



# **2022 Annual Report**

**CITY OF COSMOPOLIS**  
**Notes to the Financial Statements**  
**For the year ended December 31, 2022**

**Note 1 - Summary of Significant Accounting Policies**

The City of Cosmopolis was incorporated on June 10, 1891 and operates under the laws of the state of Washington applicable to a Code City. The city is a general-purpose local government and provides public safety, street improvements, parks and recreation, and general administration services.

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

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

A. Fund Accounting

Financial transactions of the government are reported in individual funds. Each fund uses a separate set of self-balancing accounts that comprises its cash and investments, revenues and expenditures. The government's resources are allocated to and accounted for in individual funds depending on their intended purpose. Each fund is reported as a separate column in the financial statements, except for fiduciary funds, which are presented by fund types. The total column is presented as "memo only" because any interfund activities are not eliminated. The following fund types are used:

GOVERNMENTAL FUND TYPES:

General Fund

This fund is the primary operating fund of the government. It accounts for all financial resources except those required or elected to be accounted for in another fund.

Special Revenue Funds

These funds account for specific revenue sources that are restricted or committed to expenditures for specified purposes of the government.

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Debt Service Funds

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

Capital Projects Funds

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

Permanent Funds

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

PROPRIETARY FUND TYPES:

Enterprise Funds

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

FIDUCIARY FUND TYPES:

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

Custodial Funds

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

B. Basis of Accounting and Measurement Focus

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

C. Cash and Investments

See Note 4- *Deposits and Investments*.

D. Capital Assets

Capital assets are assets with an initial individual cost of more than \$500 and an estimated useful life in excess of 3 years. Capital assets and inventory are recorded as capital expenditures when purchased.

E. Compensated Absences

Vacation leave may be accumulated up to 240 hours and is payable upon separation or retirement. Sick leave may be accumulated 960 hours. Upon separation or retirement employees receive payment for 25%

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of unused sick leave. Payments are recognized as expenditures when paid. As of December 31, 2022, the City has a liability of \$161,426 for compensated absences.

**F. Long-Term Debt**

See Note 7 – *Long-Term Debt (formerly Debt Service Requirements)*.

**G. Restricted and Committed Portion of Ending Cash and Investments**

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

Fund Name		
General Fund		\$ 55,385
Equipment Reserve Fund	\$ 54,680	
Drug Seizure Fund	\$ 705	
Street Fund		\$ 5,636
Real Estate Excise Tax		\$ 223,771
UTGO Bond 1997		\$ 50,334
UTGO Bond 2020		\$ 2,804,323
Water		\$ 48,341
Sewer		\$ 110,629
Stormwater		\$ 64,592
Cemetery Perpetual Care		\$ 61,601
Municipal Court Agency		\$ 2,731
Total		\$ 3,427,343

**Note 2 - Budget Compliance**

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

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

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

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Fund/Department	Final Appropriated Amounts	Actual Expenses	Variance
General Fund	\$ 2,446,653	\$ 2,251,955	\$ 194,698
Street Fund	\$ 206,483	\$ 172,217	\$ 34,266
UTGO Bond 1997	\$ 50,335	\$ -	\$ 50,335
UTGO Bond 2020	\$ 2,941,000	\$ 202,885	\$ 2,738,115
REET Fund	\$ 200,000	\$ -	\$ 200,000
Water Fund	\$ 625,000	\$ 618,656	\$ 6,344
Sewer Fund	\$ 658,070	\$ 546,097	\$ 111,973
Stormwater Utility	\$ 63,000	\$ 15	\$ 62,985
Cemetery Perpetual Care	\$ 54,500	\$ -	\$ 54,500
Makarenko Park Reserve	\$ 245,250	\$ 9,974	\$ 235,276
Total	\$ 7,490,291	\$ 3,801,795	\$ 3,688,492

Budgeted amounts are authorized to be transferred between departments within any fund; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours, or other conditions of employment must be approved by the city's legislative body.

**Note 3– COVID-19 Pandemic**

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel and non-essential activities.

The City received the second tranche of funding from the American Rescue Plan Act in the amount of \$232,199 to replace revenue lost during the Covid-19 pandemic.

Mayor Pauley formally ended the State of Emergency within the City of Cosmopolis on November 1, 2022, coinciding with the end of the Washington State order.

