



WORKSHOP & COUNCIL MEETING AGENDA

Council Chambers – 1300 First Street

May 17, 2023 at 6:00 PM

1. WORKSHOP

A. Road Restrictions for Mill Creek Drive & Alder Drive

B. Drug Laws

C. Ambulance/EMS Fees

2. FLAG SALUTE - PLEDGE OF ALLEGIANCE

3. CALL TO ORDER - ROLL CALL

4. APPROVAL OF AGENDA

5. PUBLIC COMMENTS

6. CONSENT AGENDA

A. Claims Vouchers

B. Meeting Minutes - April 19, 2023 Meeting

7. COMMITTEE REPORTS

8. CITY OFFICIAL REPORTS

A. Police Chief Report

B. Finance Director Report

9. MAYOR'S REPORT

10. NEW BUSINESS

A. Resolution (Official Newspaper)

B. 1200 Second St - Extension of RV Permit

11. COUNCIL COMMENTS

12. PUBLIC COMMENTS

Public comments may be made in-person during the meeting. If unable to attend, please submit comments to jpope@cosmopoliswa.gov by noon on meeting day.

If you are unable to attend the meeting in person, you may join with the following Zoom Information

Webinar ID: 846 7675 3229
Passcode: 947783
Phone Number: (253) 215-8782

May 5, 2023

Nick Falley, Fire Chief
City of Cosmopolis Fire Department
111 D Street
Cosmopolis, WA 98537

Subject: City of Cosmopolis Ambulance Utility Rate Study

Dear Chief Falley:

Thank you for reaching out to FCS GROUP regarding the feasibility of creating a new city owned-operated ambulance utility to fund basic life support (BLS) services. We propose not limiting the analysis to the creation of an ambulance utility, but to also include informing the City Council of other approaches such as creating a city-owned and operated fire department, or annexing to a neighboring fire district and evaluating what these alternatives may mean to the City's finances in the near and long term.

We propose a three-phased scope of work, modeled closely after our approach to a similar evaluation we prepared for the City of Black Diamond (for your reference, see attached report).

Phase 1 includes an overview of WA State laws governing the establishment of an ambulance utility.

Phase 2 includes an overview of alternative approaches to creating and funding a BLS program.

Phase 3 includes assistance in implementing the preferred model.

If the City wishes to discuss further, I would be happy to meet remotely with the City Council during a workshop setting to answer questions.

Yours very truly,



Martin Chaw
Sr. Project Manager and Management Consulting Practice Area Lead
Attachment

cc: Todd Chase, Principal

Project Understanding

The City of Cosmopolis is located in Grays Harbor County and incorporated in 1891. The City's fire department includes 17 volunteer firefighters and serves a City population of 1,655 (2022) and a daytime population of over 1,900 people. The City's single fire station serves a geographic area of over 10 square miles. During the April 25, 2023 special election, a ballot measure to create a regional fire authority between the cities of Cosmopolis, Aberdeen and Hoquiam failed. Based on discussions with Nick Falley, Fire Chief, FCS GROUP prepared the following scope of work to evaluate alternatives to providing local basic life support ambulance services.

Proposed Scope of Work

Phase 1:

Description: Overview RCW governing the creation of an ambulance utility, how it is funded, and example fiscal impact to residents and the City. Deliverables include one written issue paper, one presentation to City Administration and one presentation to the City Council in a workshop setting.

Estimated budget: \$5,000

Phase 2:

Description: Overview other approaches to creating and funding a BLS program; Prepare respective financial plans, funding sources, and funding impacts.

Potential approaches to be evaluated include:

- Annexing to Aberdeen for fire services, and impact to City's property tax revenues.
- Creating a new city owned/operated fire department, including funding sources and budget considerations.
- Forming or joining a regional fire authority, and impact to City's property tax revenues (note: this alternative can be excluded given the City's recent unsuccessful public vote).

Estimated budget: \$10,000-\$15,000, range is dependent upon the number of approaches the City may want FCS GROUP to evaluate.

Phase 3:

Description: Provide assistance to the City in implementing its preferred option, including implementation considerations, proposed timeline and key milestones.

Estimated budget: \$10,000-\$20,000, range is dependent on the option and what type of support may be needed to establish an implementation strategy and how involved you wish me to be.

ATTACHMENT

**City of Black Diamond
Fire Services Evaluation
March, 2021**

FCS GROUP Scope of Work

The City engaged FCS GROUP to prepare an independent review of four fire service options:

1. Continue contracting with the MVFD.
2. Form a new City owned and operated fire department.
3. Annex into the MVFD.
4. Annex into a Regional Fire Authority (RFA).

