



Annual Comprehensive Financial Report

Fiscal year ended December 31, 2022



FINANCIAL & MANAGEMENT SERVICES

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TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
Certificate of Achievement	5
Organization Chart	6
City of Vancouver Elected Officials	7

FINANCIAL SECTION

Independent Auditor's Report	9
Management's Discussion and Analysis	13

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position	23
Statement of Activities	24

Fund Financial Statements

Balance Sheet – Governmental Funds	26
Reconciliation of the Balance Sheet of Governmental Fund to the Government Wide Statements of Net Position	28
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	29
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Government Wide Statement of Activities	31
Statement of Revenues, Expenditures, and Changes in Fund Balances – Compared to Budget	
Consolidated General Fund	32
Consolidated Fire Fund	33
Consolidated Street Fund	34
American Rescue Plan Act Fund	35
Statement of Net Position - Proprietary Funds	36
Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds	38
Statement of Cash Flows - Proprietary Funds	39
Statement of Fiduciary Net Position	41
Statement of Changes in Fiduciary Net Position	42

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies	43
Note 2. Accounting and Reporting Changes	51
Note 3. Deposits and Investments	52
Note 4. Capital Assets	56
Note 5. Interfund Balances and Transfers	59
Note 6. Leases	63
Note 7. Long-Term Debt	69
Note 8. Changes in Long-Term Liabilities	73
Note 9. Contingencies and Litigations	74
Note 10. Other Significant Commitments	75
Note 11. Joint Ventures and Jointly Governed Organizations	76
Note 12. Related Party Transactions	77
Note 13. Risk Management	78
Note 14. Property Tax	79
Note 15. Tax Abatement	80
Note 16. Pension Plans	81
Note 17. Pension and Other Post-Employment (OPEB) Plans – No Qualifying Trust	91
Note 18. Prior Period Adjustments/ Restatements and Changes In Accounting Principles	94
Note 19. Subsequent Events	95
Note 20. Unique and Unusual Transactions or Changes in Operations	96

Required Supplementary Information

Fire & Police OPEB Schedules	99
State Sponsored Pension Schedules	101
Single Employer Fire & Police Pension Schedules	106

Combining Non-Major Fund StatementsNon-Major Governmental Funds

Combining Balance Sheet – Nonmajor Governmental Funds	113
Combining Statement of Revenues, Expenditures and Fund Balances - Nonmajor Governmental Funds	114
Combining Balance Sheet – Nonmajor Special Revenue Funds	117
Combining Statement of Revenues, Expenditures, and Fund Balances – Nonmajor Special Revenue Funds	121
Combining Balance Sheet – Nonmajor Debt Service Funds	126
Combining Statement of Revenues, Expenditures, and Fund Balances – Nonmajor Debt Service Funds	127
Combining Balance Sheet – Nonmajor Capital Project Funds	129
Combining Statement of Revenues, Expenditures, and Fund Balances – Nonmajor Capital Project Funds	130

Governmental Budget and Actual Schedules

Investigative Fund	132
Drug Enforcement Fund	133
CED Grants Fund	134
Tourism Fund	135
VNHR Properties Fund	136
Criminal Justice Fund	137
Affordable Housing Fund	138
Affordable Housing Local Sales Tax Credit	139
Affordable Housing State Sales Tax Credit	140
Parkhill Cemetery Fund	141
REET I Fund	142
Downtown Initiatives Fund	143
City/County Cable TV Fund	144
Transportation Benefit District Fund	145
General Obligation Debt Fund	146
L.I.D. Debt Service Fund	147
L.I.D. Debt Service Guaranty Fund	148
Transportation Debt Service Fund	149
Consolidated Park Impact Fee Fund	150
Parks Construction Fund	151
Consolidated Transportation Capital Fund	152
Consolidated Transportation Impact Fee Fund	153
School Impact Fee Fund	154
Consolidated Capital Improvement Fund	155

Non-Major Enterprise Funds

Combining Statement of Net Position – Nonmajor Enterprise Funds	157
Combining Statement of Revenues, Expenses, and Net Position – Nonmajor Enterprise Funds	158
Combining Statement of Cash Flows – Nonmajor Enterprise Funds	159

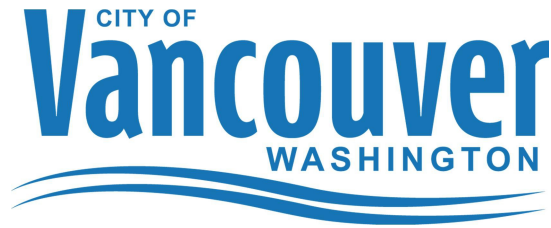
Internal Service Funds

Combining Statement of Net Position – Internal Service Funds	161
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	163
Combining Statement of Cash Flows – Internal Service Funds	165

STATISTICAL SECTION

Financial Trends	168
1. Net Position by Component	169
2. Changes in Expenses, Revenues, and Net Position	
Changes in Expenses by Function	170
Changes in Revenues by Function	171
Changes in Net Position	172
3. General Governmental Tax Revenues by Source	173
4. General Governmental Revenues by Source	174
5. General Governmental Expenditures by Function and Changes in Fund Balance	175
6. Fund Balances Governmental Funds	176

<u>Revenue Capacity</u>	177
7. Assessed and Estimated Actual Value of Taxable Property	178
8. Property Tax Rates - Direct and Overlapping Governments	179
9. Property Tax Levies and Collections	180
10. Principal Property Taxpayers	181
<u>Debt Capacity</u>	182
11. Ratio of Outstanding Debt by Type	183
12. Direct and Overlapping Governmental Activities Debt	184
13. Legal Debt Margin Information	185
14. Pledged – Revenue Coverage	186
<u>Demographic and Economic Information</u>	187
15. Demographic and Economic Statistics	188
16. Principal Employers	189
<u>Operating Information</u>	190
17. Full-Time Equivalent City Governmental Positions by Function	191
18. Operating Indicators by Function	192
19. Capital Assets Statistics by Function	194
 <u>SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (SEFA)</u>	 195
Schedule of Expenditures of Federal Awards	196
Notes to the Schedule of Expenditures of Federal Awards	202



July 24, 2023

**To the Honorable Anne McEnerny-Ogle, Mayor
Members of the City Council
Mr. Eric Holmes, City Manager
Citizens of the City of Vancouver**

I am pleased to submit to you the 2022 Annual Comprehensive Financial Report (ACFR) of the City of Vancouver, Washington.

The report consists of management's representations concerning the finances of the City of Vancouver (City). Consequently, management assumes full responsibility for the completeness and reliability of all the information presented within this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by the Office of the Washington State Auditor in accordance with generally accepted governmental auditing standards. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2022, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is included in the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The City's Single Audit Report is issued separately and is available upon request.

The Washington State Auditor examines and reports on the City's compliance with applicable State laws and regulations and safeguarding of public resources as detailed in *Revised Code of Washington* (RCW) 43.09.260. This statute requires the State Auditor to inquire as to whether the City complied with the laws and the *Constitution of the State of Washington*, its own ordinances and orders, and the requirements of the State Auditor's Office. The City's Accountability report is also available separately upon request.

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

Profile of the Government

The City was incorporated on January 23, 1857. The City sits on the north bank of the Columbia River directly across from Portland, Oregon. The Pacific coast is less than 90 miles to the west. The Cascade Mountain Range rises on the east. Mount St. Helens National Volcanic Monument and Mt. Hood are less than two hours away. The spectacular Columbia River Gorge National Scenic Area lies 30 minutes to the east. Vancouver combines the excitement of a major metropolitan area with small-town charm and abundant recreational opportunities. The City serves a population of over 185,000 and occupies a land area of 51.84 square miles.

The City has operated under the Council-Manager form of government and provides services per its charter adopted February 20, 1952, and last amended by a vote of the people, November 5, 2019. This system empowers the citizens of Vancouver and provides responsive, progressive leadership and a vision for the community. City Council is presided over by the Mayor, who is elected every four years. The six Council Members are elected for four-year terms via City-wide vote. Three Council members are elected during each biennial municipal election. Among its primary duties, the City Council makes laws, sets policies, adopts budgets and oversees a wide-ranging agenda for the community. The City Manager, who is appointed by City Council, heads the administrative branch of City government and directs all City operations, projects and programs.

The City of Vancouver provides a balanced array of services. The City builds and repairs roads, builds and maintains water, sewer and drainage infrastructure, provides fire and police protection services, administers land use policy and takes an active role in Vancouver's commercial and industrial development. The City also designs and maintains Vancouver's many parks and green spaces. The City coordinates recreation activities, fosters neighborhood livability and works to preserve the City's environmental quality and historic legacy. The City is also the fiscal agent for two development authorities, which are reported discretely in the City's financial report and for a Transportation Benefits District. Additional information on separate legal entities can be found in Note 1, Reporting Entity, in the notes to the financial statements.

Accounting and Budgeting Procedures under State Law

Cities and counties of the State of Washington must comply with the Budgeting, Accounting, and Reporting System (BARS) prescribed by the Office of the State Auditor as authorized under RCW 43.09.200 and RCW 43.09.230. State law also provides for annual independent audits by the Office of the State Auditor and requires timely submission of annual financial reports to the state for review. The biennial city budget is controlled at the fund level legally. In practice, the budget is also controlled at the fund-department level in the General Fund. The financial system of the City incorporates a system of financial and administrative controls that ensure the safeguarding of assets and the reliability of financial reports. Consequently, controls are designed to provide reasonable assurance that transactions are executed in accordance with management authorization and recorded in conformity with GAAP. In addition, these controls ensure that accountability over assets and obligations exists, and that sufficient reporting and review exist to provide adequate information for analysis and comparability of data. Internal control is an area of audit by the State Auditor as well, and City management receives and take action based on their recommendations.

The City prepares budgets in accordance with RCW 35.34. To provide directional guidance to the process, the City prepares a multi-year financial forecast of its revenues and expenditures. Biennial budgets (in which calendar year allocations lapse at year-end) are adopted by the City council for all city funds. All increases in total budgeted appropriations of funds are authorized by the City Council through the budget process. Changes in appropriations within a fund may be authorized by the City Manager. All budgets, for management purposes, are accounted for on a line-item basis with control at the spend category grouping. Estimated purchase order

amounts are encumbered prior to the release of the order to the vendor. Such encumbrances also serve to provide budgetary control. Open encumbrances lapse at year-end and must be re-appropriated or absorbed in the next year's operating budget.

Information Useful in Assessing the Government's Economic Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

Local economy

Vancouver is located within a metropolitan area that has a diverse economy with a broad base of manufacturing, high technology, retail, plus governmental and business services. Relatively low development costs and a strong labor force have attracted investments to the City. High technology companies, such as Hewlett-Packard, SEH America, and Kyocera have located in the City over the past twenty years. The role of manufacturing jobs in the economy has been decreasing over time. Recently, large employers in the healthcare business and software development have located within the City.

Many people and businesses are relocating to this region for its natural beauty and many recreational opportunities. Vancouver combines the excitement of a major metropolitan area with small-town charm and abundant recreational opportunities. During the pandemic, many people chose to move out of the urban areas to suburban areas. Home prices in Vancouver jumped in 2021 by an estimated 22% over the 2020 home prices and then by another 5.8% during 2022. The local economy has proven to be exceptionally resilient over the last three years.

Long-term financial planning

The City's 2022-2023 Biennial Budget was created during an unprecedented year in which the world-wide COVID-19 pandemic affected the City's operations. During 2022, the City found itself continuing with hybrid schedules in office-type functions, adopting safe operating practices for departments open to the public and re-opening majority of those to the public. During 2022, the City added two more Safe Stay communities, for a total of three and continued operating a Safe Park program for shelter-less residents with vehicles.

The City Council continued to put its priority for future on making progress towards climate action, public safety and social justice. High priority also has been placed on continued economic development in strategic redevelopment areas of Vancouver, facilitating creation of new family-wage jobs and laying the groundwork for revenue enhancement in years to come.

City residents have indicated in the last Community Services Survey that they remain generally satisfied with the quality of life in the City. City residents supported a property levy lid lift increase of \$0.50/\$1,000 to support increased Fire services. To maintain this high level of satisfaction, City staff and City Council will continue to focus on service prioritization in light of community priorities while continuing to evaluate expense reductions and explore additional revenue sources in order to put in place a permanent structural solution. The City Manager, under the direction of City Council and pursuant to the City's Financial Policy, has maintained a consistent strategy of restraining on-going costs within existing on-going revenues.

Relevant Financial Policies

In addition to following all laws related to budgeting as outlined by RCW 35, the City has internal financial management policies that are adopted by City Council and reviewed every two years during the budget development process. The policies ensure that the City maintains a healthy financial foundation into the future. The goal of these policies is to promote:

- An extended financial planning horizon to increase awareness of future potential challenges and opportunities.
- Setting aside reserves for contingencies, replacement of capital equipment and facilities, and other similar needs.
- Maintaining the effective buying power of fees and charges and increasing cost recovery where directed to do so.

- Accountability for meeting standards for financial management and efficiency in providing services.
- Planning for the capital needs of the community.
- Maintaining manageable levels of debt while maintaining quality bond ratings.
- Communication to residents and customers on how the community goals are being addressed.

Major Initiatives

Over the last year, the City found itself continuing with investments in economic development, affordable housing, social equity, inclusion and public safety. The City received a \$32 million ARPA federal grant and is continuing the conversation with the community of the best way to invest the funding into the historically under-invested areas of the City. In 2022 the City was also preparing for an increase in Fire services, supported by the increased property tax levy. Several high priority initiatives in Economic Development, including the Heights, Waterfront Gateway, Section 30 and many others continued moving the city towards remaining a vibrant and attractive location for future employers and a desirable place to live.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Vancouver for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2021. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of a state and local government financial report. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Vancouver has received a Certificate of Achievement for the last 37 years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA. The report includes, where applicable, the implementation of new GASB statements 87, 91, 92, 93, 97, and 98.

The preparation of this report could not have been accomplished without the efficient and dedicated staff of the Financial & Management Services Team. I would also like to express my thanks to the administrators and employees of the City, and the citizens of Vancouver whose continued cooperation, support, and assistance have contributed greatly to the financial stability of the City of Vancouver.

Respectfully submitted,



Cyndi A Turner
Accounting Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Vancouver
Washington**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

Vancouver
Community
Members

Mayor and
Council

City Manager

Deputy City
Manager

Police

Fire

Financial
Management
Services

Communications

Law

Deputy City
Manager

Parks &
Recreation

Economic
Prosperity &
Housing

Community
Development

Public Works

Policy &
Program

Diversity, Equity
& Inclusion

Human
Resources

Information
Technology

General
Services



City Council Members



Anne McEnerny-Ogle
Mayor



Sarah J. Fox
Councilmember



Bart Hansen
Councilmember



Kim Harless
Councilmember



Erik Paulsen
Councilmember



Diana Perez
Councilmember



Ty Stober
Mayor Pro Tem



CITY OF VANCOUVER

Elected Officials

As of December 31, 2022

Section 2.01 of the Vancouver City Charter provides for a seven-member Council, including a Mayor, nominated and elected from the city at large. Commencing in the 1971 municipal election, three persons shall be elected to four-year terms as Councilmembers at each biennial municipal election and; provided further, commencing in the 2005 biennial municipal election, one person shall be elected to a four-year term as Mayor.

Elected Officials Serving During 2022

Councilmembers	First Elected	Expiration of Term
Anne McEnerny-Ogle, Mayor	2014	December 31, 2025
Bart Hansen	2010	December 31, 2023
Ty Stober, Mayor Pro Tem	2015	December 31, 2023
Erik Paulsen	2019	December 31, 2025
Sarah Fox	2020	December 31, 2023
Diana H. Perez	2022	December 31, 2025
Kim D. Harless	2022	December 31, 2025

City Management Team

(As of December 31, 2022)

Eric Holmes	City Manager
Lon Pluckhahn	Deputy City Manager
Lisa Brandl	Deputy City Manager
Jonathan Young	City Attorney
Jeff Mori	Police Chief
Brennan Blue	Fire Chief
Vacant	Public Works Director
Chad Eiken	Community Economic Development Director
Julie Hannon	Parks and Recreation Director
Natasha Ramras	Chief Financial Officer
Lisa Takach	Human Resources Director
Patrick Gilbride	IT Director
Aaron Lande	Program and Policy Manager
Laura Shepard	Communications Director



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

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

Mayor and City Council
City of Vancouver
Vancouver, Washington

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Vancouver as of and for the year then ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the financial section of our report.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Vancouver, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the Consolidated General, Consolidated Fire, Consolidated Street and American Rescue Plan Act funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Vancouver Hotel and Convention Center Project (the Project), which is included in the City's financial statements as part of the Downtown Redevelopment Authority component unit and which represents 5 percent and 100 percent, respectively, of the assets and revenues of the aggregate discretely presented component units. Those statements were audited by other audits, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Project, is based solely on the reports of the other audits. The financial statements of the Project were not audited in accordance with *Government Auditing Standards*.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing*

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

Matters of Emphasis

As discussed in Note 2 to the financial statements, in 2022, the City adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit;

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information as listed in the financial section of our report be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining financial statements and schedules and the Expenditures of Federal Awards section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information


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

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

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated July 24, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat McCarthy". The signature is fluid and cursive, with the first name "Pat" and last name "McCarthy" clearly distinguishable.

Pat McCarthy, State Auditor

Olympia, WA

July 24, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis is a narrative overview of the City of Vancouver's (the City's) financial activities for the fiscal year ended December 31, 2022. The information presented here should be read in conjunction with the financial statements, and the related notes to the financial statements. The net increase or decrease in activity since the prior year is shown as a positive or (negative) number respectively.

FINANCIAL HIGHLIGHTS

- City of Vancouver assets plus deferred outflows exceeded its liabilities plus deferred inflows at fiscal yearend (FYE) by over \$1.76 billion.
- Net investment in capital assets accounts for 66.5% of the total net position, with a value of \$1.17 billion.
- Of the remaining net position, \$404.9 million may be used to meet the government's ongoing obligations to citizens and creditors, without legal restrictions.
- The City's total net position showed a net change of \$98.7 million in current operations since the prior FYE.
- Total program revenues were \$294.4 million, a net change of \$7.8 million from the prior FYE. The change is comprised of a \$2.8 million change in Charges for Services, Fees, Fines and Forfeitures and a \$5.0 million change in Operating and Capital Grants and Contributions.
- Program expenses were \$411.5 million, a net change of \$62.5 million since the prior FYE.
- General revenues, special items, extraordinary items and transfers were \$215.7 million, a net change of \$9.9 million since the prior FYE.
- The City of Vancouver's governmental funds report a combined ending fund balance of \$367.8 million, which was a net change of \$21.7 million since the prior FYE. Of that, \$128.5 million is restricted by external parties or formal commitments, \$46.8 million is committed for specific purposes, such as revenue stabilization and emergency reserves, transportation improvements, fire operations, downtown improvement initiatives, Fort Vancouver trust and cemetery improvements. Amounts comprised of non-spendable, assigned and unassigned fund balances were \$90.8 million for the General Fund and \$101.7 million for all other governmental funds.
- The City of Vancouver's total bonded debt was \$42.70 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis provides an introduction and overview to the City's basic financial statements. This information will assist users in interpreting the basic statements. We will also provide other financial discussion and analysis of certain plans, projects and trends necessary for understanding the full context of the financial condition of the City.

Basic Financial Statements

The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The financial section of this report also contains required supplementary information, in addition to the basic financial statements.

Government-wide Financial Statements

Government-wide financial statements provide readers with a broad overview of the City of Vancouver's finances in a manner similar to a private-sector business. Functions of the City of Vancouver that are principally supported by taxes and intergovernmental revenues (referred to as "governmental activities") are distinguished from functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as "business-type activities").

The governmental activities of the City of Vancouver provide a full range of local government services to the public. Programs include law enforcement and public safety; fire protection; road construction and maintenance; community economic development; parks and recreation; and the issuance of permits and licenses. In addition, other general government activities include neighborhood support, a senior newsletter, and the revitalization of the downtown core area to name a few. The business-type activities of the City of Vancouver include water, sewer, storm water management and control, downtown parking, an airport, solid

waste, building inspection, and a tennis center.

The Statement of Net Position presents information on all City of Vancouver's assets, deferred outflows, liabilities and deferred inflows, with the difference being reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. Over time, increases or decreases in net position may serve as one indicator of whether the financial position of the City is improving or deteriorating. Some other indicators include the condition of the City's infrastructure systems (roads, drainage systems, bridges, etc.), changes in property tax base, and general economic conditions within the City.

The Statement of Activities presents information showing how the government's revenues and expenses impacted net position during 2022. This statement separates program revenue (revenue generated by specific programs through charges for services, grants, and contributions) from general revenue (revenue provided by taxes and other sources not tied to a particular program). This shows the extent to which each program relies on general revenue for funding. All changes in net position are reported using the accrual basis of accounting which requires that revenues are reported when they are earned and expenses are reported as soon as liabilities are incurred. The City has identified five entities as component units in the government-wide financial statements. Two of these entities will be shown in the government-wide financial statements as discretely presented component unit funds, Vancouver Downtown Redevelopment Authority (DRA) and Vancouver Public Facilities District (PFD). One, Vancouver Transportation Benefit District (TBD) is treated as a blended component unit presented as a special revenue fund. The City Center Redevelopment Authority (CCRA) and the Culture, Arts and Heritage Commission are component units of the City, however they have no activity and are not shown on the statements. The City has a joint venture, Clark Regional Emergency Services Agency (CRESA), and a jointly governed organization, the Council for the Homeless. See Note 11 for additional information on these organizations.

Fund Financial Statements

A fund is a self-balancing grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The City of Vancouver, like other state and local governments, uses fund accounting for compliance with finance-related legal requirements. All of the funds of the City of Vancouver fall into one of three categories: governmental funds, proprietary funds, or fiduciary funds. Governmental funds account for most, if not all, of a government's tax-supported activities. Proprietary funds account for a government's business-type activities where all or part of the costs of activities are supported by fees and charges paid directly by those who benefit from the activities. Fiduciary funds account for resources held by the government as a trustee or agent for parties outside of the government. The resources of fiduciary funds cannot be used to support the government's own programs.

Governmental Funds

The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances present separate columns of financial data for the General Fund, Consolidated Street Fund, Consolidated Fire Fund, Capital Improvement Fund and the American Rescue Plan Act Fund. These are considered major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental funds financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government's near-term financing requirements in comparison to near-term resources available.

To get a longer term perspective of financial balances and results of operations, the City presents full accrual information in the government wide financial statements. This gives readers a better understanding of the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains budgetary controls over all city funds at the fund level and in the General Fund, by fund-department level. Budgetary controls ensure compliance with legal provisions embodied in the biennial appropriated budget. Governmental fund budgets are established in accordance with state law, and most are adopted on a fund level. The General Fund budget is adopted on a fund level. Personnel services are budgeted by full-time positions. Budgetary variances are discussed later in this section.

Proprietary Funds

The City has two types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water/sewer/solid waste/drainage utility, airport, building inspection, parking, and tennis center operations. Internal service funds accumulate and allocate costs among the City's various functions. The City uses internal service funds to account for its facilities replacement, grounds and maintenance activities, rolling stock repair and replacement, computer repair and

replacement, self-insurance, administrative services, benefits, health insurance benefits and mail room services.

Those revenues and expenses of internal service funds that are duplicated in other funds are eliminated in the government-wide statements. The remaining balances are allocated and included in the governmental type activities columns. Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting.

In comparing the Proprietary Fund Statement of Net Position to the business-type column on the government-wide Statement of Net Position, the total net position amounts agree, needing no reconciliation. In comparing the total assets and total liabilities between the same two statements, you will notice slightly different amounts. This is because the "Internal balances" line on the government-wide statement combines the "Due from other funds" (assets) and the "Due to other funds" (liabilities) from the proprietary fund statement in a single line in the asset section of the government-wide statement.

The proprietary fund financial statements provide separate information for the Water/Sewer and Parking Services Funds as these are considered major funds. All other enterprise funds are aggregated into a single presentation. Internal Service Funds are also aggregated into a single presentation, but are not included in the totals.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Vancouver's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided, and are an integral part of the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Vancouver's progress in funding its obligations to the citizenry and its employees. Required supplementary information is located immediately following the notes to the financial statements.

The aggregated statements for *nonmajor* governmental and proprietary funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, changes in net position may serve as a useful indicator of a government's financial position. The City of Vancouver's net position totals \$1,762,751,357 at December 31, 2022. The following is a condensed and comparative version of the Government-wide Statement of Net Position.

City of Vancouver's Net Position						
	Governmental Activities		Business-type Activities		Total Activities	
	2021	2022	2021	2022	2021	2022
Current and other assets	\$ 574,747,864	\$ 546,491,857	\$ 193,724,584	\$ 192,872,300	\$ 768,472,448	\$ 739,364,157
Capital assets (net of accumulated depreciation)	718,513,444	731,355,924	462,804,436	490,200,153	1,181,317,880	1,221,556,077
TOTAL ASSETS	1,293,261,308	1,277,847,781	656,529,020	683,072,453	1,949,790,328	1,960,920,234
 DEFERRED OUTFLOWS OF RESOURCES	 11,352,704	 33,139,053	 3,275,986	 7,183,427	 14,628,690	 40,322,480
Long-term Liabilities	116,052,877	98,058,932	6,852,972	9,140,910	122,905,849	107,199,842
Other Liabilities	72,144,508	76,166,385	14,198,465	13,446,126	86,342,973	89,612,511
TOTAL LIABILITIES	188,197,385	174,225,317	21,051,437	22,587,036	209,248,822	196,812,353
 DEFERRED INFLOWS OF RESOURCES	 73,770,332	 35,244,478	 17,366,739	 6,434,526	 91,137,071	 41,679,004
 NET POSITION						
Net investment in capital assets	658,104,768	685,013,938	459,554,438	486,496,567	1,117,659,206	1,171,510,505
Restricted	224,656,452	165,127,904	30,643,180	21,174,446	255,299,632	186,302,350
Unrestricted	159,885,075	251,375,197	131,189,212	153,563,305	291,074,287	404,938,502
TOTAL NET POSITION	\$ 1,042,646,295	\$ 1,101,517,039	\$ 621,386,830	\$ 661,234,318	\$ 1,664,033,125	\$ 1,762,751,357

During 2022, the City's total assets changed by \$11.1 million and deferred outflows of resources changed by \$25.7 million, while total liabilities changed by \$(12.4) million and deferred inflows of resources changed by \$(49.5) million, primarily related to the recording of GASB 68 pension activity. The net result is a change in total net position of \$98.7 million, or 5.9%.

Of the City's total assets, cash changed by \$47.4 million and restricted cash changed by \$0.4 million; receivables changed by \$(0.6) million, capital assets changed by \$40.2 million, and other assets changed by \$(76.2) million from 2021.

The largest portion of the City's net position, 66.5%, reflects its investment in capital, less any related debt still outstanding that was used to acquire those assets. The City's capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Net position representing resources that are subject to external restrictions on how they may be used is 10.6% of the total, and net position that is unrestricted represents the remaining 23.0%.

At December 31, 2022, the City of Vancouver reports positive balances in all three categories of net position, for the government as a whole.

Analysis of Changes in Net Position

Total change in net position from prior year was \$98.7 million, inclusive of the impact of prior period adjustments. This is split between governmental change of \$58.9 million and business-type activities change of \$39.8 million. The Statement of Activities depicts the relationship of revenues and expenses for the City's governmental activities and proprietary funds. A condensed and comparative version of the Statement of Activities is shown below.

Revenues	Governmental Activities		Business-Type Activities		Total Primary Government	
Program revenues:	2021	2022	2021	2022	2021	2022
Charges for Services, Fees, Fines & Forfeitures	\$ 94,781,858	\$ 92,320,438	\$ 142,887,671	\$ 148,139,114	\$ 237,669,529	\$ 240,459,552
Operating Grants & Contributions	18,402,014	16,134,161	934,163	2,051,532	19,336,177	18,185,693
Capital Grants & Contributions	7,699,165	15,377,585	21,847,205	20,355,225	29,546,370	35,732,810
General Revenues						
Property Taxes Levied for General Purposes	58,553,494	59,754,257	-	-	58,553,494	59,754,257
Sales & Use Taxes	68,378,343	74,607,339	-	-	68,378,343	74,607,339
Utility, Excise, Lodging & Other Taxes	78,476,207	81,078,347	-	-	78,476,207	81,078,347
Unrestricted Investment Earnings	5,812	-	(53,342)	-	(47,530)	-
Miscellaneous	-	-	442,204	243,439	442,204	243,439
Total Revenues	326,296,893	339,272,127	166,057,901	170,789,310	492,354,794	510,061,437
Program Expenses						
Governmental Activities:						
General Government	84,956,750	99,952,056	-	-	84,956,750	99,952,056
Security/Persons & Property	83,451,474	117,918,193	-	-	83,451,474	117,918,193
Physical Environment	22,436	159,774	-	-	22,436	159,774
Transportation	27,249,577	34,024,011	-	-	27,249,577	34,024,011
Social Services	1,230,294	2,456,118	-	-	1,230,294	2,456,118
Economic Environment	21,894,554	22,016,160	-	-	21,894,554	22,016,160
Intergovernmental Facilities	8,442,912	5,360,121	-	-	8,442,912	5,360,121
Culture & Recreation	6,855,612	8,987,989	-	-	6,855,612	8,987,989
Interest on Long-Term Debt	1,029,095	(9,257,934)	-	-	1,029,095	(9,257,934)
Business-Type Activities:						
Water Sewer	-	-	103,420,707	115,694,123	103,420,707	115,694,123
Parking	-	-	1,060,159	3,303,239	1,060,159	3,303,239
Airport	-	-	715,380	930,316	715,380	930,316
Building Inspection	-	-	5,687,329	6,428,835	5,687,329	6,428,835
Solid Waste	-	-	1,739,039	2,068,385	1,739,039	2,068,385
Tennis Center	-	-	1,322,337	1,499,565	1,322,337	1,499,565
Total Expenses	235,132,704	281,616,488	113,944,951	129,924,463	349,077,655	411,540,951
Excess (deficiency) of revenues over expenses	91,164,189	57,655,639	52,112,950	40,864,847	143,277,139	98,520,486
Transfers - Governmental	124,977	1,215,105	-	-	124,977	1,215,105
Transfers - Business-Type	-	-	(124,977)	(1,215,105)	(124,977)	(1,215,105)
Income (loss) before special & extra	91,289,166	58,870,744	51,987,973	39,649,742	143,277,139	98,520,486
Change in Net Position	91,289,166	58,870,744	51,987,973	39,649,742	143,277,139	98,520,486
Net Position - Beginning	950,062,129	1,042,646,295	569,398,857	621,386,830	1,519,460,986	1,664,033,125
Prior year adjustments	1,295,000	-	-	197,746	1,295,000	197,746
Net Position - Ending	\$ 1,042,646,295	\$ 1,101,517,039	\$ 621,386,830	\$ 661,234,318	\$ 1,664,033,125	\$ 1,762,751,357

Governmental Activity Analysis

Governmental net position changed by \$58.9 million in 2022 from operations.

Revenues from Charges for Services, Fees, and Fines and Forfeitures saw a change from the prior year of \$(2.5) million, or (2.6)%; while revenues from Property Taxes changed by \$1.2 million, or 2.1%. A continued improving local economy is the driving force behind the tax increase. The Washington State Constitution limits the total regular property taxes to 1% of assessed valuation plus new constructions. Total governmental activities revenues changed by \$13.0 million, or 3.98%, including a change of \$6.2 million, or 9.1%, in revenues associated with Sales and Use taxes received by the City in 2022, compared to 2021.

Governmental activities expenses in total changed by \$46.5 million, or 19.8%.

Business-Type Activities Analysis

Business-type net position changed by \$39.8 million in 2022 from operations.

The Business-Type Activity revenue and expenses experienced a change of \$4.7 million and \$16.0 million, respectively. As

depicted in the table below, the Water/Sewer activity is the largest business-type activity in the City. As a result, the financial position of the City's business-type activities is strongly influenced by the Water/Sewer activity. This year, Water/Sewer had a change from prior year of \$5.0 million in total revenue and a \$12.3 million change in total expenses. Revenue increased primarily from a planned inflationary increase in water and sewer rates, along with an increase in usage.

Other business-type activities had changes in expenses, including the Building Inspection fund at \$742 thousand, and the Solid Waste fund at \$329 thousand compared to last year due to increase in city-wide cost allocation and professional services.

<u>Share of Business-Type Program Expenses & Revenues by Function</u>			
Total Business-Type Program Expenses		Total Business-Type Program Revenues	
	129,924,463		170,545,871
Program Expense by Function	Portion of Total	Program Revenue by Function	Portion of Total
Water/Sewer	89.0%	Water/Sewer	89.3%
Parking	2.5%	Parking	2.7%
Airport	0.7%	Airport	0.6%
Building Inspection	4.9%	Building Inspection	4.9%
Solid Waste	1.6%	Solid Waste	1.6%
Tennis Center	1.2%	Tennis Center	0.9%
	100.0%		100.0%

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds Analysis

The City's governmental funds are categorized into four types consisting of Consolidated General, Special Revenue, Debt Service, and Capital Project funds. Each fund type has a unique purpose. Consolidated General Fund, Consolidated Fire Fund, Consolidated Street Fund, Consolidated Capital Improvement Fund and the American Rescue Plan Act Fund are classified as major funds for the purposes of this report, based on criteria set forth by the Government Accounting Standards Board (GASB).

The Consolidated General Fund is the primary governmental fund. Consolidated General Fund revenues experienced a net change of 3.8% over the prior year. The largest positive contribution to the revenues came from an increase in sales tax, driven by a robust local economy and consumer spending. During 2022 residents continued greater reliance on internet shopping compared to historical trends. As a result, the City was able to re-capture sales tax that likely was avoided by residents making purchases on the Oregon side of the river. The construction activity was also unprecedented, resulting in a large amount of one time retail sales. During 2022 the City's recreation centers opened up after being largely closed due to the restrictions placed on operations by the Washington Governor's emergency declarations during 2021. Sales and Use tax and Business & Occupation taxes increased in 2022 by approximately \$6.8 million, while charges for Services decreased by approximately \$(0.5) million during the year. There was also a rate increase on utility rates, resulting in an increased utility tax revenue to the Utilities and to the General Fund.

Consolidated General Fund expenditures accounted for 44.6% of total governmental funds' expenditures for the year. Ending fund balance of the Consolidated General Fund changed by \$(13.3) million. Its fund balance includes a number of non-cash activities. The ending cash balance of the fund changed by \$(10.2) million. In late 2021-2022 the City started a paced transition of staff to the office environment and opened City Hall to residents. Council meetings transitioned to an in-person format combined with on-line participation options. The City purchased the building at 521 Chkalov that it was leasing for the Police training and office needs, which resulted in a planned capital outlay at the year end.

The Consolidated Fire Fund is a special revenue fund that encompasses both the operations and the equipment for the City's fire departments and Clark County Fire Protection District No. 5. Services provided by this fund include firefighting, emergency medical services and rescue. As reported in the Statement of Revenues, Expenditures and Changes in Fund Balances, major funding for the Consolidated Fire Fund is provided by Clark County Fire District No. 5 for services the City provides to its service district and transfers from the City's Consolidated General Fund. The Consolidated Fire Fund in 2022 accounted for 21.4% of the governmental funds expenditures - a change of \$6.6 million from the prior year due primarily to an increase in personnel costs and supplies. A new fire station, Fire Station 11, was completed and opened in the fall of 2022. With it came appropriate staffing to staff a new fire engine. The fund balance changed by \$(0.5) million as expenses were slightly higher than revenues and transfers in.

The Consolidated Street Fund is a special revenue fund comprised of the two City funds that provide for street maintenance and pavement management. Revenues have historically been derived from tax contributions distributed from the Consolidated General

Fund, state shared gasoline tax, an excise tax of ¼ of 1% of property value of transferred property and rents and royalties. A total of 11.1% of governmental fund expenditures was attributable to the Street fund in 2022. Capital outlay increased by \$2.8 million, and was the largest increase over prior year expenditures. Fund balance changed by approximately \$(0.7) million, primarily due to the increase in capital spending.

The Consolidated Capital Improvement Fund, established in 1977 to fund major capital projects in the City, is being reported as a major fund in 2022 due to the amount of capital projects during the year. Fund expenditures accounted for 4.8% of total governmental fund expenditures, a change of \$4.3 million compared to 2021, mostly due to Fire Station 11 project being constructed in 2021-2022. Fund balance changed by \$25.8 million.

The American Rescue Plan Act (ARPA) Fund was established in 2021 to report and track the receipt of grant dollars awarded by the US Department of Treasury. These funds are specifically targeted to aid in the recovery from the Coronavirus pandemic. The City is utilizing a public outreach process to discover public interest for the use of these funds. All projects must meet strict federal grant guidelines and will be reviewed and approved by an ARPA committee and the City Council. The City reported expenditures of \$999 thousand in 2021 and \$64 thousand in 2022. Ending Fund balance is \$(419) thousand, an decrease of \$(378) thousand in 2022, due to reporting of unrealized investment losses.

There are two changes to the Major Fund schedule for 2022. The Consolidated Park Impact Fee Fund and the GO Debt Service Fund are no longer considered major funds and are reported under the nonmajor governmental operating fund group for 2022. The Consolidated Park Impact Fee fund had been presented as a major fund for many years, primarily for consistent reporting presentation purposes. However, it has not met the criteria for a Major Fund for several years, so it was decided to discontinue the reporting practice of classifying the fund as major. The GO Debt Service fund was considered a Major Fund in 2021 due to an advanced refunding that required the fund be classified as a major fund. There was no refunding activity in 2022, so the fund was moved to the non-major fund group.

All other non-major governmental operating, debt service and capital construction funds comprise the remaining governmental expenditures.

Business-Type Funds Analysis

Proprietary, or business-type, funds are those funds that account for government operations where the intent is for the costs to be primarily paid by user charges. Enterprise funds are those funds that provide services primarily to external users, and the internal service funds provide their services primarily within the City. The City has twelve business-type funds: six enterprise funds, and six internal service funds.

The Consolidated Water Sewer Fund is the largest business-type fund in the City, accounting for 93.43% of net position for the enterprise funds at \$617.8 million. This fund encompasses three legally consolidated utilities: water, sewer, and drainage operations. The Water Sewer Fund's net position changed by \$35.0 million in 2022. This fund also reported income of \$16.9 million in 2022; a change of \$(5.8) million from the prior year. Of that, operating revenue changed \$7.0 million or 5.5% from the prior year due to an increase in utility rates, and operating expenses also changed \$12.8 million or 12.3%, related to an increase in taxes and professional services for maintenance. Additionally, Water Sewer Fund net capital assets were \$473.6 million.

The Parking Services Fund reported a change in net position of \$1.3 million. Operating income totaled \$1.5 million. The City has been bringing parking rates in line with market rates over several years. With the development of the downtown area, and a robust development of multi-family housing in the downtown core, the demand for parking has increased as well. The expenses did not increase commensurately, however there are plans for adding enforcement personnel and expanding the areas subject to parking enforcement and expanding the hours of enforcement.

The non-major business-type funds present a total operating income of \$3.9 million. The Building Inspection Fund had \$3.2 million in operating income, which was a change of \$(1.4) million from the prior year. The reduction was primarily due to the types of projects and the timing of plan reviews and issuance of permits. There were also some one time costs related to staffing which contributed to an increase in wages and benefits in 2022. Solid Waste had \$481 thousand in operating income, which was a change of \$52 thousand from the prior year. The Airport fund reported a \$194 thousand net operating income which was a change of \$119 thousand from the prior year. The Tennis Center is reporting a prior period adjustment of \$197,746 due to a mis-classification of losses in 2021. The Tennis Center is a self-supporting fund, with USTA picking up net losses, if applicable. The remaining non-major business-type funds represent \$0.6 million of the Net Pension Liability in 2022.

Internal Service Funds operate similar to enterprise funds, but perform services primarily for other funds within the City. Because of the nature of these funds, they are charged with operating as close as possible to a break-even point. They bill other funds based on estimated costs which are reconciled to actual annually or biennially depending on the fund. City Internal Service funds, as reported in 2022, realized a net position change of \$1.7 million, reflective of the change to move some plans from a biennial

reconciliation of rates to an annual one. In total Internal Service funds reported an operating income of \$(0.9) million. The Internal Service Funds proportionate share of the Pension Liability is \$2.5 million at the end of 2022.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City has been enjoying several years of revenues in the General Fund coming in above forecasts mostly due to elevated levels of Sales Tax revenue. In 2022, revenues came as forecasted, less than 1% above the forecast for the year. On an on-going basis, the budget anticipates an ongoing structural deficit each biennium that is a result of growth in on-going expenditures outpacing growth in on-going revenues. Contributing factors to this deficit include the following:

- Voters' passage of Initiative 695, which eliminated the motor vehicle excise tax in 2000.
- Initiative 747, which beginning in 2002 limited increases in property taxes to the lower of 1 percent or the implicit price deflator.
- The phase out and elimination of the city's Business and Occupation Tax beginning in 1993.
- Significantly greater City reliance on revenues that fluctuate with the economy.

The City has had relative financial stability since 2011, with the only exception being budget reductions in 2020, in direct services, which were significantly impacted by the pandemic. The City has a strong set of Financial Policies for the General Fund and other funds, and has sufficient reserves to support operations during potential fluctuations of the economy. These policies are reviewed every two years during the budget development process and affirmed by City Council. These policies ensure that the City maintains a healthy financial foundation into the future. These policies address such items as debt, future capital needs, and adequate reserves to build a stable and sustainable future and guide creation of City budgets.

CITYWIDE BUDGETARY HIGHLIGHTS

The final 2021-2022 biennial budget totals \$1.4 billion in operating and capital expenditures, including 1,204 employee positions.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of Vancouver's investment in capital assets, including construction in progress, for its governmental and business type activities as of December 31, 2022, amounts to \$1.17 billion (net of accumulated depreciation).

The table that follows is a comparison of the summary information for year-end 2021 and 2022 capital assets.

Capital Assets, Net of Depreciation

	Governmental Activities		Business-type Activities		Total Activities	
	2021	2022	2021	2022	2021	2022
Land and land improvements	\$ 131,776,948	\$ 135,475,623	\$ 40,193,431	\$ 40,193,431	\$ 171,970,379	\$ 175,669,054
Capital artwork	96,920	326,960	-	-	96,920	326,960
Intangible - Easements	9,319,599	9,602,084	18,586,838	24,051,777	27,906,437	33,653,861
Buildings and systems	93,764,330	101,478,262	17,198,314	16,619,531	110,962,644	118,097,793
Machinery and equipment	26,721,746	29,199,801	2,215,064	1,823,117	28,936,810	31,022,918
Infrastructure	431,490,774	416,025,328	344,680,795	358,095,910	776,171,569	774,121,238
Intangible assets	6,396,877	8,275,775	447,792	1,587,079	6,844,669	9,862,854
Construction in progress	18,946,250	30,972,091	39,482,202	47,829,308	58,428,452	78,801,399
Total	\$ 718,513,444	\$ 731,355,924	\$ 462,804,436	\$ 490,200,153	\$ 1,181,317,880	\$ 1,221,556,077

Total net capital assets changed 3.4% from prior year. Land assets changed \$3.7 million, or 2.2%, Intangible assets \$3.0 million, or 44.1%, and infrastructure changed \$(2.1) million or (0.3)%. Some of the major capital projects and acquisitions that took place during the year include construction of Fire Station 11, several large scale Water projects, SE 1st Street construction, continued development of the downtown waterfront, purchase of fleet vehicles, and infrastructure additions related to the City's utility funds. Additional information on City of Vancouver's capital assets can be found in Note 4 of this report. As of fiscal year end, the City had \$78.8 million of capital projects in various stages of completion. Of this amount, 39.3% are related to Governmental Activities with the remaining 60.7% benefiting Business-type Activities.

Long-Term Debt

At December 31, 2022, the City of Vancouver had total bonded debt outstanding of \$42.7 million. Of this amount, \$41.5 million is General Obligation debt, which is backed by the full faith and credit of the government. The remainder of the City's debt of \$1.2 million represents issuance premiums and discounts. The table below is a comparison of the summary information for year-end 2021 and 2022 bonded debt. The City of Vancouver's total bonded debt changed by \$(6.2) million, the result of scheduled principal payments made throughout 2022.

City of Vancouver Outstanding Bonded Debt (in thousands)

	Governmental Activities		Business-Type Activities		Total Activities	
	2021	2022	2021	2022	2021	2022
General obligation bonds	\$ 44,152	\$ 39,077	\$ 3,250	\$ 2,465	\$ 47,402	\$ 41,542
Net Amounts for:						
Issuance premiums						
(discounts)	1,520	1,156	-	-	1,520	1,156
Total	\$ 45,671	\$ 40,233	\$ 3,250	\$ 2,465	\$ 48,921	\$ 42,698

The City of Vancouver maintains an "Aa2"/"AA+" issuer rating from Moody's/Standard and Poor's (S & P) rating services, respectively. The City's LTGO bonds are rated Aa2/AA+. Additional information on the City's long-term debt can be found in Note 7 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

At the end of 2021, revenue projections for 2022 indicate that revenues are anticipated to continue increasing over the projected time period, driven mostly by the continued economic stabilization. Despite the COVID-19 pandemic, the city experienced a lesser than anticipated impact to revenue, as sales and property taxes remained elevated, and customers continued to pay their utility charges. The City suspended the business license fee and surcharge program for 2020 to support local businesses but restarted collections in 2021 with minor exemptions. The exemptions ended at the end of 2022. After a brief contraction at the beginning of the pandemic, housing prices rapidly increased within the city and overall region and construction activity expansion in single family, commercial and affordable housing sectors. Federal funding received through the Coronavirus Aid, Relief and Economic Security Act (CARES Act), lessened the impact of the pandemic on city's operations. The City has enjoyed decades of stability and was able to set aside funding for several high priority capital projects, such as the Replacement Operations Center, remodel of the new Police Headquarters building, major maintenance of the City's buildings, including roof replacements and future Tower Mall redevelopment.

City management continues its commitment to seeking out and implementing new cost containment and service delivery options to ensure the most efficient and effective way of service delivery and savings over the long run. The City agencies have continued on a process of developing their business plans and priorities at the same time as City Council is developing the vision and strategic plan for the City of Vancouver over the long term.

Requests for Information

This financial report is designed to provide a general overview of City of Vancouver's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to Financial and Management Services, City of Vancouver, P.O. Box 1995, Vancouver, WA, 98668-1995.