**Note 4– Deposits and Investments**

Investments are reported at fair value. Deposits and investments by type at December 31, 2022 are as follows:

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<b>Type of Deposit or Investment</b>	<b>City's own deposits &amp; investments</b>	<b>Deposits &amp; investments held by the City as custodian for other local governments, individuals, or private organizations.</b>	<b>Combined</b>
Bank of the Pacific	3,365,313	2,731	3,368,044
LGIP	971,047		971,047
North Cascades Bank	31,296		31,296
<i>Totals</i>	4,367,657	2,731	4,370,387

It is the city’s policy to invest all temporary cash surpluses. The interest on these investments is prorated to the various funds.

Investments in the State Local Government Investment Pool (LGIP)

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

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

Custodial Credit Risk

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

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

**Note 5 – Subsequent Events**

In December 2022, Cosmo Specialty Fibers changed ownership. Their work slowdown has created a gap in our budget out of our control. Based on the 2005 closure of the mill when it was under Weyerhaeuser ownership and the extended closure during the COVID-19 pandemic, we have already put measures in place to ensure these periods of lesser tax input are not as detrimental as they could be. Based on the tax market share of the pulp mill within Cosmopolis, it is imperative that budgets are conservative to allow for market adjustments. This may include heightened cost reduction during market downtimes, and, at a last resort, the elimination of labor force. The volatility of the pulp market creates an uncertainty regarding ongoing budget planning, but with safeguards and policies in place to respond to unseen

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outside elements we have been able to maintain a financial position that does not place undue harm onto the city.

**Note 6- Interfund Loans**

The following table displays interfund loan activity during 2022:

<b>Borrowing Fund</b>	<b>Lending Fund</b>	<b>Beginning Balance</b>	<b>New Loans</b>	<b>Payments</b>	<b>Ending Balance</b>
1	404	49001.74		7,956.55	41,045.19
1	702	61189.84		9,946.31	51,243.53
1	702	121577.09		19,900.64	101,676.45
101	404	24292.59		5,850.09	18,442.50

**Note 7 – Long-Term Debt** *(formerly Debt Service Requirements)*

The accompanying Schedule of Liabilities provides more details of the outstanding debt and liabilities of the city and summarizes the city’s debt transactions for year ended December 31, 2022.

The debt service requirements for general obligation bonds, revenue bonds and other debt are as follows:

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2023	201,549	96,022	297,571
2024	203,452	89,989	293,441
2025	182,990	84,462	267,452
2026	183,082	79,581	262,663
2027	189,979	74,559	264,538
2028-2032	1,043,785	307,697	1,351,482
2033-2037	1,002,490	223,397	1,225,887
2038-2040	630,865	40,407	671,272
<i>Totals</i>	3,638,192	996,114	4,634,306

**Note 8 – Pension Plans**

A. State Sponsored Pension Plans

Substantially all the city’s full-time and qualifying part-time employees participate in the following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans (list only applicable plans).

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The State Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems, a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

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

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

The city also participates in the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension Fund (VFFRPF) administered by the State Board for Volunteer Fire Fighters and Reserve Officers. Detailed information about the plan is included in the State of Washington CAFR available from the Office of Financial Management website at [www.ofm.wa.gov](http://www.ofm.wa.gov).

At June 30, 2022 (the measurement date of the plans), the city's proportionate share of the collective net pension liabilities, as reported on the Schedule of Liabilities, was as follows:

<b>Plan Type</b>	<b>Employer Contributions</b>	<b>Allocation Percentage</b>	<b>Plan Liability / Asset</b>	<b>NPL</b>	<b>NPA</b>
PERS 1 UAAL	23862.26	0.00389400%	2,784,367,000	108,423	
PERS 2/3	40688.41	0.00506500%	(3,708,781,000)		(187,850)
LEOFF 2	22994.89	0.01110700%	(2,717,698,000)		(301,855)
VFFRPF	390	0.210000%			(57,973)
		<i>Totals</i>		108,423	(547,677)

**LEOFF Plan 2**

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

**Note 9 - Property Tax**



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The county treasurer acts as an agent to collect property tax levied in the county for all taxing authorities. Collections are distributed after the end of each month.

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

The city's regular levy for the year 2022 was \$2.3382816 per \$1,000 on an assessed valuation of \$193,819,947 for a total regular levy of \$453,206. The City's bond levy for the year 2022 was \$.9496456 on an assess valuation of \$190,586,601 for a total bond levy of \$180,990.

