

# ANNUAL REPORT CERTIFICATION

City of South Bend  
(Official Name of Government)

0554  
MCAG No.

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

For the Fiscal Year Ended 12/31/2024

## GOVERNMENT INFORMATION:

Official Mailing Address PO Box 9  
South Bend, WA 98586

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Official Phone Number (360) 875-5571

## AUDIT CONTACT or PREPARER INFORMATION and CERTIFICATION:

Audit Contact or Preparer Name and Title David Johnson Clerk/Treasurer

Contact Phone Number 360-875-5571

Contact E-mail Address david.johnson@southbend-wa.gov

I certify 28th day of May, 2025, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting Systems Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Signatures

David Johnson (david.johnson@southbend-wa.gov)

**City of South Bend**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2024**

		<b>Total for All Funds (Memo Only)</b>	<b>001 Current Expense</b>	<b>101 Street Fund</b>	<b>106 Capital Fund-Docks</b>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	2,312,195	332,491	-	88,942
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	1,079,323	1,053,205	-	26,118
320	Licenses and Permits	104,187	104,187	-	-
330	Intergovernmental Revenues	885,113	313,468	280,083	-
340	Charges for Goods and Services	2,328,352	64,547	-	-
350	Fines and Penalties	62,453	62,453	-	-
360	Miscellaneous Revenues	66,346	34,523	-	11,823
Total Revenues:		<u>4,525,774</u>	<u>1,632,383</u>	<u>280,083</u>	<u>37,941</u>
<b>Expenditures</b>					
510	General Government	383,440	383,440	-	-
520	Public Safety	938,426	938,426	-	-
530	Utilities	1,508,861	-	-	-
540	Transportation	287,541	-	270,759	16,782
550	Natural/Economic Environment	122,662	22,520	-	-
560	Social Services	1,603	1,603	-	-
570	Culture and Recreation	81,085	81,085	-	-
Total Expenditures:		<u>3,323,618</u>	<u>1,427,074</u>	<u>270,759</u>	<u>16,782</u>
Excess (Deficiency) Revenues over Expenditures:		<u>1,202,156</u>	<u>205,309</u>	<u>9,324</u>	<u>21,159</u>
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	214,446	98,371	116,075	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	2,200	-	-	-
Total Other Increases in Fund Resources:		<u>216,646</u>	<u>98,371</u>	<u>116,075</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	561,524	202,444	125,398	-
591-593, 599	Debt Service	704,237	-	-	-
597	Transfers-Out	214,446	214,446	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	3,108	-	-	-
Total Other Decreases in Fund Resources:		<u>1,483,315</u>	<u>416,890</u>	<u>125,398</u>	<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>(64,513)</u></b>	<b><u>(113,210)</u></b>	<b><u>1</u></b>	<b><u>21,159</u></b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	239,284	-	-	-
50841	Committed	-	-	-	-
50851	Assigned	1,789,117	-	-	110,101
50891	Unassigned	219,286	219,286	-	-
<b>Total Ending Cash and Investments</b>		<b><u>2,247,687</u></b>	<b><u>219,286</u></b>	<b><u>-</u></b>	<b><u>110,101</u></b>

The accompanying notes are an integral part of this statement.

**City of South Bend**  
**Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2024**

		<u>401 Water Operating Fund</u>	<u>404 Sewer Operating Fund</u>	<u>405 Mosquito Control</u>	<u>701 HUD Fund</u>
<b>Beginning Cash and Investments</b>					
308	Beginning Cash and Investments	1,274,060	340,463	36,955	239,284
388 / 588	Net Adjustments	-	-	-	-
<b>Revenues</b>					
310	Taxes	-	-	-	-
320	Licenses and Permits	-	-	-	-
330	Intergovernmental Revenues	152,396	51,722	87,444	-
340	Charges for Goods and Services	919,936	1,343,869	-	-
350	Fines and Penalties	-	-	-	-
360	Miscellaneous Revenues	15,200	4,800	-	-
Total Revenues:		<u>1,087,532</u>	<u>1,400,391</u>	<u>87,444</u>	<u>-</u>
<b>Expenditures</b>					
510	General Government	-	-	-	-
520	Public Safety	-	-	-	-
530	Utilities	802,878	705,983	-	-
540	Transportation	-	-	-	-
550	Natural/Economic Environment	-	-	100,142	-
560	Social Services	-	-	-	-
570	Culture and Recreation	-	-	-	-
Total Expenditures:		<u>802,878</u>	<u>705,983</u>	<u>100,142</u>	<u>-</u>
Excess (Deficiency) Revenues over Expenditures:		<u>284,654</u>	<u>694,408</u>	<u>(12,698)</u>	<u>-</u>
<b>Other Increases in Fund Resources</b>					
391-393, 596	Debt Proceeds	-	-	-	-
397	Transfers-In	-	-	-	-
385	Special or Extraordinary Items	-	-	-	-
381, 382, 389, 395, 398	Other Resources	2,200	-	-	-
Total Other Increases in Fund Resources:		<u>2,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other Decreases in Fund Resources</b>					
594-595	Capital Expenditures	225,634	8,048	-	-
591-593, 599	Debt Service	250,927	453,310	-	-
597	Transfers-Out	-	-	-	-
585	Special or Extraordinary Items	-	-	-	-
581, 582, 589	Other Uses	3,108	-	-	-
Total Other Decreases in Fund Resources:		<u>479,669</u>	<u>461,358</u>	<u>-</u>	<u>-</u>
<b>Increase (Decrease) in Cash and Investments:</b>		<b><u>(192,815)</u></b>	<b><u>233,050</u></b>	<b><u>(12,698)</u></b>	<b><u>-</u></b>
<b>Ending Cash and Investments</b>					
50821	Nonspendable	-	-	-	-
50831	Restricted	-	-	-	239,284
50841	Committed	-	-	-	-
50851	Assigned	1,081,246	573,513	24,257	-
50891	Unassigned	-	-	-	-
<b>Total Ending Cash and Investments</b>		<b><u>1,081,246</u></b>	<b><u>573,513</u></b>	<b><u>24,257</u></b>	<b><u>239,284</u></b>

The accompanying notes are an integral part of this statement.

**City of South Bend**  
**Fiduciary Fund Resources and Uses Arising from Cash Transactions**  
**For the Year Ended December 31, 2024**

		<b>Total for All Funds (Memo Only)</b>	<b>Pension/OPEB Trust Fund</b>	<b>Private-Purpose Trust</b>	<b>Custodial</b>
308	Beginning Cash and Investments	20,460	10,321	7,104	3,035
388 & 588	Net Adjustments	1,317	-	-	1,317
310-390	Additions	169,820	10,375	500	158,945
510-590	Deductions	153,199	-	340	152,859
	Net Increase (Decrease) in Cash and Investments:	16,621	10,375	160	6,086
508	Ending Cash and Investments	38,399	20,696	7,264	10,439

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

## City of South Bend

### NOTES TO FINANCIAL STATEMENTS January 1, 2024 through December 31, 2024

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

The City of South Bend was incorporated on September 9, 1890 and operates under the law of the State of Washington applicable to a Mayor/Council form of government. The city is a general-purpose government and provides general administrative services, public safety, a volunteer fire department, street improvement, parks and recreation, & water and sewer services.