Government-Wide Financial Statements

CITY OF VANCOUVER
STATEMENT OF NET POSITION
DECEMBER 31, 2022

	Primary Government				
	Governmental Activities	Business-type Activities	Total Primary Government	Vancouver Downtown Redevelopment Authority	Vancouver Public Facilities District
ASSETS					
Cash and cash equivalents	\$ 439,897,311	\$ 143,159,484	\$ 583,056,795	\$ 91,217	\$ 203,981
Cash with fiscal/escrow agents	-	-	-	7,792,374	-
Restricted assets					
Restricted Cash	-	15,095,576	15,095,576	-	-
Accrued interest receivable	-	18,006	18,006	-	-
Cash with fiscal/escrow agent	-	-	-	7,890,772	-
Receivables (net of allowance for uncollectible accounts)	42,342,464	25,914,021	68,256,485	2,858,610	395,070
Inventories	597,920	991,597	1,589,517	43,407	-
Prepaid items	258,641	-	258,641	272,182	-
Internal Balances	1,308,762	(1,308,762)	-	-	-
Due from other governmental units	5,691,584	486,221	6,177,805	-	509,142
Noncurrent capital assets held for resale	338,307	2,455,839	2,794,146	-	-
Net pension asset	56,056,868	6,060,318	62,117,186	-	-
Capital assets (net of accumulated depreciation)					
Land & land improvements	135,475,623	40,193,431	175,669,054	-	3,603,691
Capital artwork	326,960	-	326,960	-	-
Easements	9,602,084	24,051,777	33,653,861	-	-
Buildings	101,478,262	16,619,531	118,097,793	28,793,939	-
Machinery and equipment	29,199,801	1,823,117	31,022,918	1,297,624	-
Infrastructure	416,025,328	358,095,910	774,121,238	-	-
Intangible assets	8,275,775	1,587,079	9,862,854	-	-
Construction work in progress	30,972,091	47,829,308	78,801,399	575,177	-
Total assets	<u>1,277,847,781</u>	<u>683,072,453</u>	<u>1,960,920,234</u>	<u>49,615,302</u>	<u>4,711,884</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to unamortized loss on refunding	564,335	-	564,335	764,965	-
Related to pensions	32,517,362	6,180,126	38,697,488	-	-
Related to asset retirement obligations	57,356	1,003,301	1,060,657	-	-
Total deferred outflows of resources	<u>33,139,053</u>	<u>7,183,427</u>	<u>40,322,480</u>	<u>764,965</u>	<u>-</u>
LIABILITIES					
Accounts payable and other current liabilities	16,919,465	9,187,918	26,107,383	1,311,418	-
Accrued interest payable	139,616	9,544	149,160	1,060,606	-
Unearned revenue	33,020,674	354,835	33,375,509	742,623	-
Noncurrent liabilities					
Net Pension Liability due in more than one year	12,083,558	3,488,432	15,571,990	-	-
Total OPEB liabilities due in one year	1,675,310	-	1,675,310	-	-
Total OPEB liabilities due in more than one year	21,131,145	-	21,131,145	-	-
Asset retirement obligations	450,000	2,443,200	2,893,200	-	-
Due within one year	24,411,320	3,893,829	28,305,149	2,438,210	-
Due in more than one year	64,394,229	3,209,278	67,603,507	51,026,477	1,101,844
Total liabilities	<u>174,225,317</u>	<u>22,587,036</u>	<u>196,812,353</u>	<u>56,579,334</u>	<u>1,101,844</u>
DEFERRED INFLOWS OF RESOURCES					
Amounts related to pension	30,911,522	6,316,030	37,227,552	-	-
Amounts related to Leases	4,332,956	118,496	4,451,452	-	-
Total deferred inflows of resources	<u>35,244,478</u>	<u>6,434,526</u>	<u>41,679,004</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	685,013,938	486,496,567	1,171,510,505	(18,494,656)	3,603,691
Restricted for					
Capital purposes	49,401,664	15,114,128	64,515,792	945,428	-
Culture & recreation	13,503,309	-	13,503,309	-	-
Social Services	268,813	-	268,813	-	-
Debt service	24,011	-	24,011	6,945,345	-
Economic environment	41,479,591	-	41,479,591	-	-
Grants	166,343	-	166,343	-	-
Pension	56,056,868	6,060,318	62,117,186	-	-
Security of persons & property	4,227,305	-	4,227,305	-	-
Unrestricted	251,375,197	153,563,305	404,938,502	4,404,816	6,349
Total net position	<u>\$ 1,101,517,039</u>	<u>\$ 661,234,318</u>	<u>\$ 1,762,751,357</u>	<u>\$ (6,199,067)</u>	<u>\$ 3,610,040</u>

The notes to the financial statements are an integral part of this statement

**CITY OF VANCOUVER
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services, Fees, Fines and Forfeitures	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Business-type Activities	Total	Vancouver Downtown Redevelopment Authority	Vancouver Public Facilities District
Functions/Programs	Expenses								
PRIMARY GOVERNMENT									
Governmental Activities:									
General government	\$ 99,952,056	\$ 46,593,226	\$ 7,333,633	\$ -	\$ (46,025,197)	\$ -	\$ (46,025,197)	\$ -	\$ -
Security/persons & property	117,918,193	19,785,503	2,662,873	674,445	(94,795,372)	-	(94,795,372)	-	-
Physical environment	159,774	1,721,320	-	-	1,561,546	-	1,561,546	-	-
Transportation	34,024,011	10,432,298	4,249,947	14,705,432	(4,636,334)	-	(4,636,334)	-	-
Social Services	2,456,118	-	8,874	-	(2,447,244)	-	(2,447,244)	-	-
Economic environment	22,016,160	3,307,795	1,712,173	-	(16,996,192)	-	(16,996,192)	-	-
Intergovernmental facilities	5,360,121	5,356,575	-	-	(3,546)	-	(3,546)	-	-
Culture and recreation	8,987,989	5,123,721	166,661	(2,292)	(3,699,899)	-	(3,699,899)	-	-
Interest/fiscal charges	(9,257,934)	-	-	-	9,257,934	-	9,257,934	-	-
Total governmental activities	281,616,488	92,320,438	16,134,161	15,377,585	(157,784,304)	-	(157,784,304)	-	-
Business-type Activities:									
Water/Sewer	115,694,123	130,122,024	1,775,247	20,355,225	-	36,558,373	36,558,373	-	-
Parking	3,303,239	4,584,207	-	-	-	1,280,968	1,280,968	-	-
Airport	930,316	694,610	395,923	-	-	160,217	160,217	-	-
Building Inspection	6,428,835	8,413,372	2,300	-	-	1,986,837	1,986,837	-	-
Solid Waste	2,068,385	2,668,095	35,304	-	-	635,014	635,014	-	-
Tennis Center	1,499,565	1,656,806	(157,242)	-	-	(1)	(1)	-	-
Total business-type activities	129,924,463	148,139,114	2,051,532	20,355,225	-	40,621,408	40,621,408	-	-
Total Primary Government	\$ 411,540,951	\$ 240,459,552	\$ 18,185,693	\$ 35,732,810	(157,784,304)	40,621,408	(117,162,896)	-	-
COMPONENT UNITS									
Downtown Redevelopment Authority	18,149,299	19,396,815	-	-				1,247,516	-
Public Facilities District	2,292,380	-	10,000	-				-	(2,282,380)
Total Component Units	\$ 20,441,679	\$ 19,396,815	\$ 10,000	\$ -	\$ -	\$ -	\$ -	1,247,516	(2,282,380)
General Revenues:									
Taxes:									
Property Taxes Levied for General Purposes					59,754,257	-	59,754,257	-	-
Sales and Use Taxes					74,607,339	-	74,607,339	3,784,114	2,286,949
B&O Taxes					61,083,672	-	61,083,672	-	-
Excise, Lodging and Other Taxes					19,994,675	-	19,994,675	-	-
Unrestricted Investment Earnings (loss)					-	-	-	204,327	(5,602)
Miscellaneous					-	243,439	243,439	-	-
Gain on extinguishment of debt					-	-	-	107,813	-
Transfers					1,215,105	(1,215,105)	-	-	-
Total General Revenues, Special Items, Extraordinary Items and Transfers					216,655,048	(971,666)	215,683,382	4,096,254	2,281,347
Change in Net Position					58,870,744	39,649,742	98,520,486	5,343,770	(1,033)
Net Position - Beginning					1,042,646,295	621,386,830	1,664,033,125	(11,542,837)	3,611,073
Prior period adjustment					-	197,746	197,746	-	-
Net Position - Ending					\$ 1,101,517,039	\$ 661,234,318	\$ 1,762,751,357	\$ (6,199,067)	\$ 3,610,040

The notes to the basic financial statements are an integral part of this statement

Fund Financial Statements

Consolidated General Fund

This fund was previously reported as "General Fund." The name has changed but the composition of the fund remains the same. In the City of Vancouver, this fund accounts for all receipt and disbursement transactions that are not specifically accounted for in other funds and which are generally considered to represent the ordinary operations of a municipality. This fund is both tax and general revenue supported. Expenditures are budgeted biennially on the modified accrual basis and its appropriations lapse at year-end.

The primary sources of revenues for the General Fund are: property tax, sales tax, utility taxes, licenses and permits, the state shared liquor and vehicle excise tax, court fines, and reimbursements from other funds of the City for pro-rating the costs of management and overhead.

Consolidated Fire Fund

This fund was established as a result of an agreement between the City of Vancouver and Fire District 5 to provide fire services. Two fire departments were consolidated and are now under the direction of the City. The fund will account for money received and expenditures made in providing fire services to the combined City and Fire District 5 service area.

Consolidated Street Fund

This fund was previously reported as "Street Fund." The name has changed but the composition of the fund remains the same. This is a general government service fund established in accordance with State RCW 35A.37.010 for the administration of street-oriented maintenance and construction. Revenues are derived from tax contributions distributed from the Consolidated General Fund, state shared gasoline tax, fines and fees.

Consolidated Capital Improvement Fund

This fund was previously reported as "Capital Improvement Fund." The name has changed but the composition of the fund remains the same. This fund was created in 1977 to fund major capital improvement projects. Funding came primarily from Revenue Sharing monies until 1987. Current revenues are interest earning, grants, proceeds from the sale of relevant assets and contributions from the general and the asset management funds.

American Rescue Plan Act Fund

This fund accounts for Federal American Rescue Plan Act grant dollars awarded by the US Department of Treasury to aid in the recovery from the Coronavirus pandemic.

Consolidated Water Sewer Fund

This fund was previously reported as "Water/Sewer Fund." The name has changed but the composition of the fund remains the same. It receives its revenue from service charges and from the sales of materials and supplies. Expenditures are for maintenance and extensions of drainage, water and sewer service facilities, operating a water supply system, maintaining sewer treatment plants, and operating a water drainage system. This fund also reflects the operation of revenue bonds outstanding, the funds available for redemption bonds, accumulative reserve, and construction funds.

Parking Services Fund

The Parking Services Fund was created in October 1981. It receives revenues from operations of City owned or operated public parking lots. Its expenses are directly related to the operation and maintenance of those facilities.

CITY OF VANCOUVER
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Major Funds				
	Consolidated General Fund	Consolidated Fire Fund	Consolidated Street Fund	Consolidated Capital Improvement Fund	American Rescue Plan Act
ASSETS					
Cash and cash equivalents	\$ 121,533,900	\$ 17,298,392	\$ 21,965,527	\$ 76,683,757	\$ 31,614,021
Receivables (net)					
Taxes/assessments	16,416,253	-	976,371	-	-
Accounts	741,913	253,639	130,464	175,443	-
Leases	2,907,496	-	-	-	-
Interest	153,040	20,702	26,276	91,495	37,738
Due from other funds	2,287,420	135,609	91,421	28,961	1,257
Due from interfund advances	416,329	-	-	-	-
Due from other governmental units	443,418	478,708	-	-	-
Prepaid items	158,538	-	-	-	-
Inventory	774	-	-	-	-
Total assets	<u>145,059,081</u>	<u>18,187,050</u>	<u>23,190,059</u>	<u>76,979,656</u>	<u>31,653,016</u>
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 145,059,081</u>	<u>\$ 18,187,050</u>	<u>\$ 23,190,059</u>	<u>\$ 76,979,656</u>	<u>\$ 31,653,016</u>
LIABILITIES					
Accounts payable	\$ 3,569,291	\$ 211,763	\$ 610,555	\$ 1,252,213	\$ -
Due to other funds	1,989,734	1,296,781	578,375	957,135	-
Due to interfund advances	-	-	-	-	-
Due to other governmental units	-	59,965	-	-	-
Accrued interest payable	2,630	4,432	-	-	-
Accrued liabilities	3,122,853	809,397	141,839	833	-
Unearned revenue	611,294	75,625	2	221,585	32,072,028
Total liabilities	<u>9,295,802</u>	<u>2,457,963</u>	<u>1,330,771</u>	<u>2,431,766</u>	<u>32,072,028</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-property taxes	561,836	-	-	-	-
Unavailable revenue-Leases	2,876,330	-	-	-	-
Unavailable revenue-grants and other	230,797	167,414	16,911	175,443	-
Total deferred inflows of resources	<u>3,668,963</u>	<u>167,414</u>	<u>16,911</u>	<u>175,443</u>	<u>-</u>
FUND BALANCES					
Nonspendable	575,640	-	-	-	-
Restricted	20,318,232	-	-	-	-
Committed	20,983,245	14,312,172	6,217,478	1,700,784	-
Assigned	1,013,129	1,249,501	15,624,899	72,671,663	-
Unassigned	89,204,070	-	-	-	(419,012)
Total fund balances	<u>132,094,316</u>	<u>15,561,673</u>	<u>21,842,377</u>	<u>74,372,447</u>	<u>(419,012)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 145,059,081</u>	<u>\$ 18,187,050</u>	<u>\$ 23,190,059</u>	<u>\$ 76,979,656</u>	<u>\$ 31,653,016</u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Non-Major Governmental Funds	Total Governmental Funds
ASSETS		
Cash and cash equivalents	\$ 105,767,855	\$ 374,863,452
Receivables (net)		
Taxes/assessments	3,219,916	20,612,540
Accounts	15,271,782	16,573,241
Leases	1,477,228	4,384,724
Interest	127,670	456,921
Due from other funds	1,492,451	4,037,119
Due from interfund advances	-	416,329
Due from other governmental units	4,485,397	5,407,523
Prepaid items	-	158,538
Inventory	-	774
Total assets	<u>131,842,299</u>	<u>426,911,161</u>
DEFERRED OUTFLOWS OF RESOURCES		
Total deferred outflows of resources	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 131,842,299</u>	<u>\$ 426,911,161</u>
LIABILITIES		
Accounts payable	\$ 3,504,951	\$ 9,148,773
Due to other funds	1,492,104	6,314,129
Due to interfund advances	416,329	416,329
Due to other governmental units	-	59,965
Accrued interest payable	1,833	8,895
Accrued liabilities	142,661	4,217,583
Unearned revenue	20,871	33,001,405
Total liabilities	<u>5,578,749</u>	<u>53,167,079</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue-property taxes	63,005	624,841
Unavailable revenue-Leases	1,456,626	4,332,956
Unavailable revenue-grants and other	<u>378,726</u>	<u>969,291</u>
Total deferred inflows of resources	<u>1,898,357</u>	<u>5,927,088</u>
FUND BALANCES		
Nonspendable	-	575,640
Restricted	108,215,880	128,534,112
Committed	3,555,640	46,769,319
Assigned	12,599,042	103,158,234
Unassigned	<u>(5,369)</u>	<u>88,779,689</u>
Total fund balances	<u>124,365,193</u>	<u>367,816,994</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 131,842,299</u>	<u>\$ 426,911,161</u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
GOVERNMENT WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2022**

Fund Balance - Total Governmental Funds	\$	367,816,994
Fund Balance - Total Internal Service Funds		78,046,853

Amounts reported for governmental activities in the statement of net position are different because the following activities are not current financial resources or uses. These balances are added to the statements, removed or adjusted as noted below.

Amounts for Assets reported, changed due to:

The addition of long-lived capital assets, net of accumulated depreciation.	\$	708,186,674
The addition of net pension assets which represent the fair value of pension assets is greater than the present value of pension benefits to be paid. Local governments report a net pension liability or asset, deferred outflows and deferred inflows for their share of the Washington State pension plans amounts, measured as of June 30.		
Multi-employer plans		51,651,617

Amounts for Deferred Outflows reported, changed due to:

The addition of the unamortized loss on debt refunding which will be amortized as an interest expense. Noncurrent liability amounts, such as long-lived debt are excluded from the current resources measurement.		564,335
The addition of net pension deferred outflows. Local governments report a net pension liability or asset, deferred outflows and deferred inflows for their share of the Washington State pension plans amounts, measured as of June 30. Additionally, deferred outflows represent the City's contributions subsequent to the pension plan measurement date and up to the end of the City's reporting period, December 31.		28,025,025

Amounts for Liabilities reported, changed due to:

The addition of long-lived liabilities (payables), including the portion due within one year after yearend.		
GO Bonds		(39,077,000)
Issuance Premium/discount		(1,155,570)
Governmental loans		(4,187,380)
Impact Fee Credit		(17,443,116)
Lease Payable		(2,486,371)
Accrued Interest Payable		(113,694)
The addition of net pension liabilities which represent the fair value of pension assets that are less than the present value of pension benefits to be paid. Local governments report a net pension liability or asset, deferred outflows and deferred inflows for their share of the Washington State pension plans amounts, measured as of June 30.		(9,547,813)
The addition of OPEB liabilities which represent the fair value of OPEB assets that are less than the present value of OPEB benefits to be paid. These liabilities are related to the single employer plans.		(22,806,455)
The addition of compensated absence liabilities which represent the future potential cost of paying employees' accrued leave hours.		(11,230,793)

Amounts for Deferred Inflows reported, changed due to:

The removal of unavailable revenue. Under the current resources approach, accounts receivable that will be received more than 60 days beyond yearend are considered earned but not available as a liquid resource. Therefore the receivable recorded is offset with a deferred inflow for unavailable revenue. For full accrual reporting the unavailable revenue is converted to revenue.		1,594,132
The addition of net pension deferred inflows. Local governments report a net pension liability or asset, deferred outflows and deferred inflows for their share of the Washington State pension plans amounts, measured as of June 30.		(26,320,399)

Eliminations:

When reported separately, City funds can have payables and receivables to other City funds. When those funds are rolled together to be presented as governmental activities the activity between them must be removed. This will not result in a net change to the fund balance.

Remove due to other funds between governmental and internal service funds	3,782,961
Remove due from other funds between governmental and internal service funds	(3,782,961)
Remove advances receivable between governmental funds	416,329
Remove advances payable between governmental funds	(416,329)

Total net position of government-wide governmental activities	\$	1,101,517,039
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The notes to the financial statements are an integral part of this statement.

CITY OF VANCOUVER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Major Funds				
	Consolidated General Fund	Consolidated Fire Fund	Consolidated Street Fund	Consolidated Capital Improvement Fund	American Rescue Plan Act
REVENUES					
Property taxes	\$ 53,762,375	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	64,097,235	-	-	-	-
Business & Occupation Taxes	61,083,672	-	-	-	-
Excise Taxes	659,991	-	6,558,326	-	-
License and permits	3,301,568	1,293,171	1,608,044	-	-
Intergovernmental	5,900,328	846,203	3,854,113	(2,292)	64,402
Charges for services	7,506,251	13,423,336	580,485	4,856,955	-
Fines and penalties	568,223	4,191	-	-	-
Investment earnings	(811,887)	19,789	(96,677)	(1,290,605)	(378,096)
Rents and royalties	2,303,533	-	295,500	301,414	-
Contributions/donations	202,433	31,687	-	-	-
Miscellaneous	398,840	96,232	-	-	-
Total revenues	198,972,562	15,714,609	12,799,791	3,865,472	(313,694)
EXPENDITURES					
Current					
General government	20,807,088	-	-	4,319,319	-
Security of persons & property	68,367,547	53,654,551	-	1,512,475	-
Physical environment	-	-	-	-	-
Transportation	-	-	18,367,017	-	-
Economic environment	8,881,624	-	-	-	-
Social services	2,454,657	-	-	-	-
Culture and recreation	15,061,011	-	-	-	-
Intergovernmental facilities	-	-	-	-	-
Capital outlay	4,352,292	3,822,017	11,487,254	7,096,395	-
Debt service					
Principal retirement	-	-	-	-	-
Interest/fiscal charges	-	-	-	-	-
Total expenditures	119,924,219	57,476,568	29,854,271	12,928,189	-
Excess (deficiency) of revenues over (under) expenditures	79,048,343	(41,761,959)	(17,054,480)	(9,062,717)	(313,694)
OTHER FINANCING SOURCES (USES)					
Sale of capital assets	-	-	1,106	-	-
Lease Issuance	2,686,530	-	-	-	-
Transfers in	2,376,529	42,037,818	17,718,185	35,443,822	-
Transfers out	(97,389,304)	(823,784)	(1,374,844)	(575,245)	(64,401)
Total other financing sources (uses)	(92,326,245)	41,214,034	16,344,447	34,868,577	(64,401)
Net change in fund balances	(13,277,902)	(547,925)	(710,033)	25,805,860	(378,095)
FUND BALANCES - BEGINNING	145,372,218	16,109,598	22,552,410	48,566,587	(40,917)
FUND BALANCES - ENDING	\$ 132,094,316	\$ 15,561,673	\$ 21,842,377	\$ 74,372,447	\$ (419,012)

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Non-Major Governmental Funds	Total Governmental Funds
REVENUES		
Property taxes	\$ 5,982,630	\$ 59,745,005
Sales and use taxes	10,510,104	74,607,339
Business & Occupation Taxes	-	61,083,672
Excise Taxes	11,774,557	18,992,874
License and permits	2,652,987	8,855,770
Intergovernmental	14,845,303	25,508,057
Charges for services	11,864,786	38,231,813
Fines and penalties	18,982	591,396
Investment earnings	(905,966)	(3,463,442)
Rents and royalties	406,548	3,306,995
Contributions/donations	441,296	675,416
Miscellaneous	446,381	941,453
Total revenues	<u>58,037,608</u>	<u>289,076,348</u>
EXPENDITURES		
Current		
General government	962,055	26,088,462
Security of persons & property	166,318	123,700,891
Physical environment	72,602	72,602
Transportation	5,670,464	24,037,481
Economic environment	14,385,794	23,267,418
Social services	-	2,454,657
Culture and recreation	1,006,830	16,067,841
Intergovernmental facilities	5,360,121	5,360,121
Capital outlay	14,240,482	40,998,440
Debt service		
Principal retirement	5,543,877	5,543,877
Interest/fiscal charges	1,428,085	1,428,085
Total expenditures	<u>48,836,628</u>	<u>269,019,875</u>
Excess (deficiency) of revenues over (under) expenditures	9,200,980	20,056,473
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	-	1,106
Lease Issuance	-	2,686,530
Transfers in	17,196,433	114,772,787
Transfers out	(15,556,866)	(115,784,444)
Total other financing sources (uses)	<u>1,639,567</u>	<u>1,675,979</u>
Net change in fund balances	10,840,547	21,732,452
FUND BALANCES - BEGINNING	<u>113,524,646</u>	<u>346,084,542</u>
FUND BALANCES - ENDING	<u>\$ 124,365,193</u>	<u>\$ 367,816,994</u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUNDS TO THE GOVERNMENT WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balance - Total Governmental Funds	\$	21,732,452
Net Change in Fund Balance - Total Internal Service Funds		1,736,677

Amounts reported for governmental activities in the statement of activities are different because the following activities are not current financial resources or uses. These balances are added to the statements, removed or adjusted as noted below.

Amounts for Revenues reported, changed due to:

Related to changes in Assets:

Long-lived capital assets, are presented on the government-wide statements. The addition of capital assets that are donated to the City from outside sources represent a non-cash revenue.	\$	1,332,589
Long-lived pension assets are presented on the government-wide statement. Contributions to the asset are reported as revenue.		1,893,621

The long-lived impact fee credit liabilities are added to the government-wide statements. The changes in the liability balance represent changes in revenue as the credit is granted to and used by participants in the program.		1,975,926
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Related to changes in Deferred Inflows:

The removal of unavailable revenue. Under the current resources approach, accounts receivable that will be received more than 60 days beyond yearend are considered earned but not available as a liquid resource. Therefore the receivable recorded is offset with a deferred inflow for unavailable revenue. For full accrual reporting the unavailable revenue is converted to revenue.		(195,902)
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Amounts for Expenditures reported, changed due to:

Related to changes in Assets:

Current expenditures related to the construction or acquisition of long-lived capital assets are converted to increases in capital assets.		29,522,845
Long-lived capital assets, net of accumulated depreciation, are presented on the government-wide statements. The change in the accumulated depreciation balance is added to the statements as depreciation expense.		(23,546,229)

Related to changes in Deferred Outflows:

Premiums related to long-lived liabilities are amortized and reduce amortization expense		364,272
Discounts related to long-lived liabilities are decreased through amortization expense		(194,868)

Related to changes in Liabilities:

Debt payments convert to decreases of long-lived liabilities.		16,582,815
The long-lived compensated absence liabilities are added to the government-wide statements. The changes in the liability balance represent changes in expenditures.		(487,388)
The long-lived OPEB liabilities are added to the government-wide statements. The changes in the liability balance represent changes in expenditures.		6,191,603
The long-lived pension liabilities, deferred inflows and outflows are added to the government-wide statements. The changes in the those balances represent changes in expenditures.		(510,779)
The addition of interest payables related to long-lived liabilities also represent an expense.		33,396
Payments of other long-lived payables converted to decreases of those liabilities		2,439,716

Eliminations:

Various City funds provide internal services to other funds. When reported separately, they show revenues and expenditures related to these services. Additionally, City funds transfer cash to other funds. When those funds are rolled together to be presented as governmental activities, the activity between them must be removed. This will not result in a net change to the Change in Fund Balance.

Remove internal service revenue for funds rolled together for governmental activities		(39,195,528)
Remove internal service expenditures for funds rolled together for governmental activities		39,195,528
Remove transfer in balances for funds rolled together for governmental activities		(74,808,666)
Remove transfer out balances for funds rolled together for governmental activities		74,808,666

Total net position of government-wide governmental activities	\$	58,870,744
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CITY OF VANCOUVER
CONSOLIDATED GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Property taxes	\$ 103,496,623	\$ 105,996,623	\$ 106,377,233	\$ 380,610
Sales and use taxes	92,276,365	110,176,365	124,308,519	14,132,154
Business & Occupation Taxes	112,136,258	117,232,833	119,223,276	1,990,443
Excise Taxes	1,600,000	1,400,000	1,387,258	(12,742)
License and permits	3,076,991	2,903,238	5,551,266	2,648,028
Intergovernmental	12,553,215	13,394,197	12,372,052	(1,022,145)
Charges for services	15,820,814	15,858,637	15,501,319	(357,318)
Fines and penalties	1,750,000	1,750,000	1,500,987	(249,013)
Investment earnings	1,550,000	1,559,000	(1,017,123)	(2,576,123)
Rents and royalties	3,607,935	5,307,935	4,636,832	(671,103)
Contributions/donations	50,000	50,000	295,800	245,800
Miscellaneous	5,020,000	5,020,000	610,352	(4,409,648)
Total revenues	352,938,201	380,648,828	390,747,771	10,098,943
EXPENDITURES				
Current:				
General government	28,807,048	39,317,590	28,318,988	10,998,602
Security of persons & property	151,987,852	153,811,220	126,376,455	27,434,765
Physical environment	2,344,950	5,641,572	-	5,641,572
Economic environment	19,521,227	21,206,565	24,023,635	(2,817,070)
Social services	-	-	3,684,951	(3,684,951)
Culture and recreation	36,083,152	36,154,692	27,659,573	8,495,119
Capital outlay	10,560,500	1,028,446	4,687,935	(3,659,489)
Total expenditures	249,304,729	257,160,085	214,751,537	42,408,548
Excess (deficiency) of revenues over expenditures	103,633,472	123,488,743	175,996,234	52,507,491
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	200,000	1,525,000	1,627,438	102,438
Lease Issuance	-	-	2,686,530	2,686,530
Transfers in	1,496,619	6,175,421	3,494,513	(2,680,908)
Transfers out	(117,565,661)	(150,489,924)	(165,472,982)	(14,983,058)
Total other financing sources (uses)	(115,869,042)	(142,789,503)	(157,664,501)	(14,874,998)
Net change in fund balance	(12,235,570)	(19,300,760)	18,331,733	37,632,493
FUND BALANCES - BEGINNING RESTATED	113,762,583	113,762,583	113,762,583	-
FUND BALANCES - ENDING	\$ 101,527,013	\$ 94,461,823	\$ 132,094,316	\$ 37,632,493

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
CONSOLIDATED FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
License and permits	\$ 27,455	\$ 1,186,955	\$ 2,303,657	\$ 1,116,702
Intergovernmental	439,677	1,857,256	1,373,204	(484,052)
Charges for services	27,321,727	26,955,910	25,969,068	(986,842)
Fines and penalties	-	-	9,118	9,118
Investment earnings	324,000	324,000	14,825	(309,175)
Rents and royalties	-	92,500	-	(92,500)
Contributions/donations	-	56,137	68,137	12,000
Miscellaneous	50,000	51,545	153,084	101,539
Total revenues	28,162,859	30,524,303	29,891,093	(633,210)
EXPENDITURES				
Security of persons & property	96,063,375	104,742,947	102,707,447	2,035,500
Capital outlay	3,701,914	9,258,276	5,621,365	3,636,911
Total expenditures	99,765,289	114,001,223	108,328,812	5,672,411
Excess (deficiency) of revenues over expenditures	(71,602,430)	(83,476,920)	(78,437,719)	5,039,201
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	35,500	35,500
Transfers in	74,919,831	82,449,702	79,324,566	(3,125,136)
Transfers out	(4,491,912)	(4,858,243)	(2,077,215)	2,781,028
Total other financing sources (uses)	70,427,919	77,591,459	77,282,851	(308,608)
Net change in fund balance	(1,174,511)	(5,885,461)	(1,154,868)	4,730,593
FUND BALANCES - BEGINNING	16,716,541	16,716,541	16,716,541	-
FUND BALANCES - ENDING	\$ 15,542,030	\$ 10,831,080	\$ 15,561,673	\$ 4,730,593

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
CONSOLIDATED STREET FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Excise Taxes	\$ 8,244,054	\$ 10,744,054	\$ 13,087,339	\$ 2,343,285
License and permits	-	-	2,651,264	2,651,264
Intergovernmental	7,800,000	8,096,487	7,786,448	(310,039)
Charges for services	1,962,900	1,962,900	1,052,782	(910,118)
Investment earnings	1,850,000	1,850,000	(129,449)	(1,979,449)
Rents and royalties	655,492	655,492	547,595	(107,897)
Contributions/donations	-	537,500	-	(537,500)
Miscellaneous	-	-	2,113	2,113
Total revenues	<u>20,512,446</u>	<u>23,846,433</u>	<u>24,998,092</u>	<u>1,151,659</u>
EXPENDITURES				
Transportation	38,439,756	41,438,896	35,797,992	5,640,904
Capital outlay	19,877,818	21,258,265	20,202,101	1,056,164
Total expenditures	<u>58,317,574</u>	<u>62,697,161</u>	<u>56,000,093</u>	<u>6,697,068</u>
Excess (deficiency) of revenues over expenditures	(37,805,128)	(38,850,728)	(31,002,001)	7,848,727
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,106	1,106
Transfers in	35,792,376	39,965,011	36,927,119	(3,037,892)
Transfers out	(2,779,645)	(18,367,474)	(2,416,176)	15,951,298
Total other financing sources (uses)	<u>33,012,731</u>	<u>21,597,537</u>	<u>34,512,049</u>	<u>12,914,512</u>
Net change in fund balance	(4,792,397)	(17,253,191)	3,510,048	20,763,239
FUND BALANCES - BEGINNING	<u>18,332,329</u>	<u>18,332,329</u>	<u>18,332,329</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 13,539,932</u>	<u>\$ 1,079,138</u>	<u>\$ 21,842,377</u>	<u>\$ 20,763,239</u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER**AMERICAN RESCUE PLAN ACT****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****COMPARED TO BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Intergovernmental	\$ -	\$ 16,567,935	\$ 1,063,841	\$ (15,504,094)
Investment earnings	-	-	(419,013)	(419,013)
Total revenues	-	16,567,935	644,828	(15,923,107)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(7,290,102)	(1,063,840)	6,226,262
Total other financing sources (uses)	-	(7,290,102)	(1,063,840)	6,226,262
Net change in fund balance	-	9,277,833	(419,012)	(9,696,845)
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ 9,277,833	\$ (419,012)	\$ (9,696,845)

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Consolidated Water Sewer Fund	Parking Services	Non-Major Enterprise Funds	Total	(Governmental Activities) Internal Service Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 113,126,883	\$ 8,148,653	\$ 21,883,948	\$ 143,159,484	\$ 65,033,859
Restricted cash, cash equivalents and investments:					
Cash and cash equivalents	15,095,576	-	-	15,095,576	-
Accrued interest receivable	18,006	-	-	18,006	-
Receivables (net)					
Accounts	20,336,763	1,539,002	304,744	22,180,509	237,313
Leases	-	-	119,214	119,214	-
Interest	135,220	9,735	26,297	171,252	77,725
Due from other funds	173,876	20,113	3,686	197,675	4,788,731
Due from other governmental units	388,885	-	97,336	486,221	260,006
Inventory	991,597	-	-	991,597	597,146
Prepaid expenses	-	-	-	-	100,103
Net Pension Asset	4,859,687	168,365	1,032,266	6,060,318	4,405,251
Total current assets	<u>155,126,493</u>	<u>9,885,868</u>	<u>23,467,491</u>	<u>188,479,852</u>	<u>75,500,134</u>
Noncurrent assets					
Contracts receivable	3,443,046	-	-	3,443,046	-
Noncurrent capital assets held for resale	2,455,839	-	-	2,455,839	-
Capital assets					
Land and land improvements	39,240,572	468,657	484,202	40,193,431	-
Intangible - Easements	24,051,777	-	-	24,051,777	-
Construction in progress	47,825,100	-	4,208	47,829,308	108,312
Infrastructure and other improvements	679,981,922	78,937	3,581,800	683,642,659	-
Buildings	10,357,706	13,497,441	9,388,690	33,243,837	-
Intangible assets	9,930,732	128,712	1,837,338	11,896,782	7,744,372
Intangible Assets - RTU	-	-	1,274,093	1,274,093	-
Machinery and equipment	24,841,447	2,053,216	313,042	27,207,705	46,105,429
Accumulated depreciation	(362,590,152)	(8,599,117)	(7,950,170)	(379,139,439)	(30,450,557)
Capital assets (net)	<u>473,639,104</u>	<u>7,627,846</u>	<u>8,933,203</u>	<u>490,200,153</u>	<u>23,507,556</u>
Total noncurrent assets	<u>479,537,989</u>	<u>7,627,846</u>	<u>8,933,203</u>	<u>496,099,038</u>	<u>23,507,556</u>
Total assets	<u>634,664,482</u>	<u>17,513,714</u>	<u>32,400,694</u>	<u>684,578,890</u>	<u>99,007,690</u>
DEFERRED OUTFLOWS OF RESOURCES					
Amounts Related to Asset Retirement Obligations	1,000,040	-	3,261	1,003,301	57,356
Amounts related to pension	4,955,759	171,694	1,052,673	6,180,126	4,492,337
Total deferred outflows of resources	<u>5,955,799</u>	<u>171,694</u>	<u>1,055,934</u>	<u>7,183,427</u>	<u>4,549,693</u>

The notes to the financial statement are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022

	Consolidated Water Sewer Fund	Parking Services	Non-Major Enterprise Funds	Total	(Governmental Activities) Internal Service Funds
LIABILITIES					
Current liabilities					
Accounts payable	8,063,620	133,381	247,909	8,444,910	3,106,616
Claims and judgments payable	-	-	-	-	3,454,183
Due to other funds	1,208,659	89,468	208,310	1,506,437	1,118,939
Accrued interest payable	2,062	5,687	1,795	9,544	17,027
Accrued liabilities	524,004	20,266	198,740	743,010	446,489
Unearned revenues	-	195,544	159,291	354,835	19,269
Bonds, notes and loans payable	-	800,000	34,256	834,256	-
Total current liabilities	9,798,345	1,244,346	850,301	11,892,992	8,162,523
Noncurrent liabilities					
Bonds, notes, leases and loans payable	-	1,665,000	1,204,328	2,869,328	-
Claims and judgments	-	-	-	-	7,646,769
Accrued employee benefits	2,854,128	31,652	513,742	3,399,522	2,124,368
Net pension liability	2,797,327	96,914	594,191	3,488,432	2,535,745
Asset Retirement Obligations	2,293,200	-	150,000	2,443,200	450,000
Total noncurrent liabilities	7,944,655	1,793,566	2,462,261	12,200,482	12,756,882
Total liabilities	17,743,000	3,037,912	3,312,562	24,093,474	20,919,405
DEFERRED INFLOWS OF RESOURCES					
Amounts related to pension	5,064,740	175,469	1,075,821	6,316,030	4,591,125
Inflows related to leases	-	-	118,496	118,496	-
Total deferred inflows of resources	5,064,740	175,469	1,194,317	6,434,526	4,591,125
NET POSITION					
Net investment in capital assets	473,639,100	5,162,846	7,694,621	486,496,567	23,507,557
Restricted for capital purposes	15,114,128	-	-	15,114,128	420,000
Restricted for Pension	4,859,687	168,365	1,032,266	6,060,318	4,405,251
Unrestricted	124,199,626	9,140,816	20,222,862	153,563,304	49,714,045
Total net position	\$ 617,812,541	\$ 14,472,027	\$ 28,949,749	\$ 661,234,317	\$ 78,046,853

The notes to the financial statement are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Consolidated Water Sewer Fund	Parking Services	Non-Major Enterprise Funds	Total	(Governmental Activities) Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 129,978,105	\$ 358,861	\$ 13,845,356	\$ 144,182,322	\$ 72,981,757
Fines and penalties	588,883	590,212	-	1,179,095	-
Rents and royalties	603,312	3,724,440	839,463	5,167,215	7,546,697
Operating grants and contributions	1,775,247	-	276,285	2,051,532	169,612
Miscellaneous	234,182	9,256	-	243,438	60,348
Total operating revenues	<u>133,179,729</u>	<u>4,682,769</u>	<u>14,961,104</u>	<u>152,823,602</u>	<u>80,758,414</u>
OPERATING EXPENSES					
Personnel services	21,451,916	815,063	4,704,065	26,971,044	20,921,042
Supplies and contractual services	24,110,854	1,230,515	3,756,031	29,097,400	50,656,300
Interfund services	15,377,921	514,658	2,260,331	18,152,910	5,695,862
Intergovernmental payments	39,985,392	76,073	14,573	40,076,038	211,142
Depreciation	15,269,528	582,673	312,675	16,164,876	4,133,115
Amortization of Asset Retirement Obligations	35,419	-	3,261	38,680	14,339
Amortization of Right-to-Use Asset	-	-	43,559	43,559	-
Total operating expenses	<u>116,231,030</u>	<u>3,218,982</u>	<u>11,094,495</u>	<u>130,544,507</u>	<u>81,631,800</u>
Operating income (loss)	16,948,699	1,463,787	3,866,609	22,279,095	(873,386)
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	(991,154)	(73,466)	(206,711)	(1,271,331)	(555,719)
Interest and fiscal charges	(122,400)	(85,697)	(21,808)	(229,905)	-
Gain (Loss) on disposal of capital assets	(262,304)	-	(5,934)	(268,238)	523,727
Non-capital insurance recoveries	-	-	-	-	415,294
Total nonoperating revenues (expenses)	<u>(1,375,858)</u>	<u>(159,163)</u>	<u>(234,453)</u>	<u>(1,769,474)</u>	<u>383,302</u>
Income (loss) before contributions and transfers	15,572,841	1,304,624	3,632,156	20,509,621	(490,084)
Capital contributions	20,355,225	-	-	20,355,225	-
Transfers in	-	-	-	-	2,311,261
Transfers out	<u>(945,842)</u>	<u>-</u>	<u>(269,263)</u>	<u>(1,215,105)</u>	<u>(84,500)</u>
Change in net position	34,982,224	1,304,624	3,362,893	39,649,741	1,736,677
TOTAL NET POSITION - BEGINNING	582,830,317	13,167,403	25,389,110	621,386,830	76,310,176
Prior Period Adjustment	-	-	197,746	197,746	-
TOTAL NET POSITION - ENDING	<u>\$ 617,812,541</u>	<u>\$ 14,472,027</u>	<u>\$ 28,949,749</u>	<u>\$ 661,234,317</u>	<u>\$ 78,046,853</u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Page 1 of 2

	Business-Type Activities - Enterprise Funds				(Governmental Activities)
	Major Fund		Non-Major Enterprise Funds	Total	Internal Service Funds
	Consolidated Water Sewer	Parking Services			
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 129,758,827	\$ 4,079,242	\$ 14,554,749	\$ 148,392,818	\$ 80,416,298
Cash received from other operating activities	744,210	599,468	-	1,343,678	60,348
Receipt of operating grants and contributions	1,775,247	-	279,425	2,054,672	169,612
Cash payments for goods and services	(65,037,536)	(1,270,905)	(3,779,485)	(70,087,926)	(47,941,058)
Internal activity - payments from other funds	256,035	16,724	16,601	289,360	-
Internal activity - payments to other funds	(14,974,377)	(585,333)	(2,240,076)	(17,799,786)	(7,705,215)
Cash payments to employees	(23,228,445)	(926,440)	(4,981,865)	(29,136,750)	(22,432,896)
Net cash provided by operating activities	29,293,961	1,912,756	3,849,349	35,056,066	2,567,089
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Unrestricted funds received	-	(85,697)	-	(85,697)	-
Non-capital insurance recoveries	-	-	-	-	415,294
Contracts receivable	273,731	-	-	273,731	-
Transfers from other funds	-	-	-	-	2,311,261
Transfers to other funds	(945,842)	-	(269,263)	(1,215,105)	(84,500)
Net cash provided by noncapital financing activities	(672,111)	(85,697)	(269,263)	(1,027,071)	2,642,055
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Receipt of capital grant funds	-	-	315,398	315,398	-
Principal paid on capital debt	-	(785,000)	-	(785,000)	-
Interest paid on capital debt	-	(1,587)	(21,808)	(23,395)	-
Purchase of capital assets	(32,365,974)	-	(40,783)	(32,406,757)	(4,288,714)
Gain/(Loss) from sale of capital assets	(262,304)	-	-	(262,304)	523,727
Capital contributions	10,434,040	-	-	10,434,040	-
Net cash used by capital and related financing activities	(22,194,238)	(786,587)	252,807	(22,728,018)	(3,764,987)
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	(1,205,833)	(79,640)	(223,952)	(1,509,425)	(601,637)
Net cash provided by investing activities	(1,205,833)	(79,640)	(223,952)	(1,509,425)	(601,637)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,221,779	960,832	3,608,941	9,791,552	842,520
CASH AND CASH EQUIVALENTS - BEGINNING	123,000,680	7,187,821	18,275,007	148,463,508	64,191,339
CASH AND CASH EQUIVALENTS - ENDING	\$ 128,222,459	\$ 8,148,653	\$ 21,883,948	\$ 158,255,060	\$ 65,033,859
Cash and cash equivalents	\$ 113,126,883	\$ 8,148,653	\$ 21,883,948	\$ 143,159,484	\$ 65,033,859
Restricted cash and cash equivalents	15,095,576	-	-	15,095,576	-
Cash and cash equivalents - ending	<u>\$ 128,222,459</u>	<u>\$ 8,148,653</u>	<u>\$ 21,883,948</u>	<u>\$ 158,255,060</u>	<u>\$ 65,033,859</u>

The notes to the financial statements are an integral part of this statement.

CITY OF VANCOUVER
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

Page 2 of 2

	Business-Type Activities - Enterprise Funds				(Governmental Activities)
	Major Fund		Non-Major Enterprise Funds	Total	Internal Service Funds
	Water/Sewer	Parking Services			
Reconciliation of operating income (loss) to net cash used by operating activities:					
Net operating income (loss)	\$ 16,948,699	\$ 1,463,787	\$ 3,866,609	\$ 22,279,095	\$ (873,386)
Adjustments to reconcile net operating income (loss) to net cash provided by operations:					
Depreciation expense	15,269,528	582,673	312,675	16,164,876	4,133,114
Decrease (increase) in receivables	(3,930,817)	(107,264)	(768,432)	(4,806,513)	(3,152,044)
Decrease (increase) in inventories	(113,165)	-	-	(113,165)	(58,376)
Increase (decrease) in current payables	(821,965)	38,053	(199,836)	(983,748)	1,694,374
Increase (decrease) in accrued liabilities	(8,822,495)	(408,401)	(1,357,223)	(10,588,119)	(6,391,709)
Decrease (increase) in receivable from other funds	256,035	16,724	214,347	487,106	(1,811,563)
Decrease (increase) in receivable from other government	(78,855)	-	3,140	(75,715)	-
Increase (decrease) in payables due to other funds	403,544	(70,675)	20,255	353,124	(137,544)
Increase (decrease) in claims and judgments payable	-	-	-	-	1,164,877
Increase (decrease) in pension liability	10,183,452	397,859	1,757,814	12,339,125	7,999,346
Total adjustments	12,345,262	448,969	(17,260)	12,776,971	3,440,475
Net cash provided by operating activities	<u>\$ 29,293,961</u>	<u>\$ 1,912,756</u>	<u>\$ 3,849,349</u>	<u>\$ 35,056,066</u>	<u>\$ 2,567,089</u>
Noncash, investing, financing and capital activities					
Capital assets donated	\$ 9,921,185	\$ -	\$ -	\$ 9,921,185	\$ -
Leased RTU Capital Assets	\$ -	\$ -	\$ 1,274,093	\$ 1,274,093	\$ -
Net change in fair value of investments	\$ (4,475,952)	\$ (279,311)	\$ (748,799)	\$ (5,504,062)	\$ (2,257,173)
Capital assets financed with accounts payable	\$ 4,250,588	\$ -	\$ -	\$ 4,250,588	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF VANCOUVER
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2022

	Custodial Fund
ASSETS	
Cash and cash equivalents	\$ 1,209,801
Receivables:	
Taxes	147,831
Interest	1,445
Total assets	<u>1,359,077</u>
LIABILITIES	
Accounts and accrued employee payables	2,860
Due to other governmental units	84,020
Total liabilities	<u>86,880</u>
NET POSITION	
Restricted for:	
Restricted for intergovernmental contracts	1,272,197
Total net position	<u><u>\$ 1,272,197</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF VANCOUVER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Custodial Fund</u>
ADDITIONS	
Licenses & Permits	\$ 618,728
Net increase in fair value of investments	(38,309)
Investment Interest	28,057
Total additions	<u>608,476</u>
DEDUCTIONS	
Intergovernmental services	<u>562,779</u>
Total deductions	<u>562,779</u>
Change in net position	45,697
Net position - beginning	<u>1,226,500</u>
Net position - ending	<u>\$ 1,272,197</u>

The notes to the financial statements are an integral part of this statement.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

The City was incorporated January 23, 1857 and operates under a Council-Manager form of government. Services are provided per its charter adopted February 10, 1952, as last amended November, 2019.

As required by the generally accepted accounting principles (GAAP) the financial statements present the City, the primary government, and its component units. The component units discussed below are included with the City because of the significance of their operational or financial relationships with the City.

Discretely Presented Component Units

The *Vancouver Public Facilities District* (PFD) is a special purpose government established to participate in the development of the Hotel/Convention Center in downtown Vancouver. The PFD board is comprised of five (5) members appointed by the City Council of Vancouver. The City is able to impose its will on the district; however, PFD's services do not exclusively or almost exclusively benefit the City of Vancouver. Therefore, financial statements are discretely presented in the City's annual financial report on the government-wide statements.

The *Downtown Redevelopment Authority* (DRA) is a special purpose government established in 1997 to plan, design, finance, acquire, construct, equip, own, maintain, operate, repair, remodel, expand, and promote the Vancouver Convention Center and Hotel Project. The DRA Board is composed of seven (7) members who are appointed by the City Council of Vancouver to four-year terms. The City is able to impose its will on the authority; however, the DRA's services do not exclusively or almost exclusively benefit the City of Vancouver. Therefore, financial statements are discretely presented in the City's annual financial report on the government-wide statements.

The *City Center Redevelopment Authority* (CCRA) is an independent legal entity. On February 27, 2006, the Vancouver City Council passed Ordinance M-3739 creating the CCRA. The CCRA board is responsible for overseeing downtown redevelopment consistent with the Vancouver City Center Vision (VCCV) plan. The board advises the mayor and city council on public-private partnerships, public assistance to private developments, and the business aspects of redevelopment projects and agreements in downtown Vancouver. However, since it has no employees and only provides advisory services, it does not have any reportable assets or operational transactions and therefore is not shown in the financial statement portion of this report.

Blended Component Unit

The *Vancouver Transportation Benefit District* (TBD) is presented as a blended component unit of the City and reported as a special revenue fund. On November 2, 2015, the Vancouver City Council passed Ordinance M-4139 creating the TBD. Boundaries for TBD are identical to the City limits. TBD is a separate legal entity, but has the same governance as the City of Vancouver. Through an Interlocal agreement, funds generated from a vehicle registration fee will be passed to the City and used for transportation improvements that construct, reconstruct, preserve, maintain and operate the existing transportation infrastructure of the City of Vancouver consistent with the Revised Code of Washington (RCW) 36.73.

The Culture, Arts and Heritage Commission was created in September 2019. Its purpose is to undertake and facilitate the development and promotion of cultural, arts and heritage environment in the City of Vancouver through programs, community partnerships and advisory services to the City. It is managed by a nine member board appointed by the City Council. During 2022, the commission did not have any reportable assets, operational transaction or a separate fund.