**NOTE 10 – HEALTH & WELFARE**

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

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

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

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

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

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

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2022, the AWC Trust HCP purchased medical stop loss insurance for

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Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$1.5 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

Participating employers contract to remain in the AWC Trust HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date.

When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the AWC Trust HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the AWC Trust HCP. Similarly, the terminating member forfeits all rights and interest to the AWC Trust HCP Account.

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

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

### **Note 11– Risk Management**

The City of Cosmopolis is a member of Cities Insurance Association of Washington (CIAW). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a program or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The program was formed on September 1, 1988, when 34 cities in the state of Washington joined together by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. **As of November 30, 2022, membership includes 195 members in the program.**

The program provides the following forms of joint self-insurance and reinsurance coverage for its members: Property, including Automobile Comprehensive and Collision, Equipment Breakdown, Crime Protection and Liability, including General, Automobile, Wrongful Acts, and Cyber, which are included to fit the member's various needs.

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The program acquires reinsurance through their administrator, Clear Risk Solutions. Liability coverage is purchased to an **aggregate limit of \$50,000,000** with a **self-insured retention (SIR) of \$500,000**. Members are responsible for a \$1,000 to \$50,000 deductible for each claim (can vary by member), while the program is responsible for the **\$500,000 SIR**. Since the program is a cooperative program, there is joint liability among the participating members toward the sharing of the **\$500,000 SIR**, in addition to the deductible. The program also purchases a Stop Loss Policy as another layer of protection to its membership, **with an attachment point of \$7,110,058**, which is fully funded in its annual budget.

Property insurance is subject to a per occurrence **SIR of \$500,000**. Members are responsible for a \$1,000 deductible for each claim (some member deductibles vary). The program bears the **\$500,000 SIR**, in addition to the deductible.

Crime insurance is subject to a per occurrence **SIR of \$25,000**. Members are responsible for a \$1,000 deductible for each claim (some member deductibles vary). The program bears the **\$25,000 SIR**, in addition to the deductible.

Equipment Breakdown insurance is subject to a per occurrence deductible of \$2,500 (cities and special districts) and \$500 (fire districts), which may vary per member, with the exception of Pumps & Motors, which is \$10,000. Members are responsible for the deductible amount of each claim. There is no program SIR on this coverage, with the exception of Pumps & Motors, which is \$15,000 and is covered by CIAW.

Cyber liability insurance is subject to a per-occurrence **SIR of \$50,000**. Members are responsible for a \$10,000 deductible for each claim, while the program is responsible for the remaining **\$40,000 SIR**.

Members contract to remain in the program for a minimum of one year and must give notice before December 1 to terminate participation the following December 1. The Interlocal Agreement is renewed automatically each year. In the event of termination, a member is still responsible for contributions to the program for any unresolved, unreported, and in-process claims for the period they were a signatory to the Interlocal Agreement.

The program has no employees. Claims are filed by members/brokers with Clear Risk Solutions, who has been contracted to perform program administration, underwriting, claims adjustment, and loss prevention for the program. Fees paid to the third-party administrator under this arrangement for the year ending **December 1, 2022, were \$2,747,183.56**.

A board of ten members is selected by the membership from three geographic areas of the state on a staggered term basis and is responsible for conducting the business affairs of the program.

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

		<u>Total for All Funds (Memo Only)</u>	<u>001 General Expense Fund</u>	<u>101 Street Fund</u>	<u>105 Cemetery Perpetual Care Fund</u>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	3,916,350	516,240	11,935	56,601
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	2,216,490	1,863,202	132,661	-
320	Licenses and Permits	52,141	52,141	-	-
330	Intergovernmental Revenues	408,869	375,547	33,257	-
340	Charges for Goods and Services	1,333,920	17,347	-	5,000
350	Fines and Penalties	25,076	25,076	-	-
360	Miscellaneous Revenues	162,937	153,330	-	-
Total Revenues:		<u>4,199,433</u>	<u>2,486,643</u>	<u>165,918</u>	<u>5,000</u>
<b>Expenditures</b>					
510	General Government	363,333	363,333	-	-
520	Public Safety	1,289,096	1,289,096	-	-
530	Utilities	1,205,010	76,173	-	-
540	Transportation	163,815	-	163,815	-
550	Natural/Economic Environment	45,911	45,911	-	-
560	Social Services	494	494	-	-
570	Culture and Recreation	275,194	275,194	-	-
Total Expenditures:		<u>3,342,853</u>	<u>2,050,201</u>	<u>163,815</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		856,580	436,442	2,103	5,000
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	9,974	9,974	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	43,694	40	-	-
Total Other Increases in Fund Resources:		<u>53,668</u>	<u>10,014</u>	<u>-</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	85,325	49,127	-	-
591-593, 599	Debt Service	310,846	105,680	2,550	-
597	Transfers-Out	9,974	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	52,797	46,947	5,850	-
Total Other Decreases in Fund Resources:		<u>458,942</u>	<u>201,754</u>	<u>8,400</u>	<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>451,306</u></b>	<b><u>244,702</u></b>	<b><u>(6,297)</u></b>	<b><u>5,000</u></b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	237,484	-	-	-
50831	Restricted	2,904,930	-	-	-
50841	Committed	519,682	55,385	5,636	61,601
50851	Assigned	12,658	12,658	-	-
50891	Unassigned	692,902	692,902	-	-
<b>Total Ending Cash and Investments</b>		<b><u>4,367,656</u></b>	<b><u>760,945</u></b>	<b><u>5,636</u></b>	<b><u>61,601</u></b>