Fiscal Impact on the City

It is estimated that the annual cost of operating Station 98, Station 99, and operating the new Lawson Hills Station under a similar level of service will total approximately \$1.7M per year. This estimate includes funding a proportionate share of District administrative costs based on the City's share of calls for service over the past three years totals.

If the City were to form and operate its own Fire Department, FCS GROUP estimates that the new Department would require between 11.0 to 16.0 FTEs with a marginal cost of between \$1.2M to \$1.8M annually. Department staffing would include leadership, support, and additional fire fighters. While these costs are presently funded by the District, its costs are distributed and shared among the District's six stations (the District has a total of eight stations including the two City stations - Station 98 and Station 99).

Annexing into the MVFD or the RFA will result in a shift in the current property tax levy from the City to the MVFD or the RFA, resulting in a reduction in property tax revenue for the City, unless the City Council takes action to increase its property tax levy (which would also result in a net increase in the property tax bill for City property owners).

The following table summarizes the estimated fiscal impact of each option.

Exhibit 2: City Fiscal Impact of Fire Options

Type of Impact	1) Continue Contract with MVFD	2) Form City Owned Fire Department	3) Annex to MVFD*	4) Annex to RFA*
Additional Annual Expenditure to fund Fire Services (above current \$615,000 spent for MVFD fire contract)	\$1.1M (\$1.7M/yr total cost)	\$1.2M - \$1.9M (\$1.8M to \$2.5M/yr total cost)	No additional City expenditures. However, a reduction to General Fund expenditures may be required unless new revenue sources are approved to offset the loss in City Property Tax revenue.	
Annual Loss of Property Tax Revenue	No loss in revenue. However, a levy lid lift may be required to fund the additional expenditure needs.		\$1.7M	\$1.1M

*The MVFD or RFA may require the City to make capital improvements to Station 98, Station 99 and upgrade fire apparatus prior to annexation. These additional costs are not known at this time and are not included in these figures.

Assumptions:

Maintain operations of S98, S99 and operates LH with similar level of service as S98.

Forming own Fire Department will require between 11.0 to 16.0 new FTEs to maintain current levels of service as well as sufficient coverage in event of staff absences and provide Department leadership and support.

Annex to MVFD assumes shift of \$1.50/\$1,000 in assessed value in property tax levy from City to Fire District. Annex to RFA assumes shift of \$1.00/\$1,000 in assessed value in property tax levy from City to RFA. Both annexation options assume a revenue neutral shift in the property tax levy.

FISCAL IMPACT (BLACK DIAMOND HOMEOWNER)

The following table summarizes the estimated impact to property taxes to the typical \$500,000 home in the City of Black Diamond from each option.

Exhibit 3: Property Tax Impact of Fire Options

Type of Impact	Current Property Tax Levy	1) Continue Contract with MVFD	2) Form City Owned Fire Department	3) Annex to MVFD	4) Annex to RFA
Levy Rate Detail					
MVFD / RFA	--	--	--	\$1.50***	\$1.00****
Fire District M&O	--	--	--	\$0.30***	--
Library District	\$0.36	\$0.36	\$0.36	\$0.36	\$0.36
City of Black Diamond	\$1.90	\$2.89*	\$2.99**	\$0.40***	\$0.90****
City of Black Diamond levy increase (to maintain City Services)	--	--	--	\$0.90****	0.49****
Total Levy	\$2.26	\$3.25	\$3.35	\$3.46	\$2.75
Annual Property Taxes	\$1,130	\$1,625	\$1,675	\$1,775	\$1,375
RFA Annual Fire Benefit Charge	--	--	--	--	\$220
Annual City property tax & RFA revenue generated	\$2.1M	\$3.2M	\$3.3M	\$1.5M	\$1.5M

Assumptions

*Continuing to contract with MVFD would require increasing City property tax levy to \$2.89 to generate additional and sufficient revenue to maintain current City services.

**Forming own Fire Department (at 11FTEs) would require increasing City property tax levy to \$2.99 to generate additional and sufficient revenue to maintain current public services.

***Annexing to MVFD would shift \$1.50 in property tax levy capacity to District. City would need to increase remaining levy by \$0.90 to maintain current public services. District voters approved a 4-year maintenance and operations levy of \$0.30 in 2020 election; by annexing to the District, a City homeowner would incur this M&O levy.