Unless noted otherwise in this report, the accounting policies of the component units are consistent with those described for the primary government. PFD, DRA and TBD issue separate financial statements which can be obtained from the City of Vancouver, Financial and Management Services, PO Box 1995, Vancouver, WA 98668-1995.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-wide financial statements (Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to specific functions. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and 2) grants and contributions that are

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Separate fund financial statements are provided for governmental funds, enterprise funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Starting for 2020 reporting, reported funds that include multiple budgeted funds used in daily accounting have the word "consolidated" added to their title.

The City reports the following major governmental funds:

The *Consolidated General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Consolidated Fire Fund* accounts for money received and the expenditures made in providing fire services to the combined City fire departments and Clark County Fire Protection District No. 5 service area. The significant resources accounted for in this fund are intergovernmental revenue from Fire District No. 5, charges for services, licenses and permits and an operating transfer from the City's General Fund.

The *Consolidated Street Fund* is a general government service fund established in accordance pursuant to Revised Code of Washington (RCW) 35A.37.010 for the administration of street-oriented maintenance and construction. Revenues are derived from tax contributions distributed from the General Fund, state shared gasoline tax, fines and fees.

The *Consolidated Capital Improvement Fund* is to fund major capital improvement projects. Funding is currently derived from interest income, grants and contributions from the General Fund.

The *American Rescue Plan Act Fund* was established in 2021 to account for a Department of Treasury grant utilized for Coronavirus recovery activities.

The City reports the following major proprietary funds:

The *Consolidated Water Sewer Fund* accounts for the City's utility activities. Revenues are received from water and sewer services provided. Expenses are comprised of maintenance and extensions of drainage, water and sewer service facilities, operating a water supply system, maintaining sewer treatment plants and operating a water drainage system. This fund also encompasses the accounting for revenue bonds outstanding, the funds available for redemption of bonds, cumulative reserve and construction funds.

The *Parking Services Fund* accounts for revenues received from operations of City owned or operated public parking spaces. Expenses are directly related to the operations and maintenance of those facilities.

Additionally, the City reports the following fund types:

Special revenue funds account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.

Debt service funds account for the accumulation of resources for and payments of general long-term debt principal and interest, except those required to be accounted for in another fund.

Capital project funds account for the acquisition or development of capital facilities for governmental activities. Their major sources of revenues are from proceeds from general obligation bonds, grants from other agencies and contributions from other funds.

Internal service funds account for services provided to other departments or agencies of the government, or to other governments on a cost reimbursement basis. The internal service funds account for the activities of health insurance for employees, fleet, facilities replacement, mail distribution, liability insurance, workers' compensation insurance, and technology services.

A single *Fiduciary fund* represents assets held in a custodial capacity for others, and uses the economic resources measurement focus. The City acts as the collection and disbursing agent for the PEG Capital Support Fund.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-wide and Governmental Funds

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

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary Funds

The proprietary statements are reported using the economic resources measurement focus and full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred regardless of the timing of the cash flows.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water/Sewer and non-major enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. BUDGETARY INFORMATION

1. Scope of Budget

Biennially appropriated budgets are adopted for all funds on the accrual basis of accounting. Budgets for debt service and capital project funds are adopted at the level of the individual debt issue or project and for fiscal periods that correspond to the lives of debt issues or projects.

Other budgets are adopted at the level of the fund, except in the general (current expense) fund, where expenditures may not exceed appropriations at the department level and the budgets constitute the legal authority for expenditures at that level.

Appropriations for general and special revenue funds lapse at year-end (except for appropriations for capital outlays, which are carried forward from year to year until fully expended or the purpose of the appropriation has been accomplished or abandoned).

Encumbrances accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end are reported as reservation of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

2. Amending the Budget

The City Manager or his designee is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that increase the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, or other conditions of employment must be approved by the City Council.

When the City Council determines that it is in the best interest of the City to increase or decrease the appropriation for a particular fund or department, it may do so by ordinance approved by one more than the majority after holding public hearings.

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

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

3. Deficit Funds Net Position

At December 31, 2022, the City is reporting excess of expenditures over appropriations in the Self-Insured Worker's Comp and Liability Fund of \$4,384,380 due to higher claims in 2022 than anticipated. This fund recoups costs with a cost recovery plan, which charges other funds a proportionate share of claim costs. The City has a three-year plan to increase cost recovery; enabling the fund to recoup previous year losses, as well as increase on-going cost sharing in anticipation of future claim increases.

Also, the American Rescue Plan Act (ARPA) fund had a deficit fund balance of \$(419,012) due to investment losses not funded with restricted grant funds. The City is not using ARPA funds to cover these reported losses. The City will continue to report investment losses incurred by ARPA funds, in anticipate of a turnaround in investment activity over the life of this grant. The City anticipates recovering any unrealized losses currently reported in this fund in the future.

Finally, a nonmajor capital projects fund, the School Impact Fee Fund, is reporting a deficit fund balance of \$(5,369) due to a negative beginning fund balance of \$(1,823), and expenditures of \$5,360,121 exceeding revenues of \$5,356,575.

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

Vancouver Downtown Redevelopment Authority (DRA), a component unit of the City, had a deficit in the fund net position of \$(6.20) million. The DRA activities involve the operation of a hotel and convention center in the City's central downtown area. This is a cash flow based project and the negative net position balance is primarily attributed to accumulated depreciation, a non-cash item. Additionally, during the recession the economic environment had a negative impact on the convention and lodging business which is also reflected in the net position change. Deep cost-cutting measures have been put in place now for many years. The Board and the management of the DRA as well as the project monitor activities monthly. A series of revenue generating guidelines and on-going expense reductions have been implemented.

E. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

1. Cash and Cash Equivalents

It is the City's policy to invest all temporary cash surpluses. At December 31, 2022, the treasurer was holding \$583.4 million for the primary government and component units in short-term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is prorated to the various funds and component units.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

2. Investments

See Note 3, *Deposits and Investments*

3. Receivables

Taxes receivable consists of property taxes and related interest and penalties (See Note 14, *Property Tax*). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special assessments are recorded when levied. Special assessments receivable consists of current and delinquent assessments and related interest and penalties. As of December 31, 2022, \$4,091 of special assessments receivable were delinquent.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered. Unbilled utility service receivables and special assessments that are liens against property are recorded at year end.

Leases receivable consists of three new leases, under GASB 87, where the City has contractual agreements for future lease revenue. (Note 6, *Leases*).

Interest receivable primarily consists of accrued interest related to investment instruments, and \$10,280 of interest receivable related to leases.

4. Amounts Due to and from Other funds and Government's, Interfund Loans and Advances Receivable

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund loans receivable/payable or advances to/from other funds. All other outstanding balances between funds are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances. A separate schedule of interfund loans receivable and payable is furnished in Note 5, *Interfund Balances and Transfers*.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

5. Inventories

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are purchased. The reserve for inventory is equal to the ending amount of inventory to indicate that a portion of the fund balance is not available for future expenditures. A comparison to market value is not considered necessary. Inventories in proprietary funds are valued by the weighted average method (which approximates the market value).

6. Restricted Assets and Liabilities

Reported in *Restricted cash, cash equivalents and investments* and *Restricted accrued interest receivable*, these accounts contain resources for construction and debt service, including current and delinquent special assessments receivable. The specific debt service reserve requirements, restricting the assets, are described in Note 7, *Long-Term Debt*.

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

As of the financial statement presentation date, the proprietary funds' restricted assets consist of \$15.1 million in restricted cash and equivalents, and \$18,006 in restricted interest receivable.

7. Capital Assets

Capital assets include property, plant, equipment (PP&E) and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$10,000 for PP&E, \$100,000 for infrastructure and \$5,000 for federally funded assets that have an estimated useful life in excess of one (1) year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset. However, buildings are not componentized.

The costs for normal maintenance and repairs are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

PP&E of the primary government, as well as the component units, is depreciated using the straight-line method over the following estimated useful lives:

Asset Category	Useful Life (in years)
Land Improvements	10-40
Buildings	20-80
Infrastructure	15-40
Structures	20-40
Utility Improvements	5-60
Other Improvements	5-60
Rolling Stock	5-15
Information Tech Equipment	4-10
Equipment	5-15
Software (Intangibles)	5-15

For additional detail, see Note 4, *Capital Assets*.

8. Deferred Outflows/Inflows of Resources

The purpose of deferred items is shown on the face of the financial statements.

9. Compensated absences

Compensated absences are absences for which employees will be paid upon resignation and/or retirement or death, such as vacation leave. All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

Depending on the bargaining unit or exempt status and years of service, City employees can accumulate certain amounts of earned but unused absence time. The payoff amount for PTO and vacation at separation is limited by schedule based on longevity of the incumbent. The City also reports a liability for certain types of sick leave accrual equal to 50% of the accrued balance. Sick leave that is payable is limited to 50% of their accrual or 25% depending on their standing when they leave the City. (See Note 8, *Changes in Long Term Liabilities*).

10. Pensions

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

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

11. Other Accrued Liabilities

These accounts consist of accrued wages, and employee related benefits and liabilities.

12. Long-term Debt

See Note 8, *Changes in Long Term Liabilities*.

13. Unearned revenues

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

14. Miscellaneous revenues

Reported on several statements, miscellaneous revenues represent operating and nonoperating immaterial revenues that have not been separately identified on the face of the statements. For the City, these mostly represent employer trust contributions, contracted contributions towards debt service from external parties, sale of non-capital surplus, confiscated and forfeited property, small judgments and settlements, unclaimed money and property, nonsufficient funds (NSF) fees, and cashier over/short adjustments

15. Fund Balance Classification and Net Position

Governmental funds report fund equity as fund balance where proprietary funds and government-wide statements report fund equity as net position. Fund balance is either the net investment in capital assets, nonspendable, restricted, committed, assigned and/or unassigned.

Proprietary Funds - Fund Balance Classifications:

Net investment in capital assets represents total capital assets plus deferred outflows of unamortized amounts on refunding less accumulated depreciation less debt directly related to capital assets less unspent bond proceeds.

Restricted net position represents resources whose use is *not* subject solely to the government's own discretion. Restrictions may be placed on net position by an external third party that provided the resources, by laws or regulations of other governments, by enabling legislation, by endowment agreements, or by the nature of the asset.

Unrestricted net position represents amounts not included in other net position categories and is shown as either surplus or a deficit.

Governmental Funds - Fund Balance Classifications:

Nonspendable fund balance represents resources that are either in a nonspendable form or are legally or contractually required to be maintained intact, such as inventories and prepaid items.

Restricted fund balance represents resources that are either: (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance represents resources that can be used only for specific purposes with constraints imposed by resolutions approved by the highest level of decision-making authority, the City Council.

Assigned fund balance represents amounts not included in other fund balance categories for all funds except the General Fund. For the General Fund, assigned fund balance represents surplus remaining that is intended for a specific use but has not been committed as described above. Per the City's fund balance administrative policy, the City Manager, Assistant City Manager and the Finance Director have the authority to assign amounts.

Unassigned fund balance represents the deficient balance resulting from overspending for specific purposes for all funds except the General Fund. For the General Fund, assigned fund balance represents amounts not included in other fund balance categories and is shown as a surplus or deficit.

When expenditures are incurred for purposes for which both restricted and unrestricted net position are available, restricted monies are applied to the cost first in the calculation of net position. When expenditures are incurred for purposes for which restricted, committed, assigned and/or unassigned fund balance are available, monies are applied to the cost in that order for the calculation of ending fund balance.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

16. Fund Balance Details

The specific purpose of the nonspendable, restricted, committed and assigned governmental fund balances is presented below:

Fund Balance Classifications	Consolidated General Fund	Consolidated Fire Fund	Consolidated Street Fund	Consolidated Capital Improvement Fund	American Rescue Plan Act Fund	Non-major Governmental Funds	Total Governmental Funds
Nonspendable							
Inventory	\$ 774	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 774
Long-term Receivables	416,329	-	-	-	-	-	416,329
Prepays	158,537	-	-	-	-	-	158,537
	<u>575,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>575,640</u>
Restricted							
Federal grants	435,156	-	-	-	-	7,548,662	7,983,818
Capital purposes	-	-	-	-	-	62,484,973	62,484,973
Economic Development	-	-	-	-	-	33,930,929	33,930,929
Security/safety services	-	-	-	-	-	4,227,305	4,227,305
Pension and OPEB	19,883,076	-	-	-	-	-	19,883,076
Debt service	-	-	-	-	-	24,011	24,011
Culture and recreation	-	-	-	-	-	-	-
	<u>20,318,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,215,880</u>	<u>128,534,112</u>
Committed							
Working capital	763,788	14,312,172	-	-	-	-	15,075,960
Emergency reserves	15,796,462	-	-	-	-	-	15,796,462
Revenue stabilization	4,422,995	-	-	-	-	-	4,422,995
Economic Programs	-	-	-	-	-	3,118,916	3,118,916
Cemetery	-	-	-	-	-	436,724	436,724
Street-oriented Maintenance and construction	-	-	6,217,478	1,700,784	-	-	7,918,262
	<u>20,983,245</u>	<u>14,312,172</u>	<u>6,217,478</u>	<u>1,700,784</u>	<u>-</u>	<u>3,555,640</u>	<u>46,769,319</u>
Assigned							
Capital purposes	-	-	-	72,671,663	-	8,355,603	81,027,266
Debt service	-	-	-	-	-	1,248	1,248
Economic development	-	-	-	-	-	1,171,131	1,171,131
Cemetery	-	-	-	-	-	39,312	39,312
Security/safety services	112,019	1,249,501	-	-	-	216,816	1,578,336
Street-oriented Maintenance and construction	-	-	15,624,899	-	-	1,867,942	17,492,841
Culture and recreation	901,110	-	-	-	-	946,990	1,848,100
	<u>1,013,129</u>	<u>1,249,501</u>	<u>15,624,899</u>	<u>72,671,663</u>	<u>-</u>	<u>12,599,042</u>	<u>103,158,234</u>
Unassigned	<u>89,204,070</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(419,012)</u>	<u>(5,369)</u>	<u>88,779,689</u>
Total	<u>\$ 132,094,316</u>	<u>\$ 15,561,673</u>	<u>\$ 21,842,377</u>	<u>\$ 74,372,447</u>	<u>\$ (419,012)</u>	<u>\$ 124,365,193</u>	<u>\$ 367,816,994</u>

*Minor differences may exist due to rounding.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Additionally, the reported General Fund is composed of the general fund from the ledger and several smaller funds. The following table shows the breakout of the general fund from the other funds of the reported fund on the statements:

<u>Fund Balance</u>	<u>General fund from ledger</u>	<u>Other funds included in roll-up</u>	<u>Total</u>
Nonspendable	475,640	100,000	575,640
Restricted	166,343	20,151,889	20,318,232
Committed	20,219,457	763,788	20,983,245
Assigned	901,110	112,019	1,013,129
Unassigned	89,204,070	-	89,204,070
	\$ 110,966,620	\$ 21,127,696	\$ 132,094,316

*Minor differences may exist due to rounding.

17. Minimum Fund Balance

The City has a minimum target policy for operating funds, equal to 60-90 days of the cost of operations.

18. Stabilization Arrangements

The city reports two stabilization arrangements, both as Consolidated General Fund committed fund balances, emergency reserves and revenue stabilization. These reserves were committed by Council Resolution M-3370 and adopted on May 7, 2012. The Financial Policies are reviewed with City Council every two years, during the budget adoption process, and are re-affirmed at budget adoption.

The emergency reserve is specifically to be used for large-scale events where damage in excess of \$1 million is incurred, and immediate, remedial action must be taken to protect the health and safety of residents (e.g. major flood, earthquake, etc.).

Revenue stabilization funds are specifically used to provide funding to temporarily offset the cost of unexpected external mandates and/or reductions in City revenues to ensure the City has adequate time to restructure its operations in a deliberate manner to ensure continuance of critical city activities.

19. Use of Estimates

These financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America. Generally accepted accounting principles (GAAP), requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Actual results could differ from those estimates and assumptions.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 2. ACCOUNTING AND REPORTING CHANGES

For the fiscal year ended December 31, 2022, the City implemented the following GASB Pronouncements:

- **GASB Statement No. 87, *Leases***

The City implemented GASB Statement NO. 87, *Leases*, on January 1, 2022. This statement requires recognition of certain lease assets and lease liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows of resources, based upon the payment provisions of the contract. GASB 87 establishes a single model for lease accounting based upon the foundational principle that leases are financings of the right to use an underlying asset. Leases where the maximum possible lease term is one year or less continue to be reported as operating leases. Leases that transfer ownership and certain no cancellation provisions are reported as debt by the lessee and sale of an asset by the lessor.

Current year lease activity is summarized in Note 3. Deposits, Investments & Receivables, Note 4. Capital Assets, Note 6. Leases, Note 7. Long Term Debt and Note 8. Changes in Long Term Liabilities.

- **GASB Statement No. 98, *The Annual Comprehensive Financial Report (ACFR)***

The City implemented GASB Statement No. 98 on January 1, 2022, which established a new name for the annual financial report. This GASB changed the name of the annual financial report from Comprehensive Annual Financial Report (CAFR) to Annual Comprehensive Financial Report (ACFR). There is no financial impact on the implementation of this GASB.

The City reviewed the following GASB pronouncements and have determined they are not applicable to City operations and are therefore considered implemented with no impact on our financial statements.

- **GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for IRC 457***

The City reviewed GASB Statement No. 97 for their 457 Deferred Compensation plan and determined their plan did not meet the requirements of this GASB. More information can be found in Note 16, Pension.

- **GASB Statement No. 93, *Replacement of Interbank Offered Rates***
- **GASB Statement No. 92, *Omnibus 2020***
- **GASB Statement No. 91, *Conduit Debt Obligations***

The following GASB pronouncements have been issued, but are not yet effective as of December 31, 2022, some as a result of GASB 95 postponement of certain effective dates:

- **GASB Statement No. 101, *Compensated Absences***

This GASB will change the way compensated absences are reported and disclosed. The effective date of this GASB is for fiscal years beginning after December 15, 2023.

- **GASB Statement No. 100, *Accounting changes and error corrections*** – Amendment of GASB Statement No. 62

This GASB will amend Statement No. 62 and will be implemented for fiscal years beginning after June 15, 2023.

- **GASB Statement No. 99, *Omnibus 2022***

This GASB provides guidance on amendments or superseding of previous GASB statements. This GASB has a phased in approach with implementation for fiscal years beginning after June 15, 2022 and June 15, 2023, depending on the GASB sections and paragraphs.

- **GASB Statement No. 96, *Subscription-based Information Technology Arrangements***

This GASB requires the reporting for right-to-use subscription assets, as intangible assets with corresponding subscription liabilities. The effective date for the implementation of this GASB is for fiscal years beginning after June 15, 2022.

- **GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements***

This GASB is designed to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The effective date for the implementation of this GASB is for fiscal years beginning after June 15, 2022.

The City of Vancouver will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The City has not yet determined if the above listed new GASB pronouncements will have a significant financial impact to the City or in issuing its financial statements.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 3. DEPOSITS, INVESTMENTS AND RECEIVABLES

A. Deposits

The carrying amount of the City's deposits, including certificates of deposit, was \$4,978,528 and the bank balance was \$5,509,688.

B. Investments

The City maintains an Internal Investment Pool. The Pool has an average maturity of approximately ten months. Some funds are invested for the benefit of the respective fund. Remaining monies are aggregated in a residual account and invested in the pool for the benefit of all funds. As required by state law, all investments of the City funds are obligations of the U.S. Government, U.S. agency issues, the State Treasurer's Investment Pool. Regulatory oversight is performed by the CFO, the Treasurer, and the Treasury accountant. At the times when City funds are invested in the State Treasurer's Investment Pool, the only limitation on withdrawal is a 24 hour notice for withdrawal of amounts. For the State Treasurer's Investment Pool, the notice is required for amounts in excess of \$10 million. Because we are a government, at this point, we do not need any other type of regulatory oversight.

As of December 31, 2022, the fair value of the City's investment portfolio was \$615,437,385 of which \$9,992,802 was invested on behalf of the Firemen's Pension Fund, and \$605,444,583 was invested in the City's Internal Investment Pool for the benefit of all funds. Investments of pension funds are not subject to the preceding limitations under state law. The fair value of the investment portfolio is obtained through the City's third-party safekeeping custodian, US Bank Corporate Trust Services, who obtains pricing on Federal Agencies and Corporate Bonds through ICE Intercontinental Exchange Quotes and uses Standard & Poor's for pricing Municipal Bonds.

Investments are subject to the following risks:

Interest Rate Risk: Interest rate risk is the risk the City may face should interest rate variances affect the fair value of investments. In accordance with its investment policy, the City manages its exposure to declines in fair values by keeping the average maturity of its investment portfolio to less than two years.

		Investment Maturities (in Years)	
		amounts in thousands	
	Fair Value	Less Than 1	1 to 5
Investment Type			
Debt Securities			
U.S. Agencies	439,287	189,408	249,879
Municipals	20,782	11,810	8,972
Total Debt Securities	\$ 460,069	\$ 201,218	\$ 258,851
Other Securities			
Local Government Investment Pool	155,368	155,368	-
Total Investments	\$ 615,437	\$ 356,586	\$ 258,851

Credit Risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To limit risk, Washington State law and the City of Vancouver's investment policy limits the amount of the portfolio invested in commercial paper, banker's acceptances, and corporate bonds. It is the City's policy to limit its credit risk by only investing in commercial paper or banker's acceptances with a credit rating of A1 or P1, and investing in corporate bonds for the pension fund, with a credit rating of "A" or better (or equivalent) by nationally recognized statistical rating organizations.

At December 31, 2022, the City's investments (in thousands) had the following credit quality distribution for securities with credit exposure:

Investment Type	Fair Value	Not Rated	AAA	Aa1	Aa2
U.S. Government Agencies	\$ 439,287	-	\$ 439,287	-	-
Municipal Bonds	20,781	\$ 3,004	7,968	\$ 1,601	\$ 8,208
State Pool	155,368	155,368	-	-	-
Total	\$ 615,436	\$ 158,372	\$ 447,255	\$ 1,601	\$ 8,208

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributable to the magnitude of an investment in a single issuer. The City places limits on the amount it may invest in any one issuer depending on the security type of the investment. At the end of 2022, the City's portfolio had the following concentration of securities in it:

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

- 4.05% of Federal National Mortgage Association
- 23.86% of Federal Farm Credit Bank
- 24.73% of Federal Home Loan Bank
- 17.11% of Federal Home Loan Mortgage Corporation
- 25.25% of Washington State LGIP
- 5.00% in various Municipal Bonds

The City has several investments in government-sponsored enterprises which are not explicitly backed by the federal government. However, the federal government has provided significant support by increasing its investments in Federal National Mortgage Association and Federal Home Loan Mortgage Corporation and stated they would not allow these enterprises to fail.

Investments in Local Government Investment Pool (LGIP)

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

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by the GASBS 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose fees on participant withdrawals.

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

Investments Measured at Fair Value

The Washington State Investment Pool operates within the parameters outlined in GASB 79, and qualifies to report investments at amortized cost. The City measures and records its other investments at fair value using the valuation input hierarchy established by generally accepted accounting principles, as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities. - No investments at this level
- Level 2: These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable. The values are provided by US Bank, the City's trust bank.
- Level 3: Unobservable inputs for an asset or liability. Securities are valued using the rates and values provided by the State of Washington LGIP. - No investments at this level

At December 31, 2022, the City had the following recurring fair value and amortized cost measurement investments (in thousands):

Investment Type	Level 2	Amortized Cost	Total Value
State Pool	-	\$ 155,368	\$ 155,368
Federal Agency Coupon Securities	\$ 439,287	-	439,287
Municipal Bonds	20,782	-	20,782
Total Fair Value	\$ 460,069	\$ 155,368	\$ 615,437

* Fair value of pooled investments does not include adjustments made for accrued interest distributed to pooled participants.

Investment Type	Fair Value	Amortized Cost	Total Value	Weighted Average Maturity (Years)	Percent of Portfolio
State Pool	-	\$ 155,368	\$ 155,368	0.000050	25.25%
Federal Agency Coupon Securities	\$ 439,287	-	439,287	0.895250	71.38%
Municipal Bonds	20,782	-	20,782	0.036110	3.38%
Total Fair Value	\$ 460,069	\$ 155,368	\$ 615,437		100.0%

* Fair value of pooled investments does not include adjustments made for accrued interest distributed to pooled participants

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

C. Summary of Deposits and Investment Balances

The City's deposit and investment statement balances of the fiscal year end reconcile to the balances on the financial statements as follows. For financial reporting, investments in the State and Clark County Investment Pool are classified as cash equivalents.

Bank Statement Balances	
Account	Balance as of FYE
Investments	\$ 594,582,288
JPM Chase	4,978,529
Key Bank	13,571
DRA Operating Account	46,372
DRA Petty cash	20,000
Change funds	22,975
Utility postage	40,000
USB DRA	15,636,774
Total	\$ 615,340,509

Government-wide Financial Statement Balances						
Account	Governmental	Business-Type	Vancouver Downtown Redevelopment Authority	Vancouver Public Facilities District	Fiduciary	Balance as of FYE¹
Cash and equivalents	\$ 439,897,311	\$ 143,159,484	\$ 91,217	\$ 203,981	\$ 1,209,801	\$ 584,561,794
Cash and Cash Equivalents - Restricted	-	15,095,576	-	-	-	15,095,576
Cash with Fiscal /Escrow agents	-	-	7,792,374	-	-	7,792,374
Cash with Fiscal /Escrow agents - Restricted	-	-	7,890,772	-	-	7,890,772
Total	\$ 439,897,311	\$ 158,255,060	\$ 15,774,363	\$ 203,981	\$ 1,209,801	\$ 615,340,513

¹ Minor differences due to rounding

D. Receivable Balances

Accounts receivable as of December 31, 2022 for the City's major funds, non-major funds, and internal service funds are shown in the following table:

	Taxes/Special Assessments Receivable	Accounts Receivable	Leases Receivable¹	Interest	Total
Governmental Activities					
General Fund	\$ 16,416,253	\$ 741,913	\$ 2,907,496	\$ 153,040	\$ 20,218,702
Other Major Governmental	976,371	559,546	-	176,211	1,712,128
Non-Major Governmental	3,219,916	15,271,782	1,477,228	127,670	20,096,596
Total Governmental Activities	\$ 20,612,540	\$ 16,573,241	\$ 4,384,724	\$ 456,921	\$ 42,027,426

Business-Type Activities					
Major Proprietary	-	\$ 21,875,765	\$ -	\$ 144,955	\$ 22,020,720
Non-Major Proprietary	-	304,744	119,214	26,297	450,255
Internal Service Funds	\$ -	\$ 237,313		\$ 77,725	315,038
Total Business-Type Activities	\$ -	\$ 22,417,822	\$ 119,214	\$ 248,977	\$ 22,786,013
Total All Receivables	\$ 20,612,540	\$ 38,991,063	\$ 4,503,938	\$ 705,898	\$ 64,813,439

¹ See Note 6 - Leases for more details

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

E. Leases Receivable

The City implemented GASB 87, Leases on January 1, 2022. This new reporting requirement provides guidance on how to report and account for leases where the City is acting as the Lessor. As a lessor, the City expects future revenue for the life of the lease. Following is a table of Lease Receivable as of December 31, 2022.

GOVERNMENTAL ACTIVITIES:	Balance as of		Balance as of	
Lease Receivable	January 1, 2022	Additions	Reductions	December 31, 2022
Buildings				
Esther Short Commons - Sublease	\$ 1,469,051		\$ 92,109	\$ 1,376,942
Historic Reserve Master	436,975		218,187	218,788
Kaflex - Esther Short Commons, 505 W 8th St	456,865		30,488	426,377
Apple - Columbian Building, Suite 505	677,155		350,367	326,787
Total Building Lease Receivable	\$ 3,040,045	\$ -	\$ 691,151	\$ 2,348,894
Land				
Anytime Fitness - Esther Short Commons	\$ 884,988		\$ 115,794	\$ 769,194
Verizon - POR Truman	313,664		30,840	282,824
Verizon - POR Fir Garden		260,551	30,840	229,711
Christensen BH - Boat Basin, 4400 SE Columbia Way		615,923	9,013	606,910
Christensen BH - DNR Aquatic Lands, Tract 1		86,873	2,552	84,322
Edward Jones - Esther Short Commons, Suite C	87,476		24,607	62,869
Total Land Lease Receivable	\$ 1,286,128	\$ 963,347	\$ 213,645	\$ 2,035,830
Total Governmental Activities Lease Receivable	\$ 4,326,173	\$ 963,347	\$ 904,797	\$ 4,384,724
BUSINESS-TYPE ACTIVITIES:	Balance as of		Balance as of	
Lease Receivable	January 1, 2022	Additions	Reductions	December 31, 2022
Land				
McGibbin Land Lease - Pearson Field	\$ 69,358		\$ 2,341	\$ 67,017
Lawson Land - Pearson Field	55,513		3,316	52,197
Total Land Lease Receivable	\$ 124,871	\$ -	\$ 5,657	\$ 119,214
Total Business-Type Activities Lease Receivable	\$ 124,871	\$ -	\$ 5,657	\$ 119,214
Total all Activities Lease Receivable	\$ 4,451,044	\$ 963,347	\$ 910,454	\$ 4,503,938

Additional information on all lease activities can be found in Note 6, Leases.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 4. CAPITAL ASSETS

A. Capital Assets – Governmental Activities

Capital asset activity for the year ended December 31, 2022, is as follows:

	Beginning Balance 01/01/2022	Increases	Decreases	Ending Balance 12/31/2022
Governmental activities:				
Capital assets, not being depreciated				
Land and land improvements	\$ 131,416,687	3,873,351	171,271	\$ 135,118,767
Construction in progress	18,946,250	36,071,137	24,045,296	30,972,091
Intangible - easements and right of way	9,319,599	282,485	-	9,602,084
Artwork	96,920	230,040	-	326,960
Total capital assets, not being depreciated	159,779,456	40,457,013	24,216,567	176,019,902
Capital assets, being depreciated/depleted:				
Cemetery land	1,101,047	-	-	1,101,047
Buildings	149,679,292	9,424,477	2,692,883	156,410,887
Machinery and equipment	73,726,145	7,753,322	4,942,628	76,536,839
Computer and IT equipment	4,516,807	95,764	-	4,612,571
Intangible - Software	12,033,983	3,255	-	12,037,238
Intangible - Other	1,974,976	-	-	1,974,976
Intangible - Right-to-use Assets - Building ¹	-	2,686,530	-	2,686,530
Improvements other than buildings	45,391,965	434,225	-	45,826,190
Infrastructure	713,493,668	3,894,374	28,250	717,359,792
Total capital assets, being depreciated/depleted	1,001,917,883	24,291,947	7,663,761	1,018,546,070
Less accumulated depreciation for:				
Cemetery land	740,786	3,405	-	744,191
Buildings	55,914,962	1,710,545	2,692,883	54,932,624
Machinery and equipment	48,071,526	4,987,879	4,932,056	48,127,349
Computer and IT equipment	3,449,680	372,580	-	3,822,260
Intangible - Software	5,637,106	564,072	-	6,201,178
Intangible - Other	1,974,976	-	-	1,974,976
Intangible - Right-to-use Assets - Building ¹	-	246,814	-	246,814
Improvements other than buildings	20,175,555	851,174	-	21,026,729
Infrastructure	307,219,304	18,942,871	28,250	326,133,925
Total accumulated depreciation	443,183,895	27,679,340	7,653,189	463,210,046
Total capital assets, being depreciated, net	558,733,988	(3,387,393)	10,572	555,336,023
Governmental activities capital assets, net	\$ 718,513,444	\$ 37,069,620	\$ 24,227,139	731,355,925

¹ GASB 87 - Right-to-use Assets

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

B. Capital Assets – Business-Type Activities

	Beginning Balance 01/01/22	Increases	Decreases	Ending Balance 12/31/22
Business-type activities:				
Capital assets, not being depreciated:				
Land and land improvements	40,193,431	-	-	40,193,431
Construction in progress	39,482,203	32,294,475	23,947,375	47,829,304
Intangible - easements and right of way	18,586,838	5,464,939	-	24,051,777
Total capital assets, not being depreciated	<u>98,262,472</u>	<u>37,759,414</u>	<u>23,947,375</u>	<u>112,074,512</u>
Capital assets, being depreciated:				
Buildings and system	33,760,385	-	516,548	33,243,837
Machinery and equipment	27,256,346	34,482	576,043	26,714,785
Computer and IT equipment	492,921	-	-	492,921
Intangible - software	11,255,387	-	-	11,255,387
Intangible - other	641,396	-	-	641,396
Intangible - Right-to-use Asset - Air Park ¹	-	1,274,093	-	1,274,093
Improvements other than buildings	2,473,958	73,100	-	2,547,058
Infrastructure	653,469,302	28,678,668	1,052,367	681,095,603
Total capital assets, being depreciated	<u>729,349,695</u>	<u>30,060,343</u>	<u>2,144,958</u>	<u>757,265,080</u>
Less accumulated depreciation for:				
Buildings and system	16,562,072	572,849	510,615	16,624,307
Machinery and equipment	25,052,829	426,128	576,014	24,902,943
Computer and IT equipment	481,373	273	-	481,646
Intangible - software	10,807,595	91,247	-	10,898,842
Intangible - other	641,396	-	-	641,396
Intangible - Right-to-use Asset - Air Park ¹	-	43,559	-	43,559
Improvements other than buildings	2,252,159	10,052	-	2,262,211
Infrastructure	309,010,304	15,064,325	790,093	323,284,536
Total accumulated depreciation	<u>364,807,728</u>	<u>16,208,433</u>	<u>1,876,722</u>	<u>379,139,440</u>
Total capital assets, being depreciated, net	<u>364,541,967</u>	<u>13,851,910</u>	<u>268,236</u>	<u>378,125,640</u>
Business-type activities capital assets, net	<u>\$ 462,804,439</u>	<u>\$ 51,611,324</u>	<u>\$ 24,215,611</u>	<u>\$ 490,200,151</u>

¹ GASB 87 - Lease Right-to-use Assets

C. Noncurrent Capital Assets Held for Resale

Retired capital assets that have been surplus by the City Council are recorded separately on the statements. The reclassification to this category will cause decreases on the capital asset tables. As of December 31, 2022 these amounts totaled:

	Amount
Governmental activities	338,306
Business-type activities	<u>2,455,839</u>
TOTAL	\$ 2,794,145

Assets as surplus for governmental activities were mostly building and equipment assets originally acquired for fire or police use. There is also a single small .24 acre parcel that has been moved to surplus as it has been identified as an asset the City no longer uses. All of these assets are no longer needed and remain in surplus status as of 12/31/22. All of these assets were reported at the net book value at the time of retirement.

Assets as surplus for business-type activities were land parcels acquired during 2006, in anticipation of constructing a new operations center in east Vancouver. In 2019, the City canceled its planned construction of the east-side Operations Center in favor of a larger, more centrally located Operations Center. Consequently, the land parcels were designated as surplus. All of these assets were reported at the net book value at the time of retirement.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

D. Depreciation and Amortization by Function

Depreciation and amortization was charged to functions/programs of the primary government as follows:

	Depreciation	Amortization	Total Depreciation and Amortization
Governmental Activities:			
General government	\$ 594,987	\$ 246,814	\$ 841,801
Security of persons & property	1,932,455	-	1,932,455
Transportation, including depreciation of general infrastructure	18,339,101	-	18,339,101
Physical Environment	111,655	-	111,655
Economic Environment	307,309	-	307,309
Culture and recreation	2,013,908	-	2,013,908
Capital assets held by the government's internal service funds are charged to various functions based on their usage of the assets	4,133,111	-	4,133,111
Total depreciation expense - Governmental Activities	\$ 27,432,526	\$ 246,814	\$ 27,679,340
Business-type Activities:			
Water/Sewer	\$ 15,269,525	-	\$ 15,269,525
Airport	238,351	\$ 43,559	281,910
Building Inspection	67,890	-	67,890
Solid Waste	6,434	-	6,434
Parking	582,674	-	582,674
Total depreciation expense - Business-type Activities	\$ 16,164,874	\$ 43,559	\$ 16,208,433

E. Discretely Presented Component Units

A summary of capital asset activity for component units for the year ended December 31, 2022, is as follows:

	Beginning Balance 1/1/2022	Increases	Decreases	Ending Balance 12/31/2022
Vancouver Downtown Redevelopment Authority				
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	79,480	513,221	17,524	575,177
Capital assets, being depreciated:				
Buildings and system	51,362,898	-	-	51,362,898
Machinery and equipment	7,808,472	17,524	-	7,825,996
Total capital assets, being depreciated	59,171,370	17,524	-	59,188,894
Less accumulated depreciation for:				
Buildings and system	21,456,073	1,112,886	-	22,568,959
Machinery and equipment	6,060,505	467,867	-	6,528,372
Total accumulated depreciation	27,516,578	1,580,753	-	29,097,331
Total capital assets, being, depreciated, net	31,654,792	(1,563,229)	-	30,091,563
Business-type activities capital assets, net	\$ 31,734,272	\$ (1,050,008)	\$ 17,524	\$ 30,666,740

The Vancouver Downtown Redevelopment Authority (DRA) for the year ending December 31, 2022 had depreciation expense of \$1,580,753.

	Beginning Balance 01/01/22	Increases	Decreases	Ending Balance 12/31/22
Vancouver Public Facilities District				
Business-type activities:				
Capital assets, not being depreciated:				
Land and improvements	\$ 3,603,691	-	-	\$ 3,603,691

The Vancouver Public Facilities District (PFD) does not have any depreciable assets.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 5. INTERFUND BALANCES AND TRANSFERS

A Interfund Balances

Interfund transactions represent activity other than transfers and loans that happen between funds after the cash function in the general ledger is frozen at year-end. These can be for any types of internal service transactions, adjustments, or other activity where a due-to or due-from are recorded instead of moving cash. The due-to/from balances will be cleared immediately the following year. Interfund balances at December 31, 2022 were as follows:

		Due to other Funds				
		Consolidated General	Consolidated Fire	Consolidated Street	Consolidated Capital Improvement	Other Governmental
Due from other Funds	Consolidated General		\$ 493,074	\$ 103,623	\$ 876,904	\$ 48,431
	Consolidated Fire	\$ 30,933		24,822	28,500	
	Consolidated Street	41,002				45,473
	Consolidated Capital Improvement	1,364				
	American Rescue Plan Act	-	-	-	-	1,257
	Other Governmental	2,725		150,000		1,211,598
	Water/Sewer	1,133		14,029	-	47,671
	Parking	2,545				-
	Other Proprietary	-				-
	Internal Service	1,910,034	803,707	285,901	51,731	137,673
Total Due to other Funds		\$ 1,989,736	\$ 1,296,781	\$ 578,375	\$ 957,135	\$ 1,492,103

		Due to other Funds					Total Due from other Funds
		Consolidated Water/Sewer	Parking Services	Other Non-Major Enterprise	Internal Service	Fiduciary	
Due from other Funds	Consolidated General	\$ 312,607	\$ 10,812	\$ 60,104	\$ 381,865		\$ 2,287,420
	Consolidated Fire	24,822		26,532			135,609
	Consolidated Street	3,679			1,267		91,421
	Consolidated Capital Improvement				27,597		28,961
	American Rescue Plan Act						1,257
	Other Governmental				108,708	19,420	1,492,451
	Water/Sewer				111,044		173,877
	Parking				17,568		20,113
	Other Proprietary				3,686		3,686
	Internal Service	867,551	78,656	121,674	467,203	64,600	4,788,730
Total Due to other Funds		\$ 1,208,659	\$ 89,468	\$ 208,310	\$ 1,118,938	\$ 84,020	\$ 9,023,525

**Minor differences may exist due to rounding.*

B. Interfund Transfers

Interfund transfers at December 31, 2022 were as follows:

		Transfers In						Total Transfers Out
		Consolidated General Fund	Consolidated Fire	Consolidated Street	Consolidated Capital Improvement	Nonmajor Governmental	Internal Service	
Transfers Out	Consolidated General	\$ -	\$ 41,961,642	\$ 16,009,341	\$ 34,957,480	\$ 3,491,232	\$ 969,608	\$ 97,389,303
	Consolidated Fire	3,728			422,006	348,050	50,000	823,784
	Consolidated Street		24,822			1,125,272	224,751	1,374,845
	Consolidated Capital Improvement	575,246						575,246
	American Rescue Plan Act	64,401						64,401
	Nonmajor Governmental	1,724,986		1,600,000		12,231,881		15,556,867
	Water/Sewer	4,440	24,822				916,580	945,842
	Nonmajor Enterprise	3,728	26,532	108,845	64,337		65,821	269,263
	Internal Service						84,500	84,500
Total Transfers In		\$ 2,376,529	\$ 42,037,818	\$ 17,718,186	\$ 35,443,823	\$ 17,196,435	\$ 2,311,260	\$ 117,084,051

**Minor differences may exist due to rounding.*

Details on interfund transfers are below:

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

- **Consolidated General Fund:** General Fund supports a lot of services in the city. These services are administered through other funds. These transfers are in support of those services and funds.
 - **Consolidated Fire:** The Fire fund is used to track transaction pertaining to the services of the Vancouver Fire department. Those services include but are not limited to fire and life safety prevention, fire suppression, emergency medical services, hazardous materials, trench and confined space rescue, swift water and marine rescue, and high angle rescue. These services are provided from eleven fire stations strategically located throughout the service area. General fund transferred \$41.9 Million to support the fire fund in 2022.
 - **Consolidated Streets:** The Streets and Transportation department Division of Public Works manages use of the City's transportation assets by different modes of transportation to provide for the safe, efficient, and cost-effective movement of people and goods. This is accomplished within multiple work groups including transportation engineering, pavement management, sidewalk management, street operations, transportation development review and traffic engineering/operations. General fund transferred \$16 million to support the street funds.
 - **Consolidated Capital Improvements:** The Consolidated General fund owns multiple buildings and properties that the city must maintain and/or develop.
 - ◆ In 2022, the general fund transferred \$32 Million to the Facilities asset management & replacement reserve to support the Operator Center, Main Street project, Cultural Arts Building, and general maintenance.
 - ◆ The general fund also transferred \$2.8 million to the Capital Improvement Fund, to support the Police headquarter at Chkalov project.
 - **Nonmajor Governmental Funds:** The Consolidated General Fund supports other nonmajor funds in the City, including:
 - ◆ Support of the City/County Cable TV fund in the amount of \$515,000,
 - ◆ Support of the Parks Construction Fund in the amount of \$1,067, for the Lieser School Park,
 - ◆ Support of numerous transportation projects across the City the Street funding initiative fund in the amount of \$663,751,
 - ◆ Support for debt service obligations in the debt service fund in the amount of \$2,311,413.
 - **Internal Services Fund:** General funds were transferred to the internal services funds to support various things including but not limited to positions, vehicles, homelessness services, and general services.
- **Consolidated Fire fund –** Fire fund transferred to various funds to fund their operations. These are some of the transfers.
 - **Consolidated General Fund:** general funds provided a service for hazardous clean up, and some of those services are provided at the fire stations. This transferred was to cover those cost.
 - **Consolidated Capital Improvements:** Fire funds transferred funds to cover a few capital projects that were done in 2022.
 - **Nonmajor Governmental Funds:** these were transferred to the debt services funds to cover the debt services that were issued to build fire stations.
 - **Internal Services Funds:** Fire fund transferred funds to cover maintenance projects in the General services funds.
- **Consolidated Streets –** Street fund transferred to various funds to fund their operations. These are some of the transfers.
 - **Consolidated Fire:** The Fire Marshal office provides fire protection plan reviews to developers. Those developers pay for those services through a combined permit fee. This transfer was to reimburse the fire fund for those efforts.
 - **Nonmajor Governmental Funds:** The street funds transferred funds to cover projects in the Street funding initiative funds. Some of those projects include, Heights District redevelopment, Sidewalks, fourth Plain boulevard bridge repairs, Mill Plain bus rapid transit project, Street light Equipment repairs, etc.
 - **Internal Services Funds:** Street fund transferred funds to cover vehicle purchases in the fleet funds.
- **Consolidated Capital Improvements –** The general fund prefunded a proposed Fire station build. Those funds were from the sale of the old Fire station 2. The proposed fire station has a new funding source. This transfer was to return those funds back to general fund. Transactions happened in Fire Construction fund.

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

- **ARPA Funds** – American Rescue Plan Act (ARPA) funds supported a project coordinator housed in general fund. This position is supporting small business owners who were impacted by the COVID pandemic.
- **Nonmajor Government funds transfers to support:**
 - **Consolidated General Fund:** These transfers support economic development, affordable housing, criminal and drug enforcement activities.
 - ◆ **Economic Development Funds:** This transfer was to support the Waterfront gateway maintenance professional services.
 - ◆ **Affordable Housing Sales Tax Fund:** This transfer was supporting the on-going cost for the supported campsite operation. This part of the homelessness initiatives.
 - ◆ **Criminal Justice Fund:** This transfer was supporting positions in the Vancouver Police Department, specifically assigned to do that criminal justice duties.
 - ◆ **Affordable housing Property fund:** This transfer supported the one-time cost to get the supported campsite sites up and running. This part of the homelessness initiatives.
 - ◆ **Drug Enforcement Fund:** This transfer was supporting positions in the Vancouver Police Department, specifically assigned to do that drug enforcement duties.
 - **Consolidated Street Fund:** This transfer was from the Transportation Benefit District (TBD) to support the pavement management program in the Consolidated Street Fund.
 - **Nonmajor Governmental Funds:**
 - ◆ **Drug Enforcement Fund:** This transfer supports the Police Investigative Fund activities.
 - ◆ **Transportation Special Revenue Fund:** These transfers support transportation activities in the Transportation Capital Fund and the payment of General Obligation Debt service liabilities.
 - ◆ **Vancouver National Historic Reserve Properties Fund:** This transfer supports the payment of General Obligation Debt service liabilities.
 - ◆ **Transportation Impact Fee Fund:** These transfers support transportation activities in the Transportation Capital Fund.
 - ◆ **Parks Impact Fee Fund:** These transfers support the construction of parks in the City.
 - ◆ **Transportation Capital Fund:** This transfer supports the payment of General Obligation Debt service liabilities.
 - ◆ **Transportation Benefit District Fund:** This transfer supports activities in the Transportation Capital Fund
- **Water/Sewer**
 - **General Fund:** general funds provided a service for hazardous clean up, and some of those services are provided at the fire stations. This transferred was to cover those cost.
 - **Fire Fund:** The Fire Marshal office provides fire protection plan reviews to developers. Those developers pay for those services through a combined permit fee. This transfer was to reimburse the fire fund for those efforts.
 - **Internal Services Funds:** Water/Sewer funds transferred funds to cover vehicle purchases in the fleet funds.
- **Other Nonmajor Enterprise**
 - **General Fund:** general funds provided a service for hazardous clean up, and some of those services are provided at the fire stations. This transferred was to cover those cost.
 - **Fire Fund:** The Fire Marshal office provides fire protection plan reviews to developers. Those developers pay for those services through a combined permit fee. This transfer was to reimburse the fire fund for those efforts.
 - **Solid Waste Funds:** these were transfers to cover right of way maintenance.
 - **Building Funds:** transfer was to fund some of the City hall capital projects. Building funds has an ownership in city hall, so any project in that area, needs funding from the Building fund.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

- **Internal Services Funds:** Water/Sewer funds transferred funds to cover vehicle purchases in the fleet funds.
- **Internal Services funds** - The internal administrative services funds, and the grounds funds, transferred funds to cover vehicle purchases in the fleet funds.

C. Interfund Loans/Advances

Interfund loans/advances at December 31, 2022 were as follows:

		Due From	
		Nonmajor Govt'l Funds	Total Due To
Due To	General	\$ 416,329	\$ 416,329

**Minor differences may exist due to rounding.*

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 6. LEASES

For the year ended 12/31/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

A. The City as a Lessee - Leases Payable

The City is committed under various leases for land, buildings and equipment (copiers). As of 12/31/2022, the City had three lessee financing lease agreements. Under the GASB 87 lease standard, an implicit interest rate is calculated for each individual lease using the internal rate of return method. That method measures cash flow as well as actual beginning and projected ending FMV of the underlying asset. The present value of the leases are aggregated on a fund basis. Proprietary funds record lessee leases on the fund level Statement of Net Position and are rolled into the government-wide one. Governmental funds show lessee leases in the government-wide Statement of Net Position governmental activities only.

