025,914	2,458,844	18,484,758	18,238,891	93.6%	202,333	18,441,224	99.8%
2017	16,369,551	3,136,902	19,506,452	19,219,979	93.5%	231,280	19,451,259	99.7%
2018	17,643,646	3,393,420	21,037,067	20,800,503	91.4%	171,799	20,972,302	99.7%
2019	18,207,635	4,116,938	22,324,573	21,971,495	93.2%	274,646	22,246,141	99.6%
2020	14,637,062	4,494,275	19,131,336	18,557,760	114.8%	496,384	19,054,144	99.6%
2021	15,588,602	6,017,583	21,606,185	21,375,617	85.9%	135,285	21,510,901	99.6%
2022	16,316,886	5,418,488	21,735,374	21,533,832	98.3%	98,976	21,632,808	99.5%
2023	17,300,533	3,893,717	21,194,249	20,959,159	98.9%	130,079	21,089,238	99.5%



Source: Snohomish County Treasurer's Office

**DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**  
(rate per \$1,000 of assessed value)

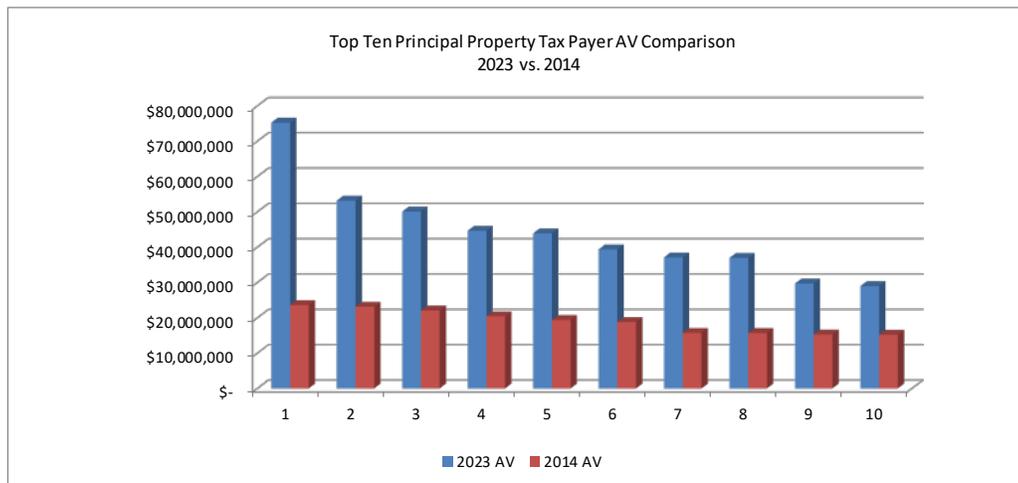
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>City Direct Rates:</b>										
Regular	\$2.717	\$2.437	\$2.278	\$2.161	\$1.970	\$1.783	\$1.151	\$1.102	\$1.002	\$0.814
Subtotal-Regular Levy	\$2.717	\$2.437	\$2.278	\$2.161	\$1.970	\$1.783	\$1.151	\$1.102	\$1.002	\$0.814
Emergency Medical	0.472	0.428	0.404	0.387	0.500	0.497	0.500	0.500	0.494	0.445
86 GO Bond	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
City Total	\$3.189	\$2.865	\$2.682	\$2.548	\$2.470	\$2.280	\$1.651	\$1.602	\$1.496	\$1.259
<b>Overlapping Taxes:</b>										
County	1.079	0.999	0.933	0.879	0.791	0.717	0.665	0.636	0.598	0.477
Fire District							1.450	1.375	1.257	1.028
State School	2.384	2.279	2.124	2.028	2.848	2.566	2.860	2.825	2.665	2.229
Local School	5.342	6.020	5.594	5.439	5.074	3.866	3.968	4.005	3.693	0.661
Library District	0.500	0.468	0.442	0.415	0.380	0.470	0.441	0.424	0.392	0.311
	9.305	9.766	9.093	8.761	9.093	7.619	9.384	9.266	8.605	4.707
Grand Total	\$12.494	\$12.631	\$11.775	\$11.309	\$11.563	\$9.899	\$11.04	\$10.87	\$10.10	\$5.97



Source: Snohomish County Assessor's Office

**PRINCIPAL PROPERTY TAXPAYERS**  
Principal Taxpayers Historical Comparison

Taxpayer	Common Name	Service or Product	2023			2014		
			Assessed Valuation <sup>(1)</sup>	Rank	As a Percentage Total City Valuation <sup>(1)</sup>	Assessed Valuation <sup>(2)</sup>	Rank	As a Percentage Total City Valuation <sup>(2)</sup>
CARROLLS CREEK APARTMENTS PROP OWN	Carrolls Creek Landing	Apartments	\$ 75,264,300	1	0.55%			
MARYSVILLE INVESTMENT PARTNERS LLC			53,168,000	2	0.39%			
SMOKEY POINT APARTMENTS III LLC	Smokey Pt Apartments	Apartments	50,078,291	3	0.36%			
SMOKEY POINT COMMERCIAL LL LLC			44,637,500	4	0.32%			
SMOKEY POINT APARTMENTS LLC	Smokey Pt Apartments	Apartments	43,912,000	5	0.32%			
SMOKEY POINT APARTMENTS II LLC	Smokey Pt Apartments	Apartments	39,366,679	6	0.29%			
SAGW LLC			37,103,300	7	0.27%			
M & D PROPERTIES LLC			36,965,500	8	0.27%			
MOR & MOR COMMERCIAL LLC			29,699,900	9	0.22%			
GRANDVIEWS REMINGTON PLACE			28,994,700	10	0.21%			
<hr/>								
Gateway Trident LLC	18111 25th Ave	Apartments				\$ 23,603,497	1	0.48%
Northwest Composites Inc.	12806 State Ave	Manufacturing				23,121,000	2	0.47%
Inland Western Marysville LLC	Safeway Plaza	Shopping Center				22,055,500	3	0.45%
Puget Sound Energy		Natural Gas				20,448,697	4	0.42%
Invitation Homes		Property Mgmt				19,377,900	5	0.40%
ROIC Washington LLC		Property Mgmt				18,808,900	6	0.39%
MGP IX Marysville LLC		Property Mgmt				15,729,600	7	0.32%
Everett Clinic		Investment				15,690,600	8	0.32%
Wal-Mart Real Estate Business Trust		Retail				15,288,983	9	0.31%
Smokey Pt Invstmt - Undi Fam LLC		Communication				15,231,000	10	0.31%
			<b>\$ 439,190,170</b>		<b>3.20%</b>	<b>\$ 189,355,677</b>		<b>3.89%</b>