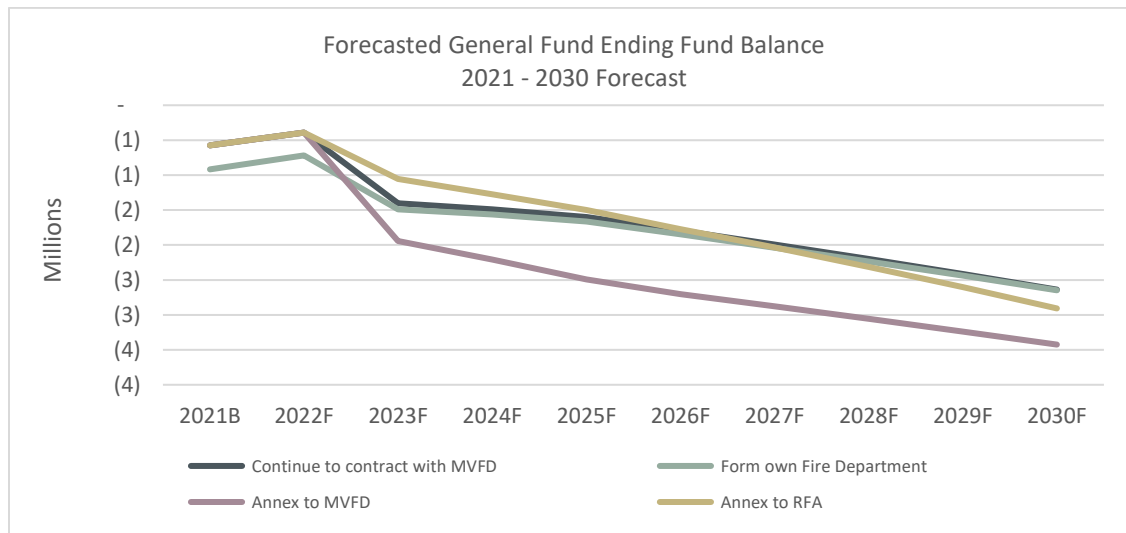
****Annexing to RFA would shift \$1.00 in property tax levy capacity to RFA. City would need to increase remaining levy by \$0.49 to maintain current public services.

City property tax revenue based on City assessed valuation of \$1.105B; Annual property taxes based on a \$500,000 home.

Impact to General Fund Ending Fund Balance

The following graphic illustrates the forecasted 10-year impact to the General Fund of each of the four options presented. As shown below, continuing to contract with the MVFD is estimated to have the smallest (albeit negative) impact to the General Fund. The largest impact would result by annexing to the MVFD due to permanent shift of \$1.50 in property tax levy capacity from the City to the District.

Exhibit 4: Forecasted Change to General Fund Ending Fund Balance 2021-2030



To address the fiscal impact of either additional expenditures for fire services or to offset the loss in property tax revenue and thus maintain City public services, the City has essentially three options – (1) increase revenue; (2) decrease expenditures; or (3) some combination of both. The following sections describe potential revenue and expenditure options for the City to consider.

REVENUE OPTIONS

Property Taxes

Property taxes are the City’s single largest source of revenue to the General Fund, supporting nearly one-fifth of the City’s General Fund expenses. Property taxes are limited to 1% growth, plus new construction, under State law. Increasing property taxes above the 1% limit (through a levy lid lift) requires a public vote, provided that the City has capacity within the statutory limit of \$3.60.

The City’s current property tax levy (\$1.90) and the Library District (\$0.36; the Library District’s statutory maximum is \$0.50) totals \$2.26 per \$1,000 assessed value. A levy lid lift cannot cause the total levy to exceed the statutory limit of \$3.60. In other words, under current levy parameters, the City’s levy rate could be as high as \$3.24 or \$3.10 if the Library District chose to levy its full \$0.50 authorization.

- Continuing to contract with the MVFD or forming a City owned and operated Fire Department (scenarios 1 and 2) will not affect the City’s property tax capacity. These options would provide the City the greatest amount of flexibility in its property tax levy rate, within statutory limits. **If the City were to levy \$3.10, it would generate an**

additional \$1.3M/yr in property tax revenue. See below for a more detailed discussion of the statutory limit and the effect it has on the City’s property tax revenue.

- Under scenario 3, annexing to the MVFD (the District is fully levying its authorized limit of \$1.50 for all properties in the District), and assuming that the Library District levies its full \$0.50, would result in the greatest negative impact to the City’s property taxes and cause the City’s statutory property tax levy rate to be capped at its lowest statutory maximum rate of \$1.60/\$1000 of assessed value. Furthermore, this option would preclude the City from the option of instituting a future levy lid lift as the total \$3.60 statutory limit is reached. **Under this scenario, the City’s current \$1.90 City levy rate would need to be reduced by \$0.30, or equal to about \$332,000/yr reduction in property tax revenue.**
- With scenario 4, annexing to the RFA will cause the City’s statutory property tax levy rate to be capped as low as \$2.10. Compared to the current \$1.90 City levy rate, the City would have about \$0.20 in remaining property taxing capacity, **or about an additional \$222,000/yr in property tax revenue if the City were to levy up to \$2.10.**