The City's capitalization threshold for reportable leases is \$20,000, and the lease must be longer than one year, including possible extension(s). The threshold is measured as the present value (PV) of the lease payments using the individual implicit interest rate applicable. The three building leases qualify as financing leases under GASB 87, while the copier leases do not. GASB 87 was implemented on 1/1/2022.

On 07/01/2004, City of Vancouver, WA entered into a lease as Lessee for the use of Esther Short Commons - Residential & Retail Facility. On 01/01/2022, the remaining value of this lease, a 150 month lease, was recorded with an initial lease liability in the amount of \$1,469,049.92. As of 12/31/2022, the value of the lease liability is \$1,376,941.18. City of Vancouver, WA is required to make variable principal and interest payments of \$0.00 based on a CPI index of 0.00%. The lease has an interest rate of 1.2720%. The value of the right to use asset as of 12/31/2022 of \$1,469,049.92 with accumulated amortization of \$117,523.99 is included with Buildings on the Lease Class activities table found below.

On 04/01/2011, City of Vancouver, WA entered into a lease as Lessee for the use of Pearson Air Park. On 01/01/2022, the remaining value of this lease, a 351 month lease, was recorded with an initial lease liability in the amount of \$1,274,093.42. As of 12/31/2022, the value of the lease liability is \$1,238,584.08. City of Vancouver, WA is required to make monthly variable principal and interest payments of \$4,626.88 based on a CPI index of 0.00%. The lease has an interest rate of 1.7390%. The value of the right to use asset as of 12/31/2022 of \$1,274,093.42 with accumulated amortization of \$43,558.75 is included with Land on the Lease Class activities table found below.

On 06/01/2021, City of Vancouver, WA entered into a lease as Lessee for the use of Brown & Wilson - Domestic Violence Prosecution Center. On 01/01/2022, the remaining value of this lease, a 113 month lease, was recorded with an initial lease liability in the amount of \$1,217,479.93. As of 12/31/2022, the value of the lease liability is \$1,109,429.24. City of Vancouver, WA is required to make variable principal and interest payments of \$0.00 based on a CPI index of 0.00%. The lease has an interest rate of 1.1610%. The value of the right to use asset as of 12/31/2022 of \$1,217,479.93 with accumulated amortization of \$129,289.90 is included with Buildings on the Lease Class activities table found below.

Amount of Lease Assets by Major Classes of Underlying Asset

Right-to-use Asset Class	Lease Asset Value		Accumulated Amortization	
Land	\$	1,274,093	\$	43,559
Buildings		2,686,530	\$	246,814
Total Leases	\$	3,960,623	\$	290,373

GOVERNMENTAL ACTIVITIES:

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of		
Lease Liability	January 1, 2022	Additions	Reductions	December 31, 2022		
<hr/>						
Buildings						
Brown & Wilson - Domestic Violence Prosecution Center	\$ 1,217,480	\$ -	\$ 108,051	\$	1,109,429	
Esther Short Commons - Residential & Retail Facility	1,469,050	-	92,109		1,376,941	
Total Building Lease Liability	\$ 2,686,530	\$ -	\$ 200,159	\$	2,486,370	
<hr/>						
Total Governmental Activities Lease Liability	\$ 2,686,530	\$ -	\$ 200,159	\$	2,486,370	

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

BUSINESS-TYPE ACTIVITIES: Lease Liability	Balance as of January 1, 2022	Additions	Reductions	Balance as of December 31, 2022
Land				
Pearson Air Park	\$ 1,274,093	\$ -	\$ 35,509	\$ 1,238,584
Total Land Lease Liability	\$ 1,274,093	\$ -	\$ 35,509	\$ 1,238,584
Total Business-Type Activities Lease Liability	\$ 1,274,093	\$ -	\$ 35,509	\$ 1,238,584
Total All Activities Lease Liability	\$ 3,960,623	\$ -	\$ 235,669	\$ 3,724,954

The City's schedule of future minimum payments for these financing lease liabilities is as follows:

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 206,472	\$ 29,261	\$ 235,732
2024	215,818	26,707	242,525
2025	225,476	24,038	249,514
2026	235,454	21,251	256,705
2027	245,763	18,340	264,103
2028 - 2032	1,138,873	45,671	1,184,544
2033 - 2037	218,515	2,220	220,735
	\$ 2,486,370	\$ 167,487	\$ 2,653,858
Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 34,256	\$ 21,267	\$ 55,523
2024	34,856	20,666	55,523
2025	35,467	20,055	55,523
2026	36,089	19,434	55,523
2027	36,722	18,801	55,523
2028 - 2032	193,492	84,121	277,613
2033 - 2037	211,056	66,557	277,613
2038 - 2042	230,214	47,399	277,613
2043 - 2047	251,112	26,501	277,613
2048 - 2051	175,320	5,128	180,448
	\$ 1,238,584	\$ 329,928	\$ 1,568,512
Total Principal and Interest Requirements to Maturity	\$ 3,724,954	\$ 497,416	\$ 4,222,370

B. The City as a Lessor - Leases Receivable

At 12/31/2022, the City has 12 lease receivables in which it is acting as lessor. Under GASB 87, an implicit interest rate is calculated for each individual lease using the internal rate of return method. The present value of leases are aggregated on a fund basis. All funds record lessee receivables on the fund level Statement of Net Position (Balance Sheet for the Governmental Funds), and are rolled into the government-wide Statement of Net Position.

On 11/01/1996, the City of Vancouver, WA entered into a lease as Lessor with the tenant Christensen BH - Boat Basin, 4400 SE Columbia Way. On 01/01/2022, the remaining receivable value of this lease, a 418 month lease, was recorded in the amount of \$615,922.64. As of 12/31/2022, the value of the lease receivable is \$606,909.98. The lessee is required to make annual fixed payments of \$20,311.20. The lease has an interest rate of 1.7510%. The value of the deferred inflow of resources as of 12/31/2022 was \$598,240.65, and City of Vancouver, WA recognized lease revenue of \$17,681.99 during the fiscal year.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

On 07/01/2004, the City of Vancouver, WA entered into a lease as Lessor with the tenant Esther Short Commons - Sublease. On 01/01/2022, the remaining receivable value of this lease, a 150 month lease, was recorded in the amount of \$1,469,050.74. As of 12/31/2022, the value of the lease receivable is \$1,376,942.02. The lessee is required to make monthly fixed payments of \$8,935.28. The lease has an interest rate of 1.2720%. The value of the deferred inflow of resources as of 12/31/2022 was \$1,351,526.68, and City of Vancouver, WA recognized lease revenue of \$117,524.06 during the fiscal year.

On 01/01/2019, the City of Vancouver, WA entered into a lease as Lessor with the tenant Anytime Fitness - Esther Short Commons. On 01/01/2022, the remaining receivable value of this lease, an 84 month lease, was recorded in the amount of \$884,987.77. As of 12/31/2022, the value of the lease receivable is \$769,194.05. The lessee is required to make monthly fixed payments of \$11,585.50. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of 12/31/2022 was \$758,560.94, and City of Vancouver, WA recognized lease revenue of \$126,426.82 during the fiscal year.

On 06/01/2020, the City of Vancouver, WA entered into a lease as Lessor with the tenant Edward Jones - Esther Short Commons, Suite C. On 01/01/2022, the remaining receivable value of this lease, a 41 month lease, was recorded in the amount of \$87,476.35. As of 12/31/2022, the value of the lease receivable is \$62,869.20. The lessee is required to make monthly fixed payments of \$2,301.26. The lease has an interest rate of 0.4260%. The value of the deferred inflow of resources as of 12/31/2022 was \$61,873.51, and City of Vancouver, WA recognized lease revenue of \$25,602.83 during the fiscal year.

On 07/01/2019, the City of Vancouver, WA entered into a lease as Lessor with the tenant Christensen BH - DNR Aquatic Lands, Tract 1. On 01/01/2022, the remaining receivable value of this lease, a 418 month lease, was recorded in the amount of \$86,873.40. As of 12/31/2022, the value of the lease receivable is \$84,321.84. The lessee is required to make fixed payments of \$0.00. The lease has an interest rate of 1.7510%. The value of the deferred inflow of resources as of 12/31/2022 was \$84,379.42, and City of Vancouver, WA recognized lease revenue of \$2,493.97 during the fiscal year.

On 12/01/2020, the City of Vancouver, WA entered into a lease as Lessor with the tenant Apple - Columbian Building, Suite 505. On 01/01/2022, the remaining receivable value of this lease, a 23 month lease, was recorded in the amount of \$677,154.58. As of 12/31/2022, the value of the lease receivable is \$326,787.35. The lessee is required to make monthly fixed payments of \$33,142.08. The lease has an interest rate of 0.3300%. The value of the deferred inflow of resources as of 12/31/2022 was \$323,856.54, and City of Vancouver, WA recognized lease revenue of \$353,298.04 during the fiscal year.

On 01/01/2022, the City of Vancouver, WA entered into a lease as Lessor with the tenant Verizon - POR Truman. On 01/01/2022, the remaining receivable value of this lease, a 120 month lease, was recorded in the amount of \$313,664.00. As of 12/31/2022, the value of the lease receivable is \$282,823.88. The lessee is required to make annual fixed payments of \$34,800.00. The lease has an interest rate of 1.2050%. The value of the deferred inflow of resources as of 12/31/2022 was \$282,297.60, and City of Vancouver, WA recognized lease revenue of \$31,366.40 during the fiscal year.

On 05/01/2019, the City of Vancouver, WA entered into a lease as Lessor with the tenant Verizon - POR Fir Garden. On 05/01/2022, the remaining receivable value of this lease, an 85 month lease, was recorded in the amount of \$260,551.12. As of 12/31/2022, the value of the lease receivable is \$229,711.00. The lessee is required to make annual fixed payments of \$34,800.00. The lease has an interest rate of 0.9780%. The value of the deferred inflow of resources as of 12/31/2022 was \$236,028.66, and City of Vancouver, WA recognized lease revenue of \$24,522.46 during the fiscal year.

On 08/01/2018, the City of Vancouver, WA entered into a lease as Lessor with the tenant Kafiex -Esther Short Commons, 505 W 8th Sth. On 01/01/2022, the remaining receivable value of this lease, a 140 month lease, was recorded in the amount of \$456,864.59. As of 12/31/2022, the value of the lease receivable is \$426,376.52. The lessee is required to make monthly fixed payments of \$3,309.66. The lease has an interest rate of 1.2720%. The value of the deferred inflow of resources as of 12/31/2022 was \$417,704.77, and City of Vancouver, WA recognized lease revenue of \$39,159.82 during the fiscal year.

On 01/01/2019, the City of Vancouver, WA entered into a lease as Lessor with the tenant Historic Reserve Master. On 01/01/2022, the remaining receivable value of this lease, a 24 month lease, was recorded in the amount of \$436,974.94. As of 12/31/2022, the value of the lease receivable is \$218,787.77. The lessee is required to make fixed payments of \$0.00. The lease has an interest rate of 0.3300%. The value of the deferred inflow of resources as of 12/31/2022 was \$218,487.47, and City of Vancouver, WA recognized lease revenue of \$218,487.47 during the fiscal year.

On 01/01/2002, the City of Vancouver, WA entered into a lease as Lessor with the tenant Lawson Land - Pearson Field. On 01/01/2022, the remaining receivable value of this lease, a 185 month lease, was recorded in the amount of \$55,513.02. As of 12/31/2022, the value of the lease receivable is \$52,196.83. The lessee is required to make fixed payments of \$0.00. The lease has an interest rate of 1.3690%. The value of the deferred inflow of resources as of 12/31/2022 was \$51,912.18, and City of Vancouver, WA recognized lease revenue of \$3,600.84 during the fiscal year.

On 01/01/2007, the City of Vancouver, WA entered into a lease as Lessor with the tenant McKibbin Land Lease - Pearson Field Airport. On 01/01/2022, the remaining receivable value of this lease, a 300 month lease, was recorded in the amount of \$69,358.43. As of 12/31/2022, the value of the lease receivable is \$67,017.45. The lessee is required to make fixed payments of \$0.00. The lease has an interest rate of 1.6990%. The value of the deferred inflow of resources as of 12/31/2022 was \$66,584.09, and City of Vancouver, WA recognized lease revenue of \$2,774.34 during the fiscal year.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Principal and Interest Expected to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 880,989	\$ 48,110	\$ 929,099
2024	346,544	43,484	390,028
2025	346,600	39,680	386,280
2026	346,519	35,791	382,310
2027	364,538	31,782	396,321
2028 - 2032	1,270,859	104,773	1,375,631
2033 - 2037	334,727	50,102	384,829
2038 - 2042	103,089	39,791	142,879
2043 - 2047	126,705	29,962	156,667
2048 - 2052	153,889	17,944	171,833
2053 - 2056	110,265	3,997	114,263
Total Governmental Activities	\$ 4,384,724	\$ 445,415	\$ 4,830,139
Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2023	5,579	1,815	7,394
2024	5,664	1,730	7,394
2025	5,749	1,645	7,394
2026	5,836	1,557	7,394
2027	5,925	1,469	7,394
2028 - 2032	30,999	5,970	36,970
2033 - 2037	31,086	3,555	34,641
2038 - 2042	15,228	1,784	17,011
2043 - 2047	13,148	461	13,609
Total Business-type Activities	\$ 119,214	\$ 19,986	\$ 139,200
Total all activities	\$ 4,503,938	\$ 465,402	\$ 4,969,339

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Lessor - lease receivable (Rollforward Schedule):

GOVERNMENTAL ACTIVITIES:	Balance as of				Balance as of
Lease Receivable	January 1, 2022	Additions	Reductions	December 31, 2022	
Buildings					
Esther Short Commons - Sublease	\$ 1,469,051		\$ 92,109	\$ 1,376,942	
Historic Reserve Master	436,975		218,187	218,788	
Kaflex - Esther Short Commons, 505 W 8th St	456,865		30,488	426,377	
Apple - Columbian Building, Suite 505	677,155		350,367	326,787	
Total Building Lease Receivable	\$ 3,040,045	\$ -	\$ 691,151	\$ 2,348,894	
Land					
Anytime Fitness - Esther Short Commons	\$ 884,988		\$ 115,794	\$ 769,194	
Verizon - POR Truman	313,664		30,840	282,824	
Verizon - POR Fir Garden		260,551	30,840	229,711	
Christensen BH - Boat Basin, 4400 SE Columbia Way		615,923	9,013	606,910	
Christensen BH - DNR Aquatic Lands, Tract 1		86,873	2,552	84,322	
Edward Jones - Esther Short Commons, Suite C	87,476		24,607	62,869	
Total Land Lease Receivable	\$ 1,286,128	\$ 963,347	\$ 213,645	\$ 2,035,830	
Total Governmental Activities Lease Receivable	\$ 4,326,173	\$ 963,347	\$ 904,797	\$ 4,384,724	
BUSINESS-TYPE ACTIVITIES:	Balance as of				Balance as of
Lease Receivable	January 1, 2022	Additions	Reductions	December 31, 2022	
Land					
McGibbin Land Lease - Pearson Field	\$ 69,358		\$ 2,341	\$ 67,017	
Lawson Land - Pearson Field	55,513		3,316	52,197	
Total Land Lease Receivable	\$ 124,871	\$ -	\$ 5,657	\$ 119,214	
Total Business-Type Activities Lease Receivable	\$ 124,871	\$ -	\$ 5,657	\$ 119,214	
Total all Activities Lease Receivable	\$ 4,451,044	\$ 963,347	\$ 910,454	\$ 4,503,938	

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Lessor - Deferred Inflow of Resources (Rollforward schedule)

GOVERNMENTAL ACTIVITIES:	Balance as of			Balance as of		
	January 1, 2022	Additions	Reductions	December 31, 2022		
Deferred Inflow of Resources						
Buildings						
Esther Short Commons - Sublease	\$ 1,469,051	\$ -	\$ 117,524	\$		1,351,527
Historic Reserve Master	436,975	-	218,487			218,487
Kaflex - Esther Short Commons, 505 W 8th Sth	456,865	-	39,160			417,705
Apple - Columbian Building, Suite 505	677,155	-	353,298			323,857
Total Building Deferred Inflow of Resources	\$ 3,040,045	\$ -	\$ 728,469	\$		2,311,575
Land						
Anytime Fitness - Esther Short Commons	\$ 884,988	\$ -	\$ 126,427	\$		758,561
Verizon - POR Truman	313,664	-	31,366			282,298
Verizon - POR Fir Garden	-	260,551	24,522			236,029
Christensen BH - Boat Basin, 4400 SE Columbia Way	-	615,923	17,682			598,241
Christensen BH - DNRA aquatic Lands, Tract 1	-	86,873	2,494			84,379
Edward Jones - Esther Short Commons, Suite C	87,476	-	25,603			61,874
Total Land Deferred Inflow of Resources	\$ 1,286,128	\$ 963,347	\$ 228,094	\$		2,021,381
Total Deferred Inflow of Resources - Governmental	\$ 4,326,173	\$ 963,347	\$ 956,564	\$		4,332,956
BUSINESS-TYPE ACTIVITIES:	Balance as of			Balance as of		
	January 1, 2022	Additions	Reductions	December 31, 2022		
Deferred Inflow of Resources						
Land						
McKibbin Land Lease - Pearson Field Airport	\$ 69,358	\$ -	\$ 2,774	\$		66,584
Lawson Land - Pearson Field	55,513	-	3,601			51,912
Total Land Deferred Inflow of Resources	\$ 124,871	\$ -	\$ 6,375	\$		118,496
Total Deferred Inflow of Resources - Business-type	\$ 124,871	\$ -	\$ 6,375	\$		118,496
Total Deferred inflow of Resources - All Activities	\$ 4,451,044	\$ 963,347	\$ 962,939	\$		4,451,453

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 7. LONG-TERM DEBT

A. Long-Term Debt

The City issues general obligation and revenue bonds to finance the acquisition or construction of major capital projects. Bonded indebtedness has also been entered into (currently and in prior years) to advance refund several general obligation and revenue bonds. General obligation bonds have been issued for both general government and business-type activities and are being repaid from the applicable resources.

General obligation bonds currently outstanding (in thousands) are as follows:

Name of Issuance	Purpose	Original Debt	Issuance Date	Maturity Date	Interest Rate	Govt'l Debt Outstanding	Business Debt Outstanding
2012B&C LTGO Bond	Business Type Activities Refunding	\$ 9,515	12/12/2012	12/1/2025	2.36%		\$ 2,465
2015A LTGO Bond	Governmental Activities	1,297	6/15/2015	12/1/2028	4.33%	\$ 972	
2015B LTGO Bond	Governmental Activities & Refunding	23,100	6/15/2015	12/1/2034	2.72%	11,310	
2016 LTGO Bond	Governmental Activities Refunding	7,810	6/22/2016	12/1/2028	1.89%	4,895	
2020 LTGO Bond	Governmental Activities Refunding	7,045	9/10/2020	12/1/2035	1.56%	6,180	
2021A LTGO Bond	Governmental Activities Refunding	7,495	9/7/2021	12/1/2035	1.67%	6,905	
2021B LTGO Bond	Governmental Activities Refunding	10,040	9/7/2021	12/1/2029	1.41%	8,815	
Total General Obligation Bonds		\$ 66,302				\$ 39,077	\$ 2,465

The annual debt service requirements (in thousands) to maturity for general obligation bonds are as follows:

	Governmental Activities			Business Type Activities		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2023	5,240	1,173	6,412	800	68	868
2024	5,368	1,051	6,419	820	47	867
2025	5,525	892	6,417	845	24	869
2026	4,520	715	5,235	-	-	-
2027	4,220	588	4,808	-	-	-
2028-2032	10,140	1,335	11,475	-	-	-
2033-2035	4,065	201	4,266	-	-	-
	\$ 39,077	\$ 5,955	\$ 45,032	\$ 2,465	\$ 140	\$ 2,605

At December 31, 2022, the City had \$0 available in debt service funds to service the general bonded debt. Several other funds are responsible for payment of the GO bonded debt. Through the budget appropriation process, arrangements are made for transfers from those funds to the debt service funds prior to payment of the debt.

B. Governmental Loans

The City is also liable for notes that were entered into for the construction of capital projects. These notes are considered obligations of the general government and are being repaid with general governmental revenue sources. Governmental loans outstanding (in thousands) at year-end are as follows:

Name of Issuance	Purpose	Original Debt	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2006 PWTF	Governmental Activities	\$ 2,200	11/30/2006	7/1/2026	.50%	\$ 466
Section 108 HUD Loan	Governmental Activities	5,419	7/7/2010	8/1/2029	3.70%	1,835
2018 PWTFL	Governmental Activities	2,855	5/22/2018	6/1/2038	1.16%	1,886
		\$ 10,474				\$ 4,187

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Governmental loan debt service requirements to maturity (in thousands) are as follows:

Governmental Activities			
	Principal	Interest	Total
2023	\$ 474	\$ 81	\$ 555
2024	484	72	556
2025	489	63	552
2026	494	53	547
2027	388	43	431
2028-2032	1,150	90	1,240
2033-2037	590	27	617
2038	118	1	119
Total	\$ 4,187	\$ 430	\$ 4,617

C. Special Assessments

The City also issues special assessment debt to provide funds for the construction of street safety improvements in connection with a train noise quiet zone. Special assessment bonds are created by ordinance, adopted by the City Council, and financed by assessments on property owners within the special assessment area. Special assessment bonds are serial bonds and are called yearly based on assessments received. The last assessment was called and paid in full in 2021. The amount of delinquent receivables at December 31, 2022, was \$4,091.

The LID Service Fund had an ending cash balance of \$19,285 as of December 31, 2022. The LID Guaranty Fund had a \$0 cash balance on December 31, 2022, because the bonds were paid off in full in 2022.

D. Impact Fee Credits

In 1995, the City of Vancouver adopted an impact fee ordinance to ensure that adequate facilities are available to serve new growth and development. An impact fee is charged at the issuance of a building permit. In addition, the developer may be entitled to a non-refundable "credit" against the applicable impact fee component for the fair market value of appropriate dedications of land, improvements or new construction of system improvements provided by the developer. In the event that the amount of the "credit" is calculated to be greater than the amount of the impact fee due, the developer may apply the excess "credit" toward future impact assessment on other developments within the same service district.

As of December 31, 2022, the amount of credits that may be applied against future impact fees is \$17,443,116. This is recorded as a governmental activity in the government-wide financial statements.

E. Debt Of Discretely Presented Component Units

Revenue Bonds

In 2003, the DRA issued bonds in which it pledged income derived from the acquired or constructed assets to pay debt service. The revenue bonds were authorized by resolution adopted by the DRA Board, and financed from operating revenues. The revenue bonds were issued to finance construction of the Conference Center and Hotel capital project. In June 2013, the remaining outstanding balance of \$63,105,000 of the 2003 DRA Revenue bonds were refunded by issuing two series of revenue refunding bonds.

DRA Revenue Refunding bonds outstanding at year-end are as follows:

Name of Issuance	Original Debt	Issuance Date	Maturity Date	Interest Rate	Debt Outstanding
2013 DRA Conference Center Project Refunding Revenue Bonds	\$ 38,730,000	6/27/2013	1/1/2044	4.38%	\$ 36,845,000
2013 DRA Conference Center Project Sales & Lodging Tax Refunding Revenue Bonds	13,680,000	6/27/2013	1/1/2034	4.05%	11,320,000
Total Revenue Bonds	\$ 52,410,000				\$ 48,165,000

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

DRA 2013 Project Revenue Bonds and the DRA 2013 Tax Revenue Bonds debt service requirements to maturity are as follows:

<u>2013 Project Revenue Refunding Bonds</u>				<u>2013 Tax Revenue Refunding Bonds</u>		
	Principal	Interest	Total Requirements	Principal	Interest	Total Requirements
2023	\$ 1,015,000	\$ 1,603,988	\$ 2,618,988	\$ 1,340,000	\$ 458,350	\$ 1,798,350
2024	\$ 1,070,000	\$ 1,551,863	\$ 2,621,863	\$ 1,455,000	\$ 395,750	\$ 1,850,750
2025	\$ 1,120,000	\$ 1,497,113	\$ 2,617,113	\$ 1,565,000	\$ 335,350	\$ 1,900,350
2026	\$ 1,175,000	\$ 1,439,738	\$ 2,614,738	\$ 1,675,000	\$ 270,550	\$ 1,945,550
2027	\$ 1,235,000	\$ 1,379,488	\$ 2,614,488	\$ 1,260,000	\$ 211,850	\$ 1,471,850
2028-2032	\$ 7,035,000	\$ 6,060,613	\$ 13,095,613	\$ 2,930,000	\$ 565,988	\$ 3,495,988
2033-2037	\$ 8,595,000	\$ 4,452,619	\$ 13,047,619	\$ 1,095,000	\$ 53,838	\$ 1,148,838
2038-2042	\$ 10,640,000	\$ 2,355,300	\$ 12,995,300	\$ -	\$ -	\$ -
2043-2044	\$ 4,960,000	\$ 225,675	\$ 5,185,675	\$ -	\$ -	\$ -
Total	\$ 36,845,000	\$ 20,566,394	\$ 57,411,394	\$ 11,320,000	\$ 2,291,675	\$ 13,611,675

In order to make the 2013 refunding economically viable, ACA contributed \$4,000,000 to the Authority, \$1,430,555 of which is in consideration of the execution of a Note issued by the Authority to ACA, and the balance of which is in consideration for the elimination of any exposure ACA may have in respect to the Series 2003A Bonds. This Note is subordinate to the Project Revenue and Tax Revenue Bonds. There is a note associated with this contribution. Depending on the cash flows of the project, payments may start on 1/1/2033.

Amounts on deposit in the Authority Reserve Fund held by the Trustee is the source of repayment for this direct borrowing loan. In the event of a default on the direct borrowing loan, in which the principal and interest payments are not made when due, the unpaid principal shall bear interest at the note rate plus 2%. The prepayment of principal plus interest is allowed at any time without incurring a premium.

The subordinate note to ACA, as described above, debt service requirements to maturity are estimated as follows:

Other long-term loans and notes payable			
	Total		
	Principal	Interest	Requirements
2023	\$ -	\$ -	\$ -
2024	-	-	-
2025	-	-	-
2026	-	-	-
2027	-	-	-
2028-2032	-	-	-
2033-2037	287,670	277,450	565,120
2038-2042	711,847	842,929	1,554,776
2043-2044	431,037	572,228	1,003,265
Total	\$ 1,430,554	\$ 1,692,607	\$ 3,123,161

F. City Debt Guarantee of the DRA

The City is contractually obligated to guarantee the bond debt of the DRA if the DRA is unable to make payments. As of the end of 2022, the City does not foresee the obligation to pay any portion of their debt in 2023. The DRA's reserves are expected to be sufficient to make those payments.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

G. Lease Liability

The City implemented a new reporting standard, GASB 87, Leases, on January 1, 2022. Full details of GASB 87 financial impacts can be found in Note 6. Leases.

Following is a recap of lease liability, based on these new reporting requirements.

GOVERNMENTAL ACTIVITIES:	Balance as of				Balance as of
Lease Liability	January 1, 2022	Additions	Reductions		December 31, 2022
Buildings					
Brown & Wilson - Domestic Violence Prosecution Center	\$ 1,217,480	\$ -	\$ 108,051	\$	1,109,429
Esther Short Commons - Residential & Retail Facility	1,469,050	-	92,109		1,376,941
Total Building Lease Liability	\$ 2,686,530	\$ -	\$ 200,159	\$	2,486,370
Total Governmental Activities Lease Liability	\$ 2,686,530	\$ -	\$ 200,159	\$	2,486,370
BUSINESS-TYPE ACTIVITIES:	Balance as of				Balance as of
Lease Liability	January 1, 2022	Additions	Reductions		December 31, 2022
Land					
Pearson Air Park	\$ 1,274,093	\$ -	\$ 35,509	\$	1,238,584
Total Land Lease Liability	\$ 1,274,093	\$ -	\$ 35,509	\$	1,238,584
Total Business-Type Activities Lease Liability	\$ 1,274,093	\$ -	\$ 35,509	\$	1,238,584
Total All Activities Lease Liability	\$ 3,960,623	\$ -	\$ 235,669	\$	3,724,954

See Note 8, Changes in Long-Term Liabilities, for additional information on the current and long-term portions of this new liability.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 8. CHANGES IN LONG TERM LIABILITIES

A. During the year ended December 31, 2022, the following changes occurred in long-term liabilities:

	Balance 1/1/22	Additions	Reductions	Balance 12/31/22	Due Within One Year
Governmental activities					
Bonds payable:					
General obligation bonds	\$ 44,151,500	\$ -	\$ 5,074,500	\$ 39,077,000	\$ 5,239,500
Issuance premiums	1,519,842	-	364,272	1,155,570	298,826
Total GO bonds payable	45,671,342	-	5,438,772	40,232,570	5,538,326
Governmental loans	4,719,649	-	532,269	4,187,380	474,377
Claims and judgements	9,936,075	1,164,877	-	11,100,952	3,454,183
Total OPEB Liability	46,546,545	-	23,740,090	22,806,455	1,675,310
Net Pension Liability	2,583,909	9,499,647	-	12,083,556	-
Compensated absences	12,595,218	1,382,197	622,259	13,355,156	12,019,641
Asset Retirement Obligations	450,000	-	-	450,000	-
Lease Payable	10,775,888	2,686,530	10,976,048	2,486,370	206,472
Impact Fee Credit	19,419,041	-	1,975,925	17,443,116	2,718,320
Governmental activity long-term liabilities	<u>\$ 152,697,667</u>	<u>\$ 14,733,251</u>	<u>\$ 43,285,363</u>	<u>\$ 124,145,555</u>	<u>\$ 26,086,629</u>
Business-type activities					
Bonds payable:					
General obligation bonds	\$ 3,250,000	\$ -	\$ 785,000	\$ 2,465,000	\$ 800,000
Total bonds payable	3,250,000	-	785,000	2,465,000	800,000
Net Pension Liability	1,597,096	1,891,337	-	3,488,433	-
Compensated absences	3,226,743	286,239	113,457	3,399,525	3,059,573
Lease Payable	-	1,274,093	35,509	1,238,584	34,256
Asset Retirement Obligations	2,468,200	-	25,000	2,443,200	-
Business-type activity long-term liabilities	<u>\$ 10,542,039</u>	<u>\$ 3,451,669</u>	<u>\$ 958,966</u>	<u>\$ 13,034,742</u>	<u>\$ 3,893,829</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. For the governmental activities, claims and judgments and compensated absences are generally liquidated by operating funds, such as the General Fund, Consolidated Fire and the Street funds. The General Fund provides funding for the payment of benefits related to OPEB.

B. Compensated Absences

Accumulated amounts of vacation leave are accrued as expenses when incurred in the government-wide and enterprise fund financial statements. At year end, the compensated absences liability was \$13,355,156 in governmental activities (which includes the internal service funds) and \$3,399,525 in business-type activities. For the governmental activities, compensated absences are generally liquidated by operating funds, such as the Consolidated General Fund and Consolidated Fire funds. See additional details about compensated absences in Note 1.

C. Discretely Presented Component Units

The following is a summary of long-term debt changes of DRA for the year:

	Beginning Balance 1/1/22	Additions	Reductions	Ending Balance 12/31/22	Due Within One Year
Bonds payable:					
Revenue bonds	\$ 50,360,000	\$ -	\$ 2,195,000	\$ 48,165,000	\$ 2,355,000
Premiums (discounts)	360,111	-	29,304	330,807	29,304
Total bonds payable	50,720,111	-	2,224,304	48,495,807	2,384,304
Due to other governments	4,216,321	2,694,577	3,426,479	3,484,419	-
Other long-term loans and notes	1,430,555	-	-	1,430,555	-
Subordinate management fee	161,719	-	107,813	53,906	53,906
Component units long term liabilities	<u>\$ 56,528,706</u>	<u>\$ 2,694,577</u>	<u>\$ 5,758,596</u>	<u>\$ 53,464,687</u>	<u>\$ 2,438,210</u>

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 9. CONTINGENCIES AND LITIGATIONS

The City has recorded in its financial statements all material liabilities, including an estimate for situations which are not yet resolved but where, based on available information, management believes it is probable that the City will have to make payment. In the opinion of management, the City's insurance policies and/or self-insurance reserves are adequate to pay all known or pending claims.

The City is contingently liable in pending litigation claims which are not yet resolved but where, based on available information, management believes it is reasonably possible that a liability has been incurred but cannot be estimated and so are not reflected in the financial statements.

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

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 10. OTHER SIGNIFICANT COMMITMENTS

Related Party Commitments

1. Commitment to Downtown Redevelopment Authority (DRA), with respect to the Vancouver Conference Center

The City signed an agreement on December 1, 2003, to participate in the construction and operation of the Vancouver Conference Center, using tourism funds. In June 2013 DRA refinanced the debt associated with the Center with a guarantee from the City.

If the DRA has insufficient funds in their debt service and reserve accounts to cover a principal and interest payment, the City has guaranteed to cover the insufficient amount, if prior notice is provided. Any coverage the City provides shall be construed as an interest-bearing loan to the DRA.

During 2021, the City made no payments under its contingent payment obligation. The City has no current expectation of having to make any such payments, as it expects project revenues and tax revenues to be sufficient for such purposes, unless the pandemic related business shutdowns continue to impact project revenues for a period longer than 12 months.

2. Commitment to Clark County, with respect to the Exhibition Hall

Per a 2004 interlocal agreement, the City supports the Clark County Exhibition Hall, a tourism-related facility. The agreement will be terminated once the bonds that financed the building are redeemed or defeased - no later than 2027.

If the County has insufficient funds from its dedicated revenue stream to cover its semi-annual debt service obligation, the City has pledged to cover the insufficient amount, if prior notice is provided. The contract has various maximum limits on City contributions depending on the year. Since 2017 through termination, the maximum is \$150,000. Under the terms of the interlocal agreement, the City's pledge is reduced by the amount of any rental reduction the County grants to the amphitheater lessee. Since July 2008, the County reduced the rental rates for the amphitheater to such an extent that this commitment has been reduced to zero.

To date, the City has made no payments under its contingent payment obligation. The City has no current expectation of having to make any such payments, as it expects project revenues and tax revenues to be sufficient to cover the project needs.

3. Commitment to Hilton Hotel, with respect to the Subordinate and Super-subordinate Management Fees

Since 2003, DRA, the City's component unit, operates the Vancouver Conference Center, using a contracted manager, Hilton Hotels. Between 2009 and 2013 DRA was obligated to pay Hilton Hotels a subordinate management fee for its services, as funds were available in the Subordinate Management Fee Fund, but was unable to pay the fee since funds were not available.

In June 2013, DRA and Hilton Hotels revised their agreement, allowing for the forgiveness of the 2009-2013 subordinate fees. The amount will be forgiven gradually over a ten year period. DRA reports the forgiveness as a Special Item, Gain on Extinguishment of Debt, calculated on a straight-line basis.

During 2022 \$107,813 was recorded as forgiven with an outstanding obligation of \$53,906 reported on the Statement of Net Position.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 11. JOINT VENTURES & JOINTLY GOVERNED ORGANIZATIONS

Joint Ventures

Clark Regional Emergency Services Agency (CRESA)

The City is involved in a joint venture with ongoing financial responsibilities with other governmental entities in the establishment and operation of the CRESA. CRESA was created under the Interlocal Cooperation Act (RCW 39.4) by agreement between the City and other governmental units and political districts. Its purpose is to provide a consolidated public safety communications service to participating cities, political districts, and Clark County. Participating governmental entities have representation on the CRESA board. Clark County maintains the accounting records for CRESA. Detailed financial statements for this entity can be obtained from Clark Regional Emergency Services Agency at 710 W 13th St, Vancouver, WA 98660-2810.

In October 2017, Clark County passed Ordinance 2017-10-08 which created Clark Regional Emergency Services Agency Public Authority (CRESA-PA) under RCW35.21.730-759. That agreement is not currently valid, and the City and CRESA continue to operate under their interlocal agreement.

Conversations continue about the ownership structure of CRESA. CRESA could move from operating under the interlocal agreement to operating as a public development authority. This ownership change is required to be approved by the agencies who are served by CRESA. This change would make the City of Vancouver a customer of CRESA, versus a partial owner of CRESA.

Jointly Governed Organizations

Council for the Homeless

The City, Clark County, and the Vancouver Housing Authority entered into an Intergovernmental Cooperation Act (RCW 39.4) on December 20, 1989, for the establishment of the Council for the Homeless (Council) as a collaborative effort to address issues of homelessness. Each jurisdiction appoints one board member. The remaining 12 members of the Council are selected by the Council's bylaws. Clark County and Vancouver Housing Authority provides annual fiscal support for operations. The City only provides funding to the Council as a grant subrecipient, if applicable. For the year ending December 31, 2022, the City made subrecipient grant payments to the Council totaling \$71,844. The relationship between the City and the Council does not create an ongoing financial interest or financial responsibility.

Related Organizations

Vancouver Housing Authority

Vancouver Housing Authority is a municipal corporation created under Washington State Chapter 35.82 RCW in 1942 by the City of Vancouver and governed by a six-member Board appointed by the Mayor of the City of Vancouver.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 12. RELATED PARTY TRANSACTIONS

DRA, a component unit of the City of Vancouver, constructed the Vancouver Conference Center and a hotel in downtown Vancouver. The project was funded by proceeds from the sale of tax exempt bonds issued by the DRA. The bonds were secured by project revenues, together with a credit from the State of Washington equal to 0.033% of 1% of the sales and use tax collected within the City and Clark County, and a dedication of 50% of the lodging taxes collected within the City.

During 2022, the City recognized \$1,497,165 in expenditures associated with lodging tax revenues dedicated to the project.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 13. RISK MANAGEMENT

The City self-insures for general liability, property, certain employees' healthcare coverage, workers' compensation, and unemployment coverage as a qualified self-insurer. The City maintains self-insurance internal service funds to account for and finance its insured and uninsured risks of loss. The City does not include non-incremental claims adjustment expenses in the reported accrued claims liabilities. Settlements did not exceed insurance coverage in any of the prior three fiscal years.

The cost of excess loss coverage has been increasing over time. For the biennium, the cost of annual excess coverage for the City exceeded \$1.7 mil. The total combined cost of insurance coverage for the City is \$3.0 million per year.

A. General Liability and Property

The fund pays the majority of claims involving general liability but has other liability coverage through specific policies. Currently, specific policies include the airport liability. Coverage totals \$10,000,000 for liability and \$10,000,000 for hangar keepers legal. In addition, the City purchases excess liability insurance for all City operations including auto, for a total limit of \$20,000,000. The excess policy provides \$1,000,000 for self-insured retention, this is unchanged from 2021. The City also purchases liability on specific vehicles up to \$1,000,000 and inland marine coverage for the equipment fleet. The deductible for fleet physical damage is 5% subject to \$10,000 minimum. In 2022 the City paid out 1,238,101.08 in General Liability claims.

Property claim costs in 2022 were \$273,866.03, compared to \$44,491, reported in 2021, with new first party property and vehicle claims reported in 2022. The City carries fire damage insurance (buildings and business personal property), earth movement, equipment breakdown, valuable papers, computer virus, accounts receivable and flood insurance coverage. Policy coverage for property damage is up to \$550 million with adjustable deductibles based on specific event types. This represents replacement cost for City buildings and contents.

B. Workers' Compensation

The cost for claims and claims administration was \$3,166,030 in 2022, compared with \$2,635,615 in Workers Compensation claims reported in 2021. In addition to self-insurance, the City also maintains an excess coverage policy with a \$2,000,000 deductible.

C. Self-Insured Workers' Compensation and Liability Fund

Both workers' compensation and liability self-insurance are reported in the same fund. The City contributions to the fund are determined using information from the contributing funds past claims experience and loss exposures. The claims liability reported in the fund totaled \$11,100,952 at December 31, 2022. The current portion is \$3,454,183. The non-current portion is \$7,646,769.

The claims liability, as reported in the fund, is based on the requirements of GASB Statement 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The following was prepared based on an actuarial analysis by Bickmore. These are actuarial estimated amounts reflecting expected losses - actual losses may vary. Changes in the fund's liabilities from claims in 2022, 2021 and 2020, are as follows:

Year	Beginning of Fiscal Year Liability	Current Year Claims	Change in Estimates for Claims of Prior Periods	Claim Payments	Balance at Fiscal Year End
2022	\$ 9,309,379	\$ 2,718,862	\$ 626,696	\$ (1,553,985)	\$ 11,100,952
2021	8,977,777	3,397,000	(179,113)	(2,886,285)	9,309,379
2020	8,056,486	1,248,637	1,446,000	(1,773,346)	8,977,777

D. Employee Healthcare

Beginning January 2015, the City established an internal service fund for the purpose of self-insuring employee medical costs. The City pays claims and expenses for employees choosing this plan and contracts with a third-party administrator to process claims. The plan carries reinsurance coverage with a \$275,000 individual stop loss, and an aggregate stop loss of 125% of claims, with one named covered person with a \$375,000 deductible and one name person at a \$675,000 deductible.

The City is obligated to establish and has maintained a 16 week contingency reserve for the internal service fund. As of December 31, 2022, net position for the self-insured health insurance fund is \$6,877,453. Based on an average of claim payments made for the last three years, which is \$2,071,205, this contingency reserve appears to be sufficient.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 14. PROPERTY TAX

The Clark County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities.

Property Tax Calendar

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

Property tax is recorded as a receivable and revenue when levied. Property tax collected in advance of the fiscal year to which it applies is recorded as a deferred inflow and recognized as revenue of the period to which it applies. The balance of taxes receivable includes related interest and penalties. No allowance for uncollectible tax is established because delinquent taxes are considered fully collectible. Prior year tax levies were recorded using the same principal, and delinquent taxes are evaluated annually.

The City may levy up to \$3.10 and \$0.225 per \$1,000 of assessed valuation for general governmental services and local Fire Pension Funds respectively, for a maximum levy rate of \$3.325/\$1,000.

For 2022, the City's regular tax levy was \$1.852 per \$1,000 on a total taxable assessed valuation of \$29.1 billion for a total regular levy of \$53.9 million.

Special levies approved by the voters are not subject to the limitations above. In 2022, the City levied an additional \$0.2061 per \$1,000 for the Affordable Housing Levy resulting in a total additional levy of \$6.0 million.

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

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 15. TAX ABATEMENT

Multifamily Tax Exemption Program

Washington State RCW 84.14 and Vancouver Municipal Code Chapter 3.22 allow for multiple-family residential building property tax exemptions. The program's purpose is to increase residential opportunities, including affordable housing, in designated urban centers. The City may grant abatements up to eight, 10 or 12 years for newly constructed or rehabbed residential units, depending on eligibility and City Council approval.

Program eligibility includes:

- An eight year exemption is available for market-rate projects with an approved development agreement.
- Three tax exemption options are available for housing projects with an affordability component:
 - Eight-year exemption for projects with 20% of units affordable to households earning up to 100% of area median income (AMI).
 - 10-year exemption for projects with 20% of units affordable to households earning up to 80% AMI.
 - 12-year exemption for projects with 20% of units affordable to households earning up to 60% AMI.
- Additionally, households in income-restricted units must pay no more than 30% of their income for rent and utilities.

Property owners have three years from the agreement date to obtain an occupancy permit and a Certificate of Tax Exemption. Exemptions begin January 1 of the year following the issuance of the Final Certificate of Tax Exemption. The new residential improvements are not added to the tax rolls until the exemption expires. Land and other non-residential improvements remain subject to property taxes.

The City completes annual or more frequent compliance reviews of all approved tax exemption projects. Non-compliance may result in the cancellation of the exemption.

As of December 31, 2022, there are 22 approved, ongoing agreements under this program. 22 of the projects have completed construction and are currently renting. 22 projects were in the abatement period for which the City abated approximately \$967,702 in property taxes, an increase of 56.5% due to an increase in assessed value for these properties in 2021 for 2022 taxes.

High Unemployment County Sales & Use Tax Deferral for Manufacturing Facilities

The state administers this tax deferral program under Washington State RCW 82.60. The purpose of the program is to promote economic stimulation, create new employment opportunities in distressed areas, and reduce poverty in certain distressed counties in the state. During the year ended December 31, 2022 the state issued tax deferrals which reduced the City's revenue by \$43,124 under this program.

Multi-unit Urban Housing Exemption

The state administers this tax deferral program under Washington State RCW 84.14.020. During the year ended December 31, 2022 the state issued tax deferrals which reduced the City's revenue of \$868,996 under this program.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 16 . PENSION PLANS

The following table represents the aggregate pension amounts for all plans for the year 2022:

Aggregate Pension Amounts - All Plans	
Pension Liabilities	\$ 15,571,990
Pension Assets	62,117,186
Deferred outflows of resources	38,697,488
Deferred inflows of resources	37,227,552
Pension expense/expenditures	3,863,181

A. State Sponsored Pension Plans

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

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan.

The DRS report may be downloaded from the DRS website at: www.drs.wa.gov.

B. Public Employees' Retirement System (PERS)

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

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

C. Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2022 were as follows:

PERS Plan 1 Actual Contribution Rates:	Employer	Employee
January - August 2022		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.71%	
Administrative Fee	0.18%	
Total	10.25%	6.00%
September - December 2022		
PERS Plan 1	6.36%	6.00%
PERS Plan 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

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

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

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

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates.

The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2022 were as follows:

PERS Plan 2/3			
Actual Contribution Rates	Employer 2/3	Employee 2	
January – August 2022			
PERS Plan 2/3	6.36%	6.36%	
PERS Plan 1 UAAL	3.71%		
Administrative Fee	0.18%		
Employee PERS Plan 3		Varies	
Total	10.25%	6.36%	
September – December 2022			
PERS Plan 2/3	6.36%	6.36%	
PERS Plan 1 UAAL	3.85%		
Administrative Fee	0.18%		
Employee PERS Plan 3		Varies	
Total	10.39%	6.36%	

The City's actual PERS plan contributions were \$2.27 million to PERS Plan 1 and \$3.84 million to PERS Plan 2/3 for the year ended December 31, 2022.

C. Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF)

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

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

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

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

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan 1 had no required employer or employee contributions for fiscal year 2022. Employers paid only the administrative expense of 0.18 percent of covered payroll.

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

Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board.

Effective July 1, 2017, when a LEOFF employer charges a fee or recovers costs for services rendered by a LEOFF 2 member to a non-LEOFF employer, the LEOFF employer must cover both the employer and state contributions on the LEOFF 2 basic salary earned for those services. The state contribution rate (expressed as a percentage of covered payroll) was 3.41% in 2022.

The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2022 were as follows:

LEOFF Plan 2		
Actual Contribution Rates	Employer	Employee
January - December 2022		
State and local governments	5.12%	8.53%
Administrative fee	0.18%	
Total	5.30%	8.53%
Ports and Universities	8.53%	8.53%
Administrative Fee	0.18%	
Total	8.71%	8.53%

The City's actual contributions to the plan were \$2.95 million for the year ended December 31, 2022.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For the state fiscal year ending June 30, 2022, the state contributed \$81.39 million to LEOFF Plan 2. The amount recognized by the City as its proportionate share of this amount is \$1.89 million.

D. Actuarial Assumptions

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

Additional assumptions for subsequent events and law changes are current as of the 2021 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2022. Plan liabilities were rolled forward from June 30, 2021, to June 30, 2022, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

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

Mortality rates were developed using the Society of Actuaries' Pub. H-2010 mortality rates, which vary by member status (e.g. active retiree, or survivor), as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime

Methods did not change from the prior contribution rate setting June 30, 2019 Actuarial Valuation Report (AVR), however OSA introduced a temporary method change to produce asset and liability measures for the June 30 2020 AVR. There were also the following assumption changes:

- OSA updated the Joint-and-Survivor Factors and Early Retirement Factors in the model. Those factors are used to value benefits for early retirement and survivors of members that are deceased prior to retirement. These factors match the administrative factors provided to DRS for future implementation that reflect current demographic and economic assumptions
- OSA updated the economic assumptions based on the 2021 action of the PFC and LEOFF Plan 2 Retirement Board. The investment return assumption was reduced from 7.5% (7.4% for LEOFF 2) to 7.0%, and salary growth assumption was lowered from 3.5% to 3.25%. This action is a result of recommendations from OSA's biennial economic experience study.