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

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

#### **A. Fund Accounting**

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

#### **GOVERNMENTAL FUND TYPES:**

General Fund

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

#### Special Revenue Funds

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

#### Debt Service Funds

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

#### Capital Projects Funds

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

#### Permanent Funds

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

### **PROPRIETARY FUND TYPES:**

#### Enterprise Funds

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

### **FIDUCIARY FUND TYPES:**

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

#### Pension (and Other Employee Benefit) Trust Funds

These funds are used to report fiduciary activities for pension and OPEB plans administered through trust.

#### Investment Trust Funds

These funds are used to report fiduciary activities from the external portion of investment pools and individual investment accounts that are held in trust.

#### Private-Purpose Trust Funds

These funds report all trust arrangements under which principal and income benefit individuals, private organizations or other governments.

#### Custodial Funds

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

### **B. Basis of Accounting and Measurement Focus**

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

In accordance with state law, the City also recognizes expenditures paid during twenty days after the close of the fiscal year for claims incurred during the previous period.

### **C. Deposits and Investments (See Note 2)**

It is the City of South Bend's policy to invest all temporary cash surpluses. The amount is included in the net cash and investments shown on the statement of fund resources and uses arising from cash transactions. The interest on these investments – Local Government Investment Pool ONLY – is posted to the Current Expense Fund.

### **D. Capital Assets**

Capital assets are assets with an initial individual cost of more than \$2,500 and an estimated useful life in excess of 5 years. Capital assets and inventory are recorded as capital expenditures when purchased.

### **E. Compensated Absences**

Vacation leave may be accumulated up to 25 days (200 hours) and is payable in full upon separation from the City. Additionally, if employees have reached the 200-hour maximum, additional vacation accumulation is paid to the employee monthly.

Sick pay, which may be accumulated up to 90 days (720 hours), is payable at a rate of ½ of the amount accumulated upon separation from the City. Additionally, if employees have reached the 720-hour maximum, additional sick time accumulation (up to 8 hours a month) is paid to the employee monthly. Payments are recognized as expenditures when paid.

**F. Long-Term Debt (See Note 4)**

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

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

Restrictions and commitments of Ending Cash and Investments consist of Street Fund Revenues, Hotel/Motel Tax Fund, Robert Bush Park Fund, Mary Rogers Park Fund and the Miscellaneous Fee Fund.

**NOTE 2 – DEPOSITS AND INVESTMENTS**

Investments are reported at original cost. Deposits and investments by type as of December 31,2024 are as follows:

<b>Type of Investment</b>	<b>Balance</b>
The Bank of the Pacific-Operating Account	\$474,313.96
The Bank of the Pacific-Municipal Court	17,150.50
The Bank of the Pacific-Police Reserves	714.42
US Bank – Investor Account	84,268.46
TVI Investments	1,623,825.31
Local Government Investment Pool	73,655.82
Total	\$2,273,928.47

It is the City of South Bend’s policy to invest all temporary cash surpluses. The interest on these investments accumulates in the Investor Account at US Bank and then are reinvested.

Investments in the State Local Government Investment Pool (LGIP)

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

## Custodial Credit Risk

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

### **NOTE 3 – PROPERTY TAXES**

The Pacific County Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Collections are distributed after the end of each month.

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

The City's regular tax levy for 2024 was \$1.495802 per \$1,000 of assessed valuation of \$183,388,539 for a total regular levy of \$274,313.

### **NOTE 4 – LONG TERM DEBT**

The accompanying Schedule of Long-Term Debt (09) provides more details of the outstanding debt and liabilities of the City of South Bend and summarizes the city's debt transactions for year ended December 31, 2024.

Debt service requirements for general obligation bonds, revenue bonds and other debt, including both principal and interest, are as follows:

	General Obligation Debt	Principal	Interest	Total Debt
2024	∅	506,026	198,212	704,238
2025	∅	467,613	198,822	666,435
2026	∅	472,895	191,262	664,157
2027	∅	478,286	183,594	661,880
2028-2032	∅	1,330,428	824,140	2,154,568
2033-2037	∅	1,171,290	697,626	1,868,915
2038-2042	∅	1,276,464	560,715	1,837,179
2043-2047	∅	1,379,158	410,800	1,789,958
2048-2049	∅	597,396	118,588	715,984
2050-2061	∅	1,980,856	274,385	2,255,241
<b>TOTAL</b>		<b>\$9,660,412</b>	<b>3,658,144</b>	<b>13,318,556</b>

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**NOTE 5 - PENSION PLAN**

Substantially all of the City of South Bend’s full-time employees and qualifying part-time employees participate in following statewide retirement systems administered by the Washington State Department of Retirement Systems (DRS), under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans Public Employees (PERS) and Law Enforcement and Fire Fighters (LEOFF).

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

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

Department of Retirement Systems  
 Communications Unit  
 P.O. Box 48380  
 Olympia, WA 98504-8380

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

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

On June 30, 2024 the City of South Bend proportionate share of the collective net pension liabilities, as reported on the Schedule 9 was as follows:

	<b>Employer Contributions</b>	<b>Allocation %</b>	<b>Liability (Asset)</b>
PERS 1	\$20738	0.003464%	\$79,074
PERS 2 and 3	\$44728	0.004544%	-\$186,244
LEOFF 1	Ø	0.003488%	-\$103,525
LEOFF 2	\$18196	0.007427%	-\$178,144

LEOFF Plan 1

The City of South Bend also participates in the LEOFF Plan 1. The LEOFF Plan 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. Starting on July 1, 2000, employers and employees have contributed zero percent. As of December 31, 2020, there was one *retired* LEOFF 1 individual drawing benefits consisting of a city-paid long-term care policy, reimbursement of the Medicare portion from their Social Security plus medical costs not reimbursed by health insurance (The City of South Bend pays health insurance premiums to Washington Counties Insurance Fund).

**LEOFF Plan 2**

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

**NOTE 6 – OTHER POSTEMPLOYMENT BENEFITS**

The LEOFF 1 Retiree Medical Plan is a closed, single-employer, defined-benefit OPEB plan administered by Pacific County as required by RCW 41.26. The plan pays for 100% of eligible retirees’ healthcare costs on a pay-as-you-go basis. As of December 31, 2024, the plan had 1 retiree member. As of December 31, 2024, the City of South Bend’s total OPEB liability was \$301,933 as calculated using the alternative measurement method. For the year ended December 31, 2024, the City of South Bend paid \$10,952

**NOTE 7 – BUDGET COMPLIANCE**

The City of South Bend adopts annual appropriated budgets for all funds. These budgets are adopted at the fund level current expense fund where the budget is adopted at the department level. The budget constitutes the legal authority for expenditures at that level. Annual appropriations for these funds lapse at the fiscal year end.