**Exhibit 5: Property Tax Statutory Maximums
 Local Levy Rate per \$1,000 Assessed Valuation**

	Current	1) Continue Contract with MVFD or 2) Form City owned Fire Dept.	3) Annex to MVFD	4) Annex to RFA
Fire District	\$0	\$0	\$1.50	\$1.00
Library District	\$0.36	\$0.50	\$0.50	\$0.50
City of Black Diamond	\$1.90	\$3.10	\$1.60	\$2.10
Total Levy Rate per \$1,000AV	\$2.26	\$3.60	\$3.60	\$3.60
City Property Tax Revenue	\$2.1M	--	--	--
Annual Addition or Reduction to City Property Tax Revenue	--	Additional \$1.3M/yr	Reduction – will require reduction in property tax levy and revenue loss of \$332,000	Additional \$222,000/yr

Other Revenue Options

Public Safety Sales Tax (New)

The City receives approximately \$900,000 annually from sales taxes. The City is levying its authorized basic and optional rates of 0.5% each, for a total local sales tax rate of 1.0%. RCW 82.14.450 authorizes the City to levy up to an additional 0.1% sales tax for public safety, which include fire services. A public vote is required. This taxing authority does not become available if, at such time, King County elects to levy this tax authority first. **The estimated revenue, if the City levied the full 0.1%, is about \$90,000/yr.**

Utility Taxes (Increase)

The City receives approximately \$640,000 annually from utility taxes. The City utility tax rate is 6.0% for all utility services except for stormwater which is taxed at 18.0%. State law establishes a 6.0% cap on electric, natural gas and telephone services. No cap is provided for other utility services. The City could consider raising its utility tax rate on cable TV, water, sewer, stormwater, and solid waste services. **However, the amount of additional tax revenue is limited, as each additional 1.0% on each service generates about \$54,000/yr.** For example, if the City wished to generate \$1.1M exclusively by increasing its Utility Tax, this tax would need to be increased by 20 percentage points on each service (ie, the revised utility tax rate on cable TV, water, sewer, and solid waste would be 26% and the utility tax on stormwater would be 38%).

Business and Occupation Tax (New)

The City presently does not assess a Business and Occupation Tax. State law allows the City to institute a B&O tax of up to 0.2% applied on the gross receipts of businesses operating within the City limits. Implementing the tax can be made by a simple majority of the City Council. The B&O tax can go above 0.2% but would require a public vote. According to the WA State Department of Revenue, taxable retail sales in 2019 within the City of Black Diamond totaled \$109.8 million. **Using this as a basis, a 0.2% B&O tax would yield approximately \$220,000/yr.** In general, a B&O tax is unpopular with businesses. Of the 290 cities in Washington State, only 46 cities impose a B&O tax.

Marijuana Excise Tax State Shared (New)

The State of Washington assesses a 37% excise tax on the sale of marijuana or marijuana infused products. Revenues collected are shared with cities, towns and counties that allow the siting of marijuana producers, processors and retailers. These revenues are distributed on a per capita basis and a proportionate share based on retail sales. State shared marijuana excise tax distributions to cities, towns and counties in 2019 totaled \$15M. However, the majority of these revenues were distributed to counties and larger cities that have allowed the siting of marijuana businesses in their jurisdiction.

For example, in 2019, the state shared marijuana distributions to King County totaled \$2.3M, Snohomish County \$1.2M, Pierce County \$1.1M, City of Seattle \$1.4M, Tacoma \$521,000, Spokane \$443,000, and Bellevue \$263,000. Distributions to smaller communities were very small – for example, Fircrest \$8,000, Lake Forest Park \$7,000, and Sultan \$6,000. **This is likely not a material source of revenue for the City of Black Diamond.**

EXPENDITURE OPTIONS

Reducing General Fund Expenditures

Reducing City General Fund expenditures is another option. The City's annual 2021 General Fund operating budget totals about \$10M. Assuming the City continued contracting with the District for the operation of Station 98 and Station 99 as well as operating the new Lawson Hills Station, the additional annual cost (above the current contract of \$615,000) is estimated at \$1.1M, or about 11% of the General Fund budget. **This would be equivalent to 50% of the 2021 Police Department budget or the combined 2021 budgets for Administrative Services, Legal, and Municipal Court.**

Limit Operations to One Fire Station

Another option is to limit station operations to only one station, such as consolidating all fire station operations to the new Lawson Hills Station and closing Station 98 until such time City revenue permit its reopening, or vice versa. Such options have not been fully examined at this time.

CONCLUSION

Council decision-making regarding its role in maintaining fire services can be best summarized with the following policy questions.

How important is it to the City Council to maintain local control over fire services?