E. Discount Rate

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

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

Long-Term Expected Rate of Return

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

Estimated Rates of Return by Asset Class

The table below summarizes the best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2022. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	% Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	1.5%
Tangible Assets	7%	4.7%
Real Estate	18%	5.4%
Global Equity	32%	5.9%
Private Equity	23%	8.9%
	100%	

Sensitivity of Net Pension Liability

The table below presents the City's proportionate share of the net pension liability calculated using the discount rate of 7 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6 percent) or 1-percentage point higher (8 percent) than the current rate.

	1% Decrease 6.0%	Current Rate 7.0%	1% Increase 8.0%
PERS 1	\$ 13,067,850	\$ 9,781,426	\$ 6,913,148
PERS 2/3	\$ 20,011,355	\$ (16,992,893)	\$ (47,394,222)
LEOFF 1	\$ (5,915,712)	\$ (6,750,506)	\$ (7,474,402)
LEOFF 2	\$ (1,767,071)	\$ (38,373,787)	\$ (68,333,250)

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Pension Plan Fiduciary Net Position

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

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

At June 30, 2022, the City reported a total pension liability of \$9.78 million for its proportionate share of the net pension liabilities and \$62.12 million for its proportionate share of net pension assets as follows:

Plan	
PERS 1	\$ 9,781,426
Total liabilities	\$ 9,781,426
PERS 2/3	\$ 16,992,893
LEOFF 1	\$ 6,750,506
LEOFF 2	\$ 38,373,787
Total (assets)	\$ 62,117,186

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

	LEOFF 1 Asset	LEOFF 2 Asset
LEOFF - Employer's proportionate share	\$ (6,750,506)	\$ (38,373,787)
LEOFF - State's proportionate share of the net pension associated with the employer	(45,660,256)	(24,857,703)
TOTAL	\$ (52,410,762)	\$ (63,231,490)

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

	Proportionate Share 6/30/21	Proportionate Share 6/30/22	Change in Proportionate
PERS 1	0.34236%	0.35130%	0.00894%
PERS 2/3	0.43976%	0.45818%	0.01842%
LEOFF 1	0.23804%	0.23532%	(0.00271)%
LEOFF 2	1.36805%	1.41200%	0.04395%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30, 2022 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations* for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2022. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). The state of Washington contributed 87.12 percent of LEOFF 1 employer contributions and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2022, the state of Washington contributed 39% of LEOFF 2 employer contributions pursuant to RCW 41.26.725 and all other employers contributed the remaining 61% of employer contributions.

Pension Expense

For the year ended December 31, 2022, the City recognized pension expense as follows:

Pension Expense	
PERS 1	\$ 4,713,586
PERS 2/3	(5,485,477)
LEOFF 1	(245,088)
LEOFF 2	6,350,454
Total	5,333,475

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following:

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

		Deferred Outflows of Resources	Deferred Inflows of Resources
PERS 1			
Net difference between projected and actual investment earnings on pension plan investments	\$	-	\$ (1,621,070)
Contributions subsequent to the measurement date		1,176,041	-
TOTAL	\$	1,176,041	\$ (1,621,070)
PERS 2/3			
Differences between expected and actual experience	\$	4,210,441	\$ (384,675)
Net difference between projected and actual investment earnings on pension plan investments		-	(12,562,971)
Changes of assumptions		9,471,192	(2,479,897)
Changes in proportion and differences between contributions and proportionate share of contributions		504,213	(661,280)
Contributions subsequent to the measurement date		1,966,937	-
TOTAL	\$	16,152,783	\$ (16,088,823)
LEOFF 1			
Net difference between projected and actual investment earnings on pension plan investments	\$	-	\$ (842,894)
TOTAL	\$	-	\$ (842,894)
LEOFF 2			
Difference between expected and actual experience	\$	9,118,246	\$ (356,041)
Net difference between projected and actual investment earnings on pension plan investments		-	(12,849,015)
Changes of assumptions		9,721,165	(3,341,307)
Changes in proportion and differences between contributions and proportionate share of contributions		1,042,868	(2,128,401)
Contributions subsequent to the measurement date		1,486,384	-
TOTAL	\$	21,368,663	\$ (18,674,764)
TOTAL ALL PLANS			
Differences between expected and actual experience	\$	13,328,687	\$ (740,716)
Net difference between projected and actual investment earnings on pension plan investments		-	(27,875,950)
Changes of assumptions		19,192,357	(5,821,204)
Changes in proportion and differences between contributions and proportionate share of contributions		1,547,081	(2,789,681)
Contributions subsequent to the measurement date		4,629,362	-
TOTAL	\$	38,697,487	\$ (37,227,551)

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

Year Ended December 31:	PERS 1	PERS 2/3	LEOFF 1	LEOFF 2
2023	\$ (686,003)	\$ (3,742,266)	(356,991)	\$ (4,165,653)
2024	(623,068)	(3,392,105)	(323,233)	(3,628,253)
2025	(781,622)	(4,296,708)	(404,163)	(4,785,536)
2026	469,622	5,632,380	241,493	5,412,193
2027	-	1,941,262	-	1,457,678
Thereafter	-	1,954,460	-	6,917,086
Total	\$ (1,621,071)	\$ (1,902,977)	(842,894)	\$ 1,207,515

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

Police Officers and Firefighters' Pension Funds

Plan Description

Plan administration. The City administers the Fire and Police Pension Funds single-employer defined benefit pension plans. These funds were established by the City in compliance with requirements of the Revised Code of Washington 41.20 and 41.18. The plans are limited to police officers, firefighters and their beneficiaries for individuals employed before March 1, 1970, the effective date of LEOFF. The LEOFF laws were subsequently amended by the Pension Reform Act, which took effect October 1, 1977. Through the LEOFF Act, the state undertook to provide the bulk of police and fire pensions; however, the municipalities continue to be responsible for all or part of pension benefits for employees hired before March 1, 1970, as discussed later. The plans are closed plans that provide pension and medical benefits, some of which can be in excess of LEOFF benefits.

The Policemens' Pension Board is composed of seven members as follows: The mayor or his designate; the mayor pro-tem; the City clerk who acts as secretary; the City treasurer; and three police members who may be either active or retired City employees.

The Firemens' Pension Board is composed of five members as follows: The mayor or his designate; the City clerk who acts as secretary; the City treasurer; and two fire members who may be either active or retired City employees.

The financial activity of the Police and Fire Pension Trust Funds are presented in the General Fund. No separate stand-alone financial reports are issued for the plans.

Plan membership. At December 31, 2022, pension plan membership consisted of only inactive plan members or beneficiaries currently receiving benefits. The police and fire plans entitle the employees to the greater of the state pension plan or City pension plan benefit. If the City plan benefit exceeds the state benefit, the City must pay the benefit difference. The City benefit amount changes based on current police and fire salaries and other factors.

Benefit Provisions

The LEOFF Act requires a varying obligation of the City for benefits paid to police officers and firefighters.

- Pension and medical expenses for police officers and firefighters retired prior to March 1, 1970, continue to be paid in their entirety by the City under the old pension laws.
- Police officers and firefighters hired before, but not retired on March 1, 1970, received at retirement the greater of the pension benefit provided under the old pension laws and under the LEOFF Act. Any excess of the old benefit over the LEOFF benefit is provided by the City. The City also pays the reasonable cost of necessary medical expenses of the retiree for life.
- For police officers and firefighters hired on or after March 1, 1970, and prior to October 1, 1977, the City is obligated for lifetime medical expenses only. The LEOFF system pays the entire retirement allowance.
- Police officers and firefighters hired on or after October 1, 1977, are covered entirely by the LEOFF system with no City obligation for either retirement allowance or medical expenses.
- The benefits are directly correlated to the salaries of active employees. Cost of Living Adjustments (COLAs) provided at the state level do not impact the total pension benefits provided to the members. The City's obligation under the Plan consists of paying the difference between pension and medical benefits provided by LEOFF and those provided by the City's Plan. There were no changes in benefit provisions in the current year.

Contributions

Firemen Plan contributions are required by RCW 41.18, while Policemen Plan contributions are required by RCW 41.20. These Plans are closely tied to the LEOFF plan contributions. Any increases to the LEOFF plans decreases the contributions required by the City's Police and Firemen Pension Plan. Any decreases to the LEOFF plan increase the contributions required by the Plans. Retirement benefit provisions are established in state statute and may only be amended by the State Legislature. Amendments to each of the Plans are authorized by the separate Police and Fire Pension Boards.

Funding for the Police Pension Fund comes from annual transfers from the General Fund that are budgeted and approved by the City Council. Sources of funding for the Firefighters Pension Fund include donations, distributions from the state from fire insurance premium collections, and a property tax levy of up to \$.225 per \$1,000 of assessed valuation.

Contributions are determined on a pay-as-you-go basis. Healthcare Actuaries LLC completed actuarial studies of the two funds as of December 31, 2022; however, no actuarially determined contributions are provided. The General Fund is responsible for the costs of administering the plans, however the valuations assume this is coming from plan assets. If assets are depleted, the General Fund is responsible for the costs. There have been no required employee contributions to the plans since March 1, 1970 because the plan is closed to new entrants. For the year ended December 31, 2022, contributions made by the general fund to the Police and Fire Pension Funds were \$1.0 million and \$1.5 million, respectively.

CITY OF VANCOUVER

NOTES TO THE BASIC FINANCIAL STATEMENTS

The state contributes 25% of taxes on fire insurance premiums to the Fire Pension Fund and is considered a non-employer contributing entity, however in the table demonstrating the changes in Net Pension Liability these contributions were rolled up into the employer contribution amount. Total amounts contributed from this source during the period were \$225,714.

At December 31, 2021, the Firefighters Pension Fund and the Police Pension Fund reported net position held in trust for pension and OPEB benefits of \$15.1 million and \$1.5 million respectively. These assets reported in prior reports for this plan do not qualify as Section 115 Trust Funds, and as such, do not qualify as assets under GASB 68. In 2022, our actuary applied a negative employer contribution to zero-out the assets and produce the journal entries necessary to recognize and deferred amount related to assets, and to prepare the plan for GASB 73 reporting for the report year ending December 31, 2023. GASB 73 covers reporting for pension plans without a qualified trust fund.

Investments

Investment Policy

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the City Council. It is the policy of the City Council to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. City Council reviews the investment policy as part of the financial policies adopted as part of the biennial budget process.

As of December 31, 2022, the Firefighters Pension fund had an investment portfolio with fair value of \$9,449,718 which was invested in Corporate Bonds, and in Municipal Bonds on behalf of the Firemen's Pension Fund. In addition to these investments, the Firefighters Pension fund had cash and cash equivalents invested in the City's internal investment pool totaling \$5,762,257. Investments in the City's internal investment pool are invested in the Washington State Treasurer Local Government Investment Pool (LGIP), which operates within the parameters outlined in GASB 79, and qualifies to report investments at amortized cost. The State Investment Pool's investment objective is to effectively maximize the yield while maintaining liquidity and a stable share price of \$1. The State Pool portfolio's average maturity was 15 days on December 31, 2022. The State Investment Pool is an unrated fund. The City's internal investment pool also invests in the Clark County Local Government Investment Pool, which is unrated, and in US Agencies and Municipal Bonds. All investments are valued at fair value. The average maturity of the Clark County Local Government Investment Pool is 14.5 months. The fair value of the investment portfolio is obtained using the market approach. Pricing is obtained through the City's third-party safekeeping custodian, US Bank Corporate Trust Services, who obtains pricing on Federal Agencies and Corporate Bonds through IDC Institutional Bond Quotes, and uses Standard & Poor's for pricing Municipal Bonds. Investments are reported at fair value or amortized costs as described above.

The Police Pension fund reported no investments at December 31, 2022, but did have \$4,801,576 invested in the City's internal investment pool.

The City does not hold an investment in any one corporation or organization exceeding 5% of net position available for benefits. Additionally, the City does not have any long-term contract for contributions and any amounts outstanding at the report date.

Rate of return. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was as follows:

Year ending December 31, 2022	Net Money - Weighted Rate of Return
Fire Pension Trust Fund	0.00%
Police Pension Trust Fund	0.00%

Net Pension Liability

The components of the net pension liability of the City at December 31, 2022, were as follows:

	Fire	Police
Total pension liability	\$ 4,245,637	\$ 1,544,926
Plan fiduciary net position	-	-
Net pension liability (asset)	\$ 4,245,637	\$ 1,544,926
Fiduciary net position as a % of total pension liability	0.00%	0.00%
Covered payroll	0	0
Net pension liability as a % of covered payroll	N/A	N/A

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Changes in net pension liability for each plan are as follows:

FIRE PENSION TRUST FUND			
		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Changes in Net Pension Liability (Asset)			
Balances as of December 31, 2021:	\$ 6,584,811	\$ 15,118,149	\$ (8,533,338)
Changes for the year:			
Prior period adjustment	-	-	-
Interest on total pension liability	127,480	-	127,480
Effect of economic/demographic gains or losses	(610,183)	-	(610,183)
Effect of assumptions, changes or inputs	(1,434,853)	-	(1,434,853)
Benefit payments	(421,618)	(421,618)	-
Medical payments from fund	-	-	-
Employer contributions	-	(14,389,602)	14,389,602
Net investment income	-	(276,043)	276,043
Administrative expenses	-	(30,886)	30,886
Balance as of December 31, 2022	\$ 4,245,637	\$ -	\$ 4,245,637

POLICE PENSION TRUST FUND			
		Increase (Decrease)	
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset
Changes in Net Pension Liability (Asset)			
Balances as of December 31, 2021:	\$ 2,249,480	\$ 4,819,690	\$ (2,570,210)
Changes for the year:			
Prior period adjustment	-	-	-
Service cost	-	-	-
Interest on total pension liability	43,209	-	43,209
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	(94,908)	-	(94,908)
Effect of assumptions, changes or inputs	(474,729)	-	(474,729)
Benefit payments	(178,126)	(178,126)	-
Employer contributions	-	(4,629,180)	4,629,180
Police auction income	-	6,391	(6,391)
Net investment income	-	-	-
Administrative expenses	-	(18,775)	18,775
Balance as of December 31, 2022	\$ 1,544,926	\$ -	\$ 1,544,926

Actuarial assumptions. The total pension liability for each plan was determined by an actuarial valuation as of December 31, 2022, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date. There were no significant changes during this period. The following actuarial assumptions were applied to all periods included in the measurement:

Discount rate	4.05%
Long-term expected rate of return, net of investment expense	n/a
Inflation	2.27%
Salary increases including inflation	3.25%
Actuarial cost method	Entry Age Normal

Mortality rates were based on the Pub-2010 Safety Mortality Table (headcount-weighted).

Discount rate

As the funds invested for the pension plan do not qualify as a section 115 trust they do not qualify as assets under GASB 68. In 2022 we applied a negative employer contribution to zero-out the fiduciary net position used in prior years to offset the net pension liability. Additionally, since under GASB 68 we do not hold assets in trust, the actuary relied just on the high-quality 20-year tax exempt general obligation municipal bond yield or index rate for our discount rate as required by GASB. "High-quality" is defined as being rated AA or higher (or an equivalent rating). The discount rate as of December 31, 2022 was 4.05%.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the County, calculated using the discount rate of 2.00%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Net pension liability (asset)		
	1% Decrease	Current Rate	1% Increase
	3.05%	4.05%	5.05%
Fire	4,562,756	4,245,637	3,964,574
Police	1,650,751	1,544,926	1,450,626

Pension Expense

Pension expense recognized related to the City's own pension trust funds for the year ended December 31, 2022, was as follows:

Plan	Pension expense
Police Pension Trust Fund	(297,055)
Fire Pension Trust Fund	(1,173,240)
Total	\$ (1,470,295)

Deferred Outflows of Resources

The City does not report deferred outflows or inflows on fiduciary fund statements. The following information is provided in accordance with GASB 67/68 criteria. At December 31, 2022, the City had no deferred outflows.

Defined Contributions to 457 Plans

The City makes up to a 1% match contributions towards third-party administered 457 plans for non-union, Police Guild, and Police Command Guild employees. The City also contributes an additional \$35 per month towards the 457 plans for Police Guild and Police Command Guild employees. These plans are administered through third party agencies without further obligation from the City as such these do not qualify as pension plans requiring inclusion in our statements beyond the expense and liability related to the City's contributions.

During 2022 the City expenses arising from our contribution requirement to these plans was \$544,286, with an unpaid liability as of 12/31/2022 of \$1,549.

Starting in 2023 the 1% match contribution was extended to Fire Command and Fire Suppression guild employees.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 17. OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS – NO QUALIFYING TRUST

Fire and Police OPEB Plans

The City administers the Fire and Police Pension Funds single-employer defined benefit pension plans that are reported together with an OPEB component within the General Fund. These funds do not meet any of the requirements of GASB 75.

- Contributions do not meet the irrevocable definition because they are not in a separate bank account from the City.
- The pension and OPEB components are not accounted for separately.
- Funds are not in a qualifying trust.
- Plan assets are not legally protected from creditors.

The following table represents the aggregate OPEB amounts the Fire and Police plans for the year 2022:

Aggregate OPEB Amounts - All Plans	
OPEB liabilities	\$ 22,806,455
OPEB assets	\$ -
Deferred outflows of resources	\$ -
Deferred inflows of resources	\$ -
OPEB expenditures	\$ (22,151,709)

OPEB Plan Description

In addition to the pension benefits described above, the City administers two single employer defined benefit plans covering postretirement healthcare and long term care in accordance with state statute to retired police and fire employees who are eligible under the Police Relief and Pension Fund and Firefighter's Pension Fund through Law Enforcement Officers & Fire Fighters Plan 1(LEOFF-1). The activity of the plan is reported in the City's Police and Fire Pension Trust Funds. LEOFF retirement benefit provisions are established in state statute and may be amended only by the State Legislature. A separate audited GAAP-basis Postemployment benefit plan report is not available.

Funding Policy

The City reimburses 100 percent of the amount of validated claims for medical and hospitalization costs incurred by eligible retirees. The City pays for the retiree's monthly insurance premium and also picks up the balance owing after insurance and Medicare payments are made. The pension board performs an annual survey to determine the limit of optical and chiropractic care to be covered. The City also reimburses a monthly fixed amount equal to the Medicare premium for each retiree eligible for Medicare. The methods used to determine the contribution rates are established under state statute in accordance with chapters 41.26 and 41.45 of the RCW.

Under RCW law, medical, hospital, and nursing care are covered as long as a disability exists for any active fire fighter or police hired prior to March 1, 1970.

Membership

Membership in this program includes Plan 1 participants of LEOFF who joined the system by September 30, 1977. This is considered a closed group. There were no active employees, and no retired employees not yet receiving a benefit, as of December 31, 2021.

Employees covered by benefit terms: At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	
Fire	55
Police	36
Total	91

The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust. Total expenditures for postretirement health in 2022 were \$1,588,381.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Assumptions and Other Inputs

The actuarial assumptions used in the December 31, 2022, OPEB actuarial valuations include techniques that are designed to estimate the future experience of the members, reduce short term volatility in actuarial accrued liabilities, consistent with the long term perspective of the calculations. In the December 31, 2022 actuarial valuation, the entry age normal cost method was used. The assumptions included a 4.05% discount rate, 2.75% inflation rate, and 3.25% salary increase rate, which includes inflation.

Actuarial valuations of an ongoing plan involve estimates of the value of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, service retirement, disability, mortality and healthcare cost trends. Amounts determined regarding the OPEB liability are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Changes in Total OPEB Liability and Related Ratios, presented as required supplementary information following the notes to the financial statements presents the results of OPEB valuations as of December 31, 2021 and looking forward, the schedule will eventually provide multiyear trend information about the actuarial values of OPEB liability. Calculations are based on the OPEB benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and the plan members to that point.

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

Fire OPEB			
Current Trend			
	1% Decrease	Rates	1% Increase
Total OPEB Liability	\$ 12,982,161	\$ 14,055,049	\$ 15,263,110

Police OPEB			
Current Trend			
	1% Decrease	Rates	1% Increase
Total OPEB Liability	\$ 8,144,943	\$ 8,751,406	\$ 9,427,118

The following presents the total OPEB liability of the City for each plan calculated using the discount rate of 4.05%, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.05%) or 1-percentage point higher (5.05%) than the current rate.

Fire OPEB			
Current			
	1% Decrease	Discount Rate	1% Increase
	3.05%	4.05%	5.05%
Total OPEB Liability	\$ 15,352,565	\$ 14,055,049	\$ 12,927,480

Police OPEB			
Current			
	1% Decrease	Discount Rate	1% Increase
	3.05%	4.05%	5.05%
Total OPEB Liability	\$ 9,481,438	\$ 8,751,406	\$ 8,109,293

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

Changes in the Total OPEB Liability:

The following presents a schedule of changes for each plan's total OPEB Liability during 2021.

Fire OPEB		
Total OPEB Liability at 01/01/2022	\$	28,677,795
Service cost		-
Interest		565,959
Changes of benefit terms		-
Economic/demographic gains and losses		(10,456,986)
Changes of assumptions		(3,972,036)
Benefit Payments		(759,683)
Other Changes		-
Total OPEB Liability at 12/31/2022	\$	14,055,049
Police OPEB		
Total OPEB Liability at 01/01/2022	\$	17,868,750
Service cost		-
Interest		349,088
Changes of benefit terms		-
Economic/demographic gains and losses		(6,388,625)
Changes of assumptions		(2,249,109)
Benefit Payments		(828,698)
Other Changes		-
Total OPEB Liability at 12/31/2022	\$	8,751,406

The Valuation Date, or the date as of which the actuarial evaluation was performed, was December 31, 2022. The Measurement Date, or date as of which the total OPEB liability and schedule of changes to the total OPEB liability under GASB 75 was determined, was December 31, 2022.

Since the prior measurement date, the discount rate and investment rate of return increased to 4.05%. Additionally, the inflation rate increased to 2.75% and healthcare cost trend rates decreased to 4.20%. No changes of benefits that affected the measurement of the total OPEB liability occurred since the prior measurement date.

Total OPEB expenditures for the City were a \$(22,151,709) adjustment for 2022, largely due to the recognition of assumption changes or inputs noted previously.

At December 31, 2022, the City did not have any reportable deferred outflows of resources or deferred inflows of resources related to OPEB. Therefore, there are no outflows of resources resulting from payments subsequent to the measurement date to recognized as a reduction of the total OPEB liability and in future years.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 18. PRIOR PERIOD ADJUSTMENTS/ RESTATEMENTS AND CHANGES IN ACCOUNTING

PRINCIPLES

The City reported the following prior period adjustment:

Purpose of Adjustment	Effect on Prior Year Change in Net Position	Reported Fund	Net Increase or (Decrease) to PY Net Position
The City receives annual revenue from the Columbia Waterfront, LLC related to development activities. The 2020 and 2021 revenue were coded to the wrong fund.	This adjustment increases the beginning Net Position.	Transportation Capital	\$ 791,667
The City receives annual revenue from the Columbia Waterfront, LLC related to development activities. The 2020 and 2021 revenue were coded to the wrong fund.	This adjustment decreases the beginning Net Position	Parks Construction Fund	(791,667)
The City incorrectly reported losses for the Tennis Center in 2021. The Tennis Center absorbs all income or losses, which means they should always report a zero fund balance in the City financial statements	This adjustment increases beginning Net Position, clearing a 2021 negative beginning Net Position	Tennis Center	(197,746)

**Minor differences from the statements due to rounding may exist.*

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 19. SUBSEQUENT EVENTS

Proposition 3

The City of Vancouver put before the voters a levy lid increase proposal to renew the property tax levy for Affordable Housing. The voters approved the \$10,000,000 annual, 10-year levy on February 18, 2022. The estimated levy rate to generate the annual \$10 million is \$0.30 per \$1,000 in assessed value. The proposition would assist an estimated 2,500 households with rent assistance and housing services, help 150 households with home ownership, preserve or construct 2,400 affordable units and support 550 shelter beds over the life of the levy.

Receipt of American Rescue Plan Act Funding for Rental Assistance

In early 2023 the City was notified of an award of \$2.5 million in HOME - American Rescue Plan Act funding for rental assistance.

Receipt of the 2022 Drinking Water Revolving Fund Loan

In February of 2023 the City was notified of being awarded a \$12.7 million low interest revolving fund loan from the State of Washington. The loan carries a 1.75% interest rate, the term lasts 24 years. The loan does not require any local match. The funding is dedicated to treatment of PFAS chemicals in the City's drinking water.

New Staff in Key Management Positions

The City is seeing some turnover in its key management positions. The City's Police Chief and the Budget Manager are new. The City is currently recruiting for the Public Works Director and the Parks and Recreation Director.

4th Plain Commons

The City approved Ordinance No. M-4352, approving and authorizing loan guarantee contracts under Section 108 to provide funds for the 4th Plain Commons Community Center. The Ordinance was approved on November 8, 2021 with a maximum amount of \$4,199,000. Bond proceeds are anticipated to be received in 3rd quarter of 2023.

Riverwest Development

The City approved a purchase and sale agreement for a 138,861 sq. ft. parcel from Evergreen Investors LLC for \$12M on May 15, 2023. This parcel is located adjacent to the Vancouver Community Library and will be partially used for a new parking structure. Funding for the purchase will come from Real Estate Excise Taxes (\$4M) and short term loans from the Parking Fund (\$4M) and the Water Fund (\$4M).

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 20. FUND UPDATES AND UNIQUE AND UNUSUAL TRANSACTIONS

New and Closed Funds

- Facilities Maintenance Services Fund –this new Internal Services fund was established to account for all activities associated with facility type projects city-wide. The information was previously combined with that of the Grounds Maintenance Services.
- PIF Funds - for Development District 1, 2, 3, 4, 5, 7 and District 7 Exemptions fund were closed out. The City has changed the districts within its boundaries and consolidated districts into fewer funds. The closed fund had minor outstanding balances and no new revenue coming in.
- TIF fund Mt Vista - was closed out in 2022 due to inactivity.
- The 2011 Bond Fund Capital Fund 324 - was closed out due to all bond funding being spent and the fund becoming inactive.
- The PEG Capital Support for Century Link fund - was deactivated, and the balances transferred to the existing PEG fund due to the determination that there was no longer a need to report the activity of this fund in a separate fund.

Unique and Unusual Transactions

- Parks Impact Fees - Expiration extension into 2022

The City extended expiring District 4 PIF revenues by timely encumbering these for creation of a public park located near SE 192nd Ave and SE 25th in Vancouver. Pursuant to a Development Agreement dated September 15, 2021, between the City and a mixed - use developer requiring the parties to negotiate the construction and acquisition of a public park located within PIF District 4 as part of the larger development project. On December 28, 2021, the parties entered into an agreement specific to the City's purchase of the park which obligates payment by the City of \$1,000,000 from PIF toward the total project costs. The City has obtained a real estate appraisal and is currently negotiating a purchase and sale agreement for the park property. At least \$1,000,000 of PIF continues to be encumbered by the project as the City remains contractually obligated to the property owner to expend the allocated PIF on the park acquisition.

CITY OF VANCOUVER
NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 21. ASSET RETIREMENT OBLIGATIONS

The City started reporting asset retirement obligations per the implementation of GASB 83. The City does not share the liability with any other entities and has not restricted funds for the payment of the liabilities. The reported items included:

- One Radioactive Machine: Held by the Water/Sewer Fund, radioactive machines are considered hazardous waste and must be disposed of in accordance with state guidelines. It was determined that the radioactive component of this asset was replaced, and the radioactive component was properly disposed of via landfill in May 2020. As a result, it was no longer appropriate to classify this as an asset with an asset retirement obligation, and was removed accordingly in 2022.
- 15 Underground Fuel Storage Tanks: Held by the Airport, Water/Sewer and Internal Service funds, the fuel storage tanks require decommissioning by WAC 173-360A-0810. The assets are scheduled to be replaced, depending on the asset, from 2023 up to 2041. The liabilities reported were based upon a quote from an external supplier and evaluation by City staff as of April 2020 and reaffirmed in 2022.
- 44 Wells: There are 44 wells considered to be capital assets, 40 active and four unused but not yet decommissioned wells. These asset retirement obligations were added as of January 1, 2020. Decommissioning requirements are required per the state WAC 173-160. While some of the wells are scheduled to be replaced in the current capital project plan, the remaining assets will be replaced after about 100 years of life. The assets are scheduled to be replaced, depending on the asset, from 2023 up to 2097. The value of the ARO liability is based on the overseeing engineer's professional judgment establishing this methodology:
 - A flat rate for mobilization of equipment
 - + \$100 per unit of volume of the well
 - + \$8,000 per 100 square foot of depth of the well

Required Supplementary Information

CITY OF VANCOUVER

Required Supplementary Information

Fire OPEB

December 31, 2022

Schedule of Changes in Total OPEB Liability and Related Ratios

Last Fiscal Year

(in thousands)

	2018	2019	2020	2021	2022
Total OPEB liability					
Interest on total OPEB liability	\$ 995	\$ 1,062	\$ 736	\$ 591	\$ 566
Effect on economic/demographic gains or (losses)	-	(1,297)	-	74	(10,457)
Effect of assumption changes or inputs	(1,952)	1,325	2,957	(1,101)	(3,972)
Expected benefit payments	(979)	(828)	(912)	(899)	(760)
Net change in total OPEB liability	(1,936)	262	2,781	(1,335)	(14,623)
Total OPEB liability, beginning	28,905	26,969	27,231	30,012	28,677
Total OPEB liability - ending (a)	26,969	27,231	30,012	28,677	14,055
 Covered-employee payroll	-	-	-	-	-
 Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A

* The actuarial updates on this information are done on a biennial basis.

* The City implemented GASB 75 for the year ended December 31, 2018, therefore there is no data available for years prior to 2018. Until a full 10-year trend is compiled, only information for those years available is presented.

* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

* There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.

CITY OF VANCOUVER

Required Supplementary Information

Police OPEB

December 31, 2022

Schedule of Changes in Total OPEB Liability and Related Ratios

Last Fiscal Year

(in thousands)

	2018	2019	2020	2021	2022
Total OPEB liability					
Interest on total OPEB liability	\$ 661	\$ 707	\$ 464	\$ 366	\$ 349
Effect on economic/demographic gains or (losses)	-	(1,072)	-	329	(6,389)
Effect of assumption changes or inputs	(1,188)	253	1,689	(714)	(2,249)
Expected benefit payments	(726)	(664)	(688)	(794)	(829)
Net change in total OPEB liability	(1,253)	(776)	1,465	(813)	(9,118)
Total OPEB liability, beginning	19,248	17,994	17,217	18,682	17,869
Total OPEB liability - ending (a)	\$ 17,994	\$ 17,218	\$ 18,682	\$ 17,869	\$ 8,751
Covered-employee payroll	-	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A

* The actuarial updates on this information are done on a biennial basis.

* The City implemented GASB 75 for the year ended December 31, 2018, therefore there is no data available for years prior to 2018. Until a full 10-year trend is compiled, only information for those years are available is presented.

* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

* There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.

CITY OF VANCOUVER

Required Supplementary Information

State Sponsored PERS Plan

June 30, 2022

Schedule of Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years*

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	Covered payroll	Employer's proportionate share of the net pension liability as a percentage of covered employee payroll	Plan net position as a percentage of the total pension liability
PERS Plan 1					
2022	0.351298%	\$ 9,781,426	\$ 57,301,413	17.07%	76.56%
2021	0.342359%	\$ 4,181,005	\$ 52,596,774	7.95%	88.74%
2020	0.350891%	\$ 12,388,347	\$ 53,114,551	23.32%	68.64%
2019	0.362411%	13,935,990	51,020,090	27.31%	67.12%
2018	0.371448%	16,588,994	47,541,579	34.89%	63.22%
2017	0.347124%	16,471,305	43,908,733	37.51%	61.24%
2016	0.336733%	18,084,148	40,455,469	44.70%	57.03%
2015	0.325010%	17,001,046	36,931,559	46.03%	59.10%
2014	0.321349%	16,188,107	35,499,566	45.60%	61.19%
PERS Plan 2/3					
2022	0.458180%	\$ (16,992,893)	\$ 57,301,413	-29.66%	106.73%
2021	0.439760%	\$ (43,807,172)	\$ 52,596,774	-83.29%	120.29%
2020	0.454888%	\$ 5,817,758	\$ 53,028,802	10.97%	97.22%
2019	0.466150%	4,527,901	50,934,387	8.89%	97.77%
2018	0.471332%	8,047,574	47,410,326	16.97%	95.77%
2017	0.442055%	15,359,298	43,718,782	35.13%	90.97%
2016	0.424266%	21,361,458	40,195,751	53.14%	85.82%
2015	0.413288%	14,767,016	36,685,226	40.25%	89.20%
2014	0.406638%	8,219,622	35,219,137	23.34%	93.29%

Notes to Schedule:

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

CITY OF VANCOUVER

Required Supplementary Information

State Sponsored LEOFF Plans

June 30, 2022

Schedule of Proportionate Share of the Net Pension Liability

Last Ten Fiscal Years*

Year Ended June 30,	Employer's proportion of the net pension liability (asset)	Employer's proportionate share of the net pension liability (asset)	State's proportionate share of the net pension liability (asset) associated with the employer	TOTAL	Covered payroll	Employer's proportionate share of the net pension liability (asset) as a percentage of covered employee payroll	Plan net position as a percentage of the total pension liability
LEOFF 1							
2022	0.235323%	\$ (6,750,506)	\$ (45,660,256)	\$ (52,410,762)	NA	NA	169.62%
2021	0.238037%	\$ (8,154,105)	\$ (55,154,164)	\$ (63,308,269)	NA	NA	187.45%
2020	0.236710%	\$ (4,470,290)	\$ (30,236,928)	\$ (34,707,218)	NA	NA	146.88%
2019	0.235144%	(4,647,882)	(31,438,160)	(36,086,042)	NA	NA	148.78%
2018	0.237386%	(4,309,748)	(29,151,026)	(33,460,774)	NA	NA	144.42%
2017	0.239277%	(3,630,358)	(24,555,655)	(28,186,013)	NA	NA	135.96%
2016	0.243781%	(2,511,642)	(16,988,681)	(19,500,323)	NA	NA	123.74%
2015	0.246609%	(2,972,183)	(20,103,772)	(23,075,955)	NA	NA	127.36%
2014	0.248167%	(3,009,747)	(20,357,854)	(23,367,601)	NA	NA	126.91%
LEOFF 2							
2022	1.411996%	\$ (38,373,787)	\$ (24,857,703)	\$ (63,231,490)	\$ 57,080,133	-67.23%	116.09%
2021	1.368047%	\$ (79,461,833)	\$ (51,261,557)	\$ (130,723,390)	\$ 52,952,847	-150.06%	142.00%
2020	1.346585%	\$ (27,468,368)	\$ (17,563,940)	\$ (45,032,308)	\$ 46,843,003	-58.64%	115.83%
2019	1.376774%	(31,895,627)	(20,887,362)	(52,782,989)	48,482,225	-65.79%	119.43%
2018	1.452364%	(29,486,155)	(19,091,729)	(48,577,884)	46,357,460	-63.61%	118.50%
2017	1.358889%	(18,856,977)	(12,232,168)	(31,089,145)	42,714,489	-44.15%	113.36%
2016	1.339828%	(7,792,842)	(5,080,366)	(12,873,208)	40,833,703	-19.08%	106.04%
2015	1.297652%	(13,337,267)	(8,818,610)	(22,155,877)	37,663,087	-35.41%	111.67%
2014	128.166200%	(17,008,206)	(11,112,842)	(28,121,048)	35,655,019	-47.70%	116.75%

Notes to Schedule:

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

CITY OF VANCOUVER

Required Supplementary Information

State Sponsored PERS Plan

December 31, 2022

Schedule of Employer Contributions

Last Ten Fiscal Years*

Year Ended December 31,	Stautorily or contractually required contributions	Contributions in relation to the stautorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered employee payroll
PERS Plan 1					
2022	\$ 2,270,415	\$ (2,270,415)	-	\$ 57,301,413	3.96%
2021	\$ 2,368,900	\$ (2,368,900)	-	\$ 52,596,774	4.50%
2020	\$ 2,485,888	\$ (2,485,888)	-	\$ 51,766,813	4.80%
2019	2,604,750	(2,604,750)	-	52,526,841	4.96%
2018	2,504,897	(2,504,897)	-	49,529,583	5.06%
2017	2,266,259	(2,266,259)	-	45,983,171	4.93%
2016	2,002,066	(2,002,066)	-	41,693,085	4.80%
2015	1,745,867	(1,745,867)	-	39,026,260	4.47%
2014	1,548,817	(1,548,817)	-	37,320,879	4.15%
PERS Plan 2/3					
2022	\$ 3,843,056	\$ (3,843,056)	-	\$ 57,301,413	6.71%
2021	\$ 3,943,804	\$ (3,943,804)	-	\$ 52,596,774	7.50%
2020	\$ 4,097,303	\$ (4,097,303)	-	\$ 51,732,598	7.92%
2019	4,051,757	(4,051,757)	-	52,437,339	7.73%
2018	3,695,812	(3,695,812)	-	49,440,314	7.48%
2017	3,145,115	(3,145,115)	-	45,800,870	6.87%
2016	2,583,884	(2,583,884)	-	41,477,314	6.23%
2015	2,202,444	(2,202,444)	-	38,756,185	5.68%
2014	1,888,244	(1,888,244)	-	37,065,498	5.09%

Note to Schedule:

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

CITY OF VANCOUVER

Required Supplementary Information

State Sponsored LEOFF Plans

December 31, 2022

Schedule of Employer Contributions

Last Ten Fiscal Years*

<u>Year Ended December 31,</u>	<u>Statutorily or contractually required contributions</u>	<u>Contributions in relation to the statutorily or contractually required contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Covered payroll</u>	<u>Contributions as a percentage of covered employee payroll</u>
LEOFF 2					
2022	2,950,610	(2,950,610)	-	57,080,133	5.17%
2021	2,837,167	(2,837,167)	-	52,952,847	5.36%
2020	2,697,399	(2,697,399)	-	52,374,908	5.15%
2019	2,586,044	(2,586,044)	-	49,735,616	5.20%
2018	2,472,686	(2,472,686)	-	47,103,109	5.25%
2017	2,303,750	(2,303,750)	-	44,722,208	5.15%
2016	2,134,670	(2,134,670)	-	42,270,438	5.05%
2015	2,042,874	(2,042,874)	-	39,060,712	5.23%
2014	2,007,877	(2,007,877)	-	38,390,731	5.23%

Note to Schedule:

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

CITY OF VANCOUVER

Notes to Required Supplemental Information - Pension

All Multi Employer State Sponsored Plans

December 31, 2022

Note 1: Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2014.

Note 2: Significant Factors

There were no changes of benefit terms and no significant changes in the employees covered under the benefit terms. However, actuarial results that OSA provided within this publication reflect the following changes in assumptions and methods. They updated the Joing-and-Survivor Factors and Early Retirement Factors in their model. Additionally the investment return assumption was lowered from 7.50% (7.40% for LEOFF 2) to 7.00% and the salary growth assumption was lowered from 3.50% to 3.25%.

Note 3: Change in contribution rate

The employer contribution rates for both PERS 1 and PERS 2/3 were increased from 10.25% to 10.39% starting September 2022.

Note 4: Employer Contributions

For LEOFF 1, there is a net pension asset for the City; however, there are no active employees participating in the plan, and no required contributions because the plan is fully funded. Therefore, covered payroll and contributions are displayed as N/A. LEOFF 2 employer contribution rate was 5.30% from January to December of 2022.

Note 5: Covered Payroll

Covered payroll has been presented in accordance with GASB 82, *Pension Issues*. Covered payroll now includes all payroll on which a contribution is based.

CITY OF VANCOUVER

Required Supplementary Information - Single Employer

Fire Pension

December 31, 2022

Schedule of Changes in Net Pension Liability and Related Ratios

Last Ten Fiscal Years*

(in thousands)

	2022	2021	2020	2019
Total pension liability				
Interest	\$ 127	\$ 138	\$ 186	\$ 231
Effect of economic/demographic (gains) or losses	(610)	(414)	-	598
Effect of assumptions, changes or inputs	(1,435)	208	432	684
Benefit payments, including refunds of contributions	(422)	(469)	(498)	(538)
Net change in total pension liability	(2,339)	(538)	120	975
Total pension liability - beginning	6,585	7,123	7,003	6,029
Total pension liability - ending (a)	4,246	6,585	7,123	7,004
Plan net position				
Contributions - employer	(14,390)	1,500	2,792	2,792
Contributions - state fire insurance premium tax		219	208	202
Net investment income	(276)	50	139	291
Prior period adjustment		-	-	17
Benefit payments, including refunds of contributions	(422)	(469)	(498)	(538)
Medical payments from fund		(706)	(652)	(583)
Administrative expense	(31)	(57)	(35)	(54)
Net change in plan net position	(15,118)	537	1,954	2,127
Plan net position - beginning	15,118	14,582	12,628	10,502
Plan net position - ending (b)	-	15,118	14,582	12,629
Net pension liability ending (a) - (b)	\$ 4,246	\$ (8,533)	\$ (7,459)	\$ (5,625)
Plan net position as a % of total pension liability (b)/(a)	0.00%	229.58%	204.72%	180.31%
Covered-employee payroll	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A

CITY OF VANCOUVER

Required Supplementary Information - Single Employer

Fire Pension

December 31, 2022

	2018	2017	Restated 2016	2015	2014
Total pension liability					
Interest	\$ 224	\$ 248	\$ 255	\$ 265	\$ 272
Effect of economic/demographic (gains) or losses	-	-	(185)	-	-
Effect of assumptions, changes or inputs	(264)	145	(156)	-	-
Benefit payments, including refunds of contributions	(655)	(586)	(562)	(526)	(477)
Net change in total pension liability	(695)	(193)	(648)	(261)	(205)
Total pension liability - beginning	6,724	6,917	7,565	7,826	8,031
Total pension liability - ending (a)	6,029	6,724	6,917	7,565	7,826
Plan net position					
Contributions - employer	1,800	1,800	1,756	1,756	1,756
Contributions - state fire insurance premium tax	200	187	183	172	185
Net investment income	181	84	61	35	35
Prior period adjustment	-	(15)	-	-	17
Benefit payments, including refunds of contributions	(655)	(586)	(562)	(526)	(477)
Medical payments from fund	(720)	(689)	(815)	(836)	(924)
Administrative expense	(58)	(76)	(69)	(56)	(29)
Net change in plan net position	748	705	554	545	563
Plan net position - beginning	9,753	9,048	8,494	7,949	7,386
Plan net position - ending (b)	10,501	9,753	9,048	8,494	7,949
Net pension liability ending (a) - (b)	\$ (4,472)	\$ (3,029)	\$ (2,131)	\$ (929)	\$ (123)
Plan net position as a % of total pension liability (b)/(a)	174.17%	145.05%	130.81%	112.28%	101.57%
Covered-employee payroll	-	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

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

CITY OF VANCOUVER

Required Supplementary Information - Single Employer

Police Pension

December 31, 2022

Schedule of Changes in Net Pension Liability and Related Ratios

Last Ten Fiscal Years *

(in thousands)

	2022	2021	2020	2019
Total pension liability				
Interest	\$ 43	\$ 33	\$ 49	\$ 83
Effect of economic/demographic (gains) or losses	(95)	621	-	(323)
Effect of assumptions, changes or inputs	(475)	41	99	161
Benefit payments, including refunds of contributions	(178)	(238)	(247)	(236)
Net change in total pension liability	(705)	458	(99)	(315)
Total pension liability - beginning	2,249	1,791	1,890	2,204
Total pension liability - ending (a)	1,545	2,249	1,791	1,889
Plan net position				
Contributions - employer	(4,629)	1,000	2,084	2,084
Police Auction Income	6	15	6	36
Net investment income	-	-	-	-
Prior period adjustment		(1)	-	12
Benefit payments, including refunds of contributions	(178)	(238)	(247)	(236)
Medical payments from fund		(830)	(654)	(681)
Administrative expense	(19)	(40)	(27)	(40)
Net change in plan net position	(4,820)	(94)	1,162	1,175
Plan net position - beginning	4,820	4,913	3,751	2,576
Plan net position - ending (b)	-	4,820	4,913	3,751
Net pension liability ending (a) - (b)	\$ 1,545	\$ (2,570)	\$ (3,122)	\$ (1,862)
Plan net position as a % of total pension liability (b)/(a)	0.00%	214.32%	274.32%	198.57%
Covered-employee payroll	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A

CITY OF VANCOUVER

Required Supplementary Information - Single Employer

Police Pension

December 31, 2022

	2018	2017	2016	2015	2014
Total pension liability					
Interest	\$ 81	\$ 91	\$ 83	\$ 88	\$ 93
Effect of economic/demographic (gains) or losses	-	-	296	-	-
Effect of assumptions, changes or inputs	(80)	45	(49)	-	-
Benefit payments, including refunds of contributions	(230)	(250)	(285)	(217)	(301)
Net change in total pension liability	(229)	(114)	45	(129)	(208)
Total pension liability - beginning	2,434	2,548	2,503	2,632	2,841
Total pension liability - ending (a)	2,205	2,434	2,548	2,503	2,633
Plan net position					
Contributions - employer	1,100	1,100	1,080	1,080	1,080
Police Auction Income	15	9	10	8	2
Net investment income	-	-	1	-	-
Prior period adjustment	-	1	-	-	9
Benefit payments, including refunds of contributions	(230)	(250)	(285)	(218)	(301)
Medical payments from fund	(601)	(652)	(612)	(475)	(587)
Administrative expense	(41)	(49)	(47)	(48)	(36)
Net change in plan net position	243	159	147	347	167
Plan net position - beginning	2,334	2,175	2,029	1,682	1,515
Plan net position - ending (b)	2,577	2,334	2,176	2,029	1,682
Net pension liability ending (a) - (b)	\$ (372)	\$ 100	\$ 372	\$ 474	\$ 951
Plan net position as a % of total pension liability (b)/(a)	116.87%	95.89%	85.40%	81.06%	63.88%
Covered-employee payroll	-	-	-	-	-
Net pension liability as a % of covered employee payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule

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

CITY OF VANCOUVER

Required Supplementary Information - Single Employer

Police and Fire Pensions

December 31, 2022

Schedule of Investment Returns

Last Ten Fiscal Years*

Retirement System	Year	Annual money-weighted rate of return, net of investment expense
Fire Pension Trust Fund	2022	0.00%
	2021	0.34%
	2020	1.06%
	2019	2.54%
	2018	1.79%
	2017	0.73%
	2016	0.70%
	2015	0.42%
	2014	0.46%
Police Pension Trust Fund	2022	0.00%
	2021	0.00%
	2020	0.00%
	2019	0.00%
	2018	0.00%
	2017	0.03%
	2016	0.03%
	2015	0.00%
	2014	0.02%

Notes to Schedule:

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

CITY OF VANCOUVER**Notes to Required Supplementary Information****Police and Fire Pensions****December 31, 2022**

Note 1: Information Provided

The City implemented GASB 68 for the year ended December 31, 2015, therefore there is no data available for years prior to 2014.

Note 2: Significant Factors

There were no changes of benefit terms, significant changes in the employees covered under the benefit terms or in the use of different assumptions. Under the Police and Fire Pension funds requirement of State law, most adjustments are based on the change in salary for the rank of the members held at retirement or based on the Consumer Price Index. Adjustments are determined in accordance with RCW 41.18.150, RCW 41.20 and RCW 41.26.

Note 3: Covered Payroll

There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.