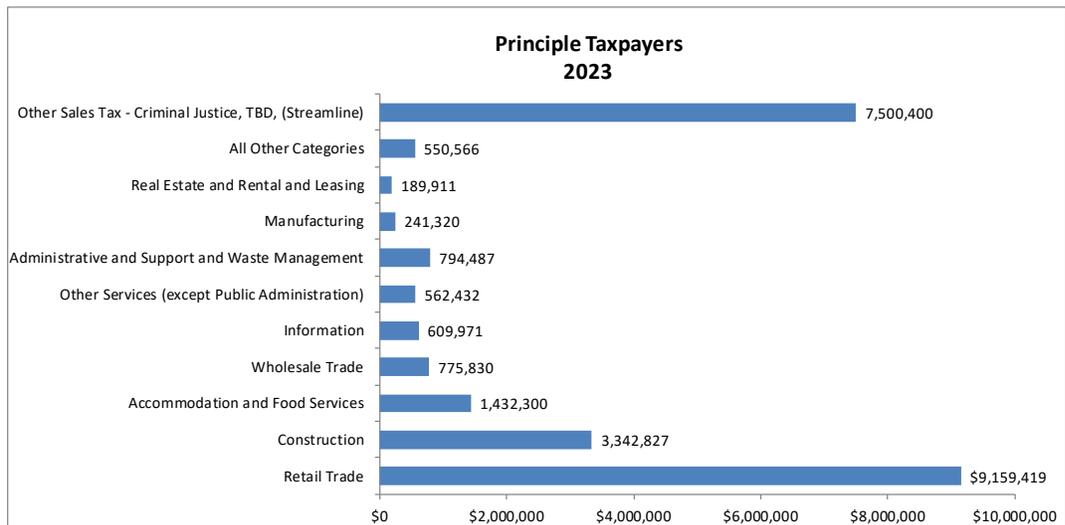
Source: Snohomish County Assessor's Office, City of Marysville.

**PRINCIPLE SALES TAXPAYERS  
LAST TEN FISCAL YEARS**

	Taxes Paid 2014	Taxes Paid 2015	Taxes Paid 2016	Taxes Paid 2017	Taxes Paid 2018	Taxes Paid 2019	Taxes Paid 2020	Taxes Paid 2021	Taxes Paid 2022	Taxes Paid 2023
Retail Trade	\$4,380,304	\$4,772,180	\$5,157,005	\$5,345,112	\$5,769,294	\$6,796,375	\$7,508,206	\$9,080,851	\$9,078,952	\$9,159,419
Construction	867,921	951,929	968,884	1,168,537	1,196,662	1,573,568	1,868,144	1,840,231	3,043,735	3,342,827
Accommodation and Food Services	755,532	789,244	847,262	944,726	1,053,482	1,077,614	1,012,066	1,258,723	1,311,434	1,432,300
Wholesale Trade	455,296	501,951	498,607	494,377	640,652	651,018	590,765	729,318	746,920	775,830
Information	431,194	481,607	466,061	468,010	472,528	481,730	477,003	539,384	562,004	609,971
Other Services (except Public Administration)	260,639	282,372	319,958	334,959	332,744	354,479	323,211	389,032	504,148	562,432
Administrative and Support and Waste Management	96,463	107,300	111,628	122,014	226,163	306,309	443,581	543,533	602,901	794,487
Manufacturing	149,501	153,873	104,156	143,092	188,111	197,067	196,720	196,244	216,867	241,320
Real Estate and Rental and Leasing	84,208	102,713	136,839	142,257	121,152	140,950	121,542	124,364	172,739	189,911
All Other Categories	298,516	330,814	358,076	419,193	340,630	374,912	391,727	521,884	541,803	550,566
Other Sales Tax - Criminal Justice, TBD, (Streamline)	3,079,118	4,258,371	5,461,105	5,791,494	6,183,946	8,033,422	4,490,057	6,558,086	7,301,078	7,500,400
<b>Total Paid</b>	<b>\$10,858,692</b>	<b>\$12,732,354</b>	<b>\$14,429,581</b>	<b>\$15,373,770</b>	<b>\$16,525,363</b>	<b>\$19,987,444</b>	<b>\$17,423,022</b>	<b>\$21,781,648</b>	<b>\$24,082,581</b>	<b>\$25,159,463</b>