Local control is defined as the City's ability to establish policy and expectations in the delivery of fire services (level of service), either through a direct contract for services or by owning and operating its own Fire Department. For example, the Mayor and City Council will have a voice in determining how fire services are delivered as part of its contract negotiations and/or as part of the City's annual budget decision making process.

Annexing into the MVFD or the RFA will relegate the decision on how fire services are delivered to the respective Boards of the MVFD or the RFA. While, under state law, the City will have representation on the RFA board (if annexation occurs), it is important to remember that there will also be other jurisdictions represented on the Board, which could effectively dilute the level of control the City would have in maintaining levels of service.

While having a City owned and operated Fire Department will maintain local control, it also comes with new administrative needs, a likely new labor union, and another Department to consider and compete for City resources during the budget process.

How important is it to the City Council to preserve local revenue options for future non-fire services?

While this study focused on funding fire services, there are (or will be) other non-fire related needs of the City that may eventually require funding. For example, the City Council recently discussed the need to construct a new City Hall and to hire a City Administrator. While funding these other non-fire needs is beyond the scope of this study, the need to maintain City flexibility in its revenue options should also be carefully considered.



REGULAR COUNCIL MINUTES

Fire Hall - 111 D Street

April 19, 2023 at 7:00 PM

1.

2. **CALL TO ORDER - ROLL CALL**

PRESENT

Councilmember Candice Makos, Councilmember Stana Carlisle, Councilmember Jim Ancich, Councilmember Raymond Robinson

ABSENT

Councilmember Miles Wenzel

Motion made by Councilmember Makos to excuse Councilmember Wenzel, Seconded by Councilmember Ancich.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

3. **APPROVAL OF AGENDA**

Mayor Pauley asked to add an executive session to the agenda before new business and after the mayor's report. It is to discuss potential litigation per RCW 42.30.110(1)(i).

Motion made by Councilmember Carlisle to approve the agenda with the addition of the executive session, Seconded by Councilmember Robinson.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

4. **PUBLIC COMMENTS**

Carl Sperring - He stated that the agenda packet was not available online.

5. **CONSENT AGENDA**

Motion made by Councilmember Makos to approve the consent agenda, Seconded by Councilmember Carlisle.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

A.

B.

6. **COMMITTEE REPORTS**

Finance Sub Committee- Councilmember Carlisle stated they went over the audit, the annual, and volunteer compensation

Parks - Councilmember Carlisle stated they discussed No Dumping signs.

7. **CITY OFFICIAL REPORTS**

City Administrator - We are advertising for the new facility on May 5th for two consecutive Fridays. Bid opening will be either May 17th or May 24th. There is an agreement with the Department of Transportation to replace the light pole that was damaged in an accident for a total

cost \$8665 that would need Council approval. Motion made by Councilmember Ancich to the agreement with the Department of Transportation for \$8665, Seconded by Councilmember Carlisle. Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson. He stated that the Department Head reports can be found on our website with the agenda packet. Administrator Raines requested a half hour workshop at the next meeting for Mill Creek Drive and Alder Drive. Mayor Pauley set the workshop for 6:30 on May 17th.

Fire Chief - Deputy Chief Tarabochia is moving out of the area as of April 1, 2023. Chief Falley thanked him for everything. They are working on their annual maintenance. L&I will be doing a voluntary compliance check at the end of May.

Public Works - Administrator Raines stated they only have five water meters left to install. He commended them for their hard work installing the meters.

Police Chief - Chief Layman stated they received a \$10,000 grant for state mandated training. He believes he will be able to get a grant to supply the department with Narcan. They are working on going paperless for citations. The Department is signing up for the drug take back program. It is a no expense program.

Finance Director - The audit is still in the final review process. The annual report is nearly completed. She asked to move the money for the new facility into the LGIP account to earn higher interest. Motion made by Councilmember Carlisle to move the funds into the Local Government Investment Pool, Seconded by Councilmember Robinson. Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson. She asked to temporarily move the 5% utility tax that goes into the Equipment Reserve Fund into the General Fund until the mill reopens. Motion made by Councilmember Carlisle, Seconded by Councilmember Robinson. Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson. She reminded everyone that this is Spring Clean Up Week.

8. MAYOR'S REPORT

Mayor Pauley stated the HOPE project is still in the planning process. He said it adheres to the zoning rules in that area. He and Administrator Raines will be meeting with the new owners of Cosmo Specialty Fibers soon.

9. **EXECUTIVE SESSION** - PER RCW 42.30.110(1)(i) to discuss current or potential litigation. Mayor Pauley announced that open session will resume at 7:36 p.m. The meeting reconvened at 7:37 p.m.