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

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

Fund	Final Appropriated Amount	Actual Expenditures	Variance
001 Current Expense	\$1,942,610	\$1,701,955	\$240,655

101 Street Fund	1,033,250	396,159	637,091
103 Library	60,939	60,939	0
106 Capital Fund-Docks	107,328	16,782	90,546
110 Hotel/Motel Tax Fund	117,465	81,067	36,398
401 Water Operating Fund	2,032,544	1,282,547	749,997
404 Sewer Operating Fund	1,329,197	1,167,341	161,856
405 Mosquito Fund	117,302	100,141	17,161
610 Robert Bush Park Fund	5,500	0	5,500
620 Mary Rogers Pioneer Park Trust Fund	5,500	340	5,160
630 Municipal Court	165,600	151,992	13,608
634 Miscellaneous Fee Fund	1,600	867	733
701 HUD	1000	0	1000
	<b>\$6,919,834</b>	<b>4,960,129</b>	<b>1,959,705</b>

Budgeted amounts are authorized to be transferred between departments within any fund and between object classes within departments; however, any revisions that alter the total expenditures of a fund, or that affect the number of authorized employee positions, salary ranges, hours or other conditions of employment must be approved by the City Council.

**NOTE 8 – Risk Management-AWC RMSA**

The City of South Bend is a member of the Association of Washington Cities Risk Management Service Agency (AWC RMSA). Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC RMSA was formed on January 1, 1989, when 32 municipalities in the State of Washington joined by signing an Interlocal Governmental Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. As of December 31, 2024, 110 entities participate in the AWC RMSA pool.

The AWC RMSA allows members to establish a program of joint insurance and provides risk management services to all members. All coverages, with the exception of pollution liability, are on an occurrence basis. The AWC RMSA provides all risk property, comprehensive crime, general liability, automobile liability, police liability, public officials' liability, employee fidelity and faithful performance, pollution liability, cyber liability, and equipment breakdown insurance coverage. Equipment breakdown is included with the property insurance carrier. Pollution and cyber liability coverages are stand-alone policies which the AWC RMSA procures for its members. The AWC RMSA allows members with airports to group purchase airport liability coverage, and members with drones to group purchase property and liability coverage.

Members pay an annual assessment to the AWC RMSA. The AWC RMSA is responsible for payment of all covered causes of loss against the jurisdiction above the stated retention. All members in the AWC RMSA have \$15 million in both per occurrence and aggregate liability limits. AWC RMSA is self-insured for its Self-Insured Retention (SIR) of \$500,000, per occurrence. \$9.5 million in excess liability coverage limits is provided through an excess liability policy purchased from National League of Cities Mutual Insurance Company (NLC MIC). The \$5 million in excess liability coverage limits above the first layer of excess coverage is purchased from Star Stone Specialty Insurance Company. Since AWC RMSA is a cooperative program, there is joint liability among the participating members. The property reinsurance coverage is purchased through NLC MIC and excess property coverage is purchased through a shared and layered program led by AIG Specialty Insurance Company and CHUBB. In 2024, AWC RMSA carried a retention of \$300,000, NLC MIC reinsures up to \$3 million, the shared and layered program led by AIG Specialty Insurance Company provides excess insurance up to \$50 million, and CHUBB provides the remaining limits up to a total of \$250 million. All commercial policies have been purchased through the pool's Broker of Record, Aon.

Members contract to remain in the AWC RMSA pool for a minimum of one year and must give a one-year notice before terminating participation. Even after termination, a member is still responsible for contributions to the Pool for any unresolved, unreported, and in-process claims for the period they were signatory to the Interlocal Governmental Agreement.

The AWC RMSA establishes a loss fund for both reported and unreported insured events, which includes estimates of both future payments of losses and related claim adjustment expenses.

In accordance with WAC 200.100.02023, the AWC RMSA is governed by a board of directors, which is comprised of elected officials of participating members.

#### **NOTE 9 – Risk Management-AWC Health & Welfare**

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

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

participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2024, 268 cities/towns/non-city entities participate and have enrollment in the AWC Trust HCP.

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

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

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

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2024, the AWC Trust HCP purchased medical stop loss insurance for Regence/Asuris and Kaiser plans at an Individual Stop Loss (ISL) of \$2 million through United States Fire Insurance Company. The aggregate policy is for 200% of expected medical claims.

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

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and

two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns. The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

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

**NOTE 10 – Leases**

The City of South Bend has a 60-month lease agreement with Pitney Bowes for an USPS postage machine. The lease was signed on 2/17/2022 and expires on 2/17/27. The total amount paid for leases in the current reporting period and future lease payments for each of the three subsequent years left on the lease are listed.

2024	\$565.35
2025	\$942.45
2026	\$753.96
2027	\$188.49
Total	\$2,450.25

**NOTE 11 – OTHER DISCLOSURES**

- The City of South Bend and the City of Raymond jointly accepted an approximately \$30,000,000 funding package from USDA Rural Development for a new Regional Wastewater Treatment Plant (RWWTP). The funding package was 40% grant and 60% loan. The City of South Bend is responsible for 35.62% of the total cost of the project. The lead city is Raymond. The project went out for bid in 2010. The groundbreaking was March 26, 2011. Even though the City of Raymond is reporting the full amount of debt on their financial statements each year the City of South Bend’s portion of the debt is reflected in Note 6 – Debt Service and it is included on Schedule 9.

- The City of South Bend owns and operates several wet wells that are associated with the city's water and sewer system. These wells will never be decommissioned as long as the city continues to operate their water and sewer systems.