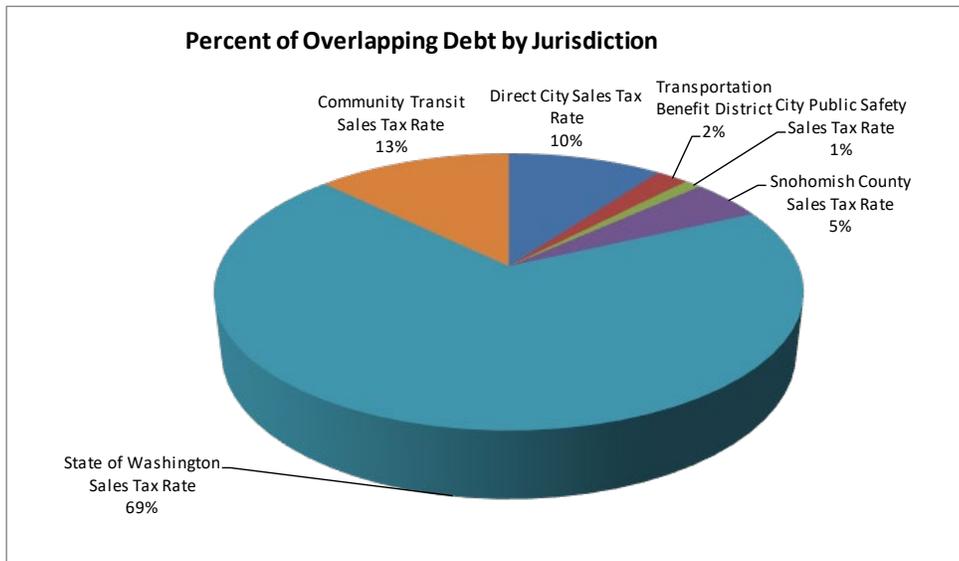
**Data Source:**

State of Washington, Department of Revenue



**DIRECT AND OVERLAPPING SALES TAX RATES  
LAST TEN FISCAL YEARS**

Year	Direct City Sales Tax Rate	Transportation Benefit District	City Public Safety Sales Tax Rate	Overlapping Taxes			Total Direct and Overlapping Rate
				Snohomish County Sales Tax Rate	State of Washington Sales Tax Rate	Community Transit Sales Tax Rate	
2014	1.05%	N/A	0.10%	0.25%	6.30%	0.90%	8.60%
2015	1.05%	0.20%	0.10%	0.25%	6.30%	0.90%	8.80%
2016	1.05%	0.20%	0.10%	0.25%	6.30%	1.20%	9.10%
2017	1.05%	0.20%	0.10%	0.25%	6.30%	1.20%	9.10%
2018	1.05%	0.20%	0.10%	0.25%	6.30%	1.20%	9.10%
2019	1.15%	0.20%	0.10%	0.35%	6.30%	1.20%	9.30%
2020	0.95%	0.20%	0.10%	0.35%	6.50%	1.20%	9.30%
2021	0.95%	0.20%	0.10%	0.35%	6.50%	1.20%	9.30%
2022	0.95%	0.20%	0.10%	0.45%	6.50%	1.20%	9.40%
2023	0.95%	0.20%	0.10%	0.45%	6.50%	1.20%	9.40%



**Data Source:**  
State of Washington

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Year	Governmental Type Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income*	Per Capita**
	General Obligation Bonds <sup>^</sup>	Public Works Trust Fund Loans	Special Assessment Bonds	Interlocal Agreement	General Obligation Bonds <sup>^^^</sup>	Revenue Bonds <sup>^^^</sup>	Public Works Trust Fund Loans <sup>^^^</sup>			
2014	26,546,088	-	6,022,846	412,216	1,730,707	46,124,141	11,868,542	91,128,651	0.26%	1,467
2015	25,212,563	-	5,107,846	311,571	1,448,434	43,111,873	10,537,695	85,729,982	0.23%	1,337
2016	24,156,842	-	4,250,000	238,910	1,148,460	40,484,604	9,206,939	79,485,755	0.20%	1,224
2017	22,713,515	-	3,920,000	162,893	830,245	37,787,607	7,876,183	73,290,442	0.18%	1,112
2018	69,010,242	-	3,590,000	83,525	555,500	35,004,643	6,545,425	114,789,335	0.26%	1,712
2019	67,038,440	-	2,900,000	-	380,000	32,116,679	5,214,669	107,649,788	0.23%	1,587
2020	77,998,187	-	2,540,000	-	195,000	29,108,715	3,883,913	113,725,815	0.22%	1,608
2021	74,984,658	-	2,215,000	-	-	25,965,749	2,553,156	105,718,563	0.20%	1,484
2022	70,974,644	-	1,815,000	-	-	22,677,785	1,275,031	96,742,460	0.16%	1,350
2023	66,831,482	-	1,525,000	-	-	19,229,821	526,318	88,112,621	0.15%	1,194

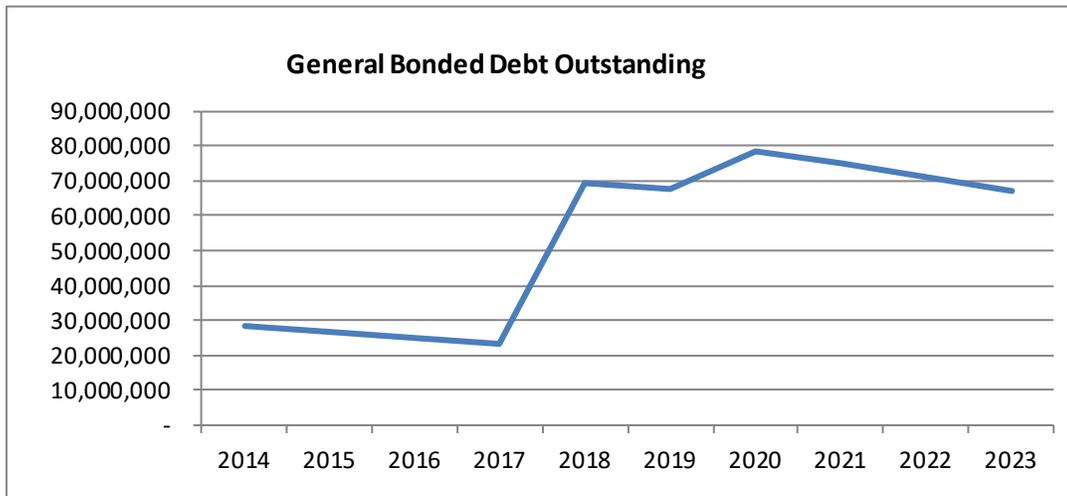
\*See Stat 13 for personal income data

\*\*See Stat 13 for population data

<sup>^</sup> Due to ACFR Review, GO Bond data has been updated for 08-12, 15 and 16

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

Year	General Obligation Bonds <sup>1&amp;4</sup>	Less Debt Service Funds	Net Bonded Debt	Percent of Taxable Assessed Value <sup>2</sup>	Per Capita <sup>3</sup>
2014	28,276,795	27,168	28,249,627	0.57%	451
2015	26,660,997	30,087	26,630,910	0.46%	415
2016	25,305,302	41,601	25,263,701	0.41%	389
2017	23,543,760	49,092	23,494,668	0.36%	357
2018	69,065,742	66,028	68,999,714	0.96%	1029
2019	67,383,277	89,004	67,294,273	0.84%	992
2020	78,193,187	43,211	78,149,976	0.88%	1105
2021	74,984,658	53,184	74,931,474	0.78%	1052
2022	70,974,644	78,496	70,896,148	0.66%	989
2023	66,831,482	166,570	66,664,912	0.49%	904



1 See Stat 8 - governmental type activities general obligation bonds + business type activities general obligation bonds = general obligation bonds

2 See Stat 7a for property value data

3 See Stat 13 for population data

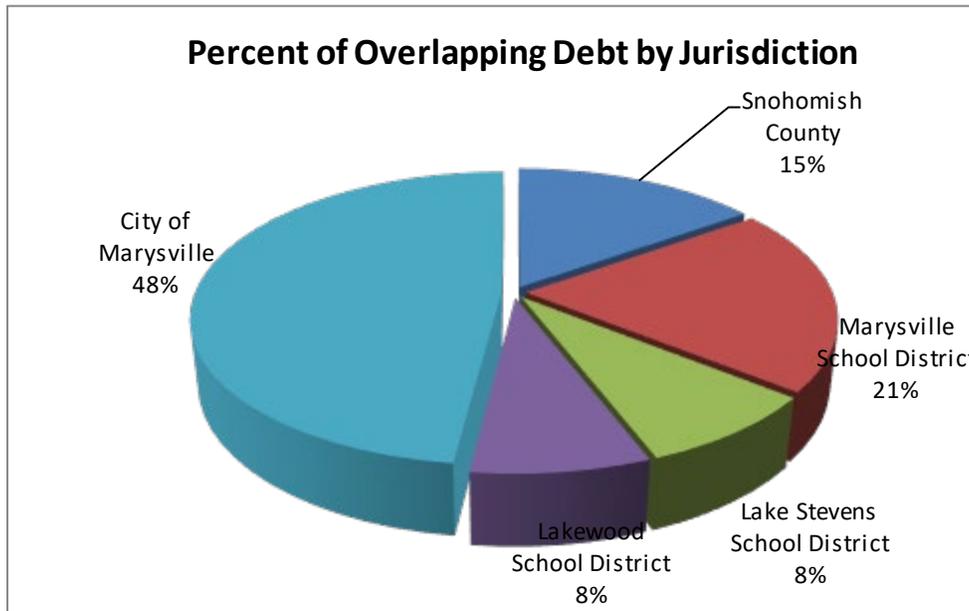
4 Due to ACFR Review of 2016 Stats., GO Bond totals needed to be updated for 2015 and 2016

Source: City of Marysville

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2023**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt
<b>Debt repaid with property taxes</b>			
Snohomish County	\$ 345,506,131	6.26%	\$ 21,632,082
Marysville School District No. 25	36,586,000	79.89%	29,226,736
Lake Stevens School District No. 4	106,465,000	11.21%	11,930,813
Lakewood School District No. 306	48,180,000	23.17%	11,162,808
<b>Other debt</b>			
			-
<b>Subtotal, overlapping debt</b>			73,952,439
<b>City direct debt</b>			68,356,482
<b>Total direct and overlapping debt</b>			<u><u>\$ 142,308,921</u></u>

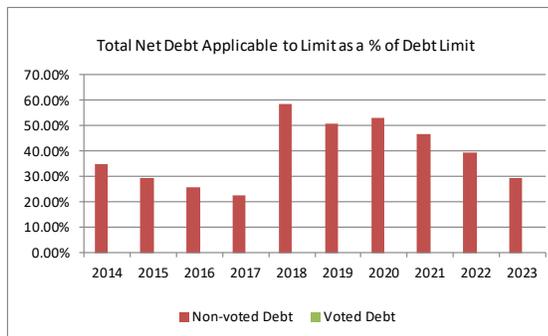
\* The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.



Sources: Assessed value used to estimate applicable percentages was provided by the Snohomish County Assessor's Office. Debt outstanding provided by each government unit.

**LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed Value (AV)	4,869,342,321	5,483,698,785	5,976,816,814	6,425,149,097	7,144,089,843	7,986,000,980	8,863,283,518	9,729,494,216	10,902,282,244	13,740,000,349
Non-voted debt limit (1.5% of AV)	73,040,135	82,255,482	89,652,252	96,377,236	107,161,348	119,790,015	132,949,253	145,942,413	163,534,234	206,100,005
Debt applicable to limit:										
Total general obligation debt	25,530,000	24,290,000	23,110,000	21,780,000	62,800,000	61,100,000	70,850,000	67,995,000	64,355,000	60,575,000
Less: Amount set aside for repayment of GO debt	(27,168)	(30,087)	(41,600)	(49,092)	(66,027)	(89,004)	(43,211)	(53,184)	(77,599)	(166,570)
Total net debt applicable to limit	25,502,832	24,259,913	23,068,400	21,730,908	62,733,973	61,010,996	70,806,789	67,941,816	64,277,401	60,408,430
Legal Debt Margin	47,537,303	57,995,569	66,583,852	74,646,328	44,427,375	58,779,019	62,142,464	78,000,597	99,256,832	145,691,575
Total net debt applicable to the limit as a % of debt limit	34.92%	29.49%	25.73%	22.55%	58.54%	50.93%	53.26%	46.55%	39.31%	29.31%
Voted debt limit (1% of AV)	48,693,423	54,836,988	59,768,168	64,251,491	71,440,898	79,860,010	88,632,835	97,294,942	109,022,822	137,400,003
Debt applicable to limit:										
Total general obligation debt	-	-	-	-	-	-	-	-	-	-
Less: Amount set aside for repayment of GO debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	48,693,423	54,836,988	59,768,168	64,251,491	71,440,898	79,860,010	88,632,835	97,294,942	109,022,822	137,400,003
Total net debt applicable to the limit as a % of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