Note 4: Significant Assumptions

Valuation date: December 31, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal, Level Percentage of Salary
Asset valuation method	Fair Value
Inflation	2.75%
Salary increases	3.25%
Discount rate	4.05%
Mortality	Pub-2010 Safety Mortality Table (headcount-weighted)
Termination Rates	n/a
Disability Rates	n/a
Retirement age	n/a

Combining Nonmajor Governmental Funds

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 61,761,973	\$ 1,830,860	\$ 42,175,022	\$ 105,767,855
Receivables (net)				
Taxes/assessments	3,219,916	-	-	3,219,916
Accounts	15,190,735	81,047	-	15,271,782
Leases	1,477,228	-	-	1,477,228
Interest	74,910	2,166	50,594	127,670
Due from other funds	42,847	-	1,449,604	1,492,451
Due from other governmental units	230,119	-	4,255,278	4,485,397
Total assets	<u>81,997,728</u>	<u>1,914,073</u>	<u>47,930,498</u>	<u>131,842,299</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 81,997,728</u>	<u>\$ 1,914,073</u>	<u>\$ 47,930,498</u>	<u>\$ 131,842,299</u>
LIABILITIES				
Accounts payable	\$ 1,015,100	\$ -	\$ 2,489,851	\$ 3,504,951
Due to other funds	156,256	-	1,335,848	1,492,104
Due to interfund advances	-	-	416,329	416,329
Accrued interest payable	-	-	1,833	1,833
Accrued liabilities	142,661	-	-	142,661
Unearned revenue	-	20,871	-	20,871
Total liabilities	<u>1,314,017</u>	<u>20,871</u>	<u>4,243,861</u>	<u>5,578,749</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	63,005	-	-	63,005
Unavailable revenue-Leases	1,456,626	-	-	1,456,626
Unavailable revenue-grants and other	64,021	-	314,705	378,726
Total deferred inflows of resources	<u>1,583,652</u>	<u>-</u>	<u>314,705</u>	<u>1,898,357</u>
FUND BALANCES				
Restricted	72,053,565	24,011	36,138,304	108,215,880
Committed	3,555,640	-	-	3,555,640
Assigned	3,490,854	1,869,191	7,238,997	12,599,042
Unassigned	-	-	(5,369)	(5,369)
Total fund balance	<u>79,100,059</u>	<u>1,893,202</u>	<u>43,371,932</u>	<u>124,365,193</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 81,997,728</u>	<u>\$ 1,914,073</u>	<u>\$ 47,930,498</u>	<u>\$ 131,842,299</u>

CITY OF VANCOUVER**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES				
Property taxes	\$ 5,982,630	\$ -	\$ -	\$ 5,982,630
Sales and use taxes	10,510,104	-	-	10,510,104
Excise Taxes	11,592,065	-	182,492	11,774,557
License and permits	-	2,652,987	-	2,652,987
Intergovernmental	3,642,984	-	11,202,319	14,845,303
Charges for services	80,181	-	11,784,605	11,864,786
Fines and penalties	18,826	156	-	18,982
Investment earnings	(534,669)	5,042	(376,339)	(905,966)
Rents and royalties	406,548	-	-	406,548
Contributions/donations	44,963	-	396,333	441,296
Miscellaneous	443,820	2,236	325	446,381
Total revenues	<u>32,187,452</u>	<u>2,660,421</u>	<u>23,189,735</u>	<u>58,037,608</u>
EXPENDITURES				
Current				
General government	962,055	-	-	962,055
Security of persons & property	166,318	-	-	166,318
Physical environment	62,315	-	10,287	72,602
Transportation	-	16,968	5,653,496	5,670,464
Economic environment	14,385,794	-	-	14,385,794
Culture and recreation	50,503	-	956,327	1,006,830
Intergovernmental facilities	-	-	5,360,121	5,360,121
Capital outlay	-	-	14,240,482	14,240,482
Debt service				
Principal retirement	-	5,543,877	-	5,543,877
Interest/fiscal charges	8,096	1,419,989	-	1,428,085
Total expenditures	<u>15,635,081</u>	<u>6,980,834</u>	<u>26,220,713</u>	<u>48,836,628</u>
Excess (deficiency) of revenues over (under) expenditures	16,552,371	(4,320,413)	(3,030,978)	9,200,980
OTHER FINANCING SOURCES (USES)				
Transfers in	517,725	6,963,866	9,714,842	17,196,433
Transfers out	(10,262,440)	(2,487,601)	(2,806,825)	(15,556,866)
Total other financing sources (uses)	<u>(9,744,715)</u>	<u>4,476,265</u>	<u>6,908,017</u>	<u>1,639,567</u>
Net change in fund balances	6,807,656	155,852	3,877,039	10,840,547
FUND BALANCES - BEGINNING	<u>72,292,403</u>	<u>1,737,350</u>	<u>39,494,893</u>	<u>113,524,646</u>
FUND BALANCES - ENDING	<u>\$ 79,100,059</u>	<u>\$ 1,893,202</u>	<u>\$ 43,371,932</u>	<u>\$ 124,365,193</u>

Special Revenue Funds

Special Revenue Funds are established to account for the earmarked proceeds of specific revenue sources (other than special assessments) to finance specific activities as required by law or administrative regulation. They are created by local ordinance and are often mandated by state statutes. Special revenue classified funds are reported under the modified accrual basis of accounting.

Investigative Fund

In 1983, the Investigative Fund was established pursuant to state statute [RCW 10.105.010](#), to receive monies or property seized by city police when used in criminal activities. The funds are to be used by the police department for investigative purposes.

Drug Enforcement Fund

In 1983, the Drug Enforcement Fund was established to receive court-ordered “contribution” made by persons convicted of criminal drug offenses, and from monies or property seized by city police when used in criminal activities relating to controlled substances under state statute [RCW 69.50.505](#). Monies paid into the funds are to be used by the police department for drug enforcement purposes.

CED Grants Fund

Revenues received from HUD federal grants are used for neighborhood improvements and housing. Improvements include construction of affordable housing, services to the underserved population, home rehabilitation, street paving, curbs and sidewalks, water and sewer lines, and park development.

Tourism Fund

Four percent of revenue derived from the Hotel-Motel tax is returned by the state to the city for the purpose of promoting tourism or building/leasing stadium/convention facilities, pursuant to state statute [RCW 67.28.180](#). Half of the revenue is dedicated to supporting the tax bonds issued for construction of the hotel and convention center.

VNHR Properties Fund

Effective January 1, 2006 this fund was created to account for the revenues and expenses associated with the properties on the Vancouver National Historic Reserve.

Criminal Justice Fund

Established in 1991, [RCW 82.14.333](#) provides funding from the state based on a formula by population and crime statistics. Funding is to be used exclusively for criminal justice purposes.

Affordable Housing Fund

Established 2017, under [RCW 84.52.105](#), allows the city to impose property tax levies to help create larger number of affordable housing units for low-income households, and develop or preserve publicly or privately owned housing under [RCW 35.21.685](#).

Affordable Housing Local Sales Tax Fund

The City was authorized in 2015 by [RCW 82.14.530](#) to impose up to 0.1% sales tax support affordable housing and behavioral health facilities. The City implemented this sales tax in 2020.

Affordable Housing State Sales Tax Credit Fund

In 2019 the City imposed a sales tax for affordable housing, in accordance with SHB 1406. Funds in the fund will help fund additional housing units for very low-income residents.

Parkhill Cemetery Improvement Fund

This fund receives 25% from the sales of city-owned grave sites to improve and maintain the city cemetery.

REET I

This fund was previously reported as “REET 2002.” This fund accounts for revenue generated by the 0.25% in Real Estate Excise Tax received from real estate sale transactions. The revenue is dedicated to funding planning, acquisition, construction, and repair of parks, recreation facilities, public infrastructure related to economic development and the traffic calming program at the City.

Downtown Initiatives Fund

This fund was established in May of 1997 to account for money used to facilitate the redevelopment of under-utilized property in the City’s downtown core.

City/County Cable TV Fund

The City/County Cable TV is a separate entity jointly operated by the City and Clark County. The purpose of the fund is to provide staff support in matters relating to the administration of the joint city/county urban area cable television franchises.

Transportation Benefit District Fund

In 2015, The City established the Transportation Benefit District in accordance with RCW 36.73 to provide funding for transportation improvements that preserve, maintain, and construct or reconstruct the transportation infrastructure within the City limits.

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Investigative	Drug Enforcement	CED Grants	Tourism
ASSETS				
Cash and cash equivalents	\$ 274,322	\$ 439,942	\$ 209,095	\$ 7,794,945
Receivables (net)				
Taxes/assessments	-	483	-	444,193
Accounts	-	-	7,732,153	-
Leases	-	-	-	-
Interest	329	529	255	9,297
Due from other funds	2,725	1,593	6,688	-
Due from other governmental units	-	-	230,119	-
Total assets	<u>277,376</u>	<u>442,547</u>	<u>8,178,310</u>	<u>8,248,435</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 277,376</u>	<u>\$ 442,547</u>	<u>\$ 8,178,310</u>	<u>\$ 8,248,435</u>
LIABILITIES				
Accounts payable	\$ -	\$ 6,675	\$ 284,160	\$ 27,785
Due to other funds	1,449	-	3,452	13,254
Accrued liabilities	14	228	7,929	-
Total liabilities	<u>1,463</u>	<u>6,903</u>	<u>295,541</u>	<u>41,039</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-Leases	-	-	-	-
Unavailable revenue-grants and other	-	-	64,021	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>64,021</u>	<u>-</u>
FUND BALANCES				
Restricted	242,666	358,763	7,548,662	7,985,815
Committed	-	-	-	-
Assigned	33,247	76,881	270,086	221,581
Total fund balances	<u>275,913</u>	<u>435,644</u>	<u>7,818,748</u>	<u>8,207,396</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 277,376</u>	<u>\$ 442,547</u>	<u>\$ 8,178,310</u>	<u>\$ 8,248,435</u>

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	VNHR Properties	Criminal Justice	Affordable Housing	Affordable Housing Local Sales Tax
ASSETS				
Cash and cash equivalents	\$ 713,808	\$ 3,199,563	\$ 9,413,305	\$ 7,019,376
Receivables (net)				
Taxes/assessments	-	541,838	71,902	1,176,446
Accounts	-	-	7,273,300	-
Leases	218,788	-	-	-
Interest	910	3,822	11,219	8,380
Due from other funds	7,294	-	-	-
Due from other governmental units	-	-	-	-
Total assets	<u>940,800</u>	<u>3,745,223</u>	<u>16,769,726</u>	<u>8,204,202</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 940,800</u>	<u>\$ 3,745,223</u>	<u>\$ 16,769,726</u>	<u>\$ 8,204,202</u>
LIABILITIES				
Accounts payable	\$ 82	\$ -	\$ 691,498	\$ -
Due to other funds	6,628	12,659	80,417	-
Accrued liabilities	-	-	1,861	-
Total liabilities	<u>6,710</u>	<u>12,659</u>	<u>773,776</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	-	-	63,005	-
Unavailable revenue-Leases	218,487	-	-	-
Unavailable revenue-grants and other	-	-	-	-
Total deferred inflows of resources	<u>218,487</u>	<u>-</u>	<u>63,005</u>	<u>-</u>
FUND BALANCES				
Restricted	101,996	3,625,875	15,493,432	8,204,202
Committed	-	-	-	-
Assigned	613,607	106,689	439,513	-
Total fund balances	<u>715,603</u>	<u>3,732,564</u>	<u>15,932,945</u>	<u>8,204,202</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 940,800</u>	<u>\$ 3,745,223</u>	<u>\$ 16,769,726</u>	<u>\$ 8,204,202</u>

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	Affordable Housing State Sales Tax Credit	Parkhill Cemetery	REET I	Downtown Initiatives
ASSETS				
Cash and cash equivalents	\$ 2,006,684	\$ 475,988	\$ 16,349,607	\$ 3,659,571
Receivables (net)				
Taxes/assessments	142,490	-	476,934	-
Accounts	-	-	-	11,359
Leases	-	-	-	1,258,440
Interest	2,397	570	19,539	5,476
Due from other funds	-	-	-	5,127
Due from other governmental units	-	-	-	-
Total assets	<u>2,151,571</u>	<u>476,558</u>	<u>16,846,080</u>	<u>4,939,973</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 2,151,571</u>	<u>\$ 476,558</u>	<u>\$ 16,846,080</u>	<u>\$ 4,939,973</u>
LIABILITIES				
Accounts payable	\$ -	\$ 55	\$ -	\$ -
Due to other funds	6,085	467	19,921	-
Accrued liabilities	-	-	-	121,386
Total liabilities	<u>6,085</u>	<u>522</u>	<u>19,921</u>	<u>121,386</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes	-	-	-	-
Unavailable revenue-Leases	-	-	-	1,238,139
Unavailable revenue-grants and other	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,238,139</u>
FUND BALANCES				
Restricted	2,145,486	-	16,305,349	-
Committed	-	436,724	-	3,118,916
Assigned	-	39,312	520,810	461,532
Total fund balances	<u>2,145,486</u>	<u>476,036</u>	<u>16,826,159</u>	<u>3,580,448</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 2,151,571</u>	<u>\$ 476,558</u>	<u>\$ 16,846,080</u>	<u>\$ 4,939,973</u>

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2022

	City/County Cable TV	Transportation Benefit District	Total Nonmajor Special Revenue Funds
ASSETS			
Cash and cash equivalents	\$ 541,622	\$ 9,664,145	\$ 61,761,973
Receivables (net)			
Taxes/assessments	-	365,630	3,219,916
Accounts	173,923	-	15,190,735
Leases	-	-	1,477,228
Interest	643	11,544	74,910
Due from other funds	19,420	-	42,847
Due from other governmental units	-	-	230,119
Total assets	<u>735,608</u>	<u>10,041,319</u>	<u>81,997,728</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 735,608</u>	<u>\$ 10,041,319</u>	<u>\$ 81,997,728</u>
LIABILITIES			
Accounts payable	\$ 4,845	\$ -	\$ 1,015,100
Due to other funds	11,924	-	156,256
Accrued liabilities	11,243	-	142,661
Total liabilities	<u>28,012</u>	<u>-</u>	<u>1,314,017</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	-	63,005
Unavailable revenue-Leases	-	-	1,456,626
Unavailable revenue-grants and other	-	-	64,021
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,583,652</u>
FUND BALANCES			
Restricted	-	10,041,319	72,053,565
Committed	-	-	3,555,640
Assigned	707,596	-	3,490,854
Total fund balances	<u>707,596</u>	<u>10,041,319</u>	<u>79,100,059</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 735,608</u>	<u>\$ 10,041,319</u>	<u>\$ 81,997,728</u>

CITY OF VANCOUVER
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Investigative	Drug Enforcement	CED Grants	Tourism
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	3,038,619
Excise Taxes	-	-	-	-
Intergovernmental	-	-	1,449,166	-
Charges for services	-	-	-	-
Fines and penalties	-	18,826	-	-
Investment earnings	(3,653)	(1,238)	53,937	(79,045)
Rents and royalties	-	-	-	-
Contributions/donations	44,963	-	-	-
Miscellaneous	49,864	4,195	13,115	-
Total revenues	<u>91,174</u>	<u>21,783</u>	<u>1,516,218</u>	<u>2,959,574</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Security of persons & property	14,224	136,251	-	-
Physical environment	-	-	-	-
Economic environment	-	-	2,239,053	2,023,580
Culture and recreation	-	-	-	-
Interest/fiscal charges	-	-	-	-
Total expenditures	<u>14,224</u>	<u>136,251</u>	<u>2,239,053</u>	<u>2,023,580</u>
Excess (deficiency) of revenues over expenditures	76,950	(114,468)	(722,835)	935,994
OTHER FINANCING SOURCES (USES)				
Transfers in	2,725	-	-	-
Transfers out	-	(132,620)	-	-
Total other financing sources (uses)	<u>2,725</u>	<u>(132,620)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	79,675	(247,088)	(722,835)	935,994
FUND BALANCES - BEGINNING	<u>196,238</u>	<u>682,732</u>	<u>8,541,583</u>	<u>7,271,402</u>
FUND BALANCES - ENDING	<u>\$ 275,913</u>	<u>\$ 435,644</u>	<u>\$ 7,818,748</u>	<u>\$ 8,207,396</u>

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	VNHR Properties	Criminal Justice	Affordable Housing	Affordable Housing Local Sales Tax
REVENUES				
Property taxes	\$ -	\$ -	\$ 5,982,630	\$ -
Sales and use taxes	-	-	-	6,812,554
Excise Taxes	-	-	-	-
Intergovernmental	-	1,923,427	-	-
Charges for services	-	-	-	-
Fines and penalties	-	-	-	-
Investment earnings	(5,965)	(38,114)	(70,695)	(98,219)
Rents and royalties	218,488	-	-	-
Contributions/donations	-	-	-	-
Miscellaneous	376,646	-	-	-
Total revenues	<u>589,169</u>	<u>1,885,313</u>	<u>5,911,935</u>	<u>6,714,335</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Security of persons & property	-	15,843	-	-
Physical environment	-	-	-	-
Economic environment	145,687	-	9,843,206	-
Culture and recreation	-	-	-	-
Interest/fiscal charges	-	-	-	8,096
Total expenditures	<u>145,687</u>	<u>15,843</u>	<u>9,843,206</u>	<u>8,096</u>
Excess (deficiency) of revenues over expenditures	443,482	1,869,470	(3,931,271)	6,706,239
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(376,646)	(251,303)	(247,097)	(978,192)
Total other financing sources (uses)	<u>(376,646)</u>	<u>(251,303)</u>	<u>(247,097)</u>	<u>(978,192)</u>
Net change in fund balances	66,836	1,618,167	(4,178,368)	5,728,047
FUND BALANCES - BEGINNING	<u>648,767</u>	<u>2,114,397</u>	<u>20,111,313</u>	<u>2,476,155</u>
FUND BALANCES - ENDING	<u>\$ 715,603</u>	<u>\$ 3,732,564</u>	<u>\$ 15,932,945</u>	<u>\$ 8,204,202</u>

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Affordable Housing State Sales Tax Credit	Parkhill Cemetery	REET I	Downtown Initiatives
REVENUES				
Property taxes	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	658,931	-	-	-
Excise Taxes	-	-	6,375,834	-
Intergovernmental	-	-	-	-
Charges for services	-	37,123	-	-
Fines and penalties	-	-	-	-
Investment earnings	(26,000)	(4,011)	(158,959)	(19,099)
Rents and royalties	-	-	-	188,060
Contributions/donations	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	632,931	33,112	6,216,875	168,961
EXPENDITURES				
Current				
General government	-	-	-	-
Security of persons & property	-	-	-	-
Physical environment	-	62,315	-	-
Economic environment	6,085	-	-	128,183
Culture and recreation	-	-	50,503	-
Interest/fiscal charges	-	-	-	-
Total expenditures	6,085	62,315	50,503	128,183
Excess (deficiency) of revenues over expenditures	626,846	(29,203)	6,166,372	40,778
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(2,063,683)	(82,899)
Total other financing sources (uses)	-	-	(2,063,683)	(82,899)
Net change in fund balances	626,846	(29,203)	4,102,689	(42,121)
FUND BALANCES - BEGINNING	1,518,640	505,239	12,723,470	3,622,569
FUND BALANCES - ENDING	<u>\$ 2,145,486</u>	<u>\$ 476,036</u>	<u>\$ 16,826,159</u>	<u>\$ 3,580,448</u>

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	City/County Cable TV	Transportation Benefit District	Total Nonmajor Special Revenue Funds
REVENUES			
Property taxes	\$ -	\$ -	\$ 5,982,630
Sales and use taxes	-	-	10,510,104
Excise Taxes	-	5,216,231	11,592,065
Intergovernmental	270,391	-	3,642,984
Charges for services	43,058	-	80,181
Fines and penalties	-	-	18,826
Investment earnings	(568)	(83,040)	(534,669)
Rents and royalties	-	-	406,548
Contributions/donations	-	-	44,963
Miscellaneous	-	-	443,820
Total revenues	<u>312,881</u>	<u>5,133,191</u>	<u>32,187,452</u>
EXPENDITURES			
Current			
General government	962,055	-	962,055
Security of persons & property	-	-	166,318
Physical environment	-	-	62,315
Economic environment	-	-	14,385,794
Culture and recreation	-	-	50,503
Interest/fiscal charges	-	-	8,096
Total expenditures	<u>962,055</u>	<u>-</u>	<u>15,635,081</u>
Excess (deficiency) of revenues over expenditures	(649,174)	5,133,191	16,552,371
OTHER FINANCING SOURCES (USES)			
Transfers in	515,000	-	517,725
Transfers out	-	(6,130,000)	(10,262,440)
Total other financing sources (uses)	<u>515,000</u>	<u>(6,130,000)</u>	<u>(9,744,715)</u>
Net change in fund balances	(134,174)	(996,809)	6,807,656
FUND BALANCES - BEGINNING	<u>841,770</u>	<u>11,038,128</u>	<u>72,292,403</u>
FUND BALANCES - ENDING	<u>\$ 707,596</u>	<u>\$ 10,041,319</u>	<u>\$ 79,100,059</u>

Debt Service Funds

Debt Service Funds are accounted for and budgeted annually on the modified accrual basis and all appropriations lapse at year-end.

Debt Service Funds in the City of Vancouver account for the principal and interest on the general obligation bonds of the city. General obligation bonds are those bonds for which the full faith and credit of the city are pledged for payment. They are generally payable from general property taxes and other general revenues. These funds exclude debt service payments for debt issued for the benefit of a governmental enterprise from those revenues it will be servicing.

G.O. Debt Service Fund

This fund was established to accumulate monies for the payment of general obligation debt to the City of Vancouver.

L.I.D. Fund

This fund was established in November of 1988 in accordance with GASB Statement 6 to accumulate monies for the payment of special assessment bonds and notes issued to pay construction costs in providing special benefits to a particular area of the city. Revenue is derived from special assessments levied against property receiving the benefit or improvements.

L.I.D. Guaranty Fund

This fund is authorized by law to ensure that no bonds or notes will be left unpaid when all of the assessments from approved local government districts have been received. Revenue is from money remaining on L.I.D.s after all debt obligations have been met.

Transportation Debt Service Fund

This fund was created in 2006 to accommodate a new business license fee surcharge approved by Council effective January 1, 2007, dedicated to providing funds for debt services that are used for funding transportation capital projects.

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR DEBT SERVICE FUNDS
DECEMBER 31, 2022

	GO Debt Service	L.I.D. Debt	LID Guaranty	Transportation Debt Service	Total Nonmajor Debt Service Funds
ASSETS					
Cash and cash equivalents	\$ -	\$ 19,285	\$ -	\$ 1,811,575	\$ 1,830,860
Receivables (net)					
Accounts	-	26,822	-	54,225	81,047
Interest	-	23	-	2,143	2,166
Total assets	-	46,130	-	1,867,943	1,914,073
DEFERRED OUTFLOWS OF RESOURCES					
Total deferred outflows of resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ -</u>	<u>\$ 46,130</u>	<u>\$ -</u>	<u>\$ 1,867,943</u>	<u>\$ 1,914,073</u>
LIABILITIES					
Unearned revenue	-	20,871	-	-	20,871
Total liabilities	-	20,871	-	-	20,871
FUND BALANCES					
Restricted	-	24,011	-	-	24,011
Assigned	-	1,248	-	1,867,943	1,869,191
Unassigned	-	-	-	-	-
Total fund balance	-	25,259	-	1,867,943	1,893,202
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 46,130</u>	<u>\$ -</u>	<u>\$ 1,867,943</u>	<u>\$ 1,914,073</u>

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	G.O. Debt Service	L.I.D. Debt	L.I.D. Guaranty	Transportation Debt Service	Total Nonmajor Debt Service Funds
REVENUES					
License and permits	\$ -	\$ -	\$ -	\$ 2,652,987	\$ 2,652,987
Fines and penalties	-	156	-	-	156
Investment earnings	-	1,573	(289)	3,758	5,042
Miscellaneous	-	2,236	-	-	2,236
Total revenues	-	3,965	(289)	2,656,745	2,660,421
EXPENDITURES					
Current					
Transportation	-	-	-	16,968	16,968
Debt service					
Principal retirement	5,543,877	-	-	-	5,543,877
Interest/fiscal charges	1,419,989	-	-	-	1,419,989
Total expenditures	6,963,866	-	-	16,968	6,980,834
Excess (deficiency) of revenues over (under) expenditures	(6,963,866)	3,965	(289)	2,639,777	(4,320,413)
OTHER FINANCING SOURCES (USES)					
Transfers in	6,963,866	-	-	-	6,963,866
Transfers out	-	-	(35,600)	(2,452,001)	(2,487,601)
Total other financing sources (uses)	6,963,866	-	(35,600)	(2,452,001)	4,476,265
Net change in fund balances	-	3,965	(35,889)	187,776	155,852
FUND BALANCES - BEGINNING	-	21,294	35,889	1,680,167	1,737,350
FUND BALANCES - ENDING	\$ -	\$ 25,259	\$ -	\$ 1,867,943	\$ 1,893,202

Capital Projects Funds

Capital Project funds account for the acquisition or development of capital facilities by a government unit, except those financed by assessment and enterprise funds. Their major sources of revenue are from proceeds from general obligation bonds, grants from other agencies, and contributions from other funds.

The budgeting for capital project funds differs from that of the general and some of the special revenue funds. A capital budget is adopted which consists of a plan of proposed capital outlays and the means of financing them. The appropriations do not lapse at yearend but continue until the project is finalized. Bond funds receive appropriations equal to the proceeds received, and are increased for expenditures supported from only additional revenues received.

Though most of the capital project funds in the city represent individual projects, a number of them incorporate subsidiary project control for all projects related to the legal existence of the fund.

The city utilizes the modified accrual method of accounting for capital project funds. The expenditures incurred are capitalized upon completion of the project to general fixed assets unless proprietary fund related.

Consolidated Parks Impact

The parks impact fee funds were first established in 1995 to account for the accumulation and disposition of impact fees assessed against new development under the Growth Management Act of 1990.

Parks Construction Fund

This fund was created in January of 1981 to acquire or improve the public parks and recreation facilities of the city.

Consolidated Transportation Capital Fund

This fund was previously reported as "Transportation Capital Fund." The name has changed but the composition of the fund remains the same. This fund was created in 1998 to account for all capital projects in the Transportation Department. The funding for the projects is primarily from grants, bonds, and developer agreements as well as other public and private funding sources.

Consolidated Transportation Impact Fees Fund

This fund was previously reported as "Transportation Impact Fees Fund." The name has changed but the composition of the fund remains the same. The fund was established in 1995 to account for the accumulation and disposition of impact fees assessed against new development under the Growth Management Act of 1990. These fees are required to be used for public streets and roads in accordance with the approved Comprehensive Plan.

School Impact Fees Fund

The fund was established to account for the accumulation and disposition of impact fees assessed against new development growth Management Act of 1990. These fees are required to be used for capital school facilities. Using interlocal agreements, the City disburses funds to regional school districts to use in accordance with the approved Comprehensive Plan. Before 2019, the fund was reported as part of the General Fund.

CITY OF VANCOUVER
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
DECEMBER 31, 2022

	Consolidated Parks Impact	Parks Construction	Consolidated Transportation Capital	Consolidated Transportation Impact Fees	School Impact Fees	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and cash equivalents	\$ 13,903,011	\$ 3,148,268	\$ 8,966,127	\$ 16,047,218	\$ 110,398	\$ 42,175,022
Receivables (net)						
Interest	16,627	3,905	10,769	19,159	134	50,594
Due from other funds	-	88,006	1,361,598	-	-	1,449,604
Due from other governmental units	-	-	4,255,278	-	-	4,255,278
Total assets	<u>13,919,638</u>	<u>3,240,179</u>	<u>14,593,772</u>	<u>16,066,377</u>	<u>110,532</u>	<u>47,930,498</u>
DEFERRED OUTFLOWS OF RESOURCES						
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 13,919,638</u>	<u>\$ 3,240,179</u>	<u>\$ 14,593,772</u>	<u>\$ 16,066,377</u>	<u>\$ 110,532</u>	<u>\$ 47,930,498</u>
LIABILITIES						
Accounts payable	\$ -	\$ 306,016	\$ 2,069,767	\$ -	\$ 114,068	\$ 2,489,851
Due to other funds	-	1,248,629	87,219	-	-	1,335,848
Due to interfund advances	416,329	-	-	-	-	416,329
Accrued interest payable	-	-	-	-	1,833	1,833
Total liabilities	<u>416,329</u>	<u>1,554,645</u>	<u>2,156,986</u>	<u>-</u>	<u>115,901</u>	<u>4,243,861</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-grants and other	<u>-</u>	<u>-</u>	<u>314,705</u>	<u>-</u>	<u>-</u>	<u>314,705</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>314,705</u>	<u>-</u>	<u>-</u>	<u>314,705</u>
FUND BALANCES						
Restricted	13,503,309	1,573,734	4,994,884	16,066,377	-	36,138,304
Assigned	-	111,800	7,127,197	-	-	7,238,997
Unassigned	-	-	-	-	(5,369)	(5,369)
Total fund balance	<u>13,503,309</u>	<u>1,685,534</u>	<u>12,122,081</u>	<u>16,066,377</u>	<u>(5,369)</u>	<u>43,371,932</u>
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES	<u>\$ 13,919,638</u>	<u>\$ 3,240,179</u>	<u>\$ 14,593,772</u>	<u>\$ 16,066,377</u>	<u>\$ 110,532</u>	<u>\$ 47,930,498</u>

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Consolidated Parks Impact	Parks Construction	Consolidated Transportation Capital	Consolidated Transportation Impact Fees	School Impact Fees	Total Nonmajor Capital Projects Funds
REVENUES						
Excise Taxes	\$ -	\$ -	\$ 182,492	\$ -	\$ -	\$ 182,492
Intergovernmental	-	-	11,202,319	-	-	11,202,319
Charges for services	2,952,771	-	526,474	2,956,923	5,348,437	11,784,605
Investment earnings	(126,333)	(62,350)	(43,907)	(151,887)	8,138	(376,339)
Contributions/donations	-	500	395,833	-	-	396,333
Miscellaneous	-	-	325	-	-	325
Total revenues	<u>2,826,438</u>	<u>(61,850)</u>	<u>12,263,536</u>	<u>2,805,036</u>	<u>5,356,575</u>	<u>23,189,735</u>
EXPENDITURES						
Current						
Physical environment	10,287	-	-	-	-	10,287
Transportation	-	-	5,653,496	-	-	5,653,496
Culture and recreation	-	956,327	-	-	-	956,327
Intergovernmental facilities	-	-	-	-	5,360,121	5,360,121
Capital outlay	-	1,260,623	12,979,859	-	-	14,240,482
Total expenditures	<u>10,287</u>	<u>2,216,950</u>	<u>18,633,355</u>	<u>-</u>	<u>5,360,121</u>	<u>26,220,713</u>
Excess (deficiency) of revenues over (under) expenditures	2,816,151	(2,278,800)	(6,369,819)	2,805,036	(3,546)	(3,030,978)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	1,970,589	7,744,253	-	-	9,714,842
Transfers out	(1,585,531)	-	(297,175)	(924,119)	-	(2,806,825)
Total other financing sources (uses)	<u>(1,585,531)</u>	<u>1,970,589</u>	<u>7,447,078</u>	<u>(924,119)</u>	<u>-</u>	<u>6,908,017</u>
Net change in fund balances	1,230,620	(308,211)	1,077,259	1,880,917	(3,546)	3,877,039
FUND BALANCE - BEGINNING	<u>12,272,689</u>	<u>2,785,412</u>	<u>10,253,155</u>	<u>14,185,460</u>	<u>(1,823)</u>	<u>39,494,893</u>
Prior Period Adjustment	-	(791,667)	791,667	-	-	-
FUND BALANCES - ENDING	<u>\$ 13,503,309</u>	<u>\$ 1,685,534</u>	<u>\$ 12,122,081</u>	<u>\$ 16,066,377</u>	<u>\$ (5,369)</u>	<u>\$ 43,371,932</u>

Governmental Budget and Actual Schedules

CITY OF VANCOUVER
INVESTIGATIVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	
	Original	Final	Biennium	Variance
	2021-22	2021-22	To-Date	
	Biennium	Biennium	Thru 12/31/22	Thru 12/31/22
REVENUES				
Investment earnings	\$ -	\$ -	\$ (3,963)	\$ (3,963)
Contributions/donations	40,000	40,000	69,806	29,806
Miscellaneous	10,000	10,000	57,783	47,783
Total revenues	50,000	50,000	123,626	73,626
EXPENDITURES				
Current:				
Security of persons & property	90,303	90,122	39,617	50,505
Capital outlay	50,000	-	-	-
Total expenditures	140,303	90,122	39,617	50,505
Excess (deficiency) of revenues over expenditures	(90,303)	(40,122)	84,009	124,131
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,725	2,725	-
Total other financing sources (uses)	-	2,725	2,725	-
Net change in fund balance	(90,303)	(37,397)	86,734	124,131
FUND BALANCES - BEGINNING	189,179	189,179	189,179	-
FUND BALANCES - ENDING	\$ 98,876	\$ 151,782	\$ 275,913	\$ 124,131

CITY OF VANCOUVER
DRUG ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	
	Original	Final	Biennium	Variance
	2021-22	2021-22	To-Date	
	Biennium	Biennium	Thru 12/31/22	Thru 12/31/22
REVENUES				
Fines and penalties	\$ 160,000	\$ 160,000	\$ 28,583	\$ (131,417)
Investment earnings	-	-	(2,136)	(2,136)
Miscellaneous	200,000	200,000	185,363	(14,637)
Total revenues	360,000	360,000	211,810	(148,190)
EXPENDITURES				
Current:				
Security of persons & property	298,631	305,033	249,279	55,754
Total expenditures	298,631	305,033	249,279	55,754
Excess (deficiency) of revenues over expenditures	61,369	54,967	(37,469)	(92,436)
OTHER FINANCING SOURCES (USES)				
Transfers out	(293,343)	(296,068)	(278,837)	17,231
Total other financing sources (uses)	(293,343)	(296,068)	(278,837)	17,231
Net change in fund balance	(231,974)	(241,101)	(316,306)	(75,205)
FUND BALANCES - BEGINNING	751,950	751,950	751,950	-
FUND BALANCES - ENDING	\$ 519,976	\$ 510,849	\$ 435,644	\$ (75,205)

CITY OF VANCOUVER
CED GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Intergovernmental	\$ 11,684,304	\$ 16,663,264	\$ 4,359,709	\$ (12,303,555)
Investment earnings	-	4,199,000	100,810	(4,098,190)
Rents and royalties	-	-	(44,324)	(44,324)
Miscellaneous	-	-	31,309	31,309
Total revenues	<u>11,684,304</u>	<u>20,862,264</u>	<u>4,447,504</u>	<u>(16,414,760)</u>
EXPENDITURES				
Current:				
Economic environment	8,568,843	9,294,835	4,735,979	4,558,856
Total expenditures	<u>8,568,843</u>	<u>9,294,835</u>	<u>4,735,979</u>	<u>4,558,856</u>
Excess (deficiency) of revenues over expenditures	3,115,461	11,567,429	(288,475)	(11,855,904)
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	600,000	600,000
Transfers in	-	75,677	75,677	-
Transfers out	(300,000)	(5,699,000)	-	5,699,000
Total other financing sources (uses)	<u>(300,000)</u>	<u>(5,623,323)</u>	<u>675,677</u>	<u>6,299,000</u>
Net change in fund balance	2,815,461	5,944,106	387,202	(5,556,904)
FUND BALANCES - BEGINNING	<u>7,431,546</u>	<u>7,431,546</u>	<u>7,431,546</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 10,247,007</u>	<u>\$ 13,375,652</u>	<u>\$ 7,818,748</u>	<u>\$ (5,556,904)</u>

CITY OF VANCOUVER**TOURISM FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Sales and use taxes	\$ 4,500,000	\$ 4,500,000	\$ 5,445,750	\$ 945,750
Investment earnings	110,000	110,000	(91,492)	(201,492)
Total revenues	<u>4,610,000</u>	<u>4,610,000</u>	<u>5,354,258</u>	<u>744,258</u>
EXPENDITURES				
Current:				
Economic environment	7,797,127	6,915,917	3,490,113	3,425,804
Total expenditures	<u>7,797,127</u>	<u>6,915,917</u>	<u>3,490,113</u>	<u>3,425,804</u>
Net change in fund balance	(3,187,127)	(2,305,917)	1,864,145	4,170,062
FUND BALANCES - BEGINNING	<u>6,343,251</u>	<u>6,343,251</u>	<u>6,343,251</u>	-
FUND BALANCES - ENDING	<u>\$ 3,156,124</u>	<u>\$ 4,037,334</u>	<u>\$ 8,207,396</u>	<u>\$ 4,170,062</u>

CITY OF VANCOUVER**VNHR PROPERTIES FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Investment earnings	\$ -	\$ -	\$ (5,942)	\$ (5,942)
Rents and royalties	400,000	400,000	448,816	48,816
Miscellaneous	760,000	760,000	756,561	(3,439)
Total revenues	1,160,000	1,160,000	1,199,435	39,435
EXPENDITURES				
Current:				
Economic environment	618,549	634,087	371,483	262,604
Total expenditures	618,549	634,087	371,483	262,604
Excess (deficiency) of revenues over expenditures	541,451	525,913	827,952	302,039
OTHER FINANCING SOURCES (USES)				
Transfers in	112,800	112,800	-	(112,800)
Transfers out	(756,562)	(756,562)	(756,561)	1
Total other financing sources (uses)	(643,762)	(643,762)	(756,561)	(112,799)
Net change in fund balance	(102,311)	(117,849)	71,391	189,240
FUND BALANCES - BEGINNING	644,212	644,212	644,212	-
FUND BALANCES - ENDING	\$ 541,901	\$ 526,363	\$ 715,603	\$ 189,240

CITY OF VANCOUVER
CRIMINAL JUSTICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	
	Original	Final	Biennium	Variance
	2021-22	2021-22	To-Date	
	Biennium	Biennium	Thru 12/31/22	Thru 12/31/22
REVENUES				
Intergovernmental	\$ 560,000	\$ 560,000	\$ 3,020,914	\$ 2,460,914
Charges for services	-	-	488	488
Investment earnings	20,000	20,000	(41,428)	(61,428)
Total revenues	580,000	580,000	2,979,974	2,399,974
EXPENDITURES				
Current:				
Security of persons & property	7,848	81,164	43,318	37,846
Total expenditures	7,848	81,164	43,318	37,846
Excess (deficiency) of revenues over expenditures	572,152	498,836	2,936,656	2,437,820
OTHER FINANCING SOURCES (USES)				
Transfers out	(451,159)	(501,159)	(500,417)	742
Total other financing sources (uses)	(451,159)	(501,159)	(500,417)	742
Net change in fund balance	120,993	(2,323)	2,436,239	2,438,562
FUND BALANCES - BEGINNING	1,296,325	1,296,325	1,296,325	-
FUND BALANCES - ENDING	\$ 1,417,318	\$ 1,294,002	\$ 3,732,564	\$ 2,438,562

CITY OF VANCOUVER
AFFORDABLE HOUSING
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Property taxes	\$ 12,000,000	\$ 12,000,000	\$ 11,986,284	\$ (13,716)
Sales and use taxes	8,600,000	8,600,000	-	(8,600,000)
Investment earnings	125,000	125,000	(66,600)	(191,600)
Total revenues	<u>20,725,000</u>	<u>20,725,000</u>	<u>11,919,684</u>	<u>(8,805,316)</u>
EXPENDITURES				
Current:				
Economic environment	<u>12,285,490</u>	<u>16,993,160</u>	<u>11,563,295</u>	<u>5,429,865</u>
Total expenditures	<u>12,285,490</u>	<u>16,993,160</u>	<u>11,563,295</u>	<u>5,429,865</u>
Excess (deficiency) of revenues over expenditures	8,439,510	3,731,840	356,389	(3,375,451)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	145	145	-
Transfers out	-	(1,007,900)	(247,097)	760,803
Total other financing sources (uses)	<u>-</u>	<u>(1,007,755)</u>	<u>(246,952)</u>	<u>760,803</u>
Net change in fund balance	8,439,510	2,724,085	109,437	(2,614,648)
FUND BALANCES - BEGINNING	<u>15,823,508</u>	<u>15,823,508</u>	<u>15,823,508</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 24,263,018</u>	<u>\$ 18,547,593</u>	<u>\$ 15,932,945</u>	<u>\$ (2,614,648)</u>

CITY OF VANCOUVER**AFFORDABLE HOUSING LOCAL SALES TAX****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Sales and use taxes	\$ 1,300,000	\$ 7,000,000	\$ 11,800,305	\$ 4,800,305
Investment earnings	-	-	(109,815)	(109,815)
Total revenues	<u>1,300,000</u>	<u>7,000,000</u>	<u>11,690,490</u>	<u>4,690,490</u>
EXPENDITURES				
Economic environment	-	2,500,000	2,500,000	-
Interest/fiscal charges	-	9,000	8,096	904
Total expenditures	<u>-</u>	<u>2,509,000</u>	<u>2,508,096</u>	<u>904</u>
Excess (deficiency) of revenues over expenditures	1,300,000	4,491,000	9,182,394	4,691,394
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(1,881,671)	(978,192)	903,479
Total other financing sources (uses)	<u>-</u>	<u>(1,881,671)</u>	<u>(978,192)</u>	<u>903,479</u>
Net change in fund balance	1,300,000	2,609,329	8,204,202	5,594,873
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,300,000</u>	<u>\$ 2,609,329</u>	<u>\$ 8,204,202</u>	<u>\$ 5,594,873</u>

CITY OF VANCOUVER**AFFORDABLE HOUSING STATE SALES TAX CREDIT****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Sales and use taxes	\$ -	\$ 1,300,000	\$ 1,431,108	\$ 131,108
Investment earnings	-	-	(28,439)	(28,439)
Total revenues	-	1,300,000	1,402,669	102,669
EXPENDITURES				
Economic environment	-	-	15,391	(15,391)
Total expenditures	-	-	15,391	(15,391)
Net change in fund balance	-	1,300,000	1,387,278	87,278
FUND BALANCES - BEGINNING	758,208	758,208	758,208	-
FUND BALANCES - ENDING	<u>\$ 758,208</u>	<u>\$ 2,058,208</u>	<u>\$ 2,145,486</u>	<u>\$ 87,278</u>

CITY OF VANCOUVER**PARKHILL CEMETARY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Charges for services	\$ 50,000	\$ 50,000	\$ 82,077	\$ 32,077
Investment earnings	-	-	(4,825)	(4,825)
Total revenues	50,000	50,000	77,252	27,252
EXPENDITURES				
Current:				
Physical environment	40,021	150,834	85,171	65,663
Total expenditures	40,021	150,834	85,171	65,663
Net change in fund balance	9,979	(100,834)	(7,919)	92,915
FUND BALANCES - BEGINNING	483,955	483,955	483,955	-
FUND BALANCES - ENDING	<u>\$ 493,934</u>	<u>\$ 383,121</u>	<u>\$ 476,036</u>	<u>\$ 92,915</u>

CITY OF VANCOUVER**REET I****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Excise Taxes	\$ 6,711,600	\$ 9,211,600	\$ 12,732,846	\$ 3,521,246
Investment earnings	90,000	90,000	(182,638)	(272,638)
Total revenues	6,801,600	9,301,600	12,550,208	3,248,608
EXPENDITURES				
Security of persons & property	1,000,000	1,000,000	-	1,000,000
Culture and recreation	347	119,352	126,113	(6,761)
Total expenditures	1,000,347	1,119,352	126,113	993,239
Excess (deficiency) of revenues over expenditures	5,801,253	8,182,248	12,424,095	4,241,847
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	1,500,000	1,500,000
Transfers out	(3,955,914)	(5,684,691)	(4,037,441)	1,647,250
Total other financing sources (uses)	(3,955,914)	(5,684,691)	(2,537,441)	3,147,250
Net change in fund balance	1,845,339	2,497,557	9,886,654	7,389,097
FUND BALANCES - BEGINNING	6,939,505	6,939,505	6,939,505	-
FUND BALANCES - ENDING	<u>\$ 8,784,844</u>	<u>\$ 9,437,062</u>	<u>\$ 16,826,159</u>	<u>\$ 7,389,097</u>

CITY OF VANCOUVER
DOWNTOWN INITIATIVES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Investment earnings	\$ -	\$ -	\$ (24,940)	\$ (24,940)
Rents and royalties	380,000	380,000	411,459	31,459
Total revenues	380,000	380,000	386,519	6,519
EXPENDITURES				
Current:				
Economic environment	273,196	281,389	268,005	13,384
Total expenditures	273,196	281,389	268,005	13,384
Excess (deficiency) of revenues over expenditures	106,804	98,611	118,514	19,903
OTHER FINANCING SOURCES (USES)				
Transfers out	(220,000)	(321,242)	(135,931)	185,311
Total other financing sources (uses)	(220,000)	(321,242)	(135,931)	185,311
Net change in fund balance	(113,196)	(222,631)	(17,417)	205,214
FUND BALANCES - BEGINNING	3,597,865	3,597,865	3,597,865	-
FUND BALANCES - ENDING	<u>\$ 3,484,669</u>	<u>\$ 3,375,234</u>	<u>\$ 3,580,448</u>	<u>\$ 205,214</u>

CITY OF VANCOUVER**CITY/COUNTY CABLE TV FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Intergovernmental	\$ 1,135,375	\$ 1,385,061	\$ 844,367	\$ (540,694)
Charges for services	75,000	75,000	66,448	(8,552)
Investment earnings	12,000	12,000	(1,302)	(13,302)
Total revenues	1,222,375	1,472,061	909,513	(562,548)
EXPENDITURES				
Current:				
General government	2,694,043	2,924,944	2,018,778	906,166
Total expenditures	2,694,043	2,924,944	2,018,778	906,166
Excess (deficiency) of revenues over expenditures	(1,471,668)	(1,452,883)	(1,109,265)	343,618
OTHER FINANCING SOURCES (USES)				
Transfers in	1,030,000	1,030,000	1,030,000	-
Total other financing sources (uses)	1,030,000	1,030,000	1,030,000	-
Net change in fund balance	(441,668)	(422,883)	(79,265)	343,618
FUND BALANCES - BEGINNING	786,861	786,861	786,861	-
FUND BALANCES - ENDING	<u>\$ 345,193</u>	<u>\$ 363,978</u>	<u>\$ 707,596</u>	<u>\$ 343,618</u>

CITY OF VANCOUVER**TRANSPORTATION BENEFIT DISTRICT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Excise Taxes	\$ -	\$ 9,000,000	\$ 10,535,712	\$ 1,535,712
Investment earnings	100,000	100,000	(102,948)	(202,948)
Total revenues	100,000	9,100,000	10,432,764	1,332,764
OTHER FINANCING SOURCES (USES)				
Transfers out	(10,860,000)	(9,060,000)	(9,060,000)	-
Total other financing sources (uses)	(10,860,000)	(9,060,000)	(9,060,000)	-
Net change in fund balance	(10,760,000)	40,000	1,372,764	1,332,764
FUND BALANCES - BEGINNING	8,668,555	8,668,555	8,668,555	-
FUND BALANCES - ENDING	<u>\$ (2,091,445)</u>	<u>\$ 8,708,555</u>	<u>\$ 10,041,319</u>	<u>\$ 1,332,764</u>

CITY OF VANCOUVER**G.O. DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual	
	Original	Final	Biennium	Variance
	2021-22	2021-22	To-Date	
	Biennium	Biennium	Thru 12/31/22	Thru 12/31/22
EXPENDITURES				
Debt service:				
Principal retirement	\$ 11,429,392	\$ 11,883,291	\$ 11,574,136	\$ 309,155
Interest/fiscal charges	3,408,425	20,730,872	20,729,548	1,324
Total expenditures	<u>14,837,817</u>	<u>32,614,163</u>	<u>32,303,684</u>	<u>310,479</u>
Excess (deficiency) of revenues over expenditures	(14,837,817)	(32,614,163)	(32,303,684)	310,479
OTHER FINANCING SOURCES (USES)				
Proceeds from refunding of debt	-	17,525,000	17,540,812	15,812
Transfers in	15,746,244	15,165,694	14,762,872	(402,822)
Total other financing sources (uses)	<u>15,746,244</u>	<u>32,690,694</u>	<u>32,303,684</u>	<u>(387,010)</u>
Net change in fund balance	908,427	76,531	-	(76,531)
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 908,427</u>	<u>\$ 76,531</u>	<u>\$ -</u>	<u>\$ (76,531)</u>