# City of South Bend

Schedule 01

For the year ended December 31, 2024

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	3089100	Unassigned Cash and Investments - Beginning	\$332,491
0554	001	Current Expense	3111000	Property Tax	\$277,843
0554	001	Current Expense	3111002	Property Tax	\$32
0554	001	Current Expense	3131110	Local Retail Sales and Use Tax	\$276,993
0554	001	Current Expense	3133100	Hotel/Motel Sales and Use Tax	\$9,135
0554	001	Current Expense	3137100	Criminal Justice Sales and Use Tax	\$34,622
0554	001	Current Expense	3161000	Business and Occupation Taxes	\$143,764
0554	001	Current Expense	3164500	Business and Occupation Taxes on Utilities	\$15,973
0554	001	Current Expense	3164600	Business and Occupation Taxes on Utilities	\$20,776
0554	001	Current Expense	3164700	Business and Occupation Taxes on Utilities	\$18,393
0554	001	Current Expense	3164800	Business and Occupation Taxes on Utilities	\$86,026
0554	001	Current Expense	3164900	Business and Occupation Taxes on Utilities	\$169,353
0554	001	Current Expense	3168100	Gambling Tax - Punch Boards and Pull Tabs	\$295
0554	001	Current Expense	3219100	Franchise Fees and Royalties	\$66,525
0554	001	Current Expense	3219900	Other Business Licenses and Permits	\$14,100
0554	001	Current Expense	3221000	Buildings, Structures and Equipment	\$23,212
0554	001	Current Expense	3223000	Animal Licenses	\$350
0554	001	Current Expense	3311076	Federal Direct Award from Department of Agriculture	\$96,500

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	3331658	Federal Indirect Award from Department of Justice	\$3,037
0554	001	Current Expense	3332060	Federal Indirect Award from Department of Transportation	\$5,316
0554	001	Current Expense	3340270	State Award from Recreation and Conservation Office	\$7,880
0554	001	Current Expense	3340420	State Award from Department of Commerce	\$34,427
0554	001	Current Expense	3350091	PUD Privilege Tax	\$11,017
0554	001	Current Expense	3360098	City-County Assistance	\$65,565
0554	001	Current Expense	3360621	Criminal Justice - Violent Crimes/Population	\$1,000
0554	001	Current Expense	3360626	Criminal Justice - Special Programs	\$2,357
0554	001	Current Expense	3360642	Marijuana Excise Tax Distribution	\$8,893
0554	001	Current Expense	3360651	DUI and Other Criminal Justice Assistance	\$171
0554	001	Current Expense	3360694	Liquor/Beer Excise Tax	\$12,128
0554	001	Current Expense	3360695	Liquor Control Board Profits	\$13,248
0554	001	Current Expense	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$51,929
0554	001	Current Expense	3413300	District/Municipal Court - Administrative Fees	\$25
0554	001	Current Expense	3421000	Law Enforcement Services	\$4,250
0554	001	Current Expense	3422100	Fire Protection and Emergency Medical Services	\$5,175
0554	001	Current Expense	3422100	Fire Protection and Emergency Medical Services	\$48,534
0554	001	Current Expense	3431900	Storm Drainage Sales and Services	\$6,528
0554	001	Current Expense	3436000	Cemetery Sales and Services	\$35

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	3531000	Traffic Infraction Penalties	\$59,335
0554	001	Current Expense	3552000	Driving Under Influence (DUI) Fines	\$410
0554	001	Current Expense	3558000	Other Criminal Traffic Misdemeanor Fines	\$2,331
0554	001	Current Expense	3569000	Other Criminal Non-Traffic Fines	\$349
0554	001	Current Expense	3573700	District/Municipal Court Cost Recoupments	\$28
0554	001	Current Expense	3611000	Investment Earnings	\$7,150
0554	001	Current Expense	3611000	Investment Earnings	\$1,689
0554	001	Current Expense	3614000	Other Interest	\$1,000
0554	001	Current Expense	3691000	Sale of Surplus	\$23,347
0554	001	Current Expense	3691000	Sale of Surplus	\$720
0554	001	Current Expense	3691000	Sale of Surplus	\$217
0554	001	Current Expense	3699100	Miscellaneous Other Operating	\$400
0554	101	Street Fund	3340380	State Award from Transportation Improvement Board (TIB)	\$176,969
0554	101	Street Fund	3360071	Multimodal Transportation - Cities	\$2,250
0554	101	Street Fund	3360087	Motor Vehicle Fuel Tax - City Streets	\$31,064
0554	101	Street Fund	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$69,800
0554	106	Capital Fund-Docks	3085100	Assigned Cash and Investments - Beginning	\$88,942
0554	106	Capital Fund-Docks	3172000	Leasehold Excise Tax	\$346
0554	106	Capital Fund-Docks	3183400	REET 1 - First Quarter Percent	\$25,772
0554	106	Capital Fund-Docks	3622000	Rents and Leases	\$7,464
0554	106	Capital Fund-Docks	3625000	Rents and Leases	\$3,518
0554	106	Capital Fund-Docks	3625000	Rents and Leases	\$700

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	106	Capital Fund-Docks	3671100	Contributions and Donations from Nongovernmental Sources	\$141
0554	401	Water Operating Fund	3085100	Assigned Cash and Investments - Beginning	\$1,274,060
0554	401	Water Operating Fund	3331120	Federal Indirect Award from Department of Commerce	\$106,867
0554	401	Water Operating Fund	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$45,529
0554	401	Water Operating Fund	3434000	Water Sales and Services	\$919,936
0554	401	Water Operating Fund	3699110	Miscellaneous Other Operating	\$15,200
0554	404	Sewer Operating Fund	3085100	Assigned Cash and Investments - Beginning	\$340,463
0554	404	Sewer Operating Fund	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$51,722
0554	404	Sewer Operating Fund	3435000	Sewer/Reclaimed Water Sales and Services	\$1,343,869
0554	404	Sewer Operating Fund	3699110	Miscellaneous Other Operating	\$4,800
0554	405	Mosquito Control	3085100	Assigned Cash and Investments - Beginning	\$36,955
0554	405	Mosquito Control	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$56,444
0554	405	Mosquito Control	3370000	Local Awards, Entitlements, Tribal Government Distributions, and Other Payments	\$31,000
0554	610	Robert Bush Park Fund	3083100	Restricted Cash and Investments - Beginning	\$10,321
0554	620	Mary Rogers Pioneer Park Trust Fund	3082100	Nonspendable Cash and Investments - Beginning	\$7,104
0554	630	Municipal Court	3083100	Restricted Cash and Investments - Beginning	\$2,273

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	634	Miscellaneous Fee Fund	3082100	Nonspendable Cash and Investments - Beginning	\$762
0554	701	HUD Fund	3083100	Restricted Cash and Investments - Beginning	\$239,284
0554	001	Current Expense	5089100	Unassigned Cash and Investments - Ending	\$219,286
0554	001	Current Expense	5116010	Legislative Activities	\$23,836
0554	001	Current Expense	5116020	Legislative Activities	\$2,972
0554	001	Current Expense	5116030	Legislative Activities	\$4,320
0554	001	Current Expense	5116040	Legislative Activities	\$14,734
0554	001	Current Expense	5116040	Legislative Activities	\$1,574
0554	001	Current Expense	5116040	Legislative Activities	\$2,416
0554	001	Current Expense	5116040	Legislative Activities	\$2,702
0554	001	Current Expense	5116040	Legislative Activities	\$5,149
0554	001	Current Expense	5116040	Legislative Activities	\$1,182
0554	001	Current Expense	5116040	Legislative Activities	\$7,394
0554	001	Current Expense	5125110	Non-Contracted Court	\$48,624
0554	001	Current Expense	5125120	Non-Contracted Court	\$6,937
0554	001	Current Expense	5125130	Non-Contracted Court	\$1,974
0554	001	Current Expense	5125140	Non-Contracted Court	\$12,000
0554	001	Current Expense	5125140	Non-Contracted Court	\$16,800
0554	001	Current Expense	5125140	Non-Contracted Court	\$1,080
0554	001	Current Expense	5125140	Non-Contracted Court	\$5,417
0554	001	Current Expense	5125140	Non-Contracted Court	\$2,237
0554	001	Current Expense	5142010	Financial Services	\$89,636
0554	001	Current Expense	5142020	Financial Services	\$27,907
0554	001	Current Expense	5142030	Financial Services	\$5,925
0554	001	Current Expense	5142040	Financial Services	\$35
0554	001	Current Expense	5142040	Financial Services	\$14,324
0554	001	Current Expense	5142040	Financial Services	\$1,601
0554	001	Current Expense	5142040	Financial Services	\$4,156
0554	001	Current Expense	5142040	Financial Services	\$2,974
0554	001	Current Expense	5148140	Licensing	\$31,755
0554	001	Current Expense	5154140	External Legal Services - Advice	\$5,723