The accompanying notes are an integral part of this statement.

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

		<u>204 Utgo Bond Redemption Fund 1997</u>	<u>205 UTGO Bond Redemption Fund 2020</u>	<u>305 Real Estate Excise Tax</u>
<b>Beginning Cash and Investments</b>				
308	Beginning Cash and Investments	50,334	2,827,297	182,149
388 / 588	Net Adjustments	-	-	-
<b>Revenues</b>				
310	Taxes	-	179,070	41,557
320	Licenses and Permits	-	-	-
330	Intergovernmental Revenues	-	-	65
340	Charges for Goods and Services	-	-	-
350	Fines and Penalties	-	-	-
360	Miscellaneous Revenues	-	840	-
Total Revenues:		-	179,910	41,622
<b>Expenditures</b>				
510	General Government	-	-	-
520	Public Safety	-	-	-
530	Utilities	-	-	-
540	Transportation	-	-	-
550	Natural/Economic Environment	-	-	-
560	Social Services	-	-	-
570	Culture and Recreation	-	-	-
Total Expenditures:		-	-	-
Excess (Deficiency) Revenues over Expenditures:		-	179,910	41,622
<b>Other Increases in Fund Resources</b>				
391-393, 596	Debt Proceeds	-	-	-
397	Transfers-In	-	-	-
385	Special or Extraordinary Items	-	-	-
381, 382, 389, 395, 398	Other Resources	-	-	-
Total Other Increases in Fund Resources:		-	-	-
<b>Other Decreases in Fund Resources</b>				
594-595	Capital Expenditures	-	36,198	-
591-593, 599	Debt Service	-	166,686	-
597	Transfers-Out	-	-	-
585	Special or Extraordinary Items	-	-	-
581, 582, 589	Other Uses	-	-	-
Total Other Decreases in Fund Resources:		-	202,884	-
<b>Increase (Decrease) in Cash and Investments:</b>		-	<b>(22,974)</b>	<b>41,622</b>
<b>Ending Cash and Investments</b>				
50821	Nonspendable	-	-	-
50831	Restricted	50,334	2,804,323	-
50841	Committed	-	-	223,771
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
<b>Total Ending Cash and Investments</b>		<b>50,334</b>	<b>2,804,323</b>	<b>223,771</b>

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

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

		<u>401 Water Fund</u>	<u>402 Sewer Fund</u>	<u>410 Stormwater Utility</u>	<u>702 Makarenko Park Reserve Fund</u>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	7,064	52,494	-	212,236
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	-	-	-	-
340	Charges for Goods and Services	659,275	588,715	63,583	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	658	1,709	1,024	5,376
Total Revenues:		<u>659,933</u>	<u>590,424</u>	<u>64,607</u>	<u>5,376</u>
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	585,062	543,760	15	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	-	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>585,062</u>	<u>543,760</u>	<u>15</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		74,871	46,664	64,592	5,376
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	-	13,807	-	29,847
Total Other Increases in Fund Resources:		<u>-</u>	<u>13,807</u>	<u>-</u>	<u>29,847</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	-	-	-	-
591-593, 599	Debt Service	33,594	2,336	-	-
597	Transfers-Out	-	-	-	9,974
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	-	-	-	-
Total Other Decreases in Fund Resources:		<u>33,594</u>	<u>2,336</u>	<u>-</u>	<u>9,974</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>41,277</u></b>	<b><u>58,135</u></b>	<b><u>64,592</u></b>	<b><u>25,249</u></b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	237,484
50831	Restricted	-	50,273	-	-
50841	Committed	48,341	60,356	64,592	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b><u>48,341</u></b>	<b><u>110,629</u></b>	<b><u>64,592</u></b>	<b><u>237,484</u></b>

The accompanying notes are an integral part of this statement.