CITY OF VANCOUVER**L.I.D. DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Fines and penalties	\$ -	\$ -	\$ 272	\$ 272
Investment earnings	5,000	5,000	1,641	(3,359)
Miscellaneous	-	-	9,790	9,790
Total revenues	5,000	5,000	11,703	6,703
EXPENDITURES				
Debt service:				
Principal retirement	5,000	5,000	5,000	-
Interest/fiscal charges	225	225	225	-
Total expenditures	5,225	5,225	5,225	-
Net change in fund balance	(225)	(225)	6,478	6,703
FUND BALANCES - BEGINNING	18,781	18,781	18,781	-
FUND BALANCES - ENDING	<u>\$ 18,556</u>	<u>\$ 18,556</u>	<u>\$ 25,259</u>	<u>\$ 6,703</u>

CITY OF VANCOUVER**L.I.D. DEBT SERVICE GUARANTY FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual	Variance
	Original 2021-22 Biennium	Final 2021-22 Biennium	Biennium To-Date Thru 12/31/22	
REVENUES				
Investment earnings	\$ -	\$ -	\$ (317)	\$ (317)
Total revenues	-	-	(317)	(317)
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(35,600)	(35,600)	-
Total other financing sources (uses)	-	(35,600)	(35,600)	-
Net change in fund balance	-	(35,600)	(35,917)	(317)
FUND BALANCES - BEGINNING	35,917	35,917	35,917	-
FUND BALANCES - ENDING	<u>\$ 35,917</u>	<u>\$ 317</u>	<u>\$ -</u>	<u>\$ (317)</u>

CITY OF VANCOUVER**TRANSPORTATION DEBT SERVICE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
License and permits	\$ 4,398,365	\$ 4,072,118	\$ 4,219,691	\$ 147,573
Fines and penalties	-	-	206	206
Investment earnings	100,000	100,000	2,364	(97,636)
Miscellaneous	-	-	(358)	(358)
Total revenues	<u>4,498,365</u>	<u>4,172,118</u>	<u>4,221,903</u>	<u>49,785</u>
EXPENDITURES				
Current:				
Transportation	48,383	45,714	15,269	30,445
Total expenditures	<u>48,383</u>	<u>45,714</u>	<u>15,269</u>	<u>30,445</u>
Excess (deficiency) of revenues over expenditures	4,449,982	4,126,404	4,206,634	80,230
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(5,807,287)</u>	<u>(5,907,287)</u>	<u>(4,445,297)</u>	<u>1,461,990</u>
Total other financing sources (uses)	<u>(5,807,287)</u>	<u>(5,907,287)</u>	<u>(4,445,297)</u>	<u>1,461,990</u>
Net change in fund balance	(1,357,305)	(1,780,883)	(238,663)	1,542,220
FUND BALANCES - BEGINNING	<u>2,106,606</u>	<u>2,106,606</u>	<u>2,106,606</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 749,301</u>	<u>\$ 325,723</u>	<u>\$ 1,867,943</u>	<u>\$ 1,542,220</u>

CITY OF VANCOUVER
CONSOLIDATED PARKS IMPACT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	Variance
	Original 2021-22 Biennium	Final 2021-22 Biennium	Biennium To-Date Thru 12/31/22	
REVENUES				
Charges for services	\$ 5,625,004	\$ 5,625,004	\$ 6,527,338	\$ 902,334
Investment earnings	357,400	357,660	(147,980)	(505,640)
Total revenues	<u>5,982,404</u>	<u>5,982,664</u>	<u>6,379,358</u>	<u>396,694</u>
EXPENDITURES				
Physical environment	314,716	788,196	31,963	756,233
Total expenditures	<u>314,716</u>	<u>788,196</u>	<u>31,963</u>	<u>756,233</u>
Excess (deficiency) of revenues over expenditures	5,667,688	5,194,468	6,347,395	1,152,927
OTHER FINANCING SOURCES (USES)				
Transfers in	-	3,396,240	-	(3,396,240)
Transfers out	(7,900,585)	(18,591,873)	(2,423,016)	16,168,857
Total other financing sources (uses)	<u>(7,900,585)</u>	<u>(15,195,633)</u>	<u>(2,423,016)</u>	<u>12,772,617</u>
Net change in fund balance	(2,232,897)	(10,001,165)	3,924,379	13,925,544
FUND BALANCES - BEGINNING	<u>9,578,930</u>	<u>9,578,930</u>	<u>9,578,930</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 7,346,033</u>	<u>\$ (422,235)</u>	<u>\$ 13,503,309</u>	<u>\$ 13,925,544</u>

CITY OF VANCOUVER
PARKS CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 228,210	\$ 228,210
Investment earnings	20,000	20,000	(68,565)	(88,565)
Rents and royalties	-	-	21,500	21,500
Contributions/donations	-	100,000	396,335	296,335
Miscellaneous	-	-	26	26
Total revenues	20,000	120,000	577,506	457,506
EXPENDITURES				
Current:				
Culture and recreation	113,019	1,537,981	1,496,880	41,101
Capital outlay	8,299,000	17,324,040	1,965,301	15,358,739
Total expenditures	8,412,019	18,862,021	3,462,181	15,399,840
Excess (deficiency) of revenues over expenditures	(8,392,019)	(18,742,021)	(2,884,675)	15,857,346
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	1,220,825	960,859	(259,966)
Transfers in	8,300,585	18,747,557	3,118,097	(15,629,460)
Total other financing sources (uses)	8,300,585	19,968,382	4,078,956	(15,889,426)
Net change in fund balance	(91,434)	1,226,361	1,194,281	(32,080)
FUND BALANCES - BEGINNING	1,282,920	1,282,920	1,282,920	-
Prior Period Adjustment	-	-	(791,667)	(791,667)
FUND BALANCES - ENDING	\$ 1,191,486	\$ 2,509,281	\$ 1,685,534	\$ (823,747)

CITY OF VANCOUVER
CONSOLIDATED TRANSPORTATION CAPITAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Excise Taxes	\$ 300,000	\$ 300,000	\$ 354,492	\$ 54,492
Intergovernmental	10,529,783	15,176,388	12,119,089	(3,057,299)
Charges for services	-	1,488,371	1,859,927	371,556
Investment earnings	210,000	210,000	(61,757)	(271,757)
Rents and royalties	-	-	(35,228)	(35,228)
Contributions/donations	-	-	395,833	395,833
Miscellaneous	-	-	235,662	235,662
Total revenues	11,039,783	17,174,759	14,868,018	(2,306,741)
EXPENDITURES				
Transportation	494,960	1,288,247	7,739,557	(6,451,310)
Capital outlay	34,856,849	52,181,792	14,365,824	37,815,968
Total expenditures	35,351,809	53,470,039	22,105,381	31,364,658
Excess (deficiency) of revenues over expenditures	(24,312,026)	(36,295,280)	(7,237,363)	29,057,917
OTHER FINANCING SOURCES (USES)				
Proceeds and premiums from debt issuance	1,615,000	1,615,000	-	(1,615,000)
Transfers in	17,807,619	38,689,818	10,242,764	(28,447,054)
Transfers out	(1,164,873)	(2,063,974)	(1,138,974)	925,000
Total other financing sources (uses)	18,257,746	38,240,844	9,103,790	(29,137,054)
Net change in fund balance	(6,054,280)	1,945,564	1,866,427	(79,137)
FUND BALANCES - BEGINNING	9,463,987	9,463,987	9,463,987	-
Prior Period Adjustment	(19,840)	(19,840)	791,667	811,507
FUND BALANCES - ENDING	\$ 3,389,867	\$ 11,389,711	\$ 12,122,081	\$ 732,370

CITY OF VANCOUVER**CONSOLIDATED TRANSPORTATION IMPACT FEES****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****BUDGET (GAAP BASIS) AND ACTUAL****FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Charges for services	\$ 3,600,000	\$ 3,600,000	\$ 5,480,472	\$ 1,880,472
Investment earnings	103,000	103,000	(176,344)	(279,344)
Total revenues	<u>3,703,000</u>	<u>3,703,000</u>	<u>5,304,128</u>	<u>1,601,128</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,452,678)	(4,701,530)	(1,360,266)	3,341,264
Total other financing sources (uses)	<u>(3,452,678)</u>	<u>(4,701,530)</u>	<u>(1,360,266)</u>	<u>3,341,264</u>
Net change in fund balance	250,322	(998,530)	3,943,862	4,942,392
FUND BALANCES - BEGINNING	<u>12,122,515</u>	<u>12,122,515</u>	<u>12,122,515</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 12,372,837</u>	<u>\$ 11,123,985</u>	<u>\$ 16,066,377</u>	<u>\$ 4,942,392</u>

CITY OF VANCOUVER
SCHOOL IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual Biennium To-Date Thru 12/31/22	Variance Thru 12/31/22
	Original 2021-22 Biennium	Final 2021-22 Biennium		
REVENUES				
Charges for services	\$ 23,341,060	\$ 17,675,517	\$ 13,789,765	\$ (3,885,752)
Investment earnings	33,672	33,672	7,440	(26,232)
Total revenues	<u>23,374,732</u>	<u>17,709,189</u>	<u>13,797,205</u>	<u>(3,911,984)</u>
EXPENDITURES				
Intergovernmental facilities	11,381,060	20,442,911	13,803,033	6,639,878
Total expenditures	<u>11,381,060</u>	<u>20,442,911</u>	<u>13,803,033</u>	<u>6,639,878</u>
Net change in fund balance	11,993,672	(2,733,722)	(5,828)	2,727,894
FUND BALANCES - BEGINNING	459	459	459	-
FUND BALANCES - ENDING	<u>\$ 11,994,131</u>	<u>\$ (2,733,263)</u>	<u>\$ (5,369)</u>	<u>\$ 2,727,894</u>

CITY OF VANCOUVER
CONSOLIDATED CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2022

	Budget Amounts		Actual	Variance
	Original 2021-22 Biennium	Final 2021-22 Biennium	Biennium To-Date Thru 12/31/22	
REVENUES				
Intergovernmental	\$ -	\$ 2,534,500	\$ 119,983	\$ (2,414,517)
Charges for services	-	-	9,207,184	9,207,184
Investment earnings	616,000	616,000	(1,380,863)	(1,996,863)
Rents and royalties	960,000	960,000	553,676	(406,324)
Contributions/donations	-	65,147	-	(65,147)
Total revenues	1,576,000	4,175,647	8,499,980	4,324,333
EXPENDITURES				
General government	6,982,571	25,248,407	6,823,290	18,425,117
Security of persons & property	1,076,043	1,750,034	2,483,885	(733,851)
Capital outlay	13,616,407	31,266,004	12,275,095	18,990,909
Total expenditures	21,675,021	58,264,445	21,582,270	36,682,175
Excess (deficiency) of revenues over expenditures	(20,099,021)	(54,088,798)	(13,082,290)	41,006,508
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	575,246	1,896,530	1,321,284
Transfers in	9,597,200	48,198,869	45,871,764	(2,327,105)
Transfers out	(4,310,800)	(17,938,003)	(1,220,635)	16,717,368
Total other financing sources (uses)	5,286,400	30,836,112	46,547,659	15,711,547
Net change in fund balance	(14,812,621)	(23,252,686)	33,465,369	56,718,055
FUND BALANCES - BEGINNING	40,907,078	40,907,078	40,907,078	-
FUND BALANCES - ENDING	\$ 26,094,457	\$ 17,654,392	\$ 74,372,447	\$ 56,718,055

Nonmajor Enterprise Funds

The accounting for Enterprise Funds generally follows the accounting principles and procedures used in commercial accounting very closely. Since operating results are a primary concern for enterprise funds, the accrual method of accounting must be used. In the City of Vancouver, all enterprise funds are budgeted annually as required by state law for the purpose of providing expense control.

The Enterprise Funds in the City of Vancouver are established to account for self-supporting services carried on by this governmental unit. Most services are provided to the general public whose user fees are used to support the activities of the specific enterprises.

Airport

The Airport Fund receives its revenue from hangar rental and from per gallon fees charged on all fuel sold at the airpark. Expenses are for the redemption of bonds sold to construct hangars, provide maintenance of the facility, and service to its customers.

Building Inspection Fund

The Building Inspection Fund was created in 1987. Its revenues come from fees paid for building inspections, permit fees, zoning changes, and building demolition. Expenses are costs to provide inspection services.

Solid Waste

The Solid Waste fund contracts for garbage and trash services, and receives a franchise fee from the contractor. Revenues are used for the payment of city expenses related to monitoring the contract, funding for recycling programs, and general fund administrative expenses.

Tennis Center Fund

The majority of revenues are received through court use fees and instruction fees. The facility operated by US Tennis Association. Expenses represent operating costs related to the facility and programs.

CITY OF VANCOUVER
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2022

	Airport	Building Inspection	Solid Waste	Tennis Center	Total Nonmajor Enterprise Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 1,464,910	\$ 17,241,070	\$ 3,177,874	\$ 94	\$ 21,883,948
Receivables (net)					
Accounts	10,850	280	65,978	227,636	304,744
Leases	119,214	-	-	-	119,214
Interest	1,902	20,614	3,781	-	26,297
Due from other funds	-	3,571	115	-	3,686
Due from other governmental units	90,549	-	6,787	-	97,336
Net Pension Asset	38,877	904,316	89,073	-	1,032,266
Total current assets	1,726,302	18,169,851	3,343,608	227,730	23,467,491
Noncurrent assets					
Capital assets					
Land and land improvements	484,202	-	-	-	484,202
Construction in progress	4,208	-	-	-	4,208
Infrastructure and other improvements	3,581,800	-	-	-	3,581,800
Buildings	6,774,163	2,538,759	75,768	-	9,388,690
Intangible assets	-	1,837,338	-	-	1,837,338
Intangible Assets - RTU	1,274,093	-	-	-	1,274,093
Machinery and equipment	-	303,904	9,138	-	313,042
Accumulated depreciation	(5,031,248)	(2,844,123)	(74,799)	-	(7,950,170)
Capital assets net of accumulated depreciation	7,087,218	1,835,878	10,107	-	8,933,203
Total noncurrent assets	7,087,218	1,835,878	10,107	-	8,933,203
TOTAL ASSETS	8,813,520	20,005,729	3,353,715	227,730	32,400,694
DEFERRED OUTFLOWS OF RESOURCES					
Amounts Related to Asset Retirement Obligations	3,261	-	-	-	3,261
Amounts related to pension	39,646	922,193	90,834	-	1,052,673
TOTAL DEFERRED OUTFLOWS OF RESOURCES	42,907	922,193	90,834	-	1,055,934
LIABILITIES					
Current liabilities					
Accounts payable	52,397	26,192	130,497	38,823	247,909
Due to other funds	10,162	181,061	17,087	-	208,310
Accrued interest payable	1,795	-	-	-	1,795
Accrued liabilities	58,997	98,423	7,693	33,627	198,740
Unearned revenues	4,011	-	-	155,280	159,291
Bonds, notes and loans payable	34,256	-	-	-	34,256
Total current liabilities	161,618	305,676	155,277	227,730	850,301
Noncurrent liabilities					
Bonds, notes, leases and loans payable	1,204,328	-	-	-	1,204,328
Accrued employee benefits	7,633	468,962	37,147	-	513,742
Net pension liability	22,378	520,541	51,272	-	594,191
Asset Retirement Obligations	150,000	-	-	-	150,000
Total noncurrent liabilities	1,384,339	989,503	88,419	-	2,462,261
TOTAL LIABILITIES	1,545,957	1,295,179	243,696	227,730	3,312,562
DEFERRED INFLOWS OF RESOURCES					
Amounts related to pension	40,517	942,473	92,831	-	1,075,821
Inflows related to leases	118,496	-	-	-	118,496
TOTAL DEFERRED INFLOWS OF RESOURCES	159,013	942,473	92,831	-	1,194,317
NET POSITION					
Net investment in capital assets	5,848,636	1,835,879	10,106	-	7,694,621
Restricted for Pension	38,877	904,316	89,073	-	1,032,266
Unrestricted	1,263,944	15,950,075	3,008,843	-	20,222,862
TOTAL NET POSITION	\$ 7,151,457	\$ 18,690,270	\$ 3,108,022	\$ -	\$ 28,949,749

CITY OF VANCOUVER
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Airport	Building Inspection	Solid Waste	Tennis Center	Total Nonmajor Enterprise Funds
OPERATING REVENUES					
Charges for services	\$ 6,727	\$ 9,489,045	\$ 2,692,775	\$ 1,656,809	\$ 13,845,356
Rents and royalties	699,709	139,754	-	-	839,463
Operating grants and contributions	395,923	2,300	35,304	(157,242)	276,285
Total operating revenues	1,102,359	9,631,099	2,728,079	1,499,567	14,961,104
OPERATING EXPENSES					
Personnel services	165,951	4,138,658	399,456	-	4,704,065
Supplies and contractual services	290,060	463,789	1,502,617	1,499,565	3,756,031
Interfund services	167,326	1,768,578	324,427	-	2,260,331
Intergovernmental payments	-	-	14,573	-	14,573
Depreciation	238,351	67,890	6,434	-	312,675
Amortization of Asset Retirement Obligations	3,261	-	-	-	3,261
Amortization of Right-to-Use Asset	43,559	-	-	-	43,559
Total operating expenses	908,508	6,438,915	2,247,507	1,499,565	11,094,495
Operating income (loss)	193,851	3,192,184	480,572	2	3,866,609
NONOPERATING REVENUES (EXPENSES)					
Investment earnings	(11,826)	(170,202)	(24,680)	(3)	(206,711)
Interest and fiscal charges	(21,808)	-	-	-	(21,808)
Gain (Loss) on disposal of capital assets	-	-	(5,934)	-	(5,934)
Total nonoperating revenues (expenses)	(33,634)	(170,202)	(30,614)	(3)	(234,453)
Income (loss) before transfers	160,217	3,021,982	449,958	(1)	3,632,156
Transfers out	-	(125,578)	(143,685)	-	(269,263)
Change in net position	160,217	2,896,404	306,273	(1)	3,362,893
TOTAL NET POSITION - BEGINNING	6,991,240	15,793,866	2,801,749	(197,745)	25,389,110
Prior Period Adjustment	-	-	-	197,746	197,746
TOTAL NET POSITION - ENDING	<u>\$ 7,151,457</u>	<u>\$ 18,690,270</u>	<u>\$ 3,108,022</u>	<u>\$ -</u>	<u>\$ 28,949,749</u>

CITY OF VANCOUVER
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Airport	Building Inspection	Solid Waste	Tennis Center	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 585,691	\$ 9,629,101	\$ 2,910,784	\$ 1,429,173	\$ 14,554,749
Receipt of operating grants and contributions	395,923	2,300	38,444	(157,242)	279,425
Cash payments for goods and services	(578,089)	(456,435)	(1,473,029)	(1,271,932)	(3,779,485)
Internal activity-payments from other funds	6,901	2,934	6,766	-	16,601
Internal activity-payments to other funds	(168,118)	(1,725,154)	(346,804)	-	(2,240,076)
Cash payments to employees	(61,901)	(4,472,243)	(447,721)	-	(4,981,865)
Net cash provided (used) by operating activities	180,407	2,980,503	688,440	(1)	3,849,349
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers to other funds	-	(125,578)	(143,685)	-	(269,263)
Net cash provided by noncapital financing activities	-	(125,578)	(143,685)	-	(269,263)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Receipt of capital grant funds	315,398	-	-	-	315,398
Interest paid on lease debt	(21,808)	-	-	-	(21,808)
Purchase of capital assets	(40,783)	-	-	-	(40,783)
Net cash used by capital and related financing activities	252,807	-	-	-	252,807
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment earnings (losses)	(13,211)	(183,589)	(27,149)	(3)	(223,952)
Net cash provided in investing activities	(13,211)	(183,589)	(27,149)	(3)	(223,952)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	420,003	2,671,336	517,606	(4)	3,608,941
CASH AND CASH EQUIVALENTS - BEGINNING	1,044,907	14,569,734	2,660,268	98	18,275,007
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 1,464,910</u>	<u>\$ 17,241,070</u>	<u>\$ 3,177,874</u>	<u>\$ 94</u>	<u>\$ 21,883,948</u>
Reconciliation of operating income (loss) to net cash used by operating activities:					
Net operating income (loss)	\$ 193,851	\$ 3,192,184	\$ 480,572	\$ 2	\$ 3,866,609
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operations:					
Depreciation expense	238,351	67,891	6,433	-	312,675
Decrease (increase) in receivables	(143,889)	(614,916)	218,009	(227,636)	(768,432)
Increase (decrease) in current payables	(251,594)	7,167	46,352	(1,761)	(199,836)
Increase (decrease) in accrued liabilities	63,349	(1,437,885)	(14,335)	31,648	(1,357,223)
Decrease (increase) in receivable from other funds	6,901	2,934	6,766	197,746	214,347
Decrease (increase) in receivable from other government	-	-	3,140	-	3,140
Increase (decrease) in payables due to other funds	(792)	43,424	(22,377)	-	20,255
Increase (decrease) in pension liability	74,230	1,719,704	(36,120)	-	1,757,814
Total adjustments	(13,444)	(211,681)	207,868	(3)	(17,260)
Net cash provided by operating activities	<u>\$ 180,407</u>	<u>\$ 2,980,503</u>	<u>\$ 688,440</u>	<u>\$ (1)</u>	<u>\$ 3,849,349</u>
Noncash investing, financing and capital activities					
Capital Assets Donated	\$ -	-	-	-	\$ -
Leased RTU Capital Asset	1,274,093	-	-	-	\$ 1,274,093
Net change in fair value of investments	(48,137)	\$ (605,281)	\$ (95,135)	\$ (245)	(748,798)

Internal Service Funds

The Internal Service Funds in the City of Vancouver are service funds for the departments within this governmental entity. The services provided are reimbursed by transfers from the budget appropriations of the recipient departments, later reconciled to actual costs and bases. An internal service fund must recover its complete cost of operations without producing any significant profit.

Though the operations of the Internal Service Funds do not theoretically require budgeting, budgets are prepared to assure proper expense control.

Consolidated Equipment Services Repair & Replacement Fund

This fund was previously reported as "Equipment Services Repair & Replacement Fund." The name has changed but the composition of the fund remains the same. RCW 35.21.088 requires that all cities whose population exceeds 8,000 must establish an Equipment Rental Fund, charging rates adequate to the using departments for the replacement, operation, and maintenance of equipment. The Equipment R & R Fund is a working capital fund. Fixed assets are maintained with depreciation reserves programmed for each individual piece of equipment or other fixed assets.

Computer Repair and Replacement Fund

This fund was established in 1996 to account for the replacement of information-technology related equipment originally purchased by user departments and collect funds for the future replacement of City's major software programs. Revenues are derived from monthly charges to city departments based on their technology usage.

Grounds and Facilities Fund

The fund was established in 2019 to break these services out of the General Fund as a separate internal service operation. Revenues are derived charges to city departments based on their utilization of services.

Self-Insured Worker's Comp & Liability Fund

The City has been self-insured for workers compensation and liability claims since 1977. Revenues are derived from the operating funds based on their claims history and the likelihood of generating additional claims. Expenditures relate to claims servicing.

Internal Administrative Services Fund

This fund was established in 2015 to account for the revenues and expenses associated with providing administrative internal services to all City departments, including Finance, Human Resources, Information Technology, Civil Legal and General Services.

Benefits Fund

The Benefits fund pays premiums for non-self insured health and benefits - related costs including medical, dental, vision, life, and long-term disability insurance. All operating funds are currently being charged a set monthly rate per full-time employee.

Self-Insured Health Insurance Fund

This fund was established in 2015 to account for the revenues and expenses associated with providing self-insured health, dental and vision care to City employees.

CITY OF VANCOUVER
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022

	Consolidated Equipment Repair & Replacement	Computer Repair & Replacement	Grounds & Facilities Services	Self-Insured Worker's Comp & Liability
ASSETS				
Current assets				
Cash and cash equivalents	\$ 28,078,411	\$ 10,008,176	\$ 3,311,913	\$ 7,430,750
Receivables (net)				
Accounts	366	-	27,316	-
Interest	33,575	11,979	3,953	8,869
Due from other funds	-	118,244	-	26,509
Due from other governmental units	-	-	260,006	-
Inventory	597,146	-	-	-
Prepaid expenses	103	-	-	100,000
Net Pension Asset	477,726	-	819,079	126,944
Total current assets	29,187,327	10,138,399	4,422,267	7,693,072
Noncurrent assets				
Construction in progress	108,312	-	-	-
Intangible assets	48,591	7,581,496	-	92,140
Machinery and equipment	42,688,627	3,360,681	-	-
Accumulated depreciation	(25,892,973)	(4,433,615)	-	(61,975)
Total noncurrent assets	16,952,557	6,508,562	-	30,165
TOTAL ASSETS	46,139,884	16,646,961	4,422,267	7,723,237
DEFERRED OUTFLOWS OF RESOURCES				
Amounts Related to Asset Retirement Obligations	57,356	-	-	-
Amounts related to pension	487,169	-	835,272	129,453
TOTAL DEFERRED OUTFLOWS OF RESOURCES	544,525	-	835,272	129,453
LIABILITIES				
Current liabilities				
Accounts payable	94,020	58,971	679,139	1,343,405
Claims and judgments payable	-	-	-	2,887,733
Due to other funds	169,934	8,231	345,152	63,134
Accrued interest payable	-	-	-	5,397
Accrued liabilities	54,602	-	97,203	13,315
Unearned revenues	-	-	-	-
Total current liabilities	318,556	67,202	1,121,494	4,312,984
Noncurrent liabilities				
Claims and judgments	-	-	-	7,646,769
Accrued employee benefits	270,718	-	354,271	71,946
Net pension liability	274,988	-	471,478	73,071
Asset Retirement Obligations	450,000	-	-	-
Total noncurrent liabilities	995,706	-	825,749	7,791,786
TOTAL LIABILITIES	1,314,262	67,202	1,947,243	12,104,770
DEFERRED INFLOWS OF RESOURCES				
Amounts related to pension	497,883	-	853,639	132,300
TOTAL DEFERRED INFLOWS OF RESOURCES	497,883	-	853,639	132,300
NET POSITION				
Net investment in capital assets	16,952,559	6,508,560	-	30,165
Restricted for capital purposes	-	420,000	-	-
Restricted for Pension	477,726	-	819,079	126,944
Unrestricted	27,441,979	9,651,199	1,637,578	(4,541,489)
TOTAL NET POSITION	\$ 44,872,264	\$ 16,579,759	\$ 2,456,657	\$ (4,384,380)

CITY OF VANCOUVER
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022

	Internal Administrative Services	Benefits	Self-Insured Health Insurance	Total Internal Service Funds
ASSETS				
Current assets				
Cash and cash equivalents	\$ 3,105,101	\$ 5,918,860	\$ 7,180,648	\$ 65,033,859
Receivables (net)				
Accounts	2,537	14,761	192,333	237,313
Interest	3,712	7,054	8,583	77,725
Due from other funds	4,571,527	18,668	53,783	4,788,731
Due from other governmental units	-	-	-	260,006
Inventory	-	-	-	597,146
Prepaid expenses	-	-	-	100,103
Net Pension Asset	2,981,502	-	-	4,405,251
Total current assets	10,664,379	5,959,343	7,435,347	75,500,134
Noncurrent assets				
Construction in progress	-	-	-	108,312
Intangible assets	22,145	-	-	7,744,372
Machinery and equipment	56,121	-	-	46,105,429
Accumulated depreciation	(61,994)	-	-	(30,450,557)
Total noncurrent assets	16,272	-	-	23,507,556
TOTAL ASSETS	10,680,651	5,959,343	7,435,347	99,007,690
DEFERRED OUTFLOWS OF RESOURCES				
Amounts Related to Asset Retirement Obligations	-	-	-	57,356
Amounts related to pension	3,040,443	-	-	4,492,337
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,040,443	-	-	4,549,693
LIABILITIES				
Current liabilities				
Accounts payable	419,907	532,674	(21,500)	3,106,616
Claims and judgments payable	-	-	566,450	3,454,183
Due to other funds	509,806	1,746	20,936	1,118,939
Accrued interest payable	9,934	1,696	-	17,027
Accrued liabilities	283,085	-	(1,716)	446,489
Unearned revenues	(104)	25,649	(6,276)	19,269
Total current liabilities	1,222,628	561,765	557,894	8,162,523
Noncurrent liabilities				
Claims and judgments	-	-	-	7,646,769
Accrued employee benefits	1,427,433	-	-	2,124,368
Net pension liability	1,716,208	-	-	2,535,745
Asset Retirement Obligations	-	-	-	450,000
Total noncurrent liabilities	3,143,641	-	-	12,756,882
TOTAL LIABILITIES	4,366,269	561,765	557,894	20,919,405
DEFERRED INFLOWS OF RESOURCES				
Amounts related to pension	3,107,303	-	-	4,591,125
TOTAL DEFERRED INFLOWS OF RESOURCES	3,107,303	-	-	4,591,125
NET POSITION				
Net investment in capital assets	16,273	-	-	23,507,557
Restricted for capital purposes	-	-	-	420,000
Restricted for Pension	2,981,502	-	-	4,405,251
Unrestricted	3,249,747	5,397,578	6,877,453	49,714,045
TOTAL NET POSITION	\$ 6,247,522	\$ 5,397,578	\$ 6,877,453	\$ 78,046,853

CITY OF VANCOUVER
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Consolidated Equipment Repair & Replacement	Computer Repair & Replacement	Grounds & Facilities Services	Self-Insured Worker's Comp & Liability
OPERATING REVENUES				
Charges for services	\$ 7,762,415	\$ 33,585	\$ 11,500,897	\$ 7,260,403
Rents and royalties	5,170,604	2,367,043	9,050	-
Operating grants and contributions	-	64,600	105,012	-
Miscellaneous	55,915	850	-	258
Total operating revenues	<u>12,988,934</u>	<u>2,466,078</u>	<u>11,614,959</u>	<u>7,260,661</u>
OPERATING EXPENSES				
Personnel services	2,335,196	-	4,091,669	644,919
Supplies and contractual services	4,223,014	506,774	5,420,034	11,617,635
Interfund services	973,078	22,806	2,679,119	278,213
Intergovernmental payments	67,353	76	-	36,538
Depreciation	3,276,255	842,295	-	10,969
Amortization of Asset Retirement Obligations	14,339	-	-	-
Total operating expenses	<u>10,889,235</u>	<u>1,371,951</u>	<u>12,190,822</u>	<u>12,588,274</u>
Operating income (loss)	2,099,699	1,094,127	(575,863)	(5,327,613)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	(323,183)	(107,604)	(63,962)	(36,908)
Gain (Loss) on disposal of capital assets	523,727	-	-	-
Non-capital insurance recoveries	-	-	-	415,294
Total nonoperating revenues (expenses)	<u>200,544</u>	<u>(107,604)</u>	<u>(63,962)</u>	<u>378,386</u>
Income (loss) before contributions and transfers	2,300,243	986,523	(639,825)	(4,949,227)
Transfers in	1,765,849	-	373,304	-
Transfers out	-	-	(49,672)	-
Change in net position	<u>4,066,092</u>	<u>986,523</u>	<u>(316,193)</u>	<u>(4,949,227)</u>
TOTAL NET POSITION - BEGINNING	<u>40,806,172</u>	<u>15,593,236</u>	<u>2,772,850</u>	<u>564,847</u>
TOTAL NET POSITION - ENDING	<u>\$ 44,872,264</u>	<u>\$ 16,579,759</u>	<u>\$ 2,456,657</u>	<u>\$ (4,384,380)</u>

CITY OF VANCOUVER
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Internal Administrative Services	Benefits	Self-Insured Health Insurance	Total Internal Service Funds
OPERATING REVENUES				
Charges for services	\$ 21,730,869	\$ 12,349,024	\$ 12,344,564	\$ 72,981,757
Rents and royalties	-	-	-	7,546,697
Operating grants and contributions	-	-	-	169,612
Miscellaneous	3,325	-	-	60,348
Total operating revenues	<u>21,734,194</u>	<u>12,349,024</u>	<u>12,344,564</u>	<u>80,758,414</u>
OPERATING EXPENSES				
Personnel services	13,849,258	-	-	20,921,042
Supplies and contractual services	5,556,457	11,368,273	11,964,113	50,656,300
Interfund services	1,261,395	221,588	259,663	5,695,862
Intergovernmental payments	107,175	-	-	211,142
Depreciation	3,596	-	-	4,133,115
Amortization of Asset Retirement Obligations	-	-	-	14,339
Total operating expenses	<u>20,777,881</u>	<u>11,589,861</u>	<u>12,223,776</u>	<u>81,631,800</u>
Operating income (loss)	956,313	759,163	120,788	(873,386)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	119,660	(79,684)	(64,038)	(555,719)
Gain (Loss) on disposal of capital assets	-	-	-	523,727
Non-capital insurance recoveries	-	-	-	415,294
Total nonoperating revenues (expenses)	<u>119,660</u>	<u>(79,684)</u>	<u>(64,038)</u>	<u>383,302</u>
Income (loss) before contributions and transfers	1,075,973	679,479	56,750	(490,084)
Transfers in	172,108	-	-	2,311,261
Transfers out	(34,828)	-	-	(84,500)
Change in net position	<u>1,213,253</u>	<u>679,479</u>	<u>56,750</u>	<u>1,736,677</u>
TOTAL NET POSITION - BEGINNING	<u>5,034,269</u>	<u>4,718,099</u>	<u>6,820,703</u>	<u>76,310,176</u>
TOTAL NET POSITION - ENDING	<u>\$ 6,247,522</u>	<u>\$ 5,397,578</u>	<u>\$ 6,877,453</u>	<u>\$ 78,046,853</u>

CITY OF VANCOUVER
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Consolidated Equipment Repair & Replacement	Computer Repair & Replacement	Grounds & Facilities Services	Self-Insured Worker's Comp & Liability
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 13,016,372	\$ 2,400,628	\$ 11,482,631	\$ 7,262,167
Cash received from other operating activities	55,915	850	-	258
Cash from operating grants and contributions	-	64,600	105,012	-
Cash payment for goods and services	(4,659,905)	(567,381)	(5,055,256)	(9,335,301)
Internal activity - payments to/from other funds	(736,463)	(105,736)	(2,013,655)	(175,180)
Cash payments to employees	(2,510,966)	-	(4,398,574)	(664,950)
Net cash provided (used) by operating activities	<u>5,164,953</u>	<u>1,792,961</u>	<u>120,158</u>	<u>(2,913,006)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Non-capital insurance recoveries	-	-	-	415,294
Transfers from other funds	1,765,849	-	373,304	-
Transfers to other funds	-	-	(49,672)	-
Net cash used by noncapital financing activities	<u>1,765,849</u>	<u>-</u>	<u>323,632</u>	<u>415,294</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(4,204,411)	(84,303)	-	-
Gain/(Loss) on sale of capital assets	523,727	-	-	-
Net cash provided (used) by capital and related financing activities	<u>(3,680,684)</u>	<u>(84,303)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings (losses)	(344,273)	(115,404)	(66,463)	(40,846)
Net cash provided (used) in investing activities	<u>(344,273)</u>	<u>(115,404)</u>	<u>(66,463)</u>	<u>(40,846)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,905,845	1,593,254	377,327	(2,538,558)
CASH BALANCE AT BEGINNING OF YEAR	25,172,566	8,414,922	2,934,586	9,969,308
CASH BALANCE AT END OF YEAR	<u>\$ 28,078,411</u>	<u>\$ 10,008,176</u>	<u>\$ 3,311,913</u>	<u>\$ 7,430,750</u>
Reconciliation of operating income (loss) to net cash used by operating activities:				
Operating income (loss)	\$ 2,099,699	\$ 1,094,127	\$ (575,863)	\$ (5,327,613)
Adjustments to reconcile operating income (loss) to net cash provided by operations:				
Depreciation expense	3,276,255	842,295	-	10,969
Decrease (increase) in receivables	(218,621)	-	(587,196)	(87,170)
Decrease (increase) in inventories	(58,376)	-	-	-
Increase (decrease) in current payables	(316,328)	(60,485)	354,412	1,085,661
Increase (decrease) in accrued liabilities	(822,307)	(46)	(1,276,122)	(146,780)
Decrease (increase) in receivable from other funds	129,476	(67,781)	550,588	54,193
Decrease (increase) in receivable from other government	-	-	-	-
Increase (decrease) in payables due to other funds	107,139	(15,149)	114,876	48,840
Increase (decrease) in claims and judgments payable	-	-	-	1,225,123
Increase (Decrease) in pension liability	968,016	-	1,539,463	223,771
Total adjustments	<u>3,065,254</u>	<u>698,834</u>	<u>696,021</u>	<u>2,414,607</u>
Net cash provided (used) by operating activities	<u>\$ 5,164,953</u>	<u>\$ 1,792,961</u>	<u>\$ 120,158</u>	<u>\$ (2,913,006)</u>
Non cash investing, financing and capital activities				
Net change in fair value of investments	\$ (989,751)	\$ (362,580)	\$ (109,769)	\$ (248,003)

CITY OF VANCOUVER
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Internal Administrative Services	Benefits	Self-Insured Health Insurance	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 21,729,723	\$ 12,357,057	\$ 12,167,720	\$ 80,416,298
Cash received from other operating activities	3,325	-	-	60,348
Cash from operating grants and contributions	-	-	-	169,612
Cash payment for goods and services	(5,357,983)	(10,977,240)	(11,987,992)	(47,941,058)
Internal activity - payments to/from other funds	(3,806,802)	(453,252)	(414,127)	(7,705,215)
Cash payments to employees	(14,858,406)	-	-	(22,432,896)
Net cash provided (used) by operating activities	(2,290,143)	926,565	(234,399)	\$ 2,567,089
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Non-capital insurance recoveries	-	-	-	415,294
Transfers from other funds	172,108	-	-	2,311,261
Transfers to other funds	(34,828)	-	-	(84,500)
Net cash used by noncapital financing activities	137,280	-	-	2,642,055
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	-	-	-	(4,288,714)
Gain/(Loss) on sale of capital assets	-	-	-	523,727
Net cash provided (used) by capital and related financing activities	-	-	-	(3,764,987)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings (losses)	118,492	(84,230)	(68,913)	(601,637)
Net cash provided (used) in investing activities	118,492	(84,230)	(68,913)	(601,637)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,034,371)	842,335	(303,312)	842,520
CASH BALANCE AT BEGINNING OF YEAR	5,139,472	5,076,525	7,483,960	64,191,339
CASH BALANCE AT END OF YEAR	<u>\$ 3,105,101</u>	<u>\$ 5,918,860</u>	<u>\$ 7,180,648</u>	<u>\$ 65,033,859</u>
Reconciliation of operating income (loss) to net cash used by operating activities:				
Operating income (loss)	\$ 956,313	\$ 759,163	\$ 120,788	\$ (873,386)
Adjustments to reconcile operating income (loss) to net cash provided by operations:				
Depreciation expense	3,595	-	-	4,133,114
Decrease (increase) in receivables	(2,088,128)	6,326	(177,255)	(3,152,044)
Decrease (increase) in inventories	-	-	-	(58,376)
Increase (decrease) in current payables	263,853	399,720	(32,459)	1,694,374
Increase (decrease) in accrued liabilities	(4,148,465)	(6,980)	8,991	(6,391,709)
Decrease (increase) in receivable from other funds	(2,380,658)	17,773	(115,154)	(1,811,563)
Decrease (increase) in receivable from other government	-	-	-	-
Increase (decrease) in payables due to other funds	(164,749)	(249,437)	20,936	(137,544)
Increase (decrease) in claims and judgments payable	-	-	(60,246)	1,164,877
Increase (Decrease) in pension liability	5,268,096	-	-	7,999,346
Total adjustments	(3,246,456)	167,402	(355,187)	3,440,475
Net cash provided (used) by operating activities	<u>\$ (2,290,143)</u>	<u>\$ 926,565</u>	<u>\$ (234,399)</u>	<u>\$ 2,567,089</u>
Non cash investing, financing and capital activities				
Net change in fair value of investments	\$ (108,801)	\$ (188,148)	\$ (250,121)	\$ (2,257,173)

Statistical Section

This part of the City of Vancouver's (The City) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Page
Financial Trends	168
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	
Revenue Capacity	177
These schedules contain information to help the reader assess the City's most significant local revenue source, property taxes.	
Debt Capacity	182
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information	187
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
Operating Information	190
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	

Note: Amounts are presented using the full accrual basis of accounting unless otherwise noted.

Statistical Financial Trends

CITY OF VANCOUVER
GOVERNMENT-WIDE NET POSITION BY COMPONENT
 Last Ten Fiscal Years
 (Amounts expressed in thousands)

Table 1

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in capital assets	\$ 521,171	\$ 500,548	\$ 510,481	\$ 536,394	\$ 612,778	\$ 680,671	\$ 659,170	\$ 666,082	\$ 658,105	\$ 685,014
Restricted	53,828	43,880	47,882	48,397	80,534	107,509	128,396	136,357	224,656	164,859
Unrestricted	84,272	121,863	123,886	126,378	85,332	19,411	98,073	147,623	159,885	251,375
Total Governmental Activities Net Position	<u>\$ 659,271</u>	<u>\$ 666,291</u>	<u>\$ 682,249</u>	<u>\$ 711,169</u>	<u>\$ 778,644</u>	<u>\$ 807,591</u>	<u>\$ 885,639</u>	<u>\$ 950,062</u>	<u>\$ 1,042,646</u>	<u>\$ 1,101,517</u>
Business-type Activities										
Net Investment in capital assets	\$ 292,461	\$ 302,611	\$ 319,491	\$ 330,001	\$ 360,952	\$ 391,430	\$ 415,086	\$ 439,248	\$ 459,554	\$ 486,497
Restricted	5,575	7,554	9,209	10,500	6,224	8,597	8,937	6,921	30,643	21,174
Unrestricted	87,173	90,325	78,179	82,442	86,959	95,895	108,568	123,230	131,189	153,563
Total Business-type Activities Net Position	<u>\$ 385,209</u>	<u>\$ 400,490</u>	<u>\$ 406,879</u>	<u>\$ 422,943</u>	<u>\$ 454,135</u>	<u>\$ 495,922</u>	<u>\$ 532,591</u>	<u>\$ 569,399</u>	<u>\$ 621,387</u>	<u>\$ 661,234</u>
Primary Government										
Net Investment in capital assets	\$ 813,632	\$ 803,159	\$ 829,972	\$ 866,395	\$ 973,730	\$ 1,072,101	\$ 1,074,256	\$ 1,105,330	\$ 1,117,659	\$ 1,171,511
Restricted	59,403	51,434	57,091	58,897	86,758	116,106	137,333	143,278	255,299	186,034
Unrestricted	171,445	212,188	202,065	208,820	172,291	115,306	206,641	270,853	291,074	404,939
Total Primary Government Net Position	<u>\$ 1,044,480</u>	<u>\$ 1,066,781</u>	<u>\$ 1,089,128</u>	<u>\$ 1,134,112</u>	<u>\$ 1,232,779</u>	<u>\$ 1,303,513</u>	<u>\$ 1,418,230</u>	<u>\$ 1,519,461</u>	<u>\$ 1,664,032</u>	<u>\$ 1,762,751</u>

CITY OF VANCOUVER
GOVERNMENT-WIDE EXPENSES BY FUNCTION
Last Ten Fiscal Years
(Amounts expressed in thousands)

Table 2

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities:										
General Government	\$ 20,448	\$ 23,192	\$ 19,325	\$ 22,022	\$ 20,209	\$ 20,777	\$ 35,056	\$ 74,484	\$ 84,957	\$ 99,952
Security Persons & Property	70,511	73,922	78,427	87,571	95,627	94,440	99,143	110,845	83,451	117,918
Physical Environment	515	474	667	569	696	293	90	25	22	160
Transportation	33,012	29,205	34,932	32,491	40,884	45,456	27,470	18,470	27,250	34,024
Mental and Physical Health	339	369	375	405	467	367	-	452	1,230	2,456
Economic Environment	7,132	7,657	8,954	9,868	10,495	13,300	13,514	17,015	21,895	22,016
Intergovernmental Facilities	-	-	-	-	-	-	-	6,588	8,443	5,360
Culture and Recreation	11,796	11,258	9,989	11,454	11,124	11,348	16,941	7,445	6,856	8,988
Interest on Long-Term Debt	4,506	3,963	3,542	3,736	2,925	2,620	2,206	789	1,029	(9,258)
Total Governmental Activities Expenses*	<u>148,259</u>	<u>150,040</u>	<u>156,211</u>	<u>168,116</u>	<u>182,427</u>	<u>188,601</u>	<u>194,420</u>	<u>236,113</u>	<u>235,133</u>	<u>281,616</u>
Business-type Activities:										
Water/Sewer	75,592	75,245	82,687	83,502	92,720	96,312	104,891	106,812	103,421	115,694
Parking	2,964	2,902	2,974	2,989	2,945	3,038	3,191	3,005	1,060	3,303
Airport	586	631	650	846	836	894	691	990	715	930
Building Inspection	3,761	4,180	5,174	5,203	5,406	5,688	6,359	5,756	5,687	6,429
Solid Waste	2,132	2,076	2,279	2,251	2,523	2,779	2,230	1,756	1,739	2,068
Tennis Center	1,036	1,076	1,103	1,083	1,088	2,605	1,279	1,036	1,322	1,500
Total Business-type Activities Expenses*	<u>86,071</u>	<u>86,110</u>	<u>94,867</u>	<u>95,874</u>	<u>105,518</u>	<u>111,316</u>	<u>118,641</u>	<u>119,355</u>	<u>113,945</u>	<u>129,924</u>
Total Primary Government Expenses*	<u>\$ 234,330</u>	<u>\$ 236,150</u>	<u>\$ 251,078</u>	<u>\$ 263,990</u>	<u>\$ 287,945</u>	<u>\$ 299,917</u>	<u>\$ 313,061</u>	<u>\$ 355,468</u>	<u>\$ 349,078</u>	<u>\$ 411,541</u>

*Minor differences due to rounding.

CITY OF VANCOUVER
GOVERNMENT-WIDE CHANGES IN REVENUES BY FUNCTION
(Amounts expressed in thousands)

Table 2

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Program Revenues										
Governmental Activities:										
Charges for Services, Fees, Fines & Forfeitures										
General Government	\$ 9,169	\$ 6,613	\$ 11,870	\$ 14,098	\$ 14,856	\$ 17,957	\$ 14,632	\$ 47,886	\$ 74,758	\$ 46,593
Security Persons & Property	13,101	11,911	12,342	15,970	13,950	13,363	17,054	14,690	4,419	19,786
Physical Environment	1,944	108	132	108	100	132	138	38	1,393	1,721
Transportation	3,792	5,115	8,634	8,082	8,506	11,209	9,420	7,708	3,783	10,432
Economic Environment	333	890	2,939	2,767	2,583	3,105	11,663	3,757	2,086	3,308
Intergovernmental Facilities	-	-	-	-	-	-	-	6,588	8,441	5,357
Culture and Recreation	5,789	6,929	4,615	4,620	4,493	4,716	4,633	4,118	(98)	5,124
Operating Grants and Contributions	6,257	3,625	4,712	5,100	4,371	5,878	8,060	26,158	18,402	16,134
Capital Grants and Contributions	28,745	12,981	22,186	12,356	26,654	21,516	25,470	8,627	7,699	15,378
Total Governmental Activities Revenues*	69,130	48,172	67,430	63,101	75,513	77,876	91,070	119,570	120,883	123,832
Business-type Activities:										
Charges for Services										
Water/Sewer	76,983	80,904	86,785	89,361	97,488	104,155	109,666	113,369	124,958	130,122
Parking	2,146	1,771	2,005	2,214	3,261	4,156	4,497	4,027	3,613	4,584
Airport	628	697	690	693	665	664	692	708	706	695
Building Inspection	4,703	3,654	4,566	4,227	4,167	6,168	7,663	7,131	10,324	8,413
Solid Waste	2,558	2,275	1,718	1,808	1,975	1,712	1,588	1,798	2,118	2,668
Tennis Center	878	856	818	822	744	690	863	694	1,169	1,657
Fire Shop	-	-	-	-	-	-	-	-	-	-
Operating Grants and Contributions	323	1	233	59	240	86	77	2,011	934	2,052
Capital Grants and Contributions	9,873	8,771	14,909	15,240	14,580	25,666	24,693	18,499	21,847	20,355
Total Business-type Activities Revenues*	98,092	98,929	111,724	114,424	123,120	143,297	149,739	148,237	165,669	170,546
Total Primary Government Revenues	\$ 167,222	\$ 147,101	\$ 179,154	\$ 177,525	\$ 198,633	\$ 221,173	\$ 240,809	\$ 267,807	\$ 286,552	\$ 294,378

*Minor differences due to rounding.