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$884
0554	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$740
0554	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$810
0554	001	Current Expense	5183040	Maintenance/Security/Insurance/Janitorial Services	\$35,622
0554	001	Current Expense	5217020	Traffic Policing	\$491,616
0554	001	Current Expense	5217020	Traffic Policing	\$192,998
0554	001	Current Expense	5217020	Traffic Policing	\$3,069
0554	001	Current Expense	5217020	Traffic Policing	\$2,317
0554	001	Current Expense	5217020	Traffic Policing	\$4,000
0554	001	Current Expense	5217020	Traffic Policing	\$2,000
0554	001	Current Expense	5217020	Traffic Policing	\$4,343
0554	001	Current Expense	5217030	Traffic Policing	\$1,487
0554	001	Current Expense	5217030	Traffic Policing	\$5,219
0554	001	Current Expense	5217030	Traffic Policing	\$17,642
0554	001	Current Expense	5217040	Traffic Policing	\$300
0554	001	Current Expense	5217040	Traffic Policing	\$153
0554	001	Current Expense	5217040	Traffic Policing	\$9,310
0554	001	Current Expense	5217040	Traffic Policing	\$19,301
0554	001	Current Expense	5217040	Traffic Policing	\$1,042
0554	001	Current Expense	5217040	Traffic Policing	\$65,627
0554	001	Current Expense	5217040	Traffic Policing	\$4,706
0554	001	Current Expense	5217040	Traffic Policing	\$8,491
0554	001	Current Expense	5217040	Traffic Policing	\$24,316
0554	001	Current Expense	5217040	Traffic Policing	\$1,034
0554	001	Current Expense	5225010	Facilities	\$3,395
0554	001	Current Expense	5225020	Facilities	\$1,412
0554	001	Current Expense	5225030	Facilities	\$405
0554	001	Current Expense	5225030	Facilities	\$11,009
0554	001	Current Expense	5225030	Facilities	\$8,540

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	5225030	Facilities	\$4,163
0554	001	Current Expense	5225030	Facilities	\$11,770
0554	001	Current Expense	5225040	Facilities	\$282
0554	001	Current Expense	5225040	Facilities	\$2,653
0554	001	Current Expense	5225040	Facilities	\$1,966
0554	001	Current Expense	5225040	Facilities	\$16,221
0554	001	Current Expense	5225040	Facilities	\$5,000
0554	001	Current Expense	5251040	Administration	\$12,639
0554	001	Current Expense	5586040	Planning	\$1,800
0554	001	Current Expense	5586040	Planning	\$20,720
0554	001	Current Expense	5620040	Public Health Services	\$1,603
0554	001	Current Expense	5725030	Facilities	\$209
0554	001	Current Expense	5725040	Facilities	\$1,020
0554	001	Current Expense	5725040	Facilities	\$1,484
0554	001	Current Expense	5725040	Facilities	\$6,482
0554	001	Current Expense	5725040	Facilities	\$1,823
0554	001	Current Expense	5768010	General Parks	\$36,989
0554	001	Current Expense	5768020	General Parks	\$15,300
0554	001	Current Expense	5768030	General Parks	\$6,736
0554	001	Current Expense	5768030	General Parks	\$1,350
0554	001	Current Expense	5768040	General Parks	\$540
0554	001	Current Expense	5768040	General Parks	\$4,721
0554	001	Current Expense	5768040	General Parks	\$4,090
0554	001	Current Expense	5768040	General Parks	\$341
0554	101	Street Fund	5423010	Roadway	\$147,838
0554	101	Street Fund	5423020	Roadway	\$61,849
0554	101	Street Fund	5423020	Roadway	\$250
0554	101	Street Fund	5423030	Roadway	\$12,631
0554	101	Street Fund	5423030	Roadway	\$5,599
0554	101	Street Fund	5423030	Roadway	\$4,892
0554	101	Street Fund	5423030	Roadway	\$1,387
0554	101	Street Fund	5423040	Roadway	\$15,907
0554	101	Street Fund	5423040	Roadway	\$18,022
0554	101	Street Fund	5423040	Roadway	\$2,384

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	106	Capital Fund-Docks	5085100	Assigned Cash and Investments - Ending	\$110,101
0554	106	Capital Fund-Docks	5466010	Airports and Ports	\$6,241
0554	106	Capital Fund-Docks	5466020	Airports and Ports	\$1,954
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$346
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$793
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$3,960
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$473
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$2,118
0554	106	Capital Fund-Docks	5466040	Airports and Ports	\$897
0554	401	Water Operating Fund	5085100	Assigned Cash and Investments - Ending	\$1,081,246
0554	401	Water Operating Fund	5348010	Water Utilities	\$338,047
0554	401	Water Operating Fund	5348020	Water Utilities	\$137,798
0554	401	Water Operating Fund	5348020	Water Utilities	\$875
0554	401	Water Operating Fund	5348030	Water Utilities	\$38,471
0554	401	Water Operating Fund	5348030	Water Utilities	\$17,931
0554	401	Water Operating Fund	5348030	Water Utilities	\$9,543
0554	401	Water Operating Fund	5348030	Water Utilities	\$16,114
0554	401	Water Operating Fund	5348040	Water Utilities	\$40,904
0554	401	Water Operating Fund	5348040	Water Utilities	\$45,293
0554	401	Water Operating Fund	5348040	Water Utilities	\$8,550
0554	401	Water Operating Fund	5348040	Water Utilities	\$8,596
0554	401	Water Operating Fund	5348040	Water Utilities	\$1,672
0554	401	Water Operating Fund	5348040	Water Utilities	\$29,912
0554	401	Water Operating Fund	5348040	Water Utilities	\$2,320
0554	401	Water Operating Fund	5348040	Water Utilities	\$3,528
0554	401	Water Operating Fund	5348040	Water Utilities	\$28,263
0554	401	Water Operating Fund	5348040	Water Utilities	\$63,595
0554	401	Water Operating Fund	5348040	Water Utilities	\$7,766
0554	401	Water Operating Fund	5348040	Water Utilities	\$3,700
0554	404	Sewer Operating Fund	5085100	Assigned Cash and Investments - Ending	\$573,513
0554	404	Sewer Operating Fund	5358010	Sewer/Reclaimed Water Utilities	\$141,803