10. NEW BUSINESS

A. Region 3 Omnibus Mutual Aid Agreement

Motion made by Councilmember Robinson to approve the Region 3 Omnibus Mutual Aid Agreement. , Seconded by Councilmember Makos.
Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

B. WSP Fire Mobilization Agreement

Motion made by Councilmember Carlisle to approve the WSP Fire Mobilization Agreement, Seconded by Councilmember Robinson.
Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

C. Fire Mobilization Agreement

Motion made by Councilmember Carlisle to approve the Fire Mobilization Agreement, Seconded by Councilmember Robinson.
Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich,

D. Ordinance 1382 (CFD Volunteer Compensation)

Motion made by Councilmember Makos to approve ordinance 1382, Seconded by Councilmember Carlisle.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

E. Resolution 2023-02 (CFD Volunteer Compensation)

Motion made by Councilmember Robinson to approve resolution 2023-02, Seconded by Councilmember Carlisle.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

F. Police Employee Agreement (Amended)

Motion made by Councilmember Robinson to approve the amended police employee agreement, Seconded by Councilmember Carlisle.

Voting Yea: Councilmember Makos, Councilmember Carlisle, Councilmember Ancich, Councilmember Robinson

11. COUNCIL COMMENTS

Councilmember Robinson - He thanked the public for coming to the meeting.

Councilmember Ancich - He found out about project HOPE from the citizens and Facebook. He would like the mayor to notify him in the future.

12. PUBLIC COMMENTS

Linda Springer - She submitted a letter and signatures pages from the citizens stating that they do not support the HOPE project on First St. She stated the reasons why she and the citizens do not want the project here in Cosmopolis.

Carl Sperring - He stated he supports Linda Springer. He stated Council meeting minutes should be posted at the post office. He asked if Mr. Robinson's seat is up for election due to filling a vacant seat.

Tyler Wood - He asked questions regarding the type of residents that would live in the transitional housing and other questions regarding the HOPE project on First St.

Kim Gherna - She asked if there is any value to the City to have the HOPE project here.

Linda Springer - She stated she met with one of the owners of the HOPE project and discussed how the program would be ran.

Ashley Arcangel - She asked to have a workshop regarding easements on her street. She also asked what is allowed in the zoning for the waterfront use district.

Molly Nelson - She stated her concerns regarding the HOPE project on First St.

Resident at 711 Ocean - She stated Corbin Road has issues with potholes.

Bob Smith - He asked about the Revitalization Plan and if the HOPE project fits within that.

Shawn Bridges - He stated he used to own the project that the HOPE project now owns. the City would never let him do what he wanted with it.

Sarah Locke - She shared her experiences in living near a transitional house.

Brian Allen - He would like to have a town meeting to discuss the HOPE project more thoroughly.

Tyler Wood - He asked if the Council could create an ordinance to ban transitional housing. Attorney Johnson said there is a state law that prohibits the city from banning these.

Steve Davis - He would like a policy to state when meeting minutes and zoom meeting recordings must be posted to the website after they are approved and to have meeting minutes posted at the Post Office.



COSMOPOLIS POLICE DEPARTMENT

Section 8, Item A.

PO Box 478 / 1312 First Street Cosmopolis, WA. 98537
Heath A. Layman, *Chief of Police*

Council Report 05/17/2023

We continue to work towards being paperless and have made progress with the courts to issue citations for parking infractions via SECTOR. We hope that this will be completed within the next two weeks. I am thankful for our court administrator's assistance in getting this done.

All but one of the boxes needed to start the Drug Take-Back Receptacle in the lobby has arrived. Once the remainder of the equipment arrives it will be placed and made available. This will serve our community in providing a safe and secure gathering location for disposing of unused or expired medications, including those that contain controlled substances. This program is done in compliance and pursuant to RCW 69.48 and WAC Chapter 246-480.

We started the process of working towards an ordinance regarding drug usage but have put that on hold as the Legislature has started the process of fixing it. This issue is a wait and see for now.

We completed training at the department regarding Senate Bill 5066, Duty to Intervene, and are working towards completing the other mandated training. We completed in-service rifle training through our multi-agency firearms training unit. Officer Lefor attended and successfully passed Field Training Officer's Academy, certifying him as an FTO and enabling us to have more than one officer available for training of new-hires. Officer Tevis completed an advanced firearms instructor course last week at no cost to us as we hosted the course. On 05/09/2023 we are completing free use of force training through our insurance carrier called "LETS" or Law Enforcement Training Simulator. Starting at the end of the month we will be doing localized EVOC, Emergency Vehicle Operations Course, training through a county-wide effort and contributing an EVOC instructor, Reserve Officer Watts.

Misc. Items

CALLS FOR SERVICE

We've had 122 calls for service between 04/17/2023 and 05/08/2023. This is slightly down from previous months but also isn't an accurate reflection due to early submission of my report.