CITY OF VANCOUVER
GOVERNMENT-WIDE CHANGES IN NET POSITION
Last Ten Fiscal Years
(Amounts expressed in thousands)

Table 2

	FISCAL YEAR									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental Activities	\$ (79,129)	\$ (101,868)	\$ (88,781)	\$ (105,015)	\$ (106,913)	\$ (114,030)	\$ (109,633)	\$ (116,542)	\$ (114,250)	\$ (157,784)
Business-type Activities	12,021	12,818	16,857	18,550	17,603	31,982	31,097	28,881	51,724	40,621
Total Primary Government										
Net(Expense)/Revenue	<u>\$ (67,108)</u>	<u>\$ (89,050)</u>	<u>\$ (71,924)</u>	<u>\$ (86,465)</u>	<u>\$ (89,310)</u>	<u>\$ (82,048)</u>	<u>\$ (78,536)</u>	<u>\$ (87,661)</u>	<u>\$ (62,526)</u>	<u>\$ (117,163)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	\$ 119,075	\$ 124,193	\$ 125,174	\$ 132,121	\$ 150,461	\$ 159,801	\$ 171,570	\$ 179,675	\$ 205,408	\$ 215,440
Intergovernmental Revenues not Restricted to a specific program	-	-	-	-	-	-	-	-	-	-
Investment Earnings	462	838	1,031	1,153	2,107	4,372	6,437	-	6	-
Miscellaneous	530	296	535	944	640	3,900	2,542	918	-	-
Transfers	(1,099)	(1,148)	(1,443)	(1,344)	(448)	(601)	909	708	125	1,215
Special Item	-	-	-	-	34,575	34,575	34,575	-	-	-
Extraordinary Item	(10,699)	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>108,269</u>	<u>124,179</u>	<u>125,297</u>	<u>132,874</u>	<u>187,335</u>	<u>202,047</u>	<u>216,033</u>	<u>181,301</u>	<u>205,539</u>	<u>216,655</u>
Business-type Activities:										
Investment Earnings	316	518	644	622	1,043	2,060	3,226	1,245	(53)	-
Miscellaneous	1,052	110	2,694	266	795	687	2,544	224	442	243
Special Item	(3,682)	-	-	-	3,943	6,457	-	-	-	-
Transfers	1,099	1,148	1,442	1,344	448	601	(909)	(708)	(125)	(1,215)
Total Business-type Activities	<u>(1,215)</u>	<u>1,776</u>	<u>4,780</u>	<u>2,232</u>	<u>6,229</u>	<u>9,805</u>	<u>4,861</u>	<u>761</u>	<u>264</u>	<u>(972)</u>
Total Primary Government	<u>\$ 107,054</u>	<u>\$ 125,955</u>	<u>\$ 130,077</u>	<u>\$ 135,106</u>	<u>\$ 193,564</u>	<u>\$ 211,852</u>	<u>\$ 220,894</u>	<u>\$ 182,062</u>	<u>\$ 205,803</u>	<u>\$ 215,683</u>
Change in Net Position										
Governmental Activities	\$ 29,141	\$ 22,311	\$ 36,516	\$ 27,860	\$ 80,422	\$ 53,442	\$ 71,824	\$ 64,759	\$ 91,289	\$ 58,871
Business-type Activities	10,805	14,594	21,637	20,781	23,831	41,788	36,126	29,643	51,988	39,847
Total Primary Government	<u>\$ 39,946</u>	<u>\$ 36,905</u>	<u>\$ 58,153</u>	<u>\$ 48,641</u>	<u>\$ 104,253</u>	<u>\$ 95,230</u>	<u>\$ 107,950</u>	<u>\$ 94,402</u>	<u>\$ 143,277</u>	<u>\$ 98,718</u>

CITY OF VANCOUVER
GOVERNMENTAL TAX REVENUES BY SOURCE
 Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (Amounts expressed in thousands)

Table 3

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales and Use Taxes</u>	<u>Other Taxes</u>	<u>Total Taxes</u>
2013	42,133	29,060	41,819	113,012
2014	43,344	31,299	43,390	118,033
2015	44,231	35,034	46,097	125,362
2016	44,917	36,738	50,663	132,318
2017	52,700	40,357	57,341	150,398
2018	54,668	43,911	61,190	159,769
2019	55,875	49,514	66,268	171,657
2020	57,097	50,535	72,009	179,641
2021	58,619	68,378	77,244	204,241
2022	59,745	74,607	80,077	214,429

CITY OF VANCOUVER
GOVERNMENTAL REVENUES BY SOURCE
 Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (Amounts expressed in thousands)

Table 4

Year	REVENUES						Total Revenues
	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fines and Penalties	Miscellaneous	
2013	113,012	3,853	20,343	24,756	1,487	6,107	169,558
2014	118,033	3,713	18,041	24,939	1,786	6,592	173,104
2015	125,362	4,579	17,795	22,428	1,566	7,465	179,195
2016	132,318	5,266	17,009	24,632	1,542	6,958	187,725
2017	150,398	5,909	26,182	28,118	1,341	8,667	220,615
2018	159,769	6,910	15,515	28,500	1,487	17,016	229,197
2019	171,570	7,582	17,370	31,765	1,673	12,782	242,742
2020	179,641	3,315	22,146	29,860	1,218	7,302	243,482
2021	204,241	5,870	17,780	41,247	948	4,464	274,551
2022	214,429	8,856	25,508	38,232	591	1,460	289,076

Year	OTHER FINANCING SOURCES (USES)						Total Revenues and Other Sources
	Sale of Capital Assets	Proceeds and Premiums from Debt Issued	Refunding of Debt	Lease Issuance	Net Transfers In (Out)	Total Financing Sources (Uses)	
2013	100	1,496	-	-	(8,899)	(7,303)	162,255
2014	(380)	312	-	-	(7,522)	(7,590)	165,514
2015	331	5,097	-	-	(3,771)	1,657	180,852
2016	108	117	-	-	(4,960)	(4,735)	182,990
2017	252	-	-	-	(1,782)	(1,530)	219,085
2018	123	-	-	-	(1,120)	(997)	228,200
2019	901	-	-	11,352	(3,638)	8,615	251,357
2020	3,340	3,773	7,047	-	(662)	13,498	256,980
2021	6,620	-	17,541	-	(2,214)	21,947	296,498
2022	1	-	-	2,687	(1,012)	1,676	290,752

CITY OF VANCOUVER
GOVERNMENTAL EXPENDITURES BY FUNCTION
AND CHANGES IN FUND BALANCE
 Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (Amounts expressed in thousands)

Table 5

Year	General Govt	Security of Persons & Property	Physical Environment	Transportation	Social Services	Economic Environment	Intergov't'l Facilities	Culture and Recreation	Capital Outlay	Debt Service		Total Expenditures
										Principal	Interest	
2013	\$ 24,485	\$ 71,083	\$ 504	\$ 13,125	\$ 339	\$ 6,434	\$ -	\$ 9,672	\$ 24,564	\$ 7,366	\$ 4,534	\$ 162,106
2014	26,300	72,668	537	14,143	369	6,843	-	7,240	13,506	7,673	4,251	153,530
2015	19,597	80,813	616	14,868	375	9,026	-	10,531	18,834	10,226	3,961	168,847
2016	21,676	85,142	561	15,062	405	9,244	-	9,975	22,894	7,960	3,605	176,524
2017	23,538	91,897	679	17,307	467	10,394	-	10,268	59,312	7,240	3,154	224,256
2018	23,057	96,966	287	18,086	3,670	13,898	-	11,041	32,452	7,436	2,845	209,738
2019	13,035	108,669	89	20,967	586	12,883	5,699	14,767	36,688	5,991	2,525	221,899
2020	13,941	108,914	27	18,674	779	16,524	6,588	11,110	19,168	5,575	2,314	203,614
2021	11,073	108,199	45	19,515	1,230	23,700	8,443	13,215	18,119	6,035	19,310	228,884
2022	26,088	123,701	73	24,037	23,267	2,455	5,360	16,068	40,998	5,544	1,428	269,020

Year	Net Changes in Fund Balance	Other Changes in Fund Balance	Total Change in Fund Balance	Debt Service % of non-capital Exp
2013	\$ (10,549)	\$ 2,325	\$ (8,224)	9.47%
2014	11,984	309	12,293	9.31%
2015	12,006	103	12,109	10.44%
2016	6,466	1,061	7,527	8.14%
2017	(5,171)	-	(5,171)	6.73%
2018	18,460	-	18,460	6.16%
2019	34,684	6,192	40,876	4.82%
2020	45,515	-	45,515	4.47%
2021	61,613	-	61,613	13.67%
2022	21,732	-	21,732	3.15%

Changes in fund balance net the results of Table 5 and 6.

Other changes in fund balance can include prior period adjustments and special items.

CITY OF VANCOUVER
GOVERNMENTAL FUND BALANCES
 Last Ten Fiscal Years
 (Modified accrual basis of accounting)

Table 6

FISCAL YEAR	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 228,400	\$ 236,595	\$ 316,748	\$ 228,400	\$ -	\$ 500	\$ 1,463,880	\$ 1,276,267	\$ 708,787	\$ 575,640
Restricted	241,331	152,808	78,647	76,535	23,943	13,144,875	16,098,889	19,179,958	19,514,714	20,318,232
Committed	41,095,993	43,119,624	44,944,108	20,850,443	21,745,949	17,085,753	17,882,109	18,467,230	19,162,981	20,983,245
Assigned	4,148,166	4,156,542	3,787,063	34,261,088	35,793,920	2,491,592	1,147,744	1,347,342	1,277,668	1,013,129
Unassigned	12,787,935	13,911,641	7,896,174	9,810,728	9,814,947	47,049,853	59,982,792	73,491,786	104,708,068	89,204,070
Total General Fund	<u>\$ 58,501,825</u>	<u>\$ 61,577,210</u>	<u>\$ 57,022,740</u>	<u>\$ 65,227,194</u>	<u>\$ 67,378,759</u>	<u>\$ 79,772,573</u>	<u>\$ 96,575,414</u>	<u>\$ 113,762,583</u>	<u>\$ 145,372,218</u>	<u>\$ 132,094,316</u>
All Other Governmental Funds										
Nonspendable	\$ 10,761,381	\$ 37,707	\$ 7,593	\$ 7,593	\$ -	\$ -	\$ 8,464	\$ -	\$ -	\$ -
Restricted	42,102,683	48,493,146	57,101,943	50,333,478	58,656,596	57,666,860	67,937,117	74,297,566	98,364,468	108,215,880
Committed	10,749,039	17,385,057	15,097,234	20,359,287	21,548,619	14,974,675	17,319,501	27,505,922	28,391,973	25,786,074
Assigned	3,138,231	10,053,891	20,426,917	30,776,573	13,948,788	39,666,107	51,115,506	62,905,118	73,996,800	102,145,105
Unassigned	-	-	-	-	-	-	-	-	(40,917)	(424,381)
Total All Other Governmental Funds	<u>\$ 66,751,334</u>	<u>\$ 75,969,801</u>	<u>\$ 92,633,687</u>	<u>\$ 101,476,931</u>	<u>\$ 94,154,003</u>	<u>\$ 112,307,642</u>	<u>\$ 136,380,588</u>	<u>\$ 164,708,606</u>	<u>\$ 200,712,324</u>	<u>\$ 235,722,678</u>
Total Fund Balance Governmental Funds	<u><u>\$ 125,253,159</u></u>	<u><u>\$ 137,547,011</u></u>	<u><u>\$ 149,656,427</u></u>	<u><u>\$ 166,704,125</u></u>	<u><u>\$ 161,532,762</u></u>	<u><u>\$ 192,080,215</u></u>	<u><u>\$ 232,956,002</u></u>	<u><u>\$ 278,471,189</u></u>	<u><u>\$ 346,084,542</u></u>	<u><u>\$ 367,816,994</u></u>

Statistical Revenue Capacity

CITY OF VANCOUVER
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(Amounts expressed in thousands)

Table 7

Assessed	Collection	Real Property Assessed Value (a)			Total Assessed Value of Real Property	Personal Property Assessed Value	Less: Exemptions Real Property	Total		Total Direct Tax Rate per \$1000 of Assessed Value	Ratio of Total Assessed Value to Estimated Actual Value (b)
		Residential	Commercial	Industrial				Assessed	Estimated		
Year	Year				Property	Value	Property	Value	Actual Value		
2013	2014	9,874,748	2,824,685	918,608	13,618,041	708,137	168,760	14,157,418	14,778,098	3.02	95.8%
2014	2015	11,248,985	2,878,956	944,978	15,072,919	739,235	173,478	15,638,676	16,172,364	2.80	96.7%
2015	2016	12,153,668	2,929,835	934,561	16,018,064	805,156	136,567	16,686,653	17,436,419	2.67	95.7%
2016	2017	13,835,723	2,983,629	967,265	17,786,617	856,088	164,449	18,478,256	19,369,241	2.79	95.4%
2017	2018	15,640,828	3,259,836	1,166,945	20,067,609	912,003	191,972	20,787,640	22,400,474	2.61	92.8%
2018	2019	17,723,273	3,571,719	1,353,575	22,648,567	1,010,424	219,076	23,439,915	24,467,552	2.37	95.8%
2019	2020	18,836,456	3,850,730	1,422,097	24,109,283	1,095,415	193,823	25,010,875	26,410,639	2.28	94.7%
2020	2021	20,088,518	3,863,111	1,470,845	25,422,474	1,142,441	264,481	26,300,434	28,680,953	2.20	91.7%
2021	2022	22,408,688	3,950,364	1,607,796	27,966,848	1,144,892	317,002	28,794,738	31,435,303	2.06	91.6%
2022	2023	26,697,887	4,543,393	1,843,739	33,085,019	1,128,938	371,559	33,842,398	36,665,653	2.35	92.3%

(a) The breakdown of Real Property became available 2005. Data from prior years is not available.

(b) Ratio was provided by State of Washington Department of Revenue, Research and Statistics for Clark County.

Note: The Clark County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities. Taxes are levied annually before December 15, and became a lien as of January 1, on property value listed as of the prior May 31. Assessed values are established by the Clark County Assessor at 100 percent of fair market value. A revaluation of all property is required every six years.

CITY OF VANCOUVER
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years
(Per \$1,000 of Assessed Value)

Table 8

Assessed Year	Collection Year	Direct Tax Rate		Total Direct Tax Rate	Overlapping Tax Rate						Total Overlapping Tax Rate
		General	Affordable		School Districts	Port of	Clark	State of	Public		
		Fund	Housing		(a)	Vancouver	County	Washington	Library	Parks	
2013	2014	3.02	-	3.02	5.82	0.40	1.52	2.35	0.74	0.25	11.08
2014	2015	2.80	-	2.80	5.39	0.36	1.40	2.22	0.71	0.23	10.31
2015	2016	2.67	-	2.67	5.20	0.34	1.33	2.08	0.67	0.21	9.83
2016	2017	2.47	0.32	2.79	4.83	0.30	1.22	1.98	0.61	0.21	9.15
2017	2018	2.32	0.29	2.61	4.80	0.28	1.15	2.89	0.57	0.20	9.89
2018	2019	2.11	0.25	2.36	3.32	0.24	1.05	2.51	0.51	0.18	7.81
2019	2020	2.04	0.24	2.28	3.75	0.27	1.03	2.85	0.46	0.53	8.90
2020	2021	1.98	0.23	2.20	3.88	0.27	1.00	2.94	0.47	0.51	9.07
2021	2022	1.85	0.21	2.06	4.03	0.25	0.92	2.73	0.44	0.48	8.84
2022	2023	2.17	0.18	2.35	3.61	0.22	0.80	2.33	0.39	0.42	7.76

(a) The School District tax rate is the weighted average of the districts within the City of Vancouver.

Note: Overlapping rates are those of local and county governments that apply to property owners within the City of Vancouver. Not all overlapping rates apply to all Vancouver property owners.

CITY OF VANCOUVER
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Table 9

Fiscal Year	Certified Taxable Assessed Value	Total Direct Tax Rate	Certified Total Tax Levy	Collected within the Fiscal Year of the Levy		Collection of Delinquent Tax Levy (a)	Total Collections to Date		Outstanding Delinquent Taxes
				Amount	% of Levy		Amount	% of Levy (a)	
2013	13,222,265,791	3.17	41,914,583	41,485,605	99.0	620,674	42,106,279	100.5	1,120,733
2014	14,326,177,779	3.02	43,265,057	42,664,769	98.6	663,005	43,327,774	100.1	998,590
2015	15,812,154,819	2.80	44,274,033	43,704,833	98.7	560,203	44,265,036	100.0	900,974
2016	16,823,220,855	2.67	44,918,000	44,240,830	98.5	622,387	44,863,217	99.9	784,011
2017	18,642,704,534	2.79	52,013,146	52,227,941	100.4	487,059	52,715,000	101.3	886,939
2018	20,979,612,099	2.61	54,756,788	54,144,067	98.9	547,555	54,691,622	99.9	820,287
2019	23,658,991,510	2.37	56,021,774	55,389,126	98.9	502,467	55,891,593	99.8	774,342
2020	25,204,697,845	2.28	57,466,711	56,618,526	98.5	450,616	57,069,142	99.3	831,175
2021	26,564,915,000	2.20	58,442,813	57,927,908	99.1	708,496	58,636,404	100.3	747,751
2022	29,111,740,000	2.06	59,970,184	59,303,157	98.9	493,764	59,796,921	99.7	713,772

(a) Total collections include both current and delinquent taxed owned. It has not been practical to break out delinquent tax collections by assessment year, based on the way the information was presented to us by the tax assessor's office.

(b) 100.4% of taxes were collected in 2017 due to an annexation that happened after the Certified Tax Levy.

CITY OF VANCOUVER
PRINCIPAL PROPERTY TAX PAYERS
Current Year and Nine Years Ago
(Taxable value expressed in thousands)

Table 10

Taxpayer	Type of Business	2013			2022		
		Assessed Taxable Value	Rank	Percentage of Total Taxable Assessed Value	Assessed Taxable Value	Rank	Percentage of Total Taxable Assessed Value
Columbia Tech Center LLC	Property investment	\$ 199,514	1	1.44%	\$ 507,003	1	1.74%
SEH America	Microelectronic Mfg.	\$ 189,982	2	1.37%	\$ 333,539	2	1.15%
Mission Hills LLC	Property investment	\$ 46,830	7	0.34%	\$ 104,514	3	0.36%
Well Cogir Landlord III LP	Property investment				\$ 98,085	4	0.34%
US Centennial Vancouver Mall LLC	Retail	\$ 72,439	3	0.52%	\$ 86,936	5	0.30%
CBC 1 LLC	Property investment				\$ 86,106	6	0.30%
AUK-Brookside LLC	Property investment				\$ 81,435	7	0.28%
Vancouver Clinic Inc. PS	Medical buildings	\$ 55,995	6	0.40%	\$ 78,148	8	0.27%
Comcast IP Phone II LLC	Mass media				\$ 76,756	9	0.26%
Summerfield Homes LLC	Property investment				\$ 74,375	10	0.26%
Frito Lay Inc.	Food processing	\$ 60,240	4	0.43%			
United Grain Corp	Food processing	\$ 58,185	5	0.42%			
Angelo Prop Company	Property investment	\$ 46,623	8	0.34%			
Wal-Mart Real Est Bus Trust	Retail	\$ 44,977	9	0.32%			
SE-E Inc.	Property investment	\$ 43,770	10	0.32%			
Subtotal - Principal Property Tax Payers		818,555		5.91%	1,526,897		5.24%
All Other City Taxpayers		13,066,291		94.09%	27,584,843		94.76%
Total City Taxpayers		<u>\$ 13,884,846</u>		<u>100.00%</u>	<u>\$ 29,111,740</u>		<u>100.00%</u>

Assessed Taxable Value does not include exemptions for real property

Statistical Debt Capacity

CITY OF VANCOUVER
RATIO OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(Amounts expressed in thousands, except per capita)

Table 11

GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES									
Fiscal Year	General Obligation Debt	Gov't and Bank Loans	Leases	Special Assessment Debt	General Obligation Debt	Gov't and Bank Loans	Leases	Revenue Bonds Water/ Sewer	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)	Total General Obligation Debt	% of Actual Property Value (b)	General Obligation Debt per Capita (a)
2013	\$ 93,479	\$ 6,933		\$ 6	\$ 12,346	\$ 342		\$ 49,990	\$ 163,096	2.30%	\$ 991	\$ 105,825	0.80%	\$ 643
2014	89,421	6,817	-	312	11,453	258	-	42,702	150,963	2.06%	902	100,874	0.70%	603
2015	86,887	4,700	-	170	10,261	173	-	32,635	134,826	1.73%	791	97,148	0.61%	570
2016	73,924	4,365	-	110	9,025	87	-	22,128	109,639	1.31%	632	82,949	0.49%	478
2017	71,847	4,346	-	75	8,064	-	-	15,003	99,335	1.20%	563	79,911	0.43%	453
2018	64,253	3,945	-	75	7,065	-	-	7,490	82,828	0.84%	451	71,318	0.34%	389
2019	58,598	3,540	11,352	15	6,120	-	-	3,840	83,465	0.73%	389	64,718	0.27%	349
2020	51,859	5,898	11,120	5	5,160	-	-	-	74,042	0.59%	333	57,019	0.23%	301
2021	45,671	4,720	10,776	-	3,250	-	-	-	64,417	0.47%	278	48,921	0.18%	252
2022	40,233	4,187	2,486	-	2,465	-	1,239	-	50,610	0.40%	256	42,698	0.15%	216

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(a) See Table 15 for personal income and population data. There ratios were calculated using personal income and population for the calendar year.

(b) See Table 10 for taxable property value data.

(c) The City entered into a lease agreement for leasing the new police headquarters building with a purchase option after three years of \$10.46 million. Inclusion of the lease has no material effect on the Percentage of Personal Income or Per Capita calculations. The City is not required to exercise the purchase option.

CITY OF VANCOUVER
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022

Table 12

Property Valuation (2022 Assessment for 2023 Revenue)					<u>\$ 34,213,957,000</u>
Governmental Activities Direct Debt:					
Outstanding direct debt					
General obligation debt				\$ 40,232,570	
Government and bank loans				4,187,380	
Leases				<u>2,486,370</u>	
Total outstanding direct debt					\$ 46,906,320
Overlapping Debt:					
	Direct Debt	Less		Estimated	Estimated
	Outstanding	Reserves	Net	Percentage	Share of
				Estimated	Estimated
				Applicable	Overlapping
				to City (a)	Debt
Debt repaid with property taxes					
Vancouver School District #37					
General obligation debt	\$ 371,260,000	\$ (3,595,391)	\$ 367,664,609	49.14%	\$ 180,670,389
Evergreen School District #114					
General obligation debt	582,515,000	(26,823,559)	555,691,441	71.04%	394,763,200
Camas School District #117					
General obligation debt	130,783,888	(3,237,430)	127,546,458	3.70%	4,719,219
Battle Ground School District #119					
General obligation debt	7,765,000	(957,956)	6,807,044	1.36%	92,576
Port of Vancouver					
General obligation debt	46,740,000	-	46,740,000	100.00%	46,740,000
Vancouver Library					
General obligation debt	16,360,000	(3,275)	16,356,725	100.00%	16,356,725
Clark County					
General obligation debt	58,900,707	-	58,900,707	35.51%	20,915,641
Subtotal- overlapping debt repaid with property taxes					<u>664,257,750</u>
Total governmental direct and overlapping debt					<u>\$ 711,164,070</u>
Ratio of direct and overlapping debt repaid with property taxes to property valuation					Per thousand \$ 0.02
Ratio of direct debt to population (2022: 197,600)					Per capita
Governmental activities direct debt					\$ 237.38
Overlapping and direct debt					\$ 3,599.01
Estimated actual valuation					\$ 173,147.55

(a) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Vancouver. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

CITY OF VANCOUVER
LEGAL DEBT MARGIN INFORMATION
 Last Ten Fiscal Years
 (Amounts expressed in thousands)

Table 13

Legal General Debt Margin Calculation for Fiscal Year 2022

Assessed value (2021 Assessment for 2022 Revenue)	\$ 29,111,740
Debt Limit with vote (1% of assessed value)	291,117
Debt Limit without vote (1 1/2% of assessed value)	436,676
Debt applicable to without vote limit:	
General obligation bonds	\$ 40,233
Total net debt applicable to limit without vote	<u>40,233</u>
Total general purpose legal debt margin	\$ 687,561

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>* 2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General purpose debt limit	\$ 330,557	\$ 358,155	\$ 395,304	\$ 420,581	\$ 466,068	\$ 524,490	\$ 591,475	\$ 630,117	\$ 664,123	\$ 727,794
Total net debt applicable to limit	105,825	85,929	86,887	79,284	71,847	64,253	58,598	51,859	45,671	40,233
Legal debt margin	<u>\$ 224,732</u>	<u>\$ 272,226</u>	<u>\$ 308,417</u>	<u>\$ 341,297</u>	<u>\$ 394,221</u>	<u>\$ 460,237</u>	<u>\$ 532,877</u>	<u>\$ 578,258</u>	<u>\$ 618,452</u>	<u>\$ 687,561</u>
Total net debt applicable to the limit as a percentge of debt limit	32.01%	23.99%	21.98%	18.85%	15.42%	12.25%	9.91%	8.23%	6.88%	5.53%

* For 2019, the year is restated from previous year for corrections to supporting data.

Note: The City's 2 1/2% general purpose assessed property value legal limit of indebtedness is allocated between debt outstanding without a vote and debt outstanding with a vote of the taxpayer. General purpose debt outstanding 1 1/2% to without a vote and 1% to with a vote.

Note: The City reserves 10% of its non voted debt capacity as a contingency against unforeseen emergencies requiring the issuance of debt.

CITY OF VANCOUVER
PLEDGED - REVENUE COVERAGE
Last Ten Fiscal Years
(Amounts expressed in thousands)

Table 14

Fiscal Year	Water/Sewer Revenue Bonds						Solid Waste Revenue Bonds						Special Assessment Debt			
	Gross Revenue (1)	Expense (2)	Net Revenue Available for Debt Service	Debt Service		Coverage (3)	Gross Revenue	Expense	Net Revenue Available for Debt Service	Debt Service		Coverage	Special Assessment Collections	Debt Service		
				Principal	Interest					Principal	Interest			Principal	Interest	Coverage
2013	77,389	42,166	35,223	11,150	2,812	2.52	2,610	2,122	488	-	-	N/A	4.00	3.00	0.63	1.10
2014	81,415	42,146	39,269	9,095	2,331	3.44	2,334	2,065	269	-	-	N/A	54	6.33	0.25	8.20
2015	90,198	50,093	40,105	9,550	1,868	3.51	1,826	2,268	(442)	-	-	N/A	118	141.83	11.25	0.77
2016	90,951	51,253	39,698	10,045	1,369	3.48	1,903	2,241	(338)	-	-	N/A	37	60.00	7.33	0.55
2017	99,271	56,710	42,561	6,720	932	5.56	2,116	2,513	(397)	-	-	N/A	37	35.00	4.93	0.93
2018	106,371	57,044	49,327	7,090	564	6.44	1,873	2,769	(896)	-	-	N/A	32	40.00	3.38	0.74
2019	114,603	61,519	53,084	3,650	283	13.50	1,701	2,220	(519)	-	-	N/A	23	20.00	1.58	1.05
2020	117,024	64,562	52,462	3,840	96	13.33	1,980	1,897	83	-	-	N/A	16	10.00	0.68	1.50
2021	147,830	88,513	59,317	-	-	N/A	2,164	1,732	432	-	-	N/A	11	5.00	0.23	2.05
2022	152,281	100,926	51,355	-	-	N/A	2,703	2,241	462	-	-	N/A	3	-	-	-

(1) Gross Revenue is defined as all operating and nonoperating revenues of the Water/Sewer Enterprise Fund. This does not include systems development revenue.

(2) Expense is defined as requiring a payment to an outside entity but not including debt service interest and fiscal charges. Therefore, expense does not include depreciation, amortization, or tax payments made to the City of Vancouver.

(3) Debt coverage is calculated by using current net revenues available for debt service divided by current debt service requirements. Water/Sewer Bond covenants require a minimum coverage of 1.3%.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Statistical Demographic and Economic Information

CITY OF VANCOUVER
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Table 15

Fiscal Year	Population	Personal Income ¹ (thousands of dollars)	Per Capita Income ²	School Enrollment	Local Unemployment Rate %
2013	164,500	7,090,444	43,103	49,138	10.1
2014	167,400	7,320,067	43,728	49,146	8.0
2015	170,400	7,803,298	45,794	49,842	6.6
2016	173,500	8,401,217	48,422	49,587	6.4
2017	176,400	8,304,559	47,078	49,887	5.3
2018	183,500	9,863,309	53,751	49,360	5.0
2019	185,300	9,899,282	53,423	48,817	4.0
2020	189,700	10,699,270	56,401	45,648	9.2
2021	194,400	11,248,567	57,863	44,822	5.2
2022	197,600	12,533,175	63,427	44,632	4.5

¹ Personal income is calculated by multiplying population by per capita income.

² Per capita income listed for Clark County, WA. Data obtained from the Washington State Office of Financial Management, 2022 Population trends report.

CITY OF VANCOUVER
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Table 16

<u>Employer</u>	<u>Type of Business</u>	2013			2022		
		Employees	Rank	Percent of Total City Employment	Employees	Rank	Percent of Total City Employment
Peace Heath	Healthcare				16,500	1	17.88%
Vancouver Public Schools	Public Education	2,225	3	3.05%	2,957	2	3.20%
Evergreen Public Schools	Public Education	2,445	2	3.35%	2,203	3	2.39%
Vancouver Clinic	Healthcare	961	8	1.32%	1,452	4	1.57%
Battle Ground Public Schools	Public Education				1,380	5	1.50%
SEH America Inc.	Microelectronic Mfg.	703	10	0.96%	867	6	0.94%
Dick Hannah Dealerships	Retail				659	7	0.71%
Columbia Machine Inc.	Manufacturing				535	8	0.58%
Tapani Inc.	Construction				500	9	0.54%
Clark Co. Public Transportation Benefit	Transportation				431	10	0.47%
Southwest Washington Medical Center	Healthcare	2,505	1	3.43%			
Evergreen School District	Public Education						
Clark County	Government	1,520	5	2.08%			
City of Vancouver	Government	967	7	1.33%			
Fred Meyer	Retail	1,533	4	2.10%			
Clark College	Community College	1,016	6	1.39%			
BNSF Railway Railroad	Transportation	825	9	1.13%			
Kaiser Permanente NW	Healthcare						
Subtotal of Ten Largest Employers		14,700		20.15%	27,484		29.79%
All Other Employers		58,252		79.85%	64,784		70.21%
Total Vancouver Employment		<u>72,952</u>		<u>100.00%</u>	<u>92,268</u>		<u>100.00%</u>

Statistical Operating Information

CITY OF VANCOUVER
FULL-TIME EQUIVALENT CITY GOVERNMENT POSITIONS BY FUNCTION
Last Ten Fiscal Years

Table 17

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government										
City Council	7	7	7	7	7	7	7	7	7	7
City Management	15	15	13	13	14	15	19	19	22	32
Support Services	84	82	85	91	92	99	101	103	107	112
Community Services	5	4	4	3	5	5	5	5	5	5
Media & Technology Services	24	25	28	28	37	37	39	40	38	40
Equipment Services	22	22	22	27	26	26	26	26	24	24
Public Safety										
Police	213	213	221	245	261	278	291	297	298	294
Fire	198	198	206	206	211	211	217	230	230	232
Judicial	26	29	29	29	32	32	32	32	33	33
Physical Environment	1	1	0	0	0	0	0	0	0	0
Transportation	41	41	47	49	50	55	59	60	59	59
Economic Environment	53	54	58	58	66	66	73	75	74	79
Culture and Recreation	41	41	39	39	40	39	41	41	44	45
Water/Sewer	219	219	217	217	224	224	241	242	244	250
Parking	8	8	9	9	10	10	11	11	11	11
Airpark	1	1	1	1	1	1	2	2	2	2
Sanitation	5	5	5	5	5	5	6	6	6	6
Tennis Center	4	4	4	4	4	4	-	-	-	-
Fire Shop	0	0	0	0	-	-	-	-	-	-
Total	<u>967</u>	<u>969</u>	<u>995</u>	<u>1,031</u>	<u>1,085</u>	<u>1,114</u>	<u>1,170</u>	<u>1,196</u>	<u>1,204</u>	<u>1,231</u>

Note: Information presented has been revised to reflect approved, full-time-equivalent positions as of December 31 of the year shown.

CITY OF VANCOUVER
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Table 18

Governmental Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Change (a)
General Government / Other											
Total FTE of general governmental employees	157	155	159	169	181	189	197	203	203	220	8%
Number of unions represented	10	10	10	10	10	10	10	10	10	10	0%
Number of external job applications processed	4,220	6,454	7,341	10,552	10,892	9,622	10,664	7,124	8,607	6,707	-22%
Number of desktop & laptop computer systems in use	1,046	1,095	1,313	1,367	1,490	1,517	1,563	1,636	1,603	1,611	0%
Number of calls for service to help desk	13,297	13,911	13,351	14,774	16,791	18,338	23,389	23,218	21,402	20,159	-6%
Number of CVTV programs produced per year	450	444	425	460	433	396	337	304	350	343	-2%
Public Safety											
Police											
Number of commissioned FTEs	187	186	187	196	202	206	218	211	209	216	3%
Number of filled support FTEs (includes temps)	23	22	23	43	52	53	52	52	50	48.5	-3%
				101,649							
Number of calls for service (excludes officer initiated)	98,458	94,113	90,134		112,652	115,710	124,264	131,374	155,158	154,844	0%
Number of officer-initiated responses	36,595	36,641	47,417	43,516	40,059	43,221	51,980	37,313	31,882	29,507	-7%
Number of traffic stops	17,187	17,138	14,809	13,427	14,142	13,807	18,092	9,875	8,371	7,308	-13%
NIBRS - Crimes against Persons/Property per 1,000 residents	63.2	57.3	64.5	65.5	64.4	70.7	75.7	76.0	108.0	123.2	14%
NIBRS - Crimes against Society per 1,000 residents	3.5	3.6	3.7	3.5	2.9	2.9	3.7	2.8	2.3	2.3	0%
Number of impaired driving arrests	396	382	344	324	403	492	497	437	396	395	0%
Number of false alarms	1,251	1,531	1,731	1,775	1,820	1,907	1,911	1,825	1,899	1,648	-13%
Fire											
Number of commissioned FTEs	189	188	188	188	188	188	188	188	190	245	29%
Number of filled non commissioned (support) FTEs	11	14	16	18	28	28	28	28	27	32.5	23%
Number of fire apparatus	21	22	22	27	26	26	26	26	26	26	0%
Number of EMS dedicated vehicles	0	0	2	2	2	2	2	2	2	2	0%
Number of fire specific responses	821	866	1,232	856	962	907	784	935	1,080	1,084	0%
Number of medical responses	16,261	16,631	17,945	15,543	16,740	17,347	17,450	17,024	19,549	21,638	11%
Transportation											
Lane miles of pavement under management	1,812	1,812	1,815	1,816	1,875	1,906	1,906	1,906	1,911	1,914	0%
Lane miles of streets swept	13,373	13,170	12,032	11,251	13,396	14,186	16,300	15,807	13,731	13,796	0%
Total filled FTEs (includes temps)*							55	59	59	59	0%
Culture and Recreation											
Total FTEs of employees	44	42	43	41	41	42	39	35	39	40	3%
Total acreage of managed city park space**	2,138	1,600	1,587	1,580	1,580	1,607	1,600	1,600	1,800	1,800	0%
Miles of trails	23	23	20	20	20	21	21	21	21	21	2%

(a) The change column compares the difference between the two most recent years.

* The City only began tracking this information starting in 2019 and will build out the table each year until a full 10 years of data is available.

** The City converted the total acreage calculation to GIS acres from Assessor acres in 2022. 2021 was restated from 1780 to 1760 to show no change in actual acres, just a new calculation method.

CITY OF VANCOUVER
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Table 18
Continued

<u>Business-type Function</u>	<u>2013</u>	<u>2014</u>	<u>2015</u> <u>Restated</u>	<u>2016</u> <u>Restated</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>Change</u>
Water											
Number of residential water connections*	66,231	66,858	71,907	73,110	73,507	70,563	71,110	72,105	77,239	73,718	-5%
Number of non-residential water connections*	3,514	3,537	3,688	3,762	3,813	3,917	3,976	4,032	4,326	4,084	-6%
Number of new water connections	896	650	1,382	1,203	397	1,500	816	1,051	1,293	309	-76%
Daily average water consumption (gallons)	20,327,323	18,931,903	20,550,000	22,056,000	18,790,065	19,141,710	22,535,830	22,500,000	25,200,000	23,900,000	-5%
Sewer											
Number of total waste connections	56,836	57,520	58,588	59,448	59,678	60,656	64,876	61,614	66,429	63,252	-5%
Number of non-residential waste water connections	2,781	2,815	2,654	2,680	2,736	2,776	2,955	2,841	2,938	2,872	-2%
Number of new waste connections**	868	684	1,066	860	644	974	873	900	893	656	-27%
Daily average treated	20,180,000	20,300,000	20,550,000	22,056,000	21,987,000	20,370,000	19,231,000	18,836,000	19,630,000	20,510,000	4%
Surface Water											
Number of drain basins cleaned	14,012	9,814	10,942	10,112	10,122	14,152	12,592	10,903	11,405	9,488	-17%
Miles of drainage mains cleaned	36.1	11.7	6.7	9.2	6.1	16.0	23.0	13.8	11.0	10.6	-4%
Parking											
Number of parking violations issued per year	24,133	20,608	24,529	25,040	31,369	34,155	31,057	11,442	14,258	16,065	13%
Building Inspection											
Total code violation cases initiated	1,009	1,184	1,308	1,256	1,329	1,202	1,273	1,068	907	1,096	21%
Number of new residential units	922	819	1,087	716	1,546	1,191	1,374	1,569	2,535	1,869	-26%
Number of total building permits issued	8,464	8,133	9,679	9,642	9,440	10,468	10,322	10,068	11,629	11,371	-2%
Number of total building inspections conducted	32,110	30,154	37,487	42,511	35,653	45,271	43,341	44,832	52,880	48,111	-9%

*2021 totals for "Number of residential water connections" and "Number of non-residential water connections" corrected to match calculation method of prior years and 2022.

**More accurate method of calculation used in 2022, with 2017 2021 restated using the same new method of calculation.

CITY OF VANCOUVER
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Table 19

Governmental Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Change
General Government / Other											
Total city light vehicle fleet (no marked patrol)	329	320	320	332	351	446	303	412	345	278	-19%
Square ft. of administrative space	252,550	166,877	266,840	167,953	167,953	167,953	167,953	212,766	212,766	212,766	0%
Square ft. of warehouse space	84,116	43,505	39,881	23,148	23,148	23,148	23,148	23,148	23,148	23,524	2%
Public Safety											
Police											
Number of marked police patrol	87	74	74	79	75	97	127	101	81	75	-7%
Number of total police facilities	4	3	4	4	4	4	4	5	5	5	0%
Fire											
Number of total response vehicles	21	22	22	34	34	34	34	34	34	35	3%
Number of stations	10	10	10	10	10	10	10	10	10	11	10%
Number of total fire fleet vehicles (includes apparatus)	68	69	69	68	69	69	69	69	72	73	1%
Transportation											
Number of signaled intersections	237	241	241	258	258	261	261	261	261	251	-4%
Number of bridges	10	10	10	10	11	11	11	11	12	12	0%
Miles of roads	581.0	581.0	582.0	582.0	604.0	605.0	610.0	610.0	610.0	611.0	0%
Culture and Recreation											
Parks											
Number of neighborhood parks	76	76	76	76	77	78	79	79	91	91	0%
Number of community parks	13	15	14	14	14	14	14	14	16	16	0%
Indoor Recreation Facilities	3	3	3	3	3	3	3	3	3	3	0%
Museums	1	1	1	1	1	1	1	1	1	1	0%
Business-Type Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Change
Water											
Total miles of water mains	1,009	1,012	1,020	1,031	1,041	1,054	1,063	1,071	1,088	1,093	0%
Miles of supply and transmission mains 12" and larger	194	194	195	195	200	201	203	203	205	205.2	0%
Hydrants in use	7,512	7,564	7,633	7,738	7,831	7,953	8,054	8,111	8,263	8,308	1%
Storage (mg)	25	25	25	24	24	24	23	23	23.5	23.9	2%
Sewer											
Miles of sewage mains	735	741	753	755	767	773	774	775	785	785.2	0%
Treatment Plants	2	2	2	2	2	2	2	2	2	2	0%
Capacity (mgd)	37.4	37.4	37.4	44.4	44.4	44.4	44.4	44.4	44.4	44.4	0%
Parking											
Lots	7	7	7	7	7	7	9	9	9	9	0%
Garages	2	2	2	2	2	2	2	2	1	1	0%
Meters, on and off street	1,595	1,595	1,595	1,403	1,115	748	720	676	620	513	-17%
Pay Stations	30	30	32	62	103	188	190	194	195	190	-3%
Airpark											
Hangars	150	150	150	150	150	150	150	150	150	150	0%
Tie-Downs	12	12	12	12	12	12	12	12	12	12	0%
Land (acres)	62	62	62	62	62	62	62	62	62	62	0%
Tennis Center											
Indoor Courts	9	9	9	9	9	9	9	9	9	9	0%
Outdoor Courts	4	4	4	4	4	4	4	4	4	4	0%
Racquetball Courts	2	2	2	2	2	2	2	2	2	2	0%
Square feet of recreation centers in use (non-pool)	209,545	209,545	209,545	209,545	209,545	209,545	209,545	207,945	207,945	207,945	0%

Note 2020 and 2021: Square feet of recreation centers in use (racquetball courts, a combined 1600 sqft) were closed and used for storage space. The City still retains the courts, but they were not in use in 2020 and 2021.

Note: Asset information for areas are not shown are under evaluation

Expenditures of Federal Awards

City of Vancouver
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		
CDBG - Entitlement Grants Cluster								
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Community Development Block Grants/Entitlement Grants	14.218		-	997,754	997,754	548,923	3, 5
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	COVID 19 - Community Development Block Grants/Entitlement Grants	14.218		-	766,138	766,138	662,438	3, 5
Total CDBG - Entitlement Grants Cluster:				-	1,763,892	1,763,892	1,211,361	
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF (via WA State Department of Commerce)	COVID 19 - Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii	14.228	20-6221C-170	251,999	-	251,999	245,293	3, 5
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	Home Investment Partnerships Program	14.239		-	483,730	483,730	432,587	3, 5
ASSISTANT SECRETARY FOR COMMUNITY PLANNING AND DEVELOPMENT, HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF	COVID 19 - Home Investment Partnerships Program	14.239		-	11,056	11,056	-	
Total ALN 14.239:				-	494,786	494,786	432,587	

The accompanying notes are an integral part of this schedule.

City of Vancouver
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		
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via City of Seattle Police Department)	Missing Children's Assistance	16.543	22-00638	50,000	-	50,000	-	
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via Clark County)	Violence Against Women Formula Grants	16.588	F21-31103-042	7,368	-	7,368	-	
COMMUNITY ORIENTED POLICING SERVICE, JUSTICE, DEPARTMENT OF	Public Safety Partnership and Community Policing Grants	16.710		-	314,490	314,490	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF	Edward Byrne Memorial Justice Assistance Grant Program	16.738		-	57,347	57,347	-	
OFFICE OF JUSTICE PROGRAMS, JUSTICE, DEPARTMENT OF (via Clark County)	Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX- 0254	6,368	-	6,368	-	
Total ALN 16.738:				6,368	57,347	63,715	-	
FEDERAL AVIATION ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		-	320,923	320,923	-	

The accompanying notes are an integral part of this schedule.

City of Vancouver
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		
FEDERAL AVIATION ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF	COVID 19 - Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106		-	75,000	75,000	-	
			Total ALN 20.106:	-	395,923	395,923	-	
Highway Planning and Construction Cluster								
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	CM-1350(028)	296	-	296	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-4242(025)	271,059	-	271,059	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	HSIP-4280(022)	11,584	-	11,584	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	STPUL-4266 (002)	6,636,308	-	6,636,308	-	
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	STPUL-4254 (006)	198,549	-	198,549	-	

The accompanying notes are an integral part of this schedule.

City of Vancouver
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		
FEDERAL HIGHWAY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA State Department of Transportation)	Highway Planning and Construction	20.205	STPUL-4421 (004)	5,505	-	5,505	-	
Total Highway Planning and Construction Cluster:				7,123,301	-	7,123,301	-	
Highway Safety Cluster								
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via WA Association of Sheriff's & Police Chiefs)	State and Community Highway Safety	20.600	WASPC Traffic Safety Equip.	2,894	-	2,894	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via State of Washington Traffic Safety Commission)	State and Community Highway Safety	20.600	2022-HVE-4448	13,288	-	13,288	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via State of Washington Traffic Safety Commission)	State and Community Highway Safety	20.600	2023-Sub-Grant -4748-Region 6	4,314	-	4,314	-	
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via State of Washington Traffic Safety Commission)	State and Community Highway Safety	20.600	2023-Sub-Grant -4748-Region 6 LEL	541	-	541	-	
Total Highway Safety Cluster:				21,037	-	21,037	-	

The accompanying notes are an integral part of this schedule.

City of Vancouver
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		
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, TRANSPORTATION, DEPARTMENT OF (via State of Washington Traffic Safety Commission)	Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	2022-HVE-4448	2,556	-	2,556	-	
DEPARTMENTAL OFFICES, TREASURY, DEPARTMENT OF THE	COVID 19 - CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS	21.027		-	64,401	64,401	-	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY	Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements	66.818		-	175,472	175,472	-	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY (via WA State Department of Ecology)	Geographic Programs - Columbia River Basin Restoration (CRBR) Program	66.962	C2100029	43,097	-	43,097	-	
ENVIRONMENTAL PROTECTION AGENCY, ENVIRONMENTAL PROTECTION AGENCY	Geographic Programs - Columbia River Basin Restoration (CRBR) Program	66.962		-	107,192	107,192	-	
Total ALN 66.962:				43,097	107,192	150,289	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF	Assistance to Firefighters Grant	97.044		-	680,982	680,982	-	

The accompanying notes are an integral part of this schedule.

City of Vancouver
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		
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Clark Regional Emergency Services)	Homeland Security Grant Program	97.067	EMW-2020-SS- 00080	31,899	-	31,899	-	
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Clark Regional Emergency Services)	Homeland Security Grant Program	97.067	DHS-18-GPD- 067-00-01	28,047	-	28,047	-	6
FEDERAL EMERGENCY MANAGEMENT AGENCY, HOMELAND SECURITY, DEPARTMENT OF (via Clark Regional Emergency Services)	Homeland Security Grant Program	97.067	EMW-2019-SS- 00044-S01	77,208	-	77,208	-	
Total ALN 97.067:				137,154	-	137,154	-	
Total Federal Awards Expended:				7,642,880	4,054,485	11,697,365	1,889,241	

Notes to the Schedule of Expenditures of Federal Awards

FOR THE YEAR ENDED DECEMBER 31, 2022

1) Basis of Accounting

This schedule is prepared on the same basis of accounting as the City's financial statements. The City of Vancouver uses the accrual basis of accounting.

2) Indirect Cost Rate

The City does not use the 10% de minimis cost rate as covered in 2 CFR §200.414, Indirect (F&A) costs.

3) Program Income

The City has a revolving loan program for low income housing. Under this federal program, repayments to the City are considered program revenue (income) and loans of such funds to eligible recipients are considered federal expenditures.

4) Program Costs

The amounts shown as current year expenditures represent only general award portions of the program costs. Entire program costs, including the City's portion may be more than shown.

5) Subrecipient Reporting

Disbursements of funds to subrecipients are reported on the SEFA on the same basis of accounting as the City's financial statements.

6) Noncash Awards - Supplier

The City of Vancouver received supplies that were purchased with Federal Homeland Security funds by the State of Oregon. The amount reported on the SEFA is the value of the property on the date it was received by the City of Vancouver and priced by the State of Oregon.