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	404	Sewer Operating Fund	5358020	Sewer/Reclaimed Water Utilities	\$52,189
0554	404	Sewer Operating Fund	5358020	Sewer/Reclaimed Water Utilities	\$875
0554	404	Sewer Operating Fund	5358030	Sewer/Reclaimed Water Utilities	\$8,349
0554	404	Sewer Operating Fund	5358030	Sewer/Reclaimed Water Utilities	\$640
0554	404	Sewer Operating Fund	5358030	Sewer/Reclaimed Water Utilities	\$8,572
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$12,224
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$51,740
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$7,993
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$440
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$60,118
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$13,211
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$4,456
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$17,221
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$320,708
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$3,056
0554	404	Sewer Operating Fund	5358040	Sewer/Reclaimed Water Utilities	\$2,388
0554	405	Mosquito Control	5085100	Assigned Cash and Investments - Ending	\$24,257
0554	405	Mosquito Control	5542010	Nuisance Control	\$1,652
0554	405	Mosquito Control	5542010	Nuisance Control	\$528
0554	405	Mosquito Control	5542010	Nuisance Control	\$67,536
0554	405	Mosquito Control	5542010	Nuisance Control	\$30,426
0554	610	Robert Bush Park Fund	5083100	Restricted Cash and Investments - Ending	\$20,696
0554	620	Mary Rogers Pioneer Park Trust Fund	5082100	Nonspendable Cash and Investments - Ending	\$7,264

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	630	Municipal Court	5082100	Nonspendable Cash and Investments - Ending	\$9,227
0554	634	Miscellaneous Fee Fund	5082100	Nonspendable Cash and Investments - Ending	\$1,212
0554	701	HUD Fund	5083100	Restricted Cash and Investments - Ending	\$239,284
0554	001	Current Expense	3970000	Transfers-In	\$98,371
0554	101	Street Fund	3970000	Transfers-In	\$116,075
0554	401	Water Operating Fund	3821000	Refundable Deposits	\$2,200
0554	610	Robert Bush Park Fund	3893000	Custodial Type Collections	\$10,000
0554	610	Robert Bush Park Fund	3896000	Custodial Type Interest Earnings	\$375
0554	620	Mary Rogers Pioneer Park Trust Fund	3893000	Custodial Type Collections	\$500
0554	630	Municipal Court	3894000	Custodial Type Deposits	\$104,998
0554	630	Municipal Court	3894000	Custodial Type Deposits	\$15,686
0554	630	Municipal Court	3894000	Custodial Type Deposits	\$38,261
0554	634	Miscellaneous Fee Fund	3885000	Change in Accounting Principle	\$982
0554	634	Miscellaneous Fee Fund	3885000	Change in Accounting Principle	\$335
0554	001	Current Expense	5941160	Capital Expenditures/Expenses - Legislative Services	\$1,694
0554	001	Current Expense	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$114,000
0554	001	Current Expense	5942160	Capital Expenditures/Expenses - Law Enforcement Services	\$11,907
0554	001	Current Expense	5942260	Capital Expenditures/Expenses - Fire Suppression and EMS Services	\$13,922
0554	001	Current Expense	5947260	Capital Expenditures/Expenses - Libraries	\$49,921
0554	001	Current Expense	5947660	Capital Expenditures/Expenses - Park Facilities	\$11,000

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	001	Current Expense	5970000	Transfers-Out	\$34,319
0554	001	Current Expense	5970000	Transfers-Out	\$116,075
0554	001	Current Expense	5970000	Transfers-Out	\$64,052
0554	101	Street Fund	5944260	Capital Expenditures/Expenses - Roads/Streets Ordinary Maintenance	\$1,803
0554	101	Street Fund	5953060	Capital Expenditures/Expenses - Roadway	\$13,595
0554	101	Street Fund	5953060	Capital Expenditures/Expenses - Roadway	\$70,684
0554	101	Street Fund	5953060	Capital Expenditures/Expenses - Roadway	\$39,316
0554	401	Water Operating Fund	5821000	Refund of Deposits	\$3,108
0554	401	Water Operating Fund	5913170	Debt Repayment - Storm Drainage Utilities	\$43,680
0554	401	Water Operating Fund	5913470	Debt Repayment - Water Utilities	\$21,053
0554	401	Water Operating Fund	5913470	Debt Repayment - Water Utilities	\$115,714
0554	401	Water Operating Fund	5923480	Interest and Other Debt Service Cost - Water Utilities	\$2,314
0554	401	Water Operating Fund	5923480	Interest and Other Debt Service Cost - Water Utilities	\$2,526
0554	401	Water Operating Fund	5923480	Interest and Other Debt Service Cost - Water Utilities	\$65,640
0554	401	Water Operating Fund	5943440	Capital Expenditures/Expenses - Water Utilities	\$1,305
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$564
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$2,721
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$13,190

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$144,367
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$48,660
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$2,777
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$1,803
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$2,742
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$3,536
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$3,536
0554	401	Water Operating Fund	5943460	Capital Expenditures/Expenses - Water Utilities	\$433
0554	404	Sewer Operating Fund	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$91,748
0554	404	Sewer Operating Fund	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$53,363
0554	404	Sewer Operating Fund	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$59,124
0554	404	Sewer Operating Fund	5913570	Debt Repayment - Sewer/Reclaimed Water Utilities	\$121,345
0554	404	Sewer Operating Fund	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$5,336
0554	404	Sewer Operating Fund	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$4,655

MCAG	Fund #	Fund Name	BARS Account	BARS Name	Amount
0554	404	Sewer Operating Fund	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$5,436
0554	404	Sewer Operating Fund	5923580	Interest and Other Debt Service Cost - Sewer/Reclaimed Water Utilities	\$112,303
0554	404	Sewer Operating Fund	5943540	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$6,245
0554	404	Sewer Operating Fund	5943540	Capital Expenditures/Expenses - Sewer/Reclaimed Water Utilities	\$1,803
0554	620	Mary Rogers Pioneer Park Trust Fund	5893000	Custodial Type Remittances	\$340
0554	630	Municipal Court	5860000	Court Remittances	\$38,261
0554	630	Municipal Court	5860000	Court Remittances	\$260
0554	630	Municipal Court	5863000	Court Remittances	\$113,471
0554	634	Miscellaneous Fee Fund	5863000	Court Remittances	\$316
0554	634	Miscellaneous Fee Fund	5893000	Custodial Type Remittances	\$551