Respectfully submitted,

A handwritten signature in black ink that reads 'H. Layman'.

Heath Layman, Chief

"A Community Partnership"



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.

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

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%

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

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:

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

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:

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

Type of Deposit or Investment	City's own deposits & investments	Deposits & investments held by the City as custodian for other local governments, individuals, or private organizations.	Combined
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.

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

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

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:

Borrowing Fund	Lending Fund	Beginning Balance	New Loans	Payments	Ending Balance
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:

Year	Principal	Interest	Total Debt Service
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).

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

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.

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.

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:

Plan Type	Employer Contributions	Allocation Percentage	Plan Liability / Asset	NPL	NPA
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

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

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

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

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.

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

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

Section 8, Item B.

		Total for All Funds (Memo Only)	001 General Expense Fund	101 Street Fund	105 Cemetery Perpetual Care Fund
Beginning Cash and Investments					
308	Beginning Cash and Investments	3,916,350	516,240	11,935	56,601
388 / 588	Net Adjustments	-	-	-	-
Revenues					
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:		4,199,433	2,486,643	165,918	5,000
Expenditures					
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:		3,342,853	2,050,201	163,815	-
Excess (Deficiency) Revenues over Expenditures:		856,580	436,442	2,103	5,000
Other Increases in Fund Resources					
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:		53,668	10,014	-	-
Other Decreases in Fund Resources					
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:		458,942	201,754	8,400	-
Increase (Decrease) in Cash and Investments:		451,306	244,702	(6,297)	5,000
Ending Cash and Investments					
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	-	-
Total Ending Cash and Investments		4,367,656	760,945	5,636	61,601

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

Section 8, Item B.

		<u>204 Utgo Bond Redemption Fund 1997</u>	<u>205 UTGO Bond Redemption Fund 2020</u>	<u>305 Real Estate Excise Tax</u>
Beginning Cash and Investments				
308	Beginning Cash and Investments	50,334	2,827,297	182,149
388 / 588	Net Adjustments	-	-	-
Revenues				
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
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:		-	179,910	41,622
Other Increases in Fund Resources				
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:		-	-	-
Other Decreases in Fund Resources				
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	-
Increase (Decrease) in Cash and Investments:		-	(22,974)	41,622
Ending Cash and Investments				
50821	Nonspendable	-	-	-
50831	Restricted	50,334	2,804,323	-
50841	Committed	-	-	223,771
50851	Assigned	-	-	-
50891	Unassigned	-	-	-
Total Ending Cash and Investments		50,334	2,804,323	223,771

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

Section 8, Item B.

		<u>401 Water Fund</u>	<u>402 Sewer Fund</u>	<u>410 Stormwater Utility</u>	<u>702 Makarenko Park Reserve Fund</u>
Beginning Cash and Investments					
308	Beginning Cash and Investments	7,064	52,494	-	212,236
388 / 588	Net Adjustments	-	-	-	-
Revenues					
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>
Expenditures					
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
Other Increases in Fund Resources					
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>
Other Decreases in Fund Resources					
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>
Increase (Decrease) in Cash and Investments:		<u>41,277</u>	<u>58,135</u>	<u>64,592</u>	<u>25,249</u>
Ending Cash and Investments					
50821	Nonspendable	-	-	-	237,484
50831	Restricted	-	50,273	-	-
50841	Committed	48,341	60,356	64,592	-
50851	Assigned	-	-	-	-
50891	Unassigned	-	-	-	-
Total Ending Cash and Investments		<u>48,341</u>	<u>110,629</u>	<u>64,592</u>	<u>237,484</u>

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

Section 8, Item B.

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

		Custodial
308	Beginning Cash and Investments	690
388 & 588	Net Adjustments	-
310-390	Additions	60,973
510-590	Deductions	58,932
	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**

Section 8, Item B.

ID. No.	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
General Obligation Debt/Liabilities						
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
Total General Obligation Debt/Liabilities:			3,448,724	-	198,211	3,250,513
Revenue and Other (non G.O.) Debt/Liabilities						
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
Total Revenue and Other (non G.O.) Debt/Liabilities:			633,293	61,317	37,082	657,528
Total Liabilities:			4,082,017	61,317	235,293	3,908,041

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
		Sub-Total:	19,575
		Total State Grants Expended:	19,575

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

Federal Agency (Pass-Through Agency)	Federal Program	ALN Number	Other Award Number	Expenditures			Passed through to Subrecipients	Note
				From Pass- Through Awards	From Direct Awards	Total		
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	-	
Total Federal Awards Expended:				232,199	-	232,199	-	

The accompanying notes are an integral part of this schedule.