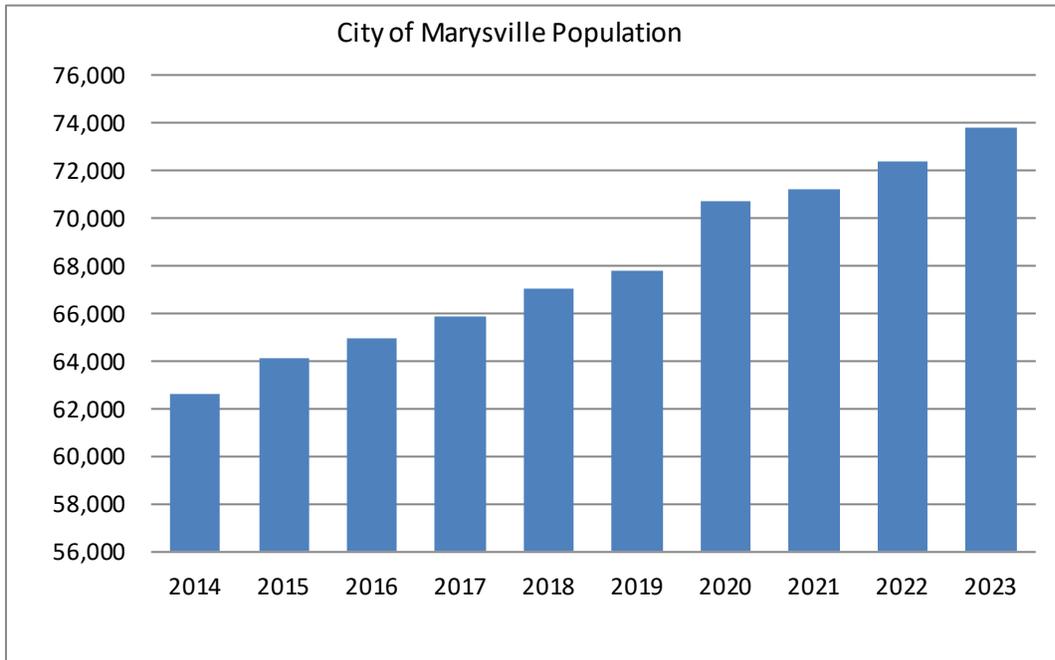
**PLEGGED-REVENUE COVERAGE  
LAST TEN FISCAL YEARS**

SEWER AND WATER REVENUE BONDS							SPECIAL ASSESSMENT BONDS			
Year	Utility Service Charges	Utility Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2014	23,906,695	15,991,055	7,915,640	2,145,000	1,719,367	2.05	1,722,963	-	-	-
2015	25,505,609	17,260,372	8,245,237	2,710,000	1,641,719	1.89	1,435,522	915,000	147,393	1.35
2016	25,976,164	17,683,085	8,293,079	2,325,000	1,525,875	2.15	454,196	857,846	195,201	0.43
2017	27,071,785	18,078,697	8,993,088	2,420,000	1,431,450	2.33	516,875	330,000	170,335	1.03
2018	27,476,992	19,478,835	7,998,157	2,505,000	1,345,050	2.08	796,549	330,000	159,280	1.63
2019	28,176,106	18,844,284	9,331,822	2,610,000	1,122,300	2.50	616,621	690,000	148,225	0.74
2020	28,793,223	19,789,347	9,003,876	2,730,000	1,122,300	2.34	348,287	360,000	120,350	0.73
2021	32,189,821	21,204,470	10,985,351	2,865,000	982,425	2.86	501,498	360,000	105,410	1.08
2022	31,757,378	23,141,751	8,615,627	3,010,000	835,550	2.24	410,715	400,000	91,923	0.83
2023	35,013,602	22,569,429	12,444,173	3,330,000	518,550	3.23	383,163	290,000	75,323	1.05

(1) Excludes depreciation, amortization

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Year	City of Marysville Population <sup>(1)</sup>	Personal Income <sup>(2)</sup> (millions of dollars)	Per Capita Personal Income <sup>(2)</sup>	Unemployment Rate - % of Labor Force <sup>(3)</sup>	Median Age <sup>(4)</sup>	School Enrollment <sup>(5)</sup>
2014	62,600	34,156	44,967	5.2%	38.34	11,347
2015	64,140	36,633	48,488	4.7%	38.57	11,227
2016	64,940	39,370	49,970	4.3%	38.87	11,085
2017	65,900	41,661	51,879	4.1%	39.08	11,180
2018	67,040	44,722	54,934	3.8%	39.22	11,092
2019	67,820	47,617	57,900	3.0%	39.39	11,000
2020	70,714	51,706	62,805	7.8%	39.39	10,340
2021	71,250	57,396	67,885	3.8%	38.20	10,270
2022	72,380	57,974	69,010	3.2%	38.72	10,132
2023	73,780	60,003 *	71,425 *	3.6%	38.97	10,058



Sources:

- (1) Washington Ste Office of Financial Management, Forecasting Division
- (2) United States Bureau of Economic Analysis. Figures are for all of Snohomish County
- (3) Washington State Employment Security Department. Figures are for all of Snohomish County
- (4) Washington State Office of Financial Management, Forecasting Division. Figures are for Snohomish County
- (5) Office of Superintendent of Public Instruction, Washington State Report Card

\* City calculated estimates.

MAJOR EMPLOYERS WITHIN THE CITY OF MARYSVILLE  
CURRENT YEAR AND TEN YEARS AGO

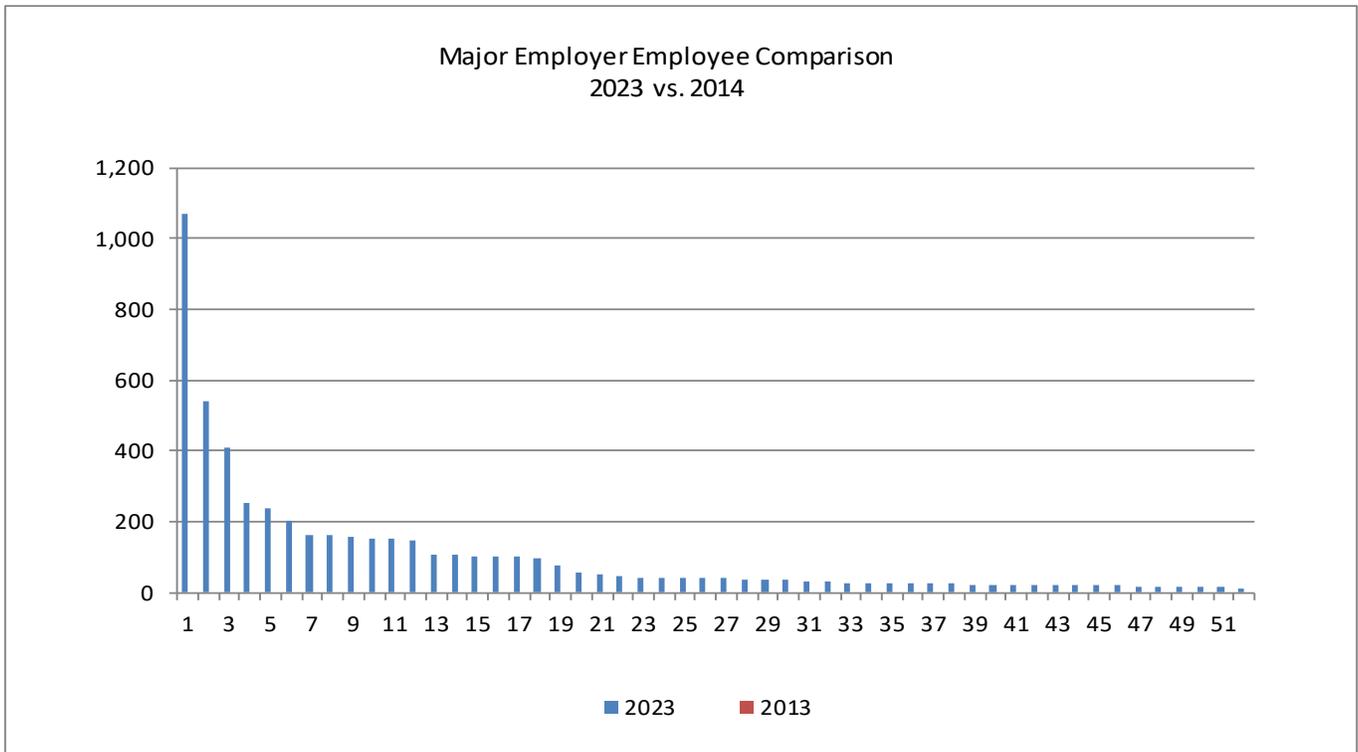
Name of Employer	Service or Product	2023		
		Employees	Rank	Percentage of Total City Employment <sup>(1)</sup>
Marysville School District	Education	1,071	1	10.34%
C&D Zodiac (f/k/a Northwest Composites)	Plastics/honeycomb tubing	540	2	5.22%
City of Marysville	City government	409	3	3.95%
Smokey Point Behavioral Hospital	Hospital	256	4	2.47%
Walmart	Retail - variety	238	5	2.30%
Fred Meyer, Inc.	Retail - variety	201	6	1.94%
The Everett Clinic	Medical	163	7	1.57%
Madeline Villa Health Care	Health care center	162	8	1.56%
Costco	Retail - Warehouse Club	156	9	1.51%
Marysville Care Center	Health care center	153	10	1.48%
Winco Foods	Grocery/pharmacy	151	11	1.46%
Soil Organics	Organic Herbs and Greens grower	147	12	1.42%
Marysville Toyota	Auto Dealership	106	13	1.02%
Marysville Ford	Auto Dealership	105	14	1.01%
Safeway	Grocery/pharmacy	102	15	0.99%
Marysville Honda	Auto Dealership	101	16	0.98%
Target	Retail - variety	100	17	0.97%
Albertson's	Grocery/pharmacy	99	18	0.96%
UPS Package	Package Delivery	77	19	0.74%
Evergreen Restaurant Group	Outback and Bonefish Grill	55	20	0.53%
Dicks Sporting Goods	Retail - Sporting Goods	54	21	0.52%
Hobby Lobby	Craft Supplies	46	22	0.44%
Haggens	Grocery/pharmacy	43	23	0.42%
Chick Fil A	Restaurant	41	24	0.40%
Burlington Coat Factory	Retail	41	24	0.40%
Walgreens	Retail - variety	40	26	0.39%
Evans Manufacturing	Metal Fabrication	40	26	0.39%
KR Cabinetry	Cabinet and Countertop	39	28	0.38%
Coastal	Retail	38	29	0.37%
Camping World	RV and Outdoor Retail	35	30	0.34%
Superior Rail & Awning	Rail and Balcony Manufacturing	31	31	0.30%
Gravitics	Space Modudule Manufacturing	31	31	0.30%
Red Robin	Restaurant	29	33	0.28%
Parr Lumber	Lumber and wood products	28	34	0.27%
Playa Bonita	Restaurant	27	35	0.26%
Petco	Pet Supplies	27	35	0.26%
Oreilys	Auto Parts	27	35	0.26%
PetSmart	Pet Supplies	26	38	0.25%
Harbor Freight	Retail Tools	24	39	0.23%
McDonalds	Restaurant	24	39	0.23%
Rock Solid Restaurants LLC	Hop N Drops	22	41	0.21%
Mutual Materials	Home Outdoor Supply	22	41	0.21%
Jimmy John's	Sandwich Shop	22	41	0.21%
Popeyes	Restaurant	22	41	0.21%
Bartell's	Retail	22	41	0.21%
Village Tap House and Grill	Restaurant	20	46	0.19%
Dickey's BBQ	Restaurant	19	47	0.18%
California Burrito	Restaurant	18	48	0.17%
Gale Contractors	Contractor service products	17	49	0.16%
Jersey Mike's	Sandwich Shop	16	50	0.15%
Largo Tents	Tent, Canopy Manufacturing	15	51	0.14%
Coconut Kenny's	Restaurant	14	52	0.14%
Sound Harley Davidson	Motorcycle Shop	14	52	0.14%
		<u>5,326</u>		<u>51.44%</u>