**City of South Bend**  
**SCHEDULE SUMMARY OF BANK RECONCILIATION**  
 For the Fiscal Year ended December 31, 2024

[CASH BARS Schedule 06 Instructions Link](#)

Bank & Investment Account name  (1)	FROM BANK STATEMENTS					
	Beginning Bank Balance  (2)	Deposits		Withdrawals		Ending Bank Balance  (7)
		Receipts  (3)	Inter-bank transfers In  (4)	Disbursements  (5)	Inter-bank transfers out  (6)	
<i>Bank of the Pacific-Checking</i>	\$ 301,730	\$ 4,674,738	\$ 200,000	\$ 4,702,154	\$ -	\$ 474,314
<i>Bank of the Pacific-Police Dept</i>	\$ 508	\$ 5,541	\$ -	\$ 5,334	\$ -	\$ 714
<i>Bank of the Pacific-Municipal Court</i>	\$ 10,662	\$ 119,959	\$ -	\$ 113,471	\$ -	\$ 17,151
<i>US Bank-Investment Account</i>	\$ 267,269	\$ 5,229	\$ 750,117	\$ 456	\$ 937,890	\$ 84,268
<i>US Bank-Settlement Account</i>	\$ 1,620,422	\$ 15,630	\$ 737,890	\$ -	\$ 750,117	\$ 1,623,825
<i>Local Government Investment Pool</i>	\$ 69,902	\$ 3,754	\$ -	\$ -	\$ -	\$ 73,656
<b>Bank Totals</b>	<b>\$ 2,270,493</b>	<b>\$ 4,824,851</b>	<b>\$ 1,688,007</b>	<b>\$ 4,821,415</b>	<b>\$ 1,688,007</b>	<b>\$ 2,273,927</b>

RECONCILING ITEMS						
Beginning Deposits in Transit (8)	\$ 18,019	\$ (18,019)				
Year-end Deposits in Transit (9)		\$ 7,269				\$ 7,269
Beginning Outstanding & Open Period Items (10)	\$ (151,189)			\$ (151,189)		
Year-end Outstanding & Open Period Items (11)				\$ 173,252		\$ (173,252)
NSF Checks (12)		\$ (5,780)		\$ (5,780)		
Cancellation of unredeemed checks/warrants (13)		\$ -				
Interfund transactions (14)		\$ 414,799		\$ 414,799		
Netted Transactions (15)		\$ -		\$ -		
141	\$ 400					\$ 400
Other Reconciling Items, net (17)	+ / -	+ / -		+ / -		+ / -
<b>Reconciling Items Totals</b>	<b>\$ (132,770)</b>	<b>\$ 398,270</b>		<b>\$ 431,082</b>		<b>\$ (165,583)</b>

FROM GENERAL LEDGER					
	Beginning Cash & Investment Balance  (19)	Revenues & Other Increases  (20)		Expenditures & Other Decreases  (21)	Ending Cash & Investment Balance  (22)
<b>C4/C5 or Trial Balance Totals (18)</b>	<b>\$ 2,332,655</b>	<b>\$ 4,898,293</b>		<b>\$ 4,956,602</b>	<b>\$ 2,274,346</b>
<b>Unreconciled Variance (23)</b>	<b>\$ (194,932)</b>	<b>\$ 324,827</b>		<b>\$ 295,896</b>	<b>\$ (166,002)</b>

**City of South Bend  
Schedule of Liabilities  
For the Year Ended December 31, 2024**

ID. No.	Debt ID Title	Description	Due Date	Beginning Balance	Additions	Reductions	Ending Balance
<b>General Obligation Debt/Liabilities</b>							
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Inflow and Infiltration	1/1/2024	50,489	-	50,489	-
263.87	Public Works Trust Fund (PWTF) Loans	Martin Creek Dam	7/1/2027	84,207	-	21,053	63,154
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Reservoir Tanks	6/1/2027	462,857	-	115,714	347,143
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	WWTP Improvements (Old)	3/31/2028	130,579	-	28,261	102,318
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Regional WWTP	7/1/2028	261,718	-	53,363	208,355
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	RWWTP Design	1/1/2031	462,335	-	59,124	403,211
263.81	Loans and other obligations to the federal government or other out-of-state governments	RWWTP Construction	12/1/2052	2,443,616	-	60,256	2,383,360
263.81	Loans and other obligations to the federal government or other out-of-state governments	RWWTP Construction	12/1/2052	2,594,643	-	61,089	2,533,554
263.83	Loans and other obligations to Washington state agencies (Except LOCAL and PWTF loans)	Central Ave Completion Project	6/1/2040	242,050	-	12,995	229,055
263.81	Loans and other obligations to the federal government or other out-of-state governments	USDA-WTP Upgrade	12/1/2059	2,944,087	-	43,680	2,900,407
<b>Total General Obligation Debt/Liabilities:</b>				<b>9,676,581</b>	<b>-</b>	<b>506,024</b>	<b>9,170,557</b>
<b>Revenue and Other (non G.O.) Debt/Liabilities</b>							
264.30	Pension Liabilities	Net Pension Liability		209,457	79,047	-	288,504

**City of South Bend  
Schedule of Liabilities  
For the Year Ended December 31, 2024**

<b>ID. No.</b>	<b>Debt ID Title</b>	<b>Description</b>	<b>Due Date</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>
264.40	OPEB Liabilities	OPEB		244,689	-	37,145	207,544
259.12	Compensated Absences	Compensated Absences		1,821,392	249,161	4,262	2,066,291
263.57	Leases, SBITA, and PPPs	Pitney Bowes Postage Machine	2/17/2027	2,351	-	565	1,786
<b>Total Revenue and Other (non G.O.) Debt/Liabilities:</b>				<b>2,277,889</b>	<b>328,208</b>	<b>41,972</b>	<b>2,564,125</b>
<b>Total Liabilities:</b>				<b>11,954,470</b>	<b>328,208</b>	<b>547,996</b>	<b>11,734,682</b>

**City of South Bend**  
**Schedule of Expenditures of State Financial Assistance**  
**For the Year Ended December 31, 2024**

State Agency Name	Program Title	Identification Number	Total
State Award from Transportation Improvement Board (TIB)	Broadway Ave Harrison - Monroe	6-W-972(010)-1	79,898
State Award from Transportation Improvement Board (TIB)	Broadway Ave Adams - Monroe Overlay	2-W-972(008)-1	34,003
State Award from Transportation Improvement Board (TIB)	First St. Reconstruction - A Street to C Street	6-W-972(011)-1	63,068
		<b>Sub-Total:</b>	<b>176,969</b>
		<b>Total State Grants Expended:</b>	<b>176,969</b>