PO Box 2007
Cosmopolis, WA 98537
(360) 532-9230
www.cosmopoliswa.gov

May 15, 2023
Finance Director Report

1. **April 30, 2023 Financials:** The General Fund is down \$63,733 for the month of April and down \$156,840 year to date. Revenues are down \$179,403 (25%) from 2022.
2. **Spring Clean Up:** We had 98 people participate in Spring Clean Up this year for 21.85 msw tons. There were 16 tires and 5 refrigerators taken. Last year we had 81 people participate for 16.2 msw tons.
3. **The 2022 Annual Report** has been submitted to the State. Attached is a copy of the report.
4. **2019-2021 Audit:** May 10, 2023 we had our exit interview for the 2019-2021 Audit. It should be releasing to the public soon.

**CITY OF COSMOPOLIS
RESOLUTION NO. 2023-03**

A RESOLUTION designating *The Daily World* as the official newspaper of the City of Cosmopolis pursuant to RCW 35A.21.230.

WHEREAS, RCW 35A.21.230 provides that each code city shall designate an official newspaper, and that the newspaper be of general circulation in the city;

WHEREAS, *The Daily World* newspaper is of general circulation in the City of Cosmopolis and the County of Grays Harbor; **NOW THEREFORE**,

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF COSMOPOLIS, WASHINGTON, IN REGULAR MEETING DULY ASSEMBLED, AS FOLLOWS:

SECTION 1: The City of Cosmopolis hereby designates *The Daily World* as its official newspaper pursuant to RCW 35A.21.230.

PASSED AND APPROVED this 17th day of May, 2023.

Mayor

Attest:

Deputy Clerk

CITY OF COSMOPOLIS

RECREATIONAL VEHICLE DWELLING PERMIT

TO THE CITY COUNCIL, CITY OF COSMOPOLIS, WASHINGTON:

I, Nathan D Klisiewicz, whose address is 1200 and St. Cosmopolis

do hereby make applications for permit to park a recreational vehicle on the following described land, owned by Nathan Klisiewicz + Shaya Eppler

Lot No. _____ Block No. _____ in _____ Addition,

City of Cosmopolis, situated in Grays Harbor County, State of Washington.

The Lessee is Nathan Klisiewicz + Shaya Eppler

The following service arrangements have been made:

Electric Grays Harbor PUD residential electric services

Water Grays Harbor PUD residential water services

Sewerage House Brothers Construction Elma Hicklin Road West, McCleary, WA

Garbage Lemay Grays Harbor Residential Trash Service

Necessary Permits or Inspections None required at this time

The following period of time is requested:

From: May 17th 2023 To July 17th 2023

(Limited to 60 days after which another request must be made.)

Recreational vehicle shall:

remain on the property during that period described at all times.

occasionally be removed during that period.

I, Nathan Klisiewicz Shaya Eppler, state that I am Owner/Lessee above described land and that I hereby give my consent to parking the recreational vehicle thereon according to arrangements as stated in the above application.

Nathan Klisiewicz + Shaya Eppler
Lessee

Nathan Klisiewicz + Shaya Eppler
Land Owner

May 9th 2023
Dated

May 9th 2023
Dated

Approved at City Council meeting dated _____

Disapproved

Attach location drawing if applicable.

Any changes or variations from the above must be approved by the City Council.

Nathan Klisiewicz
1200 2nd St. Cosmopolis
Cell # 928-274-3717
email ndk5scorpio@gmail.com

Tuesday May 9th 2023

Section 10, Item B.

Attention Cosmopolis City Council Members

My name is Nathan Klisiewicz, Shaya Eppler and I own and reside at the home located at 1200 2nd St.

I am writing to request renewal of my temporary RV Dwelling Permit that was granted to me on March 15th 2023 by the Cosmopolis City Council.

I am requesting another 60 day permit (knowing it is the final permit I can obtain) to allow my elderly mother, Laurie Keefe, to remain residing in the RV for another 60 Days.

We have been tirelessly and unsuccessfully working to find her a permanent home within a low income, assisted living or retirement facility since before my 1st RV permit request. I can provide documentation of our efforts and responses if needed. It has proven to be very difficult to find a residence for my 61 year old disabled mother who has a very low + limited income.

It has been brought to our attention numerous times during our efforts, that once she reaches the age of 62 which will be this May 23rd 2023, she will be applicable to apply to even more facilities.

It is my hope that ~~now~~ the City Council members would approve my permit request to allow us the best opportunity to find her a home as soon as possible. I do not desire having the RV on my property nor is it a convenient or easy option for my mother but it is the only option we have right now to keep her from living on the street out of her car and being homeless.

We greatly appreciate your considerations and understanding

Sincerely, Nathan + Shaya + Laurie