(1) Total City Employment Estimated by City Management

Source: City of Marysville, Snohomish County Economic Development Council, and individual employers

**MAJOR EMPLOYERS WITHIN THE CITY OF MARYSVILLE  
CURRENT YEAR AND TEN YEARS AGO**

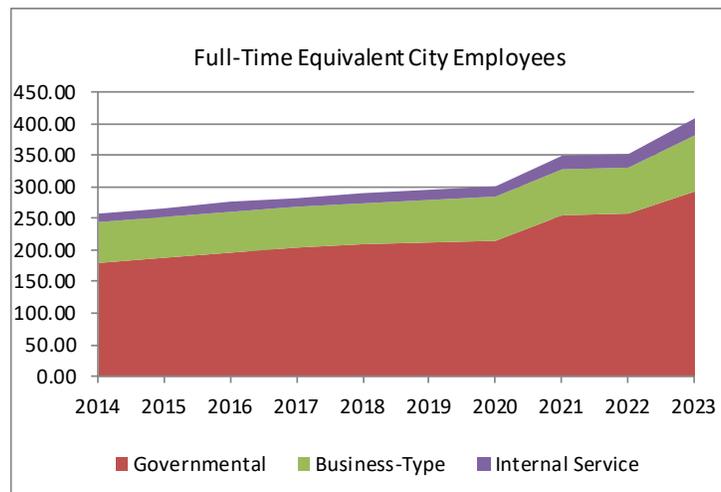
Name of Employer	Service or Product	2014		
		Employees	Rank	Percentage of Total City Employment <sup>(2)</sup>
Marysville School District	Education	1,394	1	17.43%
C&D Zodiac (f/k/a Northwest Composites)	Plastics/honeycomb tubing	670	2	8.38%
Walmart	Retail - variety	295	3	3.69%
City of Marysville	City government	258	4	3.23%
Fred Meyer, Inc.	Retail - variety	218	5	2.73%
The Everett Clinic	Medical	172	6	2.15%
Marysville Care Center	Health care center	162	7	2.03%
Target	Retail - variety	157	8	1.96%
Winco Foods	Grocery/pharmacy	145	9	1.81%
Costco	Retail - Warehouse Club	133	10	1.66%
Safeway	Grocery/pharmacy	118	11	1.48%
Madeline Villa Health Care	Health care center	107	12	1.34%
Albertson's	Grocery/pharmacy	96	13	1.20%
Kmart	Retail - variety	78	14	0.98%
Walgreens	Retail - variety	47	15	0.59%
Petco	Pet Supplies	36	16	0.45%
Parr Lumber	Lumber and wood products	25	17	0.31%
		<b>4,111</b>		<b>51.39%</b>



(1) Total City Employment Estimated by City Management

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

Function/Program	Full-time equivalent employees as of December 31									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Governmental Activities:</b>										
General governmental services	55.00	60.50	63.50	63.50	64.25	64.50	64.50	74.75	69.50	77.50
Police	87.50	89.50	92.50	98.00	101.00	103.00	107.00	124.50	129.00	135.00
Engineering	11.00	12.00	12.00	13.00	14.00	14.00	14.00	21.00	25.00	27.00
Transportation	12.50	12.50	14.50	14.50	15.00	16.00	16.00	24.00	25.00	41.00
Culture and recreation	12.50	13.50	13.50	14.00	14.00	14.00	14.00	11.00	9.00	11.00
<b>Total FTEs governmental activities</b>	<b>178.50</b>	<b>188.00</b>	<b>196.00</b>	<b>203.00</b>	<b>208.25</b>	<b>211.50</b>	<b>215.50</b>	<b>255.25</b>	<b>257.50</b>	<b>291.50</b>
<b>Business-Type Activities:</b>										
Water/Sewer/Surface Water	53.75	55.25	55.75	56.00	56.25	58.25	58.25	60.50	61.25	76.30
Solid Waste	8.00	8.00	8.50	8.50	9.30	9.34	9.34	11.59	11.30	14.30
Golf	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total FTEs business-type activities</b>	<b>65.75</b>	<b>63.25</b>	<b>64.25</b>	<b>64.50</b>	<b>65.55</b>	<b>67.59</b>	<b>67.59</b>	<b>72.09</b>	<b>72.55</b>	<b>90.60</b>
<b>Internal Service:</b>										
Fleet Services	5.50	5.50	6.50	6.50	6.30	6.33	6.33	6.33	8.30	8.30
Facilities Maintenance	2.50	2.50	2.50	2.50	2.30	2.33	4.33	6.33	5.30	7.30
Computer Services	5.75	6.75	5.75	5.75	6.00	6.00	6.00	9.00	8.00	11.00
<b>Total FTEs internal service</b>	<b>13.75</b>	<b>14.75</b>	<b>14.75</b>	<b>14.75</b>	<b>14.60</b>	<b>14.66</b>	<b>16.66</b>	<b>21.66</b>	<b>21.60</b>	<b>26.60</b>
<b>Total City FTEs</b>	<b>258.00</b>	<b>266.00</b>	<b>275.00</b>	<b>282.25</b>	<b>288.40</b>	<b>293.75</b>	<b>299.75</b>	<b>349.00</b>	<b>351.65</b>	<b>408.70</b>
<b>Annual percent change total city</b>	4.88%	3.10%	3.38%	2.64%	2.18%	1.86%	2.04%	16.43%	0.76%	16.22%



\*Total ending authorized positions per the city's budget

- (1) The city reduced staff in 2003 and 2010 through both attrition and layoffs due to the local economy.
- (2) Computer services was moved from the general governmental services activity to an internal service activity in 2006.
- (3) The Program Engineer-Surface Water Supervisor was reclassified to Water Quality Manager and now reports to the Public Works Superintendent. The two surface water specialists and the surfac water inspector moved from Engineering to Water/Sewer Utility in 2013.

Source: City Budget

OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Police</b>										
Bookings	3,935	2,893	3,097	2,795	3,243	2,820	1,233	1,179	1,266	2,052
Citations (Total)	7,316	6,012	5,860	4,842	6,319	7,824	6,567	5,114	4,068	6,135
Parking Violations	113	182	223	511	583	661	339	151	78	329
Illegal Passing of School Buses					355	254	52	269	144	454
Calls for Service / Ave Per Month	6,163	5,987	5,409	5,587	5,983	5,918	5,742	5,363	5,155	5,930
<b>Fire</b>										
Number of Incidents	11,368	12,856	13,861	15,345	14,158	13,996	12,839	14,264	15,984	15,953
EMS Transports	5,052	5,350	5,946	6,289	5,971	6,013	5,373	5,896	6,041	5,855
<b>Water</b>										
New Connections	2182 ^	98	107	59	188	512	382	326	276	231
Average Yearly Water Consumption (millions of gallons)	1,571.9	1,717.4	1,718.3	2,021.4	1,832.0	1,869.1	1,863.8	2,108.5	2,142.0	2,231.0
<b>Sewer</b>										
New Connections	112	108	144	92	236	503	382	326	186	483
<b>Sanitation</b>										
Refuse Collected (tons per year)	15,905.42	16,129.80	16,406.25	16,830.69	17,804.67	18,043.78	18,700.00	19,724.79	26,805.09	26,654.94
<b>Wastewater</b>										
Average Monthly Wastewater Treatment										
Influent	5.19	4.97	5.43	5.38	5.55	4.61	5.48	5.98	6.09	5.71
Effluent	5.08	4.86	5.26	5.33	5.53	4.62	5.22	5.70	5.73	5.37
<b>Culture and Recreation</b>										
Registrations	8,680	8,495	8,485	12,777	15,283	17,541	4,403	9,474	14,688	20,711
Rentals	975***	927^^	1,033	1,031	1,031	996	307	643	932	1,242
Drop-In Community Center Attendance	16,838***	11,143***	11,593	11,120	16,096	15,586	3,675	N/A	N/A	833
Opera House Paid Attendance****	N/A	N/A	3,137	5,294	5,349	5,402	553	1,072	1,302	2,611
<b>Municipal Court</b>										
Total Filings (Arlington, Lake Stevens, Marysville)	10,362	8,674	9,249	9,791	12,474	13,265	9,822	7,122	4,068	6,135
<b>Community Development</b>										
New/Improved Building Valuations	\$ -	\$53,098,316	\$118,806,080	\$59,518,376	\$94,977,856	\$196,536,604	\$144,878,881	\$186,953,435	\$135,145,530	\$267,621,120
Single Family Permits	-	184	199	147	243	457	387	289	273	582
Multi Family Permits	-	-	28	13	6	2	1	20	13	36
Commercial Permits	-	83	78	81	99	83	58	63	59	84
Total Permits***	3,369	3,208	3,672	3,747	4,426	5,756	5,072	5,497	4,334	6,500
<b>Golf</b>										
Total Rounds	31,223	35,321	35,443	29,586	33,981	39,287	47,774	50,091	44,968	50,367

Source: Various City Departments

#2020 Most numbers were down considerably due to Covid 19 restrictions

\*Reduction in Rentals due to rental being once per day, rather than twice.

\*\*In 2011 the reporting on permits changed. The report now tracks total permits granted in a given year without New/Improved Building Valuations

\*\*\* In 2014, the Ken Baxter Community Center was closed from 11/21/14 to 12/31/14 for repairs. And from 1/1/15 to 3/31/15

^ The 2014 number includes the acquisition of the PUD Water customers in the Sunnyside area (Southeast Marysville, 2,086 connections)

^^ New software in 2015 has allowed the breakout of permits and valuations to be done.

^^^ Library was transferred to Sno Isle Library System on 3/1/15, therefore the City lost its ability to rent space at the library.

\*\*\*\* The City is leasing the Opera House from the owner and is renting the Opera House for Weddings, Events, Concerts, etc. started in 2016 Starting in 2018, the City now owns the Opera House Venue

^ Community Center was closed for Covid and did not reopen, was demolished and will be relocated in 2022. Opened in January of 2023

**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Public Safety</b>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
<b>Culture and Recreation</b>										
Parks Acreage	527	527	538	538	538	538	538	538	538	538
Parks	32	32	32	32	32	32	32	32	32	32
Community Centers^	1	1	2**	2**	2^	2	2	2	2	2
Library	1	0	0	0	0	0	0	0	0	0
<b>Transportation</b>										
Paved Streets (in miles)	202.4	202.8	203.9	204.6	204.6	204.6	213.5	217.4	219.5	232.4
Signs	9,129	9,386	9,531	9,633	9,822	9,977	10,851	11,178	11,355	11,406
Signalized Intersections	43	44	44	45	45	45	46	43	43	43
Street Lights	681	585	435	492	505	515	681	671	741	741
<b>Water/Sewer/Surface Water</b>										
<b>Water</b>										
Water Mains (miles)	323	327	333****	335	335	328	334	336	345	356
Water Storage Capacity (mg)	24	24	24	24	24	24	24	24	24	24
<b>Sewer</b>										
Sanitary Sewers (miles)	227	227	229****	230	231	236	240	251	254	240
Storm Sewers (miles)	170	172	178	178	179	186	195	234	308	239
Treatment Capacity (mgd)	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7	12.7
<b>Sanitation</b>										
Collection Trucks	9	8	11***	11	11	10	12	14	17	17
<b>Golf</b>										
Municipal Golf Courses	1	1	1	1	1	1	1	1	1	1

\*\* City leases the renovated Opera House and owns the Ken Baxter Community Center

\*\*\* includes 2 spare trucks

\*\*\*\* 2016 Water and Sewer Miles were recalculated and updated.

^ Starting in 2018, City now owns the Opera House venue, community center has been closed for renovation and will open in 2023 at 1015 State Ave

Source: Various City Departments

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