**City of South Bend  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2024**

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		
RURAL UTILITIES SERVICE, AGRICULTURE, DEPARTMENT OF	Water and Waste Disposal Systems for Rural Communities	10.760		-	106,867	106,867	-	
RURAL HOUSING SERVICE, AGRICULTURE, DEPARTMENT OF	Community Facilities Loans and Grants	10.766		-	96,500	96,500	-	
OFFICE ON VIOLENCE AGAINST WOMEN, JUSTICE, DEPARTMENT OF (via Pacific County Sheriff Department)	Violence Against Women Formula Grants	16.588	F-23-31103-010	3,037	-	3,037	-	
<b>Total Federal Awards Expended:</b>				<b>3,037</b>	<b>203,367</b>	<b>206,404</b>	<b>-</b>	

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

City of South Bend

NOTES TO THE FEDERAL SCHEDULE OF FINANCIAL ASSISTANCE  
(Schedule 16)

January 1, 2024 through December 31, 2024

**NOTE 1 - BASIS OF ACCOUNTING**

This schedule is prepared on the same basis of accounting as the City of South Bend's financial statements. The city uses the cash basis of accounting.

**NOTE 2 - FEDERAL DE MINIMIS INDIRECT COST RATE**

The City of South Bend has elected not use the 10-percent de minimis cost rate allowed under the Uniform Guidance

**NOTE 3 - PROGRAM COSTS**

The amounts shown as current year expenditures represent only the federal grant portion of the program costs. Entire program costs, including the City of South Bend's portion, are more than shown.

**City of South Bend**  
**(County/City/District)**

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**Local Government Risk Assumption**  
**For the Year Ended December 31, 2024**

1. Self-Insurance Program Manager: David Johnson
2. Manager Phone: (360) 875-5571
3. Manager Email: david.johnson@southbend-wa.gov
4. How do you insure property and liability risks, if at all?
  - a. Formal self-insurance program for some or all perils/risks
  - b. **Belong to a public entity risk pool**
  - c. Purchase private insurance
  - d. Retain risk internally without a self-insurance program (i.e., risk assumption)
5. How do you provide health and welfare insurance (e.g., medical, dental, prescription drug, and/or vision benefits) to employees, if at all?
  - a. Self-insure some or all benefits
  - b. **Belong to a public entity risk pool**
  - c. All benefits provided by health insurance company or HMO
  - d. Not applicable – no such benefits offered
6. How do you insure unemployment compensation benefits, if any?
  - a. **Self-insured (“Reimbursable”)**
  - b. Belong to a public entity risk pool
  - c. Pay taxes to the Department of Employment Security (“Taxable”)
  - d. Not applicable – no employees
7. How do you insure workers compensation benefits, if any?
  - a. Self-insured (“Reimbursable”)
  - b. Belong to a public entity risk pool
  - c. **Pay premiums to the Department of Labor and Industries**
  - d. Not applicable – no employees
8. How do you participate in the Washington Paid Family & Medical Leave Program?
  - a. Self-insured (“Voluntary Plan”) for one or both program benefits
  - b. **Pay premiums to the State’s program for both benefits**
  - c. Not Applicable – No Employees

**If the local government DID NOT answer (a) to any of the above questions, then there is no need to complete the rest of this schedule.**

**If the local government answered (a) to any of the above questions, then answer the rest of the form in relation to the government's self-insured risks and copy the table below as needed.**

	<b><u>Please list the title of the self-insurance program or type of risk covered by self-insurance:</u></b>				
	<i>Program/Risk 1</i>	<i>Program/Risk 2</i>	<i>Program/Risk 3</i>	<i>Program/Risk 4</i>	<i>Program/Risk 5</i>
Self-Insurance as a <i>formal</i> program?			N/A		
If yes, do other governments participate?					
If yes, please list participating governments.					
Self-Insure as part of a joint program?			N/A		
Does a Third-Party Administer manage claims?			N/A		
If no, does an employee or official reconcile claims payments to the information in the claims management software or other records of approved claims? (Not applicable for self-insured unemployment compensation.)					
Has program had a claims audit in last three years?			N/A		
Are program resources sufficient to cover expenses?			Yes		
Does an actuary estimate program liability?			No		
Number of claims paid during the period?			1		
Total amount of paid claims during the period?			1		
Total amount of recoveries during the period?			∅		

Provide any other information necessary to explain answers to the Schedule 21 questions above.

**City of South Bend**  
**Schedule 21 Questions 1-6 (unaudited)**  
**For Fiscal Year Ended: 2024**

<b>Property and Liability Insurance</b>	<b>Health and Welfare Insurance</b>	<b>Unemployment Compensation Obligations</b>	<b>Workers Compensation Obligations</b>	<b>Other Risks or Obligations</b>
Belong to a public entity risk pool	Belong to a public entity risk pool	"Reimbursable" status, with accumulated resources (i.e. self-insurance program)	Pay premiums to the Department of Labor and Industries	

Washington PFML Program	Entity	Government Type
Pay premiums to the State's program for both benefits	City of South Bend	City/Town

# 2024 Annual Report Certification City of South Bend

MCAG No. 0554

Submitted pursuant to RCW 43.09.230 to the Washington State Auditor's Office

FOR THE FISCAL YEAR ENDED December 31, 2024

## Government Information:

1102 W. First Street, P.O. Box 9, South Bend, WA 98586

Website: [www.southbend-wa.gov](http://www.southbend-wa.gov)

Email: [southbend-wa.gov](mailto:southbend-wa.gov)

Phone: (360) 875-5571

## Preparer Information & Certification:

Preparer: David Johnson – Clerk/Treasurer

Phone: (360) 875-5571

Email: [david.johnson@southbend-wa.gov](mailto:david.johnson@southbend-wa.gov)

I do hereby certify on the 28<sup>th</sup> day of May, 2024, that annual report information is complete, accurate and in conformity with the Budgeting, Accounting and Reporting System Manual, to the best of my knowledge and belief, having reviewed this information and taken all appropriate steps in order to provide such certification. I acknowledge and understand our responsibility for the design and implementation of controls to ensure accurate financial reporting, comply with applicable laws and safeguard public resources, including controls to prevent and detect fraud. Finally, I acknowledge and understand our responsibility for immediately submitting corrected annual report information if any errors or an omission in such information is subsequently identified.

Preparer Signature: \_\_\_\_\_

Reviewed by: \_\_\_\_\_

**CITY OF SOUTH BEND**  
**LABOR RELATIONS CONSULTANT(S)**  
**For the Year Ended December 31, 2024**

Has your government engaged labor relations consultants?

Yes

No

If yes, please provide the following information for each consultant(s):

Name Of Firm
Name Of Consultant
Business Address
Amount Paid To Consultant During Fiscal Year
Terms And Conditions, As Applicable, Including:  Rates (e.g., hourly, etc) _____  Maximum Compensations Allowed _____  Duration Of Service _____  Services Provided _____  _____