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

**Beginning Cash and Investments**

308 Beginning Cash and Investments  
388 / 588 Net Adjustments

**Revenues**

310 Taxes  
320 Licenses and Permits  
330 Intergovernmental Revenues  
340 Charges for Goods and Services  
350 Fines and Penalties  
360 Miscellaneous Revenues

Total Revenues:

**Expenditures**

510 General Government  
520 Public Safety  
530 Utilities  
540 Transportation  
550 Natural/Economic Environment  
560 Social Services  
570 Culture and Recreation

Total Expenditures:

Excess (Deficiency) Revenues over Expenditures:

**Other Increases in Fund Resources**

391-393, 596 Debt Proceeds  
397 Transfers-In  
385 Special or Extraordinary Items  
381, 382, 389, Other Resources  
395, 398

Total Other Increases in Fund Resources:

**Other Decreases in Fund Resources**

594-595 Capital Expenditures  
591-593, 599 Debt Service  
597 Transfers-Out  
585 Special or Extraordinary Items  
581, 582, 589 Other Uses

Total Other Decreases in Fund Resources:

**Increase (Decrease) in Cash and Investments:**

**Ending Cash and Investments**

50821 Nonspendable  
50831 Restricted  
50841 Committed  
50851 Assigned  
50891 Unassigned

**Total Ending Cash and Investments**

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

		<u>Custodial</u>
308	Beginning Cash and Investments	690
388 & 588	Net Adjustments	-
310-390	Additions	60,973
510-590	Deductions	<u>58,932</u>
	Net Increase (Decrease) in Cash and Investments:	2,041
508	Ending Cash and Investments	2,731

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



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

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>General Obligation Debt/Liabilities</b>						
263.51	2016 Tahoe PPV - Lease/Purchase	2/28/2022	2,296	-	2,296	-
263.51	2017 Vehicle Loan	7/31/2022	18,712	-	18,712	-
263.51	2019 Tahoe	7/15/2024	32,756	-	12,201	20,555
263.51	2019 Fire Truck	1/29/2033	407,140	-	30,146	376,994
263.51	Mini-Excavator/F150	3/23/2025	81,217	-	23,939	57,278
263.51	City Hall Copier	1/23/2023	2,163	-	1,842	321
251.12	UTGO Bond - 2020	10/1/2040	2,904,440	-	109,075	2,795,365
<b>Total General Obligation Debt/Liabilities:</b>			<b>3,448,724</b>	<b>-</b>	<b>198,211</b>	<b>3,250,513</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>						
252.11	Water Revenue Bonds	12/1/2038	405,899	-	18,220	387,679
259.12	Compensated Absences		180,288	-	18,862	161,426
264.30	Pension Liabilities		47,106	61,317	-	108,423
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>			<b>633,293</b>	<b>61,317</b>	<b>37,082</b>	<b>657,528</b>
<b>Total Liabilities:</b>			<b>4,082,017</b>	<b>61,317</b>	<b>235,293</b>	<b>3,908,041</b>

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

<u>State Agency Name</u>	<u>Program Title</u>	<u>Identification Number</u>	<u>Total</u>
State Grant from Recreation and Conservation Office	Mill Creek Dam Multi Objective Plan	21-1451	19,575
		<b>Sub-Total:</b>	<b>19,575</b>
		<b>Total State Grants Expended:</b>	<b>19,575</b>

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

<b>Federal Agency (Pass-Through Agency)</b>	<b>Federal Program</b>	<b>ALN Number</b>	<b>Other Award Number</b>	<b>Expenditures</b>			<b>Passed through to Subrecipients</b>	<b>Note</b>
				<b>From Pass- Through Awards</b>	<b>From Direct Awards</b>	<b>Total</b>		
HEALTH RESOURCES AND SERVICES ADMINISTRATION, HEALTH AND HUMAN SERVICES, DEPARTMENT OF (via Department of Commerce)	Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	WA0270	232,199	-	232,199	-	
<b>Total Federal Awards Expended:</b>				<b>232,199</b>	<b>-</b>	<b>232,199</b>	<b>-</b